DRIEHAUS
CAPITAL MANAGEMENT

Driehaus Emerging Markets Growth Strategy Summary

1ST QUARTER 2023

A full chronology of the issues that arose in the US banking system during the quarter is beyond the scope of this piece, so we will focus on the essence of what happened and in our outlook, some of the impacts that may have on emerging markets and our positioning. In short, the sharp increase in bond yields since last year left banks with significant mark-to-market losses on many of the bonds purchased during the Quantitative Easing (QE) era; the bulk of these bonds were sitting in held to maturity buckets so this wouldn't be an issue unless a bank needed (or decided) to sell those bonds and realize the losses, a la Silicon Valley Bank (SVB). The transmission vector the market would worry about would be rapid deposit outflows precipitating bond sales.

The unraveling of SVB, while idiosyncratic, brought an acute focus onto mark to market losses in held to maturity portfolios and illustrated how quickly deposits could flee. Given this backdrop, confidence collapsed as depositors became concerned about holding uninsured (beyond the statutory Federal Deposit Insurance Corporation (FDIC) limit) funds at regional banks—particularly relevant for those depositors with exposure concentrated at a single institution as was common at SVB.

On March 9th, depositors initiated withdrawals of some $42 billion from SVB. That magnitude would rank this as the largest bank run in history. It is worth noting the rapidity of SVB's decline, as this entire episode took only a matter of days. Contrast this with the failure of Washington Mutual in 2008 when receivership occurred after depositors withdrew some $16.7 billion over a nine-day period. Clearly, this is a velocity of deposit withdrawals that far exceeds what we have seen in the past. While the reality that this increased velocity exists is more important than the underlying reasons, the speed of information flow on social media clearly plays a central role. There were several pieces written this past month detailing the role that social media played in shifting sentiment.

Early in this episode, we took the view that these regional bank developments weren't likely to precipitate a spiraling banking crisis. There were several reasons for this view; beyond the fact that there were idiosyncratic reasons that banks such as SVB suffered acutely, we consider that these issues were essentially liquidity, not credit or solvency, related. The Fed has a myriad of tools for addressing liquidity issues and they quickly stepped in with a liquidity backstop in an attempt to restore confidence and stem the deposit outflows from regional banks. In addition to widening access to the discount window, a new lending program dubbed the Bank Term Funding Program was created, and the FDIC announced on March 13th that all depositors of SVB would be made whole.

The fact that we did not view this as a spiraling systemic issue does not imply that there are not significant and lasting economic impacts of what happened last month. Regional banks and other "smaller" financial institutions are likely to face more stringent regulations in the future and deposit stickiness (beta) will have to be reconsidered for many of these banks. The prospect of an increased regulatory burden and higher effective deposit costs will weigh on potential profitability and should certainly impact the valuation of these stocks. More broadly, but specific to the domestic economy, regional banks are a principal source of financing for small and medium sized enterprises (SMEs) and commercial real estate (CRE). Given the aforementioned concerns about deposit stickiness, we expect a significant contraction in lending availability from these institutions which will weigh on domestic growth prospects. These dynamics should create an opportune backdrop for emerging markets (EM) and international equities relative to the US in coming quarters.

These events also suggest we are approaching the end of a tightening cycle that the Fed would continue hiking until they break something and have since asserted that something broke, the logical implication is that we should be approaching the end of the tightening cycle. Indeed, the market very quickly started pricing in a pause and then cuts later in the year, a very dramatic shift from what we saw at the end of February. Indeed, terminal rate pricing went from ~5.40% to a local trough of ~4.75% before ending the month just inside 5% following the 25 basis point hike that was delivered in the Federal Open Market Committee (FOMC) meeting on 22nd March.

To be sure, central bankers were presented with a communication paradox in this month's meetings given the developments in the banking sector were unfolding concurrently. On one hand, an abrupt volte-face would risk damaging credibility and also potentially injecting additional fear into an already jittery market as investors would wonder what else the likes of Jerome Powell and Christine Lagarde know that they don't. The other side of that consideration would be that there is some inherent conflict between providing liquidity through the discount window (and other programs mentioned above) and then increasing the cost of that funding while knowing that a significant tightening of lending standards is coming down the track.

