

Robeco Emerging Opportunities Equities D EUR

Robeco Emerging Opportunities Equities invests in stocks in emerging and frontier markets across the world. The selection of these stocks is based on fundamental analysis. The fund aims to achieve higher returns by investing flexibly in the most promising countries independently from the reference index. The fund manager combines a top-down country allocation process with bottom-up stock selection, where stock selection is based on a unique blend of fundamental and quantitative proprietary research. Its flexible portfolio construction allows for exposure not only to large companies but also to mid and small caps when attractive opportunities arise. The fund has a diversified portfolio.



Jaap van der Hart, Fabiana Fedeli, Wim-Hein Pals, Dimitri Chatzoudis
Fund manager since 29-04-2015

Performance

	Fund	Index
1 m	-5.26%	-6.73%
3 m	-2.48%	-2.42%
Ytd	10.07%	6.79%
1 Year	-3.82%	-4.36%
2 Years	-0.37%	2.50%
3 Years	8.65%	9.84%
Since 04-2015	-0.42%	0.37%

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	-16.98%	-10.27%
2017	19.51%	20.59%
2016	14.94%	14.51%
2016-2018	4.48%	7.41%

Annualized (years)

Fund price

31-05-19	EUR	98.28
High Ytd (08-04-19)	EUR	105.44
Low Ytd (02-01-19)	EUR	89.29

Reference index

MSCI Emerging Markets Index (Net Return, EUR)

General facts

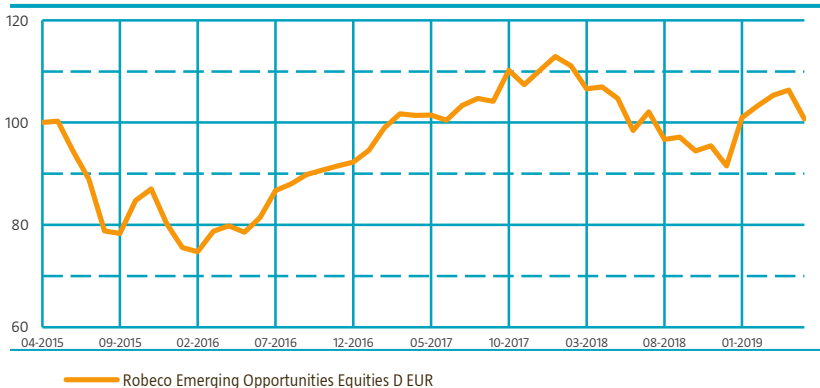
Morningstar	★★★★
Type of fund	Equities
Currency	EUR
Total size of fund	EUR 3,273,760
Size of share class	EUR 982,848
Outstanding shares	10,000
1st quotation date	29-04-2015
Close financial year	31-12
Ongoing charges	1.72%
Daily tradable	Yes
Dividend paid	No
ex-ante RatioVaR limit	125.00%
Management company	Robeco Luxembourg S.A.

Fees

Management fee	1.50%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.04%

Performance

Indexed value (until 31-05-2019) - Source: Robeco



Performance

Based on transaction prices, the fund's return was -5.26%.

The fund outperformed the MSCI Emerging Markets Index in May. The largest positive contribution came from having low exposure to the large Chinese internet companies, which were among the worst performers in May. Other positive contributors were a relatively large weight in Brazil and stock selection in Korea, as the banks proved relatively resilient. Turkish refining company Tupras, Banco do Brasil, Indonesian Media Nusantara and Indian holdings ICICI Bank, BPCL and HPCL also performed relatively well. The main negative contributions in May came from the position in Sino-US meat company WH Group, due to the potentially negative impact from the trade war, and from not having a position in Russian gas giant Gazprom, which performed very strongly after announcing a significant rise in dividend payout.

Market development

In May, the MSCI Emerging Markets Index declined by 6.7% in euro terms, underperforming the 5.2% decline for developed markets. The key negative event was the escalation in the US-China trade negotiations. The US claims that China backtracked on earlier agreements and therefore canceled suspension of import tariff hikes for USD 200 billion of Chinese goods and threatened to also impose a further 25% tariff on the remaining USD 325 billion of Chinese imports. As a consequence, China was the worst performing country, while Korea and Taiwan were also among the weaker markets. The best performing countries were Russia, Greece and Brazil. Another important event was the election outcome in India, which delivered a clear victory for the current Modi government, allowing for continuation of current policies. Trade policy also became a topic again for Mexico, as President Trump imposed a 5% import tariff on Mexican goods in relation to illegal migration. Finally, by the end of the month, Saudi Arabia and Argentina entered the MSCI Emerging Markets Index.

Expectation of fund manager

The two main global factors currently have turned into diverging directions. On the trade side, the outlook for a quick US-China trade deal has deteriorated significantly. Although both parties would still benefit from a deal, it has become more uncertain whether a middle ground can be found. Additional pressure on Chinese technology companies like Huawei is not helping either. At the same time, the Fed sent out a more positive message, with policymakers mentioning potential interest rate cuts as a possibility. Emerging markets remain attractively valued at around a 20% to 25% discount to developed markets, while average GDP growth will be around 4% versus 2% in developed markets. Although not particularly high, with growth estimated at 5%, earnings expectations are still coming down.

