

# Allianz RCM BRIC Stars Fund

This factsheet is for professional advisers  
and should not be distributed to retail investors.



## Factfile

31.10.08	
Fund Manager	Michael Konstantinov (since launch)
Launch Date	24.02.06
Structure	OEIC
Minimum Investment	Fund £500, ISA £1000
Minimum Monthly	Fund £50, ISA £200
Initial Charge	Fund 4%, ISA 3%
Annual Charge	1.75% p.a.
Benchmark	25% MSCI Brazil, 25% MSCI Russia, 25% MSCI India, 25% MSCI China Total return net rebased annually
IMA Sector	Specialist
MEXID	THXRBA
TER*	1.92%
Ratings	<b>A</b> S&P FMR
Fund Size	256.9m GBP
No. of Stocks	73
Dividend Yield	3.4
XD Date	01-May
Cash Weight	0.40%
Market Cap (US\$ billion, wtd avg)	26.1
Beta (wtd avg)	1.14
EPS Growth	
Last 3 Years (wtd avg)	37.4
Last 12 Months (agg)	10.3
P/E Ratio (wtd harmonic avg)	
P/E, last 12 mo. EPS	6.5

\* As at 30.04.08

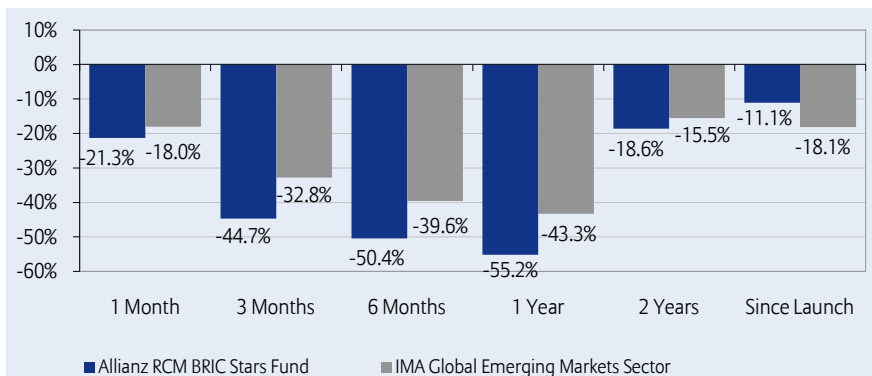
## Aim of the Fund

The Fund's aim is to achieve long-term capital growth by investing predominantly in the equity markets of Brazil, Russia, India and China. Up to one - third of the Fund's assets may be invested outside the BRIC countries including developed countries and/or other emerging markets.

## Fund Manager's Commentary

During October the global credit crisis continued to affect the financial markets, with reduced interbank trading and deleveraging in hedge funds, contributing to the fund underperforming its benchmark. Throughout the month the fund increased its exposure to China to an overweight position, and reduced weightings in Brazil, Russia and India, as we believe that the potential for a strong policy from Chinese authorities should help to limit downside risk. On a stock level, being underweight in large-cap energy companies Petrobras and Gazprom have contributed to performance. Negative performance of a large number of mid-cap stocks however detracted from performance. During the month, the fund favoured Indian telecommunications services provider, Bharti Airtel, Chinese electric power generator, Harbin Power, and Chinese property developer, Soho China Ltd, all of which were overweight the benchmark. We continue to favour domestic demand and infrastructure build-out related investment themes, as we believe it is of great importance to look at governments' ability to support their banks and to stimulate domestic growth. Across the emerging market universe the BRICs are in the best position to do so as their fiscal positions are much stronger than in previous downturns. Going forward, we are focusing on companies with strong balance sheets and the ability to emerge as winners from the current global turmoil.

