CENTRAL BANK WATCHER

Separate lanes

ROBECO
The Investment Engineers

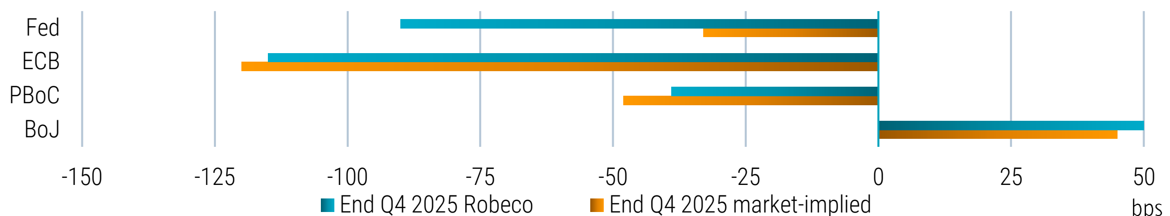
- Fed: a slower descent
- ECB: sets a path
- PBoC: fiscal friend
- BoJ: don't rock the boat

The major central banks have different trajectories in mind for their monetary policy settings in the months ahead. At their December meeting, the Fed made it clear that, while expecting further cuts, the pace of their easing steps will slow in the new year. That slowdown partly reflects uncertainty around trade tariffs and their implications for US inflation.

The same trade uncertainty is playing out differently elsewhere in the world. The PBoC for instance is grappling with another factor clouding the Chinese growth outlook, which is likely to push them toward further policy easing. For the ECB potential US trade tariffs add an additional layer of uncertainty for the growth outlook. While trade policies could also have a modest upward impact on Eurozone inflation, it still appears to be on a trajectory toward target levels. This should allow the ECB to bring rates to neutral and possibly beyond.

The BoJ has been reluctant in changing rates too rapidly and decided to keep rates on hold at their December meeting. While the pace of change remains gradual, we do expect further rate hikes from the BoJ. Economic conditions in Japan support such policy steps, and foreign trade policies should not derail this trajectory.

Figure 1 – Outlook for central banks' policy rates



Source: Bloomberg, Robeco, based on money market futures and forwards, 19 December 2024

CENTRAL BANK WATCHER DECEMBER 2024

Marketing material for professional investors, not for onward distribution

Martin van Vliet
Global Macro Strategist

Rikkert Scholten
Global Macro Strategist

Rogier Hoogeveen
Global Macro Strategist

The Federal Reserve: a slower descent

- Downside employment risks suggest it may be too early for the Fed to abort its easing cycle
- But upside inflation risks imply a slower descent back to long-run neutral
- 5-year rates valuations look attractive, cross-market and on curve

Skipping is not stopping

Despite inflation remaining “somewhat elevated” and fresh upside risks from the new administration’s intended trade and fiscal policies, the Federal Open Market Committee (FOMC) cut the target range for the Federal Funds rate by 25 bps to 4.25%-4.50% in December. This further adjustment was aimed at forestalling risks to achieving the goal of maximum employment.

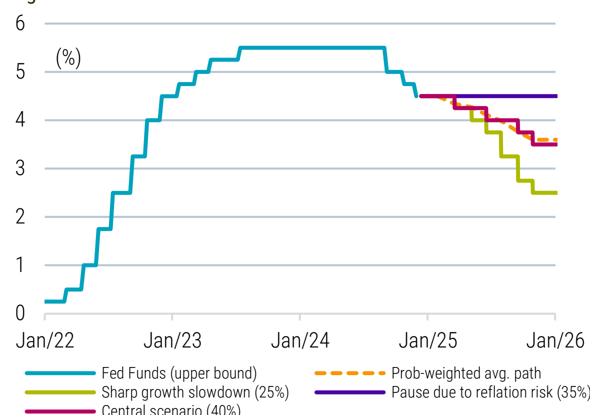
With the policy stance now “significantly less restrictive”, the Fed is not in a hurry to cut rates further. Indeed, as Chair Powell stated during the December press conference, the Federal Open Market Committee (FOMC) “can be more cautious about further moves” and is in “a new phase in the process”. This is corroborated by the new Economic Projection, which show that – probably due to an upward revision of the 2025 core PCE inflation projection – the median FOMC participant anticipates only 50 bps of additional easing next year (and 75 bps in the subsequent two years). The projections also showed a further uplift in the median *long-run* federal funds rate projection, from 2.875% to 3.0%.

