

# CARMIGNAC P. EMERGENTS - MARCH 2023 UPDATE

27/04/2023

## PORTFOLIO NEWS

Performance - F EUR ACC shareclass - Cumulative returns (%)

#	Mars 2023	1 an	3 ans	5 ans
Carmignac P. Emergents	+1,2%	+1,2%	+40,1%	+28,0%
Performance reference indicator	+0,6%	-8,6%	+26,6%	+8,3%

As of 31/03/2023. [Carmignac Portfolio Emergents](#) (ISIN : LU0992626480). Reference indicator: MSCI EM NR USD) (Reinvested net dividends rebalanced quarterly). Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding possible entrance fees charged by the distributor). The return may increase or decrease as a result of currency fluctuations. The fund presents a risk of capital loss.

## MARKET REVIEW

- Emerging markets rose in March, benefiting from the decline in U.S. 10-year real yields and the U.S. dollar in the second half of the month.
- Asian markets posted the strongest gains for the month, benefiting from the appreciation of Chinese markets in the wake of encouraging macroeconomic indicators : The Caixin/S&P Global Services PMI came in at 57.8 for the month of March, up from 55.0 in February, its third month of growth after the lifting of pandemic restrictions.
- Chinese internet names posted the strongest gains following the announcement by internet giant Alibaba to split its main business segments into six units, a move welcomed by market, as it will allow the company's different businesses to have access to independent funding, making the company more transparent and efficient.
- In Latin American, Brazil was down, while Mexico rose once again, benefiting from the recovery of economic activity in the wake of "nearshoring".

# PERFORMANCE REVIEW

## TOP 3 CONTRIBUTORS

Good rebound of our Chinese consumer/ internet names and Korean tech stocks

- **SEA** (eCommerce) - Singapore
- **ALIBABA** (Internet) - China
- **ANTA SPORTS** (Conso. Disc.) - China

## TOP 3 DETRACTORS

Weakness of Brazilian and Chinese healthcare stocks

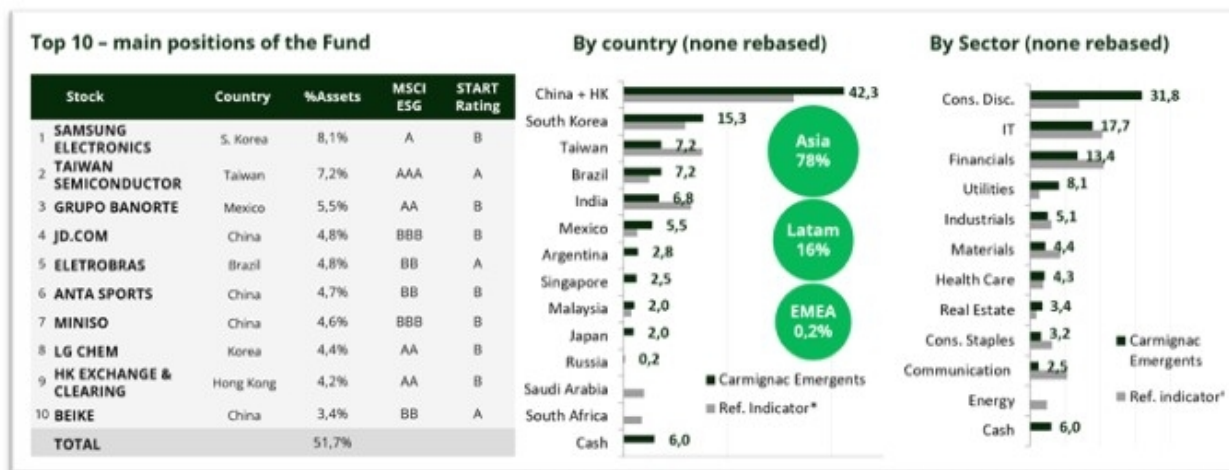
- **HAIER SMART HOME** (Conso. Disc.) - China
- **HAPVIDA** (Healthcare ) - Brazil
- **WUXI BIOLOGICS** (Healthcare ) - China

# NOTABLE PORTFOLIO MOVES

New positions:

- **Reinforcements:** JD.com (China), Samsung (Korea), Taiwan Semiconductor (Taiwan), Sea (Singapore)
- **Reductions:** Alibaba (China), Beike (China), Hapvida (Brazil)
- **Positions sold:** Lenovo (China), ISA CTEEP (Brazil)
- **Number of holdings:** 35 (target range 35/55)

# POSITIONING



## BREAKDOWN OF THE FUND BY SDG ALIGNMENT



Our portfolio is currently structured around 4 major socially responsible investment (SRI) themes that are central to our process:

## STRATEGY REMINDER

### OBJECTIVES

#### Investment objectives:

- The fund aims to outperform its reference indicator over a recommended investment horizon of 5 years.

#### Sustainable objective:

- 100% of investment in emerging companies that derive the majority of their revenues or capital expenditures from goods & services related to business activities which align positively with SDGs (ex-cash holdings, source: Factset).
- Carbon intensity 50% lower than the ref. indicator (tons of CO2 per million USD revenues, converted to euros).

