

DWS Invest China Bonds



Bond Funds - Emerging Markets/ High Yield Corporate Bonds

August 2018

As at 31/08/2018

Fund Data

Investment Policy

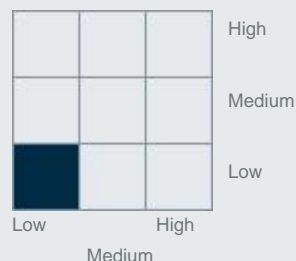
DWS Invest China Bonds offers investors the opportunity to participate in the performance of the Chinese Renminbi. In keeping with this orientation, the Fund's currency positions are nearly all in Renminbi. Bond investments are made in Chinese issuers in Renminbi (or hedged in RMB) and in global issuers in RMB. The focus is on bonds with good to very good credit ratings.

Fund Management's Comment

You can find the Fund management's detailed commentary in DWS Flagship Fund Reporting and on the individual pages of the factsheets.

Morningstar Style-Box™

Credit Quality



Interest Rate Sensitivity

Morningstar Category™

RMB Bond

Ratings

(As at: 31/07/2018)

Morningstar Overall Rating™: **AAAA**

Lipper Leaders:

③③①②

Performance

Performance - Share Class USD LC(USD)

(in %)



■ Fund

Past performance is no indication of current or future performance, and the performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

Cumulative Performance (in %) - Share Class USD LC(USD)

	1 m	1 y	3 y	5 y	s. Launch	Ytd.	3 y Ø	5 y Ø	2014	2015	2016	2017
USD	0.2	-3.5	8.3	10.2	20.7	-5.5	2.7	2.0	1.1	-1.8	-1.7	15.6
EUR	0.7	-1.6	4.1	25.0	47.9	-3.0	1.3	4.6	14.1	9.3	1.6	2.2

The information regarding this product is based on USD. For this reason, the performance in Euros of this product may rise or fall on the basis of currency fluctuations.

Further Characteristics (3 years) / VAR (1 year) - Share Class USD LC(USD)

Volatility	6.31%	Maximum Drawdown	-8.38%	VAR (99%/10 days)	2.50%
Sharpe Ratio	0.26	Information Ratio	--	Correlation Coefficient	--
Alpha	--	Beta	--	Tracking Error	--

Portfolio Analysis

Portfolio Breakdown

(in % of fundvolume)

Emerging markets corporates	81.9
Corporate Bonds	9.7
Cash equivalents	8.4

Gross weighting, not adjusted for any positions in derivatives.

Breakdown by Rating

(in % of bond holdings)

AAA	1.7
AA	3.6
A	24.8
BBB	50.5
BB	3.9
B	13.6
CCC	1.9

Investment Ratio

(in % of fundvolume)

Bonds	91.6
Cash and other assets	8.4

The presentation of the structure of the bond credit ratings is based on both internal and external ratings.

DWS Invest China Bonds



Bond Funds - Emerging Markets/ High Yield Corporate Bonds

August 2018

As at 31/08/2018

Portfolio Analysis

Breakdown by Country (Bonds)	(in % of fundvolume)
China	72.0
Indonesia	5.2
Hong Kong	5.1
India	2.8
Macau	1.5
Japan	1.2
Singapore	0.5
Australia	0.4
Korea	0.3
Malaysia	0.1

Gross weighting, not adjusted for any positions in derivatives.

Largest Individual Holdings	(in % of fundvolume)
Vigorous Champ 18/10.09.23 MTN	3.4
China Orient Asset Management Int. 17/08.06.19	3.3
Eastern Dragon Int./EXIM Bank China14/19.02.19	3.3
Deutsche Invest II China High Income Bonds USD FC	2.7
Far East Horizon 17/und. MTN	2.6
Medco Straits Services 17/17.08.22 Reg S	2.6
Vedanta Resources 11/07.06.21 Reg S	2.6
Unigroup International Holdings 15/10.12.20	2.6
New World China Land 17/23.01.27	2.4
Huaneng Hong Kong Capital 17/und	2.3
Total	27.8

Breakdown by Currency	(in % of fundvolume)
Offshore Renminbi	94.6
United States dollar	5.4

Incl. forward exchange transactions, negative and positive figures reflect expected currency developments.

