

# Ashmore Emerging Markets Local Currency Bond Fund

Share class: Class I

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Reporting period

Q2 2024

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## 1. Fund overview and performance analysis

### Fund facts

#### Benchmark

JP Morgan GBI-EM GD  
(Net)

#### Operating expenses

Class I

#### Symbol

ELBIX

#### Total

2.52

#### Net

0.77

*Ashmore has contractually agreed to waive or reimburse certain fees and expenses until February 28, 2025. The expense limitation arrangement may only be terminated prior to that date by the Board of Trustees.*

#### Performance inception

Dec 08, 2010

#### Fund size

USD 9.8 million

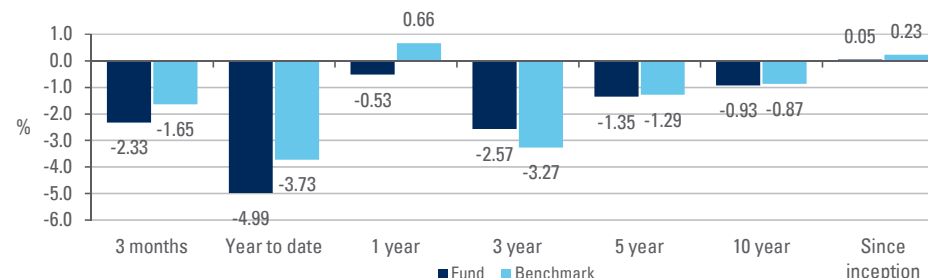
#### Dividend frequency

Monthly

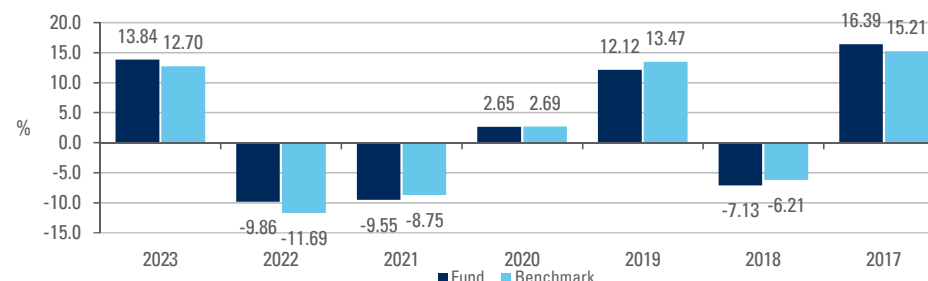
#### Fund objective and strategy

This fund seeks to maximize total return. Investing primarily in local currency denominated fixed-income securities across more than 60 Emerging Market countries, focusing on those that are government issued or guaranteed. Because of this focus, the Fund can help investors diversify away from the U.S. dollar into Emerging Market currencies. The Fund normally targets an intermediate-term portfolio, maintaining an average portfolio duration of 2–7 years.

#### Period performance - Class I as of 06/30/2024



#### Calendar year performance - Class I as of 06/30/2024



*Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and net asset value will fluctuate so that shares, when redeemed, may be worth more or less than the original cost. To obtain performance current to the most recent month-end, please call 1-866-876-8294. Periods greater than one year are annualized. Returns are calculated as the movement in net price over the specified performance period, assuming full dividend reinvestment. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase. The information above shows only the performance of the Fund's Institutional Class Shares. Although Class A and Class C shares would have similar annual returns (because all the Fund's shares represent interests in the same portfolio of securities), Class A and Class C performance would be lower than Institutional Class performance because of the lower expenses paid by Institutional Class shares of the Fund. The information above does not reflect any sales loads applicable to Class A or Class C shares. The performance shown above would be lower if it reflected sales charges applicable to Class A and Class C shares.*

1. Fund overview and performance analysis

Performance statistics	Fund	Benchmark
Standard Deviation	10.67%	10.53%
Information Ratio	0.33	-
Beta	0.99	-
Alpha	0.06	-
R-Squared	0.96	-

Fund statistics	Fund	Benchmark
Yield to maturity	10.03%	7.01%
Average coupon	5.74%	5.33%
Modified duration	5.92	5.04
Average life	7.62	7.49
30 SEC Day Yield: Unsubsidized	5.50%	-
30 SEC Day Yield: Subsidized	7.01%	-

**SEC 30 Day Yield:** computed under a SEC standardized formula based on net income earned over the past 30 days. It is a 'subsidized' yield, which means it includes contractual expense reimbursements and it would be lower without those reimbursements.

**Unsubsidized SEC 30 Day Yield:** computed under a SEC standardized formula based on net income earned over the past 30 days. It excludes contractual expense reimbursements, resulting in a lower yield.

**Average Life:** The average time to maturity across all relevant securities in the portfolio expressed in years.

**Duration:** The average modified duration value provided is a measure of the fund's sensitivity that would result from a 1% change in interest rates.

**Yield to Maturity:** The rate of return anticipated on a bond if held until the end of its life.

**Standard Deviation:** A measure of the investment's volatility. A higher standard deviation implies greater risk.

**Sharpe Ratio:** A risk-adjusted measure used to examine performance. It is calculated using the portfolio's standard deviation and excess return.