Looking ahead, the Fed looks set to keep rates on hold at the upcoming January meeting. With lingering downside risks to employment growth and the Fed’s eagerness to engineer a soft landing, our central scenario remains for a return to ‘neutrality’ – which we pitch in the upper half of the 2.8%-3.6% central tendency of projections for the long-run Federal Funds rate – by the end of 2025.

That said, we do acknowledge that the odds of a scenario where the Fed delivers less or refrains from cutting rates next year has gone up. In fact, we now ascribe a 35% weight to a scenario where the Fed is on hold next year. At the same time, given the recent uptick in leading economic indicators we have trimmed the chance of a hard-landing scenario under which faster easing would emerge (to 25%).

Weighing the three scenarios, our probability-weighted average Fed funds rate path is marginally below market pricing for H1 2025 (see Table 1 below) but well below markets in H2 2025.

Figure 2 – Three scenarios for the Fed until Dec-2025



Source: Bloomberg, Robeco, 19 December 2024

5y attractive cross-market; steepening bias

Markets now price in a terminal policy rate of only slightly below 4%. That is more than 25 bps above the upper end of the range where most FOMC participants pitch the long-run Federal funds rate.

This suggests that there’s value in the 5-year part of the rates market, either cross-market (e.g., versus 5-year Canada or 10-year South Korea) or on the curve. Indeed, we remain more constructive on shorter-dated USTs than on 10s and 30s, as the term premium in the latter remains too low given fiscal risks.

Table 1 - What is priced in for the Fed versus our expectations

Fed funds rate (% upper bound)	4.50	Mar-25	Jun-25	Sep-25	Dec-25
Change implied by FF Futures (bps)		-14	-23	-27	-33
Our probably-weighted expectation (bps)		-16	-39	-74	-90
Our central scenario (bps)		-25	-50	-75	-100
Fed funds rate central scenario (% upper bound)		4.25	4.00	3.75	3.50

Source: Bloomberg, Robeco19 December 2024

European Central Bank: sets a path

- ECB continues 25 bps cut per meeting
- Growth not weak enough to speed up the pace
- Levels to buy Bunds not far away

Toward neutral

The ECB has adopted a faster pace of rate cuts since October, opting for 25 bps steps per meeting. Prior to the recent December meeting there was some expectation in the market that a 50 bps step could be considered. In the press conference Lagarde downplayed these expectations, pointing to still elevated services inflation. As a base case we expect the current pace of rate cuts to continue, bringing the depo rate down to 2.0% by June, from its current level of 3.0%.

The neutral level of rates for the Eurozone is probably not far from 2%. ECB staff estimate it to be 1.75-2.50%. As the depo rate gets closer to the 2% level, we expect any further cuts to be less 'mechanical'. Risks are tilted toward more cuts, but these should be supported by data first. Our base case puts the depo rate at 2.0%, while our probability-weighted level is closer to 1.8% for December.

Inflation is expected to allow the ECB to ease policy. After a brief uptick in December, we expect headline inflation to return to 2% in February. For core inflation we should see a gradual descent toward 2.3% over summer. The growth outlook gently guides the ECB toward cuts. Growth has been weak in the Eurozone, but the impact on the labor market has so far remained limited. Unemployment is still at lows in southern Europe. Continued growth in the services industry is adding jobs, despite very weak manufacturing activity.

Little ECB support expected for French OATs

As France continues to suffer from political uncertainty, spreads of French OATs over German Bunds have remained elevated. Data on reinvestments of the PEPP portfolio show that the ECB has been offering some support to French OATs by channeling investments to this market. Still, this support is limited in size and PEPP reinvestments will cease at the end of 2024. Support for France from the ECB's Transmission Protection Instrument (TPI) should not be expected, though this should be a backstop for other markets in case of contagion from unrest in France.

Figure 3 – ECB PEPP reinvestments June-September

Source: Bloomberg, Robeco, 19 December 2024

Bunds more attractive again after recent sell-off

German Bunds have been able to escape part of the sell-off that took place in global bonds recently. Euro rates benefited, on a relative basis, from a weaker fundamental and stricter fiscal outlook, but also from a more supportive technical. The latter was especially visible in the market for longer-dated euro swaps. For now we see little room for the ECB to deviate substantially from the line of 25 bps cuts per meeting. This path is fully priced until June and a bit beyond, which makes it difficult to be overly excited on Bunds. Still, we think it is easier to imagine the ECB going below neutral (2%) than seeing them stop much above. Hence we favor buying 10-yr Bunds from current levels of 2.3% and see a target of 2.0%.