Key Figures regarding the Fund's Assets

Yield (in %)	6.1	Current Interest Rate (in %)	4.6	
Duration (in years)	2.2	Modified Duration	2.1	Maturity (in years)8.0
Number of Bonds	81	Average Rating	BBB	

Cumulative Performance (in %)

	1 m	1 y	3 y	5 y	s. Launch	Ytd.	3 y Ø	5 y Ø	2014	2015	2016	2017
CHF FCH(CHF)	-0.1	-5.9	2.2	3.7	6.9	-7.1	0.7	0.7	1.2	-2.5	-3.3	13.2
CHF LCH(CHF)	-0.1	-6.5	0.6	1.0	3.7	-7.5	0.2	0.2	0.7	-3.0	-3.7	12.5
FCH(EUR)	-0.1	-5.7	3.8	6.2	16.7	-7.0	1.3	1.2	1.5	-1.8	-2.5	13.7
FDH(EUR)	-0.1	-5.5	3.9	--	3.9	-6.8	1.3	--	--	--	-2.5	13.6
LCH(EUR)	-0.1	-6.0	2.4	3.7	12.8	-7.2	0.8	0.7	0.9	-2.3	-3.1	13.2
LDH(EUR)	-0.1	-6.1	2.4	3.7	12.9	-7.2	0.8	0.7	0.9	-2.2	-3.0	13.2
NC(EUR)	0.7	-2.2	3.2	23.0	24.4	-2.9	1.0	4.2	14.7	9.1	1.4	1.2
NCH(EUR)	-0.1	-6.5	1.1	1.6	10.0	-7.5	0.4	0.3	0.5	-2.6	-3.5	12.8
NDH(EUR)	-0.1	-6.4	1.1	--	-2.0	-7.4	0.4	--	--	-2.7	-3.4	12.7
NDQH(EUR)	-0.1	-6.4	--	--	0.1	-7.4	--	--	--	--	--	--
RMB FC(CNY)	0.7	0.6	18.1	26.4	27.1	-0.3	5.7	4.8	3.8	4.5	4.8	8.7
RMB LC(CNY)	0.6	0.0	16.2	23.4	23.8	-0.6	5.1	4.3	3.4	4.2	4.2	8.0
SEK FCH(SEK)	-0.1	-5.9	--	--	-0.1	-7.2	--	--	--	--	-2.9	13.6
SEK LCH(SEK)	-0.1	-6.0	--	--	-1.0	-7.0	--	--	--	--	-3.4	12.9
TFCH(EUR)***	--	--	--	--	--	--	--	--	--	--	--	--
TFDH(EUR)***	--	--	--	--	--	--	--	--	--	--	--	--
USD FC(USD)	0.2	-2.9	10.2	13.2	25.3	-5.1	3.3	2.5	1.6	-1.3	-1.1	16.3
USD FCH (P)(USD)	0.7	-1.5	--	--	2.9	-1.6	--	--	--	--	1.0	4.8
USD LC(USD)	0.2	-3.5	8.3	10.2	20.7	-5.5	2.7	2.0	1.1	-1.8	-1.7	15.6
USD LDH (P)(USD)	0.6	-2.2	--	--	0.8	-1.9	--	--	--	--	0.4	3.9
USD LDMH (P)(USD)	0.6	-2.0	--	--	1.5	-1.8	--	--	--	--	0.4	4.2
USD TFC(USD)***	--	--	--	--	--	--	--	--	--	--	--	--

***The presentation of performance occurs after a period of at least one year following launch of the Fund / unit class.

DWS Invest China Bonds



Bond Funds - Emerging Markets/ High Yield Corporate Bonds

August 2018

As at 31/08/2018

Fund Data

Portfolio Manager	Henry Wong	Assets	317.0 Mio. USD
Portfolio Manager since	01/01/2018	Fund Currency	USD
Portfolio Management Company	Deutsche Asset Management Investment GmbH & Deuts	Launch Date	16/08/2011
Portfolio Management Location	Hong Kong	Fiscal Year End	31/12/2018
Management Company	Deutsche Asset Management S.A.	Investor profile	Risk-tolerant
Legal Structure	SICAV	Fund Domicile	Luxembourg
Custodian	State Street Bank, Lux.		

