



**CITY OF LONDON**  
Investment Management Company Limited

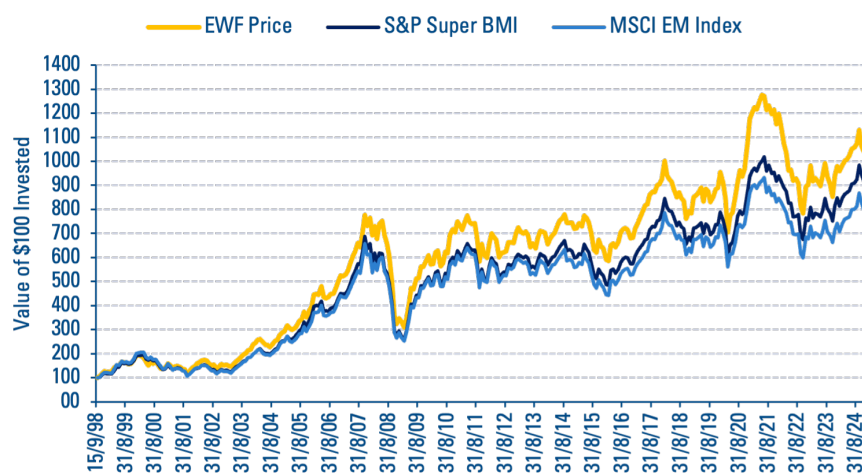
# The Emerging World Fund (Institutional)

December 2024 Month-End Report

## Summary

During December, the share price of The Emerging World Fund (EWF) rose 0.69%, net of fees, whilst its benchmark index, the dollar-adjusted S&P Emerging Frontier Super Composite Net Total Return Broad Market Index (S&P Super BMI), fell 0.62%. Additionally, and for comparative purposes only, the MSCI Emerging Markets Net Total Return Index (MSCI EM Index) fell 0.14% over the period. The discount movements and NAV performances of the Fund's underlying holdings, as well as country allocation versus the benchmark index, were favourable. Since its inception in September 1998, the Fund has outperformed its benchmark index on an annualised basis by 0.58 of a percentage point and outperformed the MSCI EM Index on an annualised basis by 1.13 percentage points, net of fees. Please note attribution in the table below is shown gross of fees, whilst performance reported in the narrative above and chart below is net of fees.

## EWF Performance\* Compared to the S&P Super Composite Net Total Return BMI\*\* and MSCI EM Index (US\$) Since Inception (Rebased from inception, where 15th September 1998 = 100)



\*Performance figures are net returns. Historical figures are based on an investment management fee of 1% per annum; as of 7 February 2022, the IM Fee is 0.95% per annum.

\*\*The benchmark was changed from the S&P Emerging BMI Plus on January 1, 2009 to better reflect the investment strategy of the Fund. The S&P Emerging BMI Plus was the successor index to the S&P/IFC Global Composite Index, the benchmark for the Fund prior to September 1, 2008, which has been discontinued. Benchmark changes have not been applied retroactively and therefore historical benchmark performance is a blend of the BMI and IFC indices. The MSCI Emerging Markets Net Total Return Index (MSCI EM Index) is shown for comparative purposes. Past performance is no guarantee of future results.

Source: BNY Mellon, S&P, MSCI

## EWF Performance & Attribution Analysis (Gross)

Performance (%)	Oct	Nov	Dec	QTD	YTD
EWF	-5.81	-1.89	+0.77	-6.88	+8.01
S&P Super BMI*	-3.95	-2.94	-0.62	-7.35	+7.59
Relative to S&P	-1.86	+1.05	+1.39	+0.47	+0.42
MSCI EM Index*	-4.45	-3.59	-0.14	-8.01	+7.50
Relative to MSCI	-1.36	+1.70	+0.91	+1.13	+0.51
Attributed to (%)**					
Country Allocation	-0.10	-0.07	+0.01	-0.16	-0.50
Portfolio Holding NAV	-0.33	+0.90	+0.47	+0.97	+0.99
Discount Movements	-1.43	+0.22	+0.91	-0.34	-0.07
Relative to S&P	-1.86	+1.05	+1.39	+0.47	+0.42

\*Index returns subject to change due to restatements by index vendors in the historical index levels.

\*\*CLIM estimates.

The above returns have been rounded and are presented as gross of fees performance figures, which do not reflect the deduction of investment management fees. Please see Prospectus for information regarding fees and expenses. The actual return is reduced by the investment management fees and any other expenses the Fund may incur in the management of the account. Performances for the Quarter and Year to Date are compounded and therefore will not always equal the sum of the individual component months.