Table 2 - What is priced in for the ECB versus our expectations

ECB deposit rate (%)	3.00	Mar-25	Jun-25	Sep-25	Dec-25
Change implied by market pricing (bps)		-60	-100	-115	-120
Our probably-weighted expectation (bps)		-50	-105	-115	-115
Our central scenario (bps)		-50	-100	-100	-100
Depo rate central scenario (%)		2.50	2.00	2.00	2.00

Source: Bloomberg, Robeco; 19 December 2024

People's Bank of China: fiscal friend

- PBoC hints at broad-based easing in H1 2025
- Central bank balance sheet will support further fiscal easing
- Curve steepening beckons on supply and potential growth pick-up later in Q1

Monetary submission

The latest rhetoric from Chinese policymakers is pointing at more growth support from both fiscal and monetary policy. Indeed, it is not *if* but *when* additional stimulus will be rolled out in 2025.

On the fiscal side it seems authorities want to retain ammunition until clarity emerges on the tariff policies of the new US government.

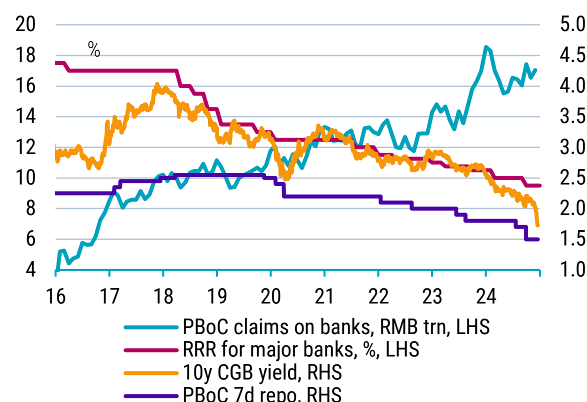
Meanwhile, with the appropriate monetary policy stance – for the first time since 2010 – classified as "moderately loose", the PBoC looks set to cut interest rates by at least 20 bps in H1 2025 – and further cuts in the reserve requirement ratio (RRR) of commercial banks also beckon.

Core inflation, at a mere 0.30% in November, is simply too low and the signs of stabilization in home sales are not convincing enough to expect any meaningful property rebound in the foreseeable future. Moreover, the Chinese consumer remains very cautious on spending – judging from the ongoing strong appetite for banks' time deposits.

RRR cuts will be partly aimed at helping commercial banks absorb the wave of new CGB issuance in 2025. In fact, we expect the balance sheet of the PBoC to keep expanding in the coming quarters (Figure 4). This in turn should reinforce downward pressure on the exchange rate – with CNY/USD set to break through 7.30 before long.

Financial markets are currently discounting up to 50 bps of rate easing by mid-2024 (see Table 3 below). As we expect balance sheet expansion to be the more important tool for the PBoC in 2025, we think this is overdoing it somewhat. This is the first time in a long while that we are more cautious about the market's easing expectations.

Figure 4 – PBoC policy levers – multiple fronts



Source: Bloomberg, Robeco,18 December 2024

Curve steepening

Both short-term and long-term CGB yields have rallied to fresh multi-year lows. Although we believe the *secular* downtrend in Chinese rates has not ended, we see an increased chance of underperformance of longer-dated CGBs, either cross-market or versus shorter-dated CGBs.

Specifically, we expect the 2s30s CGB curve – which has hovered between 70 and 95 bps in the past six months and currently sits at c. 80 bps – to rise to and above the upper end of this range in the course of H1 2025. The main culprits are CGB supply pressures and a projected pick-up in nominal GDP growth.

Table 3 - What is priced in for the PBoC versus our expectations

PBoC 7-day reverse repo (%)	1.50	Mar-25	Jun-25	Sep-25	Dec-25
Change implied by forwards (bps)		-27	-43	-48	-48
Our probability-weighted expectation (bps)		-17	-33	-38	-39
Our central scenario (bps)		-20	-30	-40	-40
PBoC 7-day reverse repo in central scenario (%)		1.30	1.20	1.10	1.10

Source: Bloomberg, Robeco; 18 December 2024

Bank of Japan: don't rock the boat

- Not hiking now, but likely later
- More structural inflation evidence needed
- Underweight JGBs and expect a flatter curve

One data point at a time

The BoJ opted to leave policy rates unchanged at its December Monetary Policy Meeting (MPM) but continued to signal a possibility of increasing rates further down the line. Local media had already downplayed the possibility of a hike ahead of the December meeting, as Governor Ueda pointed to factors like awaiting the 2025 Shunto wage negotiations data, expected in Q1 2025. The BoJ also released an extensive review of monetary policy decisions. They draw two important conclusions. Firstly, unconventional monetary policy (i.e. YCC and QE) cannot substitute conventional monetary policies. Secondly, the use of unconventional tools has led to long-lasting marks on the functioning of the JGB market. This should raise the bar for increasing the use of these policies going forward.

