

Artemis Global Emerging Markets Fund



Peter Saacke
Fund manager, since
launch



Raheel Altaf
Fund manager, since
launch

Class I accumulation shares, USD

September 2019
Data as of 31 August 2019

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

In US dollar terms, emerging market equities fell 5% in August, underperforming developed markets. Frictions over trade are creating concerns about growth. The dispute between the US and China further intensified during the month as both parties announced higher tariffs on imports.

In general, emerging market equities remain significantly out of favour among investors. At the sector level, defensives continued to fare better than cyclical. Healthcare and consumer staples outperformed, whereas materials and energy were – alongside financials – the laggards.

Following another month in which they underperformed growth stocks, value stocks are now trading at unusually depressed levels compared to the wider market. Predicting when this discount will start to narrow is impossible.

But history suggests this will unwind at some point. We are positioned to benefit when this materialises. Our fund trades on a price-to-earnings ratio of 7.5x, a 36% discount to the market.

Activity levels were low in August. We initiated a new position in Indofood, a food producer that owns Indonesia's biggest flour mill. It reported good second-quarter results from its consumer-branded product range, with revenues up 14% on the year. Demand for instant noodles, dairy and snack foods is strong, but on a price-to-earnings multiple of 14x, Indofood remains one of the cheapest consumer stocks in the region. We also added a position in Chinese e-commerce giant Alibaba following positive results. These purchases were funded by sales in Tech Mahindra and Cosco Shipping, both of which saw deteriorating corporate news.

Our largest overweight positions remain in China and Russia, while our largest underweights are in India and technology-heavy Korea and Taiwan. By sector, our preference is for utilities, construction and financials. We continue to have less exposure to the more widely owned segments of the market, such as technology and consumer goods.



Third party endorsements are not a recommendation to buy. For information, visit artemisfunds.com/endorsements.

Composition

Top ten holdings

Country Garden	2.6%
ENN Energy	2.4%
Accton Technology Corporation	2.4%
China Resources Land	2.2%
Thanachart Bank Public	2.2%
Chailease Holding	2.1%
Shinhan Financial	2.1%
Ping An Insurance Group	2.1%
Anhui Conch Cement	2.0%
Banco Do Brasil	1.9%

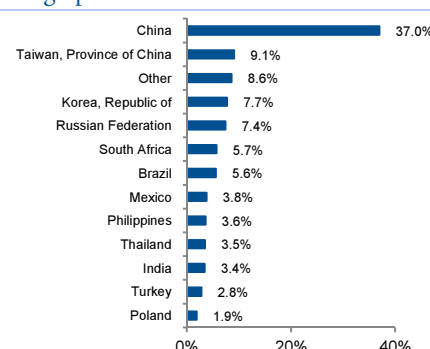
Source: Artemis as at 31 August 2019.

Market sector split

Financials	25.0%
Industrials	10.9%
Consumer Discretionary	10.2%
Information Technology	9.5%
Communication Services	9.1%
Materials	8.7%
Utilities	8.0%
Energy	6.8%
Real Estate	6.0%
Health Care	2.1%
Consumer Staples	1.0%

Source: Artemis as at 31 August 2019. Please note that figures may not add up to 100% due to rounding and the cash holding.

Geographic breakdown



Source: Artemis as at 31 August 2019. 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	14.8%	25.3%	-3.0%	-4.7%	-0.7%
MSCI EM (Emerging Markets) NR USD	7.6%	18.3%	-4.4%	-4.7%	-0.2%
IA Global Emerging Markets NR	35.4%	26.9%	5.4%	6.0%	3.7%

'Since launch' data from 8 April 2015. Source: Lipper Limited, mid to mid in US dollars to 31 August 2019. All figures show total returns with dividends reinvested. Benchmarks shown are for comparison: further information can be found in the fund's Key Investor Information Document. This class may be in a currency or have charges or a hedging approach different from those in the IA sector benchmark.

Discrete performance to year end

	2018	2017	2016	2015	2014
12 months to 31 December	-12.8%	38.3%	14.2%	n/a	n/a

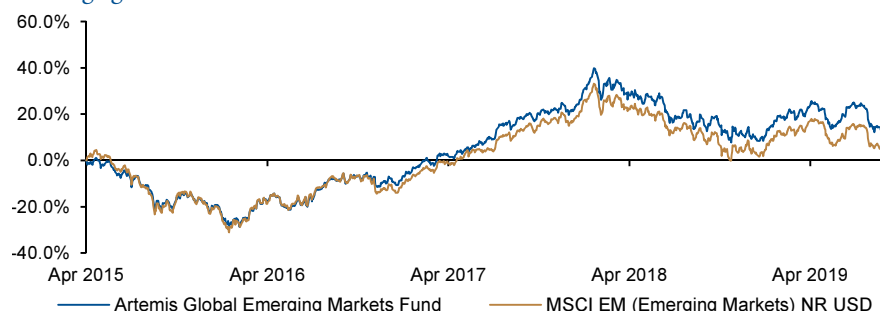
Please remember that past performance is not a guide to the future. Source: Lipper Limited, mid to mid in US dollars. All figures show total returns with dividends reinvested. As the fund was launched on 8 April 2015, complete five year performance data is not yet available. Returns may vary as a result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

Discrete performance to quarter end

	2019	2018	2017	2016	2015
12 months to 30 June	4.0%	8.2%	31.5%	-11.3%	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 August 2019. 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)	\$334.4m

Source: Artemis as at 31 August 2019.

Prices and yield

Mid price	114.80c
Historic yield	2.67%

The historic yield reflects distributions declared over the past twelve months as a percentage of the mid-market 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	0.950%

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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or other decision. Subscriptions to a sub-fund may only be made on the basis of the current prospectus and the relevant Key Investor Information document ("KIID") and Costs and Charges Information document, as well as the latest annual or interim reports. Please refer to the "Risk Warnings" section of the prospectus before investing in any sub-fund. The aforementioned documents can be obtained free of charge from the manager's website at www.artemisfunds.com, and/or its registered office at Cassini House, 57 St James's Street, London, SW1A 1LD and/or:

- 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.

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