



Active Global Funds

Positioning Insights

September 2024

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In this month's report:

China & HK:

Record Bearish Sentiment as Stimulus Measures Announced

Health Care:

Conviction at Record Highs

MercadoLibre, Inc.:

Rising Star in Emerging Markets

Copley Fund Research

September 26, 2024

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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.

China & HK

Record Bearish Sentiment
as Stimulus Measures Announced

China & HK: Record Bearish Sentiment as Stimulus Measures Announced

China & HK allocations among Global funds have hit new lows, with 25.5% of funds avoiding the region entirely and a record 79.6% underweight versus the benchmark. In the six months leading up to recent stimulus measures, another 5.4% of funds fully exited their China & HK exposure.

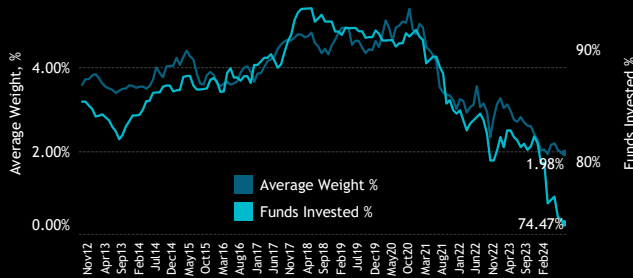
All sectors are underweight relative to the iShares ACWI ETF, with Financials and Consumer Discretionary leading the declines and most sectors at or near record-low levels of ownership.

At the stock level, Tencent and Alibaba are well below their 2020 highs, while AIA Group ownership moved lower and China Construction Bank continues its long-term decline. The more recent sell-off was driven by AIA Group, Alibaba, and Netease.

Most funds hold less than a 6% allocation to China & HK, with the higher allocations concentrated in Value and GARP strategies.

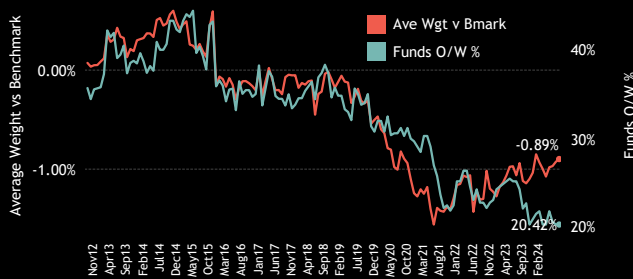
1. Average fund weights and the percentage of funds invested in China & HK hit record lows, with 25.5% avoiding exposure entirely.

China & HK: Average Fund Weight vs Benchmark Weight



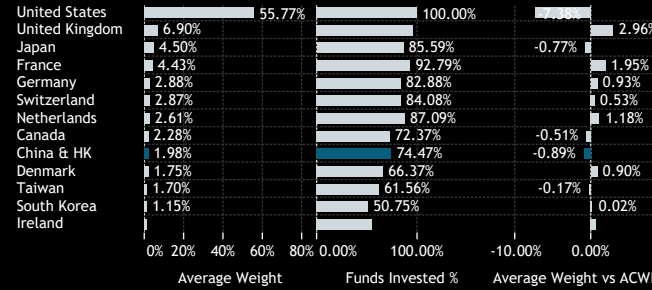
2. Versus the Benchmark, a record 79.6% of funds are underweight China & HK. Net underweight contracts as China weight decreases.

China & HK: Average Weight vs ACWI, Funds Overweight %



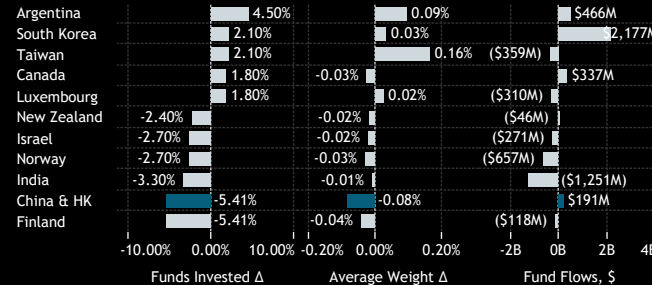
3. China & HK is the 9th largest country allocation and the 4th largest country underweight.

Average Fund Weight, Average Weight vs ACWI



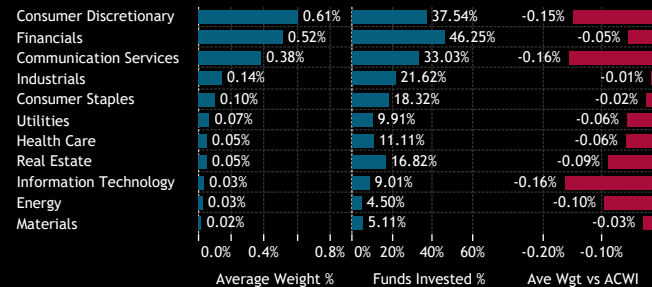
4. China & HK saw the joint largest drop in funds invested over the last 6-months across all regions.

Country: Largest Change in Funds Invested, Average Weight, Fund Flows*



5. Low investment levels across all China & HK sectors. All positioned underweight versus the iShares ACWI ETF.

China & HK: Ownership Metrics by Sector



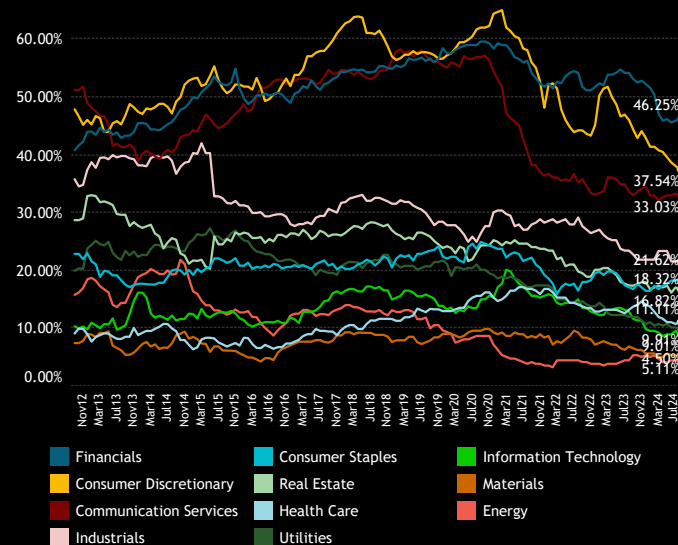
6. China & HK is at the extreme ends of the Sentiment Grid, with record low positioning and strong negative momentum.

Country Level Sentiment Grid*



7. All sectors have seen long-term ownership declines and most are at their all-time lows.

Percentage of Funds Invested: Key China & HK Sectors



Source: Factset, Copley Fund Research
* Between 2/29/2024 and 8/31/2024

China & HK: Record Bearish Sentiment as Stimulus Measures Announced

8. All key stocks at the lower end of their own positioning ranges. Alibaba sentiment nears extremes.

China & HK: Stock Level Sentiment Grid*



9. Trip Com and Hong Kong Exchanges Inflows versus AIA Group fund outflows.

China & HK: Largest Aggregate Fund Flows by Stock, \$*

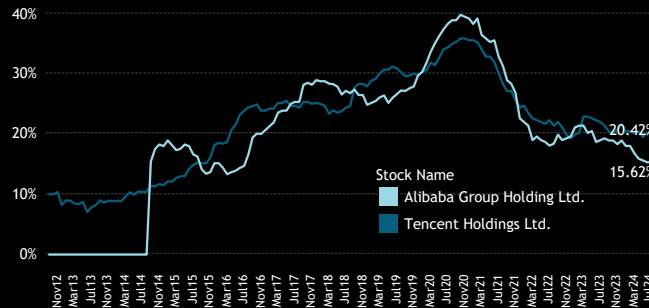


Source: Factset, Copley Fund Research

* Between 2/29/2024 and 8/31/2024

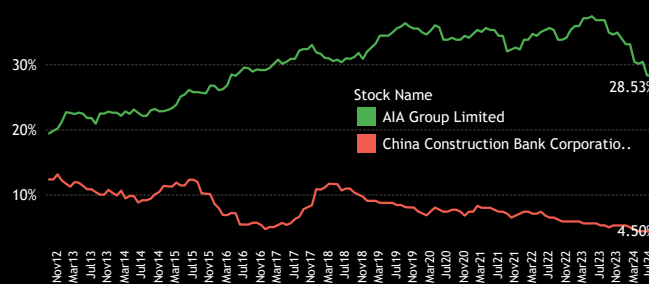
10. Tencent and Alibaba ownership well off the highs of 2020.

