



# EDMOND DE ROTHSCHILD LATIN AMERICA (B)

EdR Latin America (B)

LATIN AMERICA EQUITY FUND

EDMOND DE ROTHSCHILD ASSET MANAGEMENT

EMERGING MARKETS EQUITY

Fund size : USD 22,16 mil.

## GENERAL INFORMATION

### Investment objective

The fund seeks to benefit from the growth dynamic of Latin America by exposure to equity markets in Brazil, Peru, Colombia, Mexico and Chile and capturing the major investment themes : consumption, infrastructure and energy.

### Monthly comment

Latin America (9.14%) outperformed the Emerging Markets (0.2%). Brazil had the strongest performance in the region, up 12%, followed by Chile (8.4%) and Mexico (5.3%). Colombia down 0.26%, underperformed its LatAm peers. In Brazil the main highlights of this stellar performance were: (i) the approval of the constitutional reform capping expenditure growth in the Congress along with (ii) the start of the easing cycle by Central Bank reducing interest rates by 25bps. In terms of 3Q results, Itau reported stronger than expected earnings, because of lower provision expenses. On the retail side, the highlights were DrogaRaia with further margin expansion and EBITDA growing 40%, while Renner reported weak results with SSS of -4%. Fleury's results beat expectations, EBITDA 8% above expectations on lower costs. In Mexico, on the macro side, manufacturing posted a strong recovery in September, the trade deficit continued to improve. Nevertheless, the US polls to intention of votes to US Presidential election are perceived as the main drivers for the Peso's (Mexican currency) level. Colombia's return was weakest in the region due to the unexpected results of the referendum to approve (or not) the peace agreement between the Government and FARC. The "No" won the plebiscite. Plus, oil price fell 4%, weighting further on the currency. During the month, we increased our exposure to Mexico, as we prefer do not take any side on the US election results, and because we consider the Peso undervalued (and because the current account has already started to improve). After such a strong performance of the Brazilian market in October, we expect to market to be more on the sideways until we have more news about the pension reform, which should be submit to Congress approval until the end of November; further reduction of interest rates and a clear recovery of the economy. We remain optimist on Latin America.

## PERFORMANCES

**Benchmark (Index) :** MSCI EM Latin America 10/40 (NR) (USD)

**Market index :** MSCI EM Latin America 10/40 (NR) (USD)

Index : Former benchmark expressed in price index chained with official benchmark expressed net dividend reinvested - NR index: Market index corresponding to the benchmark, dividend reinvested.

### Performance chart (from 24/04/12 to 31/10/16)



### Cumulative performances (Net of fees) (Rolling periods)

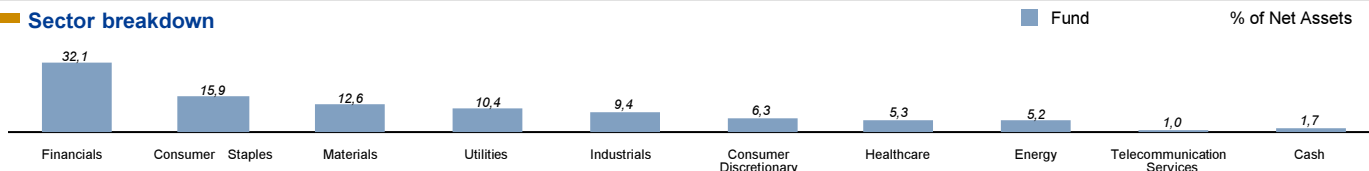
	1 month	3 months	YTD	1 year	2 years	3 years	5 years	10 years	Since inception	Annualized since inception
Share (B)	8,09	6,83	26,37	16,83	-23,53	-30,50	-	-	-34,82	-9,03
Index	9,92	9,77	46,27	33,28	-13,14	-18,07	-	-	-25,84	-6,39
NR Index	9,92	9,77	46,27	33,28	-13,14	-18,07	-	-	-24,29	-5,97

### Statistics (Rolling periods)

	Volatility		Tracking error		Sharpe ratio	
	52 weeks	3 years	52 weeks	3 years	52 weeks	3 years
Share (B)	22,40	20,55	7,98	8,81	0,72	-0,56
Index	27,38	26,27	-	-	1,18	-0,25

