



**CITY OF LONDON**  
Investment Management Company Limited

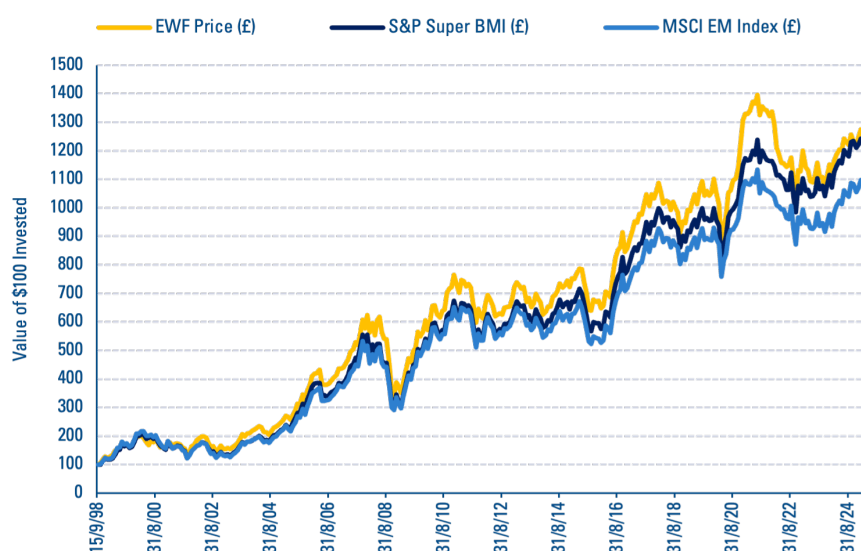
# The Emerging World Fund (Retail)

January 2025 Month-End Report

## Summary

During January, the share price of The Emerging World Fund (EWF) rose 2.1%, net of fees, compared to a 1.78% rise in its benchmark index, the sterling-adjusted S&P Emerging Frontier Super Composite Net Total Return Broad Market Index (S&P Super BMI). Additionally, and for comparative purposes only, the sterling-adjusted MSCI Emerging Markets Net Total Return Index (MSCI EM Index) rose 2.59% over the month. Since its inception in September 1998, the Fund has outperformed its benchmark index on an annualised basis by 0.1 of a percentage point and outperformed the MSCI EM Index on an annualised basis by 0.62 of a percentage point, net of fees.

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



\*Historical net of fees performance is based on an investment management fee of 1.5% per annum; as of 7 February 2022, the investment management fee is 1.45%. Returns are quoted in GBP for the convenience of shareholders, however the base currency of the Fund is USD.

\*\*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

## Portfolio Data

|                                                      |              |
|------------------------------------------------------|--------------|
| Fund Size                                            | £73.50m      |
| Number of Shares in Issue                            | 873,578.337  |
| Number of Portfolio Holdings                         | 41           |
| Size Weighted Portfolio Discount of closed-end funds | 17.18%*      |
| Size Weighted Average Life of Portfolio              | 2.00 years** |

Excluding 46.42% 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

## Performance Figures (£)

|                        | EWF*      | S&P Super BMI | MSCI EM Index |
|------------------------|-----------|---------------|---------------|
| 1 Month                | +2.10%    | +1.78%        | +2.59%        |
| 3 Months               | +3.37%    | +0.78%        | +1.39%        |
| 6 Months               | +3.51%    | +4.70%        | +4.93%        |
| 12 Months              | +13.02%   | +16.06%       | +17.61%       |
| Since Inception        | +1174.48% | +1143.24%     | +998.05%      |
| Inception (Annualised) | +10.13%   | +10.03%       | +9.51%        |

\* Historical net of fees performance is based on an investment management fee of 1.5% per annum; as of 7 February 2022, the investment management fee is 1.45%. Returns are quoted in GBP 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 | S&P Super BMI | MSCI EM Index |
|-----------|-----------|---------------|---------------|
| 12 Months | +6.49%    | +7.83%        | +9.06%        |
| Inception | +18.17%   | +18.44%       | +19.30%       |

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

## Price

|               |                      |
|---------------|----------------------|
| Price         | US\$94.34            |
|               | £75.93               |
|               | EURO 90.76           |
| Exchange Rate | £1 = US\$1.24255     |
|               | EURO 1 = US\$1.03955 |
| Yield         | NIL                  |

