

INTEGRATING SUSTAINABILITY IN EMERGING MARKET DEBT INVESTING

MAY 15, 2019

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GlobalEvolution

COMPANY & EXPERIENCE

BACKGROUND

- **Firm:** Founded in 2007
- **Offices:** Head office in Denmark with offices in Zürich and New York
- **Assets under management:** \$10.5bn

OUR BUSINESS

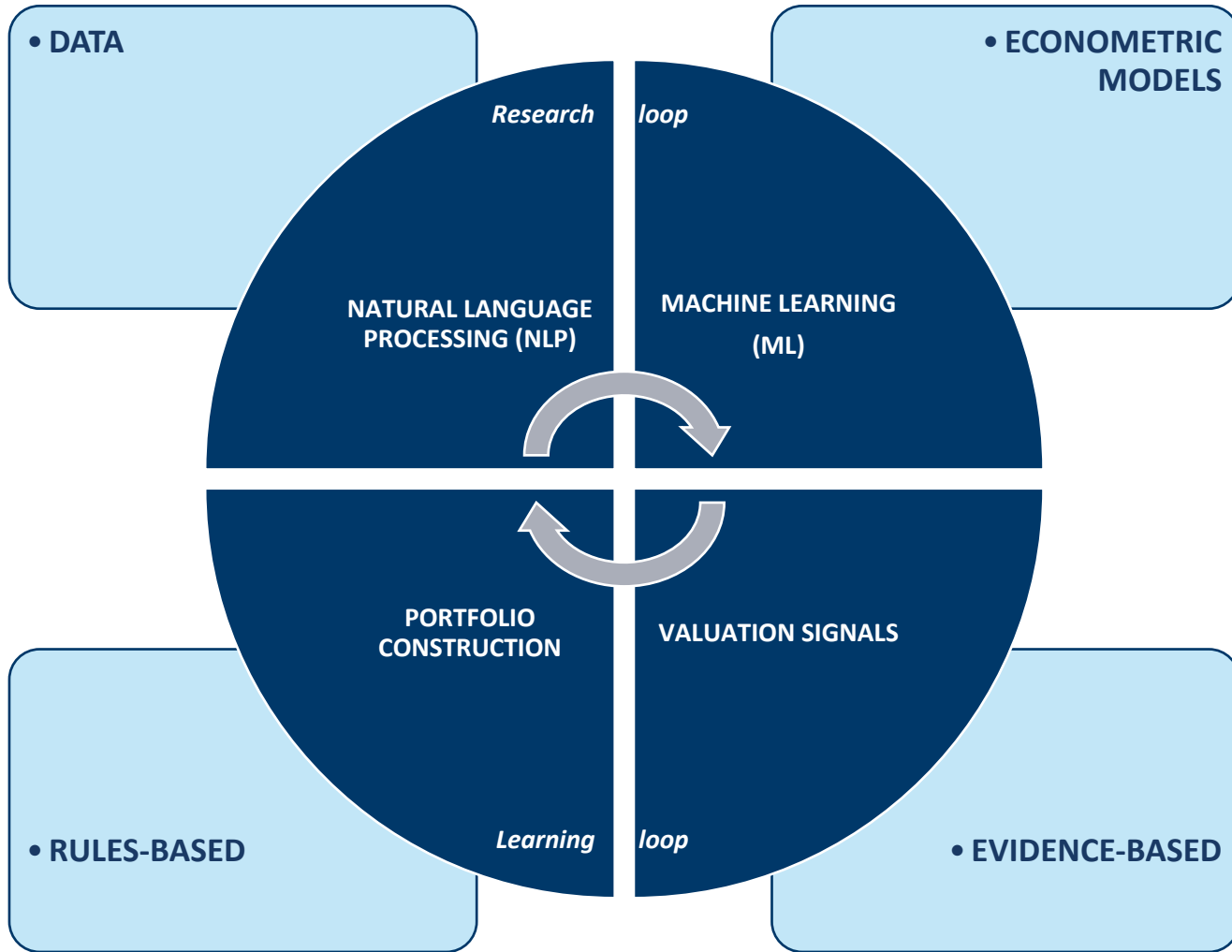
- **Boutique:** Specialist emerging and frontier markets manager
- **Clients:** Manages emerging market sovereign investments for institutional and retail investors globally