Hard data continues to point toward a recovery

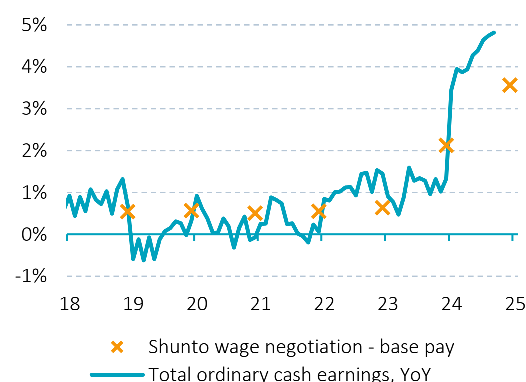
We expect that economic data will support a further rate hiking cycle. Japanese core inflation (CPI-excluding fresh food and energy) has risen from around 2.0% to 2.3% YoY over the past couple of months, while faster-moving three-month annualized figures point to a somewhat higher pace of core inflation. We would, however, note that the majority of inflationary pressures stem from higher goods inflation and, to a lesser extent, are driven by services inflation. Wage growth has shown a material increase and is tracking levels indicated by the 2024 Shunto wage negotiations.

We believe the BoJ is back in play as wage growth and inflation expectations continue to show evidence of a somewhat higher inflation outlook versus the deflationary period of the last 25 years. We would stress that an aggressive hiking cycle is unlikely, but the change in interest rates should be viewed as a return to a somewhat less accommodative policy stance that a higher inflation outlook provides. A structurally higher inflation level, of around 1.5%-2% would allow the BoJ to gradually increase the policy rate somewhat. We currently view the March meeting as the most likely candidate for a rate hike. By then there should be a clearer picture on how wages are set to progress over 2025. If wage growth starts to lead to more services-related inflation, we could see the BoJ take the policy rate to around 1% in 2026.

Stay underweight JGBs

Risk-reward is skewed in favor of keeping an underweight in JGBs. Our target to reduce the underweight is around a level of 1.25% in 10-year JGBs. This level corresponds with front-end rates expectations to pricing in a 1% policy rate level in two years' time. 30-year JGBs are still very directional to the overall moves in rates. Going forward, we expect the curve to become less sensitive to the outright moves in interest rates, resulting in a flattening of the 10s30s curve.

Figure 5 – Pickup in wage growth materializing



Source: Bloomberg, Robeco, 19 December 2024

Table 4 - What is priced in for the BoJ versus our expectations

Policy balance rate (%)	0.25	Mar-25	Jun-25	Sept-25	Dec-25
Change implied by OIS (bps)		23	32	40	45
Our probability-weighted expectation (bps)		21	30	34	50
Our central scenario (bps)		25	25	25	50
Policy balance rate in central scenario (%)		0.50	0.50	0.50	0.75

