

# BNY Mellon Global Emerging Markets Fund

Emerging markets: doomsday or entry point?

Managed by



Rob Marshall-Lee  
Portfolio Manager, Emerging and Asian Equity Team, Newton, part of BNY Mellon

October 2018

*For Professional Clients only.  
Any views and opinions are those of the investment manager, unless otherwise noted.*

# BNY Mellon Investment Management

- Total AUM US\$1.8 trillion<sup>1</sup>
- Institutional grade investment management, innovation and market leading intelligence
- Each investment manager has its own proprietary investment processes
  - No 'house view' is imposed: there is no overall Chief Investment Officer
  - Each investment manager retains complete investment autonomy
- An entrepreneurial, focused approach is encouraged
  - Each investment manager focuses on investment management
- A great breadth and depth of expertise in every major asset class and sector
  - More than 275 institutional investment management product offerings












**A multi-boutique investment management model encompassing investment skills of world class specialist investment managers**

1. As at 30 June 2018.

# BNY Mellon Investment Management

Delivering investment excellence through our multi-boutique model

## Our world-class specialist investment managers:

Total AUM: US\$1.8 trillion			
 <p>Global sub-investment grade debt <b>AUM: US\$31.7bn</b></p>	 <p>Brazilian multi-strategy, long/short, long-only and fixed income <b>AUM: US\$2.5bn</b></p>	 <p>Money markets <b>AUM: US\$213.8bn</b></p>	 <p>Fund of hedge funds / non-proprietary manager of managers <b>AUM: US\$3.9bn</b></p>
 <p>LDI, fixed income, absolute return, specialist equity <b>AUM: US\$794.1bn</b></p>	 <p>Active equity and bonds, multi-asset, real return and income <b>AUM: US\$67.1bn</b></p>	 <p>Multi-strategy private equity investing; direct investment and fund-of-funds <b>AUM: US\$13.2bn</b></p>	 <p>Active global equity <b>AUM: US\$66.3bn</b></p>
 <p>Fundamental active fixed income and credit <b>AUM: US\$137.0bn</b></p>	 <p>Fundamentals-based systematic investing; index and multi-asset &amp; multi-factor solutions <b>AUM: US\$363.4bn</b></p>	 <p>Research-driven global active equity, across styles, market capitalisations and regions <b>AUM: US\$49.4bn</b></p>	

Investment Managers are appointed by BNY Mellon Investment Management EMEA Limited (BNYMIM EMEA) or affiliated fund operating companies to undertake portfolio management activities in relation to contracts for products and services entered into by clients with BNYMIM EMEA or the BNY Mellon funds.

Total AUM has been provided by BNY Mellon Finance as at 30 June 2018 and includes the asset managers outlined in this file, with the exception of Siguler Guff, as well as The Dreyfus Corporation, BNY Mellon Wealth Management and external data. Individual AUMs provided by respective investment managers as at 30 June 2018, unless otherwise stated. 1. A division of The Dreyfus Corporation. 2. Minority Owned. 3. Standish, Mellon Capital and The Boston Company are brands of BNY Mellon Asset Management North America Corporation. On 31 January 2018, The Boston Company Asset Management, LLC (TBCAM) and Standish Mellon Asset Management Company LLC (Standish) merged into Mellon Capital Management Corporation (Mellon Capital), which immediately changed its name to BNY Mellon Asset Management North America Corporation.

# Key controversies

Affecting emerging markets

## DOLLAR STRENGTH



## TRADE WARS



## POLITICAL CHANGE

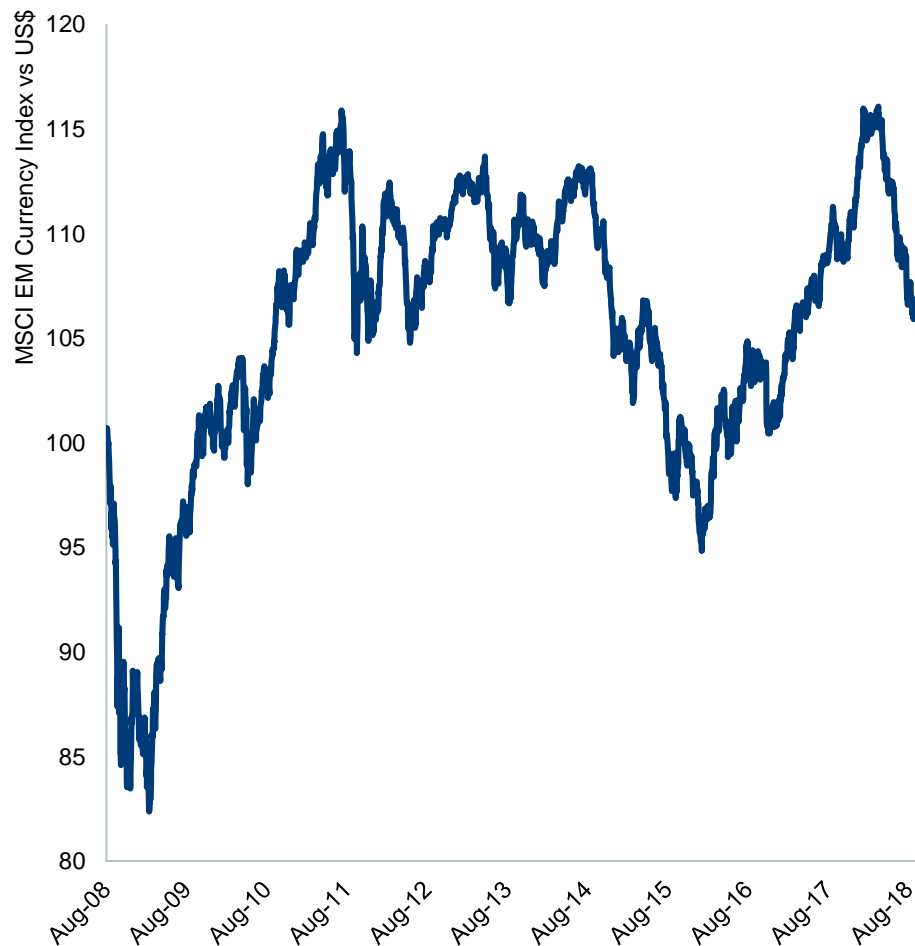


Source: : Evan El-Amin / Shutterstock, 2018

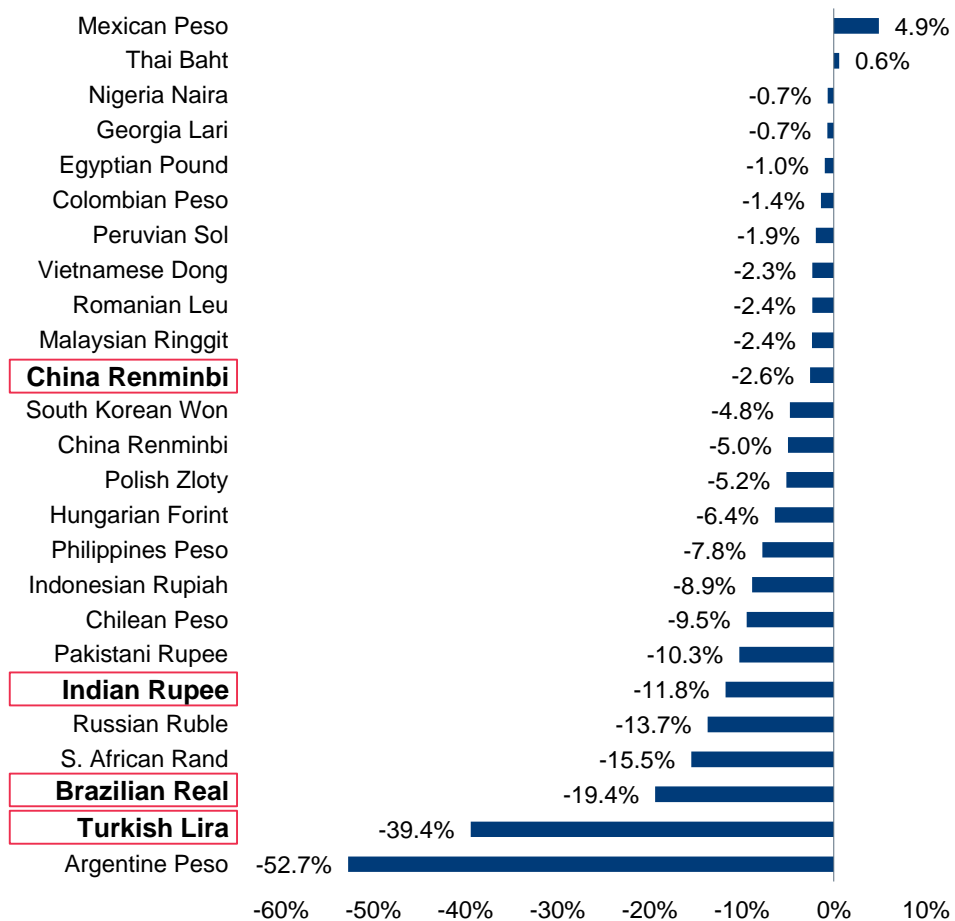
**Can it be different this time?**

# MSCI Emerging Market Currency Index

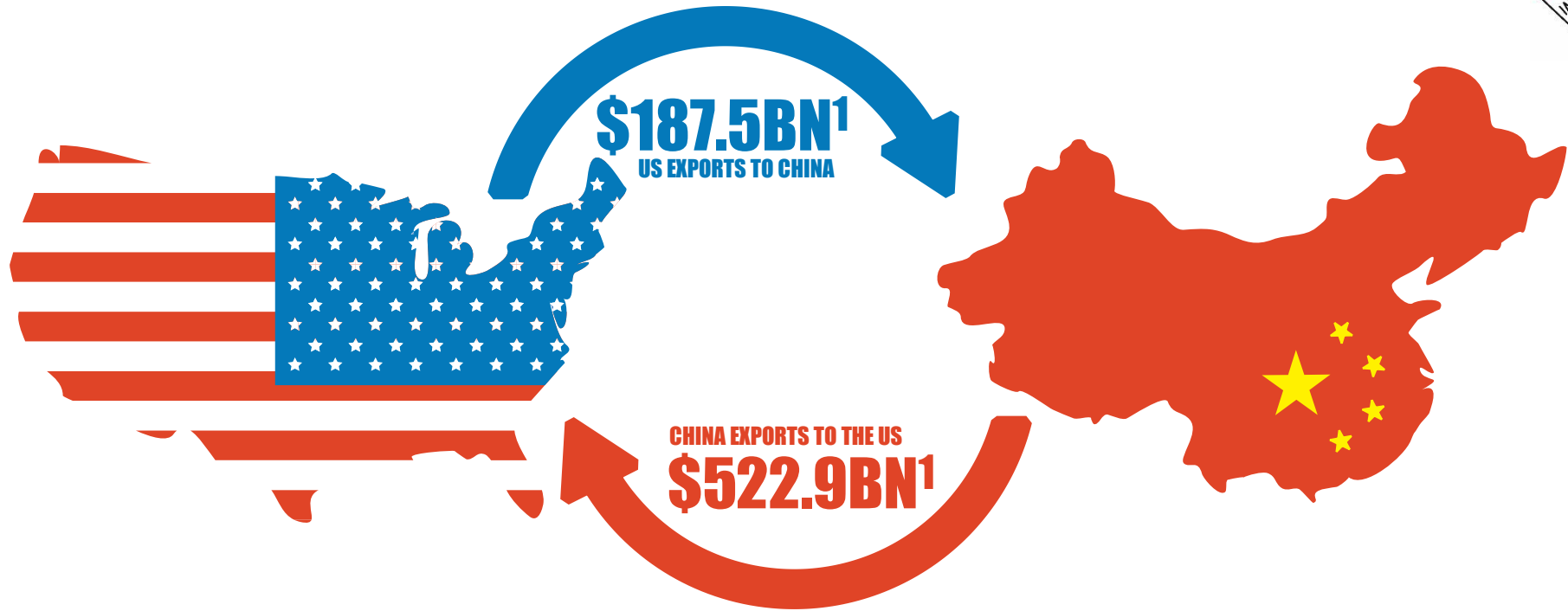
**MSCI EM Currency Index vs US\$**



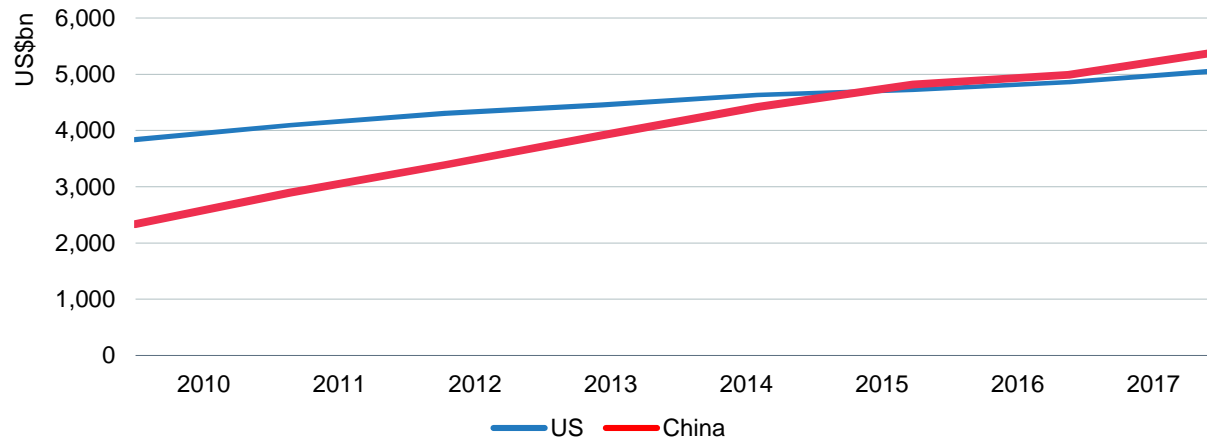
**Depreciation YTD**



Source: Bloomberg, 18 September 2018.



