



Active GEM Funds

Positioning Insights

August 2024

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In this month's report:

Brazil: Exposure Among EM Funds Nears Record Lows

Exposure to Brazil among Emerging Market equity funds has fallen to near-record lows, with Financials, Technology, and Materials leading the declines. Vale has been particularly hard-hit, whilst ownership in Ambev and Banco Bradesco falls to record lows.

Materials: Low Conviction Sector Goes Lower

Both average fund weights and the percentage of funds invested in Materials have continued to decline in recent months. This fading conviction is reflected in a net underweight of 2.94%, with only 11.5% of funds positioned ahead of the benchmark.

South Korean Financials: Conviction Move Higher

Average fund weights are approaching record highs at 1.94%, whilst the percentage of funds invested in the sector has surged by 9.7% over the past six months. KB Financial stands out as a marquee holding as it nears all-time ownership highs. Strong momentum in DB Insurance, Shinhan Financial, and SK Square has further contributed to the sector-wide bullishness.

Bharti Airtel: Chasing Momentum

The percentage of funds invested in Bharti Airtel has reached 15-year highs. Over the past six months, ownership increases have been the highest among Indian peers, propelling Bharti Airtel to the 7th most widely owned stock in India. Over this period, 27 funds have initiated new positions, with no closures, and notable new investors include Fidelity, GQG, and Morgan Stanley.

Copley Fund Research

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For further information on our data collection and calculation methodology, as well as how we classify fund Styles, please view the Appendices at the back of this report.



Brazil

Exposure Among EM Funds
Nears Record Lows

Brazil: Exposure Among EM Funds Nears Record Lows

Brazilian Exposure Among EM Equity Funds Nears Record Lows.

Over the past six months, average fund weights in Brazil have decreased by an additional 1.69%, bringing the average weight down to 5.65%, close to the lower end of the long-term range. Despite this, 71.8% of active managers continue to maintain an overweight position relative to the MSCI EM Index.

Financials have been the primary driver of sector-level declines, with significant outflows also observed in Technology and Materials. At the stock level, ownership in Ambev and Banco Bradesco has reached record lows, while momentum in Localiza Rent a Car has faded. On the upside, a growing number of funds are gaining exposure to Raia Drogasil, Embraer, and WEG.

Recent fund activity has shown a sell-side bias, with net outflows totaling \$1.24 billion and more funds selling than buying. Vale's positioning was notably impacted, with significant closures by GQG Partners and outflows from American Funds.

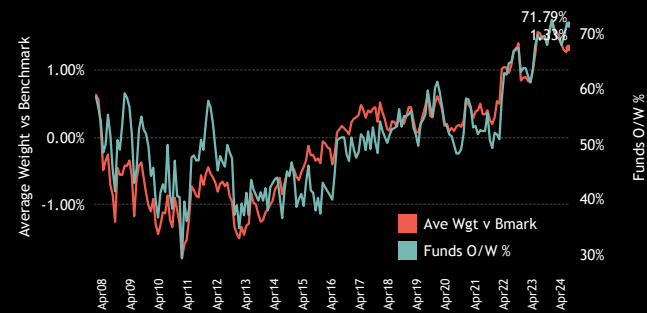
1. Average exposure to Brazil approaching the lowest levels in our history.

Brazil: Average Fund Weight



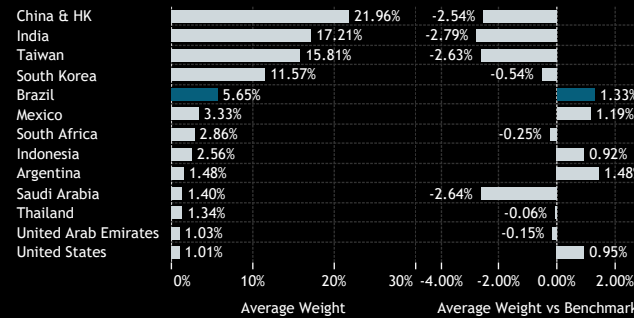
2. Versus the Benchmark, a record # of funds are positioned overweight.

Brazil: Average Weight vs Benchmark, Funds Overweight %.



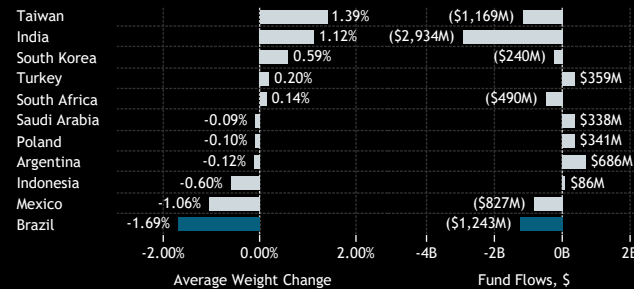
3. Brazil is the 5th largest country weight and the 2nd largest overweight.

Average Fund Weight, Average Fund Weight vs EEM



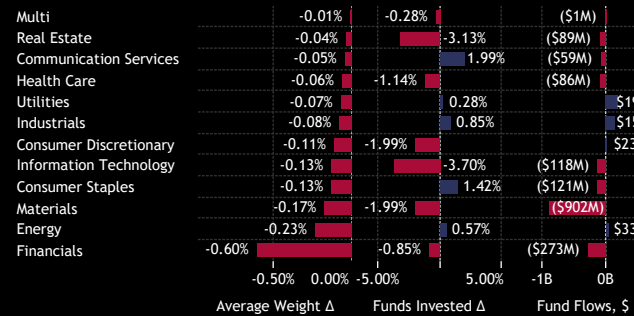
4. However, Brazil suffers the largest fall in average weight over the last 6 months, with sizeable fund outflows.

Largest Changes average country weight, Net Fund Flows, \$*



5. Brazil Financials lead the decline, Materials and Tech see outflows.

Largest Changes in Average Country Weight, Funds Invested, Net Fund Flows, \$*



6. Momentum in Brazil has slipped to the sell-side in recent months.

Country Level Sentiment Grid*



7. Aggressive Growth funds reduce exposure in most sectors while Value funds increase. Technology closures across the board.

Brazil Sectors: Change in Funds Invested per Fund Style

Sector	Value	Yield	GARP	Growth	Aggressive Growth
Communication Services	4.26%	6.25%	4.17%	1.16%	1.10%
Consumer Discretionary	0.00%	0.00%	8.33%	-1.73%	-6.59%
Consumer Staples	8.51%	0.00%	12.50%	-1.73%	1.10%
Energy	2.13%	6.25%	0.00%	0.58%	-1.10%
Financials	4.26%	0.00%	0.00%	-1.16%	-3.30%
Health Care	4.26%	0.00%	0.00%	-1.16%	-4.40%
Industrials	2.13%	0.00%	8.33%	1.16%	-2.20%
Information Technology	-4.26%	0.00%	-20.83%	-2.31%	-2.20%
Materials	0.00%	0.00%	-4.17%	-1.16%	-4.40%
Multi	-2.13%	0.00%	0.00%	0.00%	0.00%
Real Estate	0.00%	0.00%	4.17%	-6.36%	-1.10%
Utilities	2.13%	-6.25%	0.00%	-0.58%	2.20%

Source: Factset, Copley Fund Research
* Between 1/31/2024 and 7/31/2024

Brazil: Exposure Among EM Funds Nears Record Lows

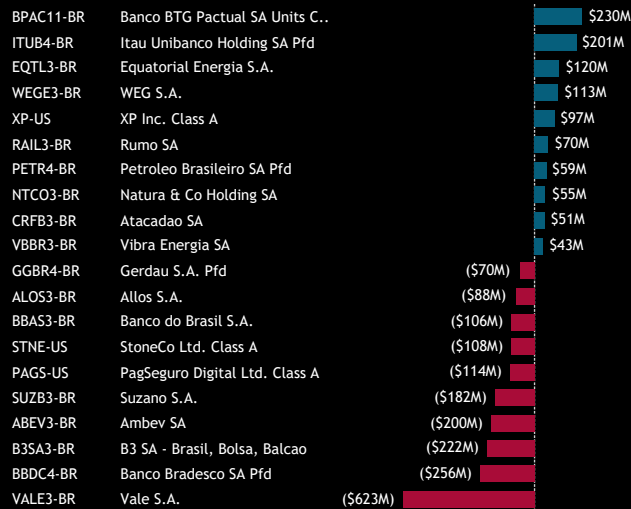
8. A large spread of key names at different ends of the Sentiment Grid hint at a dynamic picture of stock ownership.