**Information Ratio:** A ratio of portfolio returns above the returns of a benchmark to the volatility of those returns.

**Beta:** A measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

**Alpha:** The excess return of the fund relative to the return of the benchmark.

**R-Squared:** A statistical measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark.

**Average Coupon:** The average interest rate stated on the held bonds at issuance.

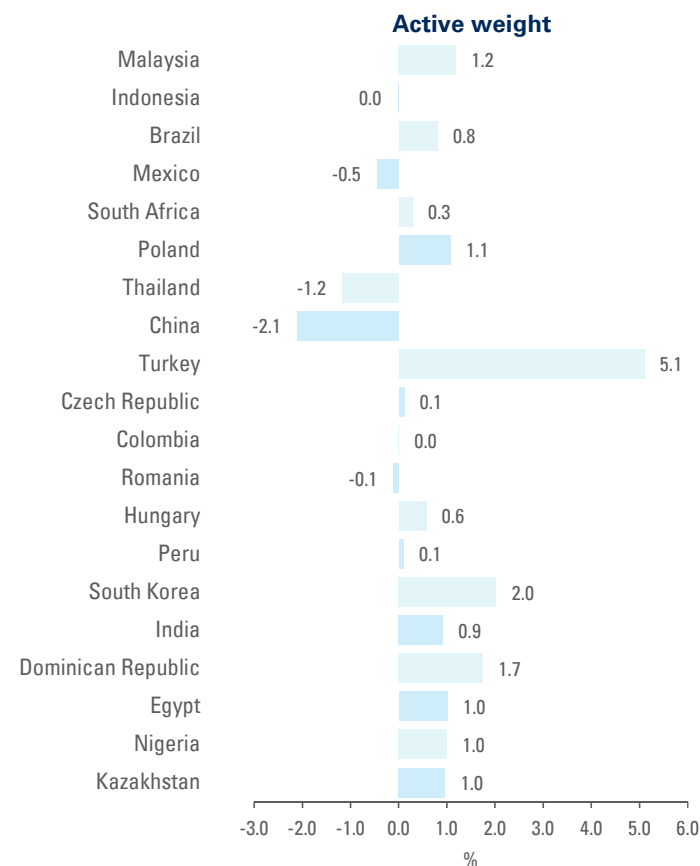
**Current Yield:** Annual income (interest or dividends) divided by the current price of the security.

**Hard Currencies:** include the U.S. dollar and the currencies of other nations in the G-7.

## 2. Fund positioning vs. benchmark

### Largest country positions

Top 20 Countries %	Fund	Benchmark	Active weight
Malaysia	11.2	10.0	1.2
Indonesia	10.0	10.0	0.0
Brazil	9.6	8.8	0.8
Mexico	9.5	10.0	-0.5
South Africa	9.1	8.8	0.3
Poland	9.1	8.0	1.1
Thailand	8.0	9.2	-1.2
China	7.9	10.0	-2.1
Turkey	6.7	1.6	5.1
Czech Republic	6.3	6.2	0.1
Colombia	4.4	4.4	0.0
Romania	4.0	4.1	-0.1
Hungary	3.5	3.0	0.6
Peru	2.3	2.2	0.1
South Korea	2.0	-	2.0
India	1.9	1.0	0.9
Dominican Republic	1.9	0.2	1.7
Egypt	1.0	-	1.0
Nigeria	1.0	-	1.0
Kazakhstan	1.0	-	1.0
Total number of countries	24	19	
Total number of countries (look-through)	24	19	



2. Fund positioning vs. benchmark

Largest country deviation from benchmark

Country %	Fund	Benchmark	Active weight
Top 10 overweight			
Turkey	6.7	1.6	5.1
South Korea	2.0	0.0	2.0
Dominican Republic	1.9	0.2	1.7
Malaysia	11.2	10.0	1.2
Poland	9.1	8.0	1.1
Egypt	1.0	0.0	1.0
Nigeria	1.0	0.0	1.0
Kazakhstan	1.0	0.0	1.0
India	1.9	1.0	0.9
Brazil	9.6	8.8	0.8