Percentage of Funds Invested: Alibaba Group Holding Ltd. & Tencent Holdings Ltd.



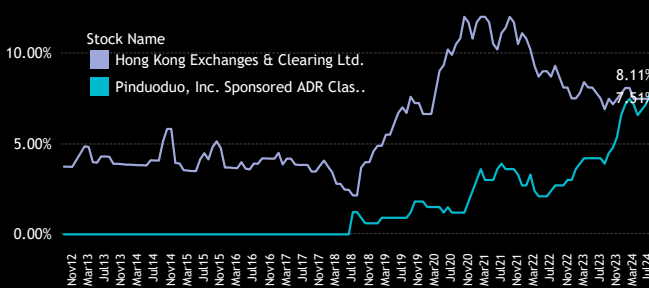
11. Falling ownership in AIA Group, long-term decline in China Construction Bank.

Percentage of Funds Invested: AIA Group vs China Construction Bank



12. Pinduoduo hits record highs, overtakes Hong Kong Exchanges.

Percentage of Funds Invested: Hong Kong Exchanges & Clearing Ltd. & Pinduoduo, Inc. Sponsored ADR Class A



13. AIA Group the most widely held stock. Only 3 stocks owned by more than 10% of funds.

China & HK: Aggregate Stock Ownership Statistics

Ticker	Stock Name	Funds Invested %	Average Weight %	Average Weight vs..	Fund AUM \$
1299-HK	AIA Group Limited	28.53%	0.32%	0.21%	\$2,905M
700-HK	Tencent Holdings Ltd.	20.42%	0.27%	-0.15%	\$2,683M
9988-HK	Alibaba Group Holding Ltd.	15.62%	0.15%	-0.07%	\$1,757M
PDD-US	Pinduoduo, Inc. Sponsored ADR Class A	8.11%	0.05%	-0.04%	\$652M
388-HK	Hong Kong Exchanges & Clearing Ltd.	7.51%	0.03%	-0.02%	\$476M
2388-HK	BOC Hong Kong (Holdings) Ltd.	7.51%	0.02%	0.00%	\$51M
NTESF-US	NetEase, Inc.	6.91%	0.05%	0.01%	\$1,005M
1-HK	CK Hutchison Holdings Ltd	6.61%	0.03%	0.01%	\$45M
3690-HK	Meituan Class B	6.31%	0.08%	-0.02%	\$1,346M
9618-HK	JD.com, Inc. Class A	5.41%	0.04%	0.00%	\$261M
6823-HK	HKT Trust and HKT Ltd	5.11%	0.02%	0.01%	\$88M
669-HK	Techtronic Industries Co., Ltd.	5.11%	0.03%	0.01%	\$727M

14. AIA Group a net overweight versus small underweights in Tencent and Alibaba.

China & HK: Top overweight and underweight positions

Ticker	Stock Name	Average Weight vs..	Funds Invested %	Average Weight %	Fund AUM \$
1299-HK	AIA Group Limited	0.21%	28.53%	0.32%	\$2,905M
288-HK	WH Group Ltd. (HK)	0.02%	4.80%	0.02%	\$38M
BGNE-US	BeiGene Ltd Sponsored ADR Class A	0.02%	1.80%	0.02%	\$638M
303-HK	VTech Holdings Limited	0.02%	2.40%	0.02%	\$17M
9961-HK	Trip Com Group Ltd	0.01%	4.80%	0.05%	\$1,922M
1398-HK	Industrial and Commercial Bank of China Ltd.	-0.04%	3.00%	0.01%	\$88M
1810-HK	Xiaomi Corp. Class B	-0.05%	1.20%	0.00%	\$17M
939-HK	China Construction Bank Corporation	-0.07%	4.50%	0.02%	\$200M
9988-HK	Alibaba Group Holding Ltd.	-0.07%	15.62%	0.15%	\$1,757M
700-HK	Tencent Holdings Ltd.	-0.15%	20.42%	0.27%	\$2,683M

15. Ownership declines across the board, led by AIA Group, Alibaba and NetEase.

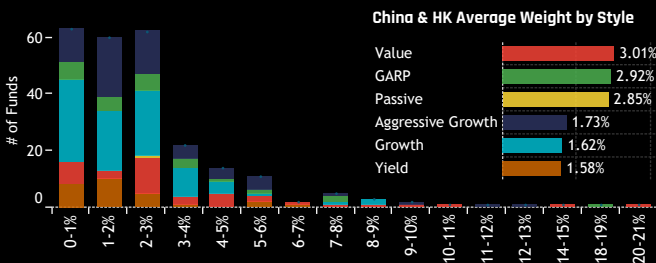
China & HK: Largest changes in stock ownership*

Ticker	Stock Name	Funds Invested %	Ave Wgt % Δ	Fund Flows, \$
H78-SG	Hongkong Land Holdings Limited	0.90%	0.00%	\$2M
780-HK	Tongcheng Travel Holdings Ltd.	0.90%	0.00%	\$2M
669-HK	Techtronic Industries Co., Ltd.	0.90%	0.00%	\$36M
PDD-US	Pinduoduo, Inc. Sponsored ADR Class A	0.60%	-0.01%	(\$151M)
MNSO-US	MINISO Group Holding Ltd. Sponsored ADR Class A	0.60%	0.00%	\$1M
9992-HK	Pop Mart International Group Ltd.	0.60%	0.00%	(\$3M)
1113-HK	CK Asset Holdings Limited	-1.50%	0.00%	(\$3M)
2015-HK	Li Auto, Inc. Class A	-1.50%	-0.01%	(\$11M)
1-HK	CK Hutchison Holdings Ltd	-1.80%	0.00%	(\$8M)
NTESF-US	NetEase, Inc.	-2.10%	-0.04%	\$113M
9988-HK	Alibaba Group Holding Ltd.	-2.40%	-0.02%	(\$35M)
1299-HK	AIA Group Limited	-4.80%	-0.07%	(\$713M)

China & HK: Record Bearish Sentiment as Stimulus Measures Announced

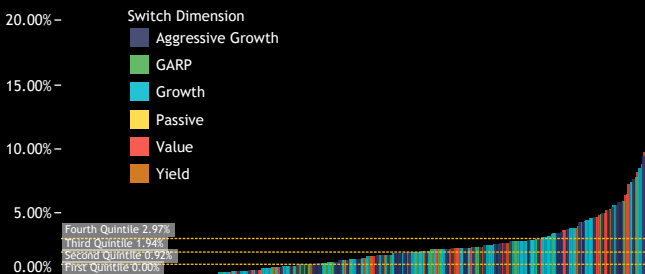
16. Almost all holders below a 6% allocation, with tail extending to 20%. Value and GARP funds overweight.

