

Fund Information

Portfolio Managers

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Target Return

5% outperformance per annum on a three-year rolling basis

Comparative Benchmark

MSCI EM ex Fossil Fuels

Typical Tracking Error

6-10%

Fund Inception

October-2022

Assets under management

Fund: USD 9,752,774

Strategy: USD 3,251,974,733

Fund Performance

Past performance does not predict future returns

	Fund		MSCI		
	Gross	Net	EM ex Fossil Fuels	Gross Rel.	Net Rel.
September	3.1	3.0	7.3	-3.8	-3.9
Q3	3.9	3.6	9.5	-5.1	-5.4
YTD	15.7	14.6	17.5	-1.5	-2.5
1 Year	27.0	25.2	26.9	0.0	-1.3
Incep.	20.1	18.4	19.0	1.0	-0.4

3, 5, 10 year and Incep. returns are annualised.

Returns are in USD

Fund Value (USD mil) 10

Inception 01/10/22

The following information is in addition to, and should be read only in conjunction with, the performance data presented above.

	Fund		MSCI		
	Gross	Net	EM ex Fossil Fuels	Rel.	Net Rel.
2022	12.4	12.0	10.1	2.1	1.8
2023	10.9	9.3	9.4	1.4	-0.1
2024	15.7	14.6	17.5	-1.5	-2.5

Q3 2024 Attribution

Region Allocation	-1.4
Security Selection	-2.6
Currency Effect	-0.5
Management Effect	-4.6

EM equities rallied over the quarter as the US and China both announced policy easing. The fund saw a positive absolute return, underperforming its benchmark.

Performance

The fund finished behind its benchmark, with outperformance in Argentina and Brazil more than offset by underperformance in China, Korea, and Taiwan.

Market Background

EM equities rallied over the quarter as the US and China both announced policy easing.

Outlook

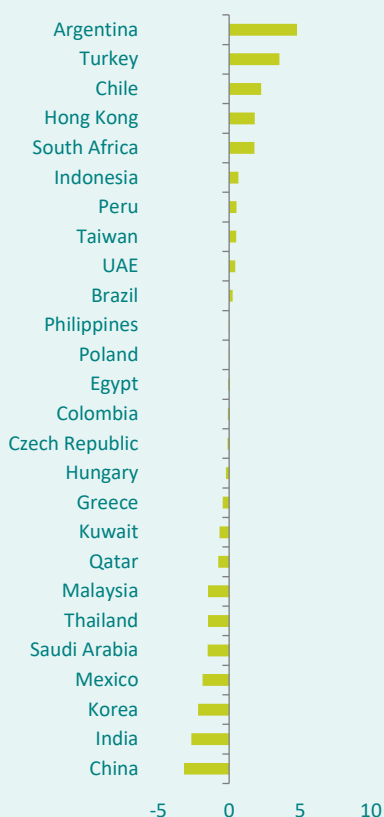
The most significant events in markets over recent weeks have been policy easing in the US and China. The Fed decided to cut by 50bps, which we believe was the correct call, with 3-month rolling underlying inflation already below the central bank's 2% target and rates clearly restrictive at these levels. This decision reinforces our view that there will be a soft landing in the world's largest economy, and we take additional comfort from the fact that the Fed has substantial scope to cut much further. As we have argued previously, these rate cuts should be effective because consumer balance sheets are in reasonably good health across the developed world.

While the Fed's decision was well-telegraphed, policy easing in China caught investors by surprise and catalysed a major relief rally. Key announcements include: cutting the Reserve Requirement Ratio to inject RMB 1 trillion of liquidity into the system; lowering outstanding mortgage rates to ease the mortgage burden for c.150m people; reducing downpayments for second homes; setting up a new swap facility to allow asset managers and insurers to tap at least RMB 500 billion of PBOC liquidity to purchase equities; and providing a further RMB 300 billion of funds to allow banks to lend to corporates for share buybacks. At the time of writing, there is speculation that these measures will be followed up with a series of fiscal announcements, including cash handouts for the poor, and issuing RMB 2 trillion via special bonds to stimulate consumption and help local governments tackle debt problems. These policy changes will surely prolong the glide path to a new 'normal' lower growth environment. However, it remains to be seen whether the measures can help to solve China's structural issues of overinvestment, a weak consumer, and ageing demography.

