



# Emerging markets management approach

## Our emerging market funds

Our AMC EXPERT umbrella fund is composed of five subfunds:

- AMC Seapac (Far East ex-Japan)
- AMC Chinac (Greater China)
- AMC Latinac (Latin America)
- AMC Euromac (emerging Europe)
- AMC Indiac (Indian subcontinent)

These funds are designed to provide optimal exposure to the above-average upside offered by these new pockets of economic growth. Investors gain exposure to these markets without incurring excessive exposure to risk.

## Investment approach

These funds are managed by seasoned professionals who base their decisions on a rigorous and dynamic investment approach designed to achieve three key objectives:

- Keep volatility low, thereby reducing risk
- Continually optimise geographic, sector and theme allocations as well as individual stock-picking
- Outperform the most representative and/or most commonly used benchmark for the region or country concerned.

## Benchmarks

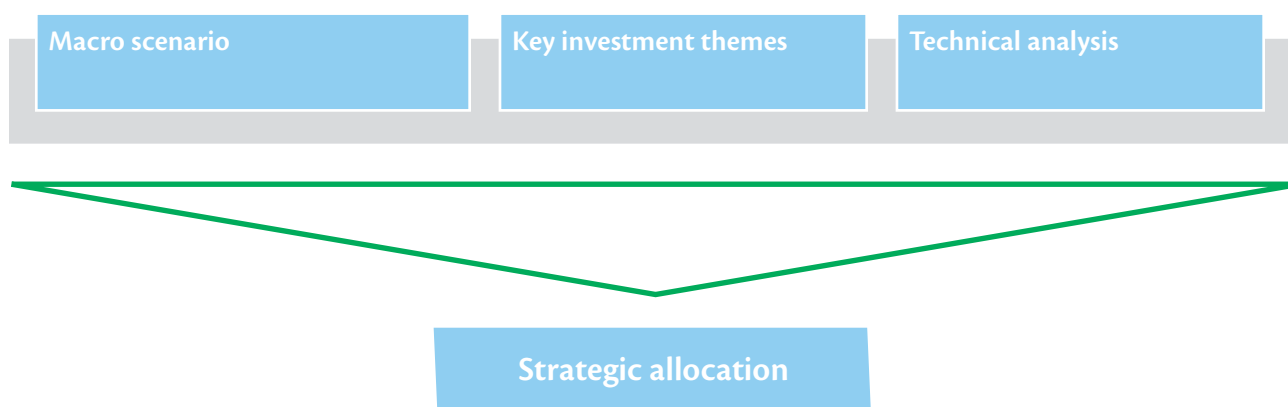
The benchmarks selected for each subfund are the following:

- MSCI AC Far East ex-Japan for AMC Seapac
- MSCI Golden Dragon for AMC Chinac
- MSCI EM Latin America for AMC Latinac
- MSCI EM Europe for AMC Euromac
- MSCI India for AMC Indiac

## What we offer

- More than 30 years of experience in emerging markets
- Seasoned professionals in charge of each subfund
- A management approach that is tailored to emerging markets
- A network of on-the-ground contacts complemented by regular on-site visits
- Optimal risk management

## How we work



Emerging markets can be volatile, with stockmarkets frequently rising and falling sharply. In spite of this inherent instability, the long-term market trend is positive, since economies in these areas of the globe are catching up with those in the developed world.

Unlocking this potential—while minimising the risks associated with volatility—requires specific expertise. We have developed a management approach that is tailored specifically to emerging markets.

### Site visits

Our fund managers regularly travel to countries in their investment region in order to visit local businesses and maintain their network of contacts. This local presence is vital to our success.

- On-site experience enables our fund managers to develop a better feel for the country's macroeconomic situation and infrastructure. We can also gauge local attitudes toward foreigners and the prevailing political situation. This helps our managers identify region-specific opportunities. It also helps us identify risks that might otherwise be overlooked.
- Furthermore, on-site visits allow our fund managers to assess each company's management and working conditions. Visits to manufacturers enable us to assess production sites in terms of capex cost/benefit and overall suitability (for example, whether a site is modern and up-to-date, or on the contrary technologically obsolete).

### Strategic approach

Country-by-country allocations largely determine fund performance. Within each country, there is also a sector allocation, which is primarily aimed at outperformance potential. In a given region, markets differ substantially from country to country and follow highly divergent trends. This is also true of sectors.

We therefore analyse fundamentals by country and by sector. Our analysis takes into account the prevailing economic and political situation, as well as specific factors such as inflation, monetary policy, the status and independence of each country's central bank, public debt, economic liberalisation programs and other economic reforms.