OUR APPROACH

- **Philosophy:** Diversified style. Conviction-based active management. Unique proprietary systems
- **Sustainability:** ESG-integration to the investment process based on ESG-adjusted valuations and ratings
- **Research anchor:** Overarching research framework has a dynamic interplay with investment process

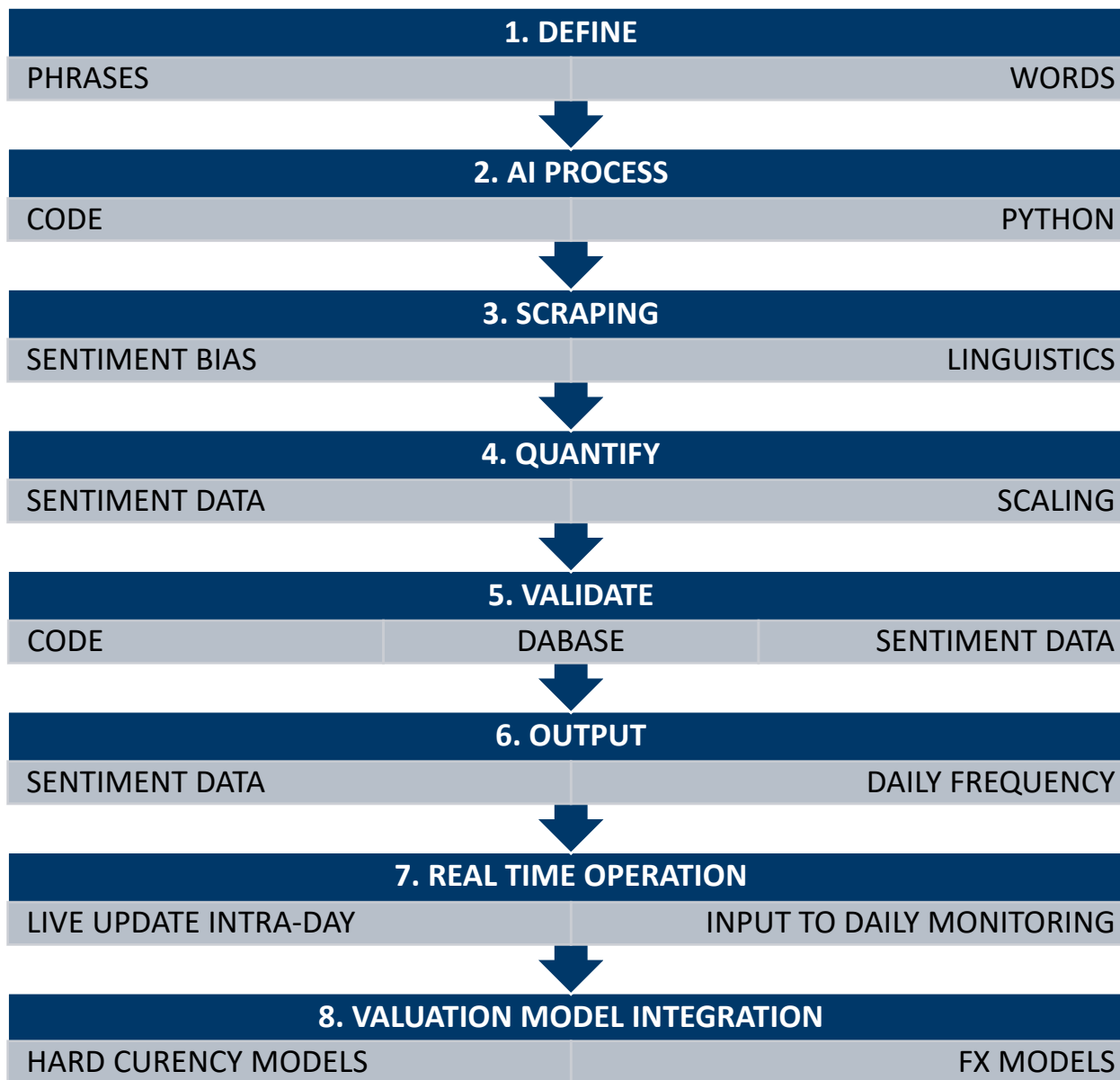


QUANTITATIVE APPROACH EVIDENCE-BASED



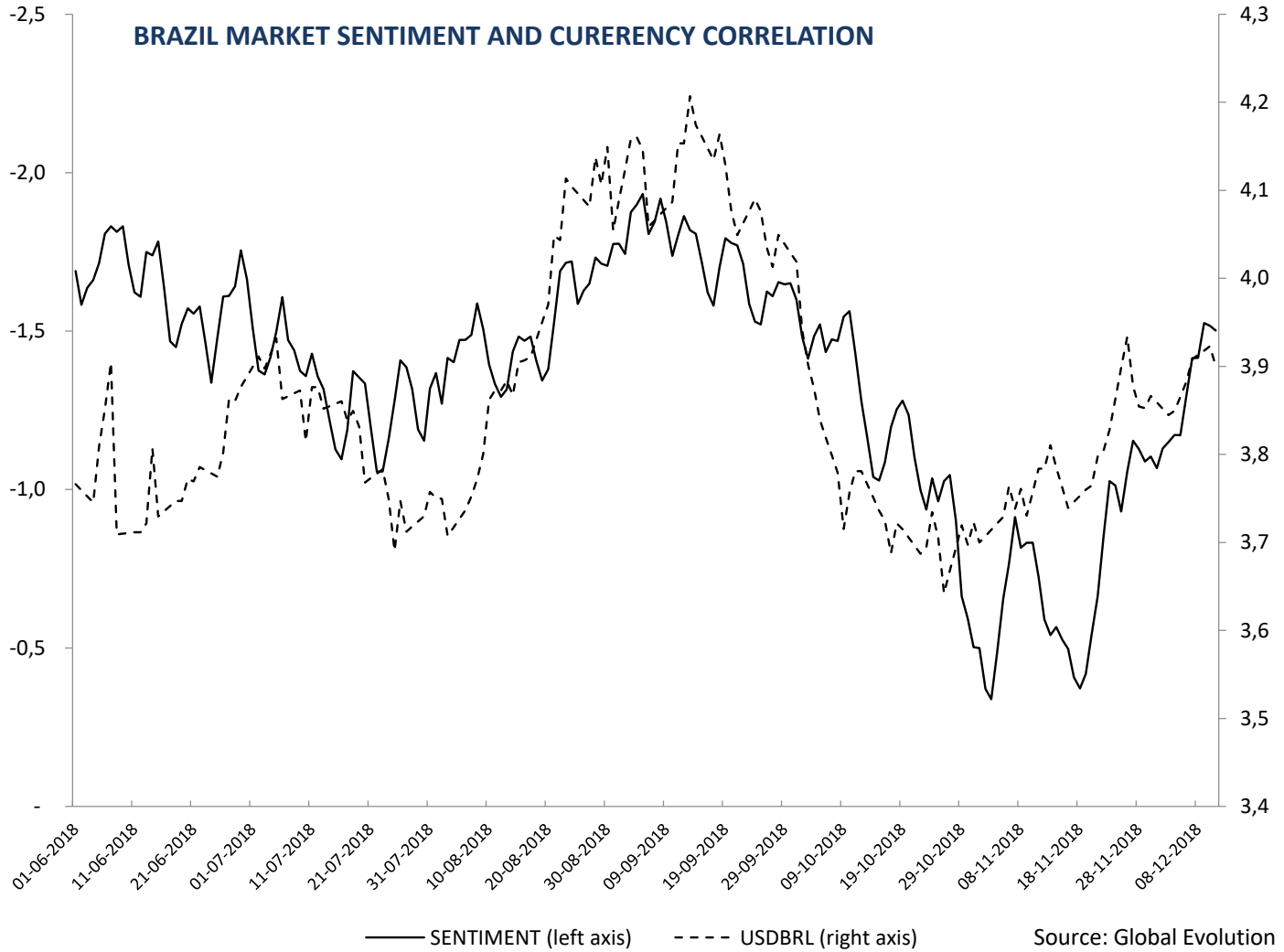
INPUT

TAKING THE TEMPERATURE ON MARKET SENTIMENT!