**Total retail sales in the US and China<sup>2</sup>**



**Sources:**

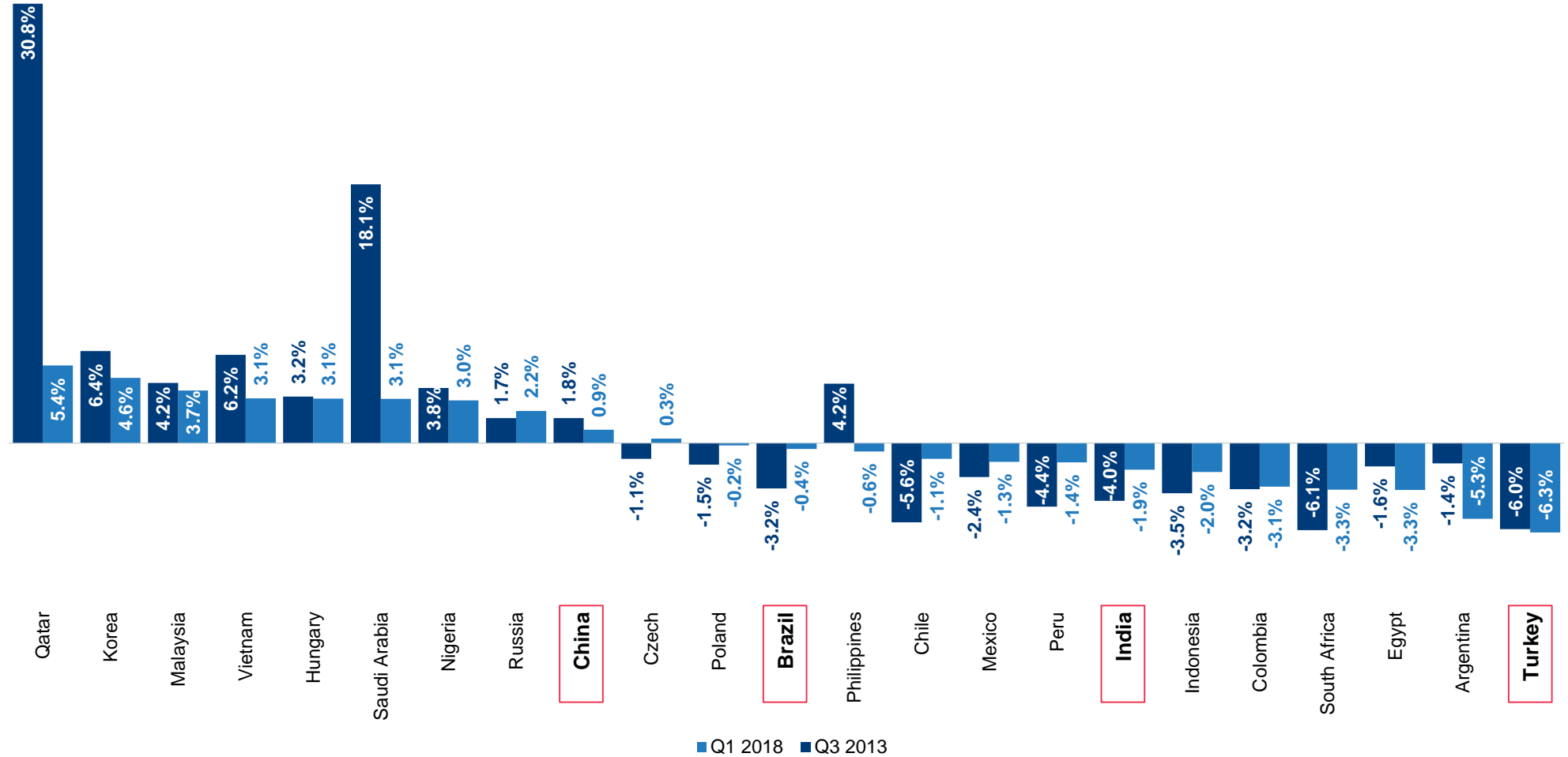
<sup>1</sup> Office of the US Trade Representative. <https://ustr.gov/countries-regions/china-mongolia-taiwan/peoples-republic-china>

<sup>2</sup> China Reality Research report July 16, 2018, NBS, US Bureau of Economic Analysis, Statistics Japan.

# Emerging market vulnerability?

Current accounts generally more resilient than 2013

Current Account Balance as % of GDP - 4Q Average



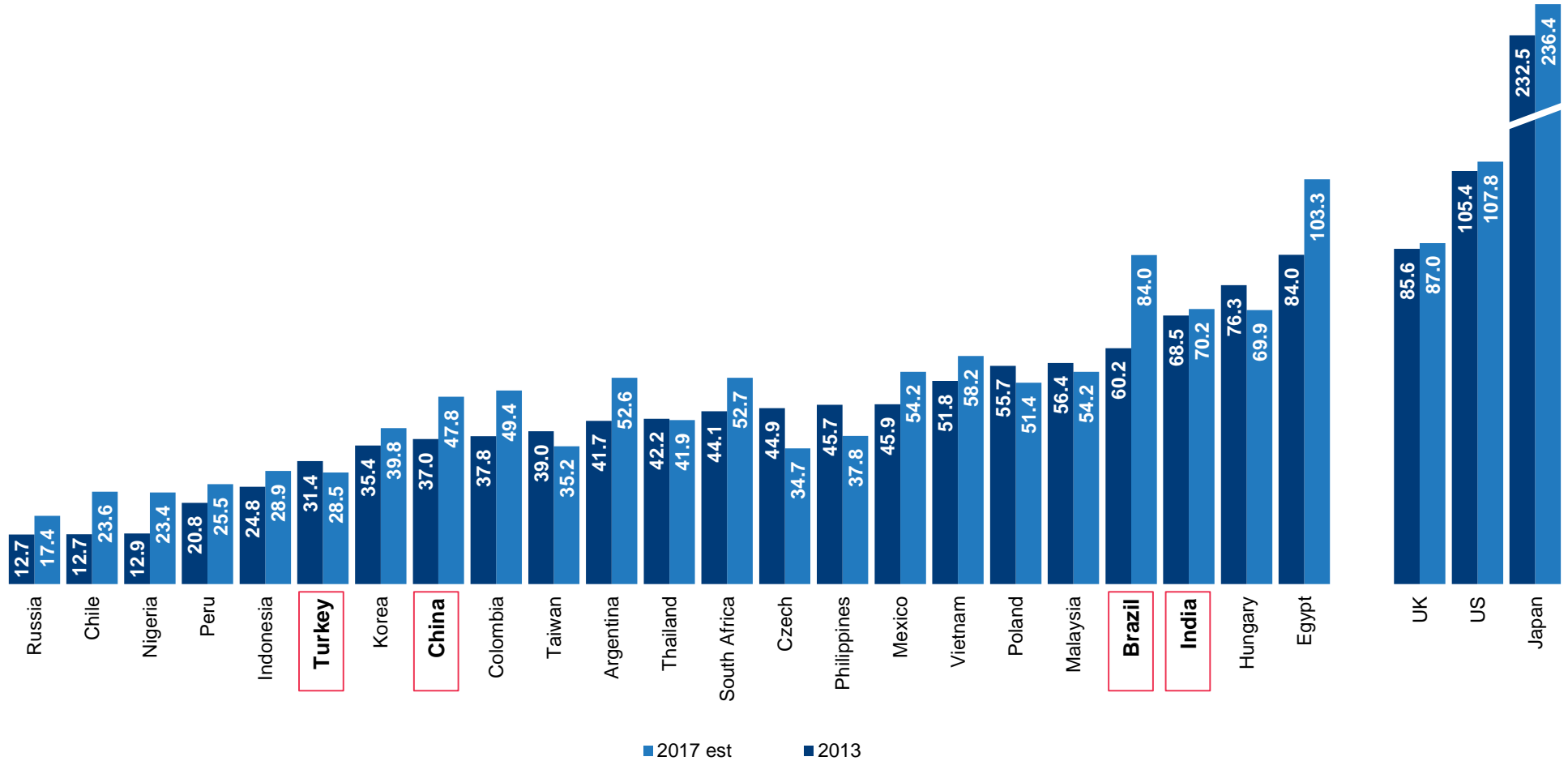
Source: Newton, Thomson Reuters Datastream, Q1 2018

Oil price has been one key change in this

# Emerging market vulnerability?

## Government debt

General government debt as % of GDP - 2013 vs. 2018 forecast



**Government debt ratios have generally increased, but still well below developed country levels**

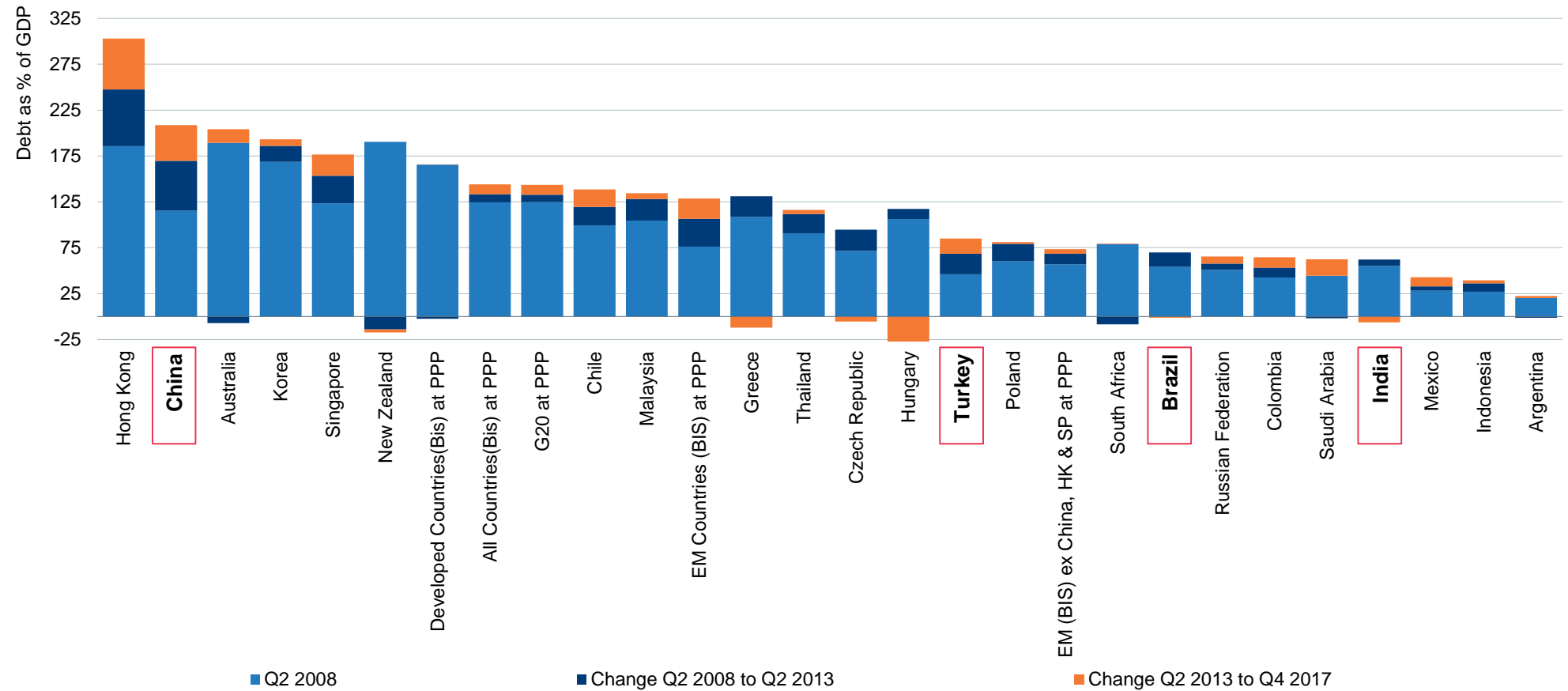
Source: Newton, Thomson Reuters Datastream, IMF WEO, April 2018.



