



Overstone Emerging Markets Equity Fund

July 2016 Newsletter 93

Oldfield Partners

Fund & performance summary

29 th July 2016							
NAV of fund	US\$ 230.6m						
A shares unit price	US\$ 205.66						
I shares unit price	US\$ 129.57						
Performance							
	July	2016 to date	1 year	3 years annualised	5 years annualised	Since inception	Since inception annualised
A Shares*	+6.2%	+34.2%	+18.4%	+5.2%	+2.3%	+118.2%	+10.6%
MSCI Emerging Markets**	+5.0%	+11.8%	-0.7%	-0.3%	-2.7%	+84.8%	+8.2%
I Shares*	+6.2%	+34.4%	+18.8%	+5.5%	+2.6%	+39.8%	+5.0%
MSCI Emerging Markets**	+5.0%	+11.8%	-0.7%	-0.3%	-2.7%	+12.7%	+1.8%

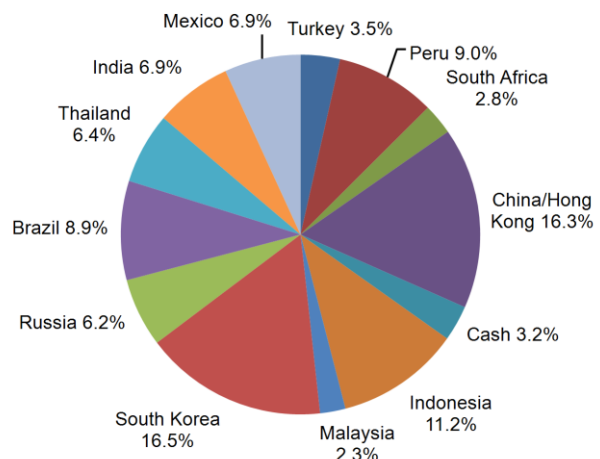
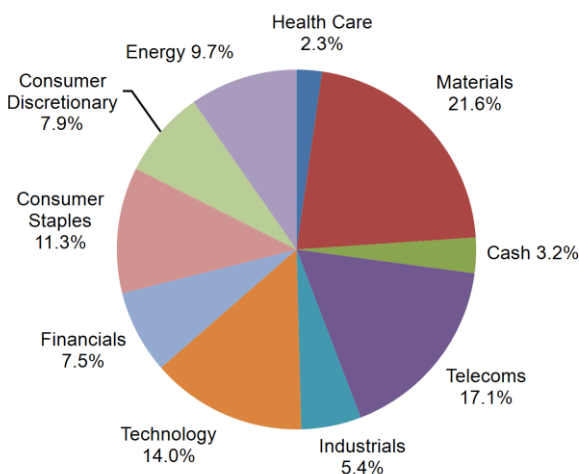
*A shares commenced on 3rd November 2008 and I shares on 1st October 2009. **Net Dividends Reinvested. Performance is calculated net of all fees and expenses and on a total return basis, inclusive of all distributions to unit holders. Source: Oldfield Partners, MSCI ©, Bloomberg and Northern Trust Intl.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

Performance of five largest holdings*

Stock	Portfolio Weighting (%)*	Monthly Performance (local terms)**	Monthly Performance (USD terms)**
Samsung Electronics	9.2	+8.1%	+11.8%
Buenaventura	9.0	+22.6%	+22.6%
SK Telecom	7.3	+9.5%	+9.5%
Ternium	6.9	+13.8%	+13.8%
Thai Beverage	6.4	+13.7%	+14.2%

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

Sector and country breakdown as at 29th July 2016



Source: Oldfield Partners.

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Commentary

Recently there have been solid inflows into emerging market equities and net inflow this year has turned positive. The weaker and stronger performers in the portfolio this month were a continuation of the performance pattern we have seen this year.

The laggards during the month by contribution were Embraer, Infosys, and Turkcell. **Embraer** (Brazilian regional jet manufacturer) has been impacted by the weaker business jet environment. This is unlikely to improve near term, and management will act on costs and right-sizing production to protect margins. **Infosys** (Indian IT services) had disappointing first quarter results leading it to cut full year revenue growth guidance. It was another weaker quarter from discretionary spending hurting consulting. **Turkcell** (Turkish mobile operator) was impacted by the uncertainty created by the attempted coup in Turkey. The government's subsequent reaction being perhaps as worrying as the coup itself, and the situation needs watching before any addition to Turkcell could be made.

The top performers during the month by contribution were Buenaventura and Samsung Electronics. These are the two largest positions in the portfolio. **Buenaventura** (Peruvian miner) had strong second quarter results boosted by higher gold prices and good cost performance. **Samsung Electronics** (Korean consumer electronics) had strong second quarter results with all divisions performing well or entering an upturn phase. It is particularly pleasing to see mobile handset operating margins back to 16% following last year's fall to 8%. The outstanding operational ability has the company well placed strategically, and its financial strength should see further shareholder returns coming.

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Fund information as at 29th July 2016

Share class	Class Currency	Management Fees	TER	Sedol	Bloomberg Ticker	ISIN
A	USD	1.25%	1.48%	B3DDVH0	OVEMKEA	IE00B3DDVH01
I	USD	0.90%	1.13%	B4N0BT0	OVEMKEI	IE00B4N0BT09

Fund Currency	USD	Administrator	Northern Trust International Fund Administration Services (Ireland) Ltd
Liquidity	Daily dealing	Custodian	Northern Trust Fiduciary Services (Ireland) Ltd
Benchmark	MSCI Emerging Markets (Net Dividends Reinvested)	Auditor	Deloitte
Minimum Investment	The equivalent of €100,000	Legal Advisers	Arthur Cox
Investment Manager	Oldfield Partners LLP		

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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