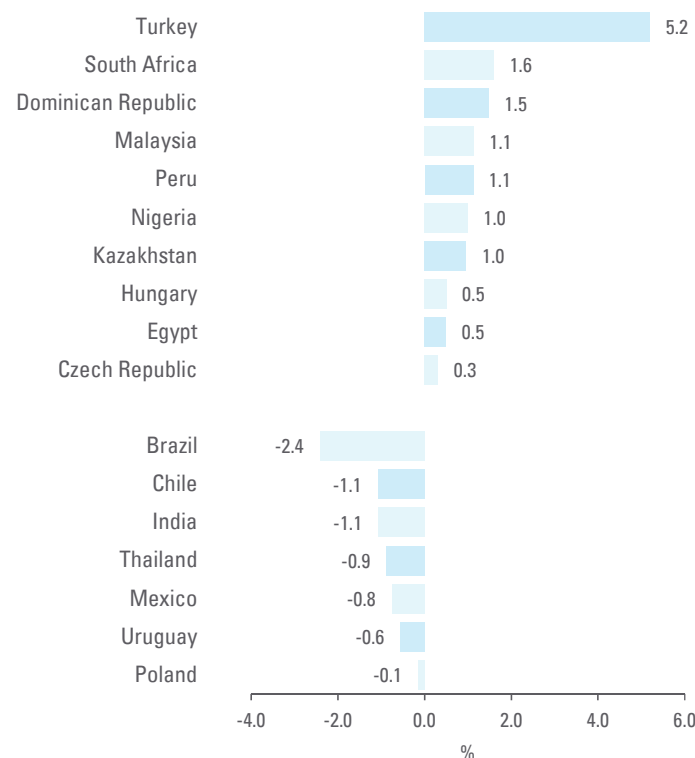
Country %	Fund	Benchmark	Active weight
Top underweight			
China	7.9	10.0	-2.1
Thailand	8.0	9.2	-1.2
Chile	0.8	1.9	-1.1
Mexico	9.5	10.0	-0.5
Serbia	-	0.4	-0.4
Romania	4.0	4.1	-0.1
Indonesia	10.0	10.0	0.0

## 2. Fund positioning vs. benchmark

### Historical country deviations from benchmark (list based on latest qoq changes)

Top Changes in Active weight %	Active Weight				
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
<b>Top 10 changes in active weight</b>					
Turkey	-0.9	-0.6	0.0	-0.1	5.1
South Africa	-0.3	-0.1	-0.1	-1.3	0.3
Dominican Republic	0.3	0.3	0.3	0.3	1.7
Malaysia	0.0	0.3	-0.1	0.1	1.2
Peru	-0.1	0.0	0.1	-1.0	0.1
Nigeria	0.0	0.0	0.0	0.0	1.0
Kazakhstan	0.0	0.0	0.3	0.0	1.0
Hungary	1.0	-0.1	-0.1	0.1	0.6
Egypt	-0.7	-1.0	-0.6	0.5	1.0
Czech Republic	1.4	-0.3	0.9	-0.2	0.1
<b>Bottom changes in active weight</b>					
Brazil	2.7	1.3	1.3	3.2	0.8
Chile	0.1	0.9	0.4	0.0	-1.1
India	2.5	0.0	2.0	2.0	0.9
Thailand	1.7	1.0	-0.1	-0.3	-1.2
Mexico	-0.1	0.1	1.2	0.3	-0.5
Uruguay	1.0	0.7	1.1	0.7	0.2
Poland	0.5	-1.8	-0.1	1.2	1.1

### Movement over last quarter



### QoQ = Quarter over Quarter

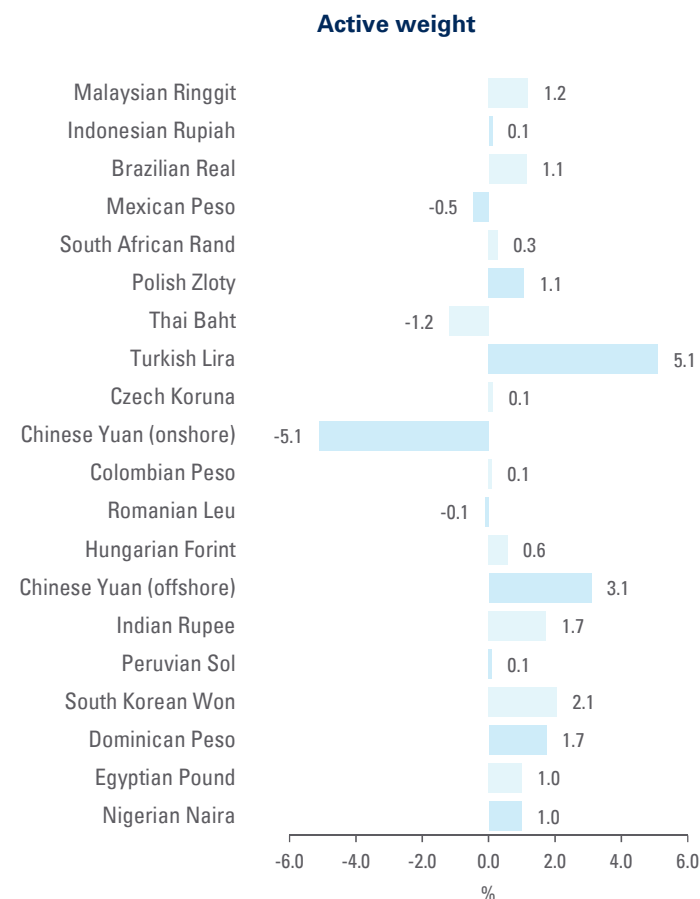
The portfolio holdings are subject to change.

Please refer to the Definitions page for additional information.