China & HK: Histogram of Fund Weights



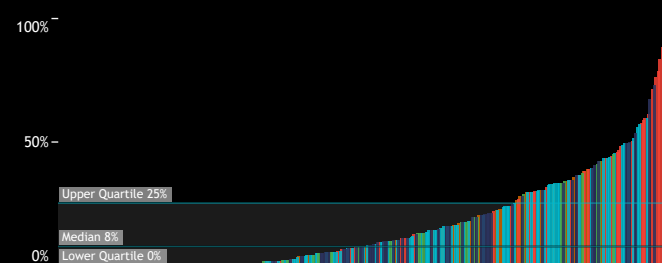
19. 80% of funds hold less than a 2..97% allocation to China & HK.

China & HK: Distribution of Fund Weights, %



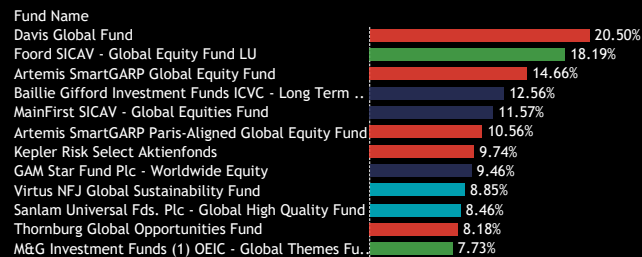
22. Most funds are at historically low China & HK weights, with 75% of funds showing a Z-score of 25% or less.

China & HK: Z-Score of Fund Allocations



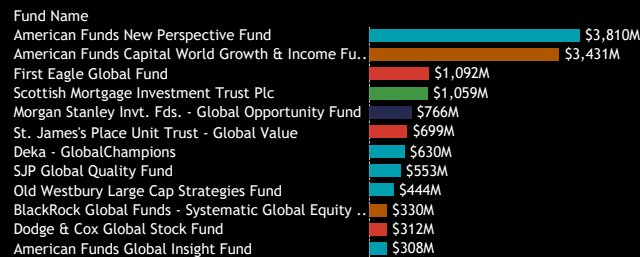
17. Value and GARP funds the top allocators, led by Davis Global and Foord.

China & HK: Top Fund Allocations, %



20. 4 funds above \$1bn, led by American Funds and First Eagle

China & HK: Top Fund Allocations, \$



23. High conviction holdings spread across a variety of names.

China & HK: Top stock Level Fund Allocations, %



Funds Invested Δ*

-5.41%

Average Weight Δ*

-0.08%

New Positions*

6

Closed Positions*

24

Funds Buying*

100

Funds Selling*

129

Estimated Net Fund Flows, \$*

\$190.8M

18. Eaton Vance, Schroders and T Rowe Close, Alger Opens.

China & HK: Largest Change in Fund Weight*



21. AIA prominent among the closures. Scottish Mortgage close Tencent.

China & HK: Top Stock-Level Fund Inflows and Outflows, *



24. Redwheel close Haier Smart Home, open WH Group, VTech Holdings.

China & HK: Largest Changes in Stock-Level Fund Weights, *



Source: Factset, Copley Fund Research

* Between 2/29/2024 and 8/31/2024



Health Care

Sentiment Falls Amidst
Switch to Underweight

Health Care: Conviction at Record Highs

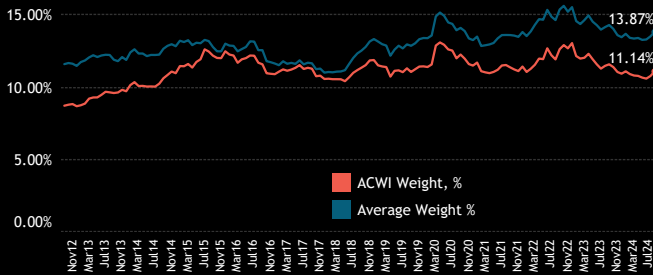
Health Care allocations have remained tightly range-bound over the last decade, but have remained a consistent overweight relative to the benchmark among Global managers. The current +2.73% overweight is near a record, with 72.4% of funds positioned ahead of their benchmarks. Health Care is now the second-largest sector allocation and the top conviction overweight among active managers.

All major countries are held overweight within the sector, with the USA well ahead and the UK pulling away from France and Switzerland. From a Style perspective, Growth strategies dominate the sector, but all styles are positioned overweight on average.

On a stock level, Novo Nordisk and AstraZeneca hit record ownership, while Pfizer falls to new lows. Eli Lilly continues to rise, with Novartis and GSK showing signs of recovery after long-term declines. High Growth funds lead are the top allocators, with LO and M&G at the forefront.

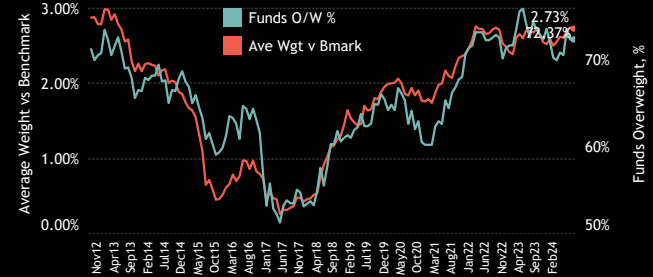
1. Health Care allocations have trended in a tight range over the last decade, with active fund weights consistently above benchmark.

Health Care: Average Fund Weight, Benchmark Weight



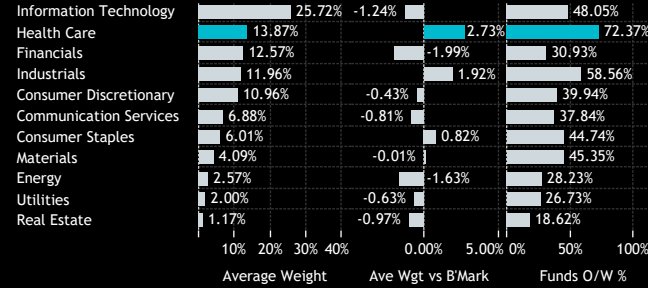
2. The current overweight of +2.73% is near the highest on record, with 72.4% of funds positioned ahead of the benchmark.

Health Care: Average Weight vs ACWI vs Funds Overweight %



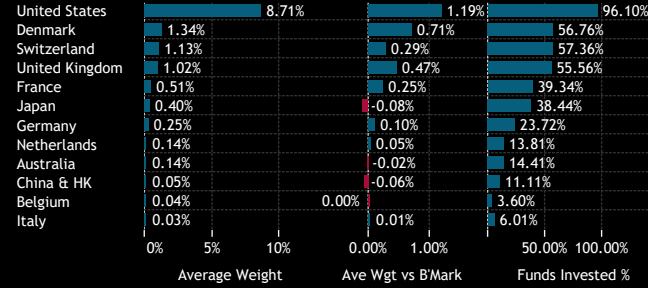
3. Health Care is the 2nd largest sector allocation, but THE conviction overweight among active managers.

