



CC RWC Global Emerging Markets Fund (APIR: CHN8850AU)

31 August 2019

Fund Benefits

Exclusive Australian Access:

Access to a proven global fund manager not otherwise available to Australian investors.

Investment Team Expertise:

RWC has an experienced investment team drawing on knowledge and global information networks to uncover growth opportunities across more than 60 markets globally.

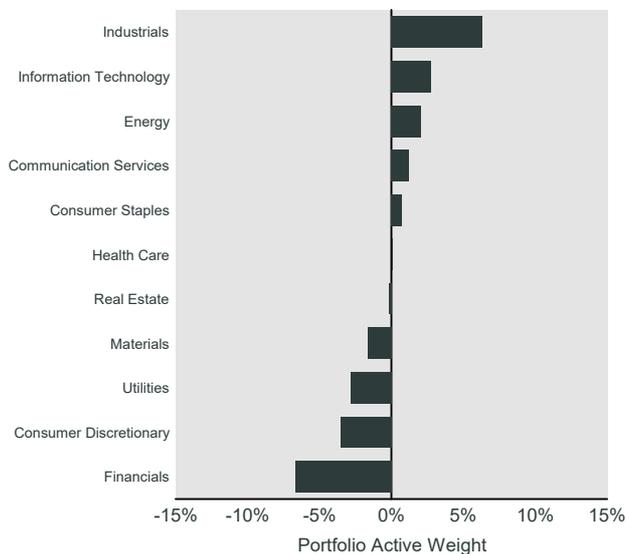
Overseas Opportunities and Diversification:

Investing in Emerging Markets and Frontier Markets may provide long-term capital appreciation of companies situated in countries with growing economies, and may provide a useful source of portfolio diversification.

Performance (Australian Dollars)

Returns (after fees)	Fund*
1 Month	-4.62%
3 Months	2.56%
FYTD	-3.03%
1 Year	-
2 Years p.a.	-
3 Years p.a.	-
Inception	1.52%

Relative Sector Breakdown**



Platform Availability

Asgard	Ausmaq
BT Panorama IDPS and Super	BT Wrap IDPS and Super
Hub 24 IDPS and Super	Macquarie Wrap IDPS
MLC Wrap/Navigator	Netwealth IDPS
Powerwrap IDPS and Super	Praemium IDPS and Super

Fund Facts

Investment Manager	Channel Investment Management Ltd
Underlying Fund Investment Manager	RWC Asset Advisors (US) LLC ("RWC") (Portfolio Manager: John Malloy)
Structure / Underlying Fund	The Fund invests into the RWC Global Emerging Markets Fund Class F Shares
Inception Date [^]	19 February 2019
Management Fee #	1.23% p.a.
Distributions	Annually
Fund Size ⁺	AUD \$20 million

Top 5 Holdings

Stock Name	Sector
Yandex NV Class A	Communication Services
Ping An Insurance (Group) Company of Ch	Financials
Sberbank Russia OJSC	Financials
Taiwan Semiconductor Manufacturing Co.,	Information Technology
Tencent Holdings Ltd	Communication Services

Source: RWC Asset Advisors (US) LLC

Relative Geographic Breakdown**



Further Information

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All figures disclosed include the net effect of GST and RITC. ^ Inception Date for performance calculation purposes. + Fund size refers to the CC RWC Global Emerging Markets Fund ARSN 630 341 249. * Performance is for the CC RWC Global Emerging Markets Fund (APIR: CHN8850AU), and is based on month end unit prices before tax in Australian Dollars. Net performance is calculated after management fees and operating costs, excluding taxation. This is historical performance data. It should be noted the value of an investment can rise and fall and past performance is not indicative of future performance. ** Relative Sector Breakdown and Relative Geographic Breakdown refer to the Underlying Fund and show portfolio weights relative to the MSCI Emerging Markets Index Net AUD. Data provided by RWC.



Fund and Market Review

Emerging market equities fell during the month of August as geopolitical and trade tensions, concerns surrounding global macroeconomics and domestic political setbacks disrupted investor sentiment. The MSCI Emerging Markets Index NR in AUD fell 2.7%, while the CC RWC Global Emerging Markets Fund fell 4.6%. China fell 4.2% during the month, despite generally robust macroeconomic data. While manufacturing PMIs remain under pressure, inflation remains under control at +2.8%, fixed asset investment growth is strong at +5.7% and export growth turned slightly positive to +3.3% year-on-year, reversing earlier declines. Inflation continues to remain under control in India at +3.2% year-on-year and the central bank cut interest rates for the fourth consecutive time. Second quarter GDP growth came in at +5.0%. Despite strong performance year-to-date, Brazil fell -9.5% largely due to political tensions. Macroeconomic data remains strong with second quarter GDP growth increasing +0.6% year-on-year with investment growing +3.2% quarter-on-quarter. Russia fell -4.7% as geopolitical tensions rose during the month. The economy remains well-supported with oil around \$60 a barrel and inflation at +4.7% with further interest rate cuts on the horizon.

Mediatek was a significant contributor to performance. The stock rose +15.7% during the month due to 5G-related optimism. As the 5G thematic continues to grow the company should be able to increase revenues and margins in its smartphone business and gain meaningful market share. Despite the correction in Brazil, Hapvida rose +12.7%. The company reported strong results with revenue increasing +15% year-on-year in addition to market share gains in the North and Northeast of the country. The outlook for the company remains optimistic due to its continual drive for vertical integration, evidenced by the acquisitions of Sao Francisco and Grupo America. Egypt was also a contributor for the Fund, with Commercial International Bank rising +11.0% during the month. Inflation continues to fall and the central bank cut interest rates by 150 basis points to 14.25% during the month which will likely support equities in the near to medium term.

China was a detractor for the Fund as trade tensions continue to impact investor sentiment. Although a deal has not yet been reached, China's State Council announced 20 proposals and measures to support the domestic economy showing that the authorities continue to manage expectations well. Ctrip and Taiping Insurance declined -16.9% and -19.4%, respectively. However, both companies will likely profit from the secular growth of outbound tourism and insurance in the country. The Underlying Fund's copper positions were also a detractor for the Fund as the commodity fell -6.1% to \$2.53 per lb. The investment thesis for the commodity remains well supported with curtailed supply and increased demand coming from electric vehicles. First Quantum reported robust results with the company's flagship project, Cobre Panama, producing c.30.9k tonnes, which was ahead of estimates

The information contained in this report is provided by the Underlying Fund Investment Manager, RWC Asset Advisors (US) LLC ('RWC'). Channel Investment Management Limited ACN 163 234 240 AFSL 439007 ('CIML') is the Responsible Entity and issuer of units in the CC RWC Global Emerging Markets Fund ARSN 630 341 249 ('the Fund'). Neither CIML nor RWC, their officers, or employees make any representations or warranties, express or implied as to the accuracy, reliability or completeness of the information contained in this report and nothing contained in this report is or shall be relied upon as a promise or representation, whether as to the past or the future. Past performance is not a reliable indication of future performance. A reference to quarters is a reference to a calendar quarter. This information is given in summary form and does not purport to be complete. Information in this report, should not be considered advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling units in the Fund and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice. Readers are cautioned not to place undue reliance on forward looking statements. Neither CIML nor RWC have any obligation to publicly release the result of any revisions to these forward looking statements to reflect events or circumstances after the date of this report. For further information and before investing, please read the Product Disclosure Statement available on request.