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

# Investment Commentary

## Economic Overview\* (Macroeconomics)

Global equities gained in January as President Trump's return to the White House ushered in a new period of policy uncertainty. President Trump's pledge to go ahead with 25% tariffs on Mexico and Canada as well as 10% on China weighed on sentiment at month end. Following the US FOMC's decision to leave rates on hold, Chair Powell noted that the Fed would wait for more information on the new administration's trade and immigration policies before assessing their likely impact. Chair Powell also stressed that the Fed was in no rush to cut rates. The market is pricing in just under two cuts this year. The two-year and 10-year US Treasury yield dropped by 4 bps and 3 bps, respectively, as CPI data released in the month revealed further signs of disinflation. Meanwhile, the release from Chinese artificial intelligence (AI) company DeepSeek of a generative AI model at a fraction of the cost of current models challenged the dominance of US technology firms, weighing on share prices, in particular Nvidia. This prompted some concern over the scale and feasibility of US firms' AI investment plans.

Emerging market (EM) equities (MSCI EM Net TR Index) rose by 1.8% in US dollar terms during January, underperforming developed market (DM) equities (MSCI World Net TR Index) by 1.7 percentage points, as the risk of tariffs weighed disproportionately on EM. EM underperformed despite the 0.8% gain in the MSCI EM Currency Index and flat US dollar (DXY) performance (-0.1%).

The strongest EM MSCI indices in January were Colombia (+21.2%), Poland (+13.6%) and Brazil (+12.4%). Colombia was in the headlines after President Trump announced 25% tariffs in addition to trade restrictions in response to Colombia's refusal to receive deportees. The two countries reached a truce within hours of the threat, sparing Colombia. Elsewhere in Latin America, the Brazilian real appreciated by 5.7%, making it one of the best performing EM currencies. The Banco Central do Brasil (BCB) hiked rates by 100 bps at their January meeting as widely expected in response to building inflationary pressures. Latin America outperformed the wider EM benchmark by 7.7 percentage points.

In contrast, the weakest markets were the Philippines (-9.8%), Malaysia (-4.7%) and India (-3.6%). Philippine stocks entered a bear market in January on growth concerns following soft fourth quarter GDP data, which were compounded by the uncertainty of US tariff and immigration policies. The US accounts for around 40% of the Philippine's overall cash remittances. The MSCI China Index rose by 0.9% in US dollar terms amid the ratcheting up of US-China tensions. The addi-

tion of Tencent Holdings and CATL to the US Secretary of Defence's list of Chinese Military Companies triggered a correction in the market.

Within the commodity complex there was broad-based gains, with the Bloomberg Commodity TR Index up by 4%. Precious metals (+7.6%) were the best performing commodities, followed by agriculture (+4.8%), energy (+1.8%) and industrial metals (+1.4%). Brent crude oil prices rose by 2.8% on the back of tighter sanctions on Russia.

## Portfolio Commentary\* (Investment Management)

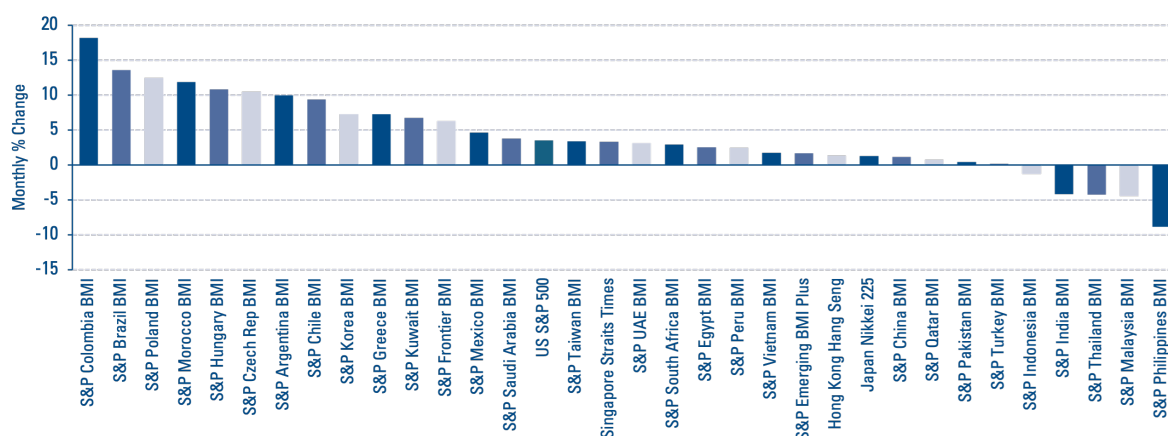
In January, emerging markets generalist exposure was adjusted as we purchased shares of **abrdn Emerging Markets Equity Income Fund Inc**, **JPMorgan Global Emerging Markets Income Trust** and **Templeton Emerging Markets Fund** at discounts between 13% and 15.5%. Shares of **abrdn Emerging Markets Equity Income Fund Inc** were later sold as the discount narrowed to 11.5% upon commencement of the fund's upcoming tender offer for 20% of its outstanding shares. Shares of **Mobius Investment Trust**, which offers a redemption facility every three years, were purchased at an average discount of 8.5%. Exposure to emerging and frontier markets was increased as shares of **BlackRock Frontiers Investment Trust**, which offers a redemption opportunity every five years, were purchased at a 9% discount.

