

# Artemis Global Emerging Markets Fund



Peter Saacke  
Fund manager, since  
launch



Raheel Altaf  
Fund manager, since  
launch

Class I accumulation shares, USD

June 2018

Data as of 31 May 2018

## The fund's aims

The fund aims to achieve long-term returns through a combination of capital growth and income principally from companies listed, quoted and/or traded in emerging markets or which are headquartered or have a significant part of their activities in emerging markets.

## Fund update

The combination of US Treasury yields rising to multi-year highs, a rally in the US dollar, uncertainty around elections in a number of developing markets and tensions around global trade resulted in a general 'risk-off' mood. Emerging-market equities fell over 3% in US dollar terms.

Latin America fared worst at the regional level: Brazil and Mexico were significant laggards. Large-scale strikes by truckers and oil workers placed further pressure on the economy in Brazil and tested the resolve of an already weak government. Emerging European markets did not do much better, with Turkish equities in particular suffering from rising funding costs and a falling currency. Asian markets fared much better. China was one of May's best performing markets.

Amid this turbulence, our fund held up well and

outperformed. While our underweight stance to larger technology companies such as Tencent and Alibaba detracted from relative performance, our stockpicking elsewhere in the technology sector more than offset this. Hynix (the Korean producer of memory chips), Micro-Star (Taiwanese maker of video graphics cards) and Simplo (Taiwanese producer of lithium batteries) also featured in the top 10 contributors.

Our Chinese holdings also performed well, with China Petroleum, Geely, Weichai Power and Midea Group all making meaningful positive contributions. Our top performer was Momo, the Chinese social network. It announced very strong results during the month, with sales up 64% year-on-year.

There are reasons to believe that emerging economies are in a better place than they were

at the time of 2013's 'taper tantrum'. In particular, the Chinese economy has remained stable and commodity and energy prices are rising. It is not, however, our nature to base our investment decisions on views about the direction of markets. So while investors fret about the potential for contagion and a rerun of the sell-off in 2013, we maintain our discipline of looking for companies with improving fundamentals. One such company was Taiwan Cement: it announced net profits that were much better than the market's expectations, which led to substantial upgrades to profit forecasts. Philippine Globe Telecom's revenue and margins were better than expected, leading to improved guidance from the company's management. We added both to the portfolio.



Third party endorsements are not a recommendation to buy. For information, visit [artemisfunds.com/endorsements](http://artemisfunds.com/endorsements).

## Composition

### Top ten holdings

SK Hynix	3.9%
China Construction Bank	3.4%
Vale Do Rio Doce	2.9%
Ping An Insurance Group	2.5%
China Petroleum & Chemical	2.1%
ICBC	2.1%
Naspers	2.0%
Momo	1.9%
Lukoil	1.9%
Midea Group	1.7%

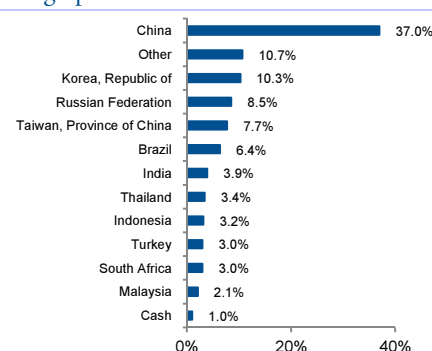
Source: Artemis as at 31 May 2018.

### Market sector split

Financials	24.6%
Energy	16.1%
Information Technology	16.0%
Materials	11.8%
Consumer Discretionary	10.9%
Industrials	8.2%
Utilities	5.1%
Real Estate	2.9%
Telecommunication Services	2.1%
Consumer Staples	1.1%
Health Care	0.3%

Source: Artemis as at 31 May 2018. Please note that figures may not add up to 100% due to rounding and the cash holding.

### Geographic breakdown



Source: Artemis as at 31 May 2018. Please note figures may not add up to 100% due to rounding.

Performance

Cumulative performance

	Since launch	3 years	1 year	6 months	3 months
Artemis Global Emerging Markets Fund	25.1%	28.7%	17.7%	2.7%	-6.0%
MSCI EM (Emerging Markets) NR USD	18.0%	19.7%	14.0%	0.9%	-5.8%

'Since launch' data from 8 April 2015. Source: Lipper Limited, mid to mid in US dollars to 31 May 2018. All figures show total returns with dividends reinvested.

