



## OAKTREE EMERGING MARKETS EQUITY FUND - CLASS RH EUR ACC

A SUBFUND OF OAKTREE (LUX.) FUNDS

FACTSHEET | SEPTEMBER 2021

## ABOUT OAKTREE

Founded in 1995, Oaktree is a leading global investment management firm focused on alternative markets. Oaktree manages \$156 billion of assets in contrarian, value-oriented, risk-controlled investment strategies. Oaktree's mission is to deliver superior investment results with risk under control and to conduct our business with the highest integrity.

## FUND OVERVIEW

**Fund Base Currency**  
USD

**Total Net Assets (in millions)**  
186.86

**SICAV Strategy Inception Date**  
1 August 2013

**Domicile**  
Luxembourg

**Legal Structure**  
SICAV

**Morningstar Category**  
EAA Fund Other Equity

**Benchmark Name**  
MSCI EM (NR) 100% Hedged to EUR

## FUND MANAGERS

**Frank Carroll**  
31 Years of Experience

**Janet Wang**  
21 Years of Experience

## SHARE CLASS FACTS

**Unit Class**  
Category Rh EUR acc (capital growth)

**Unit Class Currency**  
EUR

**Share Class Inception Date**  
12 May 2014

**ISIN Number**  
LU0931247588

**Bloomberg Ticker**  
OEMEHEB LX

**Valor Number**  
21362591

**WKN Number**  
A113RC

**Net Asset Value**  
115.65

**Minimum Investment**  
0

**Redemptions**  
Daily

**Base Management Fee p.a.**  
1.60%

## INVESTMENT OBJECTIVE

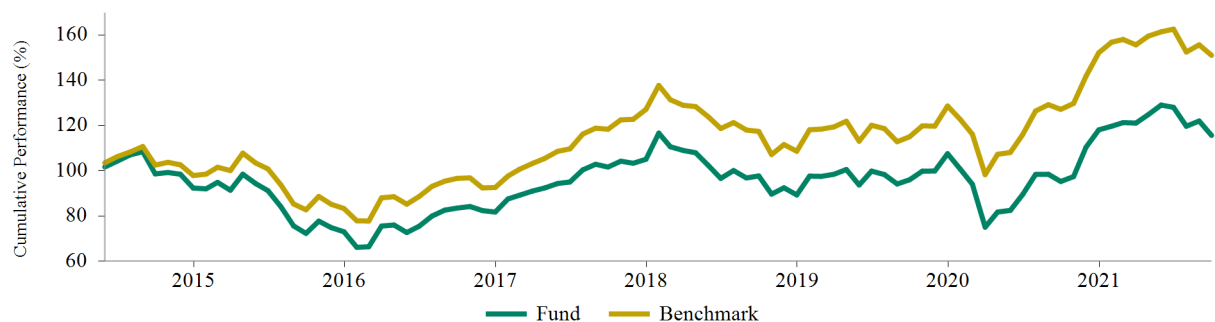
The fund seeks to earn superior risk-adjusted returns through disciplined stock selection across the world's emerging markets. We engage in fundamental, bottom-up research to identify companies that have solid business models, strong cash-flow generation potential and sound corporate governance, and are trading at attractive valuations. The fund invests primarily in Asia, Latin America, Eastern Europe, the Middle East and Africa.

PORTFOLIO COMMENTARY<sup>1</sup>

Emerging markets fell in September, performing in-line with developed markets. The asset class was weighed down by a sell-off in Chinese equities, driven by the Evergrande debt crisis and ongoing regulatory concerns, which spilled over into other markets. Against this backdrop, Brazil was the worst performing country during the month due to political noise, accelerated inflation and uncertainty around the economic recovery. Russia was the best performer as its energy-heavy market benefitted from a rise in oil prices. Emerging markets currencies weakened against the dollar, which appreciated against other developed markets currencies. Emerging markets equity funds received net inflows during the month.