Unsurprisingly, there was a fair bit of debate as to whether the Fed would hike in the March meeting. To an extent, they benefitted from being able to observe the European Central Bank (ECB) meeting and the market reaction. The ECB delivered the 50 basis point hike that had been signaled in February but dropped their forward guidance and made it clear they would offer liquidity support if necessary. Notwithstanding the noise in the banking sector, the market digested this hike, and what followed from the Fed, relatively smoothly.

Ultimately, the Fed delivered the 25 basis point hike that was priced. Alongside the hike was a combination of rhetoric and stance that were dovish overall. The updated terminal dot from the Summary of Economic Projections (SEP) did not move higher from 5.125%, and Powell acknowledged that there is likely to be significant tightening from credit channels. The operative point here is that the Fed eased the concern that they could have been so singularly focused on inflation that they might dogmatically tighten into an abyss.

The real take from both the Fed and ECB is that they acknowledge there is a ton of uncertainty as to how the credit tightening from smaller banks is going to impact the economy. As with the long and variable lags of monetary policy and inflation dynamics coming out of a pandemic, this dynamic in the credit markets is going to be difficult to forecast. We now live in an explicitly data dependent world for the Fed and ECB, and we add credit data to their dashboard. In that light, the current pricing in rates appears reasonable (~50% probability of 25 basis points hike in May as of now, then some probability of cuts in the second half). We would think of those cuts as a lower probability of larger cuts-something like 25% probability of 200 basis points in cuts by year-end.

Performance and Outlook

The Driehaus Emerging Markets Growth strategy returned 4.25% for the first quarter, slightly ahead of the 3.96% return of the MSCI Emerging Markets Index.[1] On a sector basis, the biggest contributors to positive returns were holdings in tech hardware, financials and utilities. Tech hardware holdings benefited from better demand sentiment, much of which came from positive views on the impact of artificial intelligence (AI) on semiconductors and related equipment. While the most acute beneficiary of the theme in tech hardware is a large, American semiconductor design firm, many Taiwanese and other emerging tech hardware manufacturers are also perceived to benefit from the explosion in potential AI-driven demand. The financials sector saw a lot of volatility in the quarter, driven by US and European banking issues. Most emerging market banking sectors are significantly simpler, have tighter regulations on liquidity and for the most part have very limited direct exposure to the US banking sector. The financials sector aided in quarterly performance due to an underweight position overall and higher exposures in better performing markets, specifically Mexico and Indonesia. Utilities also aided in performance, particularly those whose valuation saw support from lower bond yields. On the negative side, the strategy lost performance to the index from carrying an underweight exposure to communication services stocks, specifically those in China, which outperformed during the quarter albeit with considerable volatility. Further, stock specific issues in the industrials sector and energy sectors weighed on returns. The announcement of an export ban in Brazil resulted in an underperformance in two energy sector holdings.

We see a few main themes evolving for the asset class for the remainder of the year, some new and some continuations of things previously discussed. The first of these, and the most important, is we see the Chinese recovery continuing to gather strength from low levels. Notably, recent credit data have confirmed a recovery in demand for loans and show a government continuing to push monetary stimulus even as the domestic economy shows signs of recovery. The strategy remains slightly underweight China, mostly on stock-specific grounds, but at a much smaller underweight than in recent years. We also believe that the recovery in the Chinese economy has been inadequately priced by many markets, specifically in commodities.

The second theme is related to the discussion on the US banking sector. For the first time in many years we have a development that weakens the economic growth outlook that is a uniquely American phenomenon. As we wrote above, we saw this as helping to confirm the recent top in dollar strength and capping the rate outlook. However, the move lower in rates and the dollar may be overextended in the short-term, barring any new acute stresses. As a result we could see tactical bounces in both yields and the dollar, but continue to view the core trend as one of a weaker dollar and lower short-term rates. Even if the dollar doesn't materially weaken here, the crisis and change in the Fed's posturing has made rates in many emerging markets look unreasonably high. We expect the reduction of interest rates in places like Brazil to be a core theme going forward. On a forward-looking basis, a dollar with limited upside, a shift lower in global yields and a recovering China make for a more favorable outlook for a significant portion of the EM universe.

