

Betashares Martin Currie Emerging Markets Fund (managed fund)



 **ASX: EMMG**

29 February 2024

Objective

EMMG invests in an actively managed, high-conviction portfolio of emerging market shares and aims to outperform the MSCI Emerging Markets Index, expressed in Australian dollars (Benchmark), over rolling five-year periods. EMMG is managed by Martin Currie, a leading equities manager and member of the Franklin Templeton Group.

Benefits



Exposure to world's fastest-growing markets

Emerging markets have been leading the world in growth due to improving demographics, a rising middle class, urbanisation, disruptive technologies and social reform.



Global technology exposure

Emerging markets are at the forefront of the global tech revolution and include world-leading companies such as Samsung, Tencent and Alibaba.



Active stock selection

Investors benefit from a high-conviction portfolio construction approach by experienced, award-winning investment manager Martin Currie.

*Other costs apply. Please refer to the PDS.

Performance

PERIOD	1 mth	3 mth	6 mth	1 yr	3 yr (p.a.)	5 yr (p.a.)	10 yr (p.a.)	Inception (p.a.)
FUND	4.98%	3.61%	0.01%	6.08%	-6.04%	-	-	3.31%
BENCHMARK	6.35%	5.70%	4.37%	12.61%	-0.73%	3.71%	6.33%	4.56%

Calendar year performance

PERIOD	YTD	2023	2022	2021	2020	2019	2018	2017
FUND	2.06%	5.48%	-20.96%	1.35%	13.52%	-	-	-
BENCHMARK	4.68%	9.15%	-14.33%	3.44%	7.77%	-	-	-

Value of \$100 invested since inception



Source: Betashares, Bloomberg. Past performance is not indicative of future performance.

Fund returns are calculated in A\$ using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or bid-ask spread that investors may incur when buying and selling units on the ASX. Returns are after fund management costs, assume reinvestment of any distributions and do not take into account income tax.

Fund information

Betashares Funds can be bought or sold during the trading day on the ASX, and trade like shares.

ASX CODE EMMG

BLOOMBERG CODE EMMG AU

IRESS CODE EMMG.AXW

IRESS INAV CODE EMMGINAV.ETF

DISTRIBUTIONS ANNUALLY

MGT FEE* 1.00% P.A.

FUND INCEPTION 29 MAY 19



MARTIN CURRIE

Martin Currie is an active equity specialist manager headquartered in Edinburgh, Scotland. Founded in 1881, with a significant presence in Australia through Martin Currie Australia, dating back to 1954. Martin Currie believes a stockfocused approach, driven by in-depth fundamental research and skilled portfolio construction, is the best way to exploit market inefficiencies and generate consistent outperformance. They achieve this through a highly disciplined research process that scrutinises and identifies those companies that meet their rigorous selection criteria. Martin Currie's investment strategies are underpinned by the quality of its in-depth fundamental research and skilled portfolio construction, undertaken by its deeply resourced and highly experienced team of investment professionals. Martin Currie's approach to active ownership is at the heart of its active management proposition, and its highly differentiated approach to the analysis of Environmental, Social and Governance (ESG) factors, is embedded in every part of the investment process to ensure they make better long-term decisions.

Categorisation

EMERGING MARKETS

ACTIVELY MANAGED

CAPITAL APPRECIATION

There are risks associated with an investment in EMMG, including market risk, emerging markets risk, currency risk and market making risk. For more information on risks and other features of EMMG, please see the Product Disclosure Statement.