Key Ownership Statistics per Sector



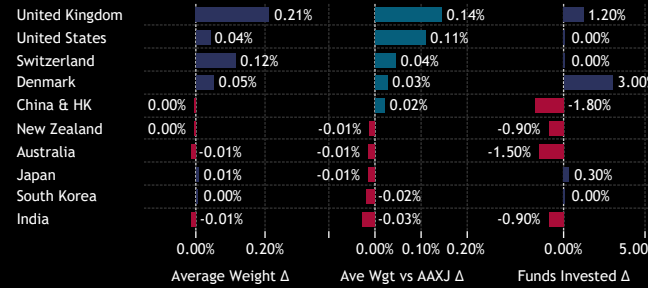
4. US Health Care is the dominant country exposure, but all major countries are held overweight the benchmark.

Health Care: Key Ownership Statistics per Country



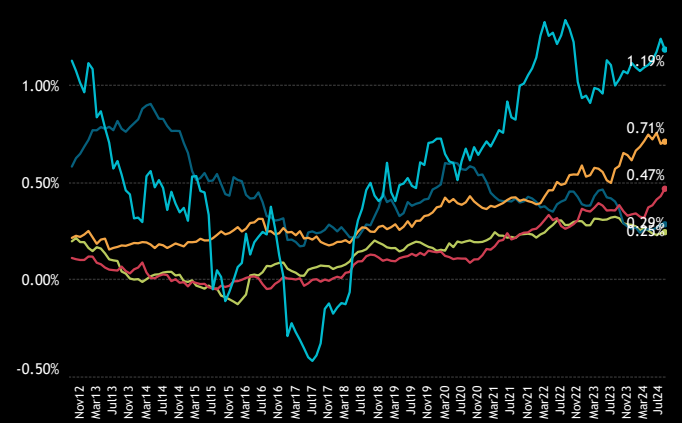
5. Country activity over the last 6-months positive for the major countries. Overweights grow in the UK and USA.

Country: Change in Ave Wgt vs AAXJ, Funds Invested.



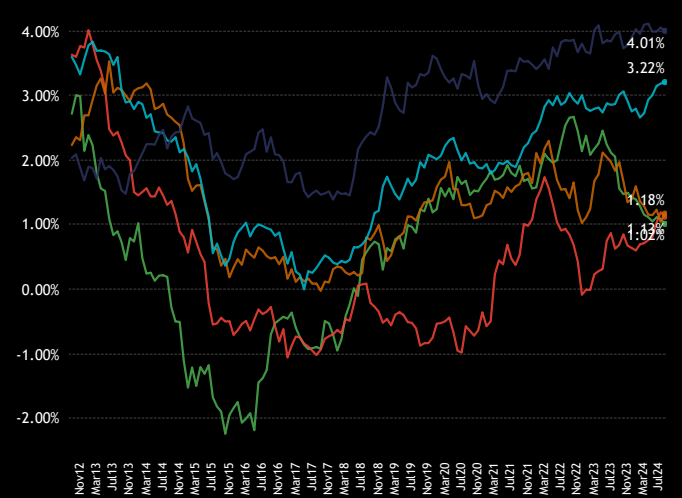
6. Most of the major nations near maximum overweights. UK Health Care breaks away from France and Switzerland.

Health Care: Key Countries - Average Weight vs ACWI



7. Clear Growth/Value divide, but all Style groups overweight the benchmark, on average.

Health Care: Average Fund Weight vs ACWI by Fund Style



Source: Factset, Copley Fund Research
* Between 2/29/2024 and 8/31/2024

Health Care: Sentiment Falls Amidst Switch to Underweight

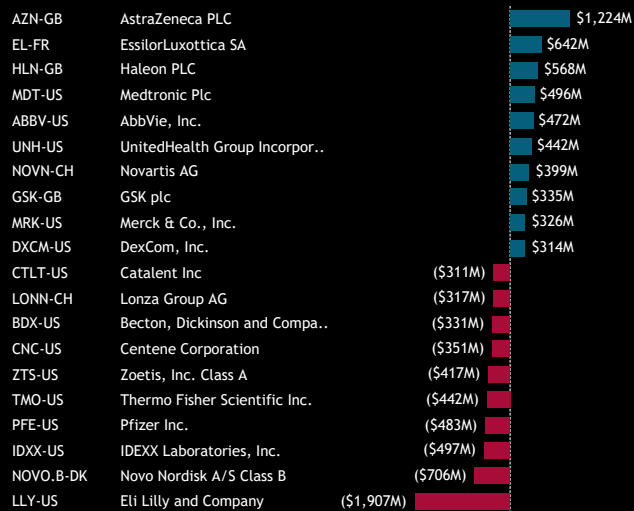
8. Strong Sentiment among the major sector names.

Health Care: Stock Level Sentiment Grid*



9. Fund inflows led by AZN, outflows by Eli Lilly.

Health Care: Largest Aggregate Fund Flows by Stock, \$*

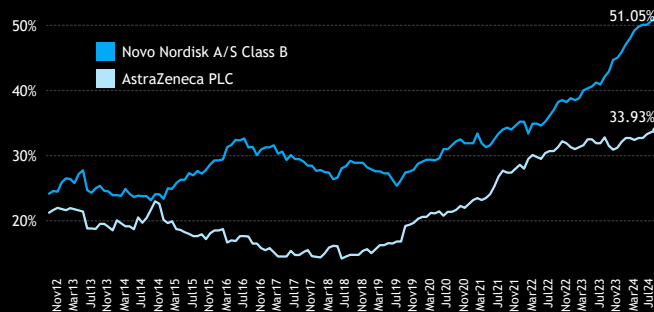


Source: Factset, Copley Fund Research

* Between 2/29/2024 and 8/31/2024

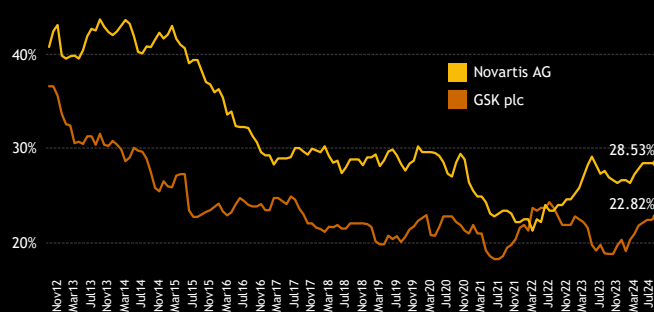
10. Fund ownership in Novo Nordisk and AstraZeneca rises to record highs.

Percentage of Funds Invested: Novo Nordisk A/S Class B & AstraZeneca PLC



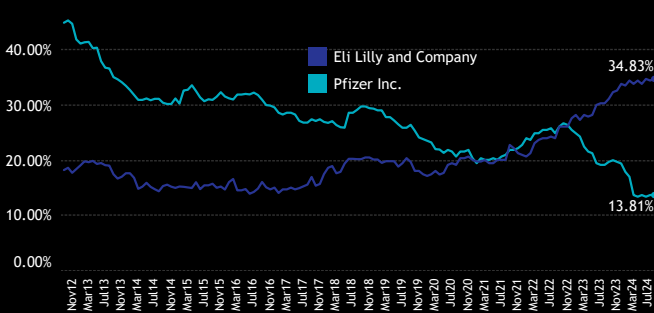
11. Novartis and GSK stage recoveries after long-term declines in ownership.

Percentage of Funds Invested: Novartis AG & GSK plc



12. Pfizer ownership hits new lows, Eli Lilly moves to new highs.

Percentage of Funds Invested: Eli Lilly and Company & Pfizer Inc.



