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Ashmore positive on Brazil after strong performance in 2009

London, 16th February, 2010 - Brazil is expected to be a major investment destination for global investors over the next decade according to Ashmore Investment Management Limited, the leading specialist emerging markets asset manager. A largely closed economy with strong domestic demand, Brazil has weathered the credit crunch, is a net creditor country lending money to the IMF and should see benefits from global rebalancing.

Commenting on Brazil's investment culture **Eduardo Camara Lopes, Chief Executive Officer of Ashmore Brasil**, said:

"Over the next ten years, and as domestic investors become more accustomed to lower interest rates than a decade ago, we will see more allocation outside money markets. A growing number of companies are looking for financing via the stock exchange. Credit availability is also growing and this has had a strong impact on the economy as a whole".

An established local team based in São Paulo has enabled Ashmore Brasil to pursue the domestic opportunities in the region, where returns have been strong across both equities and debt. This is reflected in outperformance for the Ashmore Brasil Equity Fund Limited (ABEF)¹, up 137.42% versus 104.74% for the index. Similarly, Ashmore Brasil Fund Limited (ABFL)², which invests in local debt markets, was up 49.89%.

Eduardo continues; "Our equity approach combines top down and bottom up analysis, is long only, and has at least 80% highly liquid stocks. This compares to a number of more complicated hedge fund type strategies. The benefit of this approach is that it enables strong performance without the same liquidity and other downside risks of some competitor funds.

"We're also seeing strong opportunities in the fixed income market with high rates and a steep curve plus the likelihood of currency appreciation due to strong foreign direct investment and portfolio investments over the next 10 years. Money will follow growth".

Jerome Booth, Head of Research at Ashmore, believes that Brazil remains attractive for international investors as the region should benefit from the impending global economic and political rebalancing.

He comments: "After many years of constitutional and structural reforms, inflation has been decisively beaten and political risk has reduced. Whilst there is still a political cycle, as in most countries, there is a broad consensus on economic policy.

¹ For performance period 2/1/09 – 2/1/10 against the index MSCI Brazil

² For performance period 31/1/08-31/1/09

Basic and sustainable fiscal prudence and macro-economic stability have been established.

"As this new reality of global risks changes, so asset allocators are starting to realise they are massively under-weight Brazil and other emerging markets. Moreover, global investors who previously thought the US and Europe as safe-havens are having to reassess their own asset allocations, whilst institutional investors in Brazil are going to have to invest more in managed funds as the country moves to a permanently lower inflation growth path."

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Notes to editors

About Ashmore:

Ashmore Investment Management Limited is a specialist active value-oriented fund manager focusing on emerging markets globally, with a fund management track record going back to 1992. As one of the most successful and experienced investors in emerging markets debt, currency, and special situations incorporating distressed and private equity approaches, Ashmore is well known for its mature and innovative investment approach and outstanding performance track record.

Ashmore employs five investment themes in emerging markets: US\$-denominated debt; local currency-denominated debt; public equities; corporate high yield; and special situations (including distressed debt and private equity). Ashmore also manages a multi-strategy fund and several structured products with investment banks.

Ashmore Brasil

Ashmore Brasil was established in 2007 as a result of the combined effort of local executives, all former members of renowned Brazilian institutions and Ashmore Group plc. The result is a unique independent management company that simultaneously combines extensive local expertise with effective global vision within a structure that espouses the best international practices of risk management, compliance and governance.

Ashmore Brasil is dedicated to managing active funds in Brazil in distinct onshore and offshore platforms. Ashmore Brasil offers through its products a variety of

sophisticated investment options for those who seek local expertise in conjunction with a solid and reliable structure. Offshore funds offered are the Ashmore Brasil Equity Fund Limited (ABEF), and the Ashmore Brasil Fund Limited (ABFL), investing in equities and local debt respectively. The onshore equity fund is Ashmore Brasil Ações FIC FIA (ABAF) and the onshore multi-strategy fund is called Ashmore Brasil 30 FIC FIM LP (AB30). Ashmore Brasil also manages separate accounts.