

# RBC Funds (Lux) - Emerging Markets Equity Fund

## Fund information

Investment manager	RBC Global Asset Management Inc.	Fund type	UCITS
Sub-investment manager	RBC Global Asset Management (UK) Limited	Fund domicile	Luxembourg
Fund launch date	March 26, 2013	SFDR classification	Article 8
Fund size (USD)	673.7 m	Benchmark	MSCI Emerging Markets Total Return Net Index
Portfolio manager(s)	Phil Langham		

### Investment objective:

To provide long-term capital appreciation by investing primarily in equity securities of companies located in or with significant business interests in emerging markets.

## Share class information

Share class	Mgmt fees (%)	TER* (%)	NAV	Bloomberg	ISIN
O (acc) USD	0.85	1.05	151.11	RBCEMEO LX	LU0894190932
O (acc) GBP	0.85	1.05	179.14	RBEMEOG LX	LU1327518038
O (acc) GBP (H)	0.85	1.05	102.55	REMOAGH LX	LU1360332552
O (acc) EUR	0.85	1.05	123.87	RBCEMOE LX	LU1662744868

## Net annualised performance (%)

Share class	1 M	3 M	YTD	1 Y	3 Y	5 Y	10 Y	SI**
O (acc) USD	5.78	2.79	8.98	9.85	4.61	2.98	5.11	4.10
O (acc) GBP	3.12	-0.03	3.12	4.93	3.62	3.76	-	8.01
O (acc) GBP (H)	5.59	2.40	8.34	8.49	3.59	1.59	-	0.45
O (acc) EUR	3.36	2.36	6.61	5.26	5.63	4.37	-	3.74
Benchmark (USD)	3.80	0.90	4.89	1.75	2.32	0.93	2.95	2.10

## Net calendar year performance (%)

Share class	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	Cumulative SI**	Inception date
O (acc) USD	-14.80	-5.09	16.59	17.27	-10.79	35.60	5.33	-8.16	8.82	-	51.11	26-Mar-13
O (acc) GBP	-4.06	-4.21	13.00	12.74	-5.25	23.87	25.63	-	-	-	79.14	07-Dec-15
O (acc) GBP (H)	-15.69	-5.75	15.04	14.88	-12.72	-	-	-	-	-	2.55	03-Nov-17
O (acc) EUR	-9.21	2.12	6.97	19.41	-6.39	-	-	-	-	-	23.87	01-Sep-17
Benchmark (USD)	-20.09	-2.54	18.31	18.42	-14.57	37.28	11.19	-14.92	-2.19	-	23.72	26-Mar-13

**Past performance does not predict future returns and is calculated in various currencies as labeled. Returns may increase or decrease as a result of currency fluctuations.**

Source: RBC Global Asset Management, MSCI. All returns for periods greater than one year are shown on an annualised basis.

\*TER – Total expense ratio. \*\*SI – Since inception.

This report is incomplete without the Legal Disclaimer included on the last page

## Top / bottom 5 contributors (%)

Top 5 contributors	Contribution
China Resources Land	0.30
Dr Reddy's Laboratories	0.29
Antofagasta	0.27
B3 - Brasil Bolsa Balcao	0.26
Fomento Economico Mexicano	0.22

Bottom 5 contributors	Contribution
Yum China	-0.10
Shinhan Financial	-0.09
Petroleo Brasileiro*	-0.08
MercadoLibre	-0.08
Meituan*	-0.07

## Fund sector attribution (%)

Sector	Active weight	Asset allocation	Security selection	Total effect
Consumer Discretionary	-1.31	0.25	2.74	3.00
Consumer Staples	6.80	0.10	2.82	2.92
Health Care	1.91	-0.12	1.18	1.05
Materials	-3.75	-0.08	1.01	0.93
Financials	6.26	0.30	0.56	0.86
Industrials	1.53	0.11	0.67	0.79
Communication Services	-5.63	0.28	0.16	0.45
Utilities	-2.89	0.24	0.00	0.24
Real Estate	0.86	-0.25	0.47	0.22
Other**	0.00	0.00	0.03	0.03
Energy	-5.00	-0.56	0.00	-0.56
Information Technology	1.21	0.11	-1.17	-1.06
TOTAL	-	0.38	8.73	9.15

