

## Basic information

Fund category  
Long-term fixed income funds

Morningstar category **★★★**  
Global Emerging Markets Bond - Local Currency

Share class  
OP-EMD Local Currency A (Acc.)

ISIN  
FI4000008313

Benchmark index  
JP Morgan GBI-EM Global Div.  
Unhedged EUR

Start date 7.1.2010  
Fund type AIFM  
Share value 137,72 EUR  
Fund size 80,9 MEUR  
Ongoing costs 1,22 %

### Fees

Subscription fee 0,50 %  
Redemption fee 0,50 %  
Management fee 0,30 %  
Performance fee no  
Owner-customer benefits for a private customer:  
- accumulates OP bonus  
- subscriptions and redemptions without fees

Risk measures, 3y	Fund	Index
Alfa	0,0	
Beta	1,0	
Information ratio	-0,2	
Sharpe ratio	0,2	-0,2
Aktive risk	3,6	
Volatility	4,3	3,9
Effective duration	5,9	5,4

Risk level  
Higher risk

7
6
5
<b>4</b>
3
2
1

Lower risk

## Portfolio

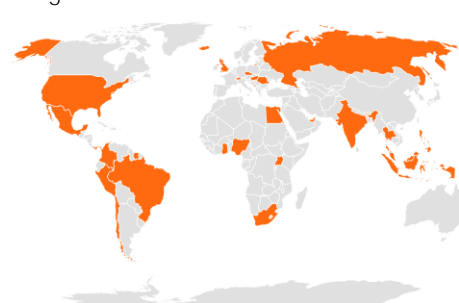
### Share value



### Historical returns after fees

	Fund	Index
1 month	3,4 %	3,6 %
3 months	-5,8 %	-4,0 %
6 months	-5,6 %	-4,3 %
Year-to-date	-7,3 %	-6,5 %
1 year	2,0 %	2,2 %
3 years p.a.	0,6 %	1,5 %
5 years p.a.	0,4 %	1,7 %
10 years p.a.	1,5 %	2,7 %

### Registered domiciles



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### Fixed income investments

Government Bonds	68,0 %
Corporate Bonds	6,0 %
Investment Grade	
High yield	
Emerging Market Debt	9,9 %
Inflation Linked Bonds	
Cash	4,0 %

### Largest regions

South Africa	13,3 %
Other	12,2 %
Brazil	10,0 %
Thailand	9,4 %
Switzerland	9,0 %
Russia	8,5 %
Montenegro	7,8 %
Malaysia	6,9 %
Indonesia	6,6 %
Czech Republic	4,6 %

### Largest holdings

Foreign Currency USD Receivable...	39,9 %
Foreign Currency ZAR Receivable...	7,7 %
Foreign Currency PLN Receivable...	7,2 %
Foreign Currency CNH Receivable...	4,9 %
Foreign Currency MXN Receivable...	4,8 %
Foreign Currency IDR Receivable...	4,5 %
Foreign Currency BRL Receivable...	4,1 %
R2035 Bond Future 0820	3,6 %
Brazil (Federative Republic) 10%	3,2 %
Secretaria Tesouro Nacional 10%	3,1 %



## Investment policy

OP-EMD Local Currency Fund (the Fund) is a fixed income fund investing all of its assets excluding a minor cash position in the Investec Emerging Markets Debt Fund (the Master Fund). The master fund is registered in the UK. OP-EMD Local Currency is a non-UCITS fund since it may concentrate all of its investments in the units of a single UCITS-compliant fund or UCITS. The Fund invests its assets through the Master Fund primarily in interest rate instruments issued or guaranteed by states, other public institutions, multinational institutions or companies within emerging markets. The Fund may use derivatives instruments in its investment activities in cash management and in connection with investing in other investment funds. The underlying asset of the derivative contracts may be either a currency or a currency rate. The modified duration of the fund, a measure of its interest rate sensitivity, is typically 4-6. This indicates the negative impact on the value of the fund in terms of percentages, if the interest rate level rises by one percentage point. As the level of interest rates decreases, the value of the fund increases accordingly. The Master Fund invests globally in different markets and may use extensively different asset classes in the emerging debt markets. Its key target markets are Latin America, Asia, Eastern Europe, Russia, Africa and the Middle East. The Master Fund's investments are typically tilted towards long-term fixed income instruments and therefore, in terms of interest rate risk, the Fund corresponds to long-term fixed income funds. In its investments, the Master Fund seeks to emphasise fixed income instruments denominated in the currencies of emerging economies (so-called local currency). It may also hold interest rate investments issued in the currencies of developed economies (hard currency).



## Portfolio manager

Investec Asset Management



## Responsibility

### Responsible investing

The fund follows [OP Asset Management's principles for responsible investment](#). The consideration of responsibility in the investment analysis and decision making provides additional information in addition to the traditional financial and market information. The significant aspects of responsibility can in the long run affect the financial success of the investment objects and thus the return.

