

# Global Emerging Markets Equity

2nd Quarter, 2010

## Investment Strategy Objective

RCM's Global Emerging Markets strategy aims to achieve long-term capital growth through investment in the shares of companies that are either domiciled in emerging markets or that generate a major proportion of their earnings there. To achieve this objective bottom-up security selection is combined with country allocation and a benchmark optimisation risk control process designed to maximise returns and reduce volatility.

## RCM Philosophy

Based on the belief that by generating and exploiting an information advantage we seek to drive superior and consistent investment results for the benefit of our clients - a philosophy we call RCM informed. This perspective enables us to identify what we believe are winning companies with high quality franchises. Our investment professionals, working in a team-orientated meritocracy, focus on constructing portfolios offering attractive risk-adjusted returns.

## Investment Process

- The team's goal is to build integrated portfolios on a bottom-up basis, comprising the best companies in emerging markets.
- In addition to bottom-up stock selection, the team utilises a country scoring system to provide top-down country allocation and incorporates macro and equity market indicators for 24 countries.
- Working in a team-oriented meritocracy, our investment professionals focus on constructing portfolios offering attractive risk-adjusted returns.

## The RCM Advantage

- Global investment infrastructure.
- Innovative proprietary research platform generating bottom-up stock selection:
  - Over 60 sector-based fundamental analysts.
  - Grassroots® Research with a network of circa 300 independent journalists and field force researchers, with over 50,000 industry contacts.\*
- A boutique culture offering dedicated business professionals engaging with clients proactively and dynamically in partnership.

## Product Profile

Number of Accounts:	5
Product Assets:	US\$720 million
Years Managed:	8
Benchmark:	MSCI Emerging Markets Total Return

## Key Investment Professionals\*\*



**Michael Konstantinov**

Head of Global Emerging Markets Team,  
Lead Portfolio Manager

Joined Firm: 1991

Investment Career Began: 1991



**Alexandra Richter**

Portfolio Manager, Central & Eastern Europe

Joined Firm: 1991

Investment Career Began: 1989



**Andrea Szabo-Kelly**

Senior Portfolio Manager, Emerging Europe

Joined Firm: 2003

Investment Career Began: 1992



**Guido Stiel**

Senior Portfolio Manager, Asia

Joined Firm: 2008

Investment Career Began: 1994



**Dilek Capanoglu**

Portfolio Manager, Global Emerging Markets Islamic

Joined Firm: 2007

Investment Career Began: 1996



**Thomas Orthen**

Portfolio Management Associate, LatAm, South Africa

Joined Firm: 2005

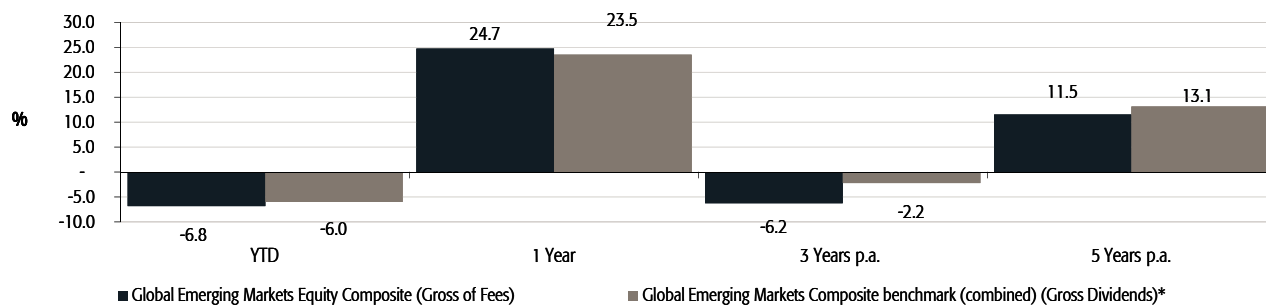
Investment Career Began: 2005

\* Grassroots® Research is a division of RCM. Research data, used by Grassroots® Research to generate recommendations, are received from reporters and field force investigators who work as independent contractors for broker-dealers.