SI fund classification

	Yes	No	N/A
Voting	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Engagement	<input type="checkbox"/>	<input checked="" 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"/>

PRI ESG Integration Classification

	Yes	No	N/A
Screening	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainability Themed Fund	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Top 10 largest positions

The top ten holdings are well diversified over the different countries and sectors within the fund.

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)
 Issue structure Open-end
 UCITS V Yes
 Share class D EUR
 This fund is a subfund of Robeco Capital Growth Funds, SICAV.

Registered in

France, Luxembourg, Spain, Switzerland

Currency policy

The fund is allowed to pursue an active currency policy to generate extra returns. Currency risk can be hedged but the portfolio manager is mindful of the costs versus rewards of such hedges and might find hedging via country allocation and stock selection more beneficial to performance.

Risk management

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

Dividend policy

This share class of the fund does not distribute dividend. This share class of the fund retains any income that is earned and so its entire performance is reflected in its share price.

Fund codes

ISIN	LU1215397057
Bloomberg	RCGREDE LX
Valoren	27809252

ESG integration policy

For Robeco Emerging Opportunities Fund, ESG factors are incorporated in the investment and decision-making process. A proprietary bi-annual corporate governance questionnaire is an integral part of the fundamental framework. The team assesses shareholder, board, management, government, social and environmental factors where appropriate. The team also includes ESG considerations in their country allocation process. ESG-based considerations impact the stock valuation analysis. Relevant ESG issues are discussed with company management on a case by case basis. Input from RobecoSAM Sustainability analysts is used to further enhance ESG integration in the investment process.

Top 10 largest positions

Holdings	Sector	%
Naspers Ltd	Consumer Discretionary	3.71
Ping An Insurance Group Co Of China Ltd	Financials	3.43
Samsung Electronics Co Ltd Pref	Information Technology	3.36
Taiwan Semiconductor Manufacturing Co Lt	Information Technology	3.34
Lukoil Plsc Adr	Energy	3.14
Otp Bank Nyrt	Financials	2.80
Shinhan Financial Group Co Ltd	Financials	2.58
Hcl Technologies Ltd	Information Technology	2.54
Anhui Conch Cement Co Ltd	Materials	2.50
Petroleo Brasileiro Sa Adr	Energy	2.47
Total		29.87

Top 10/20/30 weights

Top 10	29.87%
Top 20	48.42%
Top 30	62.14%

Statistics

	3 Years
Information ratio	0.26
Sharpe ratio	1.01
Alpha (%)	1.70
Beta	0.92
Standard deviation	11.06
Max. monthly gain (%)	9.19
Max. monthly loss (%)	-5.46

Above mentioned ratios are based on gross of fees returns.

Hit ratio

	3 Years
Months outperformance	20
Hit ratio (%)	55.6
Months Bull market	23
Months outperformance Bull	12
Hit ratio Bull (%)	52.2
Months Bear market	13
Months Outperformance Bear	8
Hit ratio Bear (%)	61.5

Above mentioned ratios are based on gross of fees returns.

Asset Allocation

Asset allocation		
Equity		97.7%
Cash		2.3%

Sector allocation

The largest sectors in the fund are financials, IT, materials and energy, while there are smaller positions in consumer discretionary, communication services, industrials, real estate, utilities and consumer staples.

Sector allocation		Deviation reference index	
Financials	<div><div></div></div> 29.6%	<div><div></div></div> 4.1%	
Information Technology	<div><div></div></div> 15.2%	<div><div></div></div> 1.5%	
Energy	<div><div></div></div> 13.6%	<div><div></div></div> 5.5%	
Consumer Discretionary	<div><div></div></div> 12.1%	<div><div></div></div> -0.9%	
Materials	<div><div></div></div> 10.8%	<div><div></div></div> 3.2%	
Industrials	<div><div></div></div> 5.4%	<div><div></div></div> 0.0%	
Real Estate	<div><div></div></div> 4.9%	<div><div></div></div> 1.9%	
Communication Services	<div><div></div></div> 3.4%	<div><div></div></div> -8.2%	
Utilities	<div><div></div></div> 2.9%	<div><div></div></div> 0.2%	
Consumer Staples	<div><div></div></div> 2.1%	<div><div></div></div> -4.6%	
Health Care	<div><div></div></div> 0.0%	<div><div></div></div> -2.7%	

Country allocation

The largest countries in the fund are China and Korea, and to a lesser extent Brazil, Taiwan, India, South Africa and Russia. The fund has smaller positions in Hungary, Indonesia, Thailand, the UAE, Peru, the Philippines, Mexico, Turkey and in frontier markets Vietnam and Botswana. The position in Hong Kong reflects companies that operate predominantly in China.