### Exclusion

The fund excludes from its active, direct investments manufacturers of controversial weapons, mining companies that produce coal, electricity companies that use charcoal and companies that have violated international standards, and which have not been susceptible to impact. [The list of excluded investment items](#) is public.

### Active ownership

OP's funds participate in domestic and foreign general meetings in accordance with [OP Fund Management Co's Ownership Policy](#), which takes responsibility into account. All in all, OP's funds participate annually in more than one thousand general meetings. OP Funds utilize the Annual General Meetings Institutional Shareholder Services Annual General Meeting analysis.

### Violation of international standards

International standards, such as the UN Global Compact, set the minimum level of responsible business operations. OP Asset Management affects through OP funds that make active, direct investments such companies that are considered to have violated international standards. The goal is to get companies that have violated the standards to change their business and start to comply with the international standards in their business. We use the company Sustainalytics as a service provider to identify violations of international standards.

### Thematic impact

OP Asset Management also affects companies through various themes of responsibility, such as issues related to climate change.

Read more about the OP Funds' practical ownership influence in [the overview of responsible investment](#) that is published twice a year.



## ESG analysis

ESG-rating

BB

Total ESG score

3,6

Environment (E)

6,3

Social (S)

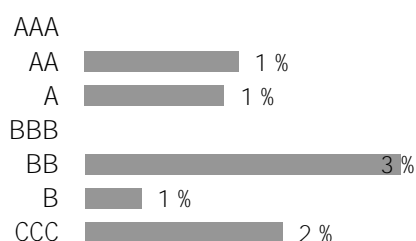
4,8

Governance (G)

3,2

The ESG score indicates how well the portfolio's target companies take into account risks and opportunities related to the environment, social aspects and good governance in relation to their industry. The score scale is 0-10. After that, the score is divided into 7 classes. The higher the score, the better the portfolio companies have prepared for the risks and opportunities associated with ESG.

### Companies' ESG classification



Carbon intensity

44,3

greenhouse gas emissions in

tonnes / turnover (\$M)

Coverage

0,4 %

The portfolio's carbon intensity is the weighted average of the portfolio companies' carbon dioxide intensity. The carbon footprint takes into account companies' greenhouse gas emissions in tonnes at level 1 and level 2 in relation to the company's turnover (million dollars).

Positive environmental impact

0,4 %

Renewable energy

0,4 %

Energy efficiency

-

Environmentally friendly

construction

-

Sustainable use of water

resources

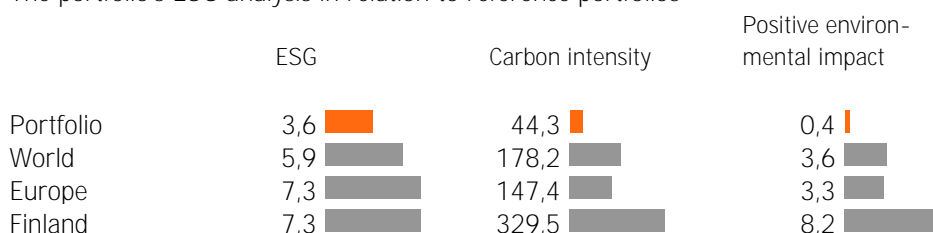
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Prevention of pollution

-

The portfolio's positive environmental impact examines how the portfolio companies' products and services have an impact on the environment. The number describes the proportion of products and services with a positive environmental impact on portfolio companies' turnover.

### The portfolio's ESG analysis in relation to reference portfolios



AAA = excellent, AA = very good, A = good, BBB = average, BB = satisfied, B = weak, CCC = very weak

The purpose of the monthly report is to provide its readers with information on the funds and their performance. Information provided in the report is no investment advice and no investment decisions should be made based on such information. The Key Investor Information Document for investors and the fund prospectus as well as the fund's annual report and half-yearly report are the documents that investors should read before making any subscription for fund units. Information in this document is not complete and it is updated on a monthly basis. The information in the report is the latest information on the funds at the time of preparing the report. Copying and distributing the information in the report is prohibited. Changes in the report will not be informed separately. OP Fund Management Company Ltd has compiled and provided the information presented in the report. OP Fund Management Company Ltd does not guarantee that the information presented in the report is correct, perfect or up to date or is not liable for any direct or indirect costs, damage or losses that use of the information presented in this material may cause. The star rating in this report is produced by Morningstar and it is updated every month. The historical performance of the funds is no guarantee of future performance. The values of fund units may vary considerably due to the composition of their investments and the methods used in their management. The fund prospectus describes in greater detail the risks associated with the fund. Fund publications regarding the funds are available at [op.fi](http://op.fi) and OP's branches.