### Technical analysis

Our decision-making process includes technical analysis. We apply it at all levels, i.e. to the choice of countries, sectors and stocks. It is particularly useful for identifying short- and medium-term trends, monitoring portfolio positions and determining entry and exit points for stocks.

### Fundamental analysis

Securities in each segment are divided into two categories:

#### Core portfolio stocks

This category comprises shares of blue-chip companies that are leaders their fields, offer an attractive outlook, have strong finances and are well run.

### Diversification stocks

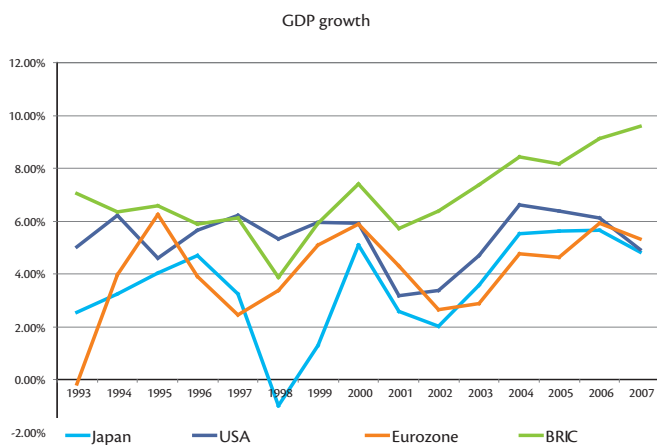
We diversify our investments by buying stocks that may not appear in the index. Here, the expertise and experience of our managers come into play, allowing us to identify high-growth-potential stocks.

### Selection criteria

Here are some of the criteria we analyse when picking stocks:

- The company's overall positioning in its sector: product range, market share, competitive position and growth potential.
- The company's financials: sales and profit trends, profitability ratios, operational structure, debt load, cash flow and dividend policy.
- Management: Is the company efficiently managed? Does management have a solid strategic vision and implement it effectively? Are there links between management and the country's political establishment?

### Emerging markets account for an increasingly large share of global growth



BRIC: Brazil, Russia, India, China  
Source: IMF

## Investment process

### Relative approach

- MSCI indexes
- Semi-active style



### Top-down

- Investment Committee
- Strategic allocation
- Sector allocation



### Bottom-up

- Fundamental analysis
- Technical analysis
- Tactical allocation

## Fund features

Product name	AMC EXPERT FUND – AMC Seapac AMC EXPERT FUND – AMC Chinac AMC EXPERT FUND – AMC Latinac AMC EXPERT FUND – AMC Euromac AMC EXPERT FUND – AMC Indiac	Issue and redemption commissions	See your advisor
Legal status	Swiss-registered fund	Benchmark indexes	AMC Seapac: MSCI AC Far East ex Japan AMC Chinac: MSCI Golden Dragon AMC Latinac: MSCI EM Latin America AMC Euromac: MSCI EM Europe AMC Indiac: MSCI India
Fund manager	BCV Asset Management	Security number	AMC Seapac: Class A: 277 541 Class B: 3 920 779 Class C: 3 920 790 AMC Chinac: Class A: 219 372 Class B: 3 920 797 Class C: 3 920 808 AMC Latinac: Class A: 340 758 Class B: 3 920 812 Class C: 3 920 818 AMC Euromac: Class A: 850 719 Class B: 3 920 823 Class C: 3 920 828 AMC Indiac: Class A: 1 020 046 Class B: 3 920 844 Class C: 3 920 850
Fund Management Company	Gérifonds SA		
Custodian bank	BCV		
Launch date	Class A: AMC Seapac: 16.11.1973 AMC Chinac: 04.05.1994 AMC Latinac: 31.03.1995 AMC Euromac: 07.04.1998 AMC Indiac: 08.02.2000 Classes B and C: 30.04.2008		
Base currency	USD		
Close of financial year	31 May		
Issue/redemption	Every business day		
All-in commissions	AMC Seapac, AMC Chinac, AMC Latinac, AMC Euromac: Class A: 1.65% Class B: 1.45% (minimum investment of CHF 5m) Class C: 1.25% (minimum investment of CHF 30m) AMC Indiac: Class A: 2.30% Class B: 2.10% (minimum investment of CHF 5m) Class C: 1.90% (minimum investment of CHF 30m)	Publication of prices	Le Temps, NZZ Reuters: 0#GERI1= Bloomberg: GERI1 Telekurs: 85,BCVL2
		Fund reports	Quarterly
		Contact	For advice and the latest updates, please contact a BCV advisor on +41 21 212 23 86 or go to <a href="http://www.bcv.ch/am">www.bcv.ch/am</a> <a href="http://www.gerifonds.com">www.gerifonds.com</a>



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