Source: Bloomberg, Robeco; 19 December 2024

Important information

Robeco Institutional Asset Management B.V. has a license as manager of Undertakings for Collective Investment in Transferable Securities (UCITS) and Alternative Investment Funds (AIFs) ("Fund(s)") from the Netherlands Authority for the Financial Markets in Amsterdam. This marketing document is intended solely for professional investors, defined as investors qualifying as professional clients, who have requested to be treated as professional clients or are authorized to receive such information under any applicable laws. Robeco Institutional Asset Management B.V. and/or its related, affiliated and subsidiary companies, ("Robeco"), will not be liable for any damages arising out of the use of this document. Users of this information who provide investment services in the European Union have their own responsibility to assess whether they are allowed to receive the information in accordance with MiFID II regulations. To the extent this information qualifies as a reasonable and appropriate minor non-monetary benefit under MiFID II, users that provide investment services in the European Union are responsible for complying with applicable recordkeeping and disclosure requirements. The content of this document is based upon sources of information believed to be reliable and comes without warranties of any kind. Without further explanation this document cannot be considered complete. Any opinions, estimates or forecasts may be changed at any time without prior warning. If in doubt, please seek independent advice. This document is intended to provide the professional investor with general information about Robeco's specific capabilities but has not been prepared by Robeco as investment research and does not constitute an investment recommendation or advice to buy or sell certain securities or investment products or to adopt any investment strategy or legal, accounting or tax advice. All rights relating to the information in this document are and will remain the property of Robeco. This material may not be copied or shared with the public. No part of this document may be reproduced or published in any form or by any means without Robeco's prior written permission. Investment involves risks. Before investing, please note the initial capital is not guaranteed. Investors should ensure they fully understand the risk associated with any Robeco product or service offered in their country of domicile. Investors should also consider their own investment objective and risk tolerance level. Historical returns are provided for illustrative purposes only. The price of units may go down as well as up and past performance is no guarantee of future results. If the currency in which the past performance is displayed differs from the currency of the country in which you reside, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency. The performance data do not take account of the commissions and costs incurred when trading securities in client portfolios or for the issue and redemption of units. Unless otherwise stated, performances are i) net of fees based on transaction prices and ii) with dividends reinvested. Please refer to the prospectus of the Funds for further details. Performance is quoted net of investment management fees. The ongoing charges mentioned in this document are the ones stated in the Fund's latest annual report at closing date of the last calendar year. This document is not directed to or intended for distribution to or for use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, document, availability or use would be contrary to law or regulation or which would subject any Fund or Robeco Institutional Asset Management B.V. to any registration or licensing requirement within such jurisdiction. Any decision to subscribe for interests in a Fund offered in a particular jurisdiction must be made solely on the basis of information contained in the prospectus, which information may be different from the information contained in this document. Prospective applicants for shares should inform themselves as to legal requirements which may also apply and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile. The Fund information, if any, contained in this document is qualified in its entirety by reference to the prospectus, and this document should, at all times, be read in conjunction with the prospectus. Detailed information on the Fund and associated risks is contained in the prospectus. The prospectus and the Key Information Document (PRIIP) for the Robeco Funds can all be obtained free of charge from Robeco's websites.

Additional information for US investors

This document may be distributed in the US by Robeco Institutional Asset Management US, Inc. ("Robeco US"), an investment adviser registered with the US Securities and Exchange Commission (SEC). Such registration should not be interpreted as an endorsement or approval of Robeco US by the SEC. Robeco Institutional Asset Management B.V. is considered "participating affiliated" and some of their employees are "associated persons" of Robeco US as per relevant SEC no-action guidance. Employees identified as associated persons of Robeco US perform activities directly or indirectly related to the investment advisory services provided by Robeco US. In those situations these individuals are deemed to be acting on behalf of Robeco US. SEC regulations are applicable only to clients, prospects and investors of Robeco US. Robeco US is wholly owned subsidiary of ORIX Corporation Europe N.V. ("ORIX"), a Dutch Investment Management Firm located in Rotterdam, the Netherlands. Robeco US is located at 230 Park Avenue, 33rd floor, New York, NY 10169.

Additional information for US Offshore investors – Reg S

The Robeco Capital Growth Funds have not been registered under the United States Investment Company Act of 1940, as amended, nor the United States Securities Act of 1933, as amended. None of the shares may be offered or sold, directly or indirectly in the United States or to any US Person. A US Person is defined as (a) any individual who is a citizen or resident of the United States for federal income tax purposes; (b) a corporation, partnership or other entity created or organized under the laws of or existing in the United States; (c) an estate or trust the income of which is subject to United States federal income tax regardless of whether such income is effectively connected with a United States trade or business. In the United States, this material may be distributed only to a person who is a "distributor", or who is not a "US person", as defined by Regulation S under the U.S. Securities Act of 1933 (as amended).

Additional information for investors with residence or seat in Australia and New Zealand

This document is distributed in Australia by Robeco Hong Kong Limited (ARBN 156 512 659) ("RIAM BV"), which is exempt from the requirement to hold an Australian financial services license under the Corporations Act 2001 (Cth) pursuant to ASIC Class Order 03/1103. Robeco is regulated by the Securities and Futures Commission under the laws of Hong Kong and those laws may differ from Australian laws. This document is distributed only to "wholesale clients" as that term is defined under the Corporations Act 2001 (Cth). This document is not intended for distribution or dissemination, directly or indirectly, to any other class of persons. In New Zealand, this document is only available to wholesale investors within the meaning of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 (FMCA). This document is not intended for public distribution in Australia and New Zealand.

Additional information for investors with residence or seat in Austria

This information is solely intended for professional investors or eligible counterparties in the meaning of the Austrian Securities Oversight Act.

