86 INVESTMENT 87

IPE SURVEY EMERGING MARKET DEBT MANAGERS

Company	Aberdeen Standar	d Actiam	AllianceBernstein	Allianz Global	Amundi	Ashmore Investment		Baillie	Bank J. Safra	BankInvest Asset	Barings	BlackRock	BlueBay Asset	BNP Paribas	Candriam	CBL Asset
Total acceptain annualism manufact data (6)	Investments	110	2/ 1/0	Investors	22.77/	Management	Managers	Gifford	Sarasin	Management	7 /00	E0 000	Management 8.627	Asset Mngt.	0.000.07	Mngt., IPAS
Total assets in emerging market debt (€m)	13,039.05	113 23/09/19	24,148 30/06/19	4,200 24/09/19	32,776	69,100	7,344	1,710 30/06/19	872 30/12/18	2,157 31/08/19	7,488 30/06/19	58,889 30/06/19	30/06/19	4,367.86 30/06/19	8,009.84 31/08/19	212
As at	30/06/19				30/06/19	30/06/19	30/06/19									30/06/19
Total group AUM worldwide (€m)	587,548.21	60,500	509,992	543,000	1,486,754	80,700	756,617	231,398	146,070	12,890	286,301	6,019,400	56,609	574,707.47	127,817.54	781
Total assets in fixed income worldwide (€m)	160,771.29	43,800	241,416		680,851	69,100	479,107	9,641	4,132	6,448	213,327	1,924,068	56,609	234,841.13	42,380.93	513
Emerging market debt assets invested for (€m)																
Europe-based institutional clients	8,270.22	113	4,317	3,000	7,123	17,500	4,361	1,702	114.91	1,188	1,168	9,106	5,241	924.24	3,562.91	166
Pension fund clients	2,114.58		436	1,000		9,100	3,693			1,188	771	7,118	2,053	55.23	1,014.67	152
Insurance company clients	713.16	113	3,741		595	4,400	602			0	191	202	48	266.61	795.17	14
All other institutional clients	5,442.48		140		6,528	4,000	66		114.91	0	207	1,786	3,140	602.4	1,753.07	0
Through segregated accounts mandates	6,307.11	0	10,244	2,500	5,955		4.827	13	213.82	924	5,089	10,144	3,114	1,464.78	2,286.62	109
Through investment/mutual fund vehicles	6.731.94	113	13.863	1.500	26.821		2.517	1.697	658.18	264	2,399	48.745	5.513	2,903.08	5.723.22	103
In emerging market hard currency sovereign debt	1,467,33	113	9,323	2.000	,	31.900	_,	338		409	1,552	3.743	1.010	3.749.54	4,728,78	59
In emerging market local currency sovereign debt	2,155.77	110	5,338	1,000		23,300		1,218	49.55	449	2,545	9,112	602	618.32	912.36	2
In emerging market local currency corporate debt	1,795.75		8.777	1,000		13,900		117	822.55	1.299	2,912	491	2,967	010.02	2,331.55	151
Other	7,620.2		817	1,000		13,700		37	022.33	1,277	479	2.546	4,048		37.15	
	7,020.2		817					3/			4/9	2,346	4,048		37.13	
Regions invested in within emerging market debt portfolios		-				C/T		D	P				-	P	P	
Emerging Europe		5			P	S/T		Г	<u>P</u>	Р	5			P		<u>P</u>
The Balkans	P	<u> </u>	T	S	P	S/T		P	Т	S	S		T	S	S/T	P