\*\* Strategy is managed on a team basis, with a lead Portfolio Manager named for accountability.

# Global Emerging Markets Equity, 2nd Quarter, 2010

## Performance (Gross of Fees in USD)



Source: RCM, as at 30 June 2010, USD

\* Until June 2005, the Global Emerging Markets Equity Composite was managed against a strategic benchmark.

## Representative Account

### Characteristics

Beta	1.01
P/E (Next 12 Months)	11.0x
Earnings Growth (Next 3-5 Years)	19.2%
P/E (Next 12 Months) to Growth	0.57x
Weighted Average Market Cap	US\$40.6 billion
Number of Holdings	80

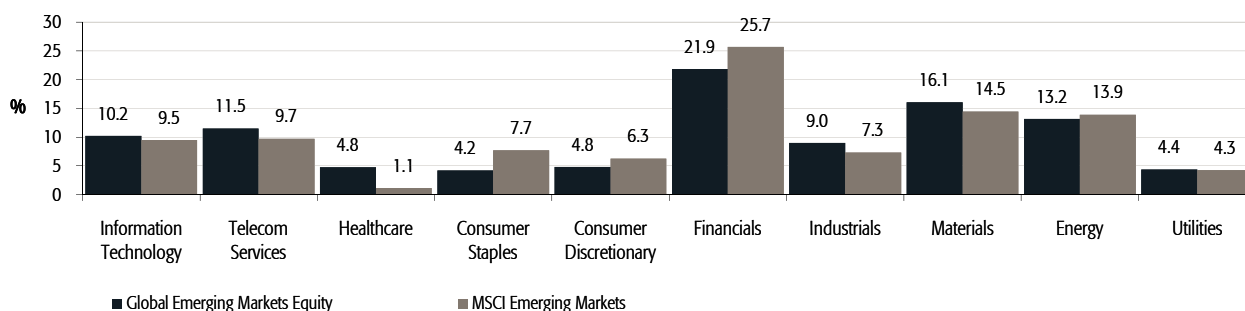
Source: RCM, as at 30 June 2010

### Top Ten Holdings

China Mobile Ltd	2.6%
Aggregated Fixed Income	2.6%
HDFC Bank Ltd	2.5%
Samsung Electronics Co., Ltd.	2.5%
Petroleo Brasileiro SA	2.4%
Infosys Technologies Ltd	2.1%
Reliance Industries Ltd 144A	2.1%
China Construction Bank Corp	2.0%
America Movil SAB de CV	2.0%
China Overseas Land & Investment Ltd	1.9%

Source: RCM, as at 30 June 2010

### Sector Composition (% of Portfolio and Benchmark)



Source: RCM, as at 30 June 2010

Past performance is not a reliable indicator of future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

For purposes of compliance with GIPS the "firm" is defined as RCM ("RCM"), a global investment advisory organization, consisting of several affiliated firms, which operates under the brand name RCM. The affiliated firms that comprise the Firm include, among others, RCM Europe ("RCM Europe"). RCM Europe presents the Global Emerging Markets Equity investment strategy in Europe, which seeks to generate positive returns over a full market cycle by investing primarily in emerging markets companies that possess superior management, strong balance sheets, differentiated products or services, substantial unit growth, strong commitments to research and development, and a steady stream of new products or services. RCM Europe claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of RCM Europe's composites and/or a presentation that adheres to the GIPS® standards, please call +44 (0) 20 78 59 90 00, or write to RCM (UK) Ltd, 155 Bishopsgate, London EC2M 3AD.

The Representative Account information is for illustrative purposes only. Portfolio holdings are subject to change without notice and should not be considered a recommendation to purchase or sell individual securities. The information is for the sole use of the addressee, who it is believed are professional clients as defined by the Financial Services Authority.

Issued by RCM (UK) Ltd, 155 Bishopsgate, London, EC2M 3AD. Telephone +44(0) 207 859 9000. Authorised and regulated by the Financial Services Authority.