## Investment commentary

The top contributors to relative returns this month were holdings in China Resources Land (CRL), the Chinese property developer, Dr Reddy's Laboratories, the Indian pharmaceutical company, and Antofagasta, the UK-listed Chilean copper miner. CRL saw share price recovery following weakness in May on the back of speculation that the Chinese government could move to implement stimulus in the property sector. Dr Reddy's share price strengthened due to an improving generics environment in the U.S. The company also reported positive momentum in India and EM, and market share gains in its U.S. portfolio. Antofagasta's share price recovered this month following a weak quarter. This also coincided with improving copper prices in June.

The biggest detractors from relative returns this month were holdings in Yum China, the Chinese fast-food restaurant company, and Shinhan Financial, the Korean financial Group. Yum China's share price corrected following its strong performance since last October when China reopened. We are likely to see upgrades for the company's 2023 earnings, evidenced by better-than-expected Q1 results. Shinhan Financial underperformed along with peers as sustained regulatory pressure, concerns about the Korean property market and the weak macro environment continued to weigh on investor sentiment around the sector more broadly. Not owning the Brazilian energy giant, Petroleo Brasileiro, detracted from relative returns this month.

Opened positions
Axis Bank Ltd

Closed positions
There were no positions closed for the current time period.

## Fund country attribution (%)

Top 5 Contributors	Active weight	Asset allocation	Security selection	Total effect
China/HK	-2.61	0.64	1.88	2.53
Chile	3.81	0.57	0.47	1.04
Mexico	0.55	0.16	0.73	0.89
India	2.51	0.54	0.34	0.88
Brazil	-0.36	-0.10	0.83	0.74

Bottom 5 contributors	Active weight	Asset allocation	Security selection	Total effect
Poland	-0.68	-0.22	0.00	-0.22
South Africa	-0.32	0.06	-0.26	-0.20
Greece	-0.33	-0.18	0.00	-0.18
Thailand	-1.08	0.02	-0.14	-0.13
Hungary	-0.19	-0.07	0.00	-0.07

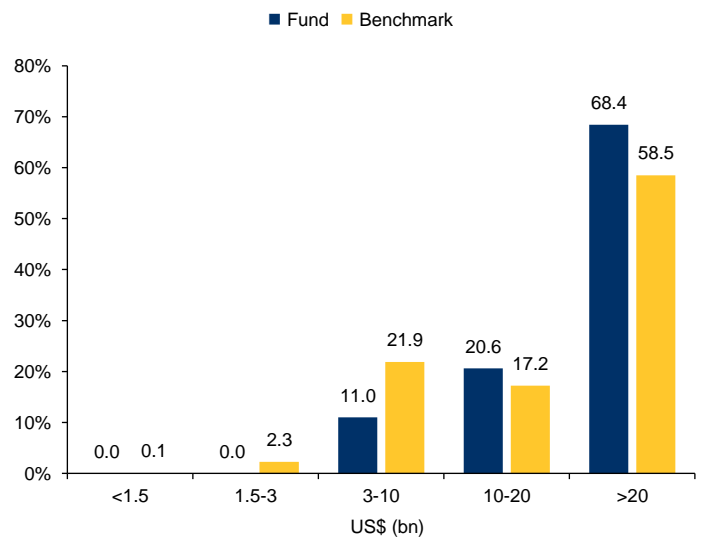
Source: RBC Global Asset Management, MSCI. \* Indicates securities that are not held. The top 5 open and closed positions are displayed in order of position size, descending in order from largest to smallest. All transactions were completed as at 30.06.2023. If you require any further information, please visit our [website](#) for contact information. Sector/country attribution results are calculated over a trailing 12 month period. Attribution is intended to demonstrate trends in performance due to security selection and sector/country allocation and is calculated from the underlying segregated asset positions and may not add up to the total portfolio return calculated using the NAV of the fund. Fund sector/country weights in the attribution table are based on beginning market values, adjusted for purchases and sales activities during the year. \*\*Other reflects accrual for unrealised Indian Capital Gains Tax charges following an update to RBC Funds (Lux) NAV policies which took place in October 2021.