The Baltics	P	S	T	N	T	S/T		P	T	N	S			S	S	P
Czech Republic	P	S	T	S	T	S/T		P	P	T	S		T	S	S/T	S
Hungary	Р	S	T	T	P	S/T		P	P	P	S		T	S	S	P
Poland	Р	S	Т	S	Р	S/T		P	P	P	S		T	S	S	P
Russia	P	S	T	T	P	S/T		P	P	P	S		T	S	S	P
Turkey	P	S	Ť	T	P	S/T		P	P	P	S		Ť	S	S	P
Asia	D	Š	÷	'	Þ	S/T		P	P	P	Š		Ť	<u>U</u>	P	
China		- C	<u> </u>	т		S/T		<u> </u>					- i	C	- c	
			'			S/T			F							
India	P	5	<u>+</u>	<u> </u>	P P			5	P D		5		<u> </u>	5	5	
Indonesia	<u>P</u>	5	<u>_</u>	<u></u>	P	S/T		<u>P</u>	<u> </u>	<u>P</u>	5		<u> </u>	<u> </u>		
Malaysia	P	S		<u>l</u>	S	S/T		P	P	Р	S		<u> </u>	<u> </u>	5	
South Korea	S	<u> </u>	T	Т	P	S/T		T	P	S	S		T	T	N N	T
Taiwan	N	S	T	T	P	S/T		T	S	T	S		T	T	N	T
Thailand	P	S	T	T	S	S/T		P	P	S	S		T	S	T	T
Latin America	Р	S	S		P	S/T		P	P	P	S			P	P	P
Argentina	Р	S	S	T	Р	S/T		P	P	S	S		T	S	S	T
Brazil	P	S	S	T	P	S/T		P	P	P	S		T	S	S	P
Chile	P	S	S	T	P	S/T		P	P	P	S		T	S	S	P
Mexico	D	Š	Š	÷	Þ	S/T		P	P	P	Š		- i	Š	Š	
Middle East and Africa			<u>5</u>	÷ ÷		S/T		D					- i			
			'			S/T							I			
Egypt	P	5	<u>+</u>	<u> </u>	<u> </u>	5/T		P	<u> </u>	5	5		<u> </u>	5	5	IN
Jordan	<u>P</u>	5	<u>_</u>	<u></u>		5/ I c/T			<u> </u>		<u> </u>		<u> </u>	<u> </u>		
Morocco	<u>P</u>	5				3/ 1		<u>N</u>		5	5			<u> </u>	5	
Nigeria	Р	<u> </u>	T	Т	S	S/T		T	Т	S	S		T	S		T
South Africa	P	S	T	T	P	S/T		P	P	P	S		T	S	S	P
Frontier markets	P	S	T	T	T	S/T		N	T	T	S		T	P	S	P
No. of countries in benchmark(s), invested in only T and N	T: 0; N: 1	T: 0; N: 0			T: 20; N: 0			T & N: 0	T: 8; N: 0	T: 25; N: 15	T: 0; N: 0		T: 60		T & N: 0	T: 30-35; N: 25-31
No. of countries not included in benchmark(s) invested in P, S or T	P: 3; S: 1	S: 0		P, S & T: 0	P: 1; S: 0; T: 5			P: 0; S: 2; T: 7	P: 0; S: 0; T: 2	P, S & T: 0	S: 10		P: 0; S: 1; T: 4		P: 0; S: 15	P, S & T: 0
Acceptable tracking error for emerging market debt	1.5-5% [1]	3%		450bps	≤5%			1-5%	1-2%	1.5	2-3%		0-6%	1-6%	Max. 5%	(1)
Average S&P/Moody's rating for emerging market debt	(2)	BB+			(3)	BBB		BBB	BBB-	BBB-	[4]		BB	BBB	BB+	BBB-/BB+
% weighting given in running emerging market debt						555		222	555							555,551
Top down	n	10			50	30		10	50	50	n		10	20	10	10
	0	20			20	30		10 40	<u> </u>	20	U		90	80	30	25
Bottom up	U				ZU	3U		40	U 10		10					
Technical price/spread analysis	10	30			<u>5</u>	5		U	10	10	U		10	50	10	
Fundamental credit analysis	75	30			15	30		0	20	20	50		65	50	10	30
Quantitative	0	10			5	5		20	0	0	15		25	25	10	20
Currency views	15	0			5	30		30	0	0	20		0	25	20	10
Number of analysts/investment professionals in emerging market debt te	am 41		27	7	/ ₁ ∩	32		0	0		24 [5]		28	16 (6)		