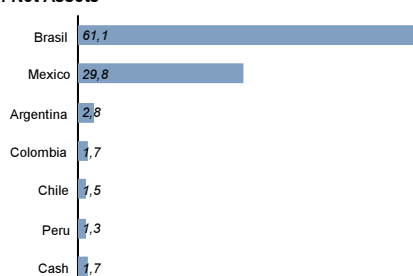
## PORTFOLIO

### Sector breakdown



### Country breakdown

% of Net Assets



### Top holdings

5 Main holdings (Number of holdings : 48)

	Sector	Expo (%NA)
BANCO BRADESCO SA-ADR	Financials	8,2
ITAU UNIBANCO-ADR	Financials	7,5
VALE SA	Materials	4,7
PETROLEO BRASILEIRO SA	Energy	4,2
GRUPO AEROPORTUARIO DEL C	Industrials	3,6
<b>Total</b>		<b>28,3</b>

### Financial data (weighted averages)

PER 2016	PER 2017	EPS var. 2016/2017	PCF 2016	PBV 2016	Yield 2016
17,4	16,9	11,7	13,2	2,6	2,0

## PERFORMANCE TRACK RECORD (%)

### Net performance

		Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual
2012	Share (B)					-13,73	5,26	1,92	-1,79	4,17	0,65	0,25	5,39	
	Index					-13,39	3,76	1,27	-0,71	3,73	-0,65	-1,66	6,16	
2013	Share (B)	4,89	-1,89	0,58	-0,42	-6,48	-7,45	0,10	-4,23	3,32	4,77	-1,13	-0,90	-9,30
	Index	3,61	-2,75	0,00	-0,32	-6,90	-9,00	-1,01	-3,13	8,58	4,78	-4,45	-2,30	-13,34
2014	Share (B)	-6,67	0,56	5,00	0,45	2,53	3,35	-1,33	7,03	-14,51	-2,05	-5,33	-9,39	-20,43
	Index	-9,60	1,84	8,82	2,67	-0,08	4,15	1,04	7,95	-13,34	-0,13	-4,60	-9,36	-12,63
2015	Share (B)	-5,89	1,67	-4,79	5,04	-6,89	-0,12	-6,36	-7,47	-4,75	3,89	-3,12	-4,57	-29,46
	Index	-5,98	4,21	-7,48	10,28	-7,05	0,98	-8,36	-10,52	-7,68	6,10	-4,19	-4,90	-31,32
2016	Share (B)	-3,63	-1,23	10,79	4,65	-9,94	10,28	7,91	-0,57	-0,59	8,09			
	Index	-3,99	3,76	20,36	5,96	-10,82	11,45	5,52	0,69	-0,82	9,92			

This document is not contractual. In the event of any disagreement or dispute arising from this document, the full prospectus or the partial prospectus for the sub-funds authorised for distribution in Switzerland are binding.

Past performance is not a reliable indicator of future performance. Performance data is calculated with dividends reinvested.

EDMOND DE ROTHSCHILD ASSET MANAGEMENT (FRANCE) 47, rue du Faubourg Saint-Honore-75401 Paris Cedex 08. - T. +33 1 40 17 25 25 / F. +33 1 40 17 24 42 - www.edram.fr Public limited company with Executive and Supervisory Boards and capital of €11,033,769 AMF Agreement Number GP 04000015 - 332.652.536 R.C.S. PARIS



# EDMOND DE ROTHSCHILD LATIN AMERICA (B)

EdR Latin America (B)

LATIN AMERICA EQUITY FUND

EDMOND DE ROTHSCHILD ASSET MANAGEMENT

EMERGING MARKETS EQUITY

Fund size : USD 22,16 mil.

## MAIN MOVEMENTS OF THE MONTH

### New positions

GRUPO FINANCIERO BANOORTE  
INFRAESTRUCTURA ENERGETIC  
CEMEX SAB DE CV  
ALLIAR MEDICOS A FRENTE S  
CEMEX LATAM HOLDINGS SA

### Strengthened positions

GENOMMA LAB INTERNACIONAL  
RANDOM SA IMPLEMENTOS E P  
VALE SA  
BANREGIO GRUPO FINANCIERO  
ALPEK SAB DE CV

### Sold

HYPERMARCAS SA  
NATURA COSMETICOS SA  
LOCALIZA RENT A CAR SA  
MERCADOLIBRE INC  
KROTON EDUCACIONAL SA

### Reduced

BRF SA  
BB SEGURIDADE PARTICIPACO  
INVESTIMENTOS ITAU SA  
ULTRAPAR PARTICIPACOES SA  
AMBEV SA

## PERFORMANCE ANALYSIS

### Top 5 positive performers

(from 30/09/16 to 31/10/16)