Additional information for investors with residence or seat in Brazil

The Fund may not be offered or sold to the public in Brazil. Accordingly, the Fund has not been nor will be registered with the Brazilian Securities Commission (CVM), nor has it been submitted to the foregoing agency for approval. Documents relating to the Fund, as well as the information contained therein, may not be supplied to the public in Brazil, as the offering of the Fund is not a public offering of securities in Brazil, nor may they be used in connection with any offer for subscription or sale of securities to the public in Brazil.

Additional information for investors with residence or seat in Brunei

The Prospectus relates to a private collective investment scheme which is not subject to any form of domestic regulations by the Autoriti Monetari Brunei Darussalam ("Authority"). The Prospectus is intended for distribution only to specific classes of investors as specified in section 20 of the Securities Market Order, 2013, and must not, therefore, be delivered to, or relied on by, a retail client. The Authority is not responsible for reviewing or verifying any prospectus or other documents in connection with this collective investment scheme. The Authority has not approved the Prospectus or any other associated documents nor taken any steps to verify the information set out in the Prospectus and has no responsibility for it. The units to which the Prospectus relates may be illiquid or subject to restrictions on their resale. Prospective purchasers of the units offered should conduct their own due diligence on the units.

Additional information for investors with residence or seat in Canada

No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities described herein, and any representation to the contrary is an offence. Robeco Institutional Asset Management B.V. relies on the international dealer and international adviser exemption in Quebec and has appointed McCarthy Tétrault LLP as its agent for service in Quebec.

Additional information for investors with residence or seat in the Republic of Chile

Neither Robeco nor the Funds have been registered with the *Comisión para el Mercado Financiero* pursuant to Law no. 18.045, the *Ley de Mercado de Valores* and regulations thereunder. This document does not constitute an offer of or an invitation to subscribe for or purchase shares of the Funds in the Republic of Chile, other than to the specific person who individually requested this information on their own initiative. This may therefore be treated as a "private offering" within the meaning of Article 4 of the *Ley de Mercado de Valores* (an offer that is not addressed to the public at large or to a certain sector or specific group of the public).

Additional information for investors with residence or seat in Colombia

This document does not constitute a public offer in the Republic of Colombia. The offer of the fund is addressed to less than one hundred specifically identified investors. The fund may not be promoted or marketed in Colombia or to Colombian residents, unless such promotion and marketing is made in compliance with Decree 2555 of 2010 and other applicable rules and regulations related to the promotion of foreign funds in Colombia. The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions. The information contained in this Prospectus is for general guidance only, and it is the responsibility of any person or persons in possession of this Prospectus and wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves of any applicable legal requirements, exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile

