

# LO FUNDS - EMERGING EQUITY FACTOR ENHANCED, (USD) P

## FUND FACTS

Domicile	Luxembourg/SICAV
Fund inception date	17 October 2007
Currency of Fund	USD
Currency of share class	USD
Registered in	AT, BE, CH, DE, ES, FI, FR, GB, IT, LI, LU, NL, NO, SE
Fund manager	A. Deruaz (CFA), A. Medvedev
Net assets (all classes)	USD 155.18 million
Number of positions	491
Liquidity (sub./red.)	Daily
Min. investment	EUR 3'000 or equivalent
Management fee	0.65%
Distribution fee	0.65%
Performance fee	0.00%
TER max (31 March 2016)	1.75%

## RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

CODES	Class A	Class D
ISIN	LU0293415914	LU0293416136
Bloomberg	LOGEMUD LX	LOGEMDD LX
Telekurs	3011479	3011484
NAV	USD 6.33	USD 5.73

## FISCAL INFORMATION

EUSD	In Scope - no tax
UKRFS	Yes
DE InvStG	Transparent
Last dividend paid (25.11.2015)	USD 0.05

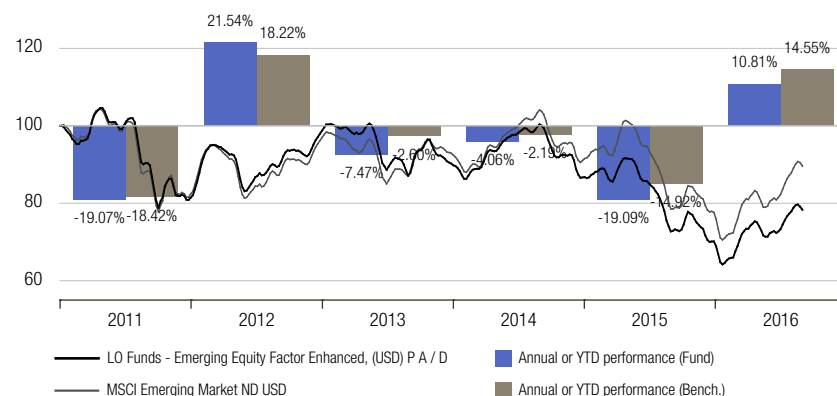
## RATINGS

Morningstar Rating	★★★★★
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## HIGHLIGHTS

LO Funds - Emerging Equity Factor Enhanced is a rule-based, long-only emerging market equity investment strategy launched in January 2016. It invests in securities within the MSCI Emerging Market universe and seeks to offer higher risk-adjusted returns compared to the index. The investment approach seeks to offer a transparent, systematic and dynamic process combining: i) a factor-based stock selection focusing on Value, Quality, Momentum, Low Risk and Small Size; and ii) an adjustment of factors relative importance to prevailing economic and market environments.

## NET PERFORMANCE AND ANNUAL PERFORMANCE IN USD Dec 31, 2010 - Aug 31, 2016

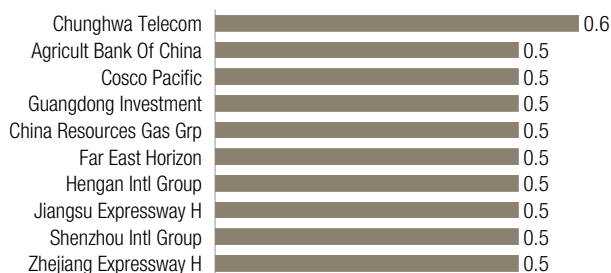


NET PERFORMANCE IN USD	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	10.81%	14.55%	—	—
1 month	1.07%	2.49%	—	—
3 months	8.95%	11.94%	—	—
1 year	5.22%	11.83%	—	—
3 years	-9.44%	3.38%	-3.23%	1.11%
5 years	-15.76%	-2.09%	-3.36%	-0.42%
Total return (since 30.09.2010)	-16.62%	-3.89%	-3.01%	-0.67%

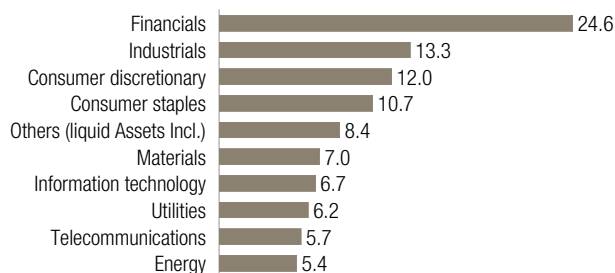
## STATISTICS 31.08.2011 - 31.08.2016

	Fund	Bench.
Annualised volatility	17.62%	18.58%
Sharpe ratio	-0.21	-0.04
Maximum drawdown	-33.65%	-29.77%
Correlation		0.983
Tracking error		3.51%

