

# NN (L) EMERGING MARKETS HIGH DIVIDEND

## SUBFUND DESCRIPTION

### Investment policy

The fund pursues the investment objective of the sub-fund by investing up to 100% of the sub-funds assets in shares of the NN (L) Emerging Markets High Dividend foreign fund isolated as part of an NN (L) open-end investment fund with variable capital (SICAV). NN (L) Emerging Markets High Dividend invests in equity of companies established, listed or traded in emerging markets countries, i.e. Latin America (including the Caribbean), Asia (excluding Japan), Eastern Europe, Middle East and Africa. According to the strategy of the Luxembourg fund, the most promising companies are selected that are expected to bring stable annual dividends arising from the good standing of the companies. A highly diversified portfolio consists of carefully selected high yield companies operating in various countries and sectors.

### Investor profile

The fund is aimed at those who are willing to invest for at least 5 years. Due to the high risk, the fund is unsuitable for those who avoid losses during the period of financial turmoil. Funds assets are mainly denominated in Polish Zloty, and the currency risk is average. Until 25 November 2012, the fund operated as ING (L) Emerging Markets and invested up to 100% of its assets in the Luxembourg fund: ING (L) Invest Emerging Markets.

## RISK

### Investment risk



The risk profile is determined based on the methodology used in the document: Key Investor Information. Historical data used to assign the risk category cannot predict the future risk profile of the fund. The fund objective does not include achieving the relevant risk category. The risk and return profile may change in the future. The lowest risk category (1) does not mean risk-free investment.

### Risk and performance ratios data as of 31.12.2018

	1 year	3 years	5 years
Standard deviation	10,53%	11,34%	13,43%
Sharpe Ratio	-0,64	0,68	0,33
Alpha Ratio	2,90%	-0,07%	-1,32%
Beta Ratio	0,90	1,00	1,01
R <sup>2</sup> Ratio	91,00%	92,00%	94,00%
Tracking Error	3,39%	3,26%	3,38%

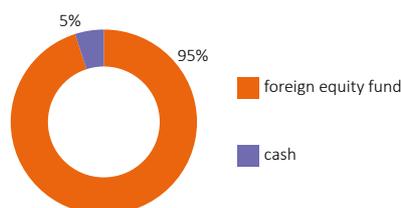
Risk ratios are calculated for the source fund (EUR) and its benchmark. EURIBOR 3M is accepted as the risk-free rate.

data as of 28.12.2018

## Overview

Sub-fund type	regional
Benchmark	none
Sub-fund inception date	23.11.2009
Assets (28.12.2018)	PLN 72.11 mil
Share value	PLN 108.18
Minimum initial investment	PLN 200
Minimum subsequent investment	PLN 50
Maximum distribution fee	5.00%
Management fee	2.50%
Fund currency	PLN
Currency of source fund	EUR

## Asset allocation



## Recommended minimum investment horizon



## TOTAL RETURNS

### Change in share value

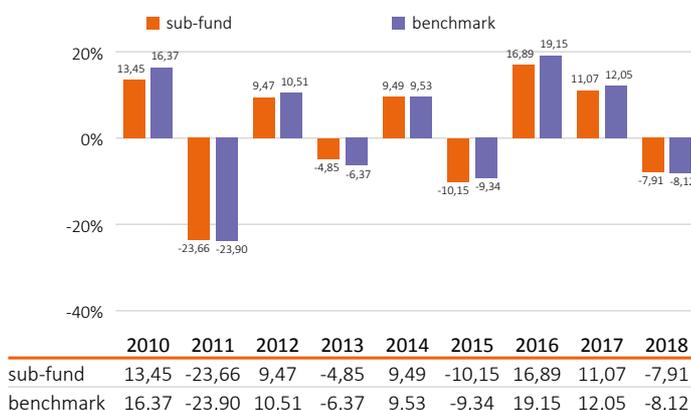
for the period from 23.11.2009 to 28.12.2018



### Sub-fund total returns % per day 28.12.2018

	1 m	3 m	6 m	12 m	36 m	60 m	120 m	YTD	max
sub-fund	-4,01	-5,06	-2,77	-7,91	19,56	17,63	-	-7,91	8,18
source fund	-4,20	-5,01	-2,62	-8,12	22,67	21,81	-	-8,12	13,49

### Annual sub-fund total returns % for each year



## PORTFOLIO PROFILE

### Top holdings in the portfolio data as of 31.12.2018

name	share in portfolio
Taiwan Semiconductor Manufacturing Co., Ltd.	4,65%
Samsung Electronics Co., Ltd.	4,32%
Industrial And Commercial Bank Of China Limited Class H	3,08%
China Mobile Limited	2,81%
Tencent Holdings Ltd.	2,80%
China Construction Bank Corporation Class H	2,77%
Cnooc Limited	2,24%
Petrochina Company Limited Class H	2,10%
Oil Company Lukoil Pjsc	2,08%
Sk Telecom Co., Ltd.	2,05%