Company	CIBC Asset	Colchester	Danske Bank	Degroof Petercam	DWS	Eaton	Edmond de Rothschild	Erste Asset	Fidelity	Fisch Asset	Franklin	Global Evolution	Grantham, Mayo,	Helaba	HSBC Global
Table and in an arrive and the fourth	Management	Global Inv.	Asset Mngt.	Asset Management	Group	Vance	Asset Management	Management	International	Management	Templeton	Fondsmæglerselskab	Van Otterloo & Co	Invest	Asset Mngt.
Total assets in emerging market debt (€m)	65.5	10,417	3,235	2,056.6	6,918	7,532	1,517	6,070 (12)	7,142.97	2,017	91,877.3	9,979	6,227	1,200	72,712.15
As at	30/09/19 114,083.1	31/08/19	30/09/19	28/06/19	30/06/19	30/06/19	31/12/18 70,533.47	31/07/19	30/06/19	30/06/19	30/06/19	31/08/19 9,979	30/06/19	30/06/19	30/06/19 445,507.86
Total group AUM worldwide (€m)	114,083.1	41,332	111,827	35,888	719,419	416,957		61,700	271,729.52	9,509	629,131.2		57,915	66,170 29,700	
otal assets in fixed income worldwide (€m)	49,886.9	41,322	60,629	10,918	346,862	113,895	15,334	21,500	70,576.22	8,660	225,347.9	9,979	8,508	29,700	162,821.61
Emerging market debt assets invested for (€m)		/ O/F	101	2.25/./	1011		2/2	1.000	4 (00 55	4 505	44.040.00	0.444	1.005	1.000	0.007.40
Europe-based institutional clients		6,245	636	2,056.6	4,346		349	1,300	1,692.57	1,727	11,248.33	8,414	1,887	1,200	3,926.13
Pension fund clients		3,367		366.6	1,462		227	290	1,390.48	399	7,693.8	5,879	642	250	1,183.65
Insurance company clients	0	0	0	241	651		100	185	14.92	731	746.33	305	169		332.09
All other institutional clients	0	2,878	636	1,449	2,233		22	825	287.17	597	2,808.2	2,230	1,076	950	2,410.4
Through segregated accounts mandates	0	7,272	636	0	3,242		371.2 (10)	620	2,468.97	1,051	18,331.5	6,973	0	600	53,812.85
Through investment/mutual fund vehicles	65.5	3,145	2,599	2,056.6	3,676	7,532	786.5 [10]	5,450	4,674	966	73,545.8	3,006	6,227	600	18,899.3
In emerging market hard currency sovereign debt	54.5	5	2,277	0	4,804	2,722	NA	2,510	3,026.71	3	5,656.1	6,993	5,010	600	NA
In emerging market local currency sovereign debt	11	10,417	224	2,056.6	441	4,455	NA	2,060	1,150.31 (13)	0	72,306.8	3,686	1,217	0	NA
In emerging market hard currency corporate debt	0	0	712	0	1,673	253	NA	1,500	2,111.47	2,014	4,695	NA	0	600	NA
Other			22			102			854.48 [14]		7,154.8				
Regions invested in within emerging market debt portfolios															
Emerging Europe	S	S	Р	P/S	Р	T	T		Р	P	S	Р	S	Р	P (20)
The Balkans	N	N	S	N	T	T	T		S	T	S	S	S	Р	S
The Baltics	N	N	S	T	T	Т	T		Т	T	S	N	S	Р	Т
Czech Republic	S	S	T	T	N	T	T		T	T	S	S/T	S	Р	N
Hungary	S	S	Ś	Ť	Ť	Ť	Ť		Ś	Ť	S	S/T	S	P	S
Poland	5	Š	Š	Ť	Ť	Ť	Ť		S	Ť	Š	S	S	P	Š