Past performance is no guarantee of future results.

Source: CLIM, S&P, MSCI

## Performance Figures

	EWF* (USD)	S&P Super BMI (USD)	MSCI EM Index (USD)
1 Month	+0.69%	-0.62%	-0.14%
3 Months	-7.10%	-7.35%	-8.01%
6 Months	-0.19%	+0.64%	+0.02%
1 Year	+6.99%	+7.59%	+7.50%
Since Inception	+948.76%	+811.45%	+698.58%
Inception (Annualised)	+9.35%	+8.77%	+8.22%

	EWF* (GBP)	S&P Super BMI (GBP)	MSCI EM Index (GBP)
1 Month	+2.19%	+0.86%	+1.35%
3 Months	-0.50%	-0.77%	-1.47%
6 Months	+0.74%	+1.58%	+0.95%
1 Year	+8.90%	+9.51%	+9.43%
Since Inception	+1305.59%	+1121.55%	+970.28%
Inception (Annualised)	+10.58%	+9.99%	+9.44%

	EWF* (Euro)	S&P Super BMI (Euro)	MSCI EM Index (Euro)
1 Month	+2.71%	+1.37%	+1.86%
3 Months	+0.12%	-0.14%	-0.85%
6 Months	+3.31%	+4.16%	+3.52%
1 Year	+14.13%	+14.78%	+14.68%
Since Inception	+1075.37%	+921.47%	+794.98%
Inception (Annualised)	+9.83%	+9.24%	+8.69%

	EWF* (SGD)	S&P Super BMI (SGD)	MSCI EM Index (SGD)
1 Month	+2.47%	+1.13%	+1.62%
3 Months	-1.14%	-1.41%	-2.11%
6 Months	+0.49%	+1.30%	+0.68%
1 Year	+10.66%	+11.27%	+11.18%
Since Inception	+115.45%	+122.78%	+100.68%
Inception (Annualised)	+5.09%	+5.32%	+4.61%

\*Historical figures are based on an investment management fee of 1% per annum; as of 7 February 2022, the IM Fee is 0.95% per annum. Returns are quoted in GBP, EUR and \$ for the convenience of shareholders, however the base currency of the Fund is USD. Past performance is no guarantee of future results.

## Volatility\*

	EWF Price (USD)	S&P Super BMI	MSCI EM Index
12 Months	+9.81%	+11.14%	+12.36%
Inception	+20.16%	+20.14%	+21.06%

\*Annualised standard deviation of monthly returns over the period (US\$).

## Price

Price	US\$104.88
	£83.75
	EUR0101.28
	\$S142.95
Exchange Rate	£1 = US\$1.25240
	EURO 1 = US\$1.03550
	\$S1 = US\$0.73303
Yield	NIL

Source: CLIM, BNY Mellon, S&P, MSCI

# Investment Commentary

## Economic Overview\* (Macroeconomics)

The post-US election market rally was interrupted in December after the Federal Reserve’s widely expected 25 basis point (bps) interest rate cut was accompanied by relatively hawkish communication and dot plot projections. The projections now show two cuts in 2025, previously four, while inflation forecasts were revised up. The policy statement added a line about “the extent and timing” of additional rate cuts, which imply the Federal Reserve would be slowing the pace of easing. The market is pricing in two rate cuts with a 70% likelihood. As such, the 2-year and 10-year US Treasury yields rose by 9 bps and 40 bps, respectively. The Bloomberg Commodity TR Index rose by 1%, led by gains in energy (+6.5%) and agriculture (+1.2%). Both industrial (-3%) and precious (-2.2%) metals fell, with trade tariff concerns weighing on the former.

Emerging markets (EM) equities (MSCI EM Net TR Index) fell by 0.1% in US dollar terms during December, outperforming developed markets (DM) equities (MSCI World Net TR Index) by 2.5 percentage points. The outperformance was despite the 1.2% fall in the MSCI EM Currency Index. The US dollar (DXY) gained 2.6%.

The worst performing EM was the MSCI Brazil Index, which fell by 8.2% in US dollar terms in response to the country’s deteriorating fiscal picture. The depreciation in the Brazilian real slowed after the Banco Central do Brasil (BCB) intervened in the FX market and hiked rates by 100 bps. Nonetheless, the real lost 3.3% of its value in December.