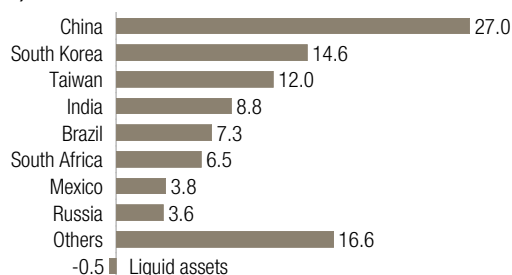
## TOP 10 (IN %)



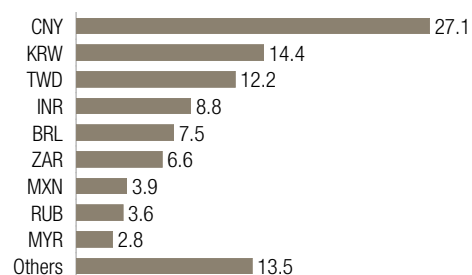
## SECTORS (IN %)



## COUNTRIES (IN %)



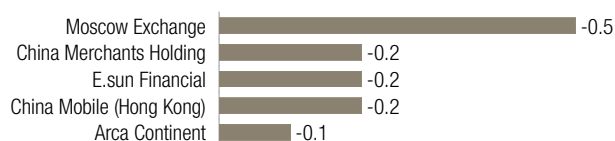
## CURRENCIES (IN %)



## INCREASED



## REDUCED



## MONTHLY RETURNS

IN %	2011		2012		2013		2014		2015		2016	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January	-3.7	-2.7	11.1	11.3	1.6	1.4	-6.0	-6.5	-0.8	0.6	-5.8	-6.5
February	-0.6	-0.9	7.2	6.0	-0.4	-1.3	4.3	3.3	3.1	3.1	-0.3	-0.2
March	5.9	5.9	-2.3	-3.3	-0.6	-1.7	3.7	3.1	-2.7	-1.4	12.6	13.2
April	4.9	3.1	-1.0	-1.2	0.8	0.8	0.8	0.3	5.0	7.7	0.9	0.5
May	-3.4	-2.6	-10.7	-11.2	-3.2	-2.6	2.8	3.5	-3.4	-4.0	-4.7	-3.7
June	-1.5	-1.5	4.9	3.9	-6.0	-6.4	2.1	2.7	-2.9	-2.6	3.1	4.0
July	1.2	-0.4	1.4	2.0	-0.4	1.0	0.2	1.9	-4.6	-6.9	4.5	5.0
August	-9.2	-8.9	0.1	-0.3	-4.4	-1.7	1.9	2.3	-8.8	-9.0	1.1	2.5
September	-14.7	-14.6	5.5	6.0	6.0	6.5	-5.9	-7.4	-3.6	-3.0		
October	10.7	13.2	-0.3	-0.6	4.8	4.9	-0.2	1.2	5.7	7.1		
November	-6.1	-6.7	0.6	1.3	-3.3	-1.5	-1.1	-1.1	-4.6	-3.9		
December	-1.8	-1.2	4.9	4.9	-1.9	-1.4	-6.0	-4.6	-2.3	-2.2		
Year	-19.1	-18.4	21.5	18.2	-7.5	-2.6	-4.1	-2.2	-19.1	-14.9	10.8	14.5

## PARTICULAR RISKS

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:

- **Concentration risk:** To the extent that the fund's investments are concentrated in a particular country, market, industry, sector or asset class, the fund may be susceptible to loss due to adverse occurrences affecting that country, market, industry, sector or asset class.
- **Emerging market risk:** Significant investment in emerging markets may expose to difficulties when buying and selling investments. Emerging markets are also more likely

## GLOSSARY

**Credit Ratings:** The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.

**Risk and Reward Profile:** This indicator (SRRI) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

**Total Expense Ratio (TER):** The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports)

**Volatility:** A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.

**Sharpe Ratio:** A measure of risk-adjusted performance. The higher the ratio, the better risk-adjusted performance has been.

**Drawdown:** A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.

**Correlation:** Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in

to experience political uncertainty and investments held in these countries may not have the same protection as those held in more developed countries.

- **Model Risk:** Models may be misspecified, badly implemented or may become inoperative when significant changes take place in the financial markets or in the organization. Such a model could unduly influence portfolio management and expose to losses.

For more details about risk, see section 5 "Risk Factors" of the prospectus.

different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation coefficient of 0 suggests there is no correlation.

**Tracking Error:** A measure of how closely an investment portfolio follows the index against which it is benchmarked.

**Bond Floor:** The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.

**Delta:** The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.

**Premium:** If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.

**Yield to Maturity:** The rate of return anticipated on a bond if it is held until the maturity date.

**Coupon:** The interest rate stated on a bond when it's issued.

**Modified Duration:** This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.

**Average Duration:** The average modified duration of the portfolio expressed in years.

**Expected Loss:** Annual average expected loss to the portfolio expressed in percent.

**Attachment Point:** The modelled probability of a negative portfolio return in any given year.

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Source of the figures: Unless otherwise stated, figures are prepared by LOIM.

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