Russia	<u> </u>	Š	Š	N N	Ś	Ť	Ť		P	P	S	S	S	P	P
Turkey	<u> </u>	ς	ς	Ť	Š	Ť	P		P	P	Š	Š	Š	P	P
Asia		<u> </u>		P/S		÷			P		<u> </u>		<u>S</u>	<u> </u>	
China	c		<u>'</u>	NI NI	D	'	C		I	D					
		NI NI	C	T	T	<u> </u>	NI		D	<u>г</u> D	S C	T		T	T
India		IN	<u> </u>	-	I	<u> </u>	T IN		<u>F</u>		<u>S</u>		<u>5</u>	D D	I
Indonesia			т т	<u>I</u>			N N		F		<u>5</u>	<u>5</u>	<u>5</u>	<u> </u>	
Malaysia		<u>S</u>	+	<u> </u>	P N	+	N N		<u>5</u>	5		<u>5</u>	5	<u> </u>	<u>5</u>
South Korea	5	5	<u>_</u>	<u> </u>	IN N	<u></u>	IN		<u> </u>	<u> </u>	5	<u> </u>	5	<u> </u>	
Taiwan		5	<u> </u>	<u></u>	N N	<u> </u>	N T		<u></u>	I	5	I C/T	5	<u> </u>	N
Thailand				- /-	N		<u>L</u>					S/T			N
Latin America	S	<u> </u>	P	P <u>/</u> S	<u> </u>		<u>P</u>		<u> </u>	P	S	<u>P</u>	<u> </u>		P
Argentina	N	<u> </u>		<u>l</u>			<u>Р</u>		<u>P</u>	<u> </u>	S	<u>S</u>	<u> </u>	<u> </u>	<u> </u>
Brazil	<u>S</u>	<u>S</u>	<u> </u>	<u>T</u>	<u>T</u>	<u>T</u>	<u>T</u>		<u>P</u>	P	S	<u> </u>	<u> </u>	<u>P</u>	P
Chile	S	S	S	T	P	T	T		P	P	S	S/T	S	P	P
Mexico	S	S	S	T	P	T	T		P	P	S	S	S	P	P
Middle East and Africa	S	S	P	P/S	P	T	S		P	P	S	P	S	S	P
Egypt	N	N	S	T	P	T	T		T	T	S	S	S	T	S
Jordan	N	N	S	T	N	T	N		T	T	S	T	S	T	T
Morocco	N	N	S	T	T	T	N		T	T	S	T	S	S	S
Nigeria	N	N	S	T	P	T	T		S	S	S	T	S	S	S
South Africa	S	S	S	T	Р	T	T		P	Р	S	S/T	S	S	Р
Frontier markets	N	N	S	P/S/T	Р	T	T		T	T	S	P	S	Р	Р
No. of countries in benchmark(s), invested in only T and N	NA NA	T: 0; N: 2	T & N: 0	(7)	T: 20; N: 5	T: All	N: 6		T: 17: N: 0	T: 15; N: 0			T & N: 0		[21]
No. of countries not included in benchmark(s) invested in P, S or T	NA NA	P: 0; S: 4; T: 0	P: 0: S: 5: T: 2	(7)	S & T: 0	T: All	NA		S: 2: T: 20	5	[16]		(18)		[22]
Acceptable tracking error for emerging market debt	NA NA	1.5-4.5%	1.5%	NA	1-4%	300-600bps [9]		4%	Max. 250bps	3%		(1)	(1)	2%	100-300bps
Average S&P/Moody's rating for emerging market debt	NA NA	BBB	BB/BB-	BBB	BB+	BB	(11)	BB-BBB	BB-	(15)	[17]	B+ - BBB+ (9)	[19]	2% BB+/Ba1	BBB
% weighting given in running emerging market debt	1,7,	555	55,55									5. 555.			
Top down	50	35	20	50	15	5	20		10	30	10-20	60	20-50	30	80
op down Bottom up		35	30	30	10	30	20		40	30	80-90	10	50-80	30	20
			30	10	20	15			10	20	0U-7U	10	00-60	50	
echnical price/spread analysis		0	30 10		<u>20</u> 40	30	20					IU	U	<u>5</u> 15	U 0
Fundamental credit analysis		U 0	10 10	80	40	30	20		<u>ZU</u> 15	20	80		0	<u>15</u> 15	U 0
Quantitative		U	IU .	U	<u> </u>	5	10		15	U	20	5	U	15	U
urrency views	<u>U</u>	30	U	40	5	15	10		5	U	35	10	0-40	<u>5</u>	U
umber of analysts/investment professionals in emerging market debt team	E .			2											30