## 2. Fund positioning vs. benchmark

### Largest local currency positions

Top 20 EM currency exposure %	Fund	Benchmark	Active weight
Malaysian Ringgit	11.2	10.0	1.2
Indonesian Rupiah	10.1	10.0	0.1
Brazilian Real	10.0	8.8	1.1
Mexican Peso	9.5	10.0	-0.5
South African Rand	9.1	8.8	0.3
Polish Zloty	9.1	8.0	1.1
Thai Baht	8.0	9.2	-1.2
Turkish Lira	6.7	1.6	5.1
Czech Koruna	6.3	6.2	0.1
Chinese Yuan (onshore)	4.9	10.0	-5.1
Colombian Peso	4.5	4.4	0.1
Romanian Leu	4.0	4.1	-0.1
Hungarian Forint	3.5	3.0	0.6
Chinese Yuan (offshore)	3.1	0.0	3.1
Indian Rupee	2.7	1.0	1.7
Peruvian Sol	2.3	2.2	0.1
South Korean Won	2.1	0.0	2.1
Dominican Peso	1.9	0.2	1.7
Egyptian Pound	1.0	0.0	1.0
Nigerian Naira	1.0	0.0	1.0
Total number of currencies	27	19	
Total number of currencies (look-through)	27	19	



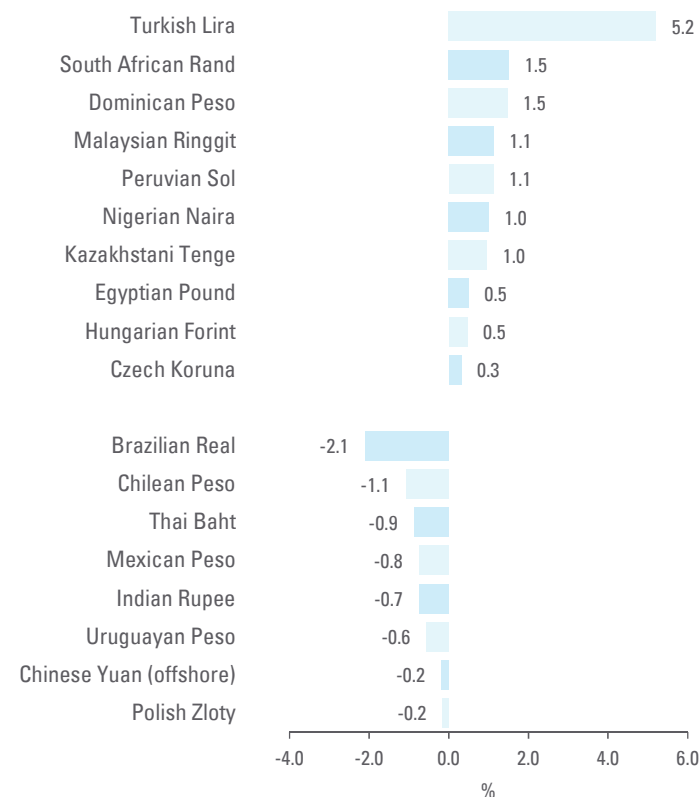


## 2. Fund positioning vs. benchmark

### Historical local currency deviations from benchmark (list based on latest qoq changes)

Top Changes in Active weight %	Active weight				
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
<b>Top 10 changes in active weight</b>					
Turkish Lira	-0.9	-0.6	0.0	-0.1	5.1
South African Rand	-0.2	0.0	-0.1	-1.2	0.3
Dominican Peso	0.3	0.3	0.3	0.3	1.7
Malaysian Ringgit	0.0	0.3	-0.1	0.1	1.2
Peruvian Sol	-0.1	0.0	0.1	-1.0	0.1
Nigerian Naira	-	-	-	-	1.0
Kazakhstani Tenge	-	-	0.3	-	1.0
Egyptian Pound	-0.7	-1.0	-0.6	0.5	1.0
Hungarian Forint	1.1	0.0	0.0	0.1	0.6
Czech Koruna	1.5	-0.3	0.9	-0.2	0.1
<b>Bottom changes in active weight</b>					
Brazilian Real	3.2	1.3	1.6	3.3	1.1
Chilean Peso	0.1	0.9	0.4	0.0	-1.1
Thai Baht	1.7	1.0	-0.1	-0.3	-1.2
Mexican Peso	-0.1	0.1	1.2	0.3	-0.5
Indian Rupee	2.5	0.0	2.5	2.5	1.7
Uruguayan Peso	1.0	0.7	1.1	0.7	0.2
Chinese Yuan (offshore)	6.6	4.6	5.4	3.3	3.1
Polish Zloty	0.6	-1.8	-0.1	1.2	1.1

### Movement since last quarter



### QoQ = Quarter over Quarter

The portfolio holdings are subject to change.

