

Fund Summary

OnePath Global Emerging Markets Share Trust Wholesale

31 July 2023

Fund details

Investment manager	MFS Investment Management
Fund code	MMF0275AU
Asset type	Equity / Large Cap
Region	Global Emerging Markets
Fund size	\$4.93 million as at 31 Jul 2023
Commencement date	20 Nov 2000
Distributions	Half yearly

Investment objective

The fund aims to achieve returns (after costs but before fees and taxes) that exceed the MSCI Emerging Markets Index (net dividends, A\$ unhedged), over periods of three years.

Investment strategy

The fund invests predominantly in a portfolio of international emerging markets shares selected in accordance with a disciplined investment process.

Minimum time horizon

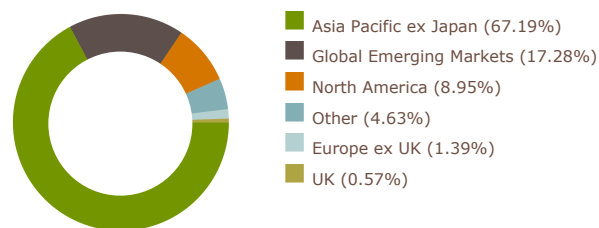
5 years

Standard Risk Measure*

The Standard Risk Measure (SRM) is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM for this fund is shown below:



Country allocation



Fund performance

As at 31 Jul 2023

	1 mth %	3 mth %	1 yr %	3 yr % pa	5 yr % pa	7 yr % pa	10 yr % pa
Total Return †	2.81	6.52	8.68	-1.55	-0.41	4.63	3.99
Benchmark ‡	4.93	6.32	12.20	3.59	3.73	6.94	6.48
Excess Return	-2.12	0.20	-3.52	-5.14	-4.14	-2.32	-2.49
Distribution	0.01	0.51	1.13	0.77	1.19	1.28	1.31
Growth	2.80	6.00	7.55	-2.32	-1.60	3.35	2.68
Risk (1 Std Dev)	-	-	12.13	10.77	12.39	11.37	10.85
Tracking Error	-	-	4.49	4.14	3.63	3.56	3.91
Info. Ratio	-	-	-0.8	-1.2	-1.1	-0.6	-0.6

Calendar year returns	YTD	2022	2021	2020	2019
Total Return †	9.39	-21.20	-1.29	2.57	21.76
Benchmark ‡	12.13	-14.33	3.44	7.77	18.61
Excess Return	-2.74	-6.87	-4.73	-5.21	3.14

Growth of \$50,000 invested since fund inception



Top 10 holdings

Security	% of fund
TAIWAN SEMICONDUCTOR MFG	6.84%
SAMSUNG ELECTRONICS CO	3.72%
TENCENT HOLDINGS LI (CN)	3.11%
ALIBABA GRP HLDG (HK)	3.07%
RELIANCE INDUSTRIES	2.58%
AXIS BANK	2.03%
GRUPO FIN BANORTE O	2.01%
B3 S.A.-BRASIL BOLSA BALCAO	1.93%
ICICI BANK	1.77%
HDFC BANK	1.77%
Total Top 10	28.83%

* For further information on Standard Risk Measures and the calculation methodology used, go to onepath.com.au/personal/performance/product-updates.aspx

† Returns quoted use the unit price which is calculated using the net asset values for the relevant month end. The prices shown may differ from the actual unit price if an investor is applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction on an investor's investment. Please note that all returns are after the deduction of management fees and expenses and assumes all distributions are re-invested. Where applicable, management fees have been deducted at the highest entry fee option rate. No allowance has been made for entry or exit fees.

‡ Benchmark returns should be used for indicative purposes only. These returns may not be a true indication of this Fund's performance against its investment objective.

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Market and portfolio review

Global emerging markets rose strongly over the quarter, outperforming the MSCI AC World index. A rebound in risk appetite towards Chinese equities was a key driver, despite weaker economic data releases.

India underperformed as persistent food price rises kept headline inflation elevated. Taiwan was behind the index as continued strength in AI theme stocks was offset by weakness elsewhere.

Future investment strategy

It's fair to say the reopening of China has disappointed. Years of lockdowns combined with a weak property market (which accounts for about 80% of Chinese savers' wealth) have sapped consumer confidence. While Chinese consumer confidence is weak, investor sentiment might even be more so, and the market is clearly waiting for more tangible policies rather than words of Politburo support.

This uncertain outlook creates opportunities for medium term investors. China is priced for a lot to go wrong, and not much to go right. The upcoming first half 2023 reporting season will be key – expectations are already low, but we will be watching management outlook statements as well as any increase in cash returns to shareholders. Contrasting this negativity is India today, where the positive fundamentals of growth and reform are well known and – by our reckoning – rather at risk of not meeting lofty expectations. We continue to be patient holders of select Chinese equities as we wait for the recovery to progress.

Despite the negatives from China, there are many positives across emerging markets today. Emerging economies have generally been ahead of the curve in fighting inflation, without the need for additional fiscal spending. That leaves many emerging market governments and central banks well placed to stimulate for growth, should there be any economic slowdown. At the same time, many emerging market equity markets are still trading below long-run average valuations. In aggregate, this combination presents us, as active investors, with a myriad of longer term investment opportunities.

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This information is current as at 31 Jul 2023 with the commentary current for the most recent quarter end (eg. March, June, Sept or Dec) however in some cases may be applicable for the preceding month or quarter end. Updated information will be available free of charge by contact Client Services on 133 665. The information is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should consider the appropriateness of the information, having regard to your needs, financial circumstances and objectives. Past performance is not indicative of future performance. The future value of investments may rise and fall with changes in the market. You should read the relevant PDS available at onepath.com.au and consider whether that particular product is right for you before making a decision to acquire or continue to hold the product.