### Geographic allocation data as of 31.12.2018

name	share in portfolio
China	32,40%
South Korea	13,85%
Taiwan	9,43%
Brazil	7,36%
India	6,90%
South Africa	5,27%
Mexico	4,58%
Tailand	4,21%
Russia	3,81%
Indonesia	3,55%
other	8,64%

### Sectoral allocation data as of 31.12.2018

name	share in portfolio
Financial sector companies	24,93%
IT	16,18%
Telecommunications	11,69%
Energy sector companies	9,56%
Consumer Companies	8,14%
Commodities	7,77%
Real Estate companies	4,63%
Industrial sector companies	4,56%
Public Utilities Companies	4,46%
Consumer Staples	4,23%
Other	3,85%

## GLOSSARY

**Standard deviation** is one of the most popular statistical measures that shows how much the total returns of the fund have changed in the past. The higher the ratio, the higher the risk of the investment in a fund share.

**R<sup>2</sup>**, i.e. the square of the Pearson product-moment correlation coefficient, is one of more popular statistical measures showing the degree of correlation of a series of data with a benchmark.

**Sharpe Ratio** describes to what extent the achieved rate of return rewards the risk taken by the investor by investing in high-risk assets. The measure enables to maximise the return and also minimise the risk, which can be achieved by selecting a fund with the highest positive value of the ratio.

**Alfa** is a measure indicating the possibility and scale of change in the price of the analysed instrument on the assumption that the value of the benchmark does not change. It can be a positive or negative value.

**Beta** is a measure showing the sensitivity to changes in the price of the analysed instrument in comparison with the change of a benchmark. A beta of 1.0 means that the expected 10% increase in the value of a benchmark will result in a 10% increase in the value of the analysed instrument (the share value in the case of funds). The higher the beta value, the riskier the investment.

**Tracking Error** enables to evaluate the consistency of effects of the investment policy of a manager with benchmark's returns. The lower the TE value, the smaller the possible resulting differences.

**Rating Analiz Online** is fund's rating taking into account both quantitative (such as returns) and qualitative factors. A fund analysis involves an in-depth examination of the four basic areas that determine the current behaviour of the fund and its behaviour in the future: managers and the investment process; investment policy and portfolio; portfolio characteristics; returns of the fund, the risk, costs and fees. The more stars are awarded, the better the rated quality of the fund. To put it very simply, 4 or 5 stars mean that relevant funds are worthy of interest in the first place because their characteristics show potential performance beyond the average in the relevant group.

**Benchmark** is a point of reference to evaluate results of fund's asset management. The following may be used, among others, as a benchmark: stock market index, inflation, return on certain government bills, or their relevant combinations.

This document has been prepared by Analizy Online S.A. (analizyonline.pl) for NN Investment Partners Towarzystwo Funduszy Inwestycyjnych S.A. and is of a promotional nature. NN Investment Partners TFI has the permission of the Financial Supervision Commission to operate its business. The funds risk profile presented in this document is based on the methodology used in the Key Investor Information. Top holdings, sectoral, geographic and currency allocations, and risk ratios the data are applicable to the NN (L) Emerging Markets High Dividend source fund. Rates of return (source: Analizy Online S.A.) are of a historical nature. Neither NN Investment Partners TFI, nor NN Investment Funds guarantee that funds or sub-funds investment objectives will be achieved or that similar returns will be achieved in the future. Investments in NN Investment Funds carry an investment risk, and participants have to take into account the risk of losing part of the investment. The individual return on investment is not identical with the investment return of the sub-fund and depends on the share value at the time of its sale and redemption by the sub-fund, and on the amount of collected handling fees and taxes due. Schedules of Fees and Charges are available at [www.nntfi.pl](http://www.nntfi.pl). The NN Investment Funds description and their investment risk are included in the Information Prospectuses available in the registered office of NN Investment Partners TFI, at [www.nntfi.pl](http://www.nntfi.pl), in the Key Investor Information available in the registered office of NN Investment Partners TFI, from Distributors and at [www.nntfi.pl](http://www.nntfi.pl). All NN SOIF Sub-Funds net asset value may be subject to high volatility because the sub-funds assets are invested in shares of open-end investment funds or in shares of foreign funds that invest in equity or debt securities of higher risk. NN SOIF Sub-Funds invest all their assets in shares of foreign funds managed by an entity of the NN Investment Partners TFI group, and in shares of open-end investment funds managed by NN Investment Partners TFI.