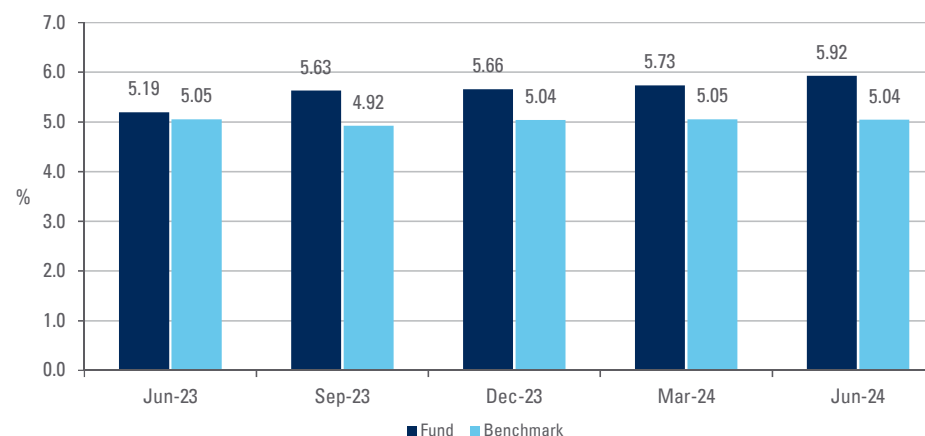
Please refer to the Definitions page for additional information.

## 2. Fund positioning vs. benchmark

### Largest local currency duration positions

Country	Fund	Benchmark	Active weight
<b>Top 10 overweight</b>			
Brazil	0.56	0.23	0.33
India	0.21	0.07	0.14
Poland	0.43	0.29	0.14
Peru	0.25	0.13	0.12
Indonesia	0.65	0.54	0.11
Colombia	0.31	0.21	0.09
Dominican Republic	0.10	0.01	0.09
Czech Republic	0.39	0.31	0.08
Paraguay	0.02	-	0.02
Turkey	0.05	0.04	0.01
<b>Top underweight</b>			
Thailand	0.50	0.60	-0.10
China	0.45	0.54	-0.09
Malaysia	0.62	0.66	-0.03
Mexico	0.45	0.49	-0.03
Romania	0.14	0.17	-0.03
Serbia	-	0.02	-0.02
Chile	0.10	0.10	-0.01
Hungary	0.12	0.12	0.00
Philippines	0.00	-	0.00
Total Local Currency	5.92	5.04	0.88
Total Hard Currency	0.00	-	0.00

Total Fund Duration

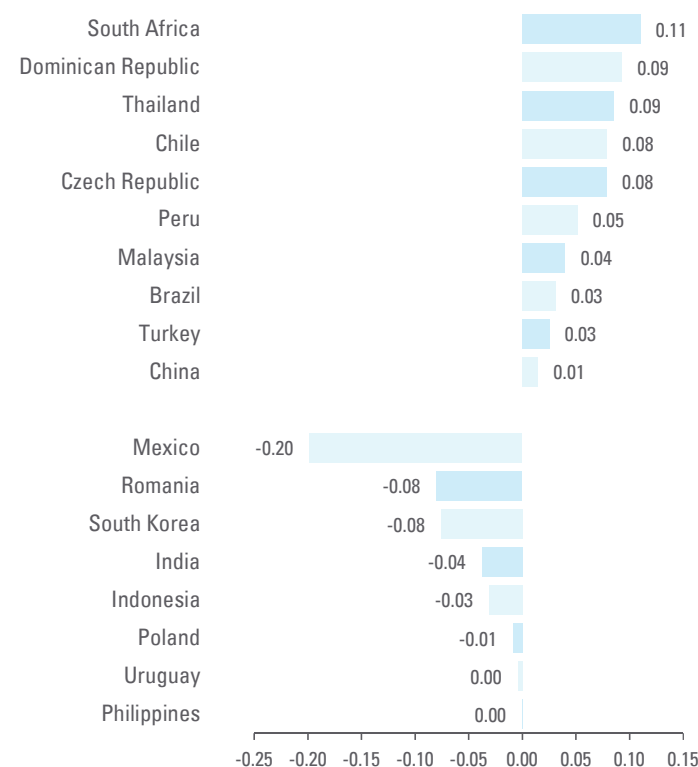


## 2. Fund positioning vs. benchmark

### Historical local currency duration deviations from benchmark (list based on latest qoq changes)

Top Changes in Active weight	Active weight			
	Jun-23	Dec-23	Mar-24	Jun-24
<b>Top 10 changes in active weight</b>				
South Africa	0.02	-0.06	-0.10	0.01
Dominican Republic	0.00	0.00	0.00	0.09
Thailand	-0.17	-0.15	-0.19	-0.10
Chile	0.01	-0.12	-0.09	-0.01
Czech Republic	0.01	0.05	0.00	0.08
Peru	0.08	0.12	0.07	0.12
Malaysia	-0.04	-0.06	-0.07	-0.03
Brazil	0.35	0.17	0.30	0.33
Turkey	-0.02	-0.01	-0.01	0.01
China	-0.17	-0.12	-0.11	-0.09
<b>Bottom changes in active weight</b>				
Mexico	-0.08	0.20	0.17	-0.03
Romania	0.09	0.10	0.05	-0.03
South Korea	0.12	0.19	0.08	0.01
India	0.00	0.00	0.18	0.14
Indonesia	-0.02	0.13	0.14	0.11
Poland	-0.05	0.10	0.15	0.14
Uruguay	0.11	0.05	0.01	0.01
Philippines	-0.01	0.00	0.00	0.00