In Asia, generalist exposure was reduced as shares of **abrdn Asian Income Fund** were sold as the discount narrowed to 10% following the announcement of an enhanced dividend policy and introduction of a continuation vote every three years. Exposure to China was increased as shares of **Templeton Dragon Fund Inc** were purchased at an 18% discount. Exposure to South Korea was increased as we purchased shares of **Korea Fund Inc** at a 15.5% discount. Exposure to Taiwan was reduced as shares of **Taiwan Fund Inc** were sold at an average discount of 14.5%. Exposure to India was increased as shares of **abrdn New India Investment Trust** were purchased at a 19.5% discount. Exposure to Vietnam was increased as we sold shares of **VinaCapital Vietnam Opportunity Fund** at a 22% discount following strong NAV performance.

In Latin America, Mexican exposure was increased as we purchased shares of **Grupo Mexico SAB de CV** at a 51% discount.

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

## Index Performances During January 2025 (£)



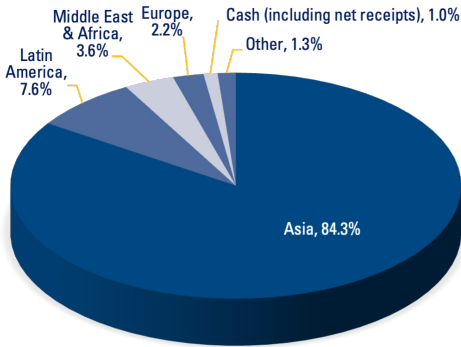
*The countries and other indices included in this graph are not benchmarks for EWF, they are included to provide an indication as to how the underlying countries themselves have performed over the period.*

Source: Bloomberg, S&P

# 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   | 8.9      | 13.8          |
| 2 Asia Dragon Trust                             | 7.0      | 8.0           |
| 3 JPMorgan Emerging Markets Investment Trust    | 6.0      | 11.9          |
| 4 Taiwan Fund Inc                               | 5.7      | 16.6          |
| 5 abrdn Emerging Markets Equity Income Fund Inc | 5.6      | 11.9          |
| 6 Fidelity China Special Situations             | 5.0      | 10.2          |
| 7 Schroder AsiaPacific Fund                     | 4.5      | 12.5          |
| 8 abrdn Asia Focus                              | 4.4      | 14.8          |
| 9 JPMorgan Indian Investment Trust              | 4.0      | 15.7          |
| 10 Utilico Emerging Markets Trust               | 3.7      | 19.8          |
|                                                 | 54.8     |               |