	Av. weight (%)	Contribution (%)
ITAU UNIBANCO-ADR	7,01	1,51
BANCO BRADESCO SA-ADR	7,61	1,42
VALE SA	3,56	0,98
PETROLEO BRASILEIRO SA	3,69	0,84
GERDAU SA	2,28	0,63

### Top 5 negative performers

(from 30/09/16 to 31/10/16)

	Av. weight (%)	Contribution (%)
ALPEK SAB DE CV	1,26	-0,17
MERCADOLIBRE INC	1,38	-0,15
ALLIAR MEDICOS A FRENTE S	0,06	-0,07
CEMEX SAB DE CV	0,14	-0,06
NEMAK SAB DE CV	1,46	-0,05

## STATISTICS & PERFORMANCE ANALYSIS

### Statistics (Rolling periods)

	52 weeks (week. perf.)	3 years (month. perf.)
Volatility	22,40	20,55
Tracking error	7,98	8,81
Information ratio	-2,04	-0,57
Sharpe ratio	0,72	-0,56
Alpha	-0,14	-0,63
Beta	0,79	0,74
R2	0,92	0,90
Correlation	0,96	0,95

### Performance Analysis

	Since inception (month. perf.)
% of positive performances	47,27
Minimum return	-16,91
Maximum return	14,77
Payback period	in progress

## FUND CHARACTERISTICS

### Share characteristics

Net asset value (USD) :	65,18
Share issue date :	24/04/2012
ISIN code :	FR0011092451
Bloomberg code :	EDRLAIB FP
Lipper code :	68144338
Telekurs code :	13705973
Distribution :	Accumulation
Latest coupon :	
Subscribers Type :	All investors

### Fund Managers

Patricia URBANO, Ludovic VAUTHIER

### Fund characteristics

<b>Legal status</b>	
Fund inception date : 30/01/2012	AMF classification : International Equity
Fund domicile : France	Recommended investment period : > 5 years
<b>Administrative Information</b>	
Management Company : Edmond de Rothschild Asset Management (France)	
Administration : CACEIS Fund Admin.	Valuation : Daily
	Decimalised : 3 decimals
Custodian : CACEIS Bank France	Initial minimum subscription : 1 Share <sup>(1)</sup>
Subscription & redemption conditions : Daily before 12.30 pm C.E.T. on day's net asset value <sup>(1)</sup>	
<b>Management Subscription/Redemption fees</b>	
Actual management fees : 2%	Subscription fees : 4,5% maximum
Performance fees : yes <sup>(1)</sup>	Redemption fees : no

(1) In the interests of clarity and transparency, please familiarise yourself with the specific features of this product as detailed in the prospectus.

## CONTACTS

Your contacts Edmond de Rothschild Asset Management (France)

UK : edram@lcf.fr.co.uk

Germany / Austria : info@lcf.de

Benelux : info@lcf.be

Asia : info@lcf.hk

Edmond de Rothschild Paris

edram\_paris@lcf.fr

### Institutional Sales

clientele\_institutionnelle@lcf.fr

### Employee Savings Schemes

epargne\_entreprises@lcf.fr

### Banks and Asset Managers

banques\_societesdegestion@lcf.fr

### Platforms and IFAs

plateformes\_conseillersindep@lcf.fr



Latin America : info@lcf.cl

Spain : info@lcf.es

Switzerland : info@lcf.ch

Italy : info@lcf.it

This document is not contractual. In the event of any disagreement or dispute arising from this document, the full prospectus or the partial prospectus for the sub-funds authorised for distribution in Switzerland are binding.

Past performance is not a reliable indicator of future performance. Performance data is calculated with dividends reinvested.

EDMOND DE ROTHSCHILD ASSET MANAGEMENT (FRANCE) 47, rue du Faubourg Saint-Honore-75401 Paris Cedex 08. - T. +33 1 40 17 25 25 / F. +33 1 40 17 24 42 - www.edram.fr Public limited company with Executive and Supervisory Boards and capital of €11,033,769 AMF Agreement Number GP 04000015 - 332.652.536 R.C.S. PARIS



# EDMOND DE ROTHSCHILD LATIN AMERICA (B)

EdR Latin America (B)

LATIN AMERICA EQUITY FUND

EDMOND DE ROTHSCHILD ASSET MANAGEMENT

EMERGING MARKETS EQUITY

Fund size : USD 22,16 mil.