# Emerging market vulnerability? – Private non-financial debt

Private non-financial sector debt has been sedate with a few notable exceptions

**BIS Credit to Private Non-Financial Sector as % of GDP**



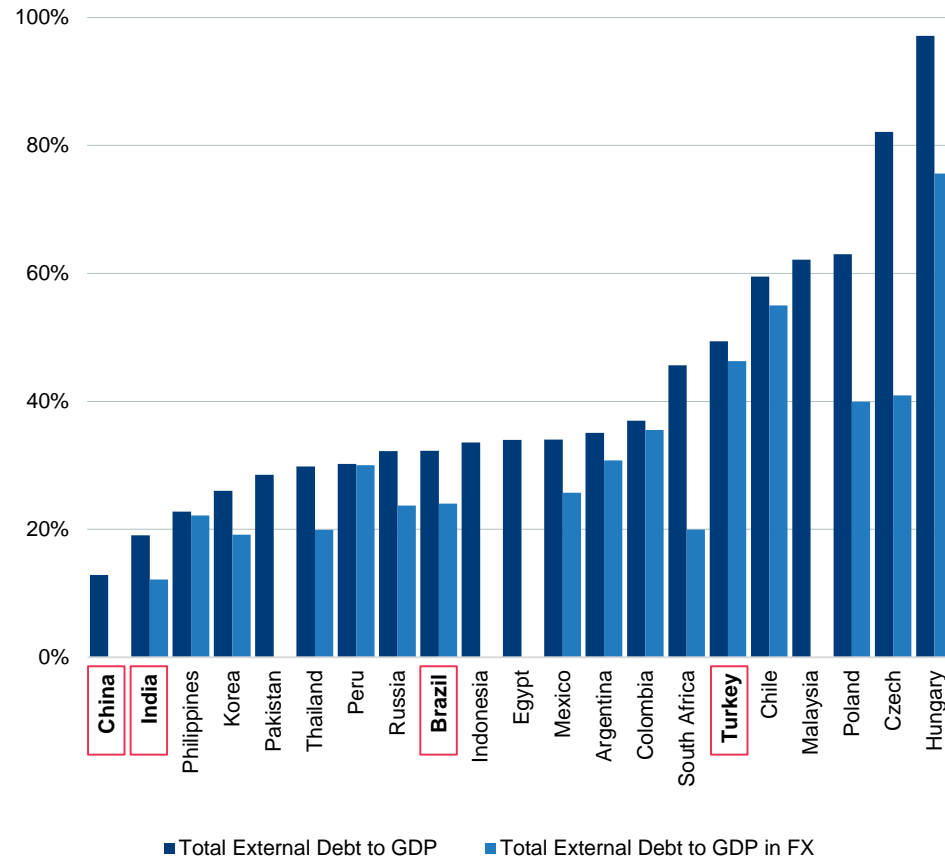
**Excluding China, private sector debt growth has been a lot less rapid**

Source: Newton, Thomson Reuters Datastream, BIS, Q4 2017.

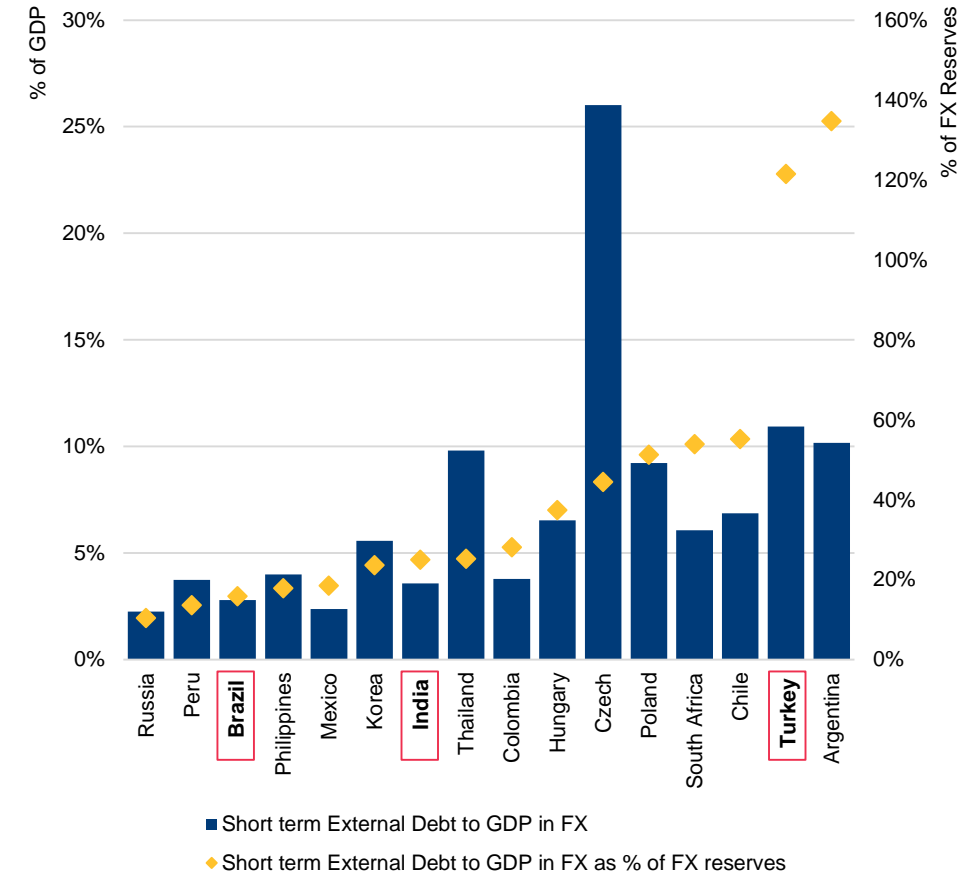
# Emerging market vulnerability? – External debt

External debt under control for the most part

**Gross External Debt Total vs. in FX as % of GDP**



**Gross Short term External Debt in FX**

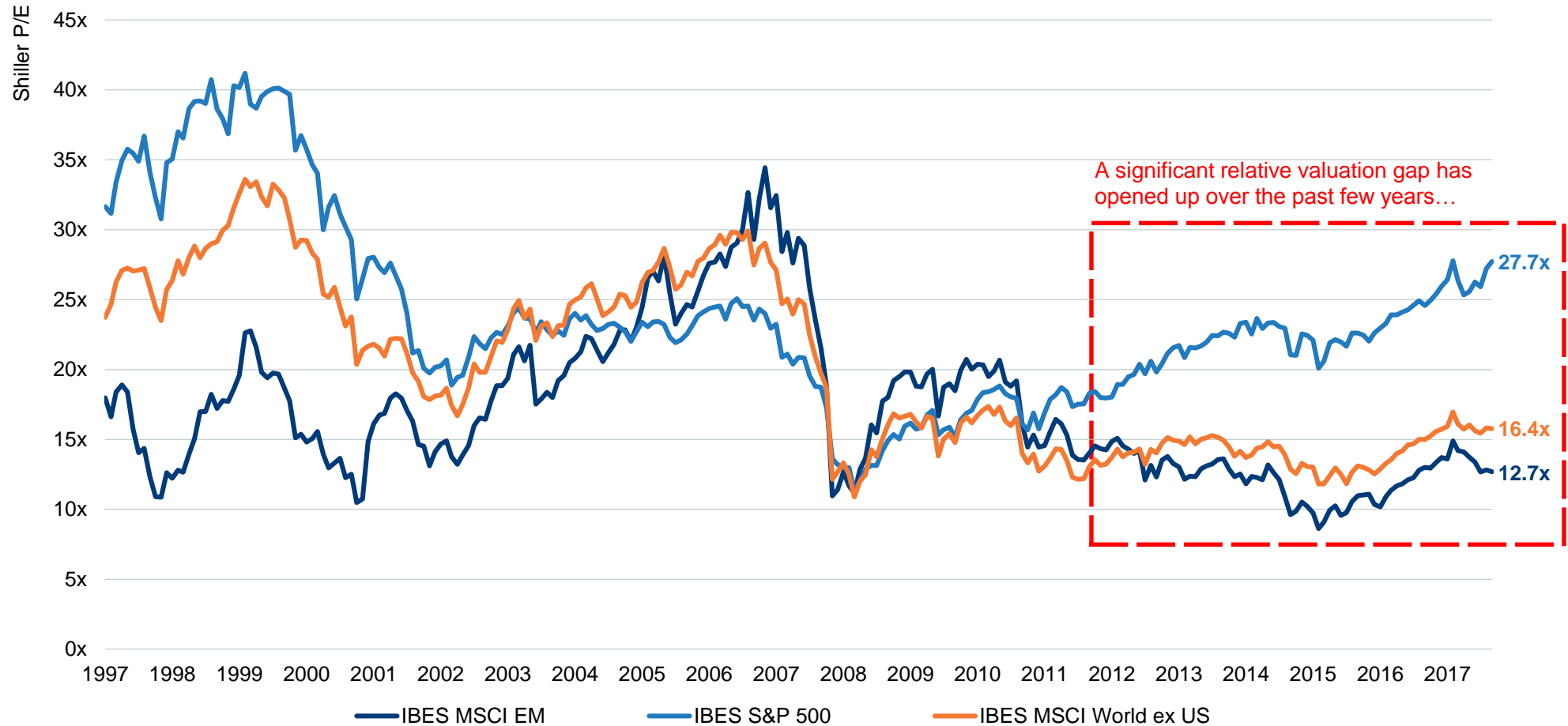


**Although high for some, external debt should be manageable**

Source: Newton, Thomson Reuters Datastream, World Bank QEDS, Q4 2017

# Emerging markets – Attractive entry point?

Valuation remains attractive relative to US markets



Source: Newton, Thomson Reuters Datastream, 31 August 2018.

IBES = Institutional Brokers' Estimate System.

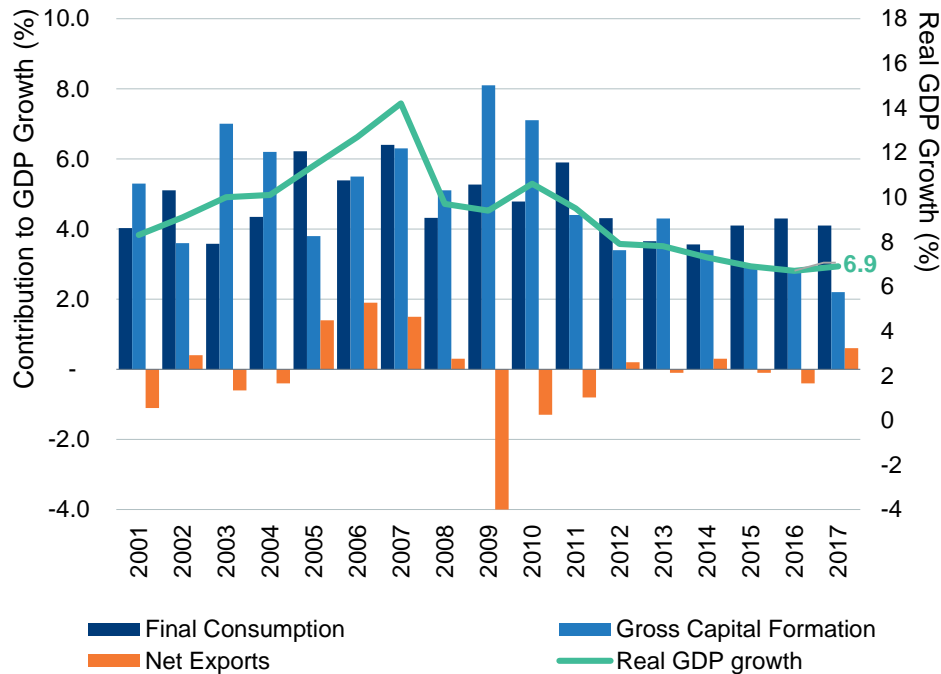
Shiller P/E = "A cyclically adjusted price/earnings ratio, otherwise known as the CAPE, or Shiller P/E, measures the real price of a company's stock relative to real average earnings over the past 10 years. The Shiller P/E aims to smooth out the economic and profit cycles to give a more informed view of a company's price than the traditional price earnings ratio, which uses only one year of profits".

