

Undiscovered Fund: A unique way to access emerging markets

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The Undiscovered Fund series highlights new and existing funds that are as largely "undiscovered" by practitioners and that are rated highly by fund research house, Zenith Investment Partners.

Ironbark Copper Rock Emerging Markets Opportunities Fund

- APIR MGL0019AU
- Zenith Rating - Recommended
- Aims to outperform the MSCI Emerging Markets Small Cap Index \$A by 4% to 6% per annum (before fees) over a full market cycle. The Fund's Tracking Error is expected to be within the range of 3% to 6% per annum.
- Managed by Boston-based Copper Rock, distributed in Australia by Ironbark Asset Management
- Invests in emerging market companies with a market cap of US\$100 million to US\$5 billion (i.e. smaller companies within the emerging markets universe)

Strengths in Zenith's opinion

- A highly experienced and stable team, specialising in smaller capitalisation companies.
- A combined quantitative and qualitative process which allows for the identification of attractive smaller growth companies within the emerging markets sector.
- Portfolio construction and decision making that effectively leverages the process, experience and expertise within the team.
- A strong sell discipline driven by daily portfolio monitoring and decisive action.

Application

- Most suitable for investors with a very high risk tolerance and longer-term investment horizon.
- Use as a satellite holding in a diversified global equities allocation for investors seeking greater exposure to smaller cap companies within emerging markets. Investors will be exposed to small cap companies which generate revenues from domestic emerging market demand versus large cap companies driven by global demand. In many ways, the fund represents a more diverse, yet pure exposure to emerging markets than a large cap emerging market strategy provides.
- The primary reason for allocating to the Fund should be to enhance overall portfolio returns rather than reducing portfolio volatility. Interestingly, the emerging markets small cap index displays similar risk characteristics to that of the large cap index.



- When assessing the track record of this Fund, be aware it has only been managed by Copper Rock since September 2016. The Fund's performance prior to this date should not be considered when assessing Copper Rock's performance as an investment manager.

More info

- [Download the Zenith Research Report](#)
- [Contact the Ironbark Asset Management](#)