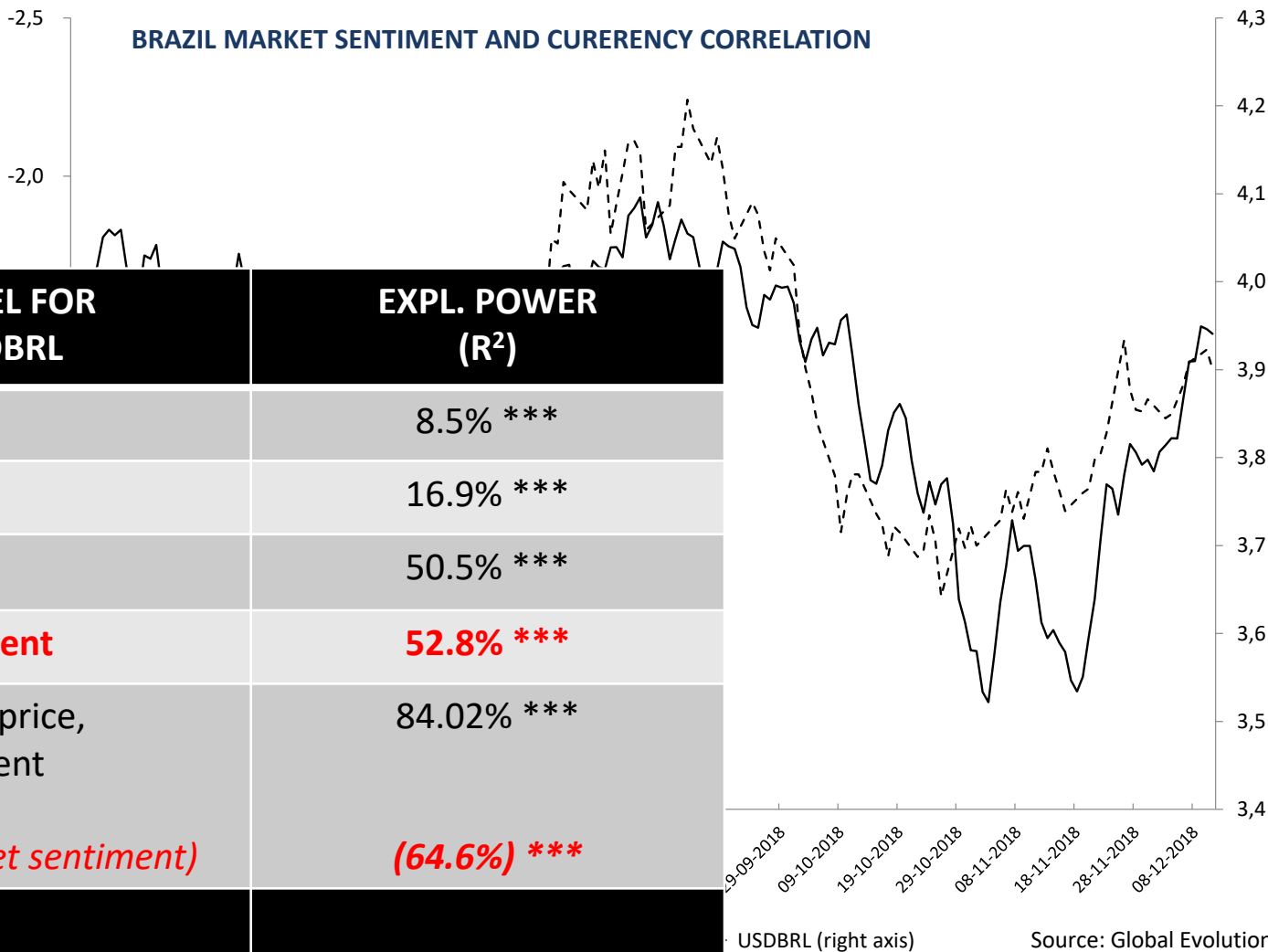
INPUT

TAKING THE TEMPERATURE ON MARKET SENTIMENT!