### Movement over last quarter

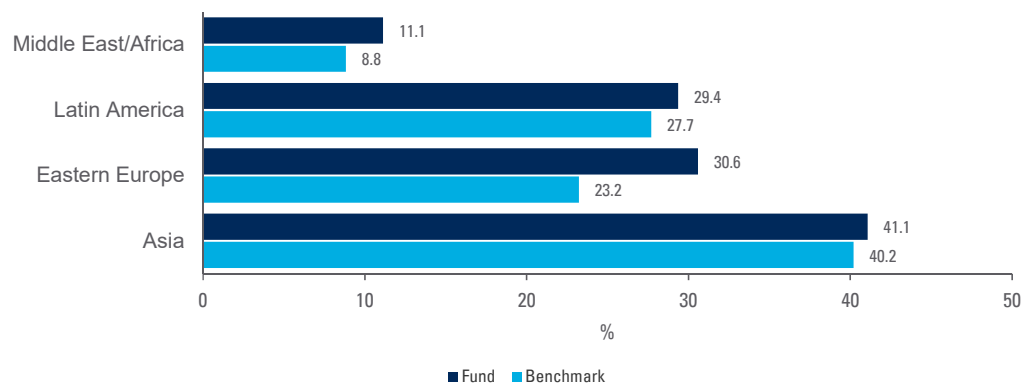


### QoQ = Quarter over Quarter

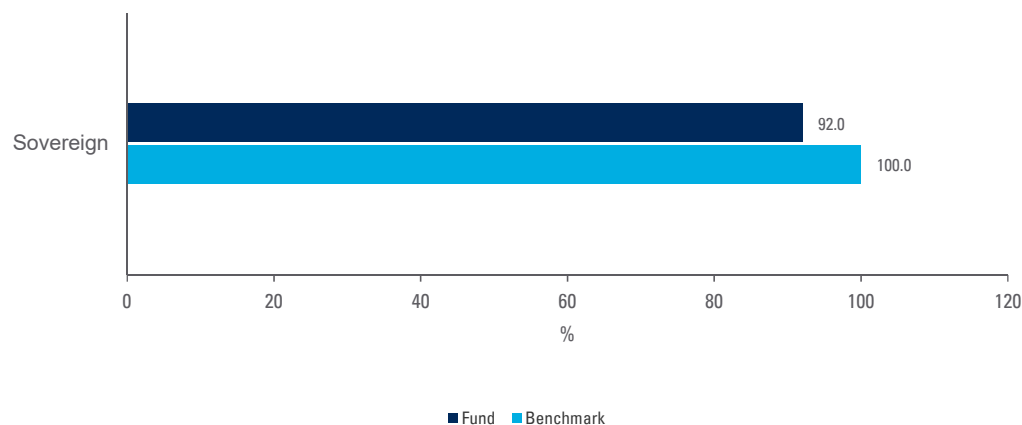
The portfolio holdings are subject to change.  
Please refer to the Definitions page for additional information.

