



Oldfield Partners

Fund & Performance Summary

31 st May 2016							
NAV of fund	US\$ 191.4m						
A shares unit price	US\$ 178.99						
I shares unit price	US\$ 112.71						
Performance							
	May	2016 to date	1 year	3 years annualised	5 years annualised	Since inception	Since inception annualised
A Shares*	-2.1%	+16.8%	-3.5%	-1.6%	-1.6%	+89.9%	+8.8%
Index**	-3.7%	+2.3%	-17.6%	-4.9%	-4.8%	+69.2%	+7.2%
I Shares*	-2.1%	+17.0%	-3.2%	-1.2%	-1.3%	+21.6%	+3.0%
Index**	-3.7%	+2.3%	-17.6%	-4.9%	-4.8%	+3.2%	+0.5%

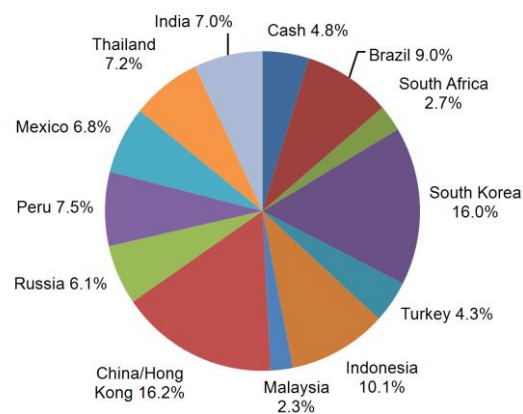
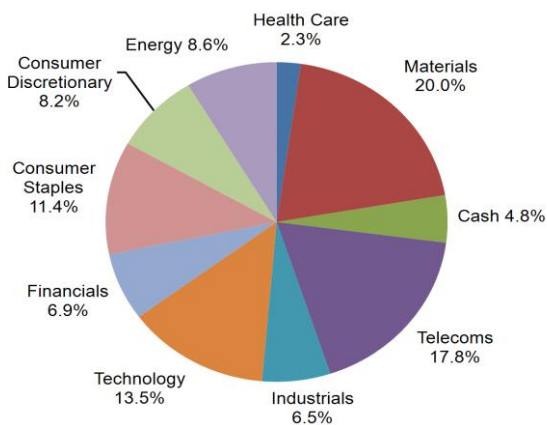
*A shares commenced on 3rd November 2008 and I shares on 1st October 2009. **MSCI Emerging Markets (Net Dividends Reinvested). Performance is calculated net of all fees and expenses and on a total return basis, inclusive of all distributions to unit holders. Source: Oldfield Partners, MSCI ©, Bloomberg and Northern Trust Intl. Fund Administrator Services (Ireland) Ltd.

Performance of Five Largest Holdings*

Stock	Portfolio Weighting (%)*	Monthly Performance (local terms)**	Monthly Performance (USD terms)**
Samsung Electronics	8.4	+3.8%	0.0%
SK Telecom	7.7	+4.1%	+4.1%
Buenaventura	7.5	-5.9%	-5.9%
Thai Beverage	7.2	+19.6%	+16.9%
Ternium	6.8	-6.0%	-6.0%

*As at end of period. **Total return inclusive of the portfolio activity. Source: Oldfield Partners and Bloomberg.

Sector and country breakdown as at 31st May 2016



Source: Oldfield Partners.

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Commentary

The valuation of emerging markets remains attractive with the index trading on a price to book ratio of 1.4, well below the historic longer term average, and the upside to the weighted average price targets of the portfolio is 50%. Emerging market equities remain out of favour with continued outflows year to date, following significant outflows from the asset class every year since 2013.

The bottom performers during the month by contribution were Petrobras and Turkcell. **Petrobras** (Brazilian oil & gas) got another new CEO as the administration changed following the impeachment of President Rousseff. More positively the company successfully regained access to the debt markets. The first quarter results were uneventful. **Turkcell** (leading Turkish mobile operator) was impacted by Turkish politics that weighed on equity market sentiment.

The top performer during the month by contribution was Thai Beverage, followed by two of our telecom stocks, Telkom Indonesia and SK Telecom. **Thai Beverage** (leading alcoholic beverage company in Thailand) had excellent first quarter results showing a solid recovery in the long disappointing beer business and inventory build of spirits by retailers ahead of a tax increase. **Telkom Indonesia** (leading Indonesian telecom company) had very good first quarter results driven by the growth in data, although all the business performed well. Telkom has strong mobile and fixed line franchises, and having by far the best network it is ideally placed to benefit from the growth of wireless data and broadband in the country. Around 60% of its subscribers are using 2G, so the growth to 3G (and less so 4G) remains strong.

Irish Stock Exchange delisting

Each sub-fund of the Overstone Fund plc umbrella is currently listed on the Irish Stock Exchange. No transactions on the Exchange have taken place, and the listing does not appear to serve a purpose for investors or for the company itself. We are recommending to the board that the Fund be delisted, effective at the start of July. Delisting has no impact on the way the Fund is managed or valued. Unit prices will still be published widely (though no longer on the ISE website). Listing fees and broker sponsorship costs will be avoided. If you have any questions or concerns about this, please contact us.

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Overstone Emerging Markets Equity Fund

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Fund Information as at 31 st May 2016			
Currency	USD	Investment Manager	Oldfield Partners LLP
Liquidity	Daily dealing	Administrator	Northern Trust International Fund Administration Services (Ireland) Ltd
Benchmark	MSCI Emerging Markets (Net Dividends Reinvested)	Custodian	Northern Trust Fiduciary Services (Ireland) Ltd
Management Fees	A shs = 1.25% I shs = 0.90%	Auditor	Deloitte
TER	A shs = 1.49% I shs = 1.14%	Legal Advisers	Arthur Cox
Minimum Investment	The equivalent of €100,000	Admin & Custody Fees	0.18% on the first US\$75m 0.155% on the next US\$75m 0.14% on the next US\$150m 0.11% thereafter
A shares ISIN	IE00B3DDVH01	I shares ISIN	IE00B4N0BT09
A shares sedol	B3DDVH0	I Shares sedol	B4N0BT0
A shares ticker	OVEMKEA	I shares ticker	OVEMKEI

Overstone Emerging Markets Equity Fund is a sub-fund of Overstone Fund plc, which is incorporated in Ireland and approved by the Central Bank of Ireland. Six other sub-funds exist under the Overstone Fund plc umbrella; Overstone Global Equity Fund was launched on 1st June 2005, Overstone European Equity Fund was launched on 3rd October 2005, Overstone Opportunity Multi Fund was launched on 1st November 2005, Overstone Global ex US Equity Fund was launched on 1st June 2006, Overstone Japanese Equity Fund was launched on 1st October 2007, Overstone Smaller Companies Fund was launched on 1st October 2007.

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