



## CC RWC Global Emerging Markets Fund (APIR: CHN8850AU)

31 January 2020

### 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.

### 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 <sup>^</sup>	19 February 2019
Management Fee #	1.23% p.a.
Distributions	Annually
Fund Size <sup>+</sup>	AUD \$34 million

### Performance (Australian Dollars)

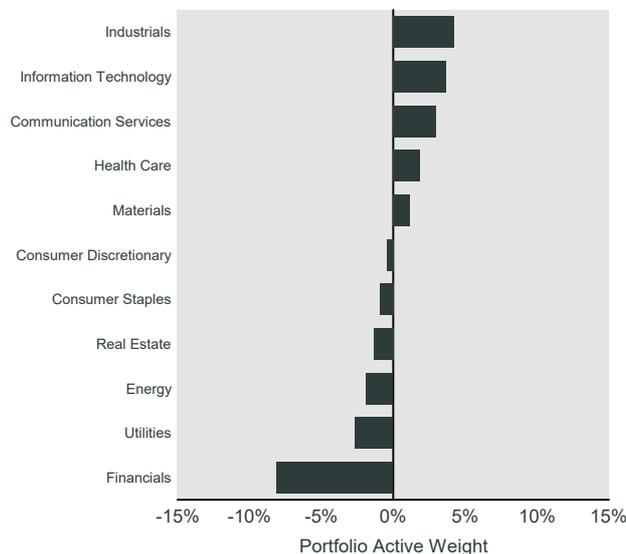
Returns (after fees)	Fund*
1 Month	-1.03%
3 Months	3.71%
FYTD	6.29%
1 Year	-
2 Years p.a.	-
3 Years p.a.	-
Inception	11.28%

### Top 5 Holdings

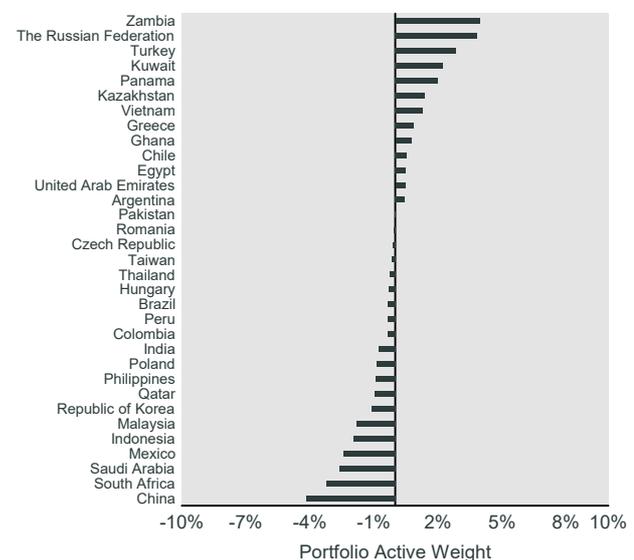
Stock Name	Sector
Taiwan Semiconductor Manufacturing Co.,	Information Technology
Tencent Holdings Ltd	Communication Services
First Quantum Minerals Ltd.	Materials
Sberbank Russia OJSC	Financials
Yandex NV Class A	Communication Services

Source: RWC Asset Advisors (US) LLC

### Relative Sector Breakdown\*\*



### Relative Geographic Breakdown\*\*



### Platform Availability

Asgard	Ausmaq
BT Panorama Super & IDPS	BT Wrap Super & IDPS
Hub 24 Super & IDPS	Macquarie Wrap Super & IDPS
Mason Stevens	MLC Wrap/Navigator
Netwealth Super & IDPS	Powerwrap Super & IDPS
Premium Super & IDPS	

### 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

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Emerging markets corrected during January due to geopolitical tensions, combined with an outbreak of the coronavirus. The MSCI Emerging Markets Index NR in AUD rose 0.11% while the CC RWC Global Emerging Markets Fund fell -1.03%. Overall macroeconomic data remains robust and business confidence is starting to return after China and the United States signed the first phase of a trade deal last month. Chinese GDP growth remained strong at 6%, export growth continued to recover, and the authorities cut the required reserve ratio, which should support the economy, despite the near-term disruption as a result of the measures taken to control the virus. South Korean GDP accelerated to +1.2% year-on-year while exports, retail sales, consumer sentiment and industrial profits all rebounded. In Latin America, Brazil fell despite positive reform momentum with the Bolsonaro administration set to deliver both civil service and tax reform this year. Inflation expectations remain well-anchored. Russia fell -3%, as the oil price fell -11.7% due to near-term demand concerns from China, despite an intra-month rally to \$70 on the back of Middle Eastern tensions. The Russian economy remains well-supported with an accommodative Central Bank and robust economic activity.

China was an absolute detractor but a relative contributor to performance during the month. Bilibili and Beijing Sinnet Technology rose +15.7% and +6.2%, respectively. The outlook for both companies remains positive as Bilibili will likely benefit from the increased penetration of online entertainment services in China while Beijing Sinnet Technology, one of the biggest data centres in China, will profit from growth in the population's demand for data services. Mercado Libre, one of Latin America's leading e-commerce and financial technology players, rose +15.9% as the company continues to benefit from growth in online retail sales and payments throughout the continent. One of Turkey's largest banks, Garanti Bank, rose +6.2% during the month as the company reported strong results showing an expansion in its net interest margin and solid pre-provisioning operating profit.

Brazil was a detractor for the Fund as the market continues to correct following a strong performance during the last 18 months. Rumo and Brasil Foods fell -16.3% and -18.3%, respectively. Rumo will continue to gain market share in the transportation of agricultural products in Brazil while BRF profits from attractive dynamics in the protein market which should boost revenues and margins. The Fund's copper exposure was a detractor during the month as copper fell -10.0% due to demand concerns from China. Production remains strong at both First Quantum and KAZ Minerals and the thesis for copper remains intact due to curtailed supply and increased demand due to the electrification of transport, urbanisation and growth in renewable energy.

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.