Another weak market was South Korea, where the MSCI South Korea Index declined by 7.3% in US dollar terms as President Yoon declared short-lived martial law, triggering a political upheaval. President Yoon was swiftly voted down by the opposition and the President was suspended.

In contrast, the strongest markets were the UAE (+9.1%), Greece (+6.6%), Taiwan (+4.3%) and Saudi Arabia (+3.1%). Therefore, Europe, Middle East, and Africa (EMEA) outperformed the EM aggregate by 1 percentage point. The UAE was boosted by the dividend announcement from Emaar Properties (22.1% of the MSCI UAE Index). A strong outturn was also recorded in China, with the MSCI China Index increasing by 2.7% in US dollar terms, despite market disappointment over the lack of stimulus announcements and a ramp up in chip export controls.

## Portfolio Commentary\* (Investment Management)

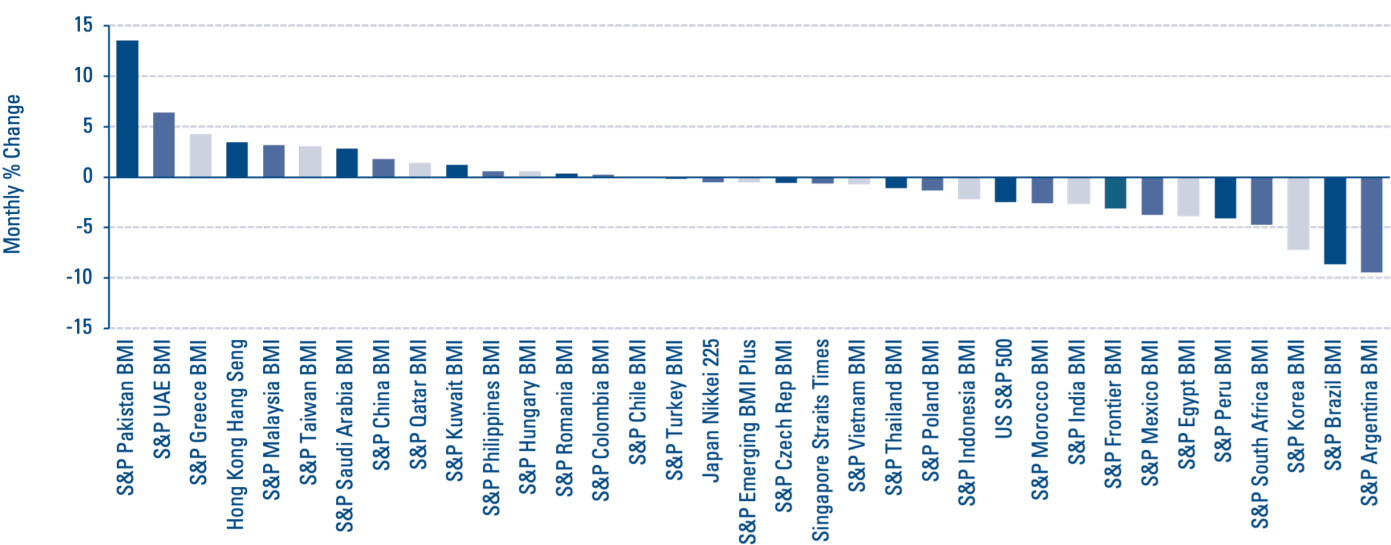
In December, emerging markets generalist exposure was increased as we purchased shares of **JPMorgan Global Emerging Markets Income Trust** and **Templeton Emerging Markets Fund** at discounts between 14% and 16.5%.

In Asia, generalist exposure was reduced as shares of **Invesco Asia Trust** and **Scottish Oriental Smaller Companies Trust** were sold at discounts of 9.5% and 16%, respectively. Exposure to South Korea was adjusted as shares of **LG Corp** were sold at a discount of 50%, whilst shares of **LG Chem** were purchased at a discount of 75%. Exposure to India was reduced as shares of **JPMorgan India Investment Trust** were sold at a discount of 18.5% following strong performance in the market.

In Latin America, exposure to Mexico was increased as shares of **Mexico Fund Inc** were purchased at a discount of 21%.

