



# Fund Flash

## Nordea 1 - Emerging Stars Equity Fund

ISIN: LU0602539602 (BP-USD) / LU0602539354 (BI-USD)

The objective of the fund is to beat its benchmark by 300bps over a full investment cycle<sup>1</sup>.

### Portfolio Comment as of 31/07/2018

Global equities rose 3.15% in July, lifting YTD returns to +4.47%, as investor sentiment rebounded from panic levels with the gradual dissipation of uncertainties around trade tariffs. As a result, Emerging Markets (EMs) (+1.69% in July, -1.18 YTD) breathed a sigh of relief, ending the month on a positive note.

In this context, the fund delivered a positive return of +1.09% over the month and it now accumulates a performance of -9.01% YTD (BP-EUR).

The fund underperformed the market in July with a negative contribution in sector allocation, but with a positive contribution in the stock selection. The underweight position within Consumer Staples drove the positive sector contribution while the Information Technologies positions overweight were the largest negative contributor. Within stock selection Health Care were the largest positive contributor while Industrials were the largest negative contributors.

Top Contributors	Top Detractors	Cumulative Performance <sup>2</sup>	1M	YTD	3 years
Taiwan Semi	Inovance	Fund <sup>3</sup>	1.09%	-9.01%	30.66%
Itau Unibanco Holding	Tencent Holdings	Benchmark <sup>4</sup>	2.20%	-4.60%	29.31%
Raia Drogasil	Phoenix Mills	Alpha	-1.11%	-4.40%	1.35%

1) There can be no warranty that investment objectives, targeted returns and results of an investment structure are achieved. 2) The performance represented is historical; past performance is not a reliable indicator of future results and investors may not recover the full amount invested. 3) BP-USD Share class 4) The official benchmark is the MSCI EM Net Return Index.

Source (unless otherwise stated): Nordea Investment Funds S.A. Period under consideration (unless otherwise stated): 30/06/2018 to 31/07/2018. Performance calculated NAV to NAV (net of fees and Luxembourg taxes) in the currency of the respective share class, gross income and dividends reinvested, excluding initial and exit charges as per 31/07/2018.

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