IN SUMMARY

Survey overview

Total number of managers in survey	63
	€m
Total emerging market debt assets	869,395
Total European institutional assets*	221,301
Total pension fund assets*	92,395
Total insurance company assets*	33,676
Total other institutional assets*	91,500
Total in segregated accounts*	320,845
Total in investment/mutual fund vehicles*	387,807

Where disclosed

Top 20: Emerging market debt assets

_			
	Company	€m	As at
1	Franklin Templeton	91,877	30/06/19
2	HSBC Global Asset Management	72,712	30/06/19
3	Ashmore Investment Management	69,100	30/06/19
4	PGIM	60,527	30/06/19
5	BlackRock	58,889	30/06/19
6	Western Asset Management Co	42,711	30/06/19
7	Amundi	32,776	30/06/19
8	Mirae Asset Global Investments	27,156	31/08/19
9	AllianceBernstein	24,148	30/06/19
10	Neuberger Berman	21,888	31/08/19
11	State Street Global Advisors	21,394	30/06/19
12	Legal & General Investment Management	18,360	30/06/19
13	PineBridge Investments	17,096	30/06/19
14	Stone Harbor Investment Partners	15,857	31/08/19
15	UBS Asset Management	14,500	30/06/19
16	Lazard Asset Management	13,805	30/06/19
17	Aberdeen Standard Investments	13,039	30/06/19
18	Nuveen Global Fixed Income	12,800	30/06/19
19	MetLife Investment Management	12,218	30/06/19
20	Pictet Asset Management	11,218	31/08/19

Top 20: European institutional assets

_			
	Company	€m	As at
1	Ashmore Investment Management	17,500	30/06/19
2	State Street Global Advisors	13,316	30/06/19
3	Legal & General Investment Management	12,174	30/06/19
4	Franklin Templeton	11,248	30/06/19
5	PGIM	10,317	30/06/19
6	BlackRock	9,106	30/06/19
7	Global Evolution Fondsmæglerselskab	8,414	31/08/19
8	Aberdeen Standard Investments	8,270	30/06/19
9	Stone Harbor Investment Partners	8,227	31/08/19
10	Lazard Asset Management	7,790	30/06/19
_11	Amundi	7,123	30/06/19
12	MEAG	7,115	30/06/19
_13	Colchester Global Investors	6,245	31/08/19
14	Western Asset Management Co	5,748	30/06/19
_15	BlueBay Asset Management	5,241	30/06/19
16	RBC Global Asset Management	5,241	30/06/19
17	Union Investment	4,965	31/07/19
18	AXA Investment Managers	4,361	30/06/19
19	DWS Group	4,346	30/06/19
20	AllianceBernstein	4,317	30/06/19

Top 20: European pension fund assets

	Company	€m	As at
1	Ashmore Investment Management	9,100	30/06/19
2	PGIM	7,893	30/06/19
3	Franklin Templeton	7,694	30/06/19
4	Stone Harbor Investment Partners	7,321	31/08/19
5	BlackRock	7,118	30/06/19
6	Legal & General Investment Management	6,706	30/06/19
7	Global Evolution Fondsmæglerselskab	5,879	31/08/19
8	State Street Global Advisors	4,503	30/06/19
9	AXA Investment Managers	3,693	30/06/19
10	Lazard Asset Management	3,472	30/06/19
11	Colchester Global Investors	3,367	31/08/19
12	Aberdeen Standard Investments	2,115	30/06/19
13	BlueBay Asset Management	2,053	30/06/19
14	RBC Global Asset Management	2,053	30/06/19
15	Pictet Asset Management	1,900	31/08/19
16	NN Investment Partners	1,787	30/06/19
17	DWS Group	1,462	30/06/19
18	Fidelity International	1,390	30/06/19
19	BankInvest Asset Management	1,188	31/08/19
20	HSBC Global Asset Management	1,184	30/06/19