# THE THEMATIC BACKDROP



## China's growth previously driven by exports & investment

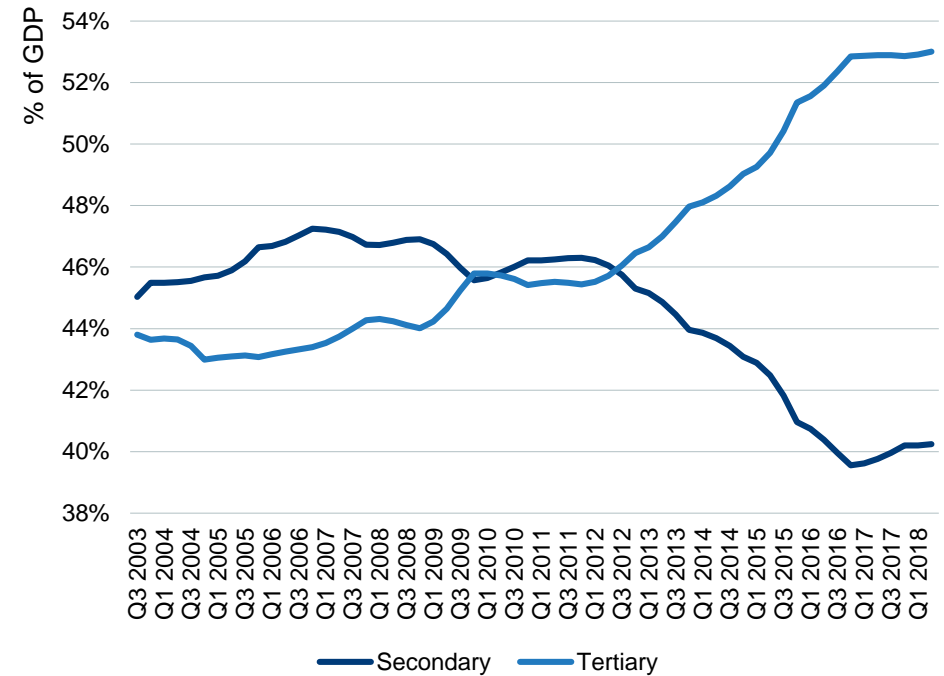
China: Contribution to annual real GDP growth



Source: Newton, Thomson Reuters Datastream, 2018.

## The rebalancing is already happening

China secondary vs. tertiary industry as % of nominal GDP



Source: Newton, Thomson Datastream, Q2 2018.

- China's leaders now accept that the economy needs to be rebalanced in favour of private consumption
- Measures include cooling excessive fixed investment growth, liberalising the financial system and expanding spending on social services

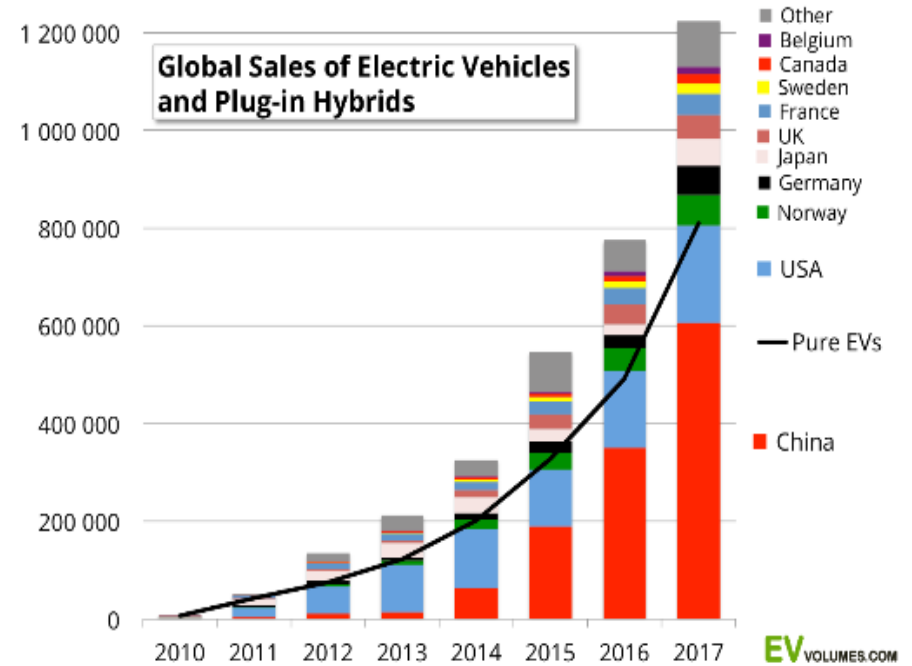
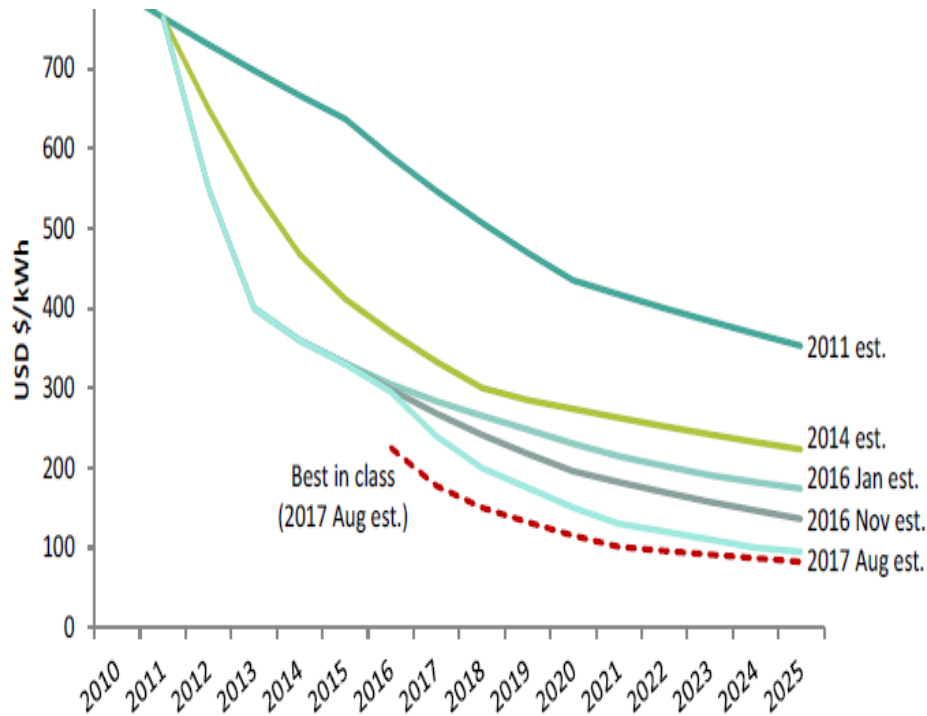
**Consumption has overtaken investment as China's main economic growth driver**

# Electric vehicles

Falling costs and improving technology is leading to increased demand



**Battery pack costs**



Source: Bernstein research, August 2017; EVvolumes.com, December 2017.

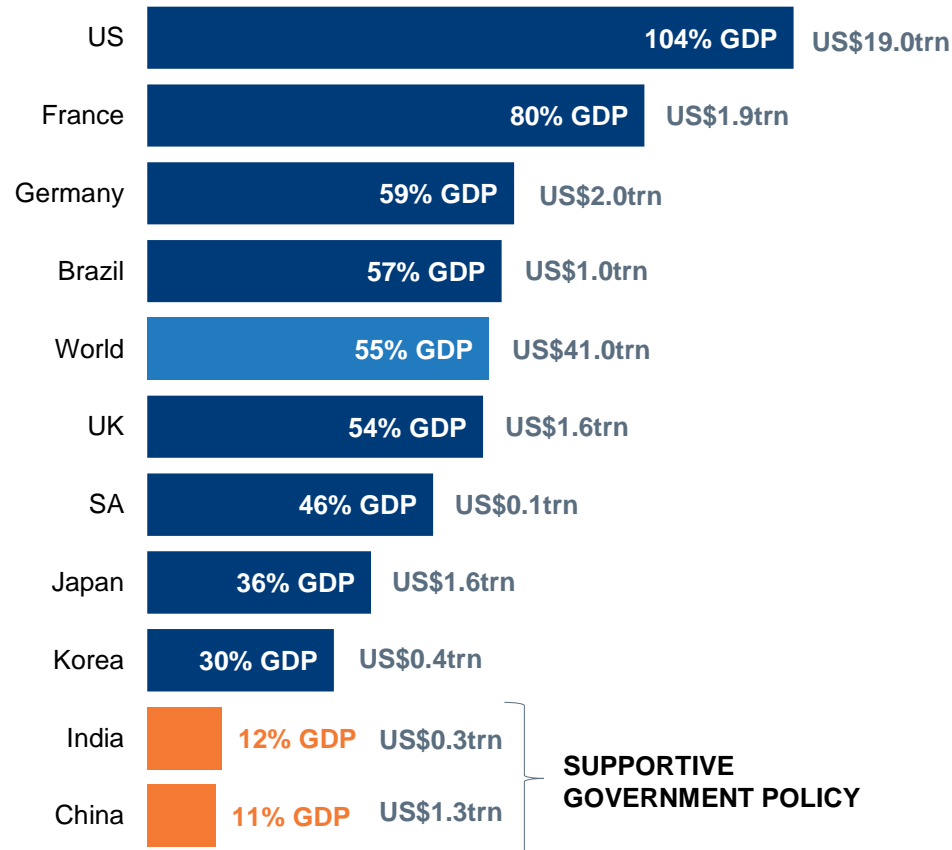
**We believe the future is electric and that this can be sustainable**

# Financialisation/Financial deepening – more to spend means more to save

Wealth creation brings new consumer behaviours, and new investment opportunities

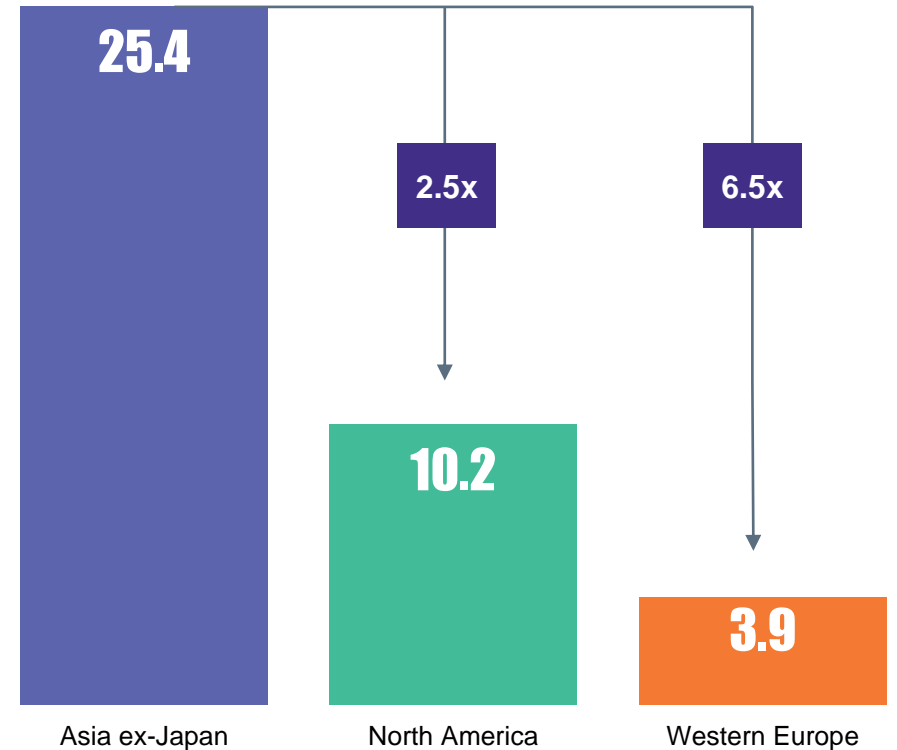


## Mutual funds' penetration in EM is way below global average



## Significant wealth creation

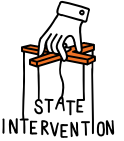
2015–2025E New personal financial assets creation (USD trillions)