Share Classes

Share Class	Cur.	ISIN Code	Earnings	Front-end Load ¹ up to	Redemption Price	Interim Gains	Management Fee	Running costs / TER	plus performance- related fee	Minimum Invest- ment Amount
CHF FCH	CHF	LU0813328357	Accumulation	0.00%	106.86		0.600%	0.74% (1)	--	2,000,000
CHF LCH	CHF	LU0813327896	Accumulation	3.00%	103.71		1.100%	1.31% (1)	--	--
FCH	EUR	LU0632808951	Accumulation	0.00%	116.74		0.600%	0.74% (1)	--	2,000,000
FDH	EUR	LU0740831374	Distribution	0.00%	94.13		0.600%	0.76% (1)	--	2,000,000
LCH	EUR	LU0632805262	Accumulation	3.00%	112.79		1.100%	1.31% (1)	--	--
LDH	EUR	LU0740830996	Distribution	3.00%	93.31		1.100%	1.31% (1)	--	--
NC	EUR	LU0616855887	Accumulation	1.50%	124.39		1.400%	1.71% (1)	--	--
NCH	EUR	LU0740831614	Accumulation	1.50%	109.97		1.400%	1.72% (1)	--	--
NDH	EUR	LU0740832000	Distribution	1.50%	86.03		1.400%	1.72% (1)	--	--
NDQH	EUR	LU1054325771	Distribution	1.50%	97.61		1.400%	1.76% (2)	--	--
RMB FC	CNY	LU0813328860	Accumulation	0.00%	127.07		0.600%	0.71% (1)	--	2,000,000
RMB LC	CNY	LU0813328787	Accumulation	3.00%	123.80		1.100%	1.29% (1)	--	--
SEK FCH	SEK	LU1322112480	Accumulation	0.00%	999.41		0.600%	0.75% (1)	--	20,000,000
SEK LCH	SEK	LU1322112563	Accumulation	3.00%	989.82		1.100%	1.31% (1)	--	--
TFCH	EUR	LU1663839949	Accumulation	0.00%	94.82		0.600%	0.74% (2)	--	--
TFDH	EUR	LU1663840012	Distribution	0.00%	94.23		0.600%	0.74% (2)	--	--
USD FC	USD	LU0616856778	Accumulation	0.00%	125.31		0.600%	0.71% (1)	--	2,000,000
USD FCH (P)	USD	LU1322112647	Accumulation	0.00%	102.92		0.600%	0.71% (1)	--	2,000,000
USD LC	USD	LU0616856422	Accumulation	3.00%	120.69		1.100%	1.29% (1)	--	--
USD LDH (P)	USD	LU1322112720	Distribution	3.00%	93.19		1.100%	1.28% (1)	--	--
USD LDMH (P)	USD	LU1322112993	Distribution	3.00%	90.87		1.100%	1.29% (1)	--	--
USD TFC	USD	LU1663840103	Accumulation	0.00%	96.76		0.600%	0.74% (2)	--	--

(1) The Total Expense Ratio (TER) generally includes all expense items charged to the Fund apart from transaction costs and performance fees. If the Fund invests a substantial part of its assets in target funds, the costs of the respective funds and payments received by them will also be taken into account. The Fund incurred the total expenses listed here in its last financial year which ended on 31/12/2017. They are subject to change from year to year.

(2) The Total Expense Ratio (TER) generally includes all expense items charged to the Fund apart from transaction costs and performance fees. The total expenses listed here represent an estimate since the Fund was launched on (NDQH:28/04/2017, TFCH:05/12/2017, TFDH:05/12/2017, USD TFC:05/12/2017). Actual expenses will be calculated and published once the first financial year has ended. The annual report for each financial year will contain the expense details with their precise calculation.

Address

DWS CH AG

Hardstrasse 201
CH-8005 Zurich
Tel.: +41 58 111 77 00
Fax: +41 58 111 71 00
www.deutschefunds.ch
E-Mail: dws.ch@dws.com

Note

¹ Based on the gross investment.

Because of its composition or the techniques used by its managers, the fund features a high level of volatility. In other words, unit prices may fluctuate significantly in either direction within short periods of time.

The rankings and ratings relating to German market.

Prospective investors can obtain a copy of the current sales prospectus, including the terms of contract or management regulations, the articles of association, the prospectus and/or the key investor information the annual and semi-annual report free of charge from the representative in Switzerland, DWS CH AG, Hardstrasse 201, CH-8005 Zurich.