This report is incomplete without the Legal Disclaimer included on the last page.

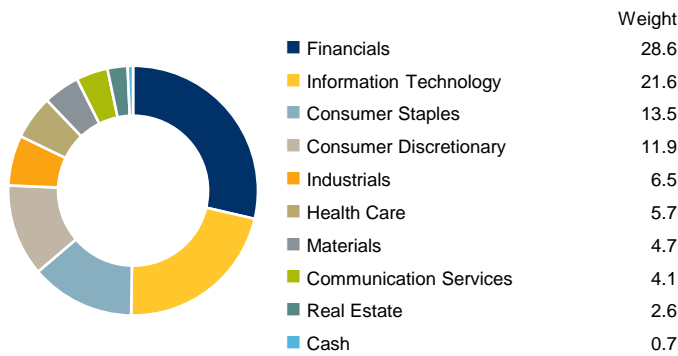
## Top 10 holdings (%)

Issuer	Fund	Benchmark
TSMC	7.0	6.8
SK Hynix	5.5	0.7
Housing Development Finance	4.1	0.9
Tencent	4.1	3.9
Fomento Economico Mexicano	3.8	0.3
Tata Consultancy Services	3.7	0.6
Antofagasta	3.6	0.0
Ping An Insurance	3.3	0.7
Alibaba	3.1	2.6
Mahindra & Mahindra	3.0	0.2
Total	41.1	16.7

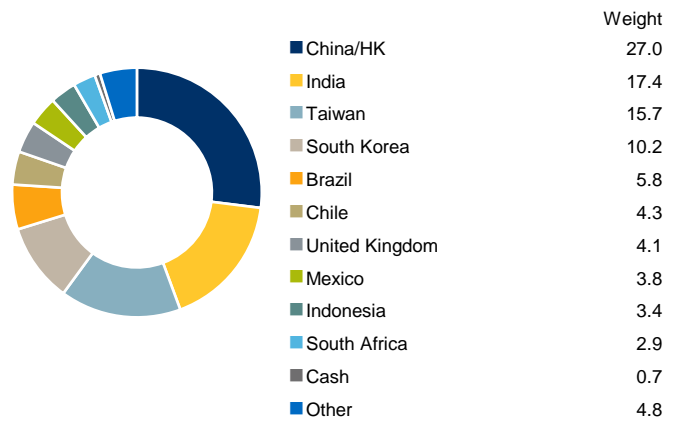
## Market capitalisation distribution (%)



## Sector allocation (%)



## Geographic allocation (%)



## Fund characteristics

	Fund	Benchmark
Holdings (ex cash)	47	1,358
Portfolio turnover (%)	9.2	-
Active share (%)	78.9	-

## Important risk considerations

**Large Shareholder Risk:** Investors holding a large portion of issued and outstanding shares of a Sub-Fund are likely to incur transaction costs in case of redemptions.

**Liquidity Risk:** Under highly volatile markets, securities may not be sold as quickly or easily, which could have an influence on meeting redemption requests on demand.

**Market Risk:** The market value of a Sub-Fund's investments will fluctuate based on specific company developments, broader equity or fixed-income market conditions, economic and financial conditions.

**Shanghai-Hong Kong Stock Connect Risk:** Investments made through Stock Connect may be subject to greater risk factors to comply with Stock Connect rules and counterparty risks with respect to ChinaClear.

**Currency Hedging Risk:** Hedging currency risks may protect investors against a decrease in the value of the Reference Currency relative to the Hedged Share Class, but it may also preclude investors from benefiting from an increase in the value of such currencies. All costs and gains/losses of hedging transactions are borne by the relevant Hedged Share Classes.

**Currency Risk:** Sub-Funds are invested in securities denominated in different currencies other than the Reference Currency. As a result, changes in the value of the Reference Currency compared to other currencies will affect the value in the Reference Currency of any securities denominated in another currency.