13. Novo Nordisk the most widely held stock, 10 names held by more than a quarter of managers.

Health Care: Aggregate Stock Ownership Statistics

Ticker	Stock Name	Funds Invested %	Average Weight %	Average Weight vs..	Fund AUM \$
NOVO.B-DK	Novo Nordisk A/S Class B	51.05%	1.15%	0.58%	\$17,571M
UNH-US	UnitedHealth Group Incor..	44.44%	0.84%	0.14%	\$10,939M
TMO-US	Thermo Fisher Scientific I..	35.14%	0.61%	0.30%	\$7,052M
LLY-US	Eli Lilly and Company	34.83%	0.67%	-0.32%	\$11,688M
MRK-US	Merck & Co., Inc.	33.93%	0.39%	0.01%	\$3,651M
AZN-GB	AstraZeneca PLC	33.93%	0.52%	0.18%	\$9,567M
ROG-CH	Roche Holding Ltd Divide..	29.73%	0.36%	0.06%	\$3,980M
ABBV-US	AbbVie, Inc.	29.13%	0.32%	-0.12%	\$3,661M
NOVN-CH	Novartis AG	28.53%	0.38%	0.06%	\$4,132M
JNJ-US	Johnson & Johnson	26.43%	0.35%	-0.16%	\$3,156M
ELV-US	Elevance Health, Inc.	24.02%	0.32%	0.14%	\$3,575M
DHR-US	Danaher Corporation	23.42%	0.34%	0.10%	\$3,981M

14. Novo Nordisk and Thermo Fisher the key overweights. Eli Lilly and J&J lead the underweights.

Health Care: Top overweight and underweight positions

Ticker	Stock Name	Average Weight vs..	Funds Invested %	Average Weight %	Fund AUM \$
NOVO.B-DK	Novo Nordisk A/S Class B	0.58%	51.05%	1.15%	\$17,571M
TMO-US	Thermo Fisher Scientific I..	0.30%	35.14%	0.61%	\$7,052M
AZN-GB	AstraZeneca PLC	0.18%	33.93%	0.52%	\$9,567M
ELV-US	Elevance Health, Inc.	0.14%	24.02%	0.32%	\$3,575M
BSX-US	Boston Scientific Corpora..	0.14%	19.82%	0.28%	\$2,394M
PFE-US	Pfizer Inc.	-0.11%	13.81%	0.10%	\$698M
AMGN-US	Amgen Inc.	-0.11%	15.32%	0.11%	\$497M
ABBV-US	AbbVie, Inc.	-0.12%	29.13%	0.32%	\$3,661M
JNJ-US	Johnson & Johnson	-0.16%	26.43%	0.35%	\$3,156M
LLY-US	Eli Lilly and Company	-0.32%	34.83%	0.67%	\$11,688M

15. Rotation out of Astellas Pharma and Pfizer, in to Novo Nordisk and Galderma Group.

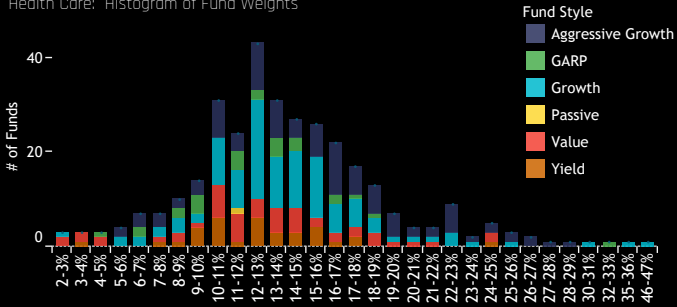
Health Care: Largest changes in stock ownership*

Ticker	Stock Name	Funds Invest..	Ave Wgt % Δ	Fund Flows, \$
NOVO.B-DK	Novo Nordisk A/S Class B	3.00%	0.06%	(\$706M)
GALD-CH	Galderma Group AG	3.00%	0.01%	\$13M
BSX-US	Boston Scientific Corporation	2.40%	0.04%	\$130M
GSK-GB	GSK plc	2.40%	0.03%	\$335M
NOVN-CH	Novartis AG	2.10%	0.07%	\$399M
COH-AU	Cochlear Limited	2.10%	0.00%	\$20M
CAH-US	Cardinal Health, Inc.	-2.40%	-0.03%	(\$23M)
EXAS-US	Exact Sciences Corporation	-2.70%	0.00%	\$15M
HUM-US	Humana Inc.	-3.00%	-0.01%	(\$97M)
AMGN-US	Amgen Inc.	-3.00%	-0.03%	(\$78M)
PFE-US	Pfizer Inc.	-3.30%	-0.01%	(\$483M)
4503-JP	Astellas Pharma Inc.	-4.20%	-0.01%	(\$67M)

Health Care: Sentiment Falls Amidst Switch to Underweight

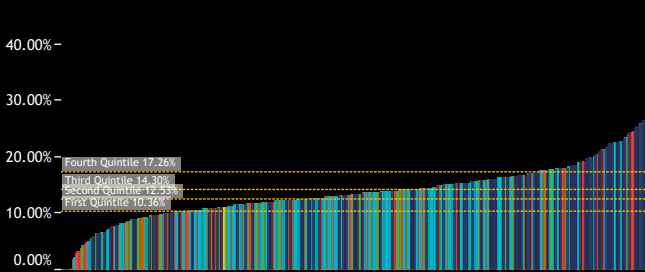
16. Core of allocations between 10% and 18%, peak above 40%.

Health Care: Histogram of Fund Weights



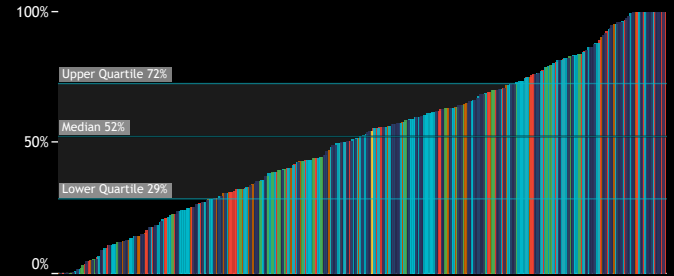
19. 80% of Global funds hold more than a 10.4% stake in Health Care

Health Care: Distribution of Fund Weights, %



22. Historical exposure well balanced across the fund spectrum.

Health Care: Z-Score of Fund Allocations



17. High Growth funds dominate the top allocators, led by LO and M&G.

Health Care: Top Fund Allocations, %

Fund Name	Allocation (%)
LO Funds - Golden Age	46.55%
M&G (Lux) Investment Funds 1 - Positive Impact Fu..	35.17%
Baillie Gifford Worldwide Funds Plc - Discovery Fund	32.40%
Acatiss Aktien Global Fonds UI	30.17%
Hermes Inv. Funds Plc - Impact Opportunities Equi..	28.12%
Fundsmith Equity Fund	27.93%
Artisan Global Opportunities Fund	26.42%
Comgest Monde	26.30%
DWS SDG Global Equities	25.91%
Comgest Growth Plc - Growth Global Flex	25.74%
FP WHEB Asset Mgmt. Fds. - Sustainability Fund	25.47%
GuardCap UCITS Funds Plc - Global Equity Fund	24.98%

20. Big allocations from American Funds, Fundsmith and Morgan Stanley.

Health Care: Top Fund Allocations, \$

Fund Name	Allocation (\$)
American Funds New Perspective Fund	\$23,246M
American Funds Capital World Growth & Income Fu..	\$17,613M
Fundsmith Equity Fund	\$9,376M
American Funds New Economy Fund	\$6,414M
Morgan Stanley Inv. Fds. - Global Brands Fund	\$5,041M
First Eagle Global Fund	\$4,932M
St. James's Place Unit Trust - Global Value	\$3,584M
UniGlobal	\$3,545M
DWS Top Dividende	\$3,233M
Old Westbury Large Cap Strategies Fund	\$2,635M
Swedbank Robur Globalfond	\$2,585M
Deka-DividendenStrategie	\$2,514M