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IPE SURVEY EMERGING MARKET DEBT MANAGERS

		Management	Legal & General Investment Mngt.	Lord Abbett	M&G Investments	Macquarie Asset Management	MEAG	MetLife Inv. Management	MFS Investment	Global Inv.	Mondrian	Morgan Stanley Investment Mngt.	Muzinich & Co	Neuberger Berman	NN Inv. Partners	Nuveen Global Fixed Income
Total assets in emerging market debt (€m)	5,480	13,805.4	18.360	5,655	6.971	1.094.01	7,402	12.218	Management 9,187	27,156	1,457.04	5,079 (29)	4,692.5	21,888	9,303	12,800
As at	30/06/19	30/06/19	30/06/19	30/09/19	30/06/19	30/06/19	30/06/19	30/06/19	30/06/19	31/08/19	31/08/19	30/06/19	31/08/19	31/08/19	30/06/19	30/06/19
Total group AUM worldwide (€m)	741,546	187,539.6	1,267,970	177,352	309,209	341,288.38	270,071	515,352	428,367	119.686	44,028.91	436,675	29,612.1 (30)	292,489	267,578	928,000
Total assets in fixed income worldwide (€m)	319,295	28,877.7	472,624	131,868	307,207	130,891.7	195,786	378,141	71.747	29,397	3,324.58	74,357	27,012.1	132,228	200,369	386,000
Emerging market debt assets invested for (€m)	317,273	20,077.7	472,024	131,000		130,071.7	175,700	370,141	71,747	27,577	3,324.30	74,557		102,220	200,507	300,000
Europe-based institutional clients	3,166	7,790.4	12,174 [24]		56.7	168.54	7,115	310	1.113		203.02	3,586	4,294.4		3,765	
Pension fund clients	347	3,472.2	6,706		29.1	117.47	6	2	1.051		203.02	552	20.7		1,787	
Insurance company clients	161	536.2	563		27.1	117.47	7,109	198	n		200.02	102	57.8		715	n
All other institutional clients	2.658	3.782	4.905			51.07	7,107	110	62			2.931	4.215.9		1.263	
Through segregated accounts mandates	2,718	9,604.9	7,375			236.68	5,310	110	1,212		740.78	1,859	378.9	9,985	2,641	10,180
Through investment/mutual fund vehicles	2,762	4.200.5	10.985			857.33	2.092		7.975		716.26	3,220	4.313.6	11.903	6.662	2,620
In emerging market hard currency sovereign debt	1,260.4	6,736.7	3,973	1.402		007.00	2,072		6,441		4.88	1,073	4.8	10,686	6,570	4,870
In emerging market local currency sovereign debt	2,959.2	6,458.5	12,416	24					487		1.452.16	1.079	4.0	6.977	1,626	863
In emerging market hard currency corporate debt	1,096	610.2	562	3,970					1,499		1,402.10	2,465		4,225	851	6,993
Other	164.4	010.2	1.409	259					760			462	4.687.7	4,220	256	74
Regions invested in within emerging market debt portfolios	104.4		1,407	207					700			402	4,007.7		200	74
Emerging Europe		S/T	ς					P/S	ς		ς	P		Ð	P	P
The Balkans		S/T	S/T			C	D	175					D	C	<u>'</u>	
The Baltics		S/T	S/T				P				T	Ť	ς .	5	Ť	
Czech Republic		S/T				S	P				ς	- t		<u> </u>	<u>'</u>	
- Hungary		S/T	C													
Poland		S/T	<u>5</u>			C	D D				C C			c	<u> </u>	
Russia		S/T	<u>5</u>			<u>S</u>	F									
Turkey		S/T					F					F				
Asia		S/T	<u>5</u>			<u>3</u>		P/S			<u>S</u>			<u>J</u>	<u> </u>	<u>J</u>
China		S/T				C	C	F/3				т т	D	C	C C	
India		S/T	<u>5</u>			<u>5</u>	<u>J</u>							<u>5</u>		
Indonesia		S/T	<u>5</u>			<u>5</u>	<u>F</u>					I	<u>F</u>	<u>5</u>	<u>S</u>	<u>5</u>
Malaysia		S/T					C					<u>г</u>	<u>г</u>			
South Korea		S/T	<u>5</u>			<u>3</u>	<u>S</u>				<u>3</u>	<u>r</u>		<u>S</u>	<u> </u>	<u>5</u>
Taiwan		S/T	<u>5</u>				<u>3</u>				<u> </u>	<u> </u>	<u>F</u>	<u>5</u>	<u>S</u>	NI NI
Thailand		S/T				C							<u>г</u>			
Latin America		S/T	<u>5</u>			<u> </u>	<u> </u>	D			<u>S</u>		Г	<u>J</u>	<u> </u>	<u>J</u>
		S/T	<u>5</u>			c	т	г			<u>3</u>		c			
_Argentina Brazil		S/T	C			<u>5</u>	I				I		<u>5</u>	<u>5</u>	<u>S</u>	
Chile		S/T	<u>5</u>			<u>5</u>	P P		<u>5</u>		<u>5</u>	P P	P P	<u>5</u>	<u>S</u>	<u>5</u>
		S/T	<u>5</u>			<u>5</u>					<u>5</u>			<u>5</u>		
Mexico Middle East and Africa		S/T	<u>3</u>			3		D/C	<u>5</u>				г	<u></u>	<u> </u>	
		S/T	· ·			C		P/S	<u>5</u>		<u>5</u>	<u> </u>	т т	P	<u> </u>	
Egypt		S/T	<u>5</u>			3			<u>5</u>		+	<u></u>	N	5	+	
			<u> </u>						<u>5</u>		<u> </u>	<u> </u>	N N	5	<u> </u>	
Morocco		S/T	I			-	5		5		<u> </u>	<u> </u>	N C	5	<u> </u>	
Nigeria		S/T S/T	5			5	P		<u>5</u>			P		5		
South Africa Frontier markets		S/T	5			5	S/T	S/T	5		<u>5</u>	<u> </u>		<u>5</u>		
	(23)	T: 7: N: 0	I			S (25)			[27]		T 1 N 0	T 00 N 0	N	25	(31)	
No. of countries in benchmark(s), invested in only T and N	(23)		T: 5; N: 0				T: 5; N: 2	NA 0 NA	(28)		T: 1; N: 0	T: 20; N: 0		<u>Z5</u>	(31)	T: 8; N: 10
No. of countries not included in benchmark(s) invested in P, S or T	[9]	P: 0; S: 0; T: 5	T: 1-2			(7) P	9: 0; S: 10-20; T: <1				P: 0; S: 0; T: 9		2001			S: 2; T: 11
Acceptable tracking error for emerging market debt		1.5%-4.0% [9]	3.50%			(1)		75-300bps ^[9]	1-2% [9]		2-6%	150-250bps	300bps	2-6%	0-6% [9]	100-300bps
Average S&P/Moody's rating for emerging market debt	BBB	BB-A	BB			LI)	BBB	BB+ - BBB	BB+		BBB+	BB+/BBB-	BB	BB	[32]	BB
% weighting given in running emerging market debt	00	/0	70				0.5	20	20		70	F0	٥٢	20	20	25
Top down		40	70				25	30	30		70	50	25	20	30	35
Bottom up	15	20	10				10	50-60	10		Ü	50	75	80	70	30
Technical price/spread analysis	10	U	10				15		0-10		U	20	0	10	10	5
Fundamental credit analysis	40	20	10				30		20-50		0	80	0	50	70	25
Quantitative	5	0	0				10		5		0		0	15	15	0
Currency views	10	20	0				10	10-30	5-25		30		0	25	50-70	5
Number of analysts/investment professionals in emerging market debt tea	m 31	22				8	14	70	36		7	12	13	34	21	16