Discrete performance to year end

	2017	2016	2015	2014	2013
12 months to 31 December	38.3%	14.2%	n/a	n/a	n/a

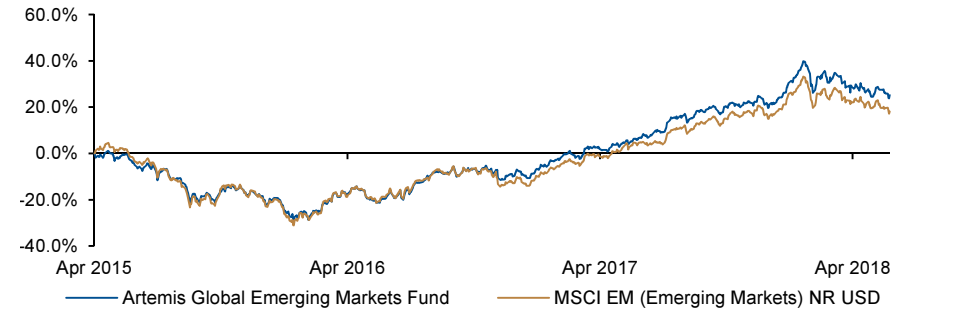
Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in US dollars. All figures show total returns with dividends reinvested. As the fund was launched on 8 April 2015, complete five year performance data is not yet available. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the share class.

Discrete performance to quarter end

	2018	2017	2016	2015	2014
12 months to 31 March	25.9%	22.4%	n/a	n/a	n/a

Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in US dollars. All figures show total returns with dividends reinvested. As the fund was launched on 8 April 2015, complete five year performance data is not yet available. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the share class.

Percentage growth



Data from 8 April 2015. Source: Lipper Limited, mid to mid in US dollars to 31 May 2018. All figures show total returns with dividends reinvested.

Key facts

Fund type	OEIC
Focus	Capital growth
Asset class	Equity
Regional focus	Emerging Markets
IA sector	IA Global Emerging Markets NR
SEDOL	BW9HL57
ISIN	GB00BW9HL579
Type	Accumulation
Class currency	USD
Accumulation date	30 April
Valuation point (UK business days)	12:00
Year end	28 February
Fund launch date	8 April 2015
Class launch date	8 April 2015
Class launch price	100c
SRRI	6
Fund size (mid basis)	\$205.0m

Source: Artemis as at 31 May 2018.

Prices and yield

Mid price	125.11c
Historic yield	1.97%

The historic yield reflects distributions declared over the past twelve months as a percentage of the mid-market share price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

Charges

Initial charge	0%
Ongoing charge	0.99%

The ongoing charge includes the annual management charge of 0.75% and is shown as at the date of the Key Investor Information Document (KIID), where a full explanation of the fund's charges can be found.

Risks and important information

THIS INFORMATION IS FOR INVESTMENT PROFESSIONALS ONLY. IT IS NOT FOR USE WITH OR BY PRIVATE INVESTORS.

The fund is a sub-fund of Artemis Investment Funds ICVC which is a UCITS fund incorporated with limited liability under the laws of England and Wales and organised as an open-ended investment company with variable capital (or "ICVC"). The ICVC is managed by Artemis Fund Managers Ltd. Artemis Investment Management LLP acts as the investment adviser to the ICVC. The ICVC issues, redeems and exchanges shares of different classes. The ICVC is registered in Austria, Denmark (for professional investors only), Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Singapore, Spain, Sweden, Switzerland and the UK. Such registrations are subject to applicable local laws and regulations and some sub-funds and/or share classes may not be available in all jurisdictions. Shares in the funds may not be offered to the public in any other jurisdiction and this document must not be issued or distributed other than in circumstances which do not constitute an offer to the public and are in accordance with local laws and regulations.

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- in Austria from Erste Bank der Oesterreichischen Sparkassen AG, Graben 21, 1010 Wien, Oesterreich.
- in France from CACEIS Bank France SA, 1-3 Place Valhubert, 75013 Paris.
- in Germany from Zeidler Legal Services, Bettinastrasse 48, 60325 Frankfurt am Main.
- in Ireland from Bridge Consulting Limited, 33 Sir Rogerson's Quay, Dublin 2.
- in Luxembourg from Caceis Bank Luxembourg, 5, allée Scheffer, L-2520 Luxembourg.
- in Spain from Alfunds Bank SA, Estafeta, 6, La Moraleja, Complejo Plaza de la Fuente, Alcobendas 28109, Madrid.
- in Sweden from MFEX Mutual Funds Exchange AB, Grev Turegatan 19, Box 5378, SE-102 49 Stockholm.
- in Switzerland from RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, CH-8027 Zurich, which acts as the Swiss representative and paying agent. In the Netherlands, Artemis Investment Funds ICVC is registered with the Authority for Financial Markets in Amsterdam.

The fund will invest in emerging markets. The fund may use derivatives to meet its investment objective, to protect the value of the fund, to reduce costs and with the aim of profiting from falling prices. For distribution shares, the fund's annual management charge is taken from capital. Third parties (including FTSE and Morningstar) whose data may be included in this document do not accept any liability for errors or omissions. For information, visit [artemisfunds.com/third-party-data](http://artemisfunds.com/third-party-data). Any research and analysis in this communication has been obtained by Artemis for its own use. Although this communication is based on sources of information that Artemis believes to be reliable, no guarantee is given as to its accuracy or completeness. Any forward-looking statements are based on Artemis' current expectations and projections and are subject to change without notice. Issued by Artemis Fund Managers Ltd which is authorised and regulated by the Financial Conduct Authority.