Brazil: Stock Level Sentiment Grid



9. BTG Pactual and Itau Unibanco capture inflows, Vale suffers outflows.

Brazil: Largest Aggregate Fund Flows by Stock, \$*

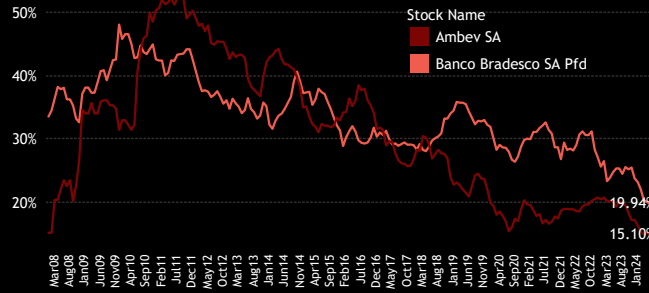


Source: Factset, Copley Fund Research

* Between 1/31/2024 and 7/31/2024

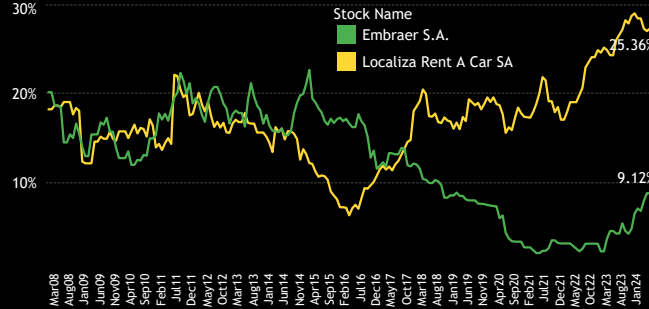
10. Ambev and Banco Bradesco approach new lows of EM fund ownership

Percentage of Funds Invested: Ambev vs Banco Bradesco



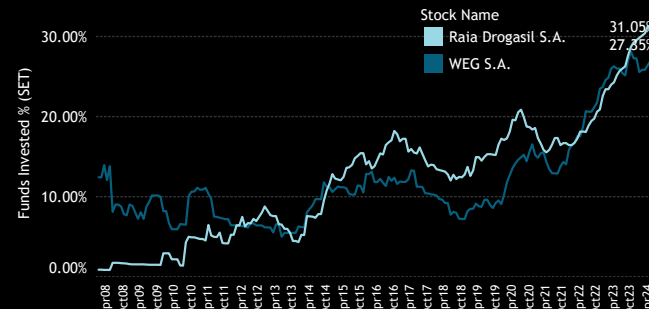
11. Momentum stalls for Localiza Rent A Car, rallies for Embraer.

Percentage of Funds Invested: Embraer vs Localiza Rent A Car



12. Raia Drogasil and WEG S.A power on to new ownership highs.

Percentage of Funds Invested: Raia Drogasil vs WEG S.A.



13. Itau Unibanco the most widely owned stock. 7 stocks owned by > 25% of funds.

Brazil: Aggregate Stock Ownership Statistics

Ticker	Stock Name	Funds Invested %	Average Weight %	Average Weight vs..	Fund AUM \$
ITUB4-BR	Itau Unibanco Holding SA ..	41.60%	0.46%	0.07%	\$2,282M
RADL3-BR	Raia Drogasil S.A.	31.05%	0.33%	0.24%	\$1,250M
BBAS3-BR	Banco do Brasil S.A.	30.77%	0.26%	0.16%	\$935M
B3SA3-BR	B3 SA - Brasil, Bolsa, Balc..	29.34%	0.20%	0.06%	\$890M
PETRA4-BR	Petroleo Brasileiro SA Pfd	29.06%	0.30%	-0.11%	\$1,527M
WEGE3-BR	WEG S.A.	27.35%	0.36%	0.16%	\$1,217M
RENT3-BR	Localiza Rent A Car SA	25.36%	0.21%	0.11%	\$947M
PETR3-BR	Petroleo Brasileiro SA	23.65%	0.26%	-0.09%	\$1,707M
TIMS3-BR	TIM S.A.	23.36%	0.12%	0.08%	\$330M
VALE3-BR	Vale S.A.	21.94%	0.17%	-0.33%	\$1,145M
BBDC4-BR	Banco Bradesco SA Pfd	19.94%	0.15%	0.00%	\$470M
TOTS3-BR	TOTVS S.A.	18.80%	0.14%	0.11%	\$273M

14. Raia Drogasil & WEG the key overweights, Vale & Petrobras held underweight.

Brazil: Top overweight and underweight positions

Ticker	Stock Name	Average Weight vs..	Funds Invested %	Average Weight %	Fund AUM \$
RADL3-BR	Raia Drogasil S.A.	0.24%	31.05%	0.33%	\$1,250M
WEGE3-BR	WEG S.A.	0.16%	27.35%	0.36%	\$1,217M
BBAS3-BR	Banco do Brasil S.A.	0.16%	30.77%	0.26%	\$935M
RENT3-BR	Localiza Rent A Car SA	0.11%	25.36%	0.21%	\$947M
TOTS3-BR	TOTVS S.A.	0.11%	18.80%	0.14%	\$273M
ITSA4-BR	Itausa - Investimentos Ita..	-0.06%	11.68%	0.07%	\$214M
ELET3-BR	Centrais Eletricas Brasilei..	-0.08%	7.12%	0.03%	\$427M
PETR3-BR	Petroleo Brasileiro SA	-0.09%	23.65%	0.26%	\$1,707M
PETRA4-BR	Petroleo Brasileiro SA Pfd	-0.11%	29.06%	0.30%	\$1,527M
VALE3-BR	Vale S.A.	-0.33%	21.94%	0.17%	\$1,145M

15. Vibra Energia & Itau Unibanco see ownership rise, Vale and B3 SA lose more than 4% of funds.

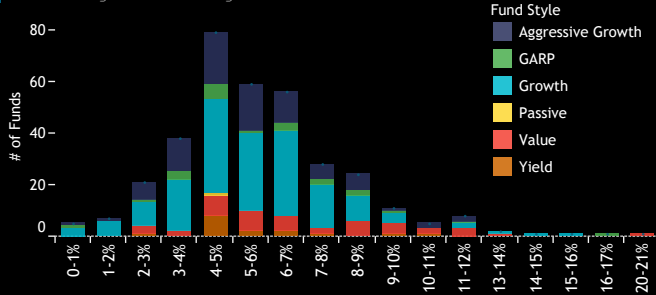
Brazil: Largest changes in stock ownership*

Ticker	Stock Name	Funds Invested..	Ave Wgt % Δ	Fund Flows, \$
VBBR3-BR	Vibra Energia SA	3.70%	0.01%	\$43M
ITUB4-BR	Itau Unibanco Holding SA Pfd	3.13%	-0.07%	\$201M
TIMS3-BR	TIM S.A.	2.28%	0.00%	\$111M
BPAC11-BR	Banco BTG Pactual SA Units C..	2.28%	-0.04%	\$230M
EMBR3-BR	Embraer S.A.	1.99%	0.03%	\$5M
CMIG4-BR	Companhia Energetica de Min..	1.99%	0.00%	\$25M
RENT3-BR	Localiza Rent A Car SA	-3.13%	-0.12%	(\$56M)
YDUQ3-BR	YDUQS Participacoes SA	-3.13%	-0.02%	(\$12M)
GGBR4-BR	Gerdau S.A. Pfd	-3.13%	-0.02%	(\$70M)
BBDC4-BR	Banco Bradesco SA Pfd	-3.42%	-0.12%	(\$256M)
B3SA3-BR	B3 SA - Brasil, Bolsa, Balcao	-4.27%	-0.13%	(\$222M)
VALE3-BR	Vale S.A.	-4.56%	-0.09%	(\$623M)

Brazil: Exposure Among EM Funds Nears Record Lows

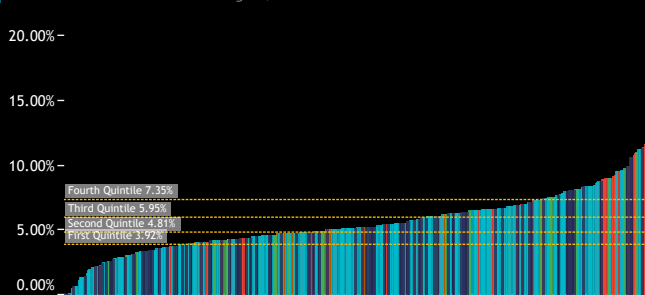
16. Holdings distribution centered between 3-9%, topping out at 21%.

Brazil: Histogram of Fund Weights



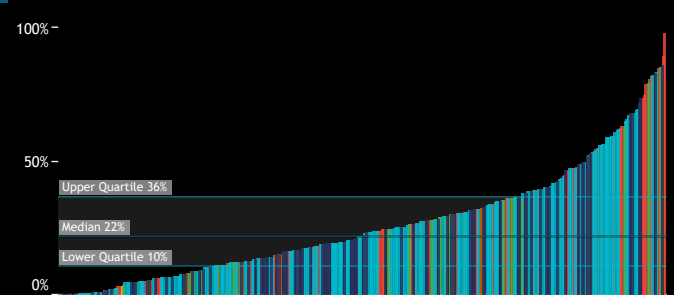
19. Only 20% of funds hold more than a 7.4% allocation to Brazilian Equities.

Brazil: Distribution of Fund Weights, %



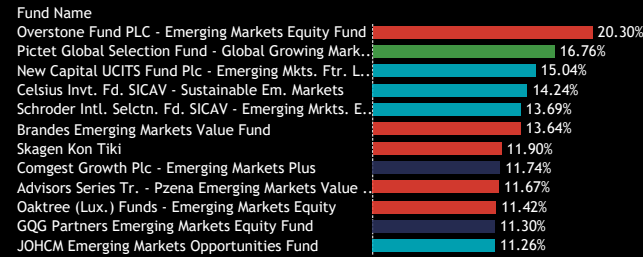
22. Fund allocations are at the lower end of their historical range.

Brazil: Z-Score of Fund Allocations



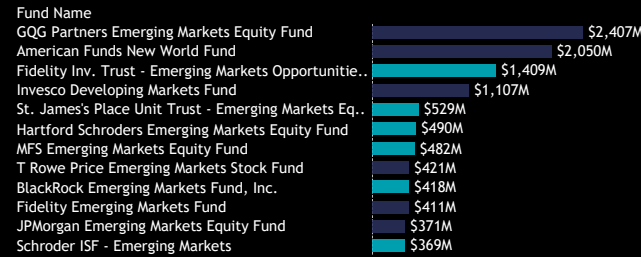
17. Value funds among top holders, led by Overstone EM Equity.