## 2. Fund positioning vs. benchmark

### Region



### Issuer type



### Rating

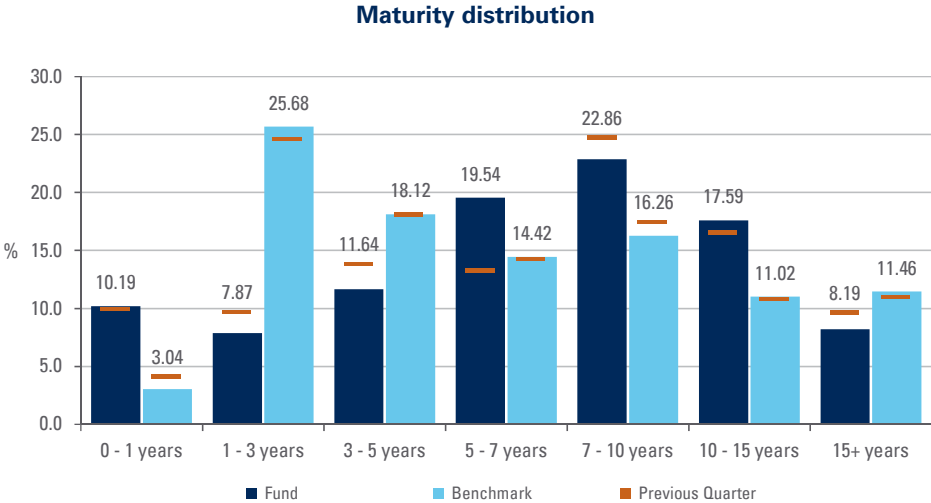
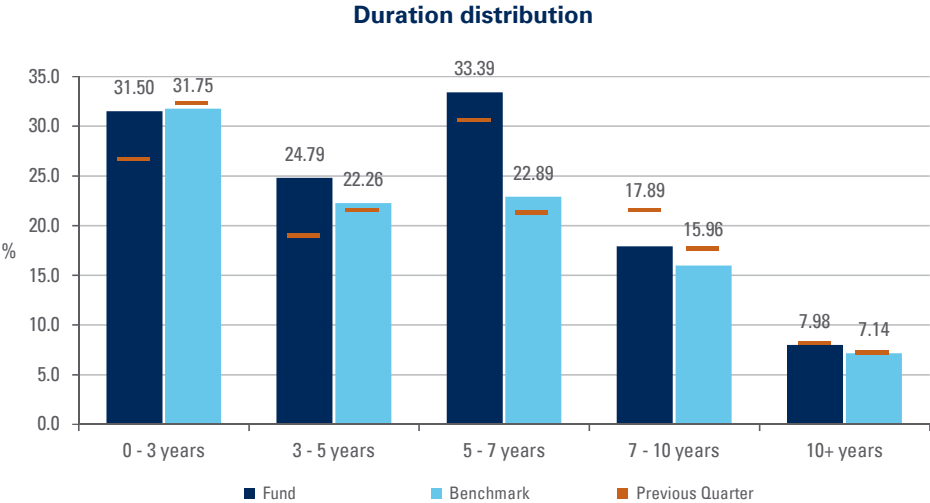
Credit rating %	Fund	Benchmark	Active weight
AAA	0.8	0.0	0.8
AA	12.6	6.2	6.4
A	15.5	25.1	-9.6
BBB	41.5	48.6	-7.1
BB	26.2	18.2	8.0
B	2.8	1.6	1.1
<B	0.0	0.0	0.0
Not rated	0.5	0.2	0.3

Credit rating %	Fund	Benchmark	Active weight
Investment grade	70.5	79.9	-9.5
High yield	29.0	19.9	9.2

**About Credit Quality:** Credit quality ratings are sourced from Standard & Poor's (the "S&P"), Moody's and Fitch's and based on issuers with ratings. Ratings values are based on the middle of three rating agencies S&P, Moody's and Fitch. If only two of the ratings are available then the lower rating of the two will be used. If none of the rating agencies have assigned a rating the Fund will assign a rating of NR (non-rated security). The ratings represent the agencies (S&P, Moody's, Fitch's) opinions as to the quality of the securities they rate. The ratings range from AAA (S&P, Fitch's) or Aaa (Moody's) (extremely strong capacity to meet its financial commitment) to D (S&P, Fitch's) or C (Moody's) (in default). Ratings are relative and subjective and are not absolute standards of quality. The ratings provided relate to the underlying securities within the fund and not the fund itself.

2. Fund positioning vs. benchmark

Duration positioning



## 2. Fund positioning vs. benchmark

### Instrument exposure by NAV

Top 10 holdings exposure %	Fund	Benchmark	Active weight
Us Treasury Bill 0% 16/07/2024	5.0	-	5.0
Brazil Bltn 0% 01/07/2027	4.2	0.7	3.5
Brazil Bltn 0% 01/01/2030	4.2	0.2	4.0
Brazil Ntnf 10% 01/01/2027 - Lc	3.3	1.2	2.1
Mexican Bonos 7.75% 29/05/2031	2.7	1.0	1.8
Korea Treasury Bond 3% 10/09/2024	2.7	-	2.7
Republic Of Peru 6.15% 12/08/2032 (Lc-E/C)	2.0	0.3	1.7
Rep Of South Africa 8.25% 31/03/2032 R2032	1.9	1.0	1.0
Colombia Tes 9.25% 28/05/2042	1.9	0.6	1.4
Poland Govt 6% 25/10/2033	1.8	0.8	1.0
Total number of issuers	29	22	
Total number of holdings	125	375	
Off benchmark holdings	13.0%	-	

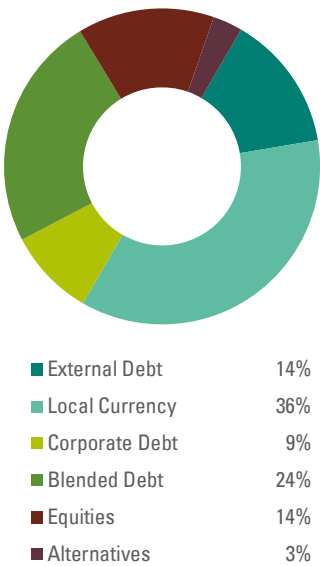
### 3. Ashmore Group overview

Ashmore is a dedicated Emerging Markets (EM) investment manager. We focus on a number of investment themes including external debt, local currencies and local currency debt, corporate debt, blended debt, equities, alternatives (incorporating distressed debt, private equity, infrastructure and real estate), multi-asset and overlay/liquidity. We manage pooled funds, segregated accounts and white label products for a range of global institutional clients including central banks and sovereign wealth funds, government and corporate pension plans, banks, insurance companies and non-profit organisations as well as distributors and high net worth individuals.