## SUBSCRIBERS TYPE

Marketing country	Investors involved in marketing
Austria Belgium Switzerland Germany Spain France Italy Luxembourg Netherlands Singapore	All
	Restricted

## PRODUCT RISKS AND DISCLAIMERS

The information used to value the assets of this UCITS is taken primarily from various pricing sources available on the market and/or from information provided by brokers, prime brokers or external custodians, administrative agents/managers of target funds or other products, specialists duly authorised for this purpose by this UCITS and/or its management company (where applicable), and/or directly from this UCITS and/or its management company (where applicable). With regard to index levels and compositions, the main sources used are data distributors.

**Please note that the main risks of this UCITS are as follows:**

- Capital risk
- Risk linked to derivatives
- Risk linked to financial and counterparty contracts
- Liquidity risk
- Discretionary management risk
- Equity risk
- Currency risk
- Interest rate risk
- Credit risk
- Risk linked to the currency of units denominated in a currency other than that of the UCI

Details on the target subscribers provisions and on applicable Risks of this UCITS is found in the full prospectus or in the partial prospectus for those subfunds authorised for distribution in Switzerland of this UCITS. The regulation, the full prospectus, the partial prospectus for subfunds authorised for distribution in Switzerland, the key investor information document (where applicable) and the annual, semi-annual and quarterly reports are available upon request from Edmond de Rothschild Asset Management (France), its distributors and/or representatives and/or the following correspondents:

<i>Austria</i>	: <i>Société Générale Vienna Branch</i>	<i>Prinz-Eugen-Strasse 8-10/5/TOP 11</i>	<i>A-1040 Vienna</i>	<i>Austria</i>
<i>Belgium</i>	: <i>Caceis Belgium</i>	<i>Avenue du Port 86 C b320</i>	<i>B-1000 Bruxelles</i>	<i>Belgium</i>
<i>France</i>	: <i>Edmond de Rothschild Asset Management (France)</i>	<i>47, Rue du Faubourg St-Honoré</i>	<i>Cedex 08 Paris 75401</i>	<i>France</i>
<i>Germany</i>	: <i>Caceis Bank Deutschland GmbH</i>	<i>Lilienthalallee 34 - 36D</i>	<i>80939 Munich</i>	<i>Germany</i>
<i>Italy</i>	: <i>Société Générale Securities Services S.p.A.</i>	<i>Via Benigno Crespi 19A</i>	<i>MAC2 Milan</i>	<i>Italy</i>
<i>Italy</i>	: <i>BNP Paribas Securities Services, Succursale di Milano</i>	<i>Via Ansperto 5</i>	<i>Milan</i>	<i>Italy</i>
<i>Italy</i>	: <i>State Street Bank GmbH, Succursale Italia</i>	<i>Via Ferrante Aporti 10</i>	<i>Milan</i>	<i>Italy</i>
<i>Luxembourg</i>	: <i>Caceis Bank Luxembourg</i>	<i>5, Allée Scheffer</i>	<i>L-2520 Luxembourg</i>	<i>Luxembourg</i>
<i>Spain</i>	: <i>Edmond de Rothschild Asset Management (France)</i> <i>- Sucursal en España</i>	<i>Pº de la Castellana 55</i>	<i>28046 Madrid</i>	<i>Spain</i>
<i>Switzerland (Legal Representative)</i>	: <i>Edmond de Rothschild Asset Management (Suisse) S.A.</i>	<i>8, rue de l'Arquebuse</i>	<i>1204 Genève</i>	<i>Switzerland</i>
<i>Switzerland (Paying agent)</i>	: <i>Edmond de Rothschild (Suisse) S.A.</i>	<i>18, rue de Hesse</i>	<i>1204 Genève</i>	<i>Switzerland</i>

and/or on the following website (<http://funds.edram.com>), in order that investors analyse the risks and build their own opinion, independently from any entity of the Edmond de Rothschild Group. Investors are invited to request the opinion of their Legal Counsel where necessary, to ensure the suitability of the investment with regards to their financial situation, experience and investment objectives.