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[1]The performance data represents the strategy's composite of emerging markets growth accounts managed by Driehaus Capital Management LLC (DCM) (the composite). These returns are estimated for the period as the underlying accounts' data is yet to be reconciled to the custodian bank. Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings. The performance data shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

This update is not intended to provide investment advice. Nothing herein should be construed as a solicitation, recommendation or an offer to buy, sell or hold any securities, other investments or to adopt any investment strategy or strategies. You should assess your own investment needs based on your individual financial circumstances and investment objectives.

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Driehaus Emerging Markets Growth Strategy

% Month-End Performance (as of 3/31/23)

				Annualized				
	MTH	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Inception[2]
Driehaus Emerging Markets Growth Composite (Gross)	3.51	4.45	4.45	-10.40	10.02	2.06	4.94	11.39
Driehaus Emerging Markets Growth Composite (Net)	3.44	4.25	4.25	-11.07	9.20	1.25	3.87	9.79
MSCI Emerging Markets Index (ND) (Benchmark)	3.03	3.96	3.96	-10.70	7.83	-0.91	2.00	*
MSCI Emerging Markets Growth Index (ND)	3.59	4.00	4.00	-11.87	5.65	-0.79	3.18	*

Top 5 Holdings[5] (as of 2/28/23)

Company	Sector	Country	% of Strategy
Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	Information Technology	Taiwan	6.9
Samsung Electronics Co., Ltd.	Information Technology	South Korea	4.9
Tencent Holdings Ltd.	Communication Services	China	4.2
Grupo Financiero Banorte SAB de CV Class O	Financials	Mexico	2.4
Alibaba Group Holding Limited	Consumer Discretionary	China	2.4

Sector Weights (%)

	Strategy	Benchmark	*Active Weights*
Communication Services	9.4	10.6	*-1.1*
Consumer Discretionary	13.2	13.9	*-0.7*
Consumer Staples	6.8	6.3	*0.5*
Energy	5.7	4.7	*1.0*
Financials	18.6	21.0	*-2.4*
Health Care	5.2	3.8	*1.5*
Industrials	7.0	6.0	*1.1*
Information Technology	22.3	20.5	*1.8*
Materials	1.8	8.6	*-6.8*
Real Estate	3.3	1.9	*1.4*
Utilities	3.2	2.6	*0.6*
Cash	3.3	0.0	*3.3*

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance Data as of 3/31/23.
*The inception of the strategy predates the inception of the index.
The performance data represents the strategy's composite of emerging markets growth accounts managed by Driehaus Capital Management LLC (DCM). These returns are estimated for the period as the underlying accounts' data is yet to be reconciled to the custodian bank. Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings. The performance data shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

[1]Composite assets include those accounts that meet the composite objectives and eligibility requirements. Please see the notes at the end of this document for additional information.[2]1/1/1997. [3]Portfolio characteristics represent the strategy's composite. [4]Data is calculated monthly. [5]Holdings subject to change.

Key Features

- All cap global emerging markets exposure
- Benchmark aware, not benchmark constrained
- Opportunistic investment approach
- High active share

Facts

Inception Date	1/1/97
Composite Assets Under Management[1]	$5,112 million
Firm Assets Under Management	$13.4 billion
Investment Universe	EM all cap equity
Investment Style	Growth equity
Investment Vehicles :	Separately Managed Account Institutional Commingled Mutual Fund

Portfolio Characteristics[3]

5-year period	**Strategy**	**Benchmark**
Information Ratio	0.41	n/a
Beta	0.87	1.00
Standard Deviation	17.19	18.94
Tracking Error	5.32	n/a
R-squared	0.92	1.00

Market Cap Breakout	**Strategy**	**Benchmark**
<$5 billion	7.4%	9.4%
$5- $15 billion	17.4%	24.9%
> $15 billion	75.1%	65.7%

	Strategy	**Benchmark**
Number of Holdings	102	1,379
Weighted Avg. Market Cap (M)	$143,482	$108,854
Median Market Cap (M)	$22,183	$6,774
Est. 3-5 Year EPS Growth	15.7%	14.8%
Active Share (3-year avg.)[4]	77.37	n/a

