



Fund Flash

Nordea 1 - Stable Emerging Markets Equity Fund

ISIN: LU0634510886 (BP-USD)

The objective of the fund is to invest in stable emerging markets companies to outperform the market over a full market cycle with roughly two-thirds the volatility of the MSCI Emerging Markets Index¹.

Portfolio Comment as of 30/09/2019

Emerging markets equities had a positive performance in September. The best performing sectors were Information Technology, Energy and Industrials while the worst performing sectors were Healthcare, Consumer Discretionary and Utilities.

In this context, the fund delivered a positive return of +1.9% over the month and it now accumulates a performance of -2.49% YTD (BP-USD).

The implicit sector allocation had a negative attribution effect during the month of September, but this was almost offset by the positive stock selection attribution.

- Asset Allocation: the implicit underweight to Consumer Discretionary as well as the overweight to Industrials delivered the most positive performance attributions. Meanwhile, the implicit overweight to Utilities and Healthcare as well as the implicit underweight to Energy contributed negatively to relative performance.

-Stock selection related to Consumer Discretionary and Financials had the largest positive attribution effect whereas stock selection related to Industrials and Information Technology attributed the most negative.

Regarding the portfolio positioning:

Compared to the MSCI Emerging Markets Index, the portfolio is implicitly overweight in Industrials, Utilities and Healthcare and implicitly underweight in Energy, Consumer Discretionary and Materials.

Our portfolio management team remains true to their investment philosophy and is still very confident in their current portfolio holdings. The underlying quality of our stocks and the attractive valuations from both an absolute and relative perspective compared to the overall market support this view. On top of that, it is important to highlight the high valuation discount of our stocks that has built up a lot of value over the last years, and we are confident that this will support our Stable Emerging Markets Equities going forward. In a market scenario where there continues to be a lot of uncertainties, like the growth outlook, Central Bank interventions and trade war concerns, it is our belief that a conservative equity solution such as the Stable Emerging Markets Equities offers qualities well fit to face such surroundings.

Top 3 Holdings	ISIN	%	Cumulative Performance ²	1M	YTD	3 years
Samsung Electronics	KR7005930003	4.00	Fund ³	1.90%	-2.49%	0.17%
Hyundai Mobis	KR7012330007	3.21				
SK Telecom	KR7017670001	3.05				

1) There can be no warranty that investment objectives, targeted returns and results of an investment structure are achieved. 2) The performance represented is historical; past performance is not a reliable indicator of future results and investors may not recover the full amount invested. The value of shares can greatly fluctuate as a result of the sub-fund's investment policy and cannot be ensured, you could lose some or all of your invested money. 3) Nordea 1 - Stable Emerging Markets Equity Fund (BP-USD).

Source (unless otherwise stated): Nordea Investment Funds S.A. Period under consideration (unless otherwise stated): 30/08/2019 to 30/09/2019. Performance calculated NAV to NAV (net of fees and Luxembourg taxes) in the currency of the respective share class, gross income and dividends reinvested, excluding initial and exit charges as per 30/09/2019.

Initial and exit charges could affect the value of the performance. **The performance represented is historical; past performance is not a reliable indicator of future results and investors may not recover the full amount invested. The value of shares can greatly fluctuate as a result of the sub-fund's investment policy and cannot be ensured, you could lose some or all of your invested money.** If the currency of the respective share class differs from the currency of the country where the investor resides the represented performance might vary due to currency fluctuations. The sub-funds mentioned are part of Nordea 1, SICAV, an open-ended Luxembourg-based investment company (Société d'Investissement à Capital Variable), validly formed and existing in accordance with the laws of Luxembourg and with European Council Directive 2009/65/EC of 13 July 2009. **This document is advertising material** and does not disclose all relevant information concerning the presented sub-funds. 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A hard copy of the above-mentioned fund documentation is also available from here. **Additional information for investors in Austria:** The Information and Paying Agent in Austria is Erste Bank der österreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna, Austria. **Additional information for investors in the Netherlands:** Nordea 1, SICAV is a Luxembourg Undertaking for Collective Investment in Transferable Securities (UCITS) registered in the Netherlands in the register kept by the AFM, and as such is allowed to offer its shares in the Netherlands. The AFM register can be consulted via www.afm.nl/register. **Additional information for investors in France:** With the authorisation of the AMF the shares of the sub-funds of Nordea 1, SICAV may be distributed in France. Centralising Correspondent in France is CACEIS Bank, located at 1-3, place Valhubert, FR-75206 Paris cedex, France. **Investors are advised to conduct thorough research before making any investment decision. 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A hard copy of the above-mentioned fund documentation is available here. **Additional information for investors in Norway:** The Paying Agent is Nordea Bank Abp, filial i Norge, Essendrops gate 7, Postboks 1166 Sentrum, NO-0107 Oslo, Norway. The Representative Agent is Nordea Funds Ltd., Norwegian Branch, Essendrops gate 7, Postboks 1166 Sentrum, NO-0107 Oslo, Norway. **Additional information for investors in Finland:** The Paying Agent is Nordea Bank Abp, Satamaradankatu 5, FI-00020, Helsinki, Finland. 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