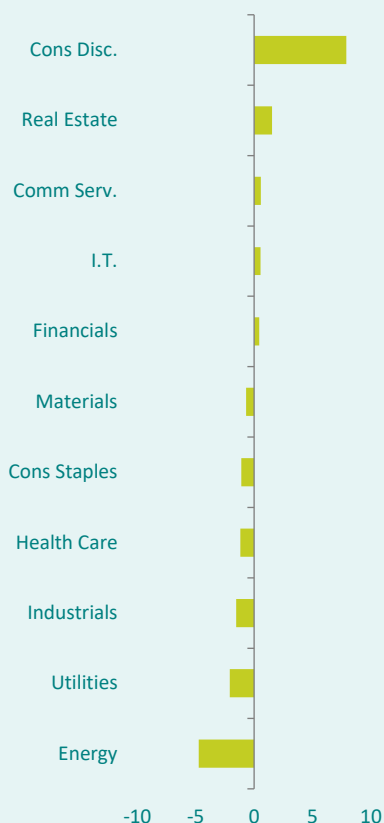
Chinese equities have bounced sharply off the lows, but positioning remains fairly light as starting levels were extremely depressed. The policy measures seem to be intended to stimulate buying from domestic investors, and there are early indications that they are chasing the rally. In fact, order volume in China A-Shares was so large that the Shanghai Stock Exchange experienced a 90-minute malfunction. This stands in stark contrast to the reopening rally or May 2024 rally, when onshore investors did not participate meaningfully. Accounting for 80% of the China market, retail investors will have a key role to play in determining the sustainability of the rally. It is thus important to recognise that there is a wall of excess savings still on the sidelines, while margin financing levels remain below their 4-year average at only RMB 1.4 trillion. However, this must be balanced against the fact that stocks have already moved a long way. Indeed, it is now difficult to argue that China overall is cheap and oversold. MSCI China is very close to its 5- and 10-year median P/E valuations. With all this in mind, we have tactically increased exposure to China, but remain underweight. We have been buying large, liquid consumption plays including PDD, JD, Alibaba, NetEase and Ctrip, as well as stock exchange HKEX. Korea and Taiwan were used as the main funding source as these markets had been the key beneficiaries of inflows from investors amid China weakness in recent years.

More generally, we were already bullish on the outlook for EM equities into 2025 as we believe the era of dollar weakness has begun, with the Fed likely to cut rates quite aggressively amid well-controlled inflation. Since the turn of the century, there has been 87% positive correlation between a weak dollar and EM equity outperformance versus Developed Markets. The main caveat to this positive outlook had been concerns over weakness in China. Clearly a massive stimulus drive in the largest emerging market helps to alleviate these concerns and should set up EM equities for a strong period of performance.

Country relative to Index %



Sectors relative to Index %



Portfolio Positioning

Late in the quarter we increased exposure to China. We have been buying large, liquid consumption plays including PDD, JD.com, Alibaba, NetEase and Ctrip, as well as the stock exchange HKEX. Korea and Taiwan were used as the main funding sources, as these markets had been the key beneficiaries of inflows from investors amid China weakness in recent years.

We also added to Financials in deficit countries that should be key beneficiaries of a lower rate environment. These include Bank Rakyat in Indonesia, ABSA in South Africa, and Credicorp in Peru.

Elsewhere we bought InterGlobe Aviation, an Indian low-cost airline. It is the country's largest airline by passengers carried and fleet size, with a domestic market share of over 60%. The company is looking to grow its current aircraft fleet of 367 to 600 by 2030, a CAGR of around 9%. In addition, because the planes being added are of a larger size, Available Seats Per Kilometre growth should be in the low double digits, whilst revenue growth is expected to be around 15%. Despite this attractive growth, on our numbers InterGlobe trades at around 16.5x earnings and 7x EBITDAR in FY26. We see this as compelling, particularly against a backdrop where finding liquid, structural stories in India that have yet to re-rate to a new valuation framework is increasingly difficult.

Conversely, we took profits in Qifu Technology.

Stocks

Below we highlight a major winner and a major loser:

Galicia

Galicia is Argentina's largest private sector bank. Credit penetration is just 8% percent of GDP, compared to an average of over 40% in Latin America, and over 80% in countries such as Chile. There has been large-scale crowding out of the private sector by the government, but as this normalises, banks such as Galicia should enjoy rapid growth. Indeed, many Argentinian banks are hinting at loan growth of 40-50% next year in real terms. When we bought the stock it was trading around book value. Although it has rallied along with other Argentinian stocks on generally improving sentiment, we still see it as extremely attractively valued for the growth potential on offer. We continue to be constructive on Argentina in general. Inflation is gradually falling, and the political backdrop remains stable. Bond markets have performed well, and we believe that equities will follow.

SK Square

95% of SK Square's NAV is its holding in SK Hynix, the global leader in High Bandwidth Memory (HBM), with a c.50% market share. Demand for HBM is growing rapidly due to its use in AI servers, and it is expected to represent 30% of global DRAM value by 2025. Moreover, SK Square has announced a significant share buyback programme. Trading at a 64% discount to NAV, any buyback that SK Square does will clearly be very accretive to NAV per share. The shares have corrected, partly as Korea was used as a funding source for inflows into China, but also because investors are concerned that memory price growth is slowing. Whilst we agree that conventional memory prices have begun to show signs of weakness, we believe that demand for HBM memory will continue to outstrip supply for a long period of time, supporting prices. We have therefore concentrated our memory exposure in SK Square and SK Hynix, while substantially cutting exposure to Samsung Electronics, which is a leader in conventional memory but lags in HBM.