Brazil: Top Fund Allocations, %



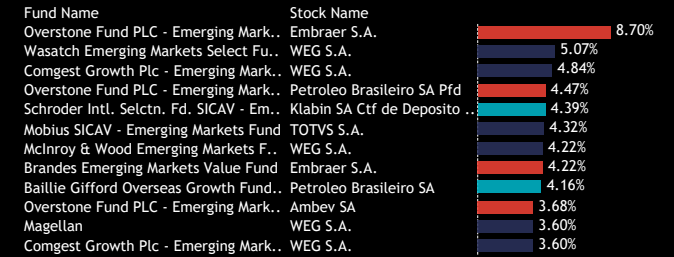
20. GQG leads the AUM table, with 4 funds investing over \$1bn.

Brazil: Top Fund Allocations, \$



23. Embraer and WEG S.A are among the larger positions.

Brazil: Top stock Level Fund Allocations, %



Funds Invested Δ*

Average Weight Δ*

New Positions*

Closed Positions*

Funds Buying*

Funds Selling*

Estimated Net Fund Flows, \$*

-0.28%

-1.69%

0

1

123

156

(\$1,243.2M)

18. Decreases in Brazil exposure dominate increases in size and number.

Brazil: Largest Change in Fund Weight*



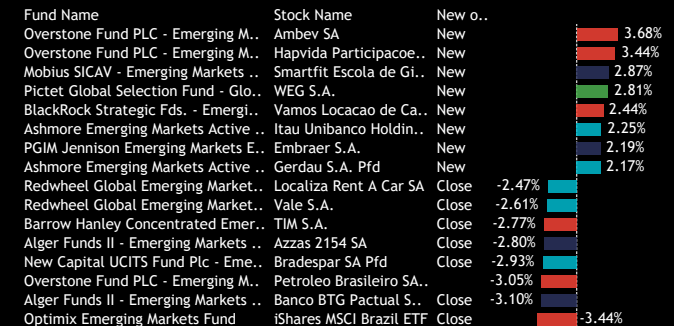
21. GQG closes Vale exposure. Invesco and American Funds stock rotation.

Brazil: Top Stock-Level Fund Inflows and Outflows, *



24. Overstone close Petrobras, open Ambev and Hapvida

Brazil: Largest Changes in Stock-Level Fund Weights, *



Source: Factset, Copley Fund Research

* Between 1/31/2024 and 7/31/2024



Materials

Low Conviction Sector Goes Lower

Materials: Low Conviction Sector Goes Lower

Exposure to the Materials sector among Emerging Market funds has declined to record lows. Both average fund weights and the percentage of funds invested in Materials have continued to decline in recent months. This fading conviction is reflected in a net underweight of 2.94%, with only 11.5% of funds positioned ahead of the benchmark.

Over the past six months, all key ownership metrics for the Materials sector have moved lower, making it the most unloved sector on our Sentiment measures. India represents the largest country-level exposure within the sector, with South Africa and Brazil in long-term decline. At the stock level, significant reductions in fund ownership in LG Chem, POSCO, and Vale have driven these moves, with Ultratech Cement and Zijin Mining bucking the trend.

Value strategies continue to allocate more to the Materials sector than Style peers, though most funds are now positioned at the extreme lower ends of their historical exposure to this sector.

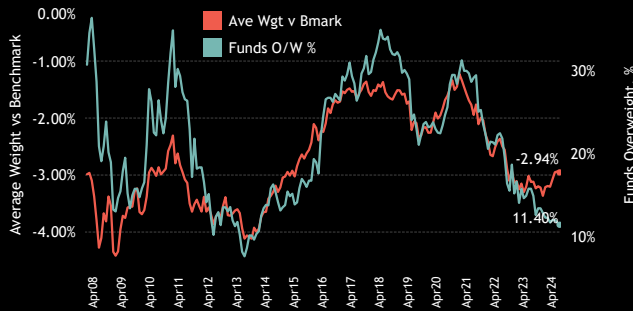
1. Long-term downward trend in Materials exposure to record lows.

Materials: Average Fund Weight vs Funds Invested



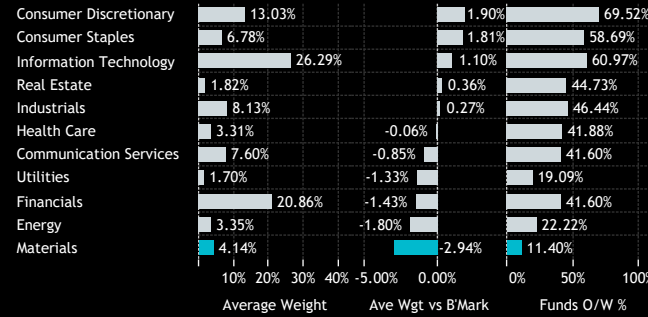
2. Near record number of funds positioned underweight.

Materials: Average Weight vs ACWI vs Funds Overweight %



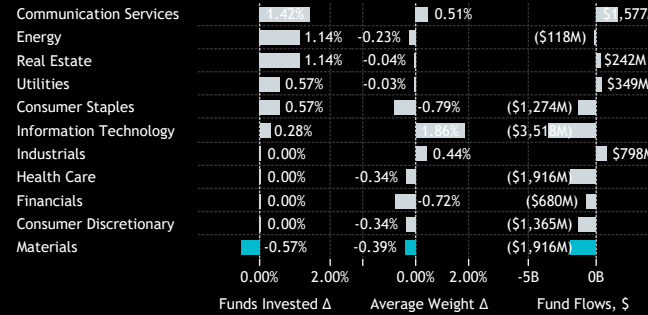
3. Materials the largest sector underweight at -2.94% below benchmark.

Average Fund Weight, Versus Benchmark and Funds Invested % by Sector



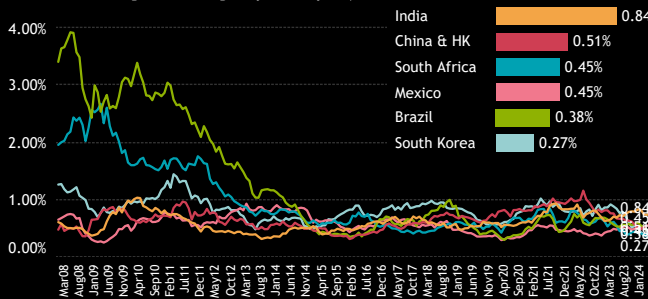
4. All fund ownership metrics fell over the last 6-months.

Largest Change in Funds Invested, Average Weight, Net Fund Flows, \$*



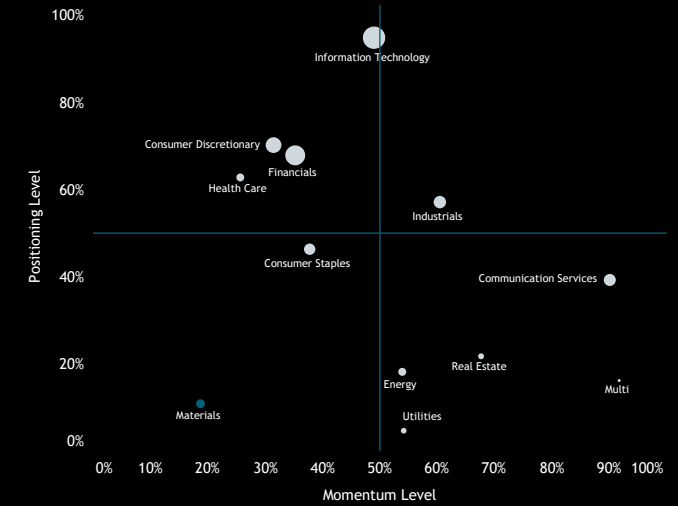
5. Long-term decline caused by Brazil and S.Africa. India now the largest country exposure.

Materials: Average Fund Weight by Country (top 6)



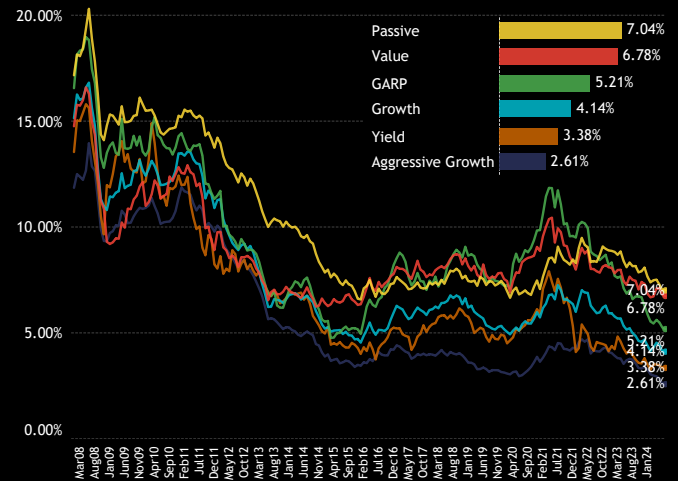
6. Materials is showing deeply depressed positioning coupled with extreme negative momentum relative to other sectors.

