

Robeco Emerging Debt D EUR

Robeco Emerging Debt mainly invests in sovereign bonds and corporate bonds from issuers that are active in emerging countries. The selection of these bonds is based on fundamental analysis. The investment process starts with the top-down analysis of the global macroeconomic environment and market themes to determine the asset allocation between local currency bonds, developed (hard) currency sovereign debt, corporate credit and overall duration (interest-rate sensitivity) exposure. The next step is the bottom-up research to determine the country duration (interest-rate sensitivity), currency positioning and issue(r) selection based on Robeco's proprietary country and company research.



Paul Murray-John
Fund manager since 01-02-2015

Performance

	Fund	Index
1 m	0.02%	0.02%
3 m	-0.57%	-0.25%
Ytd	5.14%	4.80%
1 Year	-0.59%	2.49%
2 Years	-2.65%	0.06%
3 Years	0.98%	3.09%
5 Years	-3.29%	-1.81%
Since 06-2011	-2.50%	-1.32%

Annualized (for periods longer than one year)
Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see page 4.

Calendar year performance

	Fund	Index
2018	-5.49%	-1.48%
2017	0.29%	1.20%
2016	11.92%	13.23%
2015	-17.10%	-15.42%
2014	-6.39%	-6.31%
2016-2018	1.99%	4.12%
2014-2018	-3.81%	-2.20%

Annualized (years)

Fund price

30-04-19	EUR	81.87
High Ytd (11-04-19)	EUR	83.20
Low Ytd (02-01-19)	EUR	77.87

Index

JPM GBI-EM Global Diversified TR (EUR)

General facts

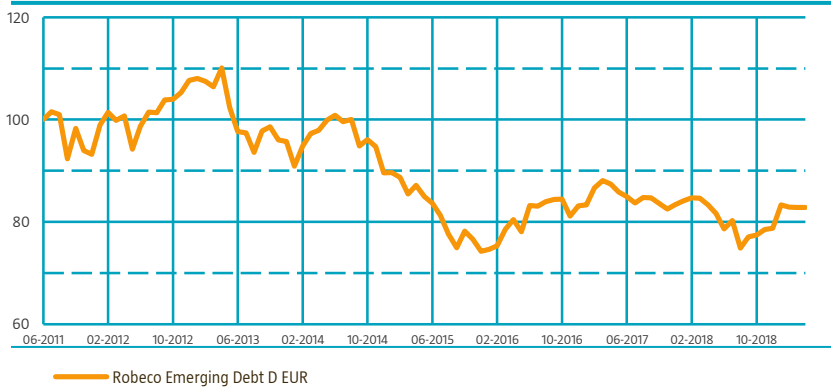
Morningstar	★
Type of fund	Bonds
Currency	EUR
Total size of fund	EUR 74,796,527
Size of share class	EUR 7,667,116
Outstanding shares	94,030
1st quotation date	07-06-2011
Close financial year	31-12
Ongoing charges	1.43%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	6.00%
Management company	Robeco Luxembourg S.A.

Fees

Management fee	1.20%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.10%

Performance

Indexed value (until 30-04-2019) - Source: Robeco



Performance

Based on transaction prices, the fund's return was 0.02%.

Performance of the fund was positive and slightly above the index. Overall fx positioning slightly added to relative performance, while the small underweight positions in for example South Africa, Brazil and Peru duration also supported performance. The fund already took profit on its overweight in Argentina in February. Next to Turkey, Argentina was the biggest underperformer over the month April.

Market development

Markets remained strong in April. However, there was more dispersion between them. As macro data is improving in Asia and the US, investors believe the credit cycle is going to last a bit longer. The improvements are not broad based and risks to the downside remain present. As negotiations between the US and China continue, markets are getting more comfortable a trade deal will materialize. Asian markets had already priced in most of these developments in the past two months. Argentina and Turkey remain weak. Political risks remains an overhang on both markets for the time being.

Expectation of fund manager

Macro data in Europe and Asia have clearly bottomed. European data is lagging, which cannot be dissociated from the fact that Europe's export-driven economy is dependent on the well-being of China and the US. The data is not improving across the board but on aggregate it looks better. Markets in general have become more upbeat about future earnings and a prolonged cycle. US treasury rates have moved up in the past two months but remain well-behaved as the Fed has not changed its rhetoric and data is not strong enough to push the long-end up materially. In the absence of higher rates and a stronger USD, emerging markets should remain relatively stable. Investors continue to avoid meaningful political risks, as witnessed in Turkey and Argentina.

SI fund classification

	Yes	No	N/A
Engagement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG Integration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)
 Issue structure Open-end
 UCITS V No
 Share class D EUR
 This fund is a subfund of Robeco Capital Growth Funds, SICAV

Registered in

Austria, Belgium, France, Germany, Italy, Luxembourg, Netherlands, Singapore, Spain, Switzerland, United Kingdom

Currency policy

The fund is exposed to the main emerging currencies. Financial derivative instruments can be used for hedging or to gain extra exposure to a certain currency market.

Risk management

Risk management is fully integrated into the investment process to ensure that positions always meet predefined guidelines.

Dividend policy

The fund does not distribute dividend; it retains any income that is earned and so its entire performance is reflected in its share price.