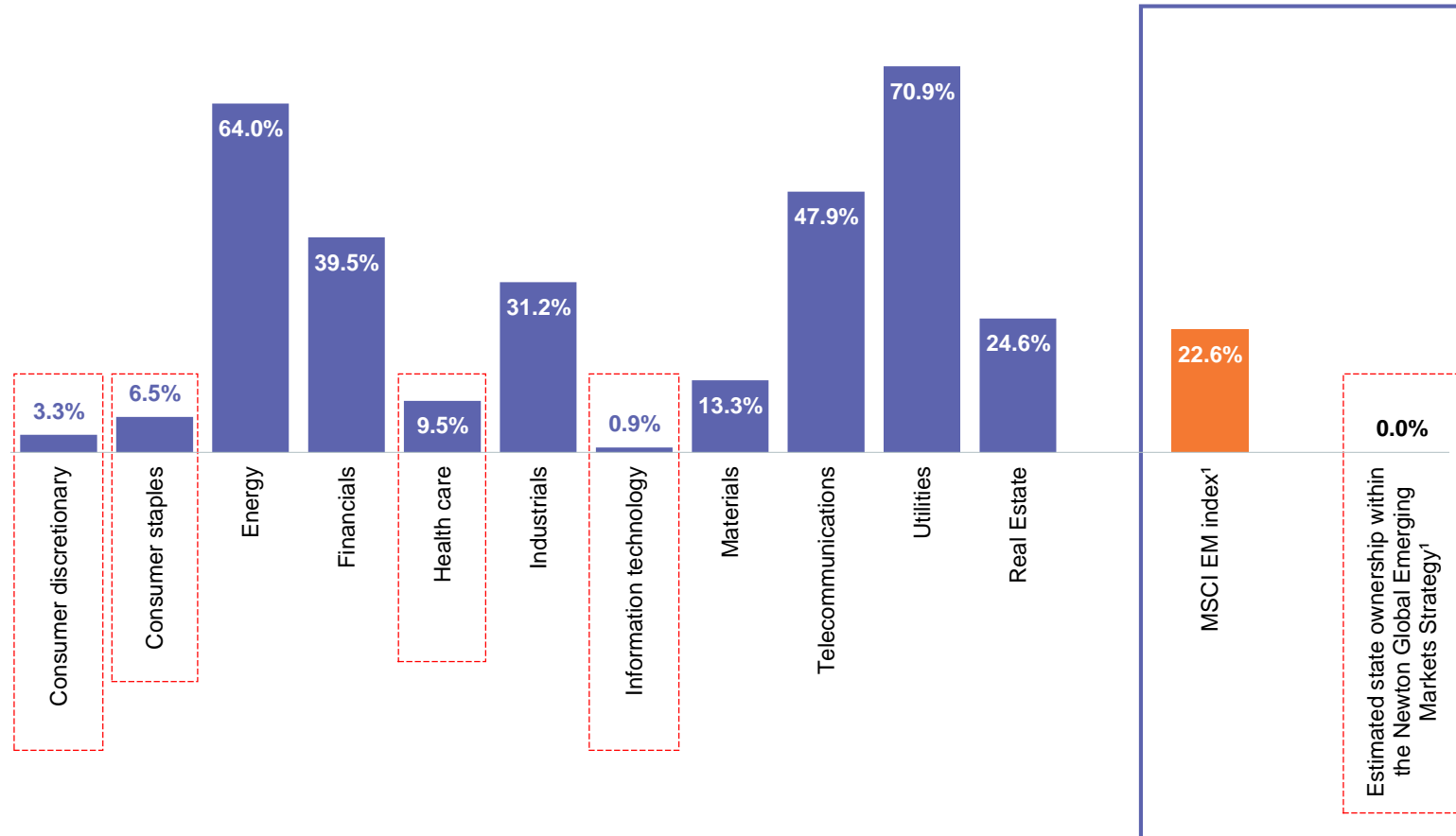
**Index dominated by banks  
as opposed to savings businesses**

Source: AIA 2017 annual results presentation, 27 February 2018, McKinsey, Brookings Institution, EIU, World Bank, BCG Global Wealth 2017 Report.

# Themes shape what we invest in – ‘State intervention’



MSCI Emerging Markets sectors – estimated state control (%)



The strategy is most overweight in the sectors with the lowest proportion of SOEs<sup>2</sup>

Note: <sup>1</sup> Estimate for the proportion of state-controlled companies in the whole MSCI EM index is calculated by defining each constituent in the index as state or privately-controlled (a very small proportion as 'unclassified' or 'majority foreign ownership') – then summed the index weights for all of the constituents considered to be state-controlled. Total GEM (Global Emerging Markets) is a weighted average.

<sup>2</sup> State-owned enterprise.

Source: Newton, CLSA, 31 May 2018.

**23% of the index not run in the interests of shareholders**



**BNY MELLON  
GLOBAL  
EMERGING  
MARKETS FUND**

# Newton Global Emerging Markets strategy

## OUR PERFORMANCE OBJECTIVE

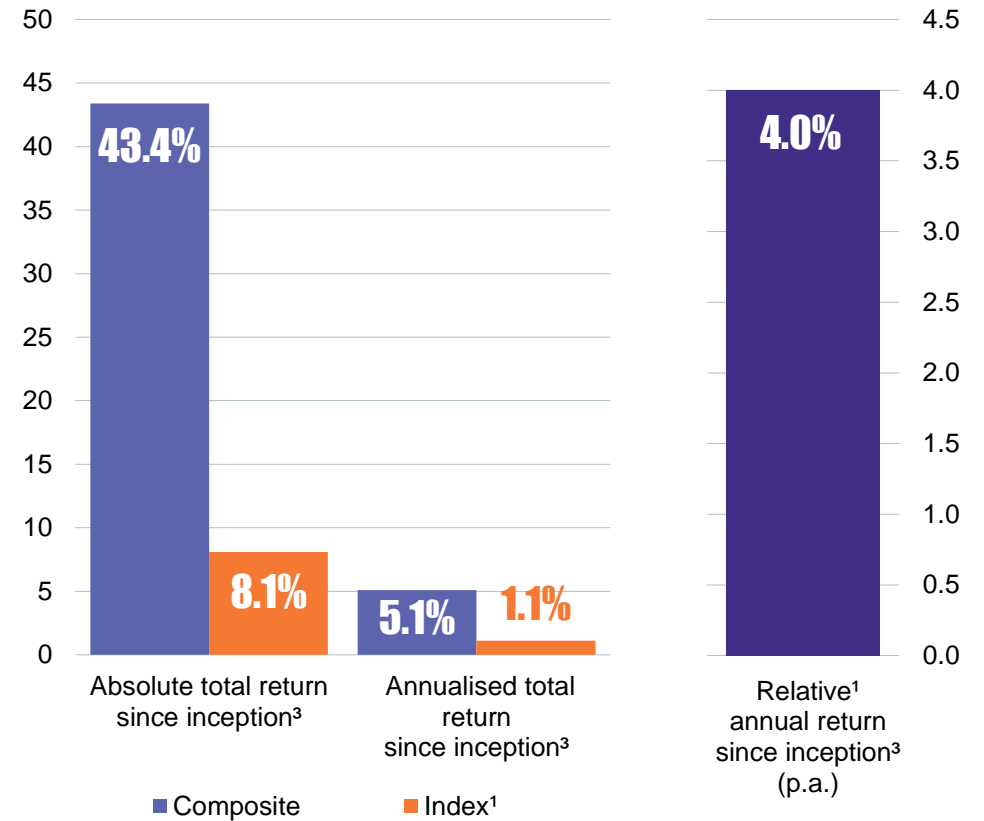
- Our Global Emerging Markets strategy aims to outperform the MSCI Emerging Markets Index NDR<sup>1</sup> in excess of 3% p.a. over a rolling five year period, whilst also mindful of absolute capital performance<sup>2</sup>

## NEWTON'S STRENGTHS IN THIS AREA

- Strong performance
- Less vulnerable to market falls
- Complementary, differentiated approach
- Integrated ESG<sup>4</sup>

## OUR PEOPLE

- Well-resourced investment team
- Common long-term goal: increase the real wealth of our clients'



**Notes:**

<sup>1</sup> The MSCI Emerging Market index NDR is used as a comparative index for this strategy. The strategy does not aim to replicate either the composition or the performance of the comparative index.

<sup>2</sup> The outperformance target stated is for indicative purposes only, may be changed without notice and is not a guarantee of future returns.

<sup>3</sup> Inception date: 31 May 2011.

<sup>4</sup> Environmental, Social and Governance.

**Source:** Newton. As of 31 August 2018. The strategy adheres to the same investment approach as BNY Mellon Global Emerging Markets Fund.

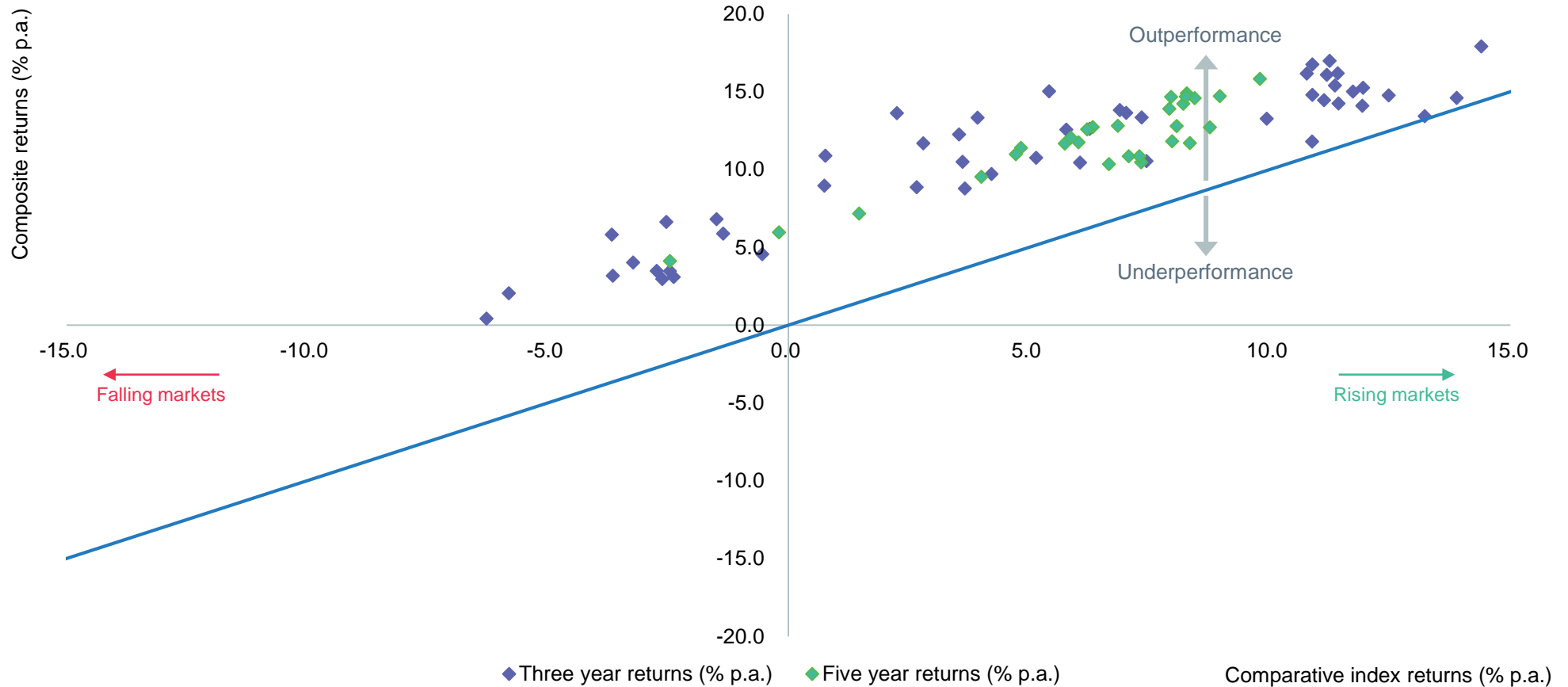
Performance calculated as total return, income reinvested, gross of fees, in USD. Fees and charges apply and can have a material effect on the performance of your investment. Newton claims compliance with the Global Investment Performance Standards (GIPS). Please see appendix for GIPS compliant presentation.

**A strong team and strategy**

# Performance

Newton Global Emerging Markets composite – rolling three and five year (p.a.) returns

**Outperformed the comparative index in 100% of all three and five year observations**



Notes: <sup>1</sup> Inception date: 31 May 2011, rolled monthly.

Source: Newton, close of business prices as at 31 August 2018. The strategy adheres to the same investment approach as Newton's Global Emerging Markets Fund. Performance calculated as total return, income reinvested, gross of fees, in GBP. Fees and charges apply and can have a material effect on the performance of your investment. Newton Investment Management claims compliance with the Global Investment Performance Standards (GIPS). A GIPS compliant presentation is available upon request via your BNY Mellon Investment Management EMEA contact.