ompany	Ostrum Asset	Payden	PGIM	Pictet Asset	PineBridge	Principal Global	RBC Global	Schroders Inv.	State Street	Stone Harbor	Sydbank	UBS Asset	Union	VanEck		Western Asset
-t-lt- iilt d-ht (6)	Management 3.032	Payden & Rygel 9,903	60,527	Management 11,218	Investments 17,096	7.088 [29]	Asset Mngt. 8,627	Management 4,496	Global Advisors 21.393.65	Inv. Partners 15,857	1,955	Management 14,500	6,100 (40)	E 1E / 0E	Management 5.170	Management C 42,711
otal assets in emerging market debt (€m)	30/09/19	30/06/19		31/08/19		30/06/19				31/08/19	30/06/19		31/07/19	5,154.25	30/06/19	
s at otal group AUM worldwide (€m)	274,858	100,369	30/06/19 1,106,055	173,336	30/06/19 85,446		30/06/19 307,492	30/06/19 496,609	30/06/19 2,562,479.74	20,689	12,163	30/06/19 731,161	354,941	30/06/19 43,151.12	115,557	30/06/19
tal assets in fixed income worldwide (€m)	237,955	98,693	892,525	32,848	55,120	396,678 173,242	166,139	87,713	396,074	20,689	4,830	136,351	164,328	12,122.65	35,797	395,159 395,159
nerging market debt assets invested for (€m)	237,733	70,073	072,323	32,040	33,120	173,242	100,137	07,713	370,074	20,007	4,030	130,331	104,320	12,122.00	33,777	373,137
nerging market debt assets invested for (Em)	2,625	1 220	10.217	2 (02	2 EU4	72/	E 2/1	783	13,315.76	0 227	1 1/2		4,965	180.12	/ 050	E 7/0
rope-based institutional clients ension fund clients	13	1,238 593	10,317 7,893	2,603 1,900	3,506	724	5,241 2,053	414	4,503.46	8,227 7,321	1,142 282		64	100.12	4,059 588	5,748 538
	2,312	383	281	179	3,498	70	<u>2,000</u>	70	4,303.46	484	535		523		215	542
surance company clients Lother institutional clients	300	262	2.143	524	3,470	634	3.140	76 291	8.812.3	422	325		4.378	180.12	3.256	4.668
rough segregated accounts mandates	2,284	7,556	48,251	1.948	14,797	4,095	3,140	184	13,346.29	10,184	688	7,300	845	100.12	3,751 [42]	1,691
rough investment/mutual fund vehicles	748	2,347	12,276			2,993	5,513	4,312	8,047.36	5,673	1,267		5,255	5,154.25	308 (42)	4,057
emerging market hard currency sovereign debt	1,257	5,441	50,263	9,270 3,280	2,300 321	491	1,010	684	440.17	8,872	1,070	7,200 8,903	2,500	61.45	4,481	11,670
emerging market hard currency sovereign debt	1,237	2,109	5.447	4,664	180	4/1	602	3 086	19.655.37	5,227	354	918	900	4,749.6	150	19,566
emerging market local currency sovereign debt	359	2,320	4,817	2,817	10,516	3,931	2,967	0,000	1,232.9	1,680	531	441	2,700	304.87	430	8,574
her	1.416	34	4,017	457	6.080	2,666	4.048	717	65.21	78	JJ 1	4,324	2,700	38.33	109	2,901
gions invested in within emerging market debt portfolios	1,410	34		437	0,000	2,000	4,040	/1/	03.21	70		4,324		30.33	107	2,701
	P	S			P	S	Т	S	D	S	P	S/T	D	ς		S
nerging Europe e Balkans		<u>3</u>	C	N		<u>3</u>	T	<u> </u>	P P	<u>5</u>		5/ I S/T	r c	<u>3</u>		<u>3</u>
e Baltics		<u>J</u>	<u>J</u>	N N	<u></u>	<u>J</u>		NI		<u> </u>	'	3/ I S/T	<u> </u>	<u> </u>		<u>J</u>
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laysia uth Korea	<u></u>	<u>5</u>	<u>3</u>	<u>F</u>	<u> </u>	<u>5</u>		<u>5</u>		<u>5</u>	<u>5</u>	S/T		<u>5</u>		<u>S</u>
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tin America	<u></u>		I	г	<u>3</u>	<u>5</u>	I	<u>5</u>		<u>5</u>	I	3/1		<u>5</u>		<u>S</u>
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of countries in benchmark(s), invested in only T and N	T: 17; N: 4	T: 20; N: 5	T: 0-5	T & N: 0	T: 38: N: 9	NA NA	T: 60	NA	[34]	(36)	T: 30-35; N:4	(38)	T. 8	(41)	NA	[43]
o. of countries not included in benchmark(s) invested in P. S or T	P: 1: S: 0: T: 1	P: 0: S: 0: T: 3		(33)	P: 0: S: 2: T: 3	NA NA	P: 0: S: 1: T: 4	NA NA	P. S & T: 0	(37)	P: 0: S: 3: T: 4	5-15	P. S & T: 0	(41)	NA NA	[43]
ceptable tracking error for emerging market debt	2-5%	1.5-3.0%	150-350bps	Max. 5-6% [9]	200-400bps	NA NA	0-6%	NA NA	0-25bps	150-400bps ⁽⁹⁾	2%	2-3%	F, 3 & 1: U		NA NA	300bps
erage S&P/Moody's rating for emerging market debt	BB+/BB	BB	BBB-/Baa3	Ba2/BB	NA	BB+	BB	NA NA	(35)	BB-/Ba3	BB	BB-BBB	BBB-		NA NA	BBB
	DD+/DD	DD	DDD-/Ddd3	DdZ/DD	INA	DD+	DD	INA	(and)	DD-/Dd3	DD	DD-DDD	DDD-		INA	DDD
veighting given in running emerging market debt down	25	45	50		20	25	10	5		5	30	20	25		20	50
	30	45 10	50 50		30	20	90				25	30 40 ⁽³⁹⁾	<u>35</u>		20	
tom up	30 10	10	20 20		OU	10	90 10	<u> </u>		7 U		40 ****	10		30	50
chnical price/spread analysis	10	1U 1 =	<u>20</u> 60		U 20	1U 1E	1U 65	70		70	20		10		30	10 60
ındamental credit analysis		13	2N		20	10	00	/U		/U 15	<u>ZU</u>	10	ZU			00
rantitative		J			20	10		10		10	10		10		U	U 00
rrency views mber of analysts/investment professionals in emerging market debt tear	10	15	20	15	U	10	U	10		10	10	20 15	10	10	U	30