*\*The portfolio section includes major transactions undertaken over the period.*

## Index Performances During December 2024 (US\$)

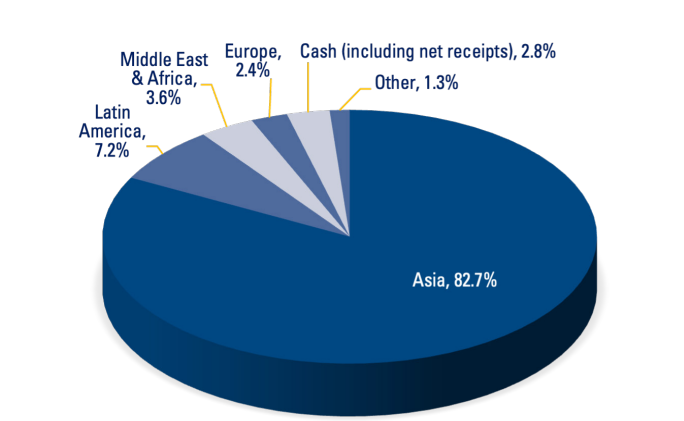


*\*The countries and other indices included in this graph are not benchmarks for EWF, they are included to provide an indication as to how the underlying countries themselves have performed over the period.*

# Fund Objective & Background

The objective of The Emerging World Fund (EWF) is to invest for capital growth in a portfolio of closed-end funds whose investment policy is directed mainly towards emerging markets. This approach allows great flexibility in asset allocation, a wider diversification of investments, participation in the performances of high quality fund managers and potentially enhanced performance when the discounts to net asset value at which closed-end funds tend to trade narrows. EWF is a sub-fund of The World Markets Umbrella Fund plc. ♦

## Portfolio Breakdown (%)



Source: CLIM

## Fund Portfolio

Top Holdings	Fund (%)	Discount* (%)
1 Templeton Emerging Markets Investment Trust	8.8	14.4
2 Asia Dragon Trust	7.2	9.7
3 Taiwan Fund Inc	6.0	18.2
4 JPMorgan Emerging Markets Investment Trust	5.9	12.8
5 abrdn Emerging Markets Equity Income Fund Inc	5.5	13.4
6 Fidelity China Special Situations	4.8	12.9
7 Schroder AsiaPacific Fund	4.5	12.4
8 abrdn Asia Focus	4.4	19.4
9 JPMorgan Indian Investment Trust	4.2	16.4
10 Utilico Emerging Markets Trust	3.8	17.4
	55.1	

\*Based upon NAV estimate.  
This is provided for information purposes only and should not be construed as investment advice to buy or sell any securities.

Source: CLIM

## Portfolio Data

Fund Size	\$90.15m
Number of Shares in Issue	873,853.823
Number of Portfolio Holdings	40
Size Weighted Portfolio Discount of closed-end funds	17.74%*
Size Weighted Average Life of Portfolio	2.10 years**

Excluding 46.67% of the portfolio with unlimited life.

\*Size Weighted Portfolio Discount represents the see-through discount of the underlying closed-end funds. It is calculated by multiplying the percentage position sizes of the underlying closed-end funds by their respective discounts. These calculations are then added together to determine the size weighted portfolio discount for the portfolio. The size weighted portfolio discount is a measure of value within the portfolio, with a higher value representing wider discounts, and accordingly more value within the portfolio.

\*\*Some of the closed-end funds have either fixed maturities or continuation votes that allow shareholders to vote on a restructuring of the underlying closed-end fund. The size weighted portfolio life is calculated by taking the percentage position sizes of the relevant holdings on the portfolio and multiplying them by their respective time periods remaining to the corporate event. These calculations are then added together to determine the minimum size weighted portfolio life for the portfolio. A lower size weighted portfolio life is beneficial for the portfolio as it may equate to potentially more corporate activity in the near term.