Sector Level Sentiment Grid, *



7. All fund styles are positioned underweight. Materials favoured by Value investors, avoided by Aggressive Growth.

Materials: Average Fund Weight by Fund Style

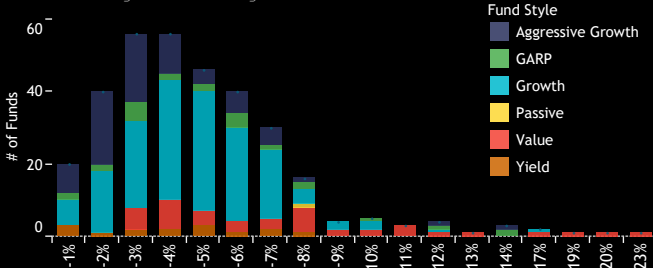


Source: Factset, Copley Fund Research
* Between 1/31/2024 and 7/31/2024

Materials: Low Conviction Sector Goes Lower

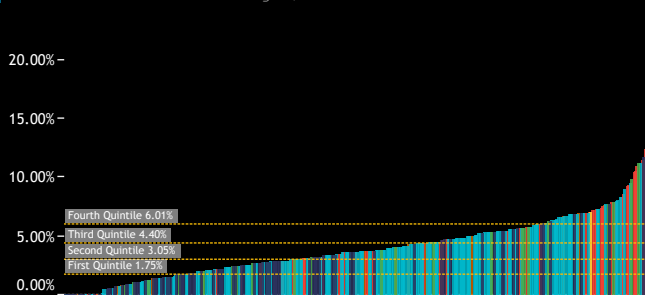
16. Allocations centered between 1%-7%, with the upside tail reaching 23%.

Materials: Histogram of Fund Weights



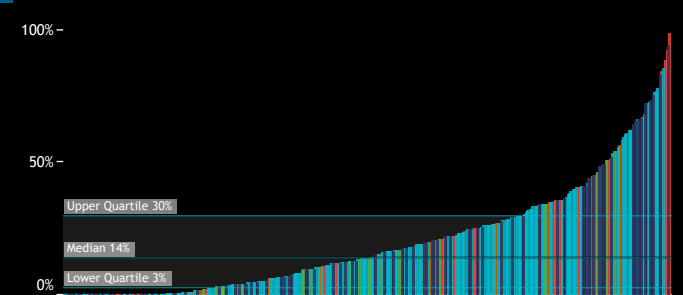
19. 60% of EM funds hold between 1.75% and 6% in the Materials sector.

Materials: Distribution of Fund Weights, %



22. Individual fund allocations are at the lower end of their historical range.

Materials: Z-Score of Fund Allocations



17. Value funds dominate the top holders list, led by Boston's EM Fund.

Materials: Top Fund Allocations, %

Fund Name	Allocation (%)
Boston Partners Emerging Markets Fund	22.31%
Redwheel Next Generation Emerging Markets Equit..	19.29%
Optimix Emerging Markets Fund	18.98%
Oaktree (Lux.) Funds - Emerging Markets Equity	16.91%
Redwheel Global Emerging Markets Fund	16.38%
Brookfield Invnt. Funds - Oaktree Emerging Markets ..	13.60%
Evli Gem Fund	13.58%
Martin Currie SMASh Series EM Fund	13.13%
Polunin Funds - Developing Countries	12.34%
Amana Developing World Fund	11.67%
Overstone Fund PLC - Emerging Markets Equity Fund	11.40%
Fidelity Advisor Focused Emerging Markets Fund	11.21%

20. American Funds New World Fund tops the AUM list.

Materials: Top Fund Allocations, \$

Fund Name	AUM (\$)
American Funds New World Fund	\$3,960M
Fidelity Inv. Trust - Emerging Markets Opportunitie..	\$1,617M
Invesco Developing Markets Fund	\$1,129M
GQG Partners Emerging Markets Equity Fund	\$685M
Fidelity Advisor Focused Emerging Markets Fund	\$508M
MFS Emerging Markets Equity Fund	\$476M
T Rowe Price Emerging Markets Discovery Stock Fund	\$434M
Fidelity Series Emerging Markets Fund	\$367M
Fidelity Emerging Markets Fund	\$310M
JPMorgan Emerging Markets Equity Fund	\$230M
Delaware Emerging Markets Fund	\$213M
Redwheel Global Emerging Markets Fund	\$204M

23. Selected Aggressive Growth funds hold large positions in Grupo Mexico

Materials: Top stock Level Fund Allocations, %

Fund Name	Stock Name	Allocation (%)
Pacific Select Fund - Emerging Marke..	Grupo Mexico S.A.B. de C...	5.58%
First Sentier Investors ICVC - Stewart..	Tube Investments of India..	5.18%
RBC Funds (Lux) - Emerging Markets ..	Antofagasta plc	4.67%
Overstone Fund PLC - Emerging Mark..	Compania de Minas Buena..	4.53%
RBC Funds Trust - Emerging Markets ..	Antofagasta plc	4.51%
Morgan Stanley Invnt. Fds. - Emergin..	AARTI Industries Ltd	4.50%
Overstone Fund PLC - Emerging Mark..	Ternium S.A. Sponsored A..	4.43%
Schroder Intl. Selctn. Fd. SICAV - Em..	Klabin SA Ctf de Deposito ..	4.39%
Martin Currie SMASh Series EM Fund	Antofagasta plc	4.29%
Oaktree (Lux.) Funds - Emerging Mar..	AngloGold Ashanti Limited	4.10%
MassMutual Premier Strategic Emergi..	Grupo Mexico S.A.B. de C...	4.03%
Invesco Developing Markets Fund	Grupo Mexico S.A.B. de C...	3.95%

Funds Invested Δ*

-0.57%

Average Weight Δ*

-0.39%

New Positions*

3

Closed Positions*

5

Funds Buying*

100

Funds Selling*

164

Estimated Net Fund Flows, \$*

(\$1,916.1M)

18. More sellers than buyers, more closures than openings.

Materials: Largest Change in Fund Weight*

Fund Name	New or..	Change (%)
Boston Partners Emerging Markets Fund	New	12.47%
Optimix Emerging Markets Fund	New	7.54%
Advisors Series Tr. - Pzena Emerging Markets..	New	3.99%
TT International Funds Plc - Emerging Market..	New	3.87%
Oaktree (Lux.) Funds - Emerging Markets Equ..	New	3.56%
VALIC Company I - Emerging Economies Fund	New	3.29%
Liontrust Investment Funds II - Emerging Mar..	New	2.95%
BlackRock Strategic Fds. - Emerging Markets ..	New	2.68%
Ashmore Emerging Markets Equity Fund	Closed	-3.48%
MassMutual Premier Strategic Emerging Mark..	Closed	-3.56%
DWS Emerging Markets Equity Fund	Closed	-3.87%
Morgan Stanley Invnt. Fds. - Sustainable EM E..	Closed	-4.33%
AQR UCITS Funds - Sustainable Emerging Rel..	Closed	-4.74%
John Hancock Emerging Markets Equity Fund	Closed	-4.84%
Virtus NFJ Emerging Markets Value Fund	Closed	-5.29%
Overstone Fund PLC - Emerging Markets Equi..	Closed	-6.28%

21. New World Fund highly active within the sector. Invesco net sellers.

Materials: Top Stock-Level Fund Inflows and Outflows, *

Fund Name	Stock Name	New or..	Change (\$M)
American Funds New World Fund	First Quantum Minera..	New	\$244M
American Funds New World Fund	APL Apollo Tubes Lim..	New	\$196M
American Funds New World Fund	Grupo Mexico S.A.B. ...	New	\$131M
American Funds New World Fund	Freeport-McMoRan, I..	New	\$130M
American Funds New World Fund	Amcor PLC Shs Chess ..	New	\$100M
MFS Emerging Markets Equity Fund	Vale S.A.	New	\$89M
American Funds New World Fund	Southern Copper Cor..	New	\$86M
Fidelity Emerging Markets Fund	Jindal Steel & Power ..	New	\$76M
American Funds New World Fund	Sika AG	Closed	(\$98M)
American Funds New World Fund	Asian Paints Ltd.	Closed	(\$163M)
American Funds New World Fund	IMCD N.V.	Closed	(\$163M)
American Funds New World Fund	Pidilite Industries Li..	Closed	(\$194M)
American Funds New World Fund	Vale S.A.	Closed	(\$233M)
Invesco Developing Markets Fund	LG Chem Ltd.	Closed	(\$295M)
GQG Partners Emerging Markets E..	Vale S.A.	Closed	(\$402M)
Invesco Developing Markets Fund	Grupo Mexico S.A.B. ...	Closed	(\$492M)

24. TT EM funds open Capstone Copper, Redwheel and GQG close Vale.

Materials: Largest Changes in Stock-Level Fund Weights, *

Fund Name	Stock Name	New or..	Change (%)
BlackRock Strategic Fds. - Emergi..	Franco-Nevada Corpo..	New	3.58%
TT International Funds Plc - Sustai..	Capstone Copper Corp	New	3.15%
Pictet Global Selection Fund - Glo..	Centamin plc	New	2.84%
TT International Funds Plc - Emer..	Capstone Copper Corp	New	2.39%
Ashmore Emerging Markets Active ..	Gerdau S.A. Pfd	New	2.17%
Boston Partners Emerging Markets..	Baoshan Iron & Steel ..	New	2.12%
BlackRock Global Funds - Emergin..	UltraTech Cement Li..	New	2.02%
TT International Funds Plc - Sustai..	Centamin plc	New	2.00%
Pictet Global Selection Fund - Glo..	Gold Fields Limited	Closed	-2.39%
GQG Partners Emerging Markets E..	Vale S.A.	Closed	-2.40%
Nordea 1 - Stable Emerging Marke..	UPL Limited	Closed	-2.44%
Ashmore SICAV - Emerging Market..	Hansol Chemical Co.,...	Closed	-2.50%
Redwheel Global Emerging Market..	Vale S.A.	Closed	-2.61%
Overstone Fund PLC - Emerging M..	Compania de Minas B..	Closed	-2.68%
Redwheel Next Generation Emergi..	Ivanhoe Mines Ltd. Cl..	Closed	-2.75%
Virtus NFJ Emerging Markets Valu..	Nippon Paint Holding..	Closed	-3.52%

Source: Factset, Copley Fund Research

* Between 1/31/2024 and 7/31/2024



South Korea Financials

Conviction Move Higher

South Korea Financials: Conviction Move Higher

South Korean Financials are experiencing a significant increase in fund ownership. Average fund weights are approaching record highs at 1.94%, whilst the percentage of funds invested in the sector has surged by 9.7% over the past six months. More than half of the funds in our analysis are now overweight relative to the benchmark.