## Cumulative Performance



	1 Month	3 Months	6 Months	1 Year	2 Years	Since Launch
Fund	-21.3	-44.7	-50.4	-55.2	-18.6	-11.1
Benchmark	-21.8	-38.2	-45.9	-49.6	-9.6	-9.1
Sector Average	-18	-32.8	-39.6	-43.3	-15.5	-18.1

Source: Lipper to 31.10.08

## Regional Breakdown\*

31.10.08	%
China (Incl Hong Kong)	26.8
Brazil	23.4
Russia	21.4
India	18.9
United States	6.1
Kazakstan	1.8
United Kingdom	0.7
Luxembourg	0.5

## Top Ten Holdings\*

31.10.08	%
Tele Norte Leste Participacoes	2.85
Infosys Technologies	2.61
Housing Development Finance	2.59
Soho China	2.40
CNOOC	2.36
Tata Consultancy	2.32
China Security & Surveillance	2.31
Banco Itau	2.30
China Life Insurance Co	2.27
Rosneft Oil	2.27
<b>Total</b>	<b>24.28</b>

### Contact Details

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The markets in which the BRIC Stars Fund invests may be highly volatile and carry a higher risk both in terms of market and currency volatility, which may result in dramatic fluctuations from time-to-time. Past performance is not a reliable indicator of future performance. The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on the Fund which is heavily invested in a small number of regions. As the Allianz RCM BRIC Stars Fund aims for relatively high performance, it can incur greater risks than those adopting a more standard investment approach.

A simplified prospectus and prospectus exist for this Fund and are available free of charge by contacting Investor Services on 0800 317 573 or from our website above. Issued by Allianz Global Investors (UK) Ltd., authorised and regulated by the Financial Services Authority. The management of this fund has been delegated to RCM (UK) Ltd. RCM (UK) Ltd., authorised and regulated by the Financial Services Authority, are the specialist equity managers of Allianz Global Investors (UK) Ltd. The management of this fund has been sub-delegated to Allianz Global Investors, GmbH, Germany. J12288.

## Main Sector\*\* \*\*\*

31.10.08	Fund %	Benchmark%	Difference %
Financials	18.44	22.14	-3.70
Energy	18.28	30.65	-12.37
Materials	13.57	12.91	+0.66
Telecommunication Services	13.27	11.77	+1.50
Industrials	11.18	5.50	+5.68
Information Technology	8.90	5.07	+3.83
Consumer Discretionary	5.59	2.63	+2.96
Health Care	4.62	1.03	+3.59
Consumer Staples	4.48	4.21	+0.27
Utilities	1.24	4.09	-2.85

## Top five overweight holdings\*\*

31.10.08	Fund %	Benchmark%	Difference %
Bharti Airtel	2.39	0.00	+2.39
Soho China	2.40	0.05	+2.35
Suntech Power Holdings	2.32	0.00	+2.32
Harbin Power Equipment	2.35	0.04	+2.31
Tele Norte Leste Participacoes	2.85	0.51	+2.34

## Top five underweight holdings\*\*

31.10.08	Fund %	Benchmark%	Difference %
Petroleo Brasileiro	2.03	7.89	-5.86
Gazprom	1.72	7.25	-5.53
Compania Vale Do Rio	2.07	5.35	-3.28
China Mobile	2.08	5.17	-3.09
Banco Bradesco	0.0	2.1	-2.08

\*Source: RIMS Express, RCM Investment Management System.

\*\*Source: Wilshire Atlas.

\*\*\*Sector defined by MSCI.

## Fund Manager



### Michael Konstantinov

Michael is responsible for the day-to-day management of the Fund. He joined RCM in 1994 and has over 15 years' investment experience. Michael started his career in Corporate Finance at Dresdner Bank in 1991. After an investment banking trainee program he joined RCM in 1994 as Portfolio Manager for European equities, with emphasis on Spain and Eastern Europe. Since 1998 he has been Head of the RCM Global Emerging Markets Equities Team. Michael holds a Masters degree in Economics from the University of Frankfurt, Germany, and the Eastern Illinois University, USA.