Additional information for investors with residence or seat in the Dubai International Financial Centre (DIFC), United Arab Emirates
This material is distributed by Robeco Institutional Asset Management B.V. (DIFC Branch) located at Office 209, Level 2, Gate Village Building 7, Dubai International Financial Centre, Dubai, PO Box 482060, UAE. Robeco Institutional Asset Management B.V. (DIFC Branch) is regulated by the Dubai Financial Services Authority ("DFSA") and only deals with Professional Clients or Market Counterparties and does not deal with Retail Clients as defined by the DFSA.
Additional information for investors with residence or seat in France
Robeco Institutional Asset Management B.V. is at liberty to provide services in France. Robeco France is a subsidiary of Robeco whose business is based on the promotion and distribution of the group's funds to professional investors in France.
Additional information for investors with residence or seat in Germany
This information is solely intended for professional investors or eligible counterparties in the meaning of the German Securities Trading Act.
Additional information for investors with residence or seat in Hong Kong
The contents of this document have not been reviewed by the Securities and Futures Commission ("SFC") in Hong Kong. If there is any doubt about any of the contents of this document, independent professional advice should be obtained. This document has been distributed by Robeco Hong Kong Limited ("Robeco"). Robeco is regulated by the SFC in Hong Kong.
Additional information for investors with residence or seat in Indonesia
The Prospectus does not constitute an offer to sell nor a solicitation to buy securities in Indonesia.
Additional information for investors with residence or seat in Italy
This document is considered for use solely by qualified investors and private professional clients (as defined in Article 26 (1) (b) and (d) of Consob Regulation No. 16190 dated 29 October 2007). If made available to Distributors and individuals authorized by Distributors to conduct promotion and marketing activity, it may only be used for the purpose for which it was conceived. The data and information contained in this document may not be used for communications with Supervisory Authorities. This document does not include any information to determine, in concrete terms, the investment inclination and, therefore, this document cannot and should not be the basis for making any investment decisions.
Additional information for investors with residence or seat in Japan
This document is considered for use solely by qualified investors and is distributed by Robeco Japan Company Limited, registered in Japan as a Financial Instruments Business Operator, [registered No. the Director of Kanto Local Financial Bureau (Financial Instruments Business Operator), No.2780, Member of Japan Investment Advisors Association].
Additional information for investors with residence or seat in South Korea
The Management Company is not making any representation with respect to the eligibility of any recipients of the Prospectus to acquire the Shares therein under the laws of South Korea, including but not limited to the Foreign Exchange Transaction Act and Regulations thereunder. The Shares have not been registered under the Financial Investment Services and Capital Markets Act of Korea, and none of the Shares may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in South Korea or to any resident of South Korea except pursuant to applicable laws and regulations of South Korea.
Additional information for investors with residence or seat in Liechtenstein
This document is exclusively distributed to Liechtenstein-based, duly licensed financial intermediaries (such as banks, discretionary portfolio managers, insurance companies, fund of funds) which do not intend to invest on their own account into Fund(s) displayed in the document. This material is distributed by Robeco Switzerland Ltd, postal address: Josefstrasse 218, 8005 Zurich, Switzerland. LGT Bank Ltd., Herrengasse 12, FL-9490 Vaduz, Liechtenstein acts as the representative and paying agent in Liechtenstein. The prospectus, the Key Information Documents (PRIIP)the articles of association, the annual and semi-annual reports of the Fund(s) may be obtained from the representative or via the website.
Additional information for investors with residence or seat in Malaysia
Generally, no offer or sale of the Shares is permitted in Malaysia unless where a Recognition Exemption or the Prospectus Exemption applies: NO ACTION HAS BEEN, OR WILL BE, TAKEN TO COMPLY WITH MALAYSIAN LAWS FOR MAKING AVAILABLE, OFFERING FOR SUBSCRIPTION OR PURCHASE, OR ISSUING ANY INVITATION TO SUBSCRIBE FOR OR PURCHASE OR SALE OF THE SHARES IN MALAYSIA OR TO PERSONS IN MALAYSIA AS THE SHARES ARE NOT INTENDED BY THE ISSUER TO BE MADE AVAILABLE, OR MADE THE SUBJECT OF ANY OFFER OR INVITATION TO SUBSCRIBE OR PURCHASE, IN MALAYSIA. NEITHER THIS DOCUMENT NOR ANY DOCUMENT OR OTHER MATERIAL IN CONNECTION WITH THE SHARES SHOULD BE DISTRIBUTED, CAUSED TO BE DISTRIBUTED OR CIRCULATED IN MALAYSIA. NO PERSON SHOULD MAKE AVAILABLE OR MAKE ANY INVITATION OR OFFER OR INVITATION TO SELL OR PURCHASE THE SHARES IN MALAYSIA UNLESS SUCH PERSON TAKES THE NECESSARY ACTION TO COMPLY WITH MALAYSIAN LAWS.
Additional information for investors with residence or seat in Mexico
The funds have not been and will not be registered with the National Registry of Securities or maintained by the Mexican National Banking and Securities Commission and, as a result, may not be offered or sold publicly in Mexico. Robeco and any underwriter or purchaser may offer and sell the funds in Mexico on a private placement basis to Institutional and Accredited Investors, pursuant to Article 8 of the Mexican Securities Market Law.
Additional information for investors with residence or seat in Peru
The Superintendencia del Mercado de Valores (SMV) does not exercise any supervision over this Fund and therefore the management of it. The information the Fund provides to its investors and the other services it provides to them are the sole responsibility of the Administrator. This Prospectus is not for public distribution.
Additional information for investors with residence or seat in Singapore
This document has not been registered with the Monetary Authority of Singapore ("MAS"). Accordingly, this document may not be circulated or distributed directly or indirectly to persons in Singapore other than (i) to an institutional investor under Section 304 of the SFA, (ii) to a relevant person pursuant to Section 305(1), or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. The contents of this document have not been reviewed by the MAS. Any decision to participate in the Fund should be made only after reviewing the sections regarding investment considerations, conflicts of interest, risk factors and the relevant Singapore selling restrictions (as described in the section entitled "Important information for Singapore Investors") contained in the prospectus. Investors should consult their professional adviser if you are in doubt about the stringent restrictions applicable to the use of this document, regulatory status of the Fund, applicable regulatory protection, associated risks and suitability of the Fund to your objectives. Investors should note that only the Sub-Funds listed in the appendix to the section entitled "Important information for Singapore Investors" of the prospectus ("Sub-Funds") are available to Singapore investors. The Sub-Funds are notified as restricted foreign schemes under the Securities and Futures Act, Chapter 289 of Singapore ("SFA") and invoke the exemptions from compliance with prospectus registration requirements pursuant to the exemptions under Section 304 and Section 305 of the SFA. The Sub-Funds are not authorized or recognized by the MAS and shares in the Sub-Funds are not allowed to be offered to the retail public in Singapore. The prospectus of the Fund is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply. The Sub-Funds may only be promoted exclusively to persons who are sufficiently experienced and sophisticated to understand the risks involved in investing in such schemes, and who satisfy certain other criteria provided under Section 304, Section 305 or any other applicable provision of the SFA and the subsidiary legislation enacted thereunder. You should consider carefully whether the investment is suitable for you. Robeco Singapore Private Limited holds a capital markets services license for fund management issued by the MAS and is subject to certain clientele restrictions under such license.
Additional information for investors with residence or seat in Spain
Robeco Institutional Asset Management B.V., Sucursal en España with identification number W0032687F and having its registered office in Madrid at Calle Serrano 47-14º, is registered with the Spanish Commercial Registry in Madrid, in volume 19.957, page 190, section 8, sheet M-351927 and with the National Securities Market Commission (CNMV) in the Official Register of branches of European investment services companies, under number 24. The investment funds or SICAV mentioned in this document are regulated by the corresponding authorities of their country of origin and are registered in the Special Registry of the CNMV of Foreign Collective Investment Institutions marketed in Spain.
Additional information for investors with residence or seat in South Africa
Robeco Institutional Asset Management B.V. is registered and regulated by the Financial Sector Conduct Authority in South Africa.
Additional information for investors with residence or seat in Switzerland
The Fund(s) are domiciled in Luxembourg. This document is exclusively distributed in Switzerland to qualified investors as defined in the Swiss Collective Investment Schemes Act (CISA). This material is distributed by Robeco Switzerland Ltd, postal address: Josefstrasse 218, 8005 Zurich. ACOLIN Fund Services AG, postal address: Leutschenbachstrasse 50, 8050 Zürich, acts as the Swiss representative of the Fund(s). UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich, postal address: Europastrasse 2, P.O. Box, CH-8152 Opfikon, acts as the Swiss paying agent. The prospectus, the Key Information Documents (PRIIP), the articles of association, the annual and semi-annual reports of the Fund(s), as well as the list of the purchases and sales which the Fund(s) has undertaken during the financial year, may be obtained, on simple request and free of charge, at the office of the Swiss representative ACOLIN Fund Services AG. The prospectuses are also available via the website.