Fund Management's Comment: DWS Invest China Bonds

Bond Funds - Emerging Markets/ High Yield Corporate Bonds



Data in relation to the fund or the leading unit class.	August 2018	As at 31/08/2018
---	-------------	------------------

Performance Review

DWS Invest China Bonds returned +0.22% (net-of-fee) and +0.67% for the CNH-share class and USD-share class respectively in August. Markit iBoxx ALBI China Offshore (CNH) TRI Index was up by +0.48% and JP Morgan Asia Bond Index was up by +0.51%. As per the JPM China (USD) Blended Spreads Index, credit spreads for China (USD) bonds widened by 8bps in August, driven by investors' concern on upcoming 2nd round of US trade tariffs to be carried out in early September. Besides, the Chinese Government intervened in Foreign Exchange Currency (FX) market to pop up RMB FX rate as the US Government has expressed disapproval on a falling RMB FX lately. RMB FX rate was then stabilized at around 6.83 level. A stable FX rate produced a stable return for both USD and CNH tranches of the fund this month. Besides, a firm UST provided good support for China Investment Grade (IG) names which then benefited the fund accordingly. Indeed, in Asia (USD) bond market, IG (+0.66%) continued to outperform High Yield (HY) (+0.01%) this month. Investors remained risk averse and favoured IG and cash for the time being. In the CNH bond space, the IPO market was rather quiet with several small-sized private placements. Investors were still conservative and focused on IG issues.

Performance Attribution

Total exposure to CNH bonds and cash was around 28% of Net Asset Value (NAV). The Fund's modified duration was 2.1, up from 1.6 last month. Chinese/Hong Kong/Macau issuers still take the biggest portion of portfolio NAV at over 78% of outstanding bonds. The Fund's positive return in August was from coupon carry and mark-to-market gains from a firm UST. However, widening of credit spreads did detract from performance during the month. For sector performance, August was a quiet month with performance fairly distributed amongst sectors. The IPO market was modest with IG issues being fairly received by investors whereas HY issues were taken up on selective basis. Issuers continued to keep issue sizes fit for easy digestion by the market.

Current Positioning

We foresee further market consolidation in September assuming no major changes in macro scenario. The Fund will continue to focus on short-dated names. IPO market, especially IG issuers, may provide good entry points and we may step up our participation accordingly.

Outlook

Going into September, Asia credit spreads will likely continue consolidation as investors have not yet been able to identify new factors that could drive the market. Most of the macro news/factors have been pretty well discounted by the market. As such, investors are more on risk-off mode at the present moment. Investors are waiting for more hints or new factors/events before making the next move. With more US rate hikes in coming months, the US dollar is likely to remain firm or stronger vs other currencies. RMB FX rate will be under Chinese Government's tight grip in the time being.

Opportunities

In accordance with the investment policy.

Risks

- The fund invests in the People's Republic of China. Investments in the People's Republic of China are associated with risks resulting from the special legal, political and economic environment. The future political direction of the Chinese government is uncertain, there is the risk of negative performance due to government interventions and restrictions.
- The fund invests in bonds, the value of which depends on whether the issuer is able to afford its payments. The deterioration of credit quality (ability and willingness to repay) may have an adverse affect on the value of the bond.
- Due to its composition/the techniques used by the Fund management, the investment fund has significantly elevated volatility, i.e. the share price may be subject to significant fluctuations up or down within short periods of time. The share value may fall below the purchase price at which the customer acquired the share at any time.

Investor profile: Risk-tolerant

The Fund is intended for the risk-tolerant investor who, in seeking investments that offer targeted opportunities to maximize returns, can tolerate the unavoidable, and occasionally substantial, fluctuations in the values of speculative investments. The high risks from volatility, as well as high credit risks, make it probable that the fund will lose value from time to time, and expectations of high returns and tolerance of risk are offset by the possibility of incurring significant losses of capital invested.

Morningstar Style Box™

The Morningstar Style Box™ illustrates the Fund's investment strategy. For equity funds the vertical axis shows the market capitalization of the stocks contained in the portfolio and the horizontal axis shows the investment style (value, neutral or growth). For bond funds the vertical axis shows the average credit quality of the bonds in the portfolio and the horizontal axis shows interest rate sensitivity as measured by the maturity of a bond (short, medium or long).

Please note that the information from Morningstar, FERI and Lipper Leaders relates to the previous month.

Morningstar Overall Rating™

© [2018] Morningstar Inc. All rights reserved. The information contained herein (1) is copyright protected for Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not guaranteed to be accurate, complete or up-to-date. Neither Morningstar nor its content providers are responsible for any damages or losses that may arise from use of this information. Past performance does not guarantee future performance.

Lipper Leaders

© 2018 Lipper - Thomson Reuters Lipper. All rights reserved. Any copying, republication or redistribution of Lipper content is expressly prohibited without the prior written consent of Lipper. Neither Lipper, other members of the Thomson Reuters group, nor its data providers shall be liable for any errors or delays in the content or for any actions taken in reliance thereon. Lipper performance rankings are calculated using data available at the time of calculation and may not represent all the funds tracked by Lipper. The presentation of performance data does not constitute a recommendation to buy or sell a fund or an investment recommendation for a specific market segment. Lipper analyzes the past performance of funds. Past results are no guarantee for the future performance of an investment fund. Lipper and the Lipper logo are registered trademarks of Thomson Reuters.