The Fund underperformed the MSCI EM Index Net benchmark in September. By country, stock selection in Indonesia detracted from our relative performance, as did our overweight allocation to Brazil. Stock selection in Korea contributed positively. At the sector level, stock selection among materials and consumer discretionary negatively impacted our relative results, while stock selection among health care had a positive effect. Our underweight allocation to consumer discretionary stocks contributed positively.

The portfolio is overweight materials, financials and industrials, while underweight communication services and consumer discretionary. By country, our largest overweights are Brazil, Indonesia and Russia, and our largest underweights are Taiwan and South Africa. We have no exposure to Malaysia or Saudi Arabia.

HISTORICAL PERFORMANCE (NET)<sup>2</sup>CUMULATIVE AND ANNUALISED PERFORMANCE (%)<sup>2</sup>

	1 Month	3 Months	YTD	1 Year	3 Years (p.a)	5 Years (p.a)	Since Inception (p.a)
Fund (Net)	(5.21)	(9.68)	(2.07)	21.40	5.77	6.72	1.99
Benchmark	(2.99)	(7.12)	(0.72)	14.62	6.67	7.05	4.84

ANNUAL PERFORMANCE (%)<sup>2</sup>

	2021	2020	2019	2018	2017	2016
Fund (Net)	(2.07)	9.80	20.41	(15.01)	28.55	11.94
Benchmark	(0.72)	17.04	13.93	(13.29)	25.76	5.51

## PORTFOLIO CHARACTERISTICS

		Portfolio	Benchmark
Fund Characteristics	Number Of Holdings	69	1,418
	Weighted Average Market Cap (billions)		
	All Holdings	100.43	130.95
	Top 10 Holdings	236.26	399.17
	Median Market Cap (billions)	22.10	7.71
Valuation	Cash	0.70%	n/a
	Price/Book Ratio	1.43x	1.67x
	Forward Price/Earnings	9.64x	12.74x
Risk analysis	Annualized Volatility (1 year/3 year)	17.12%/21.87%	12.16%/16.04%
	Beta (1 year/3 year)	1.31/1.32	n/a
	Information Ratio (1 year/3 year)	0.93/(0.12)	n/a
	Tracking Error (ex post) (1 year/3 year)	7.26/7.43	n/a

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## SECTOR DIVERSIFICATION

	% of Fund
Financials	26.21
Materials	19.81
Information Technology	17.27
Industrials	11.21
Energy	9.52
Consumer Discretionary	5.63
Health Care	4.64
Real Estate	2.52
Consumer Staples	2.40
Communication Services	0.79

## GEOGRAPHIC DIVERSIFICATION (TOP COUNTRIES)

	% of Fund	Fund vs Benchmark (%)
<b>Asia</b>	66.32	(7.09)
China	33.58	(0.33)
Korea	11.30	(1.31)
India	11.10	(1.08)
Taiwan	10.34	(4.37)
<b>EMEA</b>	11.10	3.57
Russia	6.72	2.79
South Africa	1.62	(1.54)
Greece	1.57	1.39
Hungary	1.19	0.93
<b>Latin America</b>	15.50	9.14
Brazil	11.09	6.64
Mexico	4.41	2.50

## TOP 10 ISSUERS

	Sector	% of Fund
Taiwan Semiconductor Manufacturing Co Ltd	Information Technology	6.48
Samsung Electronics Co Ltd	Information Technology	4.16
Reliance Industries Ltd	Energy	3.39
Sberbank of Russia PJSC	Financials	3.07
Lukoil PJSC	Energy	2.74
Hana Financial Group Inc	Financials	2.71
Larsen & Toubro Ltd	Industrials	2.49
Bank Rakyat Indonesia Persero Tbk PT	Financials	2.43
Alibaba Group Holding Ltd	Consumer Discretionary	2.42
ICICI Bank Ltd	Financials	2.41
		32.30