**Derivative Risk:** Derivative instruments are highly sensitive to changes in the value of the underlying asset that they are based on. Certain derivatives may result in losses greater than the amount originally invested.

**Emerging Markets Risk:** The price of emerging market securities is subject to higher risk of price fluctuation due to possible lack of adequate political, economic, legal, trading liquidity structures and relatively lower liquidity.

**International Investment Risk:** Investments on an international basis are subject to uncertainties, including; changes in government policies, taxation, fluctuations in foreign exchange rates, accounting and financial reporting standards, and fluctuations in value due to discrepancy of currency.

Further details of the risks that apply to the fund can be found in the funds prospectus.

This document is a marketing communication and it may be produced and issued by the following entities: in the European Economic Area (EEA), by BlueBay Funds Management Company S.A. (BBFM S.A.), which is regulated by the Commission de Surveillance du Secteur Financier (CSSF). In **Germany, Italy, Spain and Netherlands** the BBFM S.A. is operating under a branch passport pursuant to the Undertakings for Collective Investment in Transferable Securities Directive (2009/65/EC) and the Alternative Investment Fund Managers Directive (2011/61/EU). In the **United Kingdom (UK)** by RBC Global Asset Management (UK) Limited (RBC GAM UK), which is authorised and regulated by the UK Financial Conduct Authority (FCA), registered with the US Securities and Exchange Commission (SEC) and a member of the National Futures Association (NFA) as authorised by the US Commodity Futures Trading Commission (CFTC). In **Switzerland**, by BlueBay Asset Management AG where the Representative and Paying Agent is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland. The place of performance is at the registered office of the Representative. The courts at the registered office of the Swiss representative or at the registered office or place of residence of the investor shall have jurisdiction pertaining to claims in connection with the offering and/or advertising of shares in Switzerland. The Prospectus, the Key Investor Information Documents (KIIDs), the Packaged Retail and Insurance-based Investment Products - Key Information Documents (PRIIPs KID), where applicable, the Articles of Incorporation and any other document required, such as the Annual and Semi-Annual Reports, may be obtained free of charge from the Representative in Switzerland. In **Japan**, by BlueBay Asset Management International Limited which is registered with the Kanto Local Finance Bureau of Ministry of Finance, Japan. In **Asia**, by RBC Global Asset Management (Asia) Limited, which is registered with the Securities and Futures Commission (SFC) in Hong Kong. In **Australia**, RBC GAM UK is exempt from the requirement to hold an Australian financial services license under the Corporations Act in respect of financial services as it is regulated by the FCA under the laws of the UK which differ from Australian laws. In **Canada**, by RBC Global Asset Management Inc. (including PH&N Institutional) which is regulated by each provincial and territorial securities commission with which it is registered. RBC GAM UK is not registered under securities laws and is relying on the international dealer exemption under applicable provincial securities legislation, which permits RBC GAM UK to carry out certain specified dealer activities for those Canadian residents that qualify as "a Canadian permitted client", as such term is defined under applicable securities legislation. In the **United States**, by RBC Global Asset Management (U.S.) Inc. ("RBC GAM-US"), an SEC registered investment adviser. The entities noted above are collectively referred to as "RBC BlueBay" within this document. The registrations and memberships noted should not be interpreted as an endorsement or approval of RBC BlueBay by the respective licensing or registering authorities. Not all products, services or investments described herein are available in all jurisdictions and some are available on a limited basis only, due to local regulatory and legal requirements.

Please refer to the Prospectus of the fund, the Key Investor Information Documents (KIID) and the Packaged Retail and Insurance-based Investment Products - Key Information Documents (PRIIPs KID), if available, or any other relevant fund documentation on our website ([www.bluebay.com](http://www.bluebay.com)) before making any final investment decisions. The Prospectus and the PRIIPs KID is available in English and the KIIDs in several local languages. No RBC BlueBay fund will be offered, except pursuant and subject to the offering memorandum and subscription materials for such fund (the "Offering Materials"). If there is an inconsistency between this document and the Offering Materials for the RBC GAM UK fund, the provisions in the Offering Materials shall prevail.