Lipper Leaders Rating System - Ratings from 1 (lowest) to 5 (highest)

First digit = Total Return; second digit = Consistent Return; third digit = Preservation; fourth digit = Expense

General information

When the custodian sets the price on the last trading day of the month there can be a difference of up to ten hours between the times at which the fund price and the benchmark are calculated. In the event of strong market movements during this period, this may result in the over- or understatement of the Fund's performance relative to the benchmark at the end of the month (this is referred to as the "pricing effect").

Subscriptions can only be made and units held in accordance with the terms set out in the current version of the sales prospectus, the prospectus and/or the key investor information.

DWS publications may only be reproduced or published with the express written consent of Deutsche Bank AG or any of its subsidiaries.

The information contained in this document is intended solely as a product description and does not constitute investment advice, an offer or a solicitation. The applicable fund agreement and/or the contractual conditions or management regulations, the prospectus and/or key investor information or, if applicable, the annual and half-yearly reports, shall form the sole binding basis for the purchase of units in a collective investment scheme.

The collective investment schemes indicated in this document are contractual funds under Swiss law and contractual funds under foreign law that are licensed for distribution in Switzerland. Information on the domicile of foreign funds is available in the general fund information.

Prospective investors in funds under foreign law can obtain the sales prospectus, the terms of contract and/or management regulations, the key investor information and the annual and semi-annual reports free of charge from the representative in Switzerland, DWS CH AG, Hardstrasse 201, CH-8005 Zurich.

Prospective investors in funds under Swiss law can obtain the sales prospectus including the fund contract, prospectus, the key investor information and the annual and semi-annual reports free of charge from the fund management company, GAM Investment Management (Switzerland) Ltd, Hardstrasse 201, CH-8005 Zurich, from the custodian bank State Street Bank International GmbH, Munich, Zurich branch, Beethovenstrasse 19, CH-8002 Zurich, or from the main distributor in Switzerland, DWS CH AG, Hardstrasse 201, CH-8005 Zurich.

For detailed information on the related risks, please consult the fund contract, the terms of contract, the management regulations, the sales prospectus and/or the key investor information. The information contained therein is based on our assessment of the present legal and tax environment. The views and opinions presented here represent the most recent estimates of DWS or any of its subsidiaries and are subject to change at any time without prior notice.

Units issued in a collective investment scheme may only be offered for sale or purchase in jurisdictions where the sale or purchase thereof is permitted.

Accordingly, the US Securities Act of 1933 in its current form contains a prohibition on units in this collective investment scheme, and as such, they may not be offered, sold or distributed in the United States to US citizens or residents of the United States.

Subsequent transfers of units within the US or to US citizens or residents are also prohibited. This document may not be brought into circulation in the US.

For funds under foreign law:

Representative in Switzerland:

DWS CH AG
Hardstrasse 201
CH-8005 Zurich

Paying agent in Switzerland:

Deutsche Bank (Suisse) SA
Place des Bergues 3
CH-1201 Geneva

For funds under Swiss law:

Main distributor in Switzerland:

DWS CH AG
Hardstrasse 201
CH-8005 Zurich

dws.ch@dws.com
www.dws.ch

General Risk Warnings

Any investment in units of a collective investment scheme entails or is associated with equity market, bond market, exchange rate, interest rate, credit, volatility and political risks. Each of these risks may appear in connection with other risks. A brief description of some of these risk factors is provided below.

Prospective investors should have previous experience with the financial instruments that are in use in the specified investment policy. Investors should fully understand the risks associated with investments in fund units and only make investment decisions after consulting with their legal, tax, financial or other advisors in regards to (i) the suitability of an investment in units in view of their personal tax and financial position and/or other circumstances; (ii) the information contained in this prospectus; (iii) the investment policy of the collective investment scheme; and (iv) the risks associated with the investment under the planned investment policy presented by the collective investment scheme.

Please note that investments in collective investment schemes entail both opportunities on the upside and risks on the downside. Units of collective investment schemes are securities and as such their value fluctuates with the rise and fall in the value of the underlying assets. The value of the units may accordingly rise above or fall below the purchase price. No guarantee therefore is given that the objectives of the investment policy will be achieved.