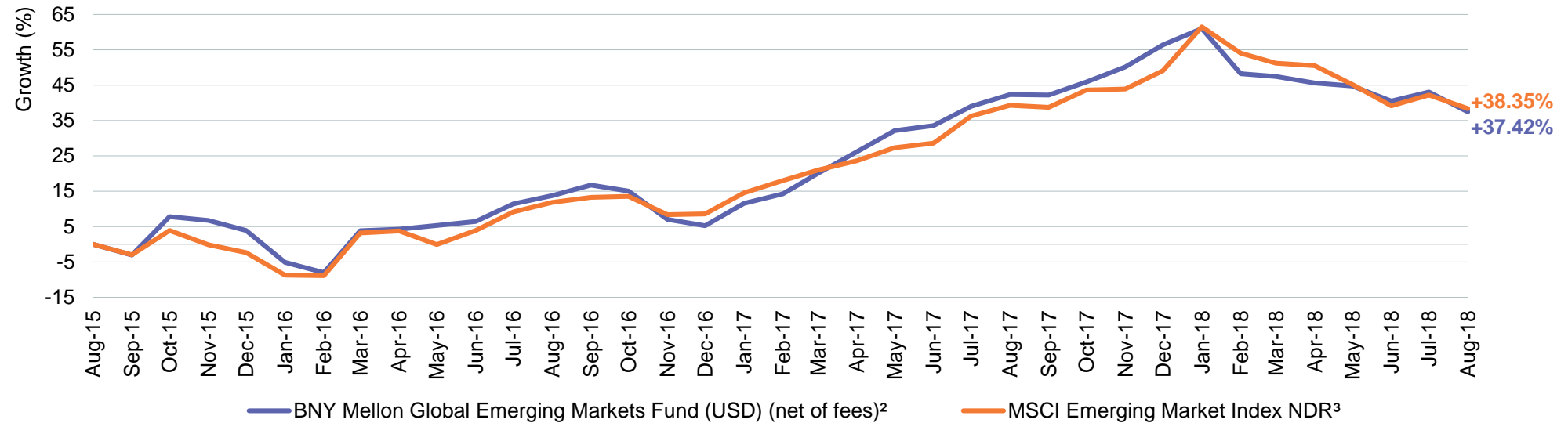
**Long-term performance in a variety of market environments**

# Performance – USD C Inc

BNY Mellon Global Emerging Markets Fund, as at 31 August 2018

(%) USD	YTD	3 months	1 year	Since inception <sup>1</sup> (annualised)
<b>BNY Mellon Global Emerging Markets Fund (net of fees)<sup>2</sup></b>	<b>-7.28</b>	<b>-5.03</b>	<b>-3.46</b>	<b>11.18</b>
MSCI Emerging Index NDR <sup>3</sup>	-7.18	-4.70	-0.68	11.43

## Cumulative return since inception<sup>1</sup>



**Notes:**

<sup>1</sup> Please note, as at 4 August 2015 the BNY Mellon Emerging Equity Income Fund changed its name to BNY Mellon Global Emerging Markets Fund, along with the investment objective and comparative index. Performance figures based on month end observations.

<sup>2</sup> Fund performance for the share class USD C Inc calculated as total return, based on net asset value, including charges, but excluding initial charge, income reinvested gross of tax, expressed in share class currency. The impact of the initial charge, which may be up to 5%, can be material on the performance of your investment. Performance figures including the initial charge are available upon request.

<sup>3</sup> The MSCI Emerging Market index NDR is used as a comparative index for this fund. The fund does not aim to replicate either the composition or the performance of the comparative index.

Source: Newton, 31 August 2018.

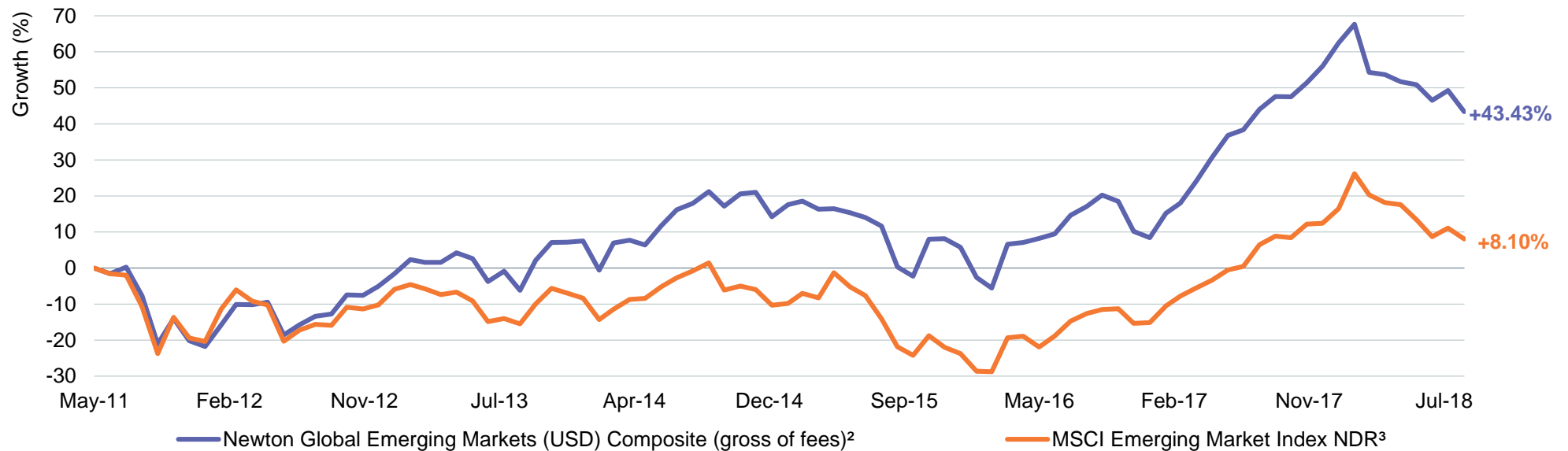
**Performance shows the advantage of active investment**

# Performance

Newton Global Emerging Markets Strategy, as at 31 August 2018

(%) USD	YTD	3 months	1 year	3 years (annualised)	5 years (annualised)	Since inception <sup>1</sup> (annualised)
<b>Newton Global Emerging Markets Composite (gross of fees)<sup>2</sup></b>	<b>-11.75</b>	<b>-4.93</b>	<b>-2.80</b>	<b>12.66</b>	<b>8.86</b>	<b>5.10</b>
MSCI Emerging Index NDR <sup>3</sup>	-7.18	-4.70	-0.68	11.42	5.04	1.08

## Cumulative return since inception<sup>1</sup>



**Notes:**

<sup>1</sup> Inception date: 31 May 2011.

<sup>2</sup> The strategy adheres to the same investment approach as the BNY Mellon Global Emerging Markets Fund. Performance calculated as total return, income reinvested, gross of fees, in USD. Fees and charges apply and can have a material effect on the performance of your investment. Newton claims compliance with the Global Investment Performance Standards (GIPS). Please see appendix for GIPS compliant presentation.

<sup>3</sup> The MSCI Emerging Market index NDR is used as a comparative index for this strategy. The strategy does not aim to replicate either the composition or the performance of the comparative index.

Source: Newton Global Emerging Market Composite in USD terms. Periods to 31 August 2018.

**Performance shows  
the advantage of active investment**

# Newton Global Emerging Markets strategy – active and differentiated

## High conviction, fundamentally driven, benchmark agnostic approach

- ~45 equity holdings
- ~45% in top 10 positions  
~70% in top 20 positions
- Active share of ~80%

## Long-term themes target future growth in emerging markets

- Areas with strong growth potential, not 'old' profit pools
- Guides stock, sector, and country selection

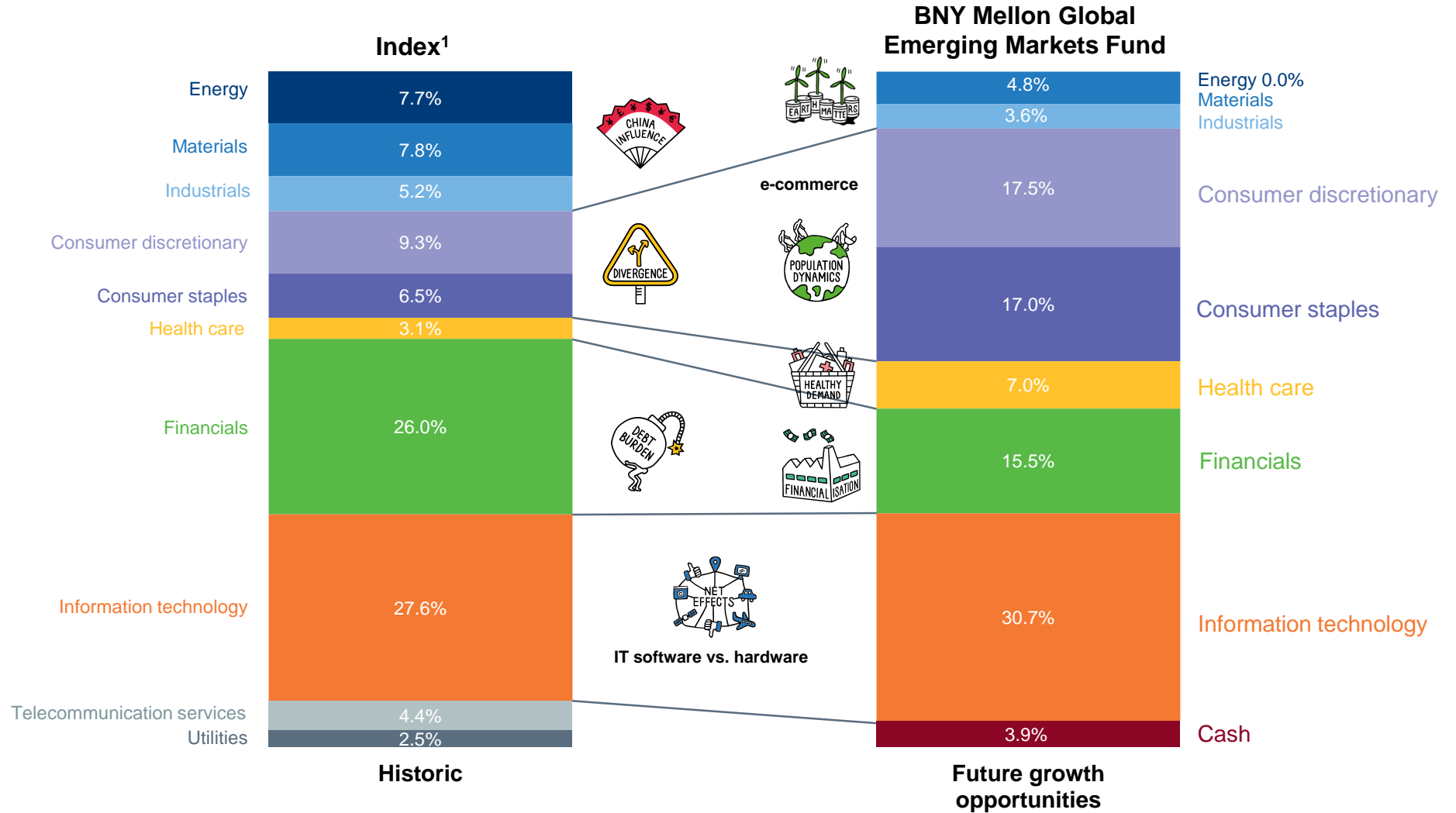
## Emphasis on quality and governance

- Aims to capture long-term value creation in total return
- Focus on return on capital; companies reinvesting profitably in future growth

**WE SEEK  
TO INVEST IN  
'COMPOUNDERS'**

# Active positioning for future growth

Portfolio sector breakdown vs comparative index



Note: <sup>1</sup> The MSCI Emerging Markets Index NDR is used as a comparative index for this fund.  
The fund does not aim to replicate either the composition or the performance of the comparative index.  
Source: Newton, 31 August 2018.