Additional information for investors with residence or seat in Taiwan
The contents of this document have not been reviewed by any regulatory authority in Hong Kong. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This document has been distributed by Robeco Hong Kong Limited ("Robeco"). Robeco is regulated by the Securities and Futures Commission in Hong Kong.
Additional information for investors with residence or seat in Thailand
The Prospectus has not been approved by the Securities and Exchange Commission which takes no responsibility for its contents. No offer to the public to purchase the Shares will be made in Thailand and the Prospectus is intended to be read by the addressee only and must not be passed to, issued to, or shown to the public generally.
Additional information for investors with residence or seat in the United Arab Emirates
Some Funds referred to in this marketing material have been registered with the UAE Securities and Commodities Authority ("the Authority"). Details of all Registered Funds can be found on the Authority's website. The Authority assumes no liability for the accuracy of the information set out in this material/document, nor for the failure of any persons engaged in the investment Fund in performing their duties and responsibilities.
Additional information for investors with residence or seat in the United Kingdom
Robeco Institutional Asset Management B.V (FRN: 977582) is authorized and regulated by the Financial Conduct Authority.
Additional information for investors with residence or seat in Uruguay
The sale of the Fund qualifies as a private placement pursuant to section 2 of Uruguayan law 18,627. The Fund must not be offered or sold to the public in Uruguay, except under circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. The Fund is not and will not be registered with the Financial Services Superintendency of the Central Bank of Uruguay. The Fund corresponds to investment funds that are not investment funds regulated by Uruguayan law 16,774 dated 27 September 1996, as amended.

© Q3/2024 Robeco