South Korean Financials represent the 3rd largest Financials allocation and the 2nd largest sector allocation within South Korea. This increase has been driven by a broad rotation into various stocks within the sector. KB Financial stands out as a marquee holding, owned by 38% of funds and nearing all-time ownership highs. Strong momentum in DB Insurance, Shinhan Financial, and SK Square has further contributed to the sector-wide bullishness.

At the fund level, a strong buy-side bias is evident, with 37 funds opening positions compared to just 3 closures. Value managers are at record levels of exposure and dominate the list of top holders.

1. Average exposure to South Korean Financials closes in on the highs, funds invested spikes higher from the lows.

South Korea Financials: Average Fund Weight, Funds Invested %



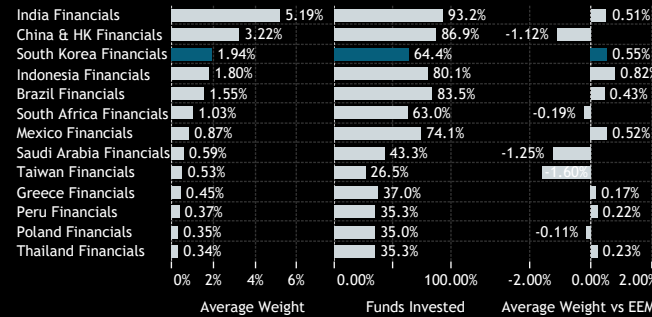
2. Average overweight moves to record levels, over half of funds now positioned ahead of the benchmark.

South Korea Financials: Average Fund Weight vs Benchmark, Funds Overweight %



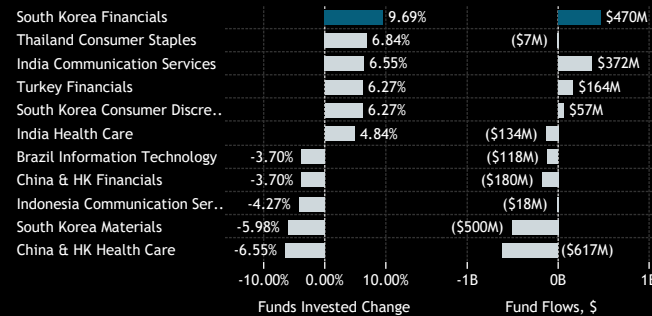
3. South Korea moves to 3rd largest Financial exposure.

Financials Sector Country Level Ownership Statistics



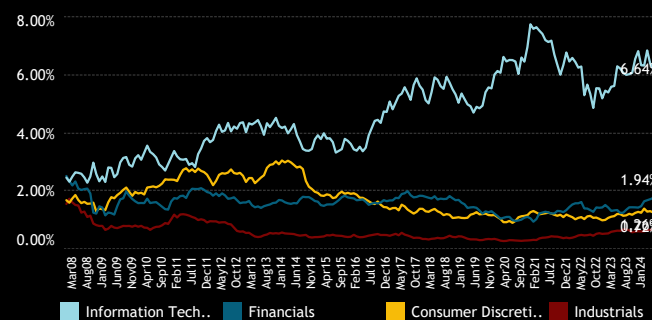
4. Largest jump in funds invested across all country/sectors, strong inflows.

Country/Sectors: Largest Change in Funds Invested, Net Fund Flows, \$*



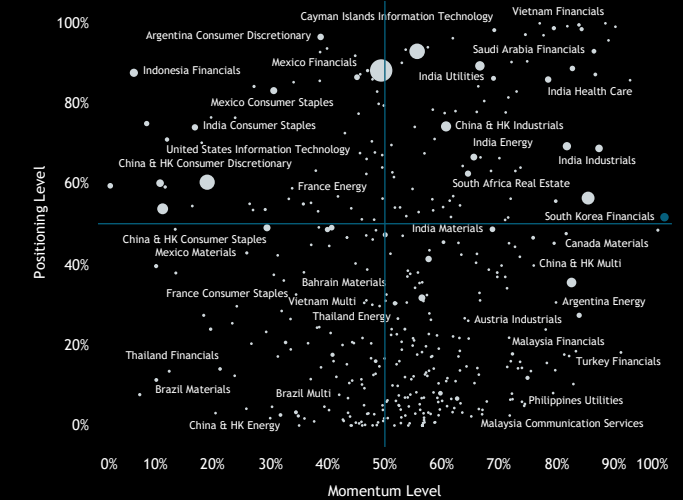
5. Financials are the 2nd largest sector exposure in South Korea, moving well ahead of Consumer Discretionary and Industrials.

South Korea: Average Fund Weight by Sector (top 4)



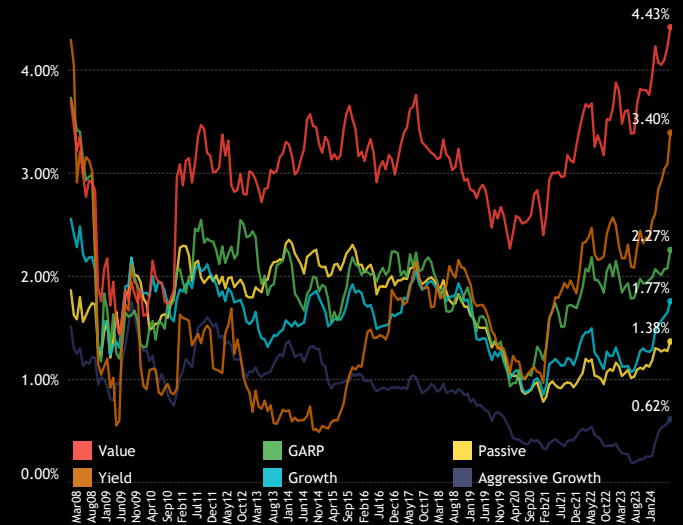
6. Momentum the highest across global EM, Positioning has room for growth.

Country Level Sentiment Grid*



7. Value and Yield funds the drivers behind the recent moves.

South Korea Financials: Average Fund Weight by Fund Style

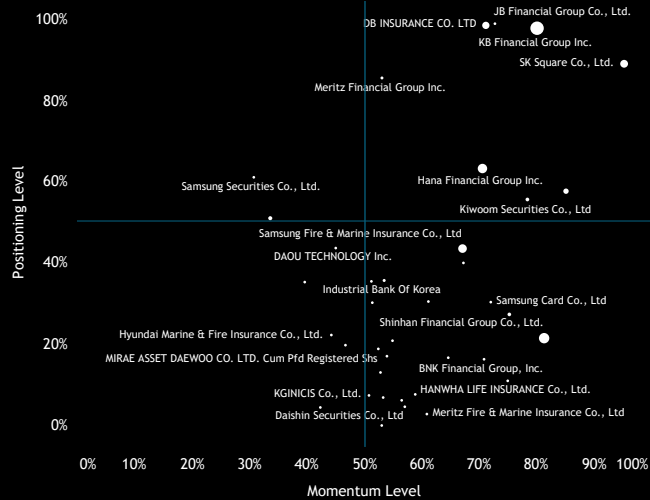


Source: Factset, Copley Fund Research
* Between 1/31/2024 and 7/31/2024

South Korea Financials: Conviction Move Higher

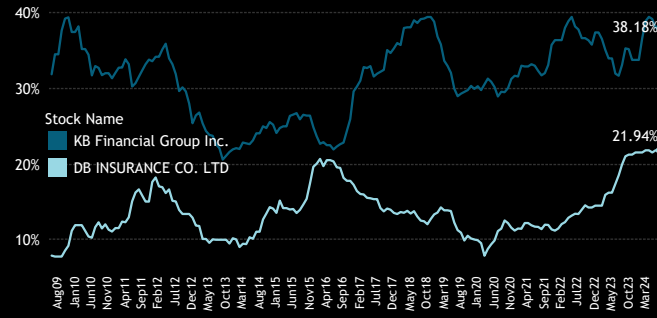
8. There are a cluster of companies near their highest levels of positioning, and with strong fund ownership momentum.

South Korea Financials: Stock Level Sentiment Grid



10. DB Insurance and KB Financial at the top of their ownership ranges.

Percentage of Funds Invested: DB Insurance vs KB Financial Group.