Portfolio Management

Howard Schwab, Lead Portfolio Manager
22 years of industry experience

Chad Cleaver, CFA, Portfolio Manager
20 years industry experience

Richard Thies, Portfolio Manager
15 years of industry experience

Driehaus Emerging Markets Growth Strategy

Country Weights* (%)

	Strategy	Benchmark	*Active Weights*
Argentina	1.4	0.0	*1.4*
Brazil	4.5	4.9	*-0.3*
Chile	0.0	0.6	*-0.6*
China/Hong Kong	31.8	32.6	*-0.8*
Colombia	0.0	0.1	*-0.1*
Czech Republic	0.0	0.2	*-0.2*
Egypt	0.0	0.1	*-0.1*
Greece	0.5	0.4	*0.1*
Hungary	0.0	0.2	*-0.2*
India	15.2	13.0	*2.3*
Indonesia	3.7	1.9	*1.8*
Kuwait	0.0	0.9	*-0.9*
Malaysia	0.0	1.5	*-1.5*
Mexico	4.3	2.6	*1.6*
Panama	0.4	0.0	*0.4*
Peru	1.1	0.3	*0.8*
Philippines	0.2	0.7	*-0.5*
Poland	0.0	0.6	*-0.6*
Qatar	0.4	0.9	*-0.5*
Romania	0.0	0.0	*0.0*
Saudi Arabia	2.5	3.9	*-1.3*
South Africa	1.1	3.4	*-2.4*
South Korea	8.7	11.9	*-3.2*
Taiwan	12.6	15.2	*-2.6*
Thailand	1.7	2.1	*-0.5*
Turkey	0.0	0.6	*-0.6*
United Arab Emirates	1.8	1.2	*0.6*
Other[1]	4.7	0.2	*4.6*
Cash	3.3	0.0	*3.3*

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc.
Data as of 3/31/23. Benchmark: MSCI Emerging Markets Index (ND)
[1]Represents companies domiciled in developed countries that have significant emerging markets exposures.
*Emerging market companies are (i) companies organized under the laws of an emerging market country or having securities which are traded principally on an exchange or over-the-counter in an emerging market country; or (ii) companies which, regardless of where organized or traded, have a significant amount of assets located in and/or derive a significant amount of their revenues from goods purchased or sold, investments made or services performed in or with emerging market countries.
Data as of March 31, 2023.

Driehaus Emerging Markets Growth Strategy

Sector Attribution 1st Quarter – 12/31/22 to 3/31/23

	Driehaus Emerging Markets Growth Strategy (Port) (%)			MSCI Emerging Markets Index (ND)[1] (Bench) (%)			Attribution Analysis (%)
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg.Weight	Bench Total Return	Bench Contrib To Return	Total Effect[2]
Communication Services	7.84	7.80	0.76	10.27	13.42	1.32	-0.55
Consumer Discretionary	13.17	1.74	0.59	14.04	1.51	0.31	0.15
Consumer Staples	5.99	3.77	0.25	6.27	2.46	0.16	0.07
Energy	5.64	-4.79	-0.39	4.69	-0.28	-0.03	-0.30
Financials	19.89	0.44	0.12	21.38	-0.83	-0.17	0.31
Health Care	4.90	-0.35	-0.01	3.96	-4.85	-0.18	0.15
Industrials	7.66	-0.93	-0.07	5.96	2.26	0.14	-0.36
Information Technology	19.34	18.99	3.26	19.86	14.73	2.55	0.67
Materials	3.36	-2.45	-0.04	8.75	2.38	0.22	-0.07
Real Estate	3.69	-0.68	-0.06	1.95	-1.53	-0.02	-0.04
Utilities	3.08	-1.36	-0.06	2.73	-10.47	-0.27	0.27
Cash	5.44	-0.10	-0.01	0.00	0.00	0.00	0.00
Other[3]	0.00	-0.08	-0.07	0.16	-22.15	-0.06	-0.02
Total	100.00	4.28	4.28	100.00	3.98	3.98	0.30

Data as of 3/31/23.
Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance

[1]The Morgan Stanley Capital International Emerging Markets Index (MSCI Emerging Markets Index) is a market capitalization-weighted index designed to measure equity market performance in global emerging markets. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment. [2]**Total Effect** - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector. [3]Other refers to securities not recognized by FactSet.