23. Novo Nordisk dominates the list of large fund-level positions.

Health Care: Top stock Level Fund Allocations, %

Fund Name	Stock Name	Allocation (%)
Fundsmith Equity Fund	Novo Nordisk A/S Class B	10.97%
GuardCap UCITS Funds Plc - Global E..	Novo Nordisk A/S Class B	10.64%
Mundoval Fund	Novo Nordisk A/S Class B	8.67%
Comgest Monde	Eli Lilly and Company	8.43%
C Worldwide - Global Equities Ethical	Novo Nordisk A/S Class B	8.41%
C Worldwide - Global Equities	Novo Nordisk A/S Class B	8.33%
Baillie Gifford Worldwide Funds Plc -..	Alnylam Pharmaceuticals,...	8.28%
Comgest Growth Plc - Growth Global..	Eli Lilly and Company	8.24%
GuardCap UCITS Funds Plc - Global E..	EssilorLuxottica SA	8.06%
M&G (Lux) Investment Funds 1 - Posi..	Novo Nordisk A/S Class B	7.30%
GAM Funds - Disruptive Growth	Intuitive Surgical, Inc.	6.31%
Aviva Investors SICAV - Global Equity..	UnitedHealth Group Incor..	6.09%

Funds Invested Δ*

Average Weight Δ*

New Positions*

Closed Positions*

Funds Buying*

Funds Selling*

Estimated Net Fund Flows, \$*

-0.30%

0.40%

0

1

121

168

(\$1,112.9M)

18. Fairly even mix of buying and selling across the fund universe.

Health Care: Largest Change in Fund Weight*

Fund Name	New or..	Change (%)
Morgan Stanley Inv. Fds. - Global Endurance..	New	8.83%
Templeton Growth Fund, Inc.	New	8.12%
Guinness Atkinson Global Innovators Fund	New	6.19%
CT (Lux) - Global Focus Fund	New	5.40%
FTIF SICAV - Growth (Euro) Fund	New	5.40%
Fidelity Inv. Trust - Worldwide Fund	New	5.33%
Sarasin Funds ICVC - Thematic Global Equity	New	5.09%
DWS Invest - CROCI Global Dividends	New	4.61%
Sands Capital Funds Plc - Global Growth Fund	New	-3.90%
Artemis SmartGARP Paris-Aligned Global Equ..	New	-4.01%
BlackRock Global Funds - Systematic Global ..	New	-4.23%
AB SICAV I - Concentrated Global Equity Port..	New	-4.34%
Fonditalia - Equity Global High Dividend	New	-4.49%
Ariel Global Fund	New	-4.60%
Uninachhaltig Aktien Global	New	-5.12%
FTIF SICAV - Franklin Global Growth Fund	New	-5.63%

21. New positions in UnitedHealth and Haleon by MS Global Brands.

Health Care: Top Stock-Level Fund Inflows and Outflows, *

Fund Name	Stock Name	New or..	Change (\$)
Morgan Stanley Inv. Fds. - Global..	UnitedHealth Group I..	New	\$783M
American Funds New Perspective ..	EsilorLuxottica SA	New	\$425M
Morgan Stanley Inv. Fds. - Global..	Haleon PLC	New	\$412M
American Funds New Perspective ..	Regeneron Pharmace..	New	\$404M
American Funds New Perspective ..	AstraZeneca PLC	New	\$347M
UniGlobal	Danaher Corporation	New	\$312M
Templeton Growth Fund, Inc.	AstraZeneca PLC	New	\$312M
FTIF SICAV - Growth (Euro) Fund	AstraZeneca PLC	New	\$301M
American Funds Capital World Gr..	UnitedHealth Group I..	Close	(\$355M)
American Funds Capital World Gr..	Thermo Fisher Scient..	Close	(\$448M)
American Funds Capital World Gr..	Eli Lilly and Company	Close	(\$487M)
American Funds New Perspective ..	IDEXX Laboratories, I..	Close	(\$500M)
Morgan Stanley Inv. Fds. - Global..	Danaher Corporation	Close	(\$539M)
American Funds New Perspective ..	Zoetis, Inc. Class A	Close	(\$564M)
American Funds New Perspective ..	Novo Nordisk A/S Cla..	Close	(\$961M)
American Funds New Perspective ..	Eli Lilly and Company	Close	(\$1,022M)

24. Rotation across many key names in the sector.

Health Care: Largest Changes in Stock-Level Fund Weights, *

Fund Name	Stock Name	New or..	Change (%)
Morgan Stanley Inv. Fds. - Global ..	HCA Healthcare Inc	New	4.93%
Ninety One Glb. Strat. Fd. - Globa..	Johnson & Johnson	New	4.13%
Templeton Growth Fund, Inc.	AstraZeneca PLC	New	4.12%
Morgan Stanley Inv. Fds. - Global ..	UnitedHealth Group I..	New	4.11%
FTIF SICAV - Growth (Euro) Fund	AstraZeneca PLC	New	3.97%
GAM Star Fund Plc - Worldwide Eq..	Novo Nordisk A/S Cla..	New	3.87%
Wasatch Global Value Fund	Quest Diagnostics Inc..	New	3.67%
Davis Global Fund	Humana Inc.	New	3.67%
Virtus NFI Global Sustainability Fu..	bioMerieux SA	Close	-3.13%
AB SICAV I - Concentrated Global ..	Abbott Laboratories	Close	-3.26%
Artisan Global Discovery Fund	Boston Scientific Cor..	Close	-3.26%
Swedbank Robur Globalfond	Centene Corporation	Close	-3.53%
Artisan Global Equity Fund	Cigna Corporation	Close	-3.71%
SVS Aubrey Capital Mgmt. Inv. Fu..	Apollo Hospitals Ente..	Close	-3.72%
Danske Invest Global Sustainable F..	Eli Lilly and Company	Close	-4.08%
Danske Invest Global Sustainable F..	Novo Nordisk A/S Cla..	Close	-4.78%

Source: Factset, Copley Fund Research

* Between 2/29/2024 and 8/31/2024



MercadoLibre, Inc.
Rising Star in Emerging Markets

MercadoLibre, Inc.: Rising Star in Emerging Markets

MercadoLibre continues its climb, hitting new highs in both Average Weight (0.4%) and Funds Invested (23.42%). Consistent inflows since 2020 have pushed it to become the 5th most widely held stock among EM investors.

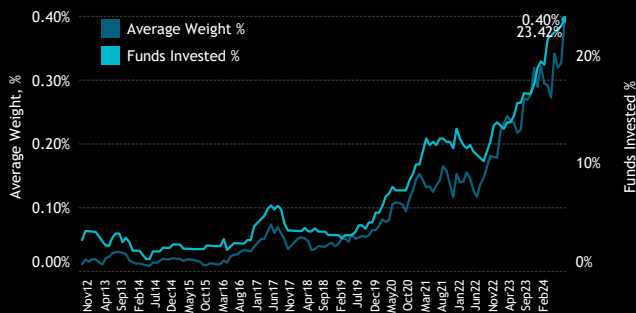
In the last six months, 4.2% of funds have added MercadoLibre to their portfolios, while key EM holdings HDFC Bank and AIA Group have seen declining ownership. Growth investors are leading the charge, while Value funds remain largely on the sidelines.