\*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

# EWF and EM Indices Country Weightings

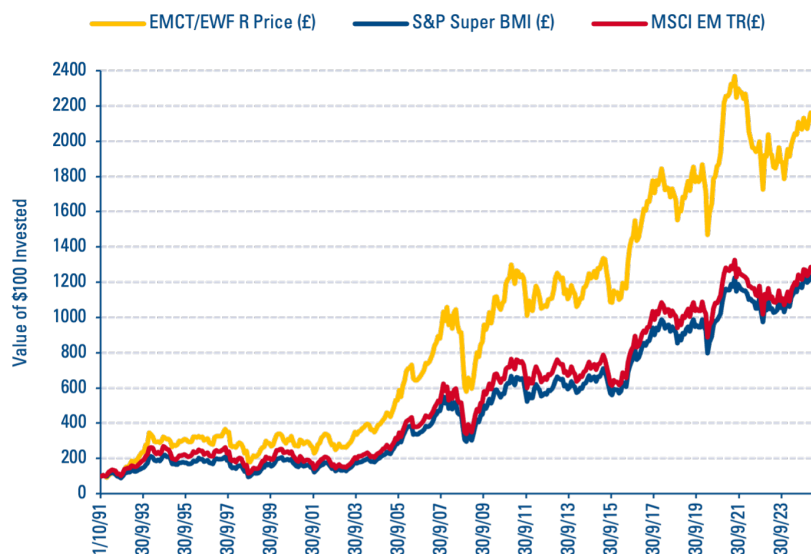
|                               | December 2024 |                |                | January 2025 |                |                |
|-------------------------------|---------------|----------------|----------------|--------------|----------------|----------------|
|                               | Fund          | S&P Super BMI* | MSCI EM Index* | Fund         | S&P Super BMI* | MSCI EM Index* |
| Asia                          |               |                |                |              |                |                |
| Australia                     | 0.5           | 0.0            | 0.0            | 0.5          | 0.0            | 0.0            |
| Bangladesh                    | 0.0           | 0.1            | 0.0            | 0.0          | 0.1            | 0.0            |
| China                         | 23.6          | 26.2           | 27.8           | 23.9         | 26.0           | 27.6           |
| Hong Kong                     | 2.8           | 0.0            | 0.0            | 3.1          | 0.0            | 0.0            |
| India                         | 16.0          | 20.1           | 19.5           | 16.3         | 18.9           | 18.4           |
| Indonesia                     | 1.9           | 1.7            | 1.5            | 1.8          | 1.6            | 1.4            |
| Malaysia                      | 1.3           | 1.9            | 1.5            | 1.2          | 1.8            | 1.4            |
| Philippines                   | 0.9           | 0.6            | 0.5            | 0.9          | 0.5            | 0.5            |
| Singapore                     | 1.0           | 0.0            | 0.0            | 1.0          | 0.0            | 0.0            |
| South Korea                   | 11.2          | 8.7            | 9.0            | 11.6         | 9.2            | 9.4            |
| Sri Lanka                     | 0.2           | 0.0            | 0.0            | 0.1          | 0.0            | 0.0            |
| Taiwan                        | 16.6          | 18.5           | 19.7           | 17.7         | 18.8           | 20.0           |
| Thailand                      | 1.0           | 1.6            | 1.4            | 0.9          | 1.5            | 1.4            |
| Vietnam                       | 5.6           | 0.3            | 0.0            | 5.2          | 0.3            | 0.0            |
| Other Asia                    | 0.1           | 0.1            | 0.0            | 0.1          | 0.1            | 0.0            |
|                               | 82.7          | 79.8           | 80.9           | 84.3         | 78.8           | 80.1           |
| Europe                        |               |                |                |              |                |                |
| Czech Republic                | 0.0           | 0.1            | 0.1            | 0.0          | 0.1            | 0.1            |
| Greece                        | 0.2           | 0.5            | 0.5            | 0.2          | 0.5            | 0.5            |
| Hungary                       | 0.3           | 0.2            | 0.2            | 0.4          | 0.2            | 0.3            |
| Iceland                       | 0.0           | 0.1            | 0.0            | 0.0          | 0.1            | 0.0            |
| Kazakhstan                    | 0.3           | 0.1            | 0.0            | 0.3          | 0.1            | 0.0            |
| Poland                        | 0.4           | 0.8            | 0.8            | 0.4          | 0.9            | 0.9            |
| 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                        | 0.4           | 1.0            | 0.7            | 0.3          | 1.0            | 0.7            |
| Other Europe                  | 0.7           | 0.2            | 0.0            | 0.5          | 0.2            | 0.0            |
|                               | 2.4           | 3.2            | 2.3            | 2.2          | 3.3            | 2.5            |
| Latin America & Caribbean     |               |                |                |              |                |                |
| Argentina                     | 0.4           | 1.1            | 0.0            | 0.4          | 1.2            | 0.0            |
| Brazil                        | 3.7           | 3.5            | 4.1            | 3.7          | 3.9            | 4.5            |
| Chile                         | 0.3           | 0.4            | 0.4            | 0.3          | 0.4            | 0.4            |
| Colombia                      | 0.0           | 0.1            | 0.1            | 0.1          | 0.2            | 0.1            |
| Mexico                        | 2.6           | 1.5            | 1.8            | 2.9          | 1.6            | 1.8            |
| Panama                        | 0.0           | 0.1            | 0.0            | 0.0          | 0.1            | 0.0            |
| Peru                          | 0.2           | 0.2            | 0.3            | 0.2          | 0.2            | 0.3            |
| Other Lat Am                  | 0.0           | 0.1            | 0.0            | 0.0          | 0.1            | 0.0            |
|                               | 7.2           | 7.0            | 6.7            | 7.6          | 7.7            | 7.1            |
| Middle East & Africa          |               |                |                |              |                |                |
| Egypt                         | 0.1           | 0.1            | 0.1            | 0.1          | 0.1            | 0.1            |
| Kuwait                        | 0.0           | 0.8            | 0.7            | 0.0          | 0.8            | 0.8            |
| 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                         | 0.0           | 0.7            | 0.8            | 0.0          | 0.7            | 0.8            |
| Saudi Arabia                  | 1.2           | 3.6            | 4.2            | 1.0          | 3.7            | 4.2            |
| South Africa                  | 1.5           | 2.6            | 2.9            | 1.5          | 2.6            | 3.0            |
| UAE                           | 0.6           | 1.6            | 1.4            | 0.7          | 1.6            | 1.4            |
| Other Middle East & Africa    | 0.2           | 0.3            | 0.0            | 0.3          | 0.4            | 0.0            |
|                               | 3.6           | 10.0           | 10.1           | 3.6          | 10.2           | 10.3           |
| Other                         | 1.3           | 0.0            | 0.0            | 1.3          | 0.0            | 0.0            |
| Cash (including net receipts) | 2.8           | 0.0            | 0.0            | 1.0          | 0.0            | 0.0            |

