

# TCW Emerging Markets Local Currency Income Fund

A Sub-Fund of TCW Funds, a Luxembourg-domiciled UCITS

TCW

SEPTEMBER 30, 2019 | SHARE CLASS: IU | ISIN: LU0905645361 | BLOOMBERG: TCWLCIU LX

## Sub-Fund Size

US\$ 73.29 Million

## Net Asset Value

US\$ 907.23

## Risk Level



Lower Risk Higher Risk  
Typically Lower Rewards Typically Higher Rewards

## Investment Objective & Philosophy

The Sub-Fund seeks high total return provided by current income, foreign exchange gains and capital appreciation by investing mainly in emerging markets fixed income securities and instruments denominated in local currency. The strategy seeks to maximize risk-adjusted total returns, utilizing a traditional fixed income framework.

## Share Class (IU)

Description	Institutional
NAV Currency	USD
Currency Exposure	USD (unhedged)
Dividend	Reinvested

## Characteristics

	Sub-Fund	Index
Number of Positions	89	218
Average Rating	BBB-	BBB
Average Maturity	9.33 Yrs	7.81 Yrs
Effective Duration	6.18 Yrs	5.50 Yrs
Average Coupon	6.60%	6.13%
Average Price	\$103.99	\$105.71
Current Yield	6.26%	5.89%
Yield to Maturity	6.68%	5.21%
Tracking Error (5 Years)	1.51%	-
Standard Deviation (5 Years)	11.24%	10.97%

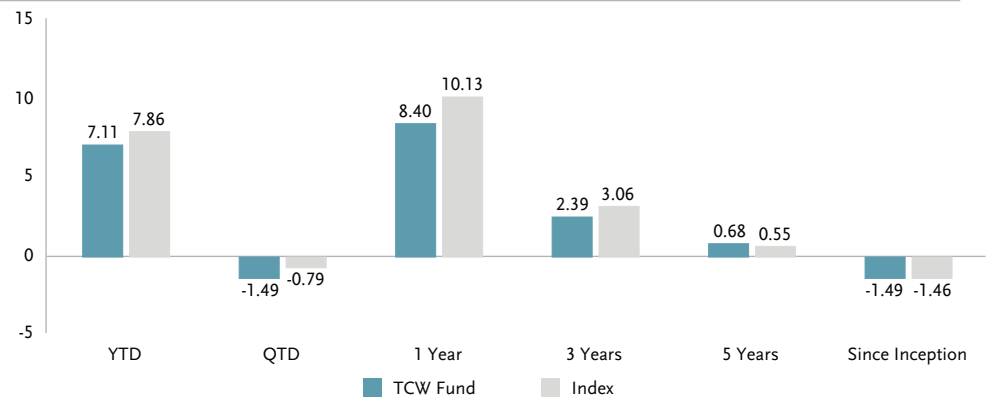
## Codes

ISIN	LU0905645361
Bloomberg	TCWLCIU LX
WKN	A1T626
SEDOL	B94MHCS
Telekurs	20969626
CUSIP	L9018W131

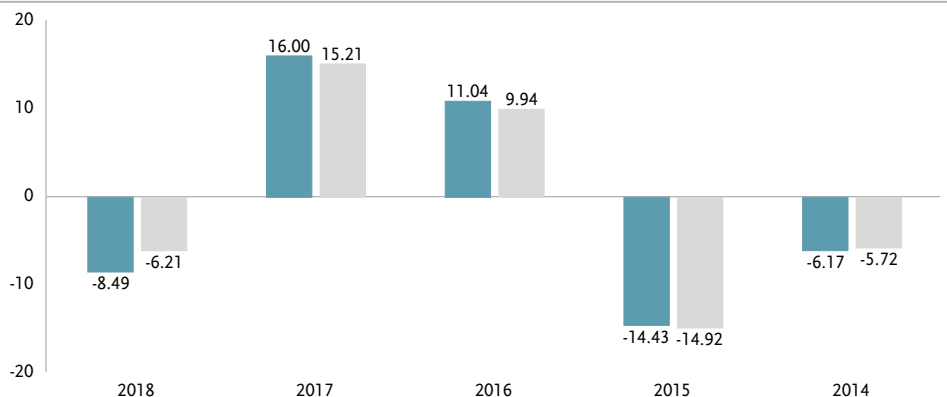
## Monthly Returns (%)

													Year	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Sub-Fund	Index
2019	5.48	-0.87	-1.94	-0.12	0.25	5.90	0.87	-3.76	1.47				7.11	7.86
2018	4.61	-1.19	0.84	-3.63	-4.91	-2.98	1.69	-6.27	2.38	-2.23	2.71	0.79	-8.49	-6.21
2017	2.33	2.34	2.29	1.04	1.44	0.63	2.15	1.88	-0.36	-2.86	2.05	2.14	16.00	15.21
2016	-0.36	0.60	9.64	2.89	-5.40	6.31	0.92	0.22	2.28	-0.44	-7.47	2.48	11.04	9.94
2015	1.75	-1.63	-3.08	2.37	-2.25	-1.00	-2.41	-4.95	-2.80	3.77	-2.50	-2.38	-14.43	-14.92

## Performance (%)



## Calendar Year Performance (%)



Not annualized if less than one year. Source: Morningstar. All returns are net of fees. Past performance is no guarantee of future results.