In Belgium, periodic reporting are available from the financial provider CACEIS Belgium. The Net Asset Value is available on the Belgian Asset Managers' Association, BEAMA site ([www.beama.be](http://www.beama.be)).

The numerical data, comments and analyses in this presentation reflect the opinion of Edmond de Rothschild Asset Management (France) with respect to the markets and their trends, regulation and tax issues, on the basis of its own expertise, economic analyses and information available as of today. The figures mentioned refer to past years. Past performance and ratings are not indicative of future performance and ratings. Past performance can be misleading. The value of units or shares of funds and the returns are subject to fluctuation, and investors may not get back the full amount invested. Performance data is calculated on a dividend reinvested basis. These performance do not take into account the fees and expenses collected on the issue or redemption of shares/units, or taxes levied in the client's country of residence.

The fund's investment policy does not necessarily anticipate a correlation between the fund and the mentioned benchmark. As a result, the performance of this UCITS may differ from that of the benchmark.

Figures mentioned in this document may be denominated in a currency other than that of the country in which the investor resides. As a result, potential gains may be increased or decreased by fluctuations in foreign exchange rates

The information in this document regarding this UCITS is not intended to replace the information in the full prospectus, or the partial prospectus if the cited subfund is authorised for distribution in Switzerland, the annual and semi-annual report. Prior to making any investment decision, the investor therefore has an obligation to read it.

This document is only for information and does not represent an offer to buy or a solicitation to sell; the basis of any contract or commitment; a financial, legal or tax advice. No part of this document should be interpreted as investment advice. Regulations related to fund marketing may vary from one country to the next. This UCITS may be marketed in a jurisdiction other than that of its country of registration, in particular under the private placement regime for qualified investors, when the law of that other jurisdiction authorizes it. If you have the slightest doubt about marketing requirements for this UCITS, we invite you to contact your usual adviser.

No UCITS can be offered or sold to persons, or in countries or jurisdictions where such offer or sale would be unlawful.

United States: The fund and its shares are not registered under the Securities Act of 1933 or any other US regulation. Its shares may not be offered, sold, transferred or delivered for the benefit of, or on behalf, of a US National, as defined by US law.

In accordance with current local regulations, the UCI, or the class of the UCI, have received marketing authorization to specific institutional investors, or more broadly to qualified or professionals investors in the following country(ies): **Singapore**



# EDMOND DE ROTHSCHILD LATIN AMERICA (B)

EdR Latin America (B)

LATIN AMERICA EQUITY FUND

EDMOND DE ROTHSCHILD ASSET MANAGEMENT

EMERGING MARKETS EQUITY

Fund size : USD 22,16 mil.

Belgian investors, if subscribing to a UCITS under French law, must be supplied with a declaration of dividends and interest received by the fund, and which must be included in their tax return. To enable the investor to calculate this amount, we have developed an app that allows him/her to obtain the result required for the tax return, which is available on the [www.edram.be](http://www.edram.be) website. This app does not constitute tax advice and does not exempt investors from performing the checks and verifications required as taxpayers. The result is obtained from the data the investor enters into this app. The Edmond de Rothschild group cannot be held responsible for any errors or omissions on the investor's part.

(2) In connection with Article 19 bis of the Belgian Income Tax Code 1992, Belgian investors will be required, when redeeming units (mutual funds) or shares (SICAVs), to pay a withholding tax of 27% on the interest received, on the capital gains or losses and on the returns from assets invested in debt securities. This withholding tax only applies to UCIs that hold more than 27% of their assets in debt securities.

(3) The Belgian investor shall not bear any fees as part of the redemption of the Fund's units.

Any fees owed to the Belgian tax authorities are for information only and are not intended to be a substitute for tax advice. The tax treatment depends on the individual situation of each customer and does not absolve the Belgian investors of performing the checks and verifications necessary of a tax professional.

## DEFINITIONS

The **PERFORMANCE**, often expressed as a % makes it possible to measure the capital gain or loss of an investment over a period (10% = gain of 10 units for every 100 invested). Performance can also be expressed per annum. This is equivalent to extrapolating the performance of a fund over any period to a one-year period. In either case, a loss is indicated by a negative percentage and a gain by a positive percentage.

The **VOLATILITY** of a security is the difference between performance and average performance and therefore makes it possible to gauge the consistency of performance obtained. It comprises a measure of risk. If this is zero, the individual performances are identical. The higher it is, the greater the difference between individual performances.

