

## Zurich investment foundation

# Equity Emerging Markets

Equities are an important factor for a successful investment. Due to their potential to generate capital gains, equities are a high contributor to attractive portfolio returns. The chance to achieve higher returns is associated with higher risks.

### Your advantages at a glance

- Access to markets with high alpha potential
- Access to three complementary fundamental strategies in a single vehicle
  - bottom-up driven strategy (Wellington Research)
  - top-down and bottom-up driven strategy (Fisher)
  - quantitative strategy (Wellington systematic)
- Module for flexibly implementing the investment strategy of a pension plan
- Broadly diversified and transparent investments
- Independent investment management process, which meets the highest compliance requirements
- Attractive terms

### Investment universe

The investment group invests in a well-diversified selection of emerging market equities. Emerging markets are well suited for active management as they are less efficient compared to developed markets. Thus, they offer better potential to generate alpha.

### Investment process

The portfolio aims to outperform the broad emerging market index by combining three strategies managed by two asset management companies. Each strategy has a different approach focusing on the extraction of multiple sources of alpha. We expect the combination of the three complementary strategies to generate a more stable outperformance in different market environments.



### Manager

Since November 2018, the following two independent asset management firms are managing the fund:

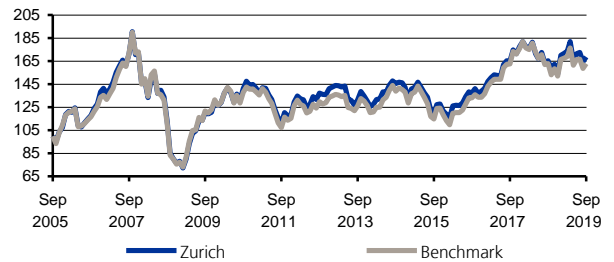
- Wellington Management (bottom-up and quantitative strategy), a partnership with 100% employee ownership, founded in 1928 and headquartered in Boston, USA.
- Fisher Investments (top down strategy), 100% Fisher-family and employee owned, founded in 1929 and headquartered in Camas, USA.

## Equity Emerging Markets

The fund primarily invests in a well-diversified selection of emerging market equities using three different strategies managed by two asset management companies. The total exposure to a single title may not exceed 5% of NAV.

As of 30.09.2019

### Performance (gross of fees, indexed)



### Key characteristics

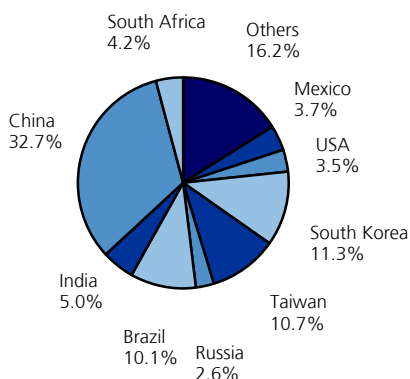
Manager	Wellington, Fisher
ISIN	CH0022618836
Bloomberg Ticker	ZAAKTEM SW
Benchmark	MSCI Emerging Markets
First issue	09.2005
Financial year	1.1. - 31.12.
Currency	CHF
Risk currency	Diverse
AuM (in mio.)	727.26
Net asset value	1,489.29
Management Fee	0.90%
TER (KGAST)	0.92%
Spread	0.20%
Issue/Redemption	Daily
Number of holdings	360
Off-BM positions	12.13%

For further information please visit: [www.zurichinvest.ch](http://www.zurichinvest.ch)

### Currency exposure (in %)

	Zurich
USD	27.70
HKD	23.69
KRW	11.35
TWD	8.83
Others	28.43

### Countries (in %)



### Performance (net of fees in %, in CHF)

	Zurich	Benchmark
1 month	2.38	2.70
3 month	-1.95	-2.07
Current year	8.68	7.12
1 year p.a.	1.11	0.03
5 years p.a.	2.03	3.20
10 years p.a.	2.52	2.96
Since inception p.a.	2.89	3.56

### Volatility (in %)

	Zurich	Benchmark
1 year p.a.	18.08	17.67
5 years p.a.	13.78	14.06
10 years p.a.	13.66	13.98
Since inception p.a.	18.77	19.16

### Risk figures since inception

	Zurich	Benchmark
Sharpe Ratio	0.14	0.17
Beta	0.97	1.00
Tracking Error p.a.	3.25	-
Information Ratio	-0.21	-
Jensen's Alpha (in %)	-0.56	-
Max. Drawdown (in %)	166.10	159.04
Recovery Period*	127	127

\*) in months

## Risk figures for other time periods

	1 year p.a.	5 years p.a.	10 years p.a.	Since inception p.a.
Sharpe Ratio	0.11	0.20	0.21	0.14
Beta	1.01	0.96	0.96	0.97
Tracking Error p.a.	2.84	2.63	2.61	3.25
Tracking Error Ex Ante	3.01	-	-	-
Information Ratio	0.38	-0.45	-0.17	-0.21
Jensen's Alpha (in %)	1.08	-1.03	-0.30	-0.56

## Overview performance (net of fees in %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	10.30	0.88	1.14	4.62	-9.01	3.46	0.59	-4.80	2.38				8.68
2018	2.47	-2.74	-0.47	2.78	-5.61	-2.64	3.16	-5.37	1.08	-4.16	2.30	-5.10	-13.98
2017	1.83	4.06	2.09	1.58	-0.32	-0.32	6.32	1.93	-0.22	5.77	-1.99	3.50	26.68
2016	-2.31	-2.80	8.79	0.43	-0.35	1.75	4.18	3.03	-0.83	2.76	-3.05	1.23	12.93
2015	-6.99	6.31	0.98	2.90	-3.07	-3.40	-2.90	-8.33	-2.58	6.54	0.32	-4.82	-15.13
2014	-3.69	1.30	3.17	0.48	4.48	-0.19	4.16	2.58	-1.55	0.54	-0.45	-2.69	8.06
2013	0.88	1.05	-0.34	-0.86	0.58	-7.92	-1.18	-3.12	3.54	5.40	-2.80	-3.28	-8.37
2012	9.20	3.99	-1.92	-0.84	-5.01	1.92	5.29	-1.91	4.17	-0.95	-0.24	3.78	17.96
2011	-2.19	-3.24	3.58	-0.52	-4.31	-2.83	-6.68	-5.89	-3.81	7.86	-2.36	0.68	-18.78
2010	-2.73	2.07	6.36	3.08	-2.80	-6.39	5.52	-4.03	7.68	4.35	-2.33	0.31	10.43
2009	1.89	-7.36	10.68	16.36	9.56	1.95	8.34	0.19	5.53	-0.80	1.15	7.56	67.88

<sup>1</sup> TER according to KGAST: The figure corresponds to the Total Expense Ratio (TER) from the last year and is no guarantee for a similar TER in the future.

<sup>2</sup> Spread: Settlement with an additional subscription or redemption charge (protection of the fund performance)

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