INPUT

TAKING THE TEMPERATURE ON MARKET SENTIMENT!



Valuation Model improvement: USDBRL

- 19.4% points
- 30.1%

Source: Global Evolution

AI DIVIDEND – POTENTIAL FOR ASSET MANAGEMENT

TAKING THE TEMPERATURE ON MARKET SENTIMENT: EVALUATING RISK IN A NEW WAY BY MEASURING ISSUES THAT PREVIOUSLY WERE UNMEASURABLE.

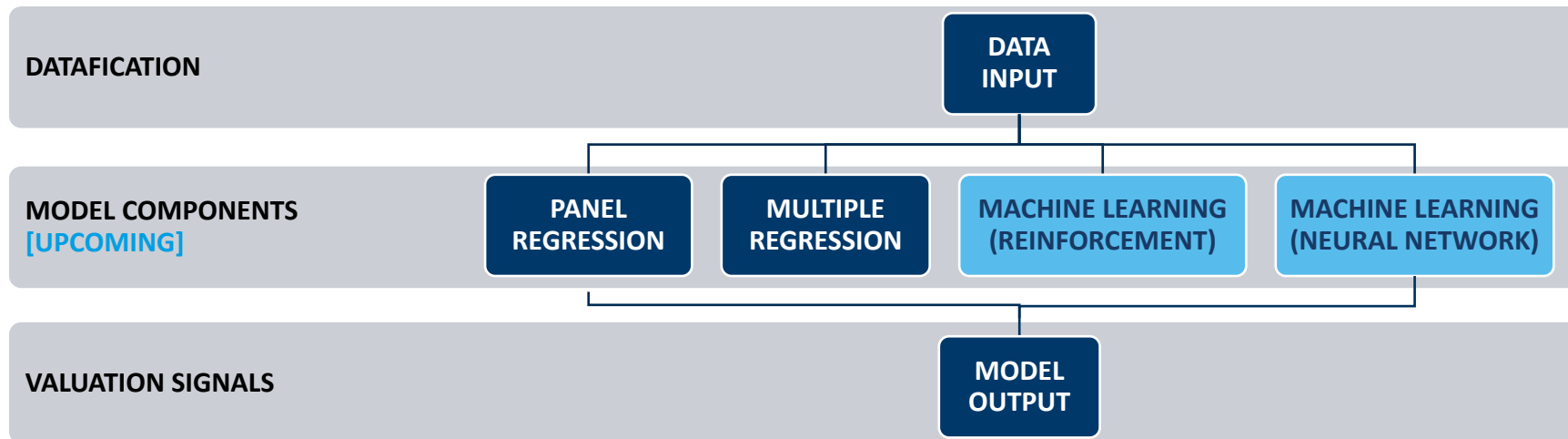
CREATING DATA AND INFORMATION THAT CURRENTLY DOES NOT EXIST

POTENTIAL FOR RESEARCH AND ASSET MANAGEMENT IN EMERGING MARKETS AND GENERALLY

- **RELEVANT FOR**
 - **SOVEREIGN**
 - **CORPORATE**
 - **US POLITICAL RISK**
 - **THEMES SUCH AS ELECTION RISK, HUMAN RIGHTS AND OTHER ESG INDICATORS**