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Per FactSet Research Systems Inc., the attribution report provides an in-depth analysis of relative performance. With this report one can research whether or not a portfolio outperformed a benchmark, and how each group contributed to performance. The performance data shown above is estimated and represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The information presented is intended for informational purposes only.

Country Performance Attribution 1st Quarter – 12/31/22 to 3/31/23

	Driehaus Emerging Markets Growth Strategy (Port) (%)			MSCI Emerging Markets Index (ND)[1] (Bench) (%)			Attribution Analysis (%)
MSCI Country	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg.Weight	Bench Total Return	Bench Contrib To Return	Total Effect[2]
Argentina	1.08	42.42	0.39	0.00	0.00	0.00	0.37
Brazil	5.54	-4.24	-0.18	5.00	-3.17	-0.20	0.02
Canada	0.23	-10.54	0.04	0.00	0.00	0.00	0.01
Chile	0.00	0.00	0.00	0.56	5.24	0.02	-0.01
China	23.14	1.18	0.50	28.63	4.89	1.52	-0.89
Colombia	0.00	0.00	0.00	0.10	-13.48	-0.02	0.02
Czech Republic	0.00	0.00	0.00	0.16	32.98	0.04	-0.04
Egypt	0.00	0.00	0.00	0.08	-3.62	0.00	0.01
Greece	0.45	13.20	0.05	0.36	15.75	0.04	0.00
Hong Kong	4.64	-7.55	-0.28	4.08	4.55	0.20	-0.56
Hungary	0.00	0.00	0.00	0.19	2.87	0.01	0.00
India	14.62	-2.44	-0.33	13.29	-6.35	-0.86	0.43
Indonesia	2.90	11.94	0.31	1.85	5.98	0.10	0.14
Israel	0.63	4.67	0.03	0.00	0.00	0.00	0.00
Japan	0.36	10.96	0.11	0.00	0.00	0.00	0.11
Kuwait	0.00	0.00	0.00	0.90	-3.74	-0.04	0.07
Luxembourg	0.00	0.00	0.00	0.08	12.19	0.01	-0.01
Malaysia	0.00	0.00	0.00	1.49	-3.60	-0.06	0.12
Mexico	4.13	18.80	0.65	2.51	20.33	0.45	0.19
Netherlands	0.63	19.62	0.19	0.00	0.00	0.00	0.13
Panama	0.23	1.10	0.00	0.00	0.00	0.00	0.01
Peru	0.66	-4.60	-0.02	0.17	-0.68	0.00	-0.08
Philippines	0.23	13.45	0.03	0.73	2.44	0.02	0.03
Poland	0.00	0.00	0.00	0.65	-2.29	-0.01	0.04
Qatar	0.62	-5.95	-0.03	0.94	-0.68	0.00	-0.05
Romania	0.00	0.00	0.00	0.04	1.16	0.00	0.00
Saudi Arabia	2.59	10.51	0.26	3.85	-0.05	0.01	0.34
Singapore	0.92	1.58	0.10	0.03	-7.44	0.00	0.03
South Africa	1.01	-3.18	-0.04	3.48	-0.69	0.00	0.10
South Korea	10.32	7.05	0.71	11.77	9.58	1.03	-0.35
Suriname	0.00	0.00	0.00	0.04	12.57	0.01	0.00
Switzerland	0.33	-9.47	-0.04	0.00	0.00	0.00	-0.07
Taiwan	10.77	20.41	1.83	14.63	14.70	1.87	0.13
Thailand	2.02	-9.14	-0.19	2.15	-1.71	-0.02	-0.17
Turkey	0.00	0.00	0.00	0.62	-9.42	-0.07	0.09
United Arab Emirates	1.84	2.41	0.05	1.28	-7.54	-0.10	0.11
United Kingdom	0.04	0.85	0.00	0.02	6.92	0.00	0.00
United States	4.30	9.86	0.27	0.34	8.45	0.03	0.19
Uruguay	0.09	-13.37	-0.03	0.00	0.00	0.00	-0.06
Vietnam	0.24	-17.81	-0.04	0.00	0.00	0.00	-0.05
Cash	5.44	-0.10	-0.01	0.00	0.00	0.00	0.00
Other[3]	0.00	-0.08	-0.07	0.00	0.00	0.00	-0.08
Total	100.00	4.28	4.28	100.00	3.98	3.98	0.30