**Capturing the real value of Emerging Markets growth**

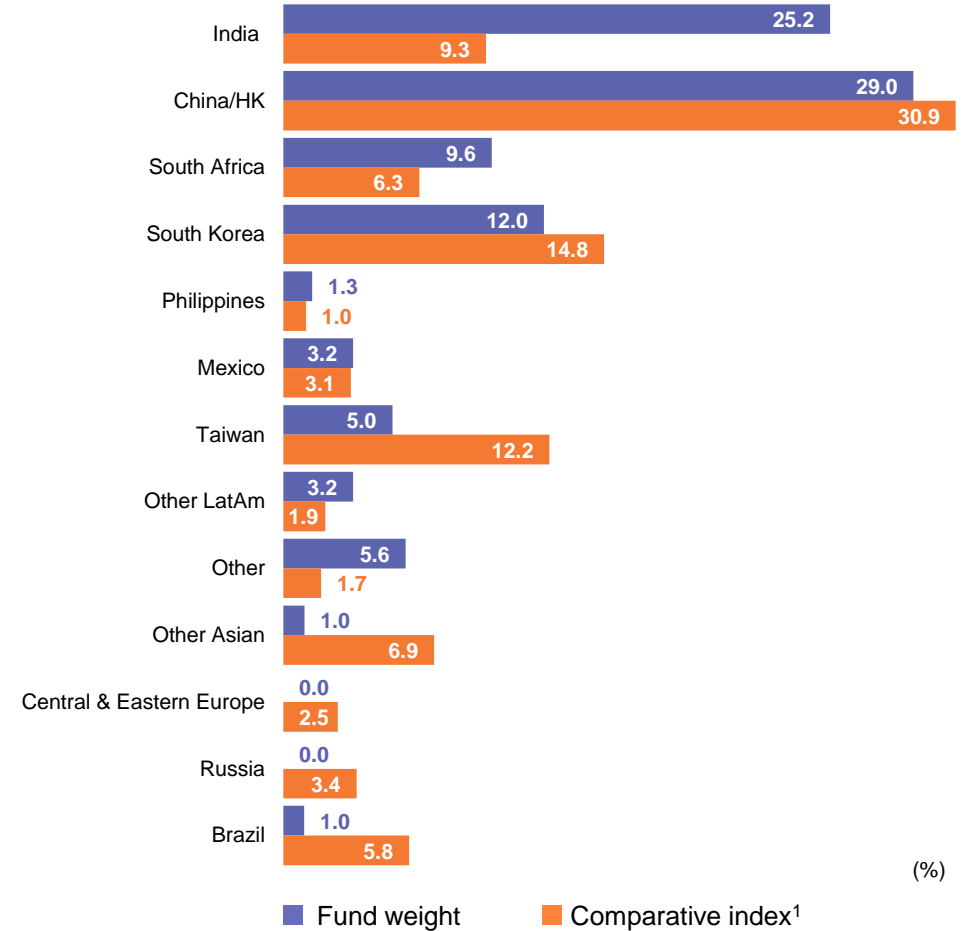
# Stock and country positioning as at 31 August 2018

BNY Mellon Global Emerging Markets Fund

## Top 10 positions

Stock	Country		Sector	Fund (%)
Samsung SDI	South Korea		Information Technology	5.96
AIA	Hong Kong		Financials	5.37
Taiwan Semiconductor	Taiwan		Information Technology	5.03
Alibaba	China		Information Technology	4.76
Tencent	China		Information Technology	4.33
Maruti Suzuki India	India		Consumer Discretionary	4.03
British American Tobacco	South Africa		Consumer Staples	3.83
Samsung Electronics	South Korea		Information Technology	3.78
ITC	India		Consumer Staples	3.53
Naspers	South Africa		Consumer Discretionary	3.46

## Country allocation



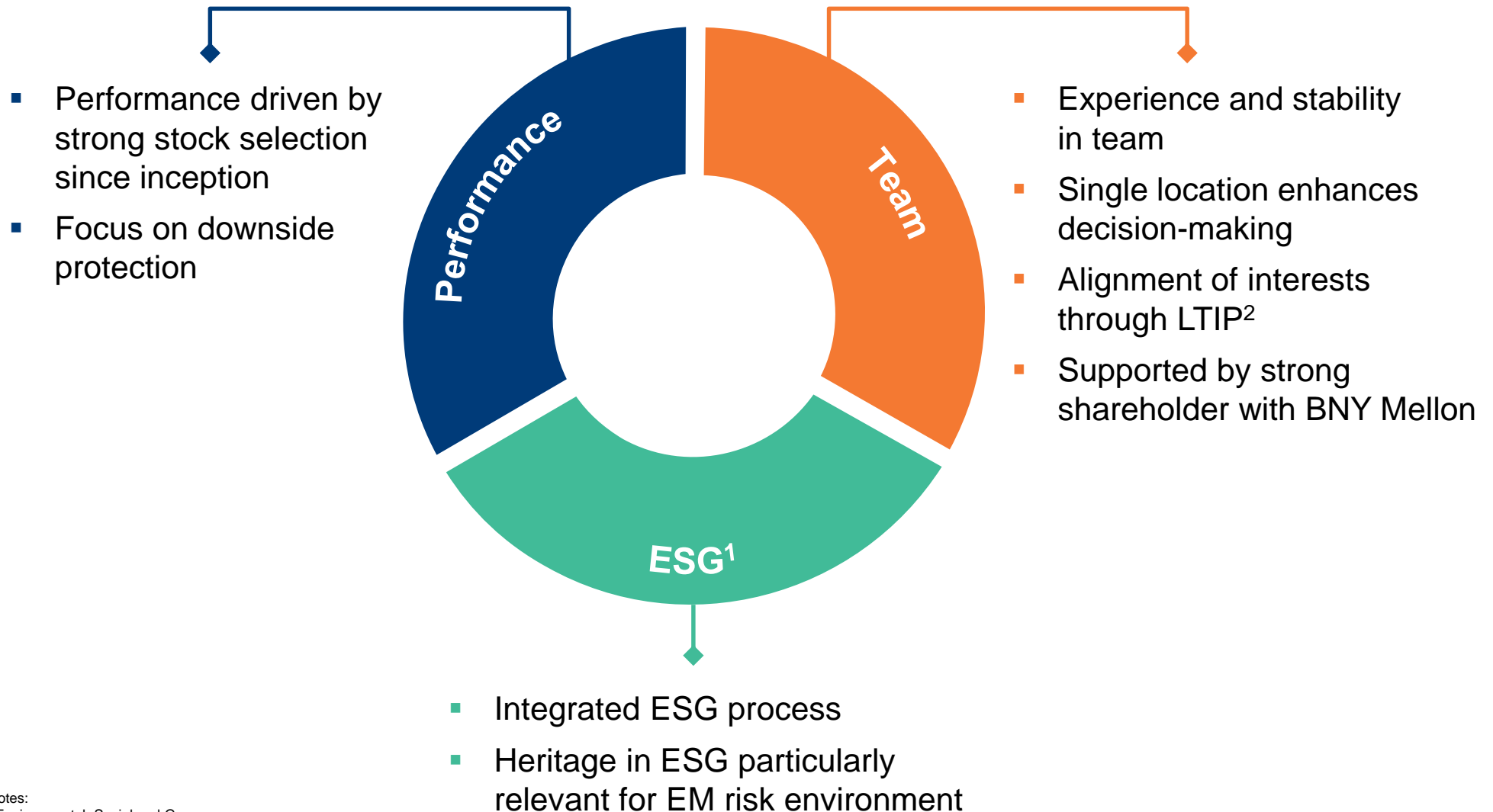
Note: <sup>1</sup>The MSCI Emerging Markets Index is used as a comparative index for this fund. The fund does not aim to replicate either the composition or the performance of the comparative index.

Source: Newton, 31 August 2018.



# Newton Global Emerging Markets strategy

Newton's best solution to capture future growth in emerging markets in risk-adjusted returns



Notes:

<sup>1</sup> Environmental, Social and Governance.

<sup>2</sup> Long-term incentive plan.

Source: Newton, 2018.

# APPENDIX

# Dedicated Emerging Markets team supported by global industry expertise

Single location enhances efficiency in decision-making

## Newton Emerging and Asian Equity team



## Global research

<b>Cyclical Sectors</b>	 Duncan Bulgin Head of Research	 Robert Canepa-Anson	 Tim Lucas	 Michal Plotkowiak	 Laura Sheehan	 Mathieu Poirat Rachmaninoff	 Stephen Benson	 Jeremy Stuber	<b>Consumer</b>	 Maria Toneva	 Amy Chamberlain	 Ben Smith <sup>1</sup>	<b>Healthcare</b>	 Emily Heaven	 Stephen Rowntree	 Sally Springer <sup>1</sup>	<b>Financials</b>	 Nick Pope	 Vivek Gautam
	<b>Credit</b>	 Howard Cunningham	 Scott Freedman	 Martin Chambers	 Parmeshwar Chadha	 Ashwin Palta	 Anna Martinez	<b>Strategy</b>		 Charles French Head of Investment	 Brendan Mulhern	 Edward Geall		<b>Responsible investment</b>	 Rob Stewart Head of Responsible and Charity Investment	 Ian Burger		 Victoria Barron	 Lottie Meggitt

Notes:

<sup>1</sup> Maternity cover; <sup>2</sup> Based in Hong Kong (contract via BNY Mellon Investment Management Hong Kong) since 1 April 2018.

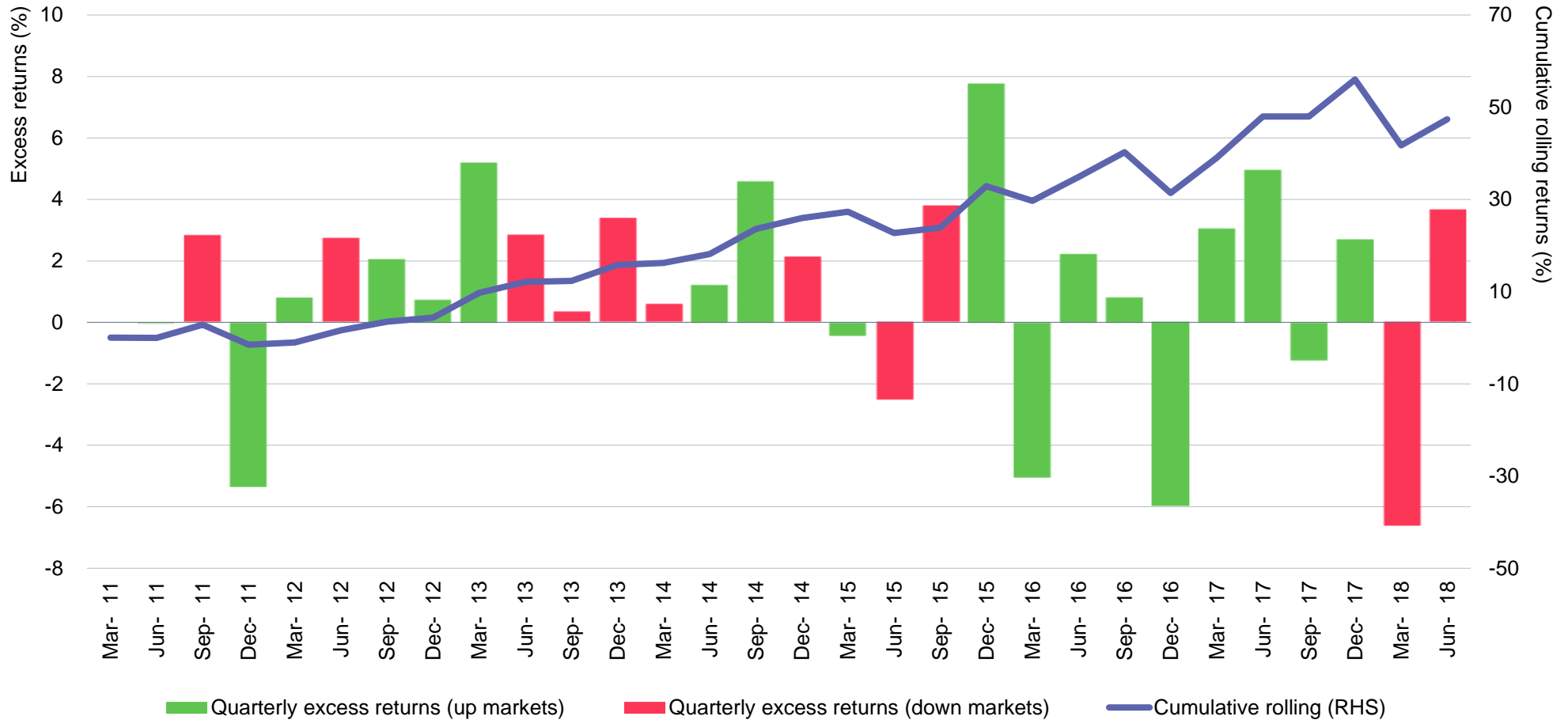
Source: Newton, 6 August 2018.

Years' investment experience and tenure at Newton are team average numbers as at 30 June 2018. Total number of investment personnel = 68 (some investment professionals are included in more than one category).