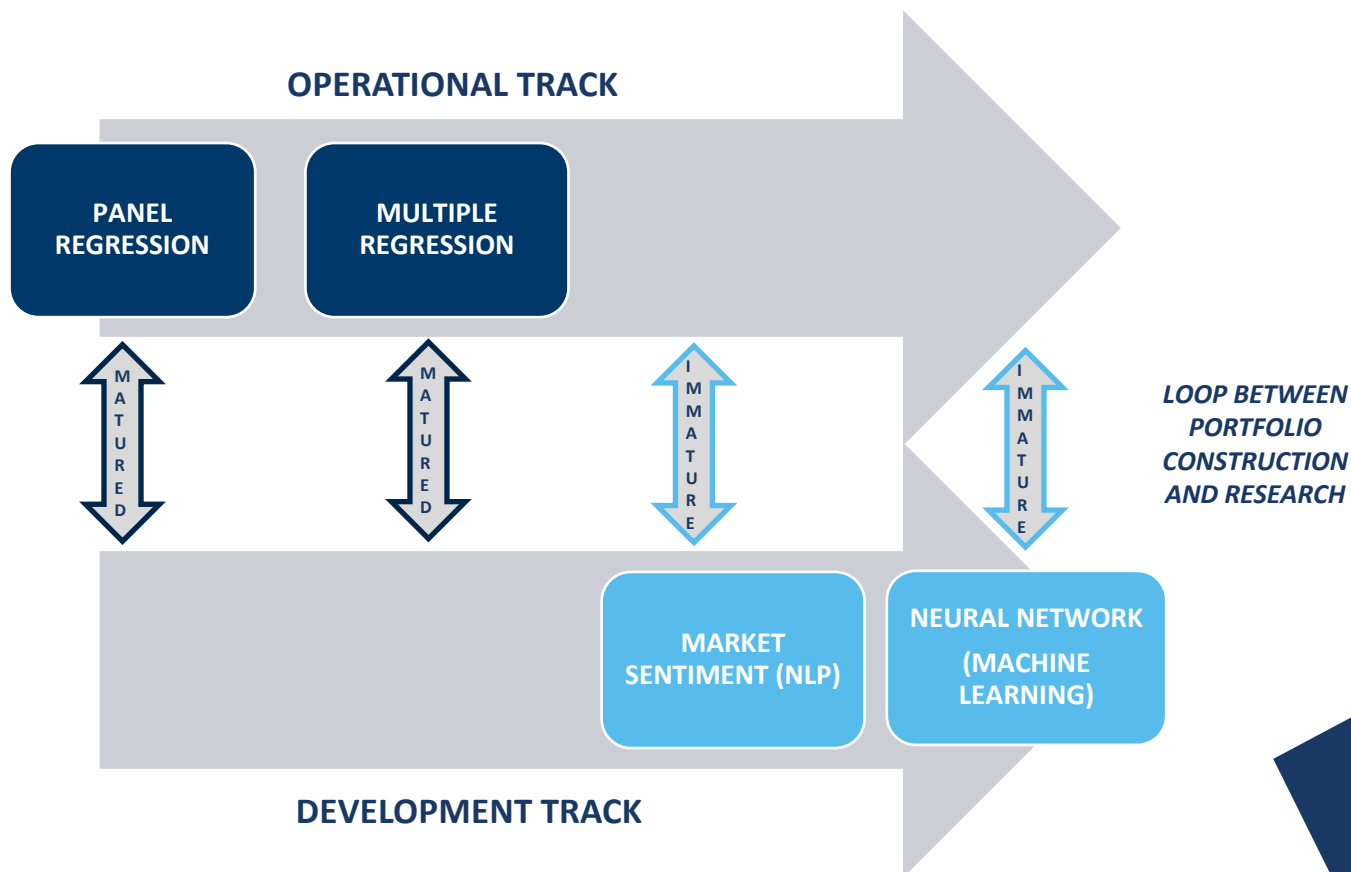
MODEL ECONOMETRIC APPROACH



RESEARCH

DATA AND METHODOLOGY

- The management of an evidence-based portfolio relies heavily on the feedback loop between research and the portfolio management!
- Continuous data and methodology optimization will optimize the model signals and portfolio performance
- Two tracks are parallel; development track will feed into the operational track when methodologies and data are sufficiently mature



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