- Ashmore Group plc, parent company, listed on the London Stock Exchange
- 302 staff employed globally
- Team based investment process, unchanged since 1992
- 109 member global investment team
- 29 dedicated in-house legal and compliance professionals
- 37-strong business development and client servicing team
- USD 49.5 billion\* in assets under management as at 30 June 2024.

\*Estimated figure only

AUM theme split - by primary fund theme



There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal.

## 4. Themes

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### Themes

**External Debt:** this theme/strategy invests in debt instruments issued by sovereigns (government) and quasi-sovereigns (government sponsored) across a universe of 60-80 Emerging Markets countries.

**Local Currency and Local Currency Debt:** this theme/strategy invests in local currency denominated instruments issued by sovereign, quasi-sovereign and corporate issuers as well as local currencies across a universe of 20-40 Emerging Markets countries.

**Corporate Debt:** this theme/strategy invests in debt instruments issued by public and private sector corporate issuers across a universe of 60-80 Emerging Markets countries.

**Blended Debt:** this theme/strategy invests in both hard currency and local currency denominated assets across sovereigns, quasi-sovereigns and corporates across a universe of 60-80 Emerging Markets countries.

**Equities:** the strategy invests in equity and equity-related instruments within the Emerging Markets including global, regional, small cap and frontier opportunities. These instruments may be denominated in any currency.



## 5. Definitions

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### Definitions

Effective June 14, 2024 the JP Morgan GBI-EM GD Net Index replaced the JP Morgan GBI-EM GD Index as the primary benchmark for Ashmore EM Local Currency Bond Fund because Ashmore believes the JP Morgan GBI-EM GD (Net) Index more closely reflects segments in which the Fund invests. The Fund consists of regularly traded, liquid fixed-rate, domestic currency government bonds of emerging market countries. You cannot invest directly in an index.

**Yield to Maturity:** The rate of return anticipated on a bond if held until the end of its life.

**Standard Deviation:** A measure of the investment's volatility. A higher standard deviation implies greater risk.

**Sharpe Ratio:** A risk-adjusted measure used to examine performance. It is calculated using the portfolio's standard deviation and excess return.

**Information Ratio:** A ratio of portfolio returns above the returns of a benchmark to the volatility of those returns.

**Beta:** A measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

**Alpha:** The excess return of the fund relative to the return of the benchmark

**R-Squared:** A statistical measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark

**Average Coupon:** The average interest rate stated on the held bonds at issuance.

**Current Yield:** Annual income (interest or dividends) divided by the current price of the security.

**Hard Currencies:** include the U.S. dollar and the currencies of other nations in the G-7.

## 6. Investment considerations

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### Investment Considerations

The fund holdings will change and the information provided should not be considered as a recommendation to purchase or sell a particular security. There is no assurance that the securities mentioned remain in the Fund's portfolio or that securities sold have not been repurchased. There can be no guarantee that any strategy will be successful. All investing involves risk, including the potential loss of principal. Certain risks related to an investment in the Funds are summarized below:

**Foreign Investment and Emerging Markets Risk:** Foreign investments can be riskier than U.S. investments. Potential risks include adverse political and legal developments affecting issuers located and/or doing business in foreign countries, currency risk that may result from unfavourable exchange rates, liquidity risk if decreased demand for a security makes it difficult to sell at the desired price, and risks that stem from substantially lower trading volume on foreign markets. These risks are generally greater for investments in emerging markets, which are also subject to greater price volatility, and custodial and regulatory risks.

**Foreign Markets:** Investments in foreign markets entail special risks such as currency, political, economic, and market risks. The risks of investing in emerging-market countries are greater than the risks generally associated with foreign investments. Frontier market countries generally have smaller economies and even less developed capital markets or legal and political systems than traditional emerging market countries. As a result, the risks of investing in emerging market countries are magnified in frontier market countries.

**Bond Funds** will tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price, especially for longer-term issues and in environments of rising interest rates. Interest rate risk is the risk that the values of the debt securities and other instruments in a fund's portfolio will decline because of increases in interest rates, which can adversely affect the fund's performance.

**Non-Diversified Risk:** The fund is non-diversified, so it may be more exposed to the risks associated with individual issuers than a diversified fund.

**Derivatives Risk:** Investments in derivatives can be volatile. Potential risks include currency risk, leverage risk (the risk that small market movements may result in large changes in the value of an investment), liquidity risk, index risk, pricing risk, and counterparty risk (the risk that the counterparty may be unwilling or unable to honor its obligations).

Ashmore Investment Management (US) Corp., a broker-dealer registered with the Securities and Exchange Commission, is the principal underwriter and distributor of the Funds' shares.

**This material must be preceded or accompanied by a prospectus. An investor should consider the fund's investment objectives, risks, and charges and expenses before investing or sending money. This and other important information about the Ashmore Funds can be found in the fund's prospectus. To obtain more information, please call 1-866-876-8294 or visit [www.ashmoregroup.com](http://www.ashmoregroup.com). Please read the prospectus carefully before investing.**