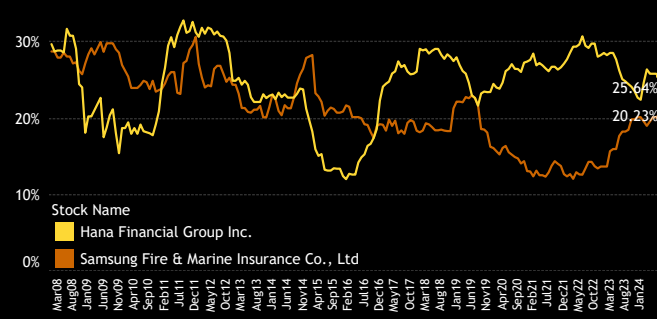
11. Reversal in Shinhan downward trend, SK Square recovers back to highs.

Percentage of Funds Invested: SK Square vs Shinhan Financial Group.



12. Samsung Fire & Marine recovers, Hana Financial falters.

Percentage of Funds Invested: Hana Financial vs Samsung Fire & Marine.



13. Well-owned sector despite small average weights. KB Financials the most widely held stock by a margin.

South Korea Financials: Aggregate Stock Ownership Statistics

Ticker	Stock Name	Funds Invested %	Average Weight %	Average Weight vs..	Fund AUM \$
105560-KR	KB Financial Group Inc.	38.18%	0.49%	0.16%	\$1,633M
086790-KR	Hana Financial Group Inc.	25.64%	0.24%	0.06%	\$708M
055550-KR	Shinhan Financial Group ..	25.64%	0.29%	0.04%	\$743M
005830-KR	DB INSURANCE CO. LTD	21.94%	0.14%	0.09%	\$431M
000810-KR	Samsung Fire & Marine In..	20.23%	0.20%	0.09%	\$659M
032830-KR	Samsung Life Insurance C..	13.68%	0.08%	0.00%	\$335M
402340-KR	SK Square Co., Ltd.	12.54%	0.17%	0.08%	\$782M
316140-KR	Woori Financial Group, In..	10.83%	0.05%	-0.05%	\$103M
024110-KR	Industrial Bank Of Korea	9.40%	0.03%	-0.01%	\$76M
001450-KR	Hyundai Marine & Fire Ins..	7.69%	0.02%	0.02%	\$124M
016360-KR	Samsung Securities Co., L..	7.41%	0.02%	0.02%	\$46M
175330-KR	JB Financial Group Co., L..	5.98%	0.02%	0.02%	\$51M

14. KB Financial and DB Insurance held overweight, Meritz and Woori lightly owned and net underweight.

South Korea Financials: Top overweight and underweight positions

Ticker	Stock Name	Average Weight vs..	Funds Invested %	Average Weight	Fund AUM \$
105560-KR	KB Financial Group Inc.	0.16%	38.18%	0.49%	\$1,633M
005830-KR	DB INSURANCE CO. LTD	0.09%	21.94%	0.14%	\$431M
000810-KR	Samsung Fire & Marine In..	0.09%	20.23%	0.20%	\$659M
402340-KR	SK Square Co., Ltd.	0.08%	12.54%	0.17%	\$782M
086790-KR	Hana Financial Group Inc.	0.06%	25.64%	0.24%	\$708M
024110-KR	Industrial Bank Of Korea	-0.01%	9.40%	0.03%	\$76M
006800-KR	MIRAE ASSET SECURITIES ..	-0.02%	3.13%	0.00%	\$7M
323410-KR	KakaoBank Corp.	-0.03%	2.28%	0.01%	\$7M
316140-KR	Woori Financial Group, In..	-0.05%	10.83%	0.05%	\$103M
138040-KR	Meritz Financial Group Inc.	-0.06%	5.98%	0.02%	\$68M

9. Net fund flows skewed to the buyside, led by SK Square and Samsung Life Insurance.

South Korea Financials: Largest Aggregate Fund Flows by Stock, \$*



15. Stock activity overwhelmingly positive, led by ownership increases in SK Square, KB Financial and Shinhan Financial.

South Korea Financials: Largest changes in stock ownership*

Ticker	Stock Name	Funds Invest..	Ave Wgt. Δ	Fund Flows, \$
402340-KR	SK Square Co., Ltd.	5.98%	0.08%	\$145M
105560-KR	KB Financial Group Inc.	4.27%	0.15%	\$72M
055550-KR	Shinhan Financial Group Co., ..	3.42%	0.09%	\$72M
086790-KR	Hana Financial Group Inc.	3.13%	0.03%	\$15M
032830-KR	Samsung Life Insurance Co., ..	2.85%	0.03%	\$121M
088350-KR	HANWHA LIFE INSURANCE Co..	1.42%	0.00%	\$4M
000370-KR	Hanwha General Insurance C..	0.00%	0.00%	\$1M
000060-KR	Meritz Fire & Marine Insuranc..	0.00%	0.00%	\$2M
323410-KR	KakaoBank Corp.	-0.28%	-0.01%	(\$1M)
316140-KR	Woori Financial Group, Inc.	-0.85%	-0.01%	(\$13M)
016360-KR	Samsung Securities Co., Ltd.	-1.14%	0.00%	(\$6M)
138040-KR	Meritz Financial Group Inc.	-1.42%	0.00%	(\$10M)

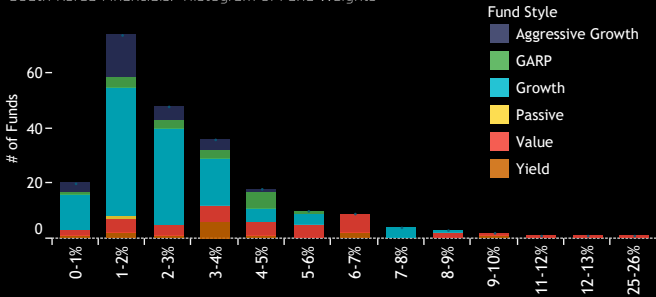
Source: Factset, Copley Fund Research

* Between 1/31/2024 and 7/31/2024

South Korea Financials: Conviction Move Higher

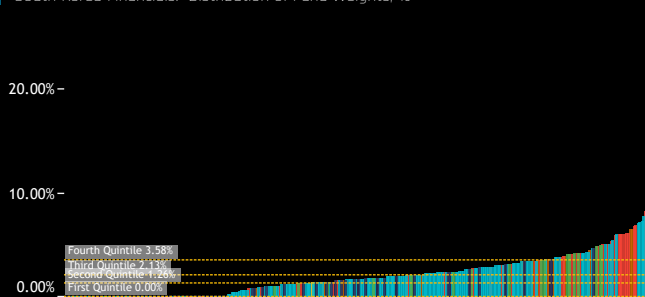
16. Right-sided holdings distribution centered around 1%-5%.

South Korea Financials: Histogram of Fund Weights



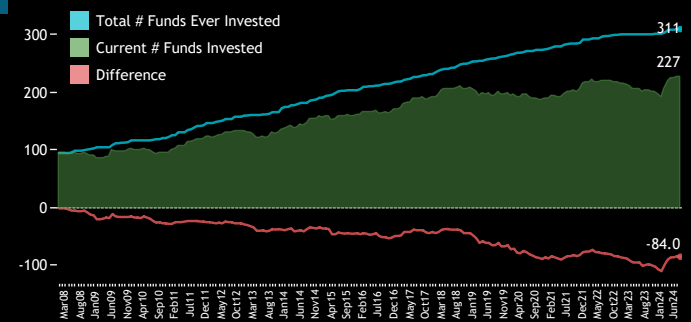
19. 20% of funds now hold more than a 3.6% allocation to SK Financials.

South Korea Financials: Distribution of Fund Weights, %



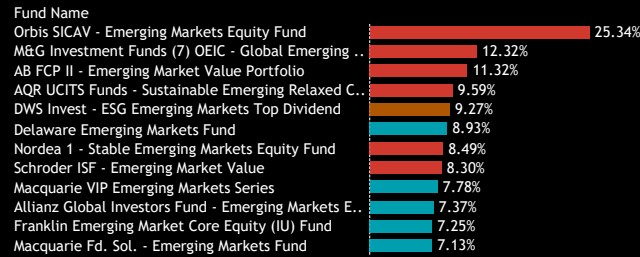
22. Record investor base, ex-holders buying back in.

South Korea Financials: Gap Analysis



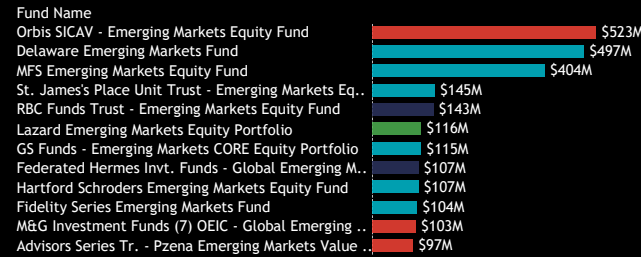
17. Value funds are key holders, led by 25% position from Orbis EM Equity.