## General Sub-Fund Information

Sub-Fund Managers	Penelope D. Foley; David I. Robbins; Alex Stanojevic
Legal Status	Sub-Fund of a Luxembourg SICAV - UCITS
Countries of Registration	BE, CH, FR, GE, IT, LU, UK
Custodian Bank	Société Générale Bank & Trust
Inception Date	11 April 2013
Close of Fiscal Year	30 September

## Subscription/Redemption Information

NAV Valuation	Daily Forward Pricing
Subscription/Redemption Deadline	10:00 PM Luxembourg time
Minimum Subscription	US\$ 1 Million

## Fees

Management Fees	0.70%
Total Expense Ratio	0.96%
Performance Fees	None
Maximum Subscription Fee	Up to 2.5% to the benefit of the distributor
Redemption Fee	None

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## Sector Distribution (%)<sup>1</sup>

Sovereigns	96.62
Corporates	1.52
Cash and Equivalents	1.86

## Credit Quality (%)<sup>1</sup>

A	17.70	B	9.24
BBB	47.06	CCC	2.59
BB	21.55	Cash	1.86

## Regional Breakdown (%)<sup>2</sup>

Latin America	35.23
HY EMEA	29.64
Asia	20.59
Europe	12.68

## Top Five Net Currency Exposure (%)<sup>1</sup>

<b>Combination of bond and currency exposures</b>	
Mexican peso	10.89
Brazilian real	10.03
Indonesian rupiah	9.98
Thai baht	9.31
Polish zloty	8.74

<sup>1</sup> Excluding passive currency hedges specific to certain share classes.

<sup>2</sup> As a percentage of the total portfolio. Cash percentage not shown; excludes passive currency hedges specific to certain share classes. Portfolio characteristics and holdings are subject to change at any time.

## Index

**JP Morgan GBI-EM Global Diversified** – A comprehensive global local emerging markets index that consists of regularly traded, liquid fixed-rate, domestic currency government bonds and includes only the countries which give access to their capital market to foreign investors (excludes China and India). The index is market capitalization weighted, with a cap of 10% to any one country. The index is unhedged in USD and figures do not reflect any deduction for fees, expenses or taxes. The Index is not available for direct investment; therefore its performance does not reflect the impact of fees or expenses incurred in managing a portfolio. The securities in the index may be substantially different from those in the Fund.

## RISK

The Risk Level Indicator on the first page suggests the relationship between risk and potential returns when investing in the Sub-Fund. This Share Class has a ranking of 4, which indicates that there is typically a higher risk for up and downturns in the net asset value. This ranking is typically used to indicate a level of risk that is greater than other Sub-Funds that invest in assets such as bonds issued by organizations with high credit quality domiciled in developed markets, but less than Sub-Funds that invest in assets such as equity. Historical data, such as is used in calculating the Risk Level Indicator, may not be a reliable indication of the future risk profile of the Sub-Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. Category 1 does not mean a risk-free investment.

The following risks are materially relevant to the Sub-Fund but are not adequately captured by the Risk Level Indicator and may cause additional loss: **Liquidity risk** refers to the possibility that the Sub-Fund may lose money or be prevented from earning capital gains if it cannot sell a security at the time and price that is most beneficial to the Sub-Fund. **Credit risk** refers to the likelihood of the Sub-Fund losing money if an issuer is unable to meet its financial obligations, such as the payment of principal and/or interest on an instrument, or goes bankrupt. **Counterparty risk** refers to the fact that individually negotiated or over-the-counter derivatives, such as swap agreements or currency forwards, are subject to counterparty risk, which is the risk that the other party to the contract will not fulfill its contractual obligations, which may cause losses or additional costs to a Sub-Fund. **Cross-liability risk**: While there is no cross-liability between Sub-Funds under Luxembourg law there can be no assurance that such provisions of Luxembourg law will be effective in other jurisdictions. There is cross-liability between Classes of the same Sub-Fund. **Operational risk** refers to a failure or delay in the systems, processes and controls of the Sub-Fund or its service providers (including all safekeeping of assets) which could lead to losses for the Sub-Fund.

## FOR RESIDENTS IN SWITZERLAND ONLY

The state of the origin of the fund is Luxembourg. In Switzerland, the representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The prospectus, the Key Investor Information Documents, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

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