Country allocation		Deviation reference index	
China	<div><div></div></div> 23.2%	<div><div></div></div> -7.9%	
Korea	<div><div></div></div> 17.0%	<div><div></div></div> 4.9%	
Brazil	<div><div></div></div> 10.3%	<div><div></div></div> 2.7%	
Taiwan	<div><div></div></div> 8.5%	<div><div></div></div> -2.5%	
India	<div><div></div></div> 8.4%	<div><div></div></div> -1.1%	
Russia	<div><div></div></div> 6.4%	<div><div></div></div> 2.4%	
South Africa	<div><div></div></div> 5.8%	<div><div></div></div> -0.1%	
Indonesia	<div><div></div></div> 3.9%	<div><div></div></div> 1.8%	
Hungary	<div><div></div></div> 3.3%	<div><div></div></div> 3.0%	
Mexico	<div><div></div></div> 2.3%	<div><div></div></div> -0.3%	
Hong Kong	<div><div></div></div> 1.9%	<div><div></div></div> 1.9%	
Thailand	<div><div></div></div> 1.6%	<div><div></div></div> -1.3%	
Other	<div><div></div></div> 7.4%	<div><div></div></div> -3.5%	

Currency allocation

The fund currently has no forward currency contracts.

Currency allocation		Deviation reference index	
Korean Won	<div><div></div></div> 16.6%	<div><div></div></div> 4.5%	
Hong Kong Dollar	<div><div></div></div> 16.3%	<div><div></div></div> -5.8%	
Brazil Real	<div><div></div></div> 10.1%	<div><div></div></div> 2.5%	
New Taiwan Dollar	<div><div></div></div> 8.4%	<div><div></div></div> -2.6%	
Chinese Yuan Renminbi	<div><div></div></div> 8.4%	<div><div></div></div> 0.1%	
Indian Rupee	<div><div></div></div> 8.2%	<div><div></div></div> -1.3%	
Russian Ruble	<div><div></div></div> 6.2%	<div><div></div></div> 2.3%	
South African Rand	<div><div></div></div> 5.7%	<div><div></div></div> -0.2%	
Indonesian Rupiah	<div><div></div></div> 3.8%	<div><div></div></div> 1.7%	
Hungarian Forint	<div><div></div></div> 3.3%	<div><div></div></div> 3.0%	
US Dollar	<div><div></div></div> 2.9%	<div><div></div></div> 1.8%	
Mexican Peso	<div><div></div></div> 2.3%	<div><div></div></div> -0.3%	
Other	<div><div></div></div> 7.8%	<div><div></div></div> -5.7%	

Investment policy

Robeco Emerging Opportunities Equities invests worldwide in stocks of the most promising emerging economies as well as frontier economies. These economies are at an earlier stage of development versus developed countries, offering more opportunity for company returns to grow. The fund aims to outperform broader emerging markets as represented by the MSCI Emerging Markets Index over a full market cycle. The fund has the freedom to seek higher returns by investing flexibly in the most promising stocks and countries independently from the reference index. Its flexible portfolio construction allows for exposure not only to large companies but also to mid and small caps when attractive opportunities arise. The portfolio is well-diversified consisting of 70 to 100 stocks. Investing in emerging markets is one of the core capabilities of Robeco's equity investments. The investment team consists of specialists with many years of experience in applying both fundamental and quantitative analysis in emerging markets. The fund manager combines a top-down country allocation process with bottom-up stock selection, where stock selection is based on a unique blend of fundamental and quantitative proprietary research.

Fund manager's CV

Mr. van der Hart, Vice President, is a Senior Portfolio Manager with Robeco and member of the Emerging Markets Team. Previously, he was a Portfolio Manager Robeco Eastern European Equities Fund. Before that, he held a position as a Senior Portfolio Manager Latin American Equities with Robeco. He is a graduate from the Erasmus University Rotterdam and holds a Master's degree in Econometrics. Mr. Pals, Executive Vice President, is Head of Emerging Markets Equities with Robeco. He also is the Fund Manager for the Robeco CGF Emerging Markets Equities. From 1998 to 2001 Wim-Hein was Senior Portfolio Manager in emerging European and African equities. Prior to this assignment, he was a Senior Portfolio Manager in emerging Asian equities. Wim-Hein Pals has been working as a Fund Manager since 1992. He holds a master of Science in Industrial Engineering and Management Sciences from the Eindhoven University of Technology as well as a master's degree in Business Economics from Tilburg University. Wim-Hein is registered with the Dutch Securities Institute. Mr. Dimitri Chatzoudis, Senior Portfolio Manager. Dimitiri is a Senior Portfolio Manager with Robeco and a member of the Emerging Markets Equities team since June 2008. He is responsible for the team's investments in Central Europe and South Africa. He started his career at ABN AMRO in 1993 as a buy side analyst, responsible for the IT sector. He transitioned to the Emerging Markets team at ABN AMRO in 2000, where he was responsible for the Eastern Europe Fund as the lead portfolio manager and from 2005 to May 2008 as the lead portfolio manager of the Global Emerging Market portfolios. Dimitri holds a Master's degree in Industrial Engineering from the Eindhoven University of Technology and became a VBA charter holder in 1997. He is registered with the Dutch Securities Institute.

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.

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Morningstar

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