South Korea Financials: Top Fund Allocations, %



20. Orbis, Delaware and MFS top the AUM list by a margin.

South Korea Financials: Top Fund Allocations, \$



23. SK Square is prominent among the larger individual fund exposures.

South Korea Financials: Top stock Level Fund Allocations, %



Funds Invested Δ*

9.69%

Average Weight Δ*

0.44%

New Positions*

37

Closed Positions*

3

Funds Buying*

102

Funds Selling*

80

Estimated Net Fund Flows, \$*

\$470.1M

18. Huge buy-side skew in fund activity, with 37 opens vs 3 closures.

South Korea Financials: Largest Opening and Closing Positions*



21. Fidelity and Polar Capital open SK Square positions.

South Korea Financials: Top Stock-Level Fund Inflows and Outflows, \$



24. Openings in KB Financial from Dunham, UBS and Cullen.

South Korea Financials: Largest Changes in Stock-Level Fund Weights, *



Source: Factset, Copley Fund Research

* Between 1/31/2024 and 7/31/2024



Bharti Airtel Limited

Chasing Momentum

Bharti Airtel Limited: Chasing Momentum

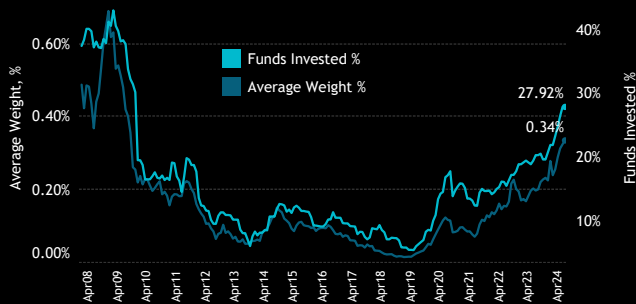
Bharti Airtel Positioning Continues to Strengthen. The bull market in Bharti Airtel positioning shows no signs of slowing down. Although still below the peaks of 2008, average fund weights and the percentage of funds invested in Bharti Airtel have reached 15-year highs. Over the past six months, ownership increases have been the highest among Indian peers, propelling Bharti Airtel to the 7th most widely owned stock in India.

Bharti Airtel's growth has been primarily driven by Growth and Aggressive Growth investors, with other style groups largely absent. In the last six months, 27 funds have initiated new positions, with no closures, and notable new investors include Fidelity, GQG, and Morgan Stanley.

While Bharti Airtel's ownership has been steadily increasing for over four years, it remains a net underweight and lags behind other Indian large-cap peers. Even within our peer group, there are still 87 former holders who are not currently invested. The bull-market may not be over just yet.

1. Bharti Airtel has seen consistent ownership growth since 2020.

Bharti Airtel Limited: Average Fund Weight vs Funds Invested



2. Bharti Airtel remains a small net underweight, but more funds are making the switch to overweight.

Bharti Airtel Limited: Average Weight vs ACWI vs Funds Overweight %



3. Bharti Airtel is the 7th most widely owned stock in India.

India: Aggregate Stock Ownership Statistics

Ticker	Stock Name	Funds Invested %	Average Weight %	Average Weight v..	Fund AUM \$
500180-IN	HDFC Bank Limited	63.53%	1.51%	0.79%	\$6,064M
532174-IN	ICICI Bank Limited	54.99%	1.13%	0.13%	\$4,219M
500209-IN	Infosys Limited	49.00%	0.82%	-0.16%	\$2,693M
500325-IN	Reliance Industries Limited	42.74%	0.92%	-0.53%	\$4,624M
532540-IN	Tata Consultancy Services Li..	37.04%	0.57%	-0.06%	\$2,637M
532215-IN	Axis Bank Limited	33.05%	0.43%	0.01%	\$1,911M
532454-IN	Bharti Airtel Limited	27.92%	0.34%	-0.20%	\$2,326M
532281-IN	HCL Technologies Limited	27.92%	0.26%	0.02%	\$778M
532898-IN	Power Grid Corporation of In..	27.35%	0.34%	0.08%	\$1,245M
500520-IN	Mahindra & Mahindra Ltd.	26.21%	0.42%	0.00%	\$1,516M
511218-IN	Shriram Finance Limited	20.23%	0.23%	0.10%	\$813M
500247-IN	Kotak Mahindra Bank Limited	19.66%	0.24%	-0.07%	\$2,336M
532977-IN	Bajaj Auto Limited	18.80%	0.19%	0.09%	\$715M

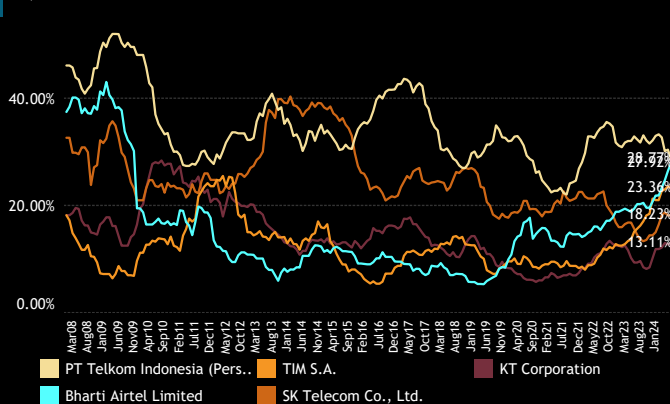
4. Bharti captured the largest increase in funds invested across all Indian stocks over the last 6-months.

India: Largest changes in stock ownership*

Ticker	Stock Name	Funds Invested % Δ	Ave Wgt % Δ	Fund Flows, \$
532454-IN	Bharti Airtel Limited	5.98%	0.06%	\$163M
543287-IN	Macrotech Developers Ltd.	5.13%	0.04%	\$261M
511218-IN	Shriram Finance Limited	4.56%	0.03%	\$66M
539448-IN	InterGlobe Aviation Ltd	4.27%	0.03%	\$69M
500251-IN	Trent Limited	4.27%	0.05%	(\$11M)
532540-IN	Tata Consultancy Services Li..	4.27%	0.06%	(\$473M)
534816-IN	Indus Towers Limited	3.70%	0.06%	\$158M
500247-IN	Kotak Mahindra Bank Limited	-1.99%	-0.04%	(\$582M)
500820-IN	Asian Paints Ltd.	-2.28%	-0.02%	(\$262M)
540133-IN	ICICI Prudential Life Insuranc..	-2.28%	-0.01%	(\$59M)
500875-IN	ITC Limited	-2.28%	-0.02%	\$14M
500696-IN	Hindustan Unilever Limited	-2.28%	-0.04%	(\$237M)
543396-IN	One 97 Communications Ltd.	-2.85%	-0.02%	(\$6M)

5. Among major Telco peers, Bharti rises to 2nd most widely owned.

Top 5 EM Telco Stocks: Funds Invested %



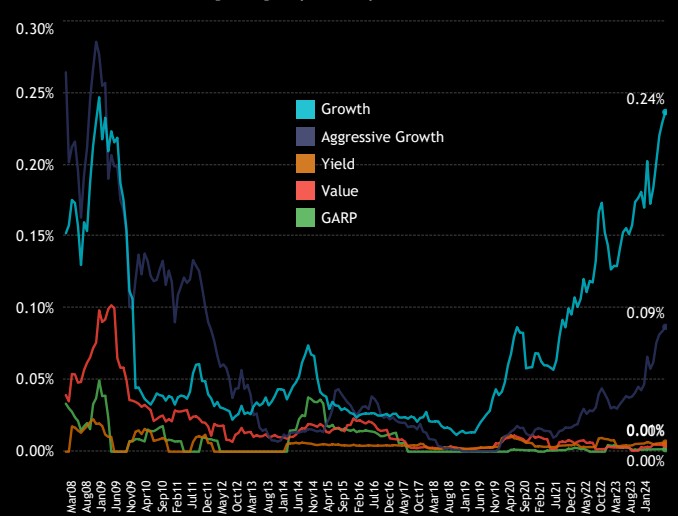
6. Bharti is showing strong momentum among managers, but overall positioning is well off the highs.

Stock Level Sentiment Grid*



7. Little appetite from Value investors, while Growth funds see huge surge in exposure.

Bharti Airtel Limited: Average Weight by Fund Style

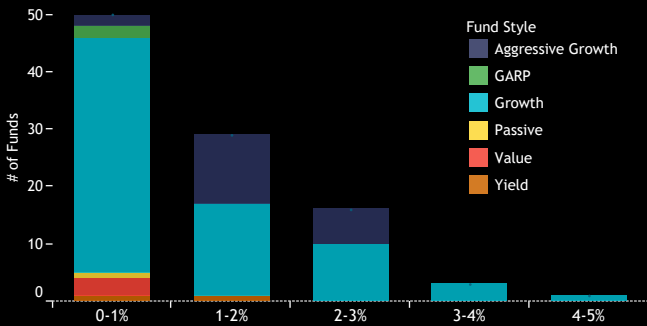


Source: Factset, Copley Fund Research
* Between 1/31/2024 and 7/31/2024

Bharti Airtel Limited: Chasing Momentum

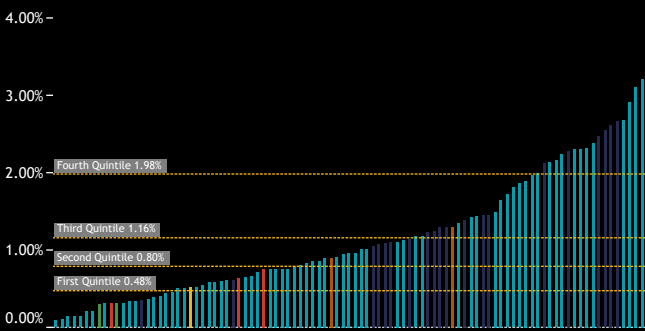
8. The most common Bharti Airtel weight is sub 2%, with 4 funds above 3%.