Performance Attribution Q3 2024

On this page we identify where your portfolio added or subtracted value, relative to the benchmark.

Regional Selection (%)

Region	Region Allocation	Security Selection	Currency Effect	Management Effect
Total Portfolio	-1.4	-2.6	-0.5	-4.6
Equity	-1.4	-2.6	-0.4	-4.4
Top/Bottom 5 EM Countries	-1.6	-2.8	0.0	-4.4
Argentina	0.5	1.1	-0.1	1.4
Brazil	0.2	0.2	0.0	0.4
Mexico	0.1	0.0	0.2	0.2
Philippines	0.1	-0.1	0.0	0.0
Peru	0.0	-0.1	0.0	0.0
South Africa	-0.1	-0.2	0.0	-0.3
Turkey	-0.6	0.2	-0.2	-0.6
Taiwan	-0.1	-1.5	0.0	-1.6
Korea	-0.3	-1.5	0.1	-1.7
China	-1.4	-1.0	0.1	-2.3
Rest of World	0.2	0.1	-0.4	0.0
Non Equity	-0.1	0.0	-0.1	-0.2
Foreign Exchange	0.0	0.0	-0.1	-0.1
Cash	-0.1	0.0	0.0	-0.1

Highlights

- The fund finished behind its benchmark, with outperformance in Argentina and Brazil more than offset by underperformance in China, Korea, and Taiwan.
- Galicia performed well as sentiment towards Argentina continued to improve.
- Sabesp rallied in Brazil. We bought in a placement, which came at a big discount to the prevailing price as the lead industrial buyer set the price. Allocations were difficult to come by, but we managed to secure some because of our strong relationship with the company.
- Chinese stocks rallied sharply after the government announced a series of easing measures. This detracted from performance as the fund was underweight.
- Semiconductor positions in Korea and Taiwan were used by investors as a major funding source for the rotation into China, which hurt the fund's performance.

Sector Selection (%)

Sector	Sector Allocation	Security Selection	Currency Effect	Management Effect
Total Portfolio	0.3	-4.3	-0.5	-4.6
Equities	0.4	-4.3	-0.4	-4.4
Energy	0.4	0.0	0.0	0.5
Financials	0.0	0.9	-0.4	0.4
Utilities	0.0	0.1	0.0	0.1
Materials	0.1	-0.1	0.1	0.1
Health Care	0.0	0.0	-0.1	0.0
Consumer Staples	-0.1	-0.1	0.0	-0.1
Real Estate	0.1	-0.2	0.0	-0.1
Communication Services	-0.1	0.0	-0.1	-0.2
Industrials	0.0	-0.7	0.0	-0.8
Consumer Discretionary	0.6	-1.8	-0.1	-1.3
Information Technology	-0.6	-2.5	0.2	-3.0
Non Equity	-0.1	0.0	-0.1	-0.2
Foreign Exchange	0.0	0.0	-0.1	-0.1
Cash	-0.1	0.0	0.0	-0.1

Highlights

- At the sector level, outperformance in Energy and Financials was outweighed by underperformance in I.T. and Consumer Discretionary.
- Galicia led outperformance in Financials, whilst our semiconductor names struggled in I.T.

Stock Selection (%)

	Stock	Country	Sector	Management Effect (%)	TT Held
Top Contributors	Galicia	Argentina	Financials	1.43	√
	MercadoLibre	Brazil	Consumer Discretionary	0.36	√
	Entero Healthcare Solutions	India	Health Care	0.35	√
	Embraer SA	Brazil	Industrials	0.30	√
	Sabesp	Brazil	Utilities	0.24	√
Top Detractors	Alibaba	China	Consumer Discretionary	-0.70	√
	Alchip Technologies Ltd	Taiwan	Information Technology	-0.69	√
	SK Hynix	Korea	Information Technology	-0.53	√
	SK Square	Korea	Industrials	-0.52	√
	Mediatek	Taiwan	Information Technology	-0.51	√

Please note: the country and sector attribution above is against the MSCI EM index, whereas the stock level attribution is against the MSCI EM ex Fossil Fuels benchmark.

