

[News Release](#)

ITI Funds' Russia focused UCITS ETFs listed on Moscow Exchange

London 17 April 2018 – ITI Funds, the London-based emerging market ETF specialist, has today had its two Russia focused ETFs admitted to trade on the Moscow Stock Exchange (MOEX).

ITI Funds ETFs were listed on London Stock Exchange on February 22nd of this year by emerging markets investment specialist, Da Vinci Capital Management. ITI Funds ETFs provide exposure to Russia-focused top quality equity and USD debt segments of the Russian financial market. They are:

- ITI Funds RTS Equity UCITS ETF – which follows Russia's oldest equity index – RTS
- ITI Funds Russia-focused USD Eurobond UCITS ETF - which follows ITIEURBD Index

Denominated in US dollars, the ETFs started trading on the Moscow Exchange in RUB, in addition to the London Stock Exchange trading in USD. In total the funds currently have over \$10 million in assets. *"ETFs are especially important given the increasing interest Russian citizens have in investing with exchange instruments,"* comments Anna Kuznetsova, managing director, securities market at MOEX.

The ITI Funds RTS Equity UCITS ETF physically holds 45 out of 46 equities (as it sold Rusal position last week to avoid holding sanctioned securities) replicating the free-float cap-weighted RTS Index, which is Russia's oldest and most widely used equity index for equity securities traded on the Moscow Exchange, calculated in US dollars. The index is rebalanced quarterly with income to be distributed on an annual basis.

Elio Manca, managing director of ITI Funds says, *"The funds provide efficient entry, with diverse exposure to direct securities, into the Russian equity and bond markets at, what is currently, a low valuation. Both our Russia equity and bond ETFs are the only ETFs to provide 100 percent replication of the underlying securities, outside of Moscow, and so have zero counterparty risk. Whilst we are conscious of the uncertainty surrounding Russia politically, the underlying economic fundamentals for Russian corporates, from an investment standpoint, remain compelling over the longer term."*

ITI Funds Russia-focused USD Eurobond UCITS ETF is based on ITIEURBD fixed income index designed in collaboration with the German index provider, Solactive AG. The index portfolio comprises USD Eurobonds of Russian issuers with a credit rating that is equivalent to Russia's sovereign rating or above. Currently, the index comprises 23 bonds, providing investors with exposure to top-quality names on the market of Eurobonds of Russian issuers. It is calculated daily, assumes quarterly rebalancing and reinvestment of coupon income.

"Since a re-rating of Russia's credit score by S&P in late February, we have seen Russian foreign debt feature across a range of global benchmarks marking Russia as one of the most appealing of investment-grade emerging markets. Indeed, this was proven when Russia issued \$4bn in Eurobonds in mid-March, with orders for the issuance at almost double that at \$7.5bn. Current yield to maturity is 5.2% in USD with 4.5 years duration" says Elio.

Full details of the funds are included over overleaf:

	ITI Funds RTS Equity ETF	ITI Funds Russia-focused USD Eurobond ETF
Type of fund:	UCITS ETF	UCITS ETF
Underlying index:	RTS	ITI Funds Russia-focused USD Eurobond Index
Index owner:	S&P	Solactive AG
Composition:	45 equity securities of Russia's top companies by market cap and liquidity	23 Eurobond securities of Russian issuers that meet index selection criteria
Trading Exchange:	London Stock Exchange & MOEX	London Stock Exchange & MOEX
Ticker:	RUSE	RUSB
RIC:	RUSE.L, RUSE.MM	RUSB.L, RUSB.MM
Bloomberg Ticker:	RUSE LN, RUSE RX	RUSB LN, RUSB RX
ISIN:	LU1483649312	LU1483649825
Domiciliation:	Luxembourg	Luxembourg
Regulating body:	CSSF	CSSF
Fund administrator/custodian:	Edmond De Rothschild	Edmond De Rothschild
Management company:	Fuchs Asset Management	Fuchs Asset Management
Investment manager:	Da Vinci Capital Management	Da Vinci Capital Management
Primary Listing:	Irish Stock Exchange	Irish Stock Exchange
NAV currency:	USD	USD
NAV frequency:	Daily	Daily
Distribution of income:	Annual	Accumulating
TER, %	0.65%	0.50%

Notes to Editors

About ITI Funds-ETF

ITI Funds UCITS ETF SICAV S.A. is an open-ended investment company organised under the laws of Luxembourg as a société d'investissement à capital variable (SICAV), under the form of a public limited liability company (société anonyme) and authorised under part I of the 2010 Act. The Company has an umbrella structure consisting of several Sub-Funds. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective and policy applicable to that Sub-Fund.

The ITI Funds team comprises 20 professionals with extensive experience in asset management, research, trading, investment banking and private equity

www.itifunds-etf.com

About Da Vinci Capital Management

Da Vinci Capital is a leading independent investment manager set up in 2007 to make mid-market private equity investments in Russia and other emerging markets.

Da Vinci Capital provides a strong mix of fund management experience, sectoral expertise and entrepreneurial capacity. Our team comes from leading international firms such as Renaissance Capital, Credit Suisse, McKinsey, Accenture and Allianz. Collectively, they bring a solid track record in private equity, investment banking, and company operations.

In 2016, the company received the Silver Award in the category of “Russian, Central and Eastern European Private Equity Fund of the Year” at the 15th edition of Private Equity Exchange Awards in Paris.

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