Past performance is not necessarily a guide to future returns.

Alpha

A measure of the difference between the risk-adjusted return on an investment and a benchmark. The alpha measures the part of the performance that cannot be explained by market movements or market risk, but rather is derived from the selection of securities within the market. Alpha is a way of measuring the active contribution to performance made by the portfolio manager. It is also a good yardstick to use when comparing several funds. The figure is calculated on a 3-yearly basis.

Average dividend yield

Measures the average dividend amount, based on the current share price. This figure is calculated based on the shares (including ADRs/GDRs - > Depositary receipts) and REITs contained in a fund.

Average market capitalization

Measures the average market capitalization of the shares, REITs and ADRs/GDRs (depositary receipts) contained in a fund. The market capitalization represents the total market value of a company as determined by multiplying the number of shares issued by the current share price.

Beta factor

A measure of sensitivity - given as the average percentage change in the price of a fund when the market (benchmark) rises or falls by 1%. A value over (under) 1 means that on average the fund exhibits more (less) volatility than the benchmark. The figure is calculated on a 3-yearly basis.

Correlation coefficient

Describes the degree to which two values (fund versus benchmark) move in the same direction. The value of the correlation coefficient is between -1 and +1. A correlation of +1 means that the fund generally moves in the same direction as the benchmark, while -1 indicates that the fund generally moves in the opposite direction. A correlation of 0 means that there is no relation between the price movements of the fund and the benchmark. The figure is calculated on a 3-yearly basis.

Current interest yield

The current interest yield differs from the nominal interest rate because securities are bought at a price that can be higher or lower than their nominal value. Since interest is always paid on the nominal value, the following calculation is used: $(\text{interest rate} \times 100) / \text{price} = \text{effective yield}$.

Duration (in years/in months)

A measure of the sensitivity of an investment to changes in interest rates. Duration, which was developed by Frederick Macaulay, is the average period for which invested capital is committed. Because of the interest payable over time on the invested capital, duration is shorter than -> maturity. This version of duration is used in DWS Top Reporting and refers to invested assets (without "Cash and other holdings").

Information ratio

The information ratio measures the difference between the annualized average return of the fund and that of the benchmark, divided by the Tracking error. The higher this value is, the more the investor pays for the risk in the fund. The figure is calculated on a 3-yearly basis.

Maturity (in years/in months)

The amount of time until the maturity of an obligation, such as a bond. Refers to invested fund assets (without "Cash and other holdings").

Maximum drawdown

The maximum drawdown is the largest percentage drop in value in a given period of time. It measures the amount the fund falls from its highest point to its lowest point in the selected timeframe. The figure is calculated on a 3-yearly basis.

Modified duration (in years/in months)

Serves as a measure of interest-rate sensitivity. Modified duration indicates the percentage change in price of a bond (in a portfolio) when the market interest rate changes by 1%. In order to calculate the percentage change in the bond price, the modified duration of the bond is multiplied by the percentage change in the interest rate. This figure helps investors assess the risks and opportunities of a bond at a glance.

Sharpe ratio

A measure of risk developed by William F. Sharpe, defined as the excess return on an investment over that of a risk-free investment in relation to the risk of the investment. The higher the Sharpe ratio, the higher the yield the investor receives for the risk the investment carries (expressed in volatility). The Sharpe ratio can be used to compare multiple funds. The figure is calculated on a 3-yearly basis.

Tracking error

The tracking error is the standard deviation of the yield differential between a fund and its benchmark. This makes it a measure of how well the fund manager tracks the benchmark. The figure is calculated on a 3-yearly basis.

VaR (Value at Risk)

A measure of risk that indicates the maximum fund losses with a given probability for a given period of time (holding period). VaR is calculated on the basis of the daily prices of the individual securities contained in the portfolio for a year.

Yield

The yield is the annual return on a capital investment, measured as the actual interest earned (effective yield) on the capital invested. It is based on the fund's income (e.g., interest, dividends, realized capital gains) and change in the price of the assets held in the fund. The yield of a fund is

derived from the invested assets (without "Cash and other holdings") and is presented as a "gross" figure, i.e., before the deduction of total expenses/fee.

Volatility

Volatility expresses the degree to which the yield on an investment (the price performance of a fund, for example) varies from a mean value in a specific period of time. This makes it a measure of fund risk. The greater the variation from the mean, the higher the volatility. Knowing the volatility allows investors to assess the profit and loss potential of an investment. The figure is calculated on a 3-yearly basis.