# Composite performance, as at 30 June 2018

Newton Global Emerging Markets Strategy

Cumulative rolling excess return (gross of fees) since inception<sup>1</sup> (%)



Notes: <sup>1</sup> Inception date: 31 May 2011.

<sup>2</sup> By reference to MercerInsight 5-year performance relative to peer group, 30 June 2018.

Source: Newton, as at 30 June 2018.

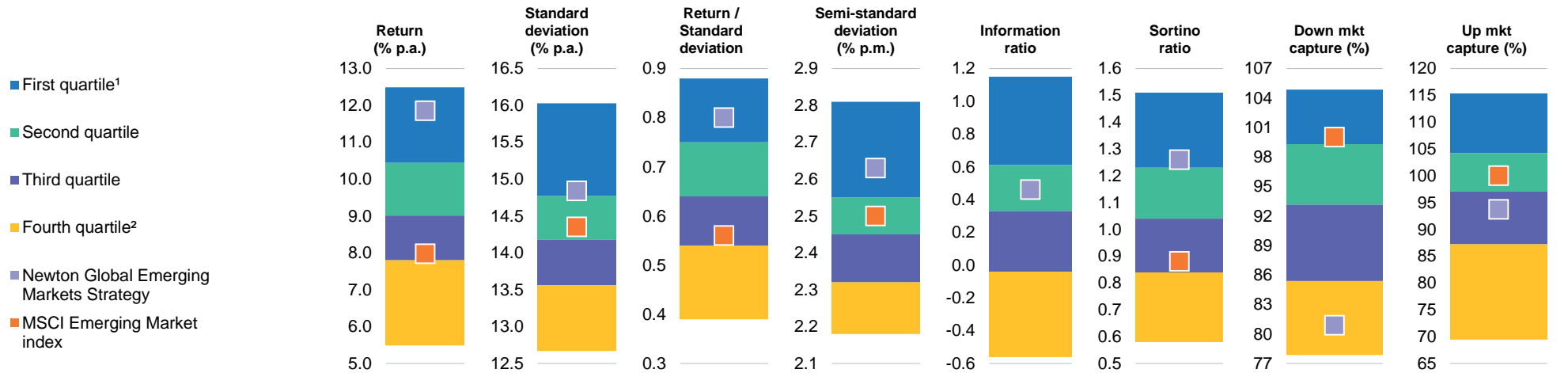
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**Strong cumulative returns over the long term<sup>2</sup>**

# Performance summary – five years

## Newton Global Emerging Markets Strategy

**Performance characteristics vs. MSCI Emerging Markets (NDR) in GBP (before fees) over five years ending June 2018 (monthly calculations)**  
Comparison with the Mercer Emerging Markets Equity Universe (actual ranking)



<b>Newton Emerging Markets Strategy</b>	<b>11.85</b>	<b>14.84</b>	<b>0.80</b>	<b>2.63</b>	<b>0.46</b>	<b>1.26</b>	<b>80.89</b>	<b>93.70</b>
<b>Newton Emerging Markets ranking</b>	<b>(17)</b>	<b>(41)</b>	<b>(26)</b>	<b>(29)</b>	<b>(69)</b>	<b>(38)</b>	<b>(152)</b>	<b>(97)</b>
Comparative index return	7.97	14.35	0.56	2.50	-	0.88	100.00	100.00
Comparative index ranking	(122)	(77)	(126)	(63)	-	(120)	(38)	(69)
5 <sup>th</sup> percentile	12.49	16.03	0.88	2.81	1.15	1.51	104.85	115.36
Upper quartile	10.44	14.77	0.75	2.55	0.61	1.23	99.31	104.20
Median	9.01	14.18	0.64	2.45	0.33	1.04	93.14	97.06
Lower quartile	7.80	13.56	0.54	2.32	-0.04	0.84	85.40	87.25
95 <sup>th</sup> percentile	5.49	12.67	0.39	2.18	-0.56	0.58	77.85	69.48
Number in universe	171	170	170	170	170	170	170	170

Notes: <sup>1</sup> To fifth percentile. <sup>2</sup> To 95th percentile.

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Source: MercerInsight MPA, 30 June 2018.

The strategy adheres to the same investment approach as Newton's Global Emerging Markets Fund. Performance calculated as total return, income reinvested, gross of fees, in GBP. Fees and charges apply and can have a material effect on the performance of your investment. Newton Investment Management claims compliance with the Global Investment Performance Standards (GIPS). A GIPS compliant presentation is available upon request via your BNY Mellon Investment Management EMEA contact. The MSCI Emerging Markets Index NDR is used as a comparative index for this strategy. The strategy does not aim to replicate either the composition or the performance of the comparative index. Please refer to composite slide at the end of this presentation. This is supplemental information to the GIPS® compliant information.

**Focus on absolute risk vs reward**

# Key risks

## Newton Global Emerging Markets Strategy

### Investment performance

	12 month returns				
	Jun-17 to Jun-18 %	Jun-16 to Jun-17 %	Jun-15 to Jun-16 %	Jun-14 to Jun-15 %	Jun-13 to Jun-14 %
Composite	4.32	30.02	13.01	6.70	7.04
Index	6.46	27.35	3.46	3.15	1.40

	Calendar year returns					
	YTD 2018 %	2017 %	2016 %	2015 %	2014 %	2013 %
Composite	-7.51	36.92	22.29	-2.07	12.84	7.24
Index	-4.36	25.40	32.63	-9.99	3.90	-4.08

Performance is stated gross of management fees. The impact of management fees can be material. A fee schedule providing further detail is available on request.

**MSCI Emerging Markets NDR** is used as a comparative index for this strategy. The strategy does not aim to replicate either the composition or the performance of the comparative index.

**Past performance is not a guide to future performance. Your capital may be at risk. The value of investments and the income from them can fall as well as rise and investors may not get back the original amount invested. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. Newton is not a tax expert and independent tax and/or legal advice should be sought.**

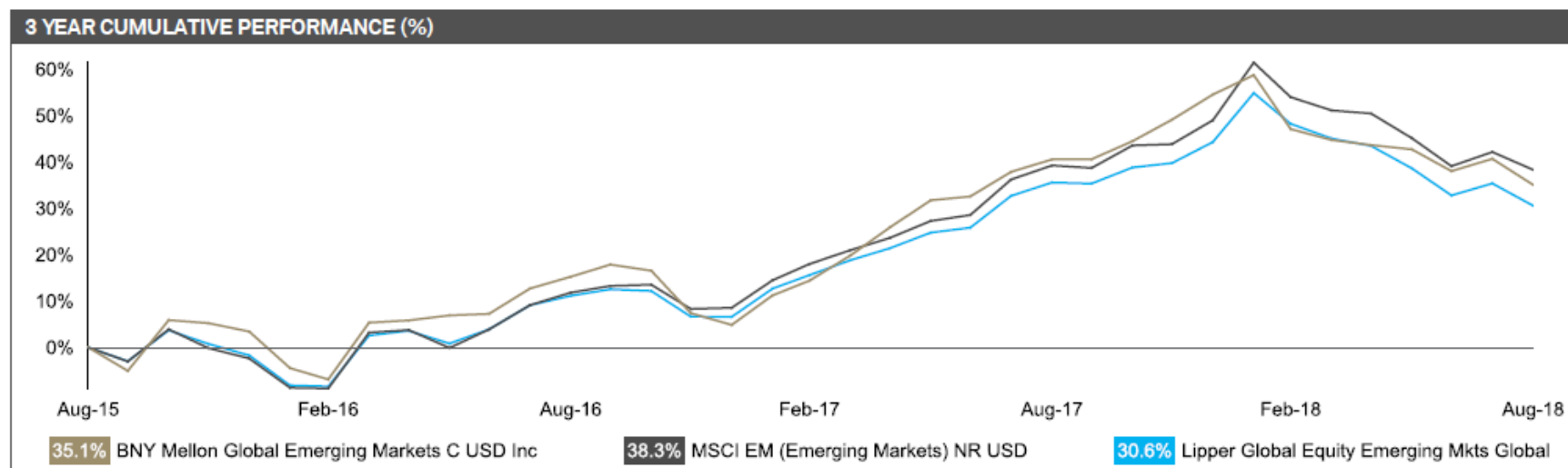
Source: Newton, close of business prices, total return, income reinvested, gross of fees, in GBP, 30 June 2018.

### Key investment risks

- There is no guarantee that the Strategy will achieve its objective.
- This Strategy invests in global markets which means it is exposed to changes in currency rates which could affect the value of the Strategy.
- A fall in the global emerging markets may have a significant impact on the value of the Strategy because it primarily invests in this market.
- The Strategy may use derivatives to generate returns as well as to reduce costs and/or the overall risk of the Strategy. Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment.
- The Strategy invests in emerging markets. These markets have additional risks due to less developed market practices.
- A fall in the value of a single investment may have a significant impact on the value of the Strategy because it typically invests in a limited number of investments.
- The Strategy may invest in small companies which may be riskier and less liquid (i.e. harder to sell) than large companies. This means that their share prices may have greater fluctuations.

# BNY Mellon Global Emerging Markets Fund, USD C (Inc.)

Performance as at 31 August 2018



**PERFORMANCE SUMMARY (%)**

	3 months	YTD	1 year	3 years	5 years	3 years ann.	5 years ann.
BNY Mellon Global Emerging Markets C USD Inc	-5.37	-12.61	-3.91	35.07	-	10.53	-
MSCI EM (Emerging Markets) NR USD	-4.70	-7.18	-0.68	38.32	27.87	11.41	5.04
Lipper Global Equity Emerging Mkts Global	-5.73	-9.49	-3.69	30.56	20.41	9.19	3.69
Ranking	175	307	204	115	-	115	-
No. of funds in Sector	380	368	353	304	-	304	-
Quartile	2	4	3	2	-	2	-

**ANNUAL PERFORMANCE TO LAST YEAR END (%)**

	2013	2014	2015	2016	2017
BNY Mellon Global Emerging Markets C USD Inc	-	-	-	1.37	47.39
MSCI EM (Emerging Markets) NR USD	-2.60	-2.19	-14.92	11.19	37.28
Lipper Global Equity Emerging Mkts Global	-0.81	-2.81	-14.46	8.51	35.34

Fund launch 13 Nov 2012

Source: Lipper as at 31 August 2018. Fund performance USD C (Inc.) calculated as total return, based on net asset value, including charges, but excluding initial charge, income reinvested gross of tax, expressed in share class currency. The impact of the initial charge, which may be up to 5%, can be material on the performance of your investment. Performance figures including the initial charge are available upon request. Rating correct as at previous month end.

# BNY Mellon Global Emerging Markets Fund

## Risk disclosures

- **Past performance is not a guide to future performance.**
- **The value of investments can fall. Investors may not get back the amount invested.**
- **Objective/Performance Risk: There is no guarantee that the Fund will achieve its objectives.**
- **Currency Risk: This Fund invests in international markets which means it is exposed to changes in currency rates which could affect the value of the Fund.**
- **Derivatives Risk: Derivatives are highly sensitive to changes in the value of the asset from which their value is derived. A small movement in the value of the underlying asset can cause a large movement in the value of the derivative. This can increase the sizes of losses and gains, causing the value of your investment to fluctuate. When using derivatives, the Fund can lose significantly more than the amount it has invested in derivatives.**
- **Emerging Markets Risk: Emerging Markets have additional risks due to less-developed market practices.**
- **Counterparty Risk: The insolvency of any institutions providing services such as custody of assets or acting as a counterparty to derivatives or other contractual arrangements, may expose the Fund to financial loss.**
- **Hedging Risk: Hedged share classes use techniques to try to reduce the effects of changes in the exchange rate between the share class currency and the base currency of the Fund. These techniques may not eliminate all the currency risk.**
- **Share Class Currency Risk: Certain share classes are denominated in a different currency from the base currency (i.e. the reporting currency) of the Fund. Changes in the exchange rate between the share class currency and the base currency may affect the value of your investment.**



# Important information

**For Professional Clients only. This is a financial promotion and is not investment advice. For a full list of risks applicable to this fund, please refer to the Prospectus or other offering documents. Before subscribing, investors should read the most recent Prospectus, financial reports and KIID for each fund in which they want to invest. Go to [www.bnymellonim.com/espana](http://www.bnymellonim.com/espana).**

Investments should not be regarded as short-term and should normally be held for at least five years.

Portfolio holdings are subject to change, for information only and are not investment recommendations.

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Unless otherwise noted, all references to total assets under management (AUM) (which are approximate), are provided by The Bank of New York Mellon Corporation and are as of 30 June 2018.

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