Sources: FactSet Research Systems Inc. and Driehaus Capital Management. Per FactSet Research Systems Inc., the Attribution Report provides an in-depth analysis of relative performance. With this report one can research whether a portfolio outperformed a benchmark, and how each group contributed to performance. The performance data shown above is estimated and represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The information presented is intended for informational purposes only. [1]A definition of this index can be found on page 6. [2]Total Effect - The Total Effect for each MSCI Country is equal to the sum of the individual Attribution Effects for that MSCI Country. [3]Other refers to securities not recognized by FactSet.

Notes // Driehaus Emerging Markets Growth Strategy

FIRM DEFINITION
Driehaus Capital Management LLC (DCM) is a registered investment adviser with the United States Securities and Exchange Commission (SEC). DCM provides investment advisory services using growth equity and credit strategies to individuals, organizations, and institutions. The firm consists of all accounts managed by DCM (the Company).

DCM claims compliance with the Global Investment Performance Standards (GIPS®).

COMPOSITE DESCRIPTION
The Emerging Markets Growth Composite (the Composite) was created in January 1997. An account is considered to be an emerging markets growth account if it seeks capital appreciation by investing primarily in equity securities of rapidly growing companies in emerging markets countries around the world. This strategy may invest substantially all (no less than 80%) of its assets in emerging markets companies.

PERFORMANCE RESULTS
Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings.

Past performance is not indicative of future results. All investments have risks and you could lose money.

Valuations and returns are computed and stated in U.S. dollars. Returns are presented on a pretax basis .

Additional information regarding policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request. A list of composite descriptions and a list of broad distribution pooled funds are available upon request. Please contact our sales, marketing and relationship management department at 312-932-8621.

RISKS
All investments have risks. The strategy invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. During certain periods, the strategy has benefited from unusually strong market conditions. At times, a significant portion of an account's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a strategy with a smaller asset base, and the strategy may not experience similar performance results as its assets grow. Investments in overseas markets can pose more risks than U.S. investments. In addition, the strategy's returns will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which the strategy invests. These risks are generally greater when investing in emerging markets.

TAX EFFECT
Income tax may be withheld on income depending on the tax laws of each country and its treaty, if any, with the U.S. Such withholding taxes are reflected in the performance of accounts.

INDICES
The Morgan Stanley Capital International Emerging Markets Index (MSCI Emerging Markets Index) is a market capitalization-weighted index designed to measure equity market performance in global emerging markets. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment.

The Morgan Stanley Capital International Emerging Markets Growth Index (MSCI Emerging Markets Growth Index) is a subset of the MSCI Emerging Markets Index and includes only the MSCI Emerging Markets Index stocks which are categorized as growth stocks. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment.

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TERMS
Active share represents the share of portfolio holdings that differ from the benchmark index holdings. **Beta** is a measure of a portfolio's volatility. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. **Information Ratio (IR)** measures a portfolio manager's ability to generate excess returns relative to a benchmark, but also attempts to identify the consistency of the investor. This ratio will identify if a manager has beaten the benchmark by a lot in a few months or a little every month. The higher the IR the more consistent a manager is and consistency is an ideal trait. **R-Squared** is a statistical measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. For fixed-income securities, the benchmark is the T-bill. For equities, the benchmark is the S&P 500. **Standard Deviation** is a measure of the average deviations of a return series from its mean; often used as a measure of portfolio volatility. A large standard deviation implies that there have been large swings or volatility in the manager's return series. **Tracking Error** is a divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark. This is often in the context of a hedge or mutual fund that did not work as effectively as intended, creating an unexpected profit or loss instead.

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