

# 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	Share class	Mgmt fees (%)	TER* (%)	NAV	Bloomberg	ISIN
A (acc) USD	1.90	2.20	148.05	RBCEMEA LX	LU0953692513	B (dist) GBP	0.95	1.25	149.82	RBCEMBG LX	LU1199649382
A (acc) EUR (H)	1.90	2.20	110.40	RBEMAEH LX	LU1575079311	B (dist) GBP (H)	0.95	1.25	138.62	RBCEMBH LX	LU0954298310
B (acc) USD	0.95	1.25	162.34	RBCEMEB LX	LU0953692786						
B (acc) EUR (H)	0.95	1.25	114.27	RBCMBEH LX	LU1257139557						
B (dist) USD	0.95	1.25	106.83	RBCEEBU LX	LU1998911975						

## Net annualised performance (%)

Share class	1 M	3 M	YTD	1 Y	3 Y	5 Y	10 Y	SI**
A (acc) USD	5.68	2.50	8.36	8.59	3.41	1.80	-	4.06
A (acc) EUR (H)	5.45	1.89	7.05	5.94	1.68	-0.32	-	1.58
B (acc) USD	5.77	2.75	8.88	9.63	4.40	2.78	-	5.04
B (acc) EUR (H)	5.55	2.13	7.43	6.71	2.51	0.47	-	1.69
B (dist) USD	5.77	2.75	8.89	9.63	4.40	-	-	2.03
B (dist) GBP	3.11	-0.07	3.02	4.73	3.41	3.56	-	5.61
B (dist) GBP (H)	5.59	2.40	8.25	8.35	3.42	1.44	-	4.01
Benchmark (USD)	3.80	0.90	4.89	1.75	2.32	0.93	-	3.15

## Net calendar year performance (%)

Share class	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	Cumulative SI**	Inception date
A (acc) USD	-15.77	-6.17	15.26	15.93	-11.81	34.05	4.10	-9.21	7.61	-	48.05	22-Aug-13
A (acc) EUR (H)	-17.44	-7.14	13.50	12.41	-14.63	-	-	-	-	-	10.40	10-Mar-17
B (acc) USD	-14.97	-5.28	16.36	17.04	-10.97	35.33	5.06	-8.39	8.55	-	62.34	22-Aug-13
B (acc) EUR (H)	-16.75	-6.45	14.29	13.35	-13.76	32.32	3.20	-	-	-	14.27	16-Jul-15
B (dist) USD	-14.96	-5.23	16.29	-	-	-	-	-	-	-	8.47	11-Jun-19
B (dist) GBP	-4.25	-4.40	12.77	12.52	-5.44	23.61	25.31	-	-	-	57.17	18-Mar-15
B (dist) GBP (H)	-15.82	-5.90	15.04	14.61	-12.98	33.36	3.93	-8.39	8.57	-	47.29	29-Aug-13
Benchmark (USD)	-20.09	-2.54	18.31	18.42	-14.57	37.28	11.19	-14.92	-2.19	-	35.80	22-Aug-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.

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## 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

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

## 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.

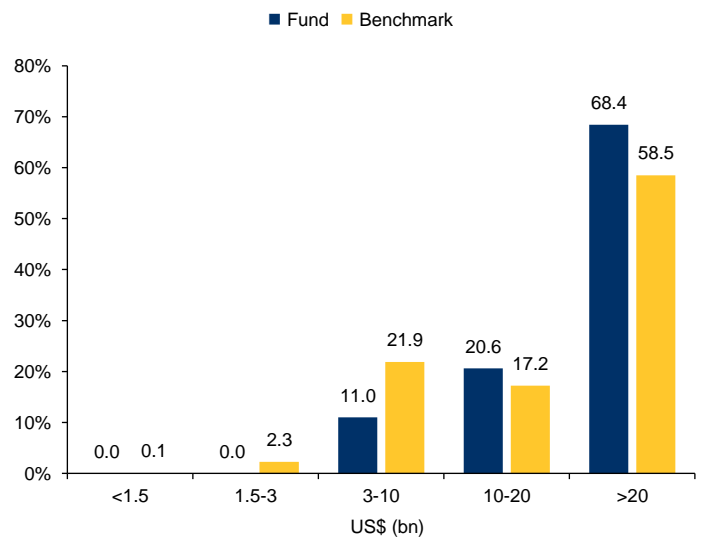
Source: RBC Global Asset Management, MSCI. \* Indicates securities that are not held. The top 5 open and closed positions are displayed in order of position size, descending in order from largest to smallest. All transactions were completed as at 30.06.2023. If you require any further information, please 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.

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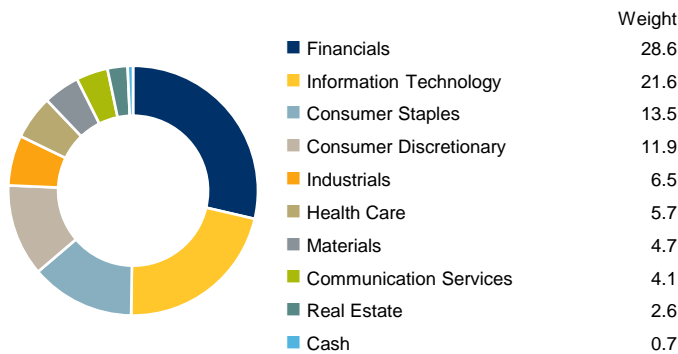
## Top 10 holdings (%)

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

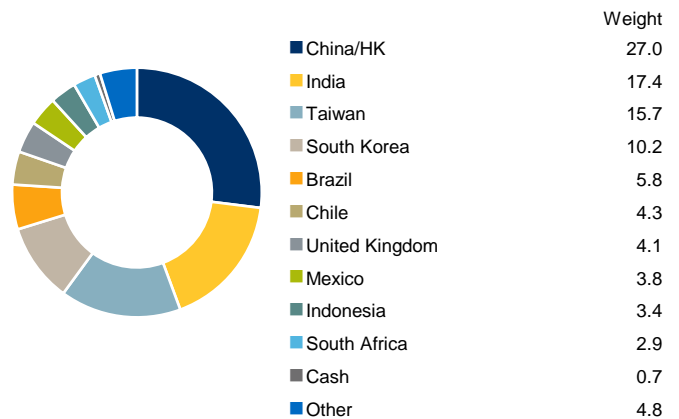
## Market capitalisation distribution (%)



## 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.

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