Most fund-level positions are small at under 1%, but a few extend to over 10%, with Growth and Aggressive Growth strategies dominating, led by Baron Global Advantage and Baillie Gifford Positive Change.

Notably, 20 new positions have been opened over the last 6-months, with Goldman Sachs Global Impact Opportunities and Fidelity Special Situations among the fresh buyers, against only 6 closures.

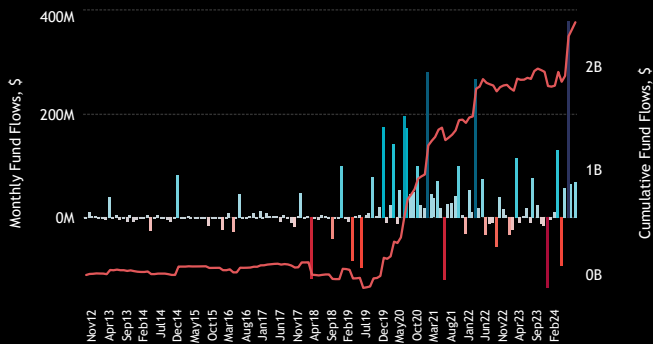
1. MercadoLibre prints new highs in Average Weight and Funds Invested

MercadoLibre, Inc.: Average Fund Weight vs Funds Invested



2. Consistent fund inflows from 2020 onwards

MercadoLibre, Inc.: Monthly Fund Flows vs Cumulative Fund Flows, \$



Source: Factset, Copley Fund Research
* Between 2/29/2024 and 8/31/2024

3. MercadoLibre rises to the 5th most widely held stock in EM.

Emerging & Frontier: Aggregate Stock Ownership Statistics

Ticker	Stock Name	Funds Invested %	Average Weight %	Average Weight v..	Fund AUM \$
2330-TW	Taiwan Semiconductor Manuf..	56.16%	1.40%	0.48%	\$21,178M
005930-KR	Samsung Electronics Co., Ltd.	31.83%	0.43%	0.09%	\$5,296M
1299-HK	AIA Group Limited	28.53%	0.32%	0.21%	\$2,905M
500180-IN	HDFC Bank Limited	23.72%	0.40%	0.33%	\$3,054M
MELI-US	MercadoLibre, Inc.	23.42%	0.40%	0.26%	\$6,140M
700-HK	Tencent Holdings Ltd.	20.42%	0.27%	-0.15%	\$2,683M
9988-HK	Alibaba Group Holding Ltd.	15.62%	0.15%	-0.07%	\$1,757M
005935-KR	Samsung Electronics Co Ltd P..	9.31%	0.12%	0.08%	\$873M
BBRI-ID	PT Bank Rakyat Indonesia (Pe..	8.41%	0.12%	0.08%	\$703M
PDD-US	Pinduoduo, Inc. Sponsored A..	8.11%	0.05%	-0.04%	\$652M
388-HK	Hong Kong Exchanges & Clear..	7.51%	0.03%	-0.02%	\$476M
2454-TW	MediaTek Inc	7.51%	0.05%	-0.02%	\$859M
2388-HK	BOC Hong Kong (Holdings) Li..	7.51%	0.02%	0.00%	\$51M

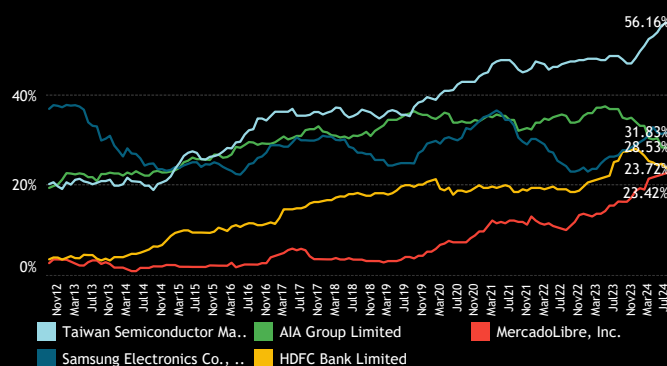
4. An additional 4.2% of funds opened positions in MercadoLibre over the last 6-months.

Emerging & Frontier: Largest changes in stock ownership*

Ticker	Stock Name	Funds Invested % Δ	Ave Wgt % Δ	Fund Flows, \$
2330-TW	Taiwan Semiconductor Manuf..	5.11%	0.19%	(\$295M)
MELI-US	MercadoLibre, Inc.	4.20%	0.10%	\$610M
000660-KR	SK hynix Inc.	2.10%	0.00%	\$433M
005930-KR	Samsung Electronics Co., Ltd.	1.50%	-0.01%	\$1,018M
SIMO-US	Silicon Motion Technology Co..	1.20%	0.00%	\$1M
H78-SG	Hongkong Land Holdings Limi..	0.90%	0.00%	\$2M
780-HK	Tongcheng Travel Holdings Li..	0.90%	0.00%	\$2M
NTESF-US	NetEase, Inc.	-2.10%	-0.04%	\$113M
BBRI-ID	PT Bank Rakyat Indonesia (Pe..	-2.10%	-0.03%	\$132M
006400-KR	Samsung SDI Co., Ltd	-2.10%	-0.02%	(\$132M)
9988-HK	Alibaba Group Holding Ltd.	-2.40%	-0.02%	(\$35M)
500180-IN	HDFC Bank Limited	-3.00%	0.00%	(\$587M)
1299-HK	AIA Group Limited	-4.80%	-0.07%	(\$713M)

5. MercadoLibre closes in on HDFC Bank and AIA Group, with both seeing ownership levels decline in recent months.

Top 5 EM Stocks: Funds Invested %



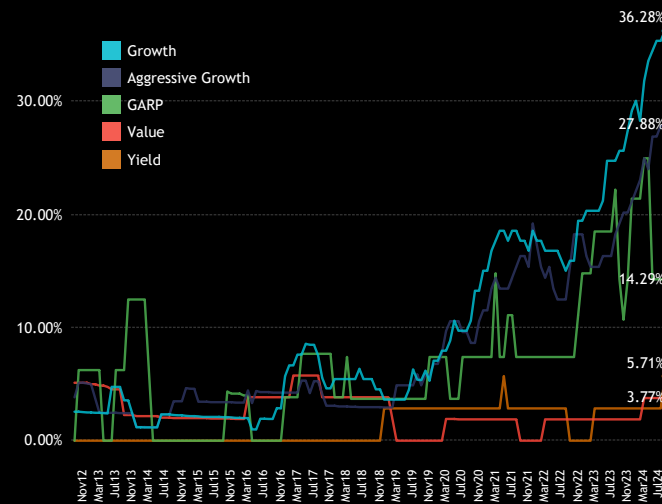
6. Extreme positive momentum and record positioning pin MercadoLibre to the upper right hand quadrant of the Sentiment Grid.