The **TRACKING ERROR** shows the volatility of a fund's relative performance against that of its benchmark. It shows the difference between performances and their average and so makes it possible to gauge the consistency of relative performance. The lower the tracking error, the closer the fund's performance is to that of its benchmark.

The **INFORMATION RATIO** represents the relative performance obtained by the fund manager for each agreed volatility point in comparison with the benchmark. To some degree, it is this measurement that makes it possible to establish whether the additional risk taken by the fund manager is, in comparison with the benchmark, rewarding or otherwise.

The **ALPHA** corresponds to the fund's average performance. More specifically, it measures the fund managers' added value while cancelling out market influence, which cannot be controlled. This measure is expressed as a percentage.

The **SHARPE RATIO** shows the fund's outperformance against a zero-risk interest rate (the Eonia, in this case), adjusted for fund volatility.

The **BETA** measures the market's influence (represented by a benchmark) on the performance of a fund. It shows the average variation of the fund's NAV, for each variation of 1% in the benchmark. If beta is 0.8, this means that for each 1% movement in the benchmark, the fund moves 0.8%.

The **CORRELATION COEFFICIENT** defines the direction and degree of dependence between two variables. It ranges from -1 to +1. Positive correlation means that the benchmark and the fund move in the same direction, negative correlation means that they move in opposite directions. When correlation is close to zero, the benchmark's influence on the fund is very low.

The **R2** or the **DETERMINATION COEFFICIENT** measures to what extent variations in fund performance are explained by variations in the benchmark. Mathematically, it is the square of the correlation coefficient. It always has a value of between 0 and 1.

The **GAIN FREQUENCY** represents the percentage of positive returns for a defined frequency.

The **MAX GAIN** represents the maximum return recorded from a series of periodic return payments.

The **MAX DRAWDOWN** is the maximum loss recorded over a series of periodic returns.

The **PAYBACK PERIOD** measures the time required to recover the maximum drawdown. It is often expressed in days or months. Payback begins with the return paid following the maximum loss.

The **PE = Price Earnings**. This ratio is equivalent to the ratio between the price of a share and the earnings per share. It is also known as the Earnings Capitalisation Multiple. The result is the weighted average of the PE of the securities in the portfolios.

The **VAR EPS = Variation in Earnings Per Share**. The result is the weighted average of the VAR EPS of the securities in the portfolios.

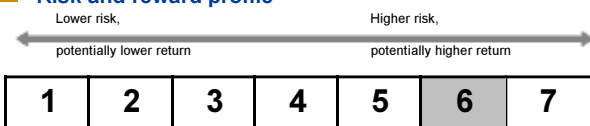
The **PCF = Price to Cash Flow**. This is the ratio between the price of a share and the cash-flow generated per share (Cash flow per share). The result is the weighted average of the PCF of the securities in the portfolios.

The **PBV = Price to Book Value**. This ratio is equivalent to the ratio between the price of a share and the book value of its equity. The result is the weighted average of the PBV of the securities in the portfolios.

The **YIELD** = This ratio is the ratio of dividend per share and share price. The returns are gross before deduction of taxes and shall take into account tax credits, if any. For example, for French and German companies, tax credits are included. In Singapore and Malaysia, the company returns are based on net dividends after corporate taxes. For a fund, the performance equals the weighted average yields of all portfolio holdings which have seconded a dividend. This ratio is expressed in % per year.

## RISK SCALE

### Risk and reward profile



Synthetic risk/return indicator ranks the fund on a scale from 1 to 7 (1 being the less risky ranking, 7 being the most risky ranking). This rating system is based on average fluctuations in the fund's net asset value over the past five years, i.e. the scale of changes in the index securities, both up and down. If the net asset value is less than 5 years old, the rating is determined by other regulatory calculation methods. Historic data such as those used to calculate the synthetic indicator may not be a reliable indication of the future risk profile. The current category is neither a guarantee nor an objective. Category 1 does not signify a risk free investment. For more details on the methodology of the ranking, please consult the key investor information document (KIID) of the fund.

This fund is rated in category 6, reflecting that it can be up to 110% exposed to emerging equities markets, which presents a high risk/reward profile.

## HISTORICAL DATA

### Benchmark modification history

From 01/02/2013	MSCI EM Latin America 10/40 (NR) (USD)
From 24/04/2012	MSCI EM Latin America 10/40 (USD)