Source: CLIM, BNY Mellon

## EWF and EM Indices Country Weightings

	November 2024			December 2024		
	Fund	S&P Super BMI*	MSCI EM Index*	Fund	S&P Super BMI*	MSCI EM Index*
Asia						
Australia	0.6	0.0	0.0	0.5	0.0	0.0
Bangladesh	0.0	0.1	0.0	0.0	0.1	0.0
China	23.0	25.7	27.0	23.6	26.2	27.8
Hong Kong	2.9	0.0	0.0	2.8	0.0	0.0
India	15.7	20.3	20.0	16.0	20.1	19.5
Indonesia	1.9	1.7	1.5	1.9	1.7	1.5
Malaysia	1.3	1.8	1.5	1.3	1.9	1.5
Philippines	0.9	0.6	0.5	0.9	0.6	0.5
Singapore	1.0	0.0	0.0	1.0	0.0	0.0
South Korea	11.7	9.4	9.8	11.2	8.7	9.0
Sri Lanka	0.1	0.0	0.0	0.2	0.0	0.0
Taiwan	17.0	17.8	18.9	16.6	18.5	19.7
Thailand	1.0	1.6	1.5	1.0	1.6	1.4
Vietnam	5.1	0.3	0.0	5.6	0.3	0.0
Other Asia	0.2	0.1	0.0	0.1	0.1	0.0
	82.4	79.4	80.7	82.7	79.8	80.9
Europe						
Czech Republic	0.0	0.1	0.1	0.0	0.1	0.1
Greece	0.2	0.5	0.4	0.2	0.5	0.5
Hungary	0.3	0.2	0.2	0.3	0.2	0.2
Iceland	0.0	0.1	0.0	0.0	0.1	0.0
Kazakhstan	0.2	0.1	0.0	0.3	0.1	0.0
Poland	0.3	0.8	0.8	0.4	0.8	0.8
Romania	0.1	0.1	0.0	0.1	0.1	0.0
Slovenia	0.0	0.1	0.0	0.0	0.1	0.0
Turkey	0.2	1.0	0.7	0.4	1.0	0.7
Other Europe	0.7	0.2	0.0	0.7	0.2	0.0
	2.0	3.2	2.2	2.4	3.2	2.3
Latin America & Caribbean						
Argentina	0.1	1.2	0.0	0.4	1.1	0.0
Brazil	3.9	3.9	4.5	3.7	3.5	4.1
Chile	0.3	0.4	0.4	0.3	0.4	0.4
Colombia	0.1	0.1	0.1	0.0	0.1	0.1
Mexico	2.5	1.6	1.8	2.6	1.5	1.8
Panama	0.0	0.1	0.0	0.0	0.1	0.0
Peru	0.1	0.2	0.3	0.2	0.2	0.3
Other Lat Am	0.3	0.1	0.0	0.0	0.1	0.0
	7.3	7.6	7.1	7.2	7.0	6.7
Middle East & Africa						
Egypt	0.1	0.1	0.1	0.1	0.1	0.1
Kuwait	0.0	0.7	0.7	0.0	0.8	0.7
Morocco	0.0	0.2	0.0	0.0	0.2	0.0
Oman	0.0	0.1	0.0	0.0	0.1	0.0
Qatar	0.1	0.7	0.8	0.0	0.7	0.8
Saudi Arabia	1.1	3.5	4.0	1.2	3.6	4.2
South Africa	1.4	2.7	3.1	1.5	2.6	2.9
UAE	0.4	1.5	1.3	0.6	1.6	1.4
Other Middle East & Africa	0.2	0.3	0.0	0.2	0.3	0.0
	3.3	9.8	10.0	3.6	10.0	10.1
Other	3.7	0.0	0.0	1.3	0.0	0.0
Cash (including net receipts)	1.3	0.0	0.0	2.8	0.0	0.0

Values as at month-end  
\*Index allocation may not add to 100% due to rounding.

Source: CLIM, S&P, MSCI

# Country Allocation (+0.01%)

(Relative performance is in US dollar terms and references the country's S&P Super BMI component or an appropriate market index versus the S&P Super BMI composite index)

Country allocation was slightly positive, with outperformance resulting from the Fund's underweight positions to India (which contributed 9 basis points to performance) and Argentina (+9 bps) as their indices underperformed the composite index.

However, the Fund's overweight position to South Korea (-15 bps) contributed unfavourably to performance as its index underperformed.

# Portfolio Holding NAV (+0.47%)

(Performances are quoted in US dollar terms against their respective S&P Super BMI component, or for out-of-benchmark exposure, against a comparable country or regional index)

NAV performances were positive as the NAVs of **Ocean Wilsons Holdings** (+9 bps), **Fidelity China Special Situations** (+9 bps), and **Morgan Stanley China A-Share Fund Inc** (+7 bps) outperformed their indices by 6.6, 2, and 2.9 percentage points, respectively. The NAV of **Ocean Wilsons Holdings** outperformed as it did not suffer from the falls in the Brazilian market since the holding company agreed a price for the sale of its stake in Wilson Sons in October and the company awaits completion of the transaction, which is expected to occur during the second half of 2025. The NAV of **Fidelity China Special Situations** outperformed due to the outperformance of Chinese small-cap stocks and positive stock selection within the consumer discretionary sector; in particular, overweight positions to Hesai Group, Nexteer Automotive Group, and Hisense contributed favourably. **Morgan Stanley China A-Share Fund Inc's** NAV outperformed due to favourable stock selection within the financials sector, particularly state-owned banks. Stock selection within the industrials sector was also favourable due to the fund's large holding in China Merchants Expressway.