NA= Not available, P= Permanently, S= Strategically, T= Tactically

Footnotes: (1) No target

- (1) No target (2) Blended, BB; corporate, BB; local currency, BBB-(3) Sovereign, BB+; local, BBB; credit, BBB-(4) Local currency, BBB; hard currency, BB (5) As at 31/08/19

- (6) Only includes investment professionals working solely on global emerging market debt (7) As the strategy is non-benchmarked, the firm do not look at it for
- portfolio construction. It does (strategically and tactically) include frontier markets and is normally invested in around 30 different countries
- (8) As of July 2019
- (9) Varies by strategy
 (10) Refers only to denominated emerging market debt products, exclud-
- ing emerging market debt investments managed in other vehicles
 (11) EdR Fund Emerging Bonds, B+; EdR Fund Emerging Credit, BB-; EdR
 Fund Emerging Sovereign, BBB-
- (12) Only includes emerging market debt funds on a strategy level. Emerging market fixed income assets that are included in global aggre-
- gate portfolios and balanced funds are not included

 [13] Includes EMD inflation-linked bonds
- (14) Includes EMD Total Return and EMD Blend
- (15) IG only strategy, BBB+; Blend strategy, BB+
- (16) The firm's investment teams are not constrained to any benchmark, so its emerging markets debt strategies are able to invest significant assets in off-benchmark countries
- (17) As at 31/08/19: Franklin Emerging Market Debt Opportunities, BB-(inc. cash); Templeton Emerging Market Fixed Income, BBB (inc. cash); Templeton Emerging Market Local Currency Bond, BBB (inc. cash)
- [18] The firm may invest in any number of non-benchmark countries strategically, as its criteria for investment are based on price
- [19] As at 31/07/19: external debt portfolio, BB; local debt portfolio, BBB
- (20) Regional data relates to Hard Currency (21) External (JPM EMBIG), T: 15-20; N: 10. Local (JPM GBI-EM GD), T:
- (22) External (JPM EMBIG), P: 0; S: 0; T: 0-5. Local (JPM GBI-EM GD), P: 0; S: 5-10; T: 0-5
- [23] Due to the geographical diversification of the emerging market opportunity set and its investment approach, the firm are always likely to have allocations within the major regions of Latin America, Eastern Europe, Middle East/Africa and Asia
- (24) Relates to clients invested solely in emerging market mandates (25) The firm's strategies have no restrictions preventing investments in penchmark currencies. Tactical positioning is dependent on the strategy 26) The firm do not have a maximum tracking error, but do have internal restrictions on maximum variation in over- or underweighting countries
- [27] The firm uses a tactical approach and may not hold less liquid counries. However if liquidity conditions improve, the firm may become more active in its holdings of a particular country
- [28] The firm have approved over 80 emerging markets countries for
- (29) Relates to dedicated mandates managed in the Emerging Markets Debt strategies only

30) As at 30/06/19

- (31) For all EMD strategies, the firm considers all eligible countries from the investment universe, which is broadly aligned with the benchmark. They also consider off-benchmark exposures in select countries, which (32) Asian Debt Hard Currency, BBB-; Emerging Markets Debt Hard
- Currency, BB-; Emerging Markets Debt Local Currency, A-; Emerging Markets Debt Local Currency Bonds, BBB; Emerging Markets Debt Hard Currency Corporate Debt, BB; Frontier Markets Debt Hard Currency, B 33) The firm covers the entire universe of emerging markets and has no obligation to hold off-benchmark countries, so only takes a view in these countries on an opportunistic basis
- (34) The firm's emerging market debt strategies are passively managed strategies and as such seek to invest in all countries that are present in ne index. They do not seek to participate in tactical investments
- (35) The firm's emerging market debt strategies are passively managed strategies and so seek to match the characteristics of the index 36) The firm may invest in all countries in the benchmark based on fun-
- damental credit analysis and its views on current valuations 37) Then firm invests in countries outside of the index on a tactical and strategic basis
- 38) All issuers included in the benchmark can be invested based on stra-
- tegic as well as tactical allocations 39) Includes technical price/spread analysis and fundamental credit
- 40) Figure relates to dedicated EMD funds. The firm also has €5,333m in
- cross-over holdings [41] The firm offers multiple emerging markets fixed income funds, both
- actively and passively managed 42) Relates to Europe-based institutional client assets
- 43) The Emerging Markets Debt team constantly reviews its holdings vithin the context of its long-term views and so there is no predetermined list of countries that are automatically invested in on strategically,

INVESTMENT & PENSIONS EUROPE NOVEMBER 2019 NOVEMBER 2019 INVESTMENT & PENSIONS EUROPE