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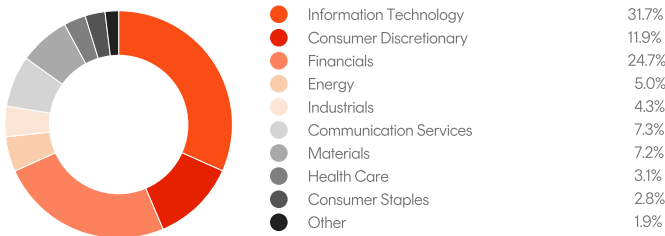
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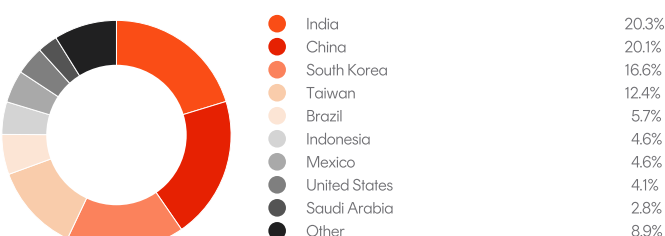
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Sector allocation



Country allocation



The target asset allocation is reviewed, and may be adjusted, annually.

Top 10 exposures

COMPANY

Alibaba Group Holding
Antofagasta
HDFC Bank
ICICI Bank
Reliance Industries
Samsung Electronics
SK Hynix
Taiwan Semiconductor
Tencent Holdings
Titan Co

Distribution

12 mth distribution yield (%) **0.5%**

Yield is calculated by summing the prior 12-month per unit distributions divided by the closing NAV per unit at the end of the relevant period. Yield will vary and may be lower at time of investment. **Past performance is not indicative of future performance.**

Monthly commentary

What happened in the market?

Emerging markets had a strong February, driven by a recovery in Chinese equity markets. The Chinese stock market was further supported by coordinated equity buying from the Chinese government's "National Team". The bullish markets extended beyond China though, and most emerging market economies continued their positive trajectory of recent months.

What happened in the Fund?

The Fund was up 4.98% for the month of February. Within the Fund, most countries in the index were positive in February, with China leading in a recovery. In relative terms, South Africa and Taiwan were additive. All sectors were positive in the month. Consumer discretionary stocks were significantly ahead of the market. In relative terms, industrials were notably additive.

From a stock perspective, SK Hynix is the leading supplier to Nvidia and benefitted from their strong earnings, with SK Hynix's capacity being largely booked out for 2024. Brazilian industrial firm WEG outperformed the market following strong results, both in top-line growth and strong margin improvement. Meanwhile, Meituan was supported by the recovery in sentiment in China surrounding consumption indicators over the New Year holidays.

On the other side, no sectors were negative and among larger countries only South Africa and Mexico underperformed the broader market. Our underweights to China and consumer discretionary stocks detracted from performance, given the strong recovery in these sectors during the month.

Samsung Electronics has seen selling pressure as a result of domestic investors allocating to non-tech stocks following the Korea "value-up" programme. Investors are also more positive on the HBM momentum at SK Hynix; however, we continue to see Samsung as well positioned in the HBM market in the medium term and as a viable second player in the space. Memory pricing remains one of the biggest drivers for Samsung's operational outlook and spot prices have recently picked up. HDFC Bank was weak following weaker-than-expected deposit accumulation at the merged entity, announced during February. Meanwhile, Cosan was impacted by short-term weakness in sugar prices as well as sentiment from a change of CEO at one of their operating units, Rumo. The CEO has departed to take a position at Suzano.

Betashares Capital Ltd (ABN 78 139 566 868 AFSL 341181) (Betashares) is the issuer and responsible entity of the Fund. Betashares has appointed Franklin Templeton Australia Limited (ABN 76 004 835 849 AFSL 240827) (Franklin Templeton Australia) as investment manager for the Fund. Franklin Templeton Australia is part of Franklin Resources, Inc. Martin Currie Australia provides investment management services for the Fund. Before making an investment decision you should read the Product Disclosure Statement (PDS) and Target Market Determination (TMD) carefully and consider, with or without the assistance of a financial advisor, whether such an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. The PDS and TMD are available and can be obtained by contacting Betashares on 1300 487 577 or Franklin Templeton Australia on 1800 673 776 or at www.betashares.com.au or www.franklintempleton.com.au. Neither Betashares, Franklin Templeton Australia, nor any of their related parties guarantees any performance or the return of capital invested. Past performance is not necessarily indicative of future performance. Investments are subject to risks, including, but not limited to, possible delays in payments and loss of income or capital invested.