Emerging & Frontier: Stock Level Sentiment Grid*



7. Growth investors have been the driving force behind the moves higher, with Value funds showing little appetite.

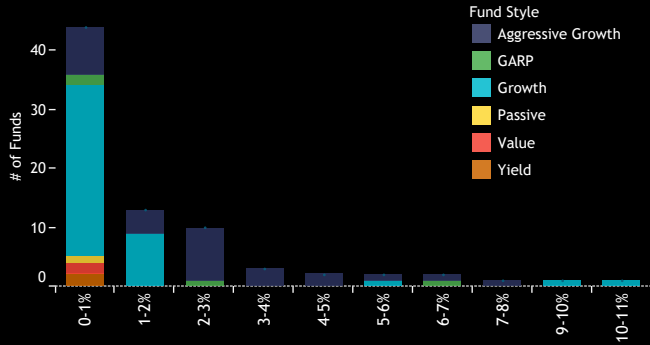
MercadoLibre, Inc.: Percentage of Funds Invested by Fund Style



MercadoLibre, Inc.: Rising Star in Emerging Markets

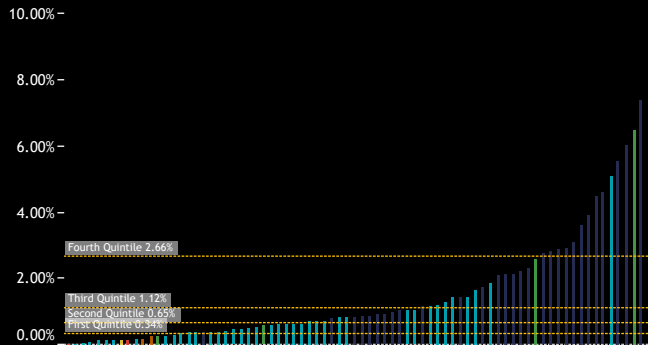
8. Most investors hold a sub 1% allocation, but the the upside tail extends to beyond 10%.

MercadoLibre, Inc.: Histogram of Fund Weights



9. 60% of the investor base holds a sub 1.12% allocation to MercadoLibre.

MercadoLibre, Inc.: Distribution of Fund Weights, %



10. Those that hold MercadoLibre are at or close to their maximum ever allocations.

MercadoLibre, Inc.: Z-Score of Fund Allocations



Funds Invested Δ*	Average Weight Δ*	# New Positions*	# Closed Positions*	# Funds Buying*	# Funds Selling*	Estimated Net Fund Flows, \$*
4.20%	0.10%	20	6	44	30	\$610.1M

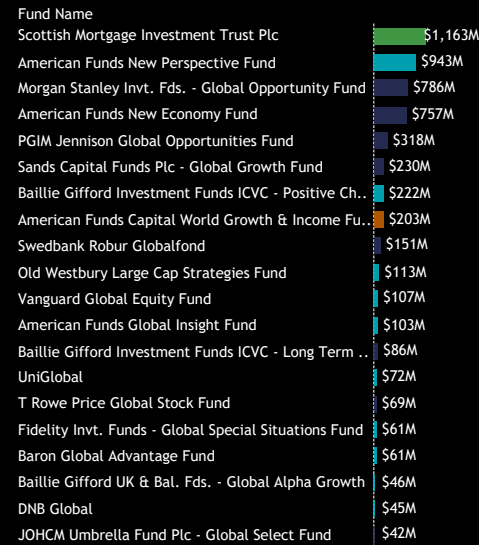
11. Growth and Aggressive Growth dominate the top holders, let by Baron and Baillie Gifford.

MercadoLibre, Inc.: Top Fund Allocations, %



12. 4 funds have over \$500m invested in MercadoLibre.

MercadoLibre, Inc.: Top Fund Allocations, \$



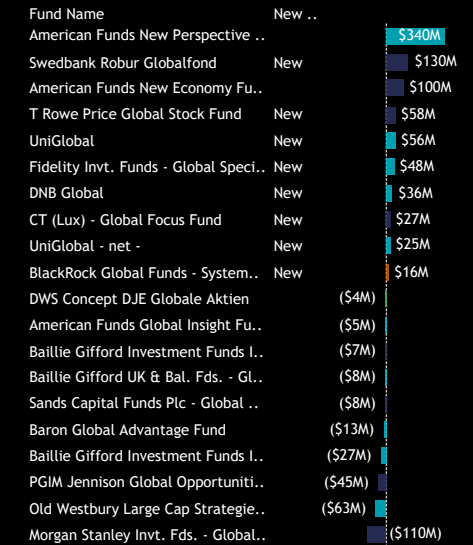
13. 20 new positions versus 6 closures. Goldman Sachs and Fidelity among the new investors.

MercadoLibre, Inc.: Largest Change in Fund Weight*



14. A net \$610m of fund inflows, led by American Funds, Swedbank and T Rowe Price..

MercadoLibre, Inc.: Top Fund Inflows and Outflows, *



Source: Factset, Copley Fund Research

* Between 2/29/2024 and 8/31/2024



Appendix 1

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 SPDR MSCI ACWI UCITS 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.



Appendix 2

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 (333) in the analysis.

Funds O/W: The total number of funds with a larger weight in any dimension than the SPDR MSCI ACWI UCITS ETF, divided by the total number of funds (333) in the analysis.

Average Weight vs ACWI: The average weight minus the weight in the SPDR MSCI ACWI UCITS ETF (cash removed and weights adjusted).

AUM, \$: The combined AUM allocated to a particular dimension across the 333 active Global funds in our analysis, in US Dollars

Funds Invested %: The total number of funds with any exposure to a dimension divided by the total number of funds (333) in the analysis.

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 SPDR MSCI ACWI UCITS ETF average, and at least 70% with a higher P/B ratio.

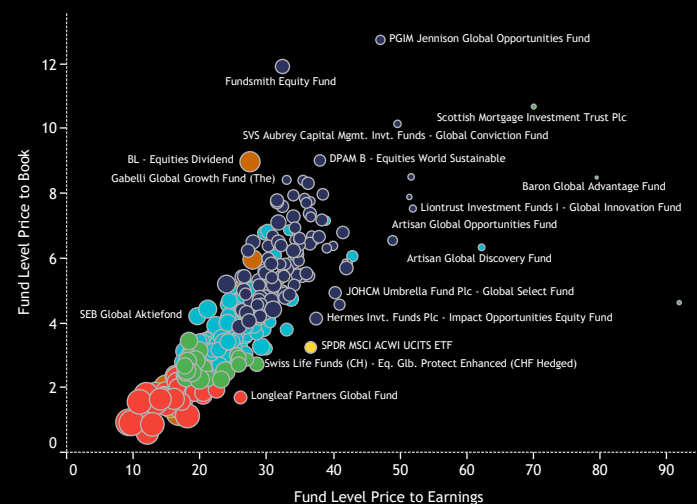
Growth: At least 50% of the portfolio in stocks with a higher P/E than the SPDR MSCI ACWI UCITS ETF average, and at least 50% with a higher P/B ratio.

Value: Either by the fund description, or at least 50% of the portfolio in stocks with a lower P/E ratio than the SPDR MSCI ACWI UCITS 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

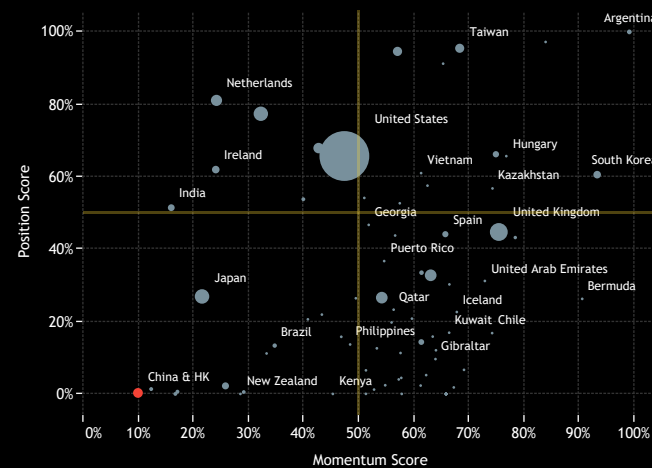
Sentiment Grid

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 9/30/2012). 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 2/29/2024 and 8/31/2024, 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 2/29/2024 - 8/31/2024





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