

Fund Details

ISIN	IE00B99K4670
Domicile	Ireland
Currency	USD
Asset Class	Bond
Management Fee	0.70%
12 Month Yield (%)	3.81
Minimum Investment (USD)	2,500,000
Ongoing Charges	0.86%
AUM, as of Apr 30, 2021 (USD, mn)	4,334.76

Figure 1: Sector Allocation, April 2021

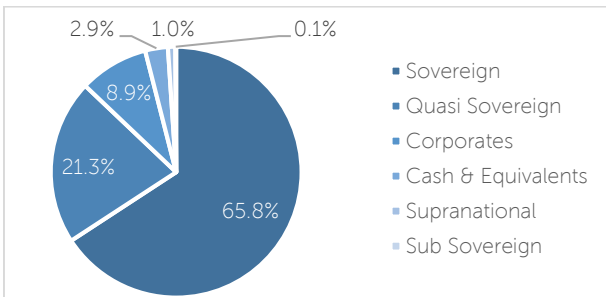


Figure 2: Fund's 1 year Performance (USD)



Fund Management

Founded in 1939, Neuberger Berman is a 100% employee-owned investment manager with over 650 investment professionals working across public and private markets. The company manages USD405 billion of total client assets as of end-December 2020, with USD125 billion invested in equity, USD184 billion in fixed income and rest in alternatives. It invests primarily across Americas (65%), followed by Asia Pacific (21%) and Europe and Middle East (14%).

Fund

Investment Objective: The Neuberger Berman Emerging Market Debt - Hard Currency Fund seeks to outperform the JP Morgan EMBI Global Diversified Index by 1-2% over the benchmark before fees over a market cycle (typically 3 years).

Investment Process: The Fund managed by the EMD team has an Investment process that focuses on generating added value by combining an explicit top-down analysis of the overall EMD asset classes with a bottom-up analysis of the underlying countries and their currencies, corporate issuers and instrument selection. The investment process comprises of the following four stages:

1. Top-down EMD asset class review: Review of the emerging markets debt investment universe to create a top-down score for the strategy which is used to determine how much risk the portfolio management team will take at any given time. The scorecard comprises of 4 categories namely, Developed market conditions; Emerging market country fundamentals; Technical factors; and Value.
2. Bottom-up country / issuer / instrument level selection: Country credit score arrived at by including macroeconomic factors accounting for 60% of the weight and ESG factors for the rest 40%. The EM Corporate Debt team conducts fundamental research for corporate issuers. Individual debt securities are selected using different proprietary tools to determine the attractiveness of each instrument including various yield curve models and an in-house liquidity model.
3. Strategy setting, risk management and model portfolio construction: The team aims to position for value across alpha sources efficiently to ensure compliance with the risk budget.
4. Portfolio customization, process and performance evaluation: Incorporates portfolio customization for fund and client specific guidelines and risk profiles and aims to ensure an efficient implementation and execution of trades.

Investment Parameters: The key investment parameters of the fund are,

- No minimum or maximum number of securities
- Duration: Within the range of +/-2 years compared to the benchmark
- Weightage: Max per single country: 25%; Max per corporate issuer: 4%
- Maximum Quasi-Sovereign exposure: 35%
- Maximum Sub-Sovereign exposure: 10%
- Maximum Supranational exposure: 10%
- Maximum Corporate exposure: 15%
- Maximum Non-Sovereign exposure (i.e. total exposure of the four categories above): 50%
- % of cash in portfolio: Maximum cash position allowed is 20%
- Minimum/maximum tracking error: The tracking error target range is 1%-5% over a market cycle of three years

Source: Figure 1 – Fund's Fact Sheet (30 April 2021), Figure 2 - Factsheet (08 June 2021)

Fund Insights

Neuberger Berman Emerging Markets Debt – Hard Currency Fund



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Sources: 1. Fund's RFP, 2. Morningstar Fund Details (4/30/2021), 3. Fund's Website, 4. Factset