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

Source: CLIM, S&P, MSCI

## EWF Performance (EMCT Transfer) Compared to the S&P Super BMI and MSCI EM Index (£)

Rebased from where 1 October 1991 = 100

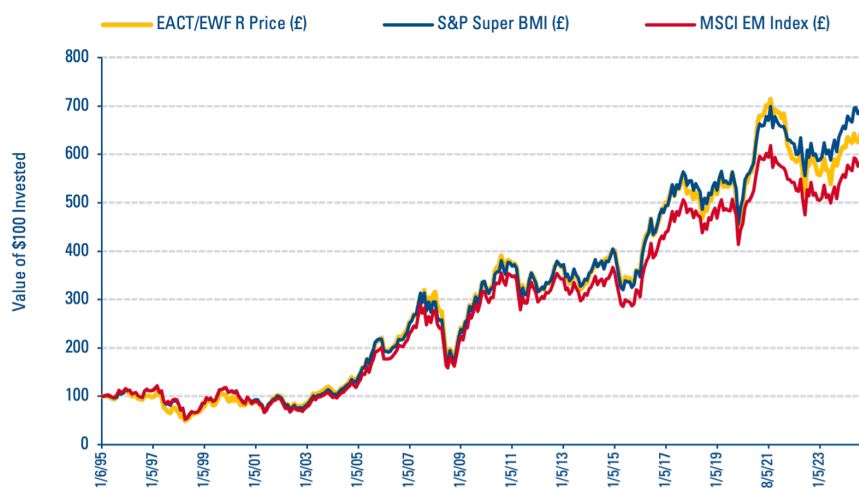


Past performance is no guarantee of future results.

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

## EWF Performance (EACT Transfer) Compared to the S&P Super BMI and MSCI EM Index (£)

Rebased from where 1 June 1995 = 100



Past performance is no guarantee of future results.

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

### 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 data: Bloomberg, BNY Mellon, CLIM, S&P, MSCI

All values and calculations in this report are as at 31 January 2025 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                                                 | 1.45%                                         |
| Ongoing Charges including Investment Management Charge                       | 1.81%                                         |
| Dealing                                                                      | Daily (Excl. Bank Holidays in UK and Ireland) |
| Valuation                                                                    | Daily at 4:00 p.m. EST                        |
| Sedol                                                                        | 0903916                                       |
| ISIN                                                                         | IE0009039169                                  |
| Bloomberg Ticker                                                             | WOREMDR ID (US\$), WOREMSR ID (£)             |
| Reuters                                                                      | COLIM                                         |



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Investment Management Company Limited

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[www.citlon.co.uk](http://www.citlon.co.uk)

#### Important Notice

Before subscribing, investors should read the most recent Prospectus, financial reports and 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.

The Emerging World Fund is registered in Ireland, Italy and the UK. Shares in the Fund may not be offered to the public in any other country and this document must not be issued, circulated or distributed other than in circumstances which do not constitute an offer to the public and are in accordance with applicable local legislation. In particular, the Fund has not been registered under the United States Securities Act of 1933. Accordingly, shares may not be offered or sold in the US or to US persons (as defined in the Prospectus) except pursuant to an exemption from, or in a transaction not subject to the regulatory requirements of, the 1933 Act and any applicable state securities laws.

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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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