Bharti Airtel Limited: Histogram of Fund Weights



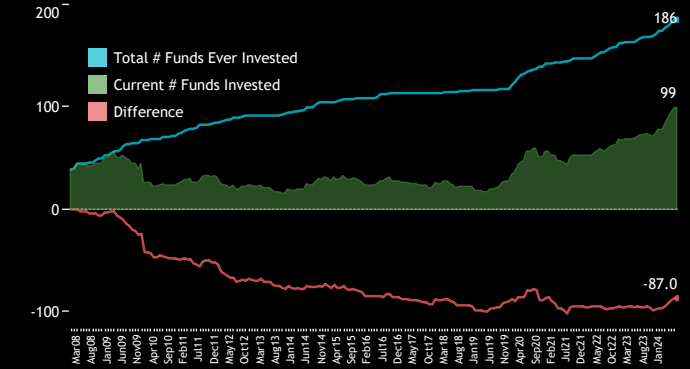
9. 80% of the investor base has between a 0.48% and 1.98% weight in Bharti Airtel.

Bharti Airtel Limited: Distribution of Fund Weights, %



10. Growing investor base, but 87 past holders are still out of the stock.

Bharti Airtel Limited: Gap Analysis



Funds Invested Δ*

Average Weight Δ*

New Positions*

Closed Positions*

Funds Buying*

Funds Selling*

Estimated Net Fund Flows, \$*

5.98%

0.06%

21

0

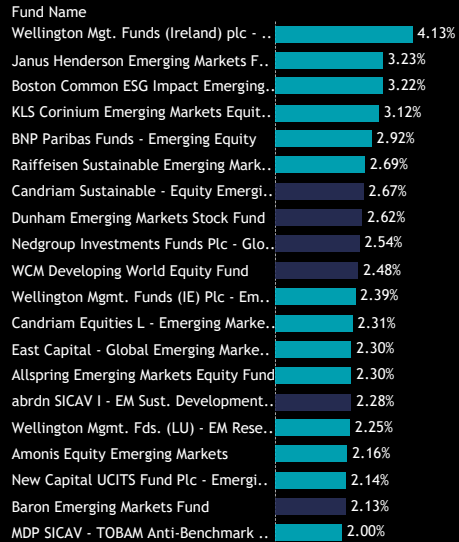
36

33

\$163.3M

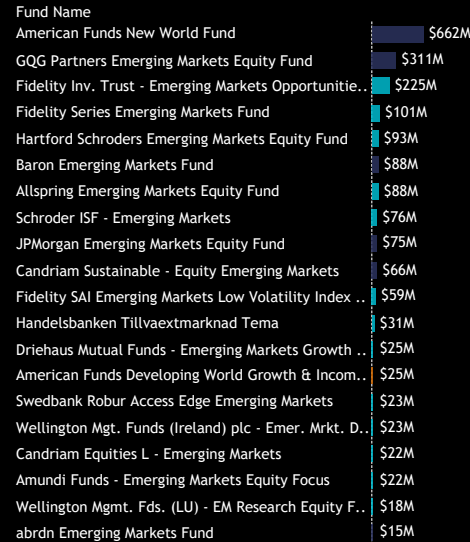
11. Growth funds are the top holders, led by Wellington and Janus Henderson.

Bharti Airtel Limited: Top Fund Allocations, %



12. Large dollar investments from Capital, GQG Partners and Fidelity.

Bharti Airtel Limited: Top Fund Allocations, \$



13. 21 new positions versus zero closures. Fidelity, GQG and Morgan Stanley are among the new investors.

Bharti Airtel Limited: Largest Change in Fund Weight*



14. A net \$163m of fund inflows, led by GQG, Fidelity and Morgan Stanley.

Bharti Airtel Limited: Top Fund Inflows and Outflows, *



Source: Factset, Copley Fund Research

* Between 1/31/2024 and 7/31/2024

Methodology

Copley uses Factset Ownership data for the majority of its source holdings. This data benefits from various inputs such as fund interim and monthly statements, 13F Forms, and other timely sources utilized by Factset. For US funds, data is usually updated quarterly with varying degrees of lag. However, due to agreements with asset management firms and the incorporation of press releases, Factset often provides updates more quickly. By leveraging these additional sources, Factset ensures a shorter time lag for many data points beyond the standard quarterly fund statements. Copley uses the latest published holdings for each fund and adjusts weights based on price movements between the last filing and the end of the most recent month. The typical average lag ranges from 60 to 90 days depending on the time of year.

For benchmark comparisons, we use the iShares MSCI Emerging Markets ETF, proportionally adjusted to remove any cash holdings. All Fund Flow calculations are on a best estimates basis. We use monthly position changes and month end prices to estimate the net buying and selling value for each stock within each fund in our analysis.

Calculations

Copley uses 6 key measures of fund ownership throughout our analysis. Our chart packs presents these metrics in formats such as time series, snapshots at specific points, or comparisons between two time periods.

Average Weight: The sum of all fund weights in any dimension (region, country, sector, industry, stock) divided by the total number of funds (351) in the analysis.

Average Weight vs EEM: The average weight minus the weight in the iShares MSCI Emerging Markets ETF (cash removed and weights adjusted).

Funds Invested %: The total number of funds with any exposure to a dimension divided by the total number of funds (351) in the analysis.

Funds O/W: The total number of funds with a larger weight in any dimension than the iShares MSCI Emerging Markets ETF, divided by the total number of funds (351) in the analysis.

AUM, \$: The combined AUM allocated to a particular dimension across the 351 active GEM funds in our analysis, in US Dollars

Estimate Fund Flows, \$: The difference in share quantity between 2 periods for each stock in a fund multiplied by the price. These figures are rolled up to provide aggregate fund flows across countries, sectors and stocks.

Style Classifications

Each fund is split into a Style category based on the P/E and P/B ratios of their portfolio compared to the benchmark

Aggressive Growth: At least 70% of the portfolio in stocks with a higher P/E than the iShares MSCI Emerging Markets ETF average, and at least 70% with a higher P/B ratio.

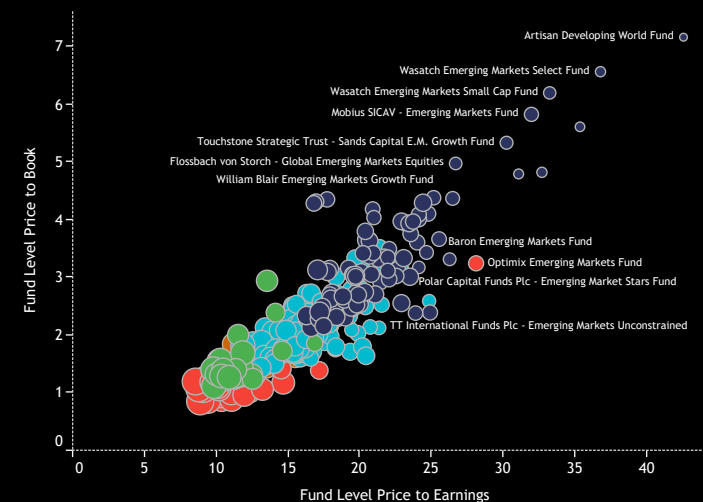
Growth: At least 50% of the portfolio in stocks with a higher P/E than the iShares MSCI Emerging Markets ETF average, and at least 50% with a higher P/B ratio.

Value: Either by the fund description, or at least 50% of the portfolio in stocks with a lower P/E ratio than the iShares MSCI Emerging Markets ETF average, and at least 50% with a lower P/B ratio

Yield: As per the fund description only (i.e Yield, Dividend, Income funds).

GARP: All other iterations that do not fit under the above classifications.

Fund P/E vs P/B
Size of Bubble = Dividend Yield



- Style
- Aggressive Growth
 - GARP
 - Growth
 - Passive
 - Value
 - Yield

Appendix 4

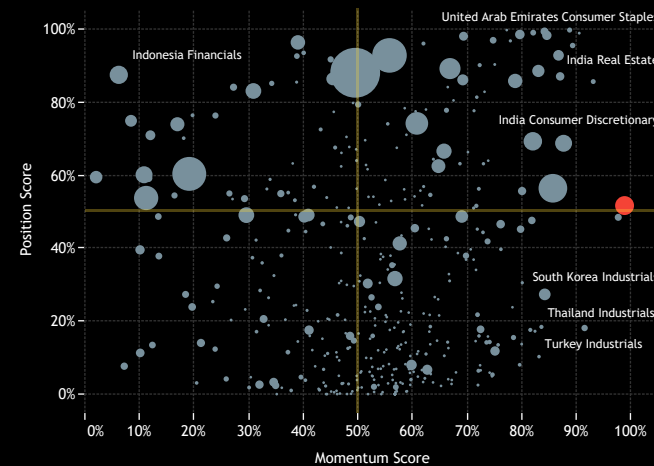
Sentiment Grid

We use the Sentiment Grid in our analysis as a way of combining long-term positioning with shorter dated manager activity across all dimensions (country, sector, stock). Here we outline the metrics that go in to the Sentiment Grid calculation.

The Y-Axis measures where today's ownership levels in each dimension sit relative to the long-term range. We calculate the Z-Score of today's average weight, funds invested % and funds o/w % relative to all monthly observations in our fund history (going back to 1/31/2008). A figure close to 100% would indicate today's positioning is close to its maximum ever level, a figure close to zero, the lowest.

The X-axis provides a measure of short-term fund activity, or 'Momentum', by looking at the changes in average weight, funds invested %, funds o/w % and the net buyers vs sellers between 1/31/2024 and 7/31/2024, relative to each dimension. A figure above 50% means a dimension has seen relative increases in ownership, a figure below 50% indicates a relative decrease in positioning. The size of the bubble represents the average weight of each dimension

Country Sentiment Grid
Momentum Measure Between 1/31/2024 - 7/31/2024





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