Portfolio Breakdown (%)

	TT Sustainable EM		MSCI EM ex Fossil Fuels
	30 Jun	30 Sep	30 Sep
Czech Republic			0.1
Egypt			0.1
Greece			0.5
Hungary			0.2
Kuwait			0.7
Poland	0.9	0.8	0.9
Qatar			0.8
Saudi Arabia	1.5	2.3	3.8
South Africa	0.8	4.9	3.1
Turkey	4.4	4.2	0.6
UAE	2.4	1.6	1.2
EMEA	10.0	13.7	11.9
China	11.9	26.4	27.8
India	22.4	16.8	19.5
Indonesia	1.1	2.3	1.6
Korea	15.5	8.2	10.4
Malaysia			1.5
Philippines	1.1	0.5	0.6
Taiwan	20.5	18.1	17.6
Thailand			1.5
Emerging Asia	72.5	72.4	80.6
Argentina	6.5	4.8	
Brazil	6.6	5.1	4.8
Chile	2.8	2.7	0.4
Colombia			0.1
Mexico			1.9
Peru		0.8	0.3
Latin America	15.9	13.3	7.5
Cash	1.6	0.5	
Total	100.0	100.0	100.0

Sector Allocation (%)

	TT Sustainable EM		MSCI EM ex Fossil Fuels
	30 Jun	30 Sep	30 Sep
Communication Services	7.9	10.0	9.4
Consumer Discretionary	11.5	21.9	14.0
Consumer Staples	2.2	4.1	5.2
Energy			4.8
Financials	23.0	23.3	22.8
Health Care	3.3	2.4	3.6
Industrials	8.4	5.2	6.8
Information Technology	34.1	22.8	22.2
Materials	4.6	5.9	6.6
Real Estate	2.4	3.1	1.6
Utilities	1.0	0.8	2.9
Cash	1.6	0.5	
Total	100.0	100.0	100.0

Top 10 Stocks

June 30, 2024			September 30, 2024		
Security	Country	Weight %	Security	Country	Weight %
TSMC	Taiwan	10.1	TSMC	Taiwan	9.0
Samsung Electronics	Korea	8.8	Tencent	China	9.0
Tencent	China	6.0	Alibaba	China	3.6
Galicia	Argentina	4.2	Galicia	Argentina	3.4
ASE Technology	Taiwan	4.2	ASE Technology	Taiwan	3.3
Mediatek	Taiwan	3.2	Capstone Copper Corp	Chile	2.7
SK Hynix	Korea	2.9	SK Hynix	Korea	2.5
Capstone Copper Corp	Chile	2.8	Pinduoduo	China	2.4
HDFC Bank	India	2.6	Five-Star Business Finance Ltd	India	2.4
Kotak Mahindra Bank	India	2.6	Akbank	Turkey	2.4
Top 10 Positions		47.5	Top 10 Positions		40.7
Top 20 Positions		68.6	Top 20 Positions		60.8
No. of stocks		48	No. of stocks		60

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Additional Fund Performance Information:

Fund 12-Month Discrete Periods (%)

	Oct 23 - Sep 24	Oct 22 - Sep 23
Gross of fees	27.0	13.7
Net of fees	25.2	12.0
Index	26.9	11.6
Relative (gross)	0.0	1.9
Relative (net)	-1.3	0.4

Important Information:

Shareholder Rights

A Prospectus is available for the Fund and Key Investor Information Documents (KIIDs) are available for each share class of each the sub-funds of the Fund. The Fund's Prospectus can be obtained from www.ttint.com/fund-documentation/ and is available in English. The KIIDs can be obtained from www.ttint.com/fund-documentation and are available in one of the official languages of each of the EU Member States into which each sub-fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive). In addition, a summary of investor rights is available from www.ttint.com/fund-documentation. The summary is available in English. The sub-funds of the Fund are currently notified for marketing into a number of EU Member States under the UCITS Directive. The Fund can terminate such notifications for any share class and/or sub-fund of the Fund at any time using the process contained in Article 93a of the UCITS Directive.

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Switzerland: Prospectus, Key Investor Information Documents, Articles of Association, annual and semi-annual reports of the Fund may be obtained free of charge from the Swiss Representative (First Independent Fund Services AG, Klausstrasse 33, 8008 Zurich) and Paying Agent (NPB New Private Bank Ltd, Limmatquai 1, CH-8024 Zurich).

Additional risks

FDI Risk: FDI may fluctuate in value rapidly and leverage through FDI may cause losses that are greater than the original amount paid for the relevant FDI. **Operational Risk:** human error, system and/process failures, inadequate procedures or control may cause losses to the Fund. **Liquidity Risk:** the Fund may have difficulty buying or selling certain securities readily which may have a financial impact on the Fund. **Credit/Counterparty Risk:** a party with whom the Fund contracts for securities may fail to meet its obligations (e.g. fail to pay principal or interest or to settle an FDI) or become bankrupt, which may expose the Fund to a financial loss. For more information on these and other risk factors that apply to the Fund, see the section entitled "Risk Factors" in the Prospectus.