## TOP 3 HOLDINGS BY REGION

	Sector	Fund vs Benchmark (%)
<b>Asia</b>		
Taiwan Semiconductor Manufacturing Co Ltd	Information Technology	(0.03)%
Samsung Electronics Co Ltd	Information Technology	(0.25)%
Reliance Industries Ltd	Energy	2.16
<b>Latin America</b>		
Petroleo Brasileiro SA	Energy	1.70
Vale SA	Materials	1.30
Banco Bradesco SA	Financials	1.62
<b>EMEA</b>		
Sberbank of Russia PJSC	Financials	2.43
LUKOIL PJSC	Energy	2.24
AngloGold Ashanti Ltd	Materials	1.54

## TOP 10 OVERWEIGHTS BY ISSUER

	% of Fund	% of Index	% of Relative
Hana Financial Group Inc	2.71	0.15	2.56
Sberbank of Russia PJSC	3.08	0.64	2.43
Larsen & Toubro Ltd	2.49	0.20	2.29
LUKOIL PJSC	2.74	0.50	2.24
Bank Rakyat Indonesia Persero Tbk PT	2.43	0.23	2.20
Reliance Industries Ltd	3.39	1.23	2.16
WuXi AppTec Co Ltd	2.23	0.15	2.08
JD Logistics Inc	1.99	0.00	1.99
ICICI Bank Ltd	2.41	0.61	1.79
Petroleo Brasileiro SA	2.25	0.55	1.70

## TOP 10 UNDERWEIGHTS BY ISSUER

	% of Fund	% of Index	% of Relative
Tencent Holdings Ltd	0.00	4.33	(4.33)
Meituan	0.00	1.62	(1.62)
Alibaba Group Holding Ltd	2.42	3.52	(1.10)
Infosys Ltd	0.00	0.98	(0.98)
Housing Development Finance Corp Ltd	0.00	0.81	(0.81)
JD.com Inc	0.00	0.80	(0.80)
Gazprom PJSC	0.00	0.75	(0.75)
Wuxi Biologics Cayman Inc	0.00	0.74	(0.74)
NIO Inc	0.00	0.62	(0.62)
Tata Consultancy Services Ltd	0.00	0.60	(0.60)

## ENDNOTES

*Note: Historical performance indications and financial market scenarios are no guarantee for current or future performance.*

- <sup>1</sup> *References to fund and index performance are stated on a gross basis, before management fees and any expenses. Net performance of the Fund, after management fees and expenses are available on this factsheet.*
- <sup>2</sup> *Performance indications do not consider commissions levied at subscription and/or redemption but do include the impact of swing pricing procedures implemented by the fund administrator. The fund administrator will implement swing pricing when contributions or redemptions exceed a defined threshold, and this may impact performance as reported at month end.*

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The Sub-fund is actively managed. While the Sub-fund has a reference benchmark, it is actively managed by implementing Oaktree’s investment philosophy and process. Oaktree is aware of the benchmark’s composition and characteristics but has an ample degree of freedom to deviate from it.

Investment principal on bonds can be eroded depending on sale price or market price. In addition, there are bonds in some sub-funds of the Oaktree (Lux.) Funds in which investment principal can be eroded due to changes in redemption amounts. Care is required when investing in such instruments. Oaktree (Lux.) Funds is domiciled in Luxembourg. The representative in Switzerland is ACOLIN Fund Services, Leutschenbachstrasse 50, CH-8050 Zürich. The paying agent in Switzerland is NPB Neue Privat Bank AG, Limmatquai 1 / am Bellevue, P.O. Box, CH-8024 Zurich. Subscriptions are only valid on the basis of the current sales prospectus, the bylaws and/or contractual terms and conditions and the most recent annual report (or semi-annual report, if more recent). The prospectus, the Key Investor Information Document (KIID), bylaws and/or the contractual terms and conditions and the annual and semi-annual reports are available free of charge from the representative in Switzerland. In respect of the units offered in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. Copyright © 2020 Oaktree Capital Management, L.P.<sup>TM</sup> and/or its affiliates. All rights reserved.