Fund codes

ISIN	LU0606403516
Bloomberg	ROBEMDD LX
WKN	A1J7P4
Valoren	12689132

ESG integration policy

For Robeco Emerging Debt, ESG factors play an important role in the investment process, both in country analysis and credit analysis. For sovereigns, the Country Sustainability Ranking and underlying research is used as input for assessment of the structural outlook for a country. For credits, the ESG analysis is part of the fundamental scoring by the sector analyst. Analysts include RobecoSAM sustainability data and use external sources to make an ESG assessment as part of the fundamental analysis.

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	1.41	1.34
Information ratio	-0.37	-0.01
Sharpe ratio	0.33	-0.17
Alpha (%)	-0.86	0.08
Beta	1.12	1.04
Standard deviation	8.98	9.34
Max. monthly gain (%)	6.66	6.66
Max. monthly loss (%)	-6.59	-6.59

Above mentioned ratios are based on gross of fees returns.

Hit ratio

	3 Years	5 Years
Months outperformance	16	27
Hit ratio (%)	44.4	45.0
Months Bull market	21	32
Months outperformance Bull	13	19
Hit ratio Bull (%)	61.9	59.4
Months Bear market	15	28
Months Outperformance Bear	3	8
Hit ratio Bear (%)	20.0	28.6

Above mentioned ratios are based on gross of fees returns.

Characteristics

	Fund	Index
Rating	A3/BAA1	BAA2/BAA3
Option Adjusted Modified Duration (years)	5.4	5.4
Maturity (years)	7.9	7.6
Yield to Worst (%)	6.2	2.8

Changes

During the period between the launch and the end of 2015, the index and fund contained a full EUR/USD hedge.

Sector allocation

The fund invests in bonds denominated in local currency issued by governments and by government-related entities like supranationals. Currently, the portfolio has a small exposure to an European Investment Bank bond denominated in IDR.

Sector allocation		Deviation index	
Treasuries	92.1%	-7.9%	
Supranational	5.4%	5.4%	
Cash and other instruments	2.4%	2.4%	

Currency allocation

Emerging foreign exchange on average had a small positive impact on returns this month. Currencies that weakened significantly versus the USD were the Argentinian peso and the Turkish lira, while for example the Mexican peso and the Russian ruble strengthened versus the USD.

Currency allocation		Deviation index	
Mexican Peso	10.0%	0.0%	
Brazil Real	10.0%	-0.1%	
Indonesian Rupiah	9.8%	-0.1%	
Polish Zloty	9.2%	0.2%	
Thai Baht	8.7%	0.2%	
South African Rand	8.4%	-0.3%	
Russian Ruble	7.5%	-0.1%	
Colombian Peso	7.2%	-0.1%	
Malaysian Ringgit	6.4%	0.4%	
Hungarian Forint	4.6%	0.1%	
Czech Koruna	4.3%	-0.1%	
New Turkish Lira	3.6%	0.1%	
Other	10.3%	-0.2%	

Duration allocation

Total duration is more or less in line with that of the index.

Duration allocation		Deviation index	
South African Rand	0.6	-0.1	
Thai Baht	0.6	0.0	
Indonesian Rupiah	0.6	0.0	
Mexican Peso	0.5	0.0	
Polish Zloty	0.4	0.0	
Colombian Peso	0.4	0.0	
Russian Ruble	0.4	0.0	
Malaysian Ringgit	0.3	0.0	
Chilean Peso	0.3	0.0	
Brazil Real	0.3	-0.1	
Peruvian Nuevo Sol	0.2	-0.1	
Czech Koruna	0.2	-0.1	
Other	0.5	0.1	

Rating allocation

The rating allocation is the outcome of country allocation and issuer selection only. The portfolio is predominantly exposed to issuers with an investment-grade rating.

Rating allocation		Deviation index	
AAA	19.4%	19.4%	
AA	2.7%	-1.7%	
A	22.5%	-7.9%	
BAA	31.3%	-9.5%	
BA	19.0%	-3.4%	
B	0.0%	-0.4%	
NR	2.7%	1.2%	
Other	0.0%	-0.1%	
Cash and other instruments	2.4%	2.4%	

Investment policy

Robeco Emerging Debt leverages on Robeco's long experience of investing in emerging markets. Robeco has been investing in emerging markets since the 1930s. Furthermore, the fund profits from Robeco's proven credit expertise with its successful track record in issuer selection and allocation policies. A distinguishing feature of Robeco Emerging Debt is that it invests in a broad range of markets to gain exposure to emerging countries. Its universe consists of both government bonds and corporate credit, combining both hard and local currency. This allows the portfolio manager to select the most attractive investment opportunities. To accentuate the broad nature of the fund, the portfolio manager constructs the portfolio based on an internal composite benchmark consisting of local-currency sovereigns and emerging credits. Robeco Emerging Debt leverages on Robeco's long experience of investing in emerging markets. Robeco has been investing in emerging markets since the 1930s. Furthermore, the fund profits from Robeco's proven credit expertise with its successful track record in issuer selection and allocation policies.

Fund manager's CV

Mr. Paul Murray-John is Lead Portfolio Manager since February 1, 2015 of the Robeco Emerging Debt strategy which was established in June 2011 and the quant duration strategy Robeco Emerging Lux-o-rente, which was established in December 2012. Paul has over 19 years' experience in the financial industry and has gained vast experience in the area of emerging markets, both from the buy and the sell side. His previous roles have included lead portfolio manager of the Threadneedle Emerging Markets Bond fund and in recent years, he worked for HSBC Global Banking and Markets. Paul holds a MBA degree from the Warwick Business School.

Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.05% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

Morningstar

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