Any investor who proposes to subscribe for an investment in any of the RBC BlueBay products must be able to bear the risks involved and must meet the respective products suitability requirements. This document is intended only for "professional clients" and "eligible counterparties" (as defined by the Markets in Financial Instruments Directive ("MiFID")) or in the US by "accredited investors" (as defined in the Securities Act of 1933) or "qualified purchasers" (as defined in the Investment Company Act of 1940) as applicable and should not be relied upon by any other category of customer.

The investments discussed may fluctuate in value and you may not get back the amount invested. The return may increase or decrease as a result of currency fluctuations. Investment in derivatives may involve a high degree of gearing or leverage, so that a relatively small movement in the price of the underlying investment results in a much larger movement in the price of the instrument, as a result of which prices are more volatile. There are restrictions on transferring interests in the funds. The instruments in which the products invest may involve complex tax structures and there may be delays in distributing important tax information. The funds are not required to provide periodic pricing or valuation information to investors with respect to its individual investments.

Unless otherwise stated, performance data is unaudited and net of management, performance and other fees. Past performance is not indicative of future results.

Any indices shown are presented only to allow for comparison of the RBC BlueBay fund's performance to that of certain widely recognised indices. The volatility of the indices may be materially different from the individual performance attained by a specific fund or investor. In addition, the RBC BlueBay fund holdings may differ significantly from the securities that comprise the indices shown. Indexes are unmanaged and investors cannot invest directly in an index

This document has been prepared solely for informational purposes and does not constitute an offer or recommendation to buy or sell any security or investment product or adopt any specific investment strategy in any jurisdiction. This document should not be construed as tax or legal advice.

This document may contain the current opinions of RBC BlueBay and is not intended to be, and should not be interpreted as, a recommendation of any particular security, strategy or investment product. Unless otherwise indicated, all information and opinions herein are as of the date of this document. All information and opinions herein are subject to change without notice.

The information contained in this document has been compiled by RBC BlueBay, and/or its affiliates, from sources believed to be reliable but no representation or warranty, express or implied is made to its accuracy, completeness or correctness.

Investors or potential investors can obtain a summary of the Management Company's Complaints Policy and of investor rights, in English, at <https://global.rbcgam.com/europe/institutional/document-library/default.fs> or on the Management Company's website at [www.candriam.lu](http://www.candriam.lu). It is important to note that TheManCo may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process. Recipients are strongly advised to make an independent review with their own advisors and reach their own conclusions regarding the investment merits and risks, legal, credit, tax and accounting aspects of all transactions. This is a marketing communication. Please refer to the prospectus of the UCITS, the KIID and the PRIIPs KID before making any final investment decisions.

All rights in the "FTSE World Government Bond Index" vest in FTSE Global Debt Capital Markets Inc. FTSE® is a trademark of FTSE International Limited and is used by FTSE under licence. No RBC BlueBay Fund is sponsored, endorsed, sold or promoted by FTSE International Limited or its licensors, and they make no representation, warranty, or condition regarding the results to be obtained from the use of the index or the advisability of investing in an RBC BlueBay Fund. A full list of sources of data is available upon request.

This document may not be reproduced in whole or part, and may not be delivered to any person without the consent of RBC BlueBay. Copyright 2023 © RBC BlueBay. RBC Global Asset Management (RBC GAM) is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management (U.S.) Inc. (RBC GAM-US), RBC Global Asset Management Inc., RBC Global Asset Management (UK) Limited and RBC Global Asset Management (Asia) Limited, which are separate, but affiliated corporate entities. ® / Registered trademark(s) of Royal Bank of Canada and BlueBay Asset Management (Services) Ltd. Used under licence. BlueBay Funds Management Company S.A., registered office 4, Boulevard Royal L-2449 Luxembourg, company registered in Luxembourg number B88445. RBC Global Asset Management (UK) Limited, registered office 100 Bishopsgate, London EC2N 4AA, registered in England and Wales number 03647343. All rights reserved.