### STRATEGY BENEFITS

- A **8-year track record with Xavier Hovasse as lead PM, and Haiyan Li-Labbé** nominated co PM in January 2021, both with 20+ year industry experience in emerging markets.
- A **diversified portfolio**, with a selective exposure to the Asian markets, an increased allocation to LatAm and through companies with attractive valuations.
- **SFDR Article 9 Strategy with a fully integrated SRI & low carbon approach**, awarded the French government's SRI label in 2019 and the Belgium Towards Sustainability label in 2020.
- A **portfolio with a positive environmental and social contribution**, 100% of assets (excl. cash) invested in companies whose revenues or capital expenditures are positively aligned with at least 1 of 9 targeted United Nations Sustainable Development Goals and a carbon footprint 64% lower than the MSCI EM NR Index (as of 31/03/2023).
- **High conviction and active approach**: 35 to 55 stocks on average, high active share (>85%).
- **An effective portfolio diversification tool and a source of performance**, proven by a solid track record (1st quartile among peers since launch), 4 Star Ranking, and a solid AUM of 1.2 bn € (end of March 2023).

Carmignac Portfolio Emergents obtained the French and Belgian SRI Labels: [www.lelabelisr.fr](http://www.lelabelisr.fr) ; [www.towardsustainability.be](http://www.towardsustainability.be) ; [www.febelfin.be](http://www.febelfin.be).

The Sustainable Finance Disclosure Regulation (SFDR) 2019/2088 is a European regulation that requires asset managers to classify their funds as either 'Article 8' funds, which promote environmental and social characteristics, 'Article 9' funds, which make sustainable investments with measurable objectives, or 'Article 6' funds, which do not necessarily have a sustainability objective. [For more information](#)

### Xavier Hovasse

Xavier Hovasse is a Fund Manager and Head of Emerging Equities. Xavier joined Carmignac in 2008 as an analyst specialized in Latin America, and was appointed Fund Manager in 2011. Prior to that, he spent nine years at BNP Paribas Asset Management as an analyst and Manager of Emerging and Global equities. He graduated from ESCP-EAP Paris and is a CFA Charter holder since 2004.

### Haiyan Li-Labbé

Haiyan Li-Labbé is a Fund Manager with a focus on the Greater China markets within the Emerging Equities team. Haiyan joined Carmignac in 2011. She started her career in 2001 at Société Générale Investment Banking and was the responsible Analyst on Asian convertible bonds. Between 2004 and 2011, she was a Fund Manager and Head of Asian Projects at ADI Alternative Investments and OFI AM. Haiyan holds a Master's degree in French from Beijing's Foreign Languages University, and a Master's degree from Ecole Supérieure de Commerce de Paris (ESCP).

## CARMIGNAC PORTFOLIO EMERGENTS F EUR ACC

(ISIN: LU0992626480)

SFDR - Fund Classification\*\* :

Article **9**



Recommended minimum investment horizon



### MAIN RISKS OF THE FUND

**EQUITY:** The Fund may be affected by stock price variations, the scale of which is dependent on external factors, stock trading volumes or market capitalization. **EMERGING MARKETS:** Operating conditions and supervision in "emerging" markets may deviate from the standards prevailing on the large international exchanges and have an impact on prices of listed instruments in which the Fund may invest. **CURRENCY:** Currency risk is linked to exposure to a currency other than the Fund's valuation currency, either through direct investment or the use of forward financial instruments. **DISCRETIONARY MANAGEMENT:** Anticipations of financial market changes made by the Management Company have a direct effect on the Fund's performance, which depends on the stocks selected.

**The Fund presents a risk of loss of capital.**

\*Risk Scale from the KID (Key Information Document). Risk 1 does not mean a risk-free investment. This indicator may change over time. \*\*The Sustainable Finance Disclosure Regulation (SFDR) 2019/2088 is a European regulation that requires asset managers to classify their funds as either 'Article 8' funds, which promote environmental and social characteristics, 'Article 9' funds, which make sustainable investments with measurable objectives, or 'Article 6' funds, which do not necessarily have a sustainability objective. For more information please refer to <https://eur-lex.europa.eu/eli/reg/2019/2088/oj>.

## PERFORMANCE (ISIN: LU0992626480)

Calendar Year Performance (as %)	2016	2017	2018	2019	2020
<b>Carmignac Portfolio Emergents</b>	<b>+1.7 %</b>	<b>+19.8 %</b>	<b>-18.2 %</b>	<b>+25.5 %</b>	<b>+44.9 %</b>
Indicateur de référence	+14.5 %	+20.6 %	-10.3 %	+20.6 %	+8.5 %

Calendar Year Performance (as %)	2021	2022	2023	2024	2025 (YTD)
<b>Carmignac Portfolio Emergents</b>	<b>-10.3 %</b>	<b>-14.3 %</b>	<b>+9.8 %</b>	<b>+5.5 %</b>	<b>-0.3 %</b>
Indicateur de référence	+4.9 %	-14.9 %	+6.1 %	+14.7 %	-1.3 %

Annualised Performance	3 Years	5 Years	10 Years
<b>Carmignac Portfolio Emergents</b>	<b>+3.6 %</b>	<b>+9.0 %</b>	<b>+3.6 %</b>
Indicateur de référence	+2.4 %	+8.3 %	+3.6 %

Source: Carmignac at Mar 31, 2025.

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