Some underperformance stemmed from **iShares MSCI Korea UCITS ETF USD Dist** (-8 bps) as its NAV underperformed its index by 3.1 percentage points.

# Discount Movements (+0.91%)

(Performances are quoted in US dollar terms unless specified otherwise)

Discount movements were positive as the discounts of **Taiwan Fund Inc** (+29 bps), **Utilico Emerging Markets Trust** (+21 bps), and **Ocean Wilsons Holdings** (+8 bps) narrowed by 1.3, 4.5, and 3.8 percentage points, respectively. The discount of **Utilico Emerging Markets Trust** narrowed from extreme levels after the completion of a sell ticket that had been weighing on the price. The discount of **Ocean Wilsons Holdings** narrowed as investors look to take advantage of a potential distribution following a sale of its stake in Wilson Sons as mentioned above.

Conversely, **Prosus** (-10 bps) contributed underperformance as its discount widened by 3.9 percentage points as investors became more cautious of Chinese exposure ahead of an incoming Trump administration.

Source: Bloomberg, S&P, CLIM

## Risk Profile

- There is no capital guarantee or protection on the value of the Fund. Investors can lose all capital invested in the Fund.
- Some emerging markets in which the Fund invests may have less developed political, economic and legal systems. Such markets may carry a higher than average risk to investment and may lead to large fluctuations in the value of the Fund.
- The Investment Manager does not engage in currency hedging. Changes in currency exchange rates may therefore adversely affect the value of your investment.
- During difficult market conditions, some of the Fund's assets may become difficult to accurately value or to sell at a desired price.
- The Fund may invest in warrants. Warrants carry a degree of risk significantly higher than the underlying company shares due to their leveraged nature and therefore have higher volatility.

Past performance is not a guide to future performance. The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested. Index returns assume reinvestment of dividends and capital gains and unlike fund returns do not reflect fees or expenses. The indices are unmanaged and cannot be invested directly. All information expressed in USD. All data: Bloomberg, BNY Mellon, CLIM, S&P, MSCI.

All values and calculations in this report are as at 31 December 2024 unless otherwise stated.

## Fund Details

The Emerging World Fund is a sub-fund of The World Markets Umbrella Fund plc	
Domicile .....	Dublin
Status .....	UCITS
Inception .....	15th September 1998
Income .....	Reporting status
Investment Management Charge .....	0.95%
Ongoing Charges including Investment Management Charge .....	1.31%
Minimum Investment .....	US\$10,000, additions US\$750
Dealing .....	Daily (Excl. Bank Holidays in UK and Ireland)
Shares are allocated only on receipt of cleared funds and completed application form.	
Valuation .....	Daily at 4:00 p.m. EST
Sedol .....	0293059
ISIN .....	IE0002930596
Bloomberg Ticker .....	WOREMUI ID (US\$), WOREMSI ID (€)
Reuters .....	COLIM



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### Important Notice

Before subscribing, investors should read the most recent Prospectus, financial reports and the Key Investor Information Document (KIID) for each fund in which they want to invest. Before making any investment (new or continuous), please consult a professional and/or investment adviser as to its suitability.

The Emerging World Fund is a sub-fund of The World Markets Umbrella Fund plc, an open-ended investment company with variable capital (ICVC), with segregated liability between sub-funds. Incorporated with limited liability under the laws of Ireland and authorised by the Central Bank of Ireland as a UCITS fund. Registered address: 55 Charlemont Place, Dublin D02 F985, Ireland.

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Past performance is no guarantee of future results. The value of investments can fall as well as rise and investors might not get back the sum originally invested. Please refer to the 'Risk Factors' section of the Prospectus for all risks applicable to investing in any fund and specifically this Fund.

Subscriptions to the Fund may only be made on the basis of the current Prospectus and the KIID, as well as the latest annual or interim reports, all of which are prepared for the Company as a whole and which are available in English free of charge from the Company's administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator"), whose offices are located at Guild House, Guild Street, IFSC, Dublin 1, Ireland and from the Investment Manager's website at <http://www.citlon.com/UCITS/overview.php>.

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