

# Sit Developing Markets Growth

## DESCRIPTION

- We seek growth opportunities with the objective of delivering superior long-term absolute and real returns.
- We seek to deliver above-average returns with lower risk and better downside capture than the representative market index.
- We invest in high-quality growth companies that have the potential to increase earnings at a faster rate than the representative economy and market index purchased at reasonable valuation levels.

## COMPOSITE PERFORMANCE (%)

	3 Month	Annualized Returns			
		1 Year	3 Year	5 Year	10 Year
<b>Sit Developing Markets Growth (Gross)</b>	<b>18.54</b>	<b>24.82</b>	<b>9.39</b>	<b>15.05</b>	<b>4.72</b>
<b>Sit Developing Markets Growth (Net)</b>	<b>18.19</b>	<b>23.15</b>	<b>7.89</b>	<b>13.26</b>	<b>2.86</b>
MSCI Emerging Markets Index	19.34	15.84	3.68	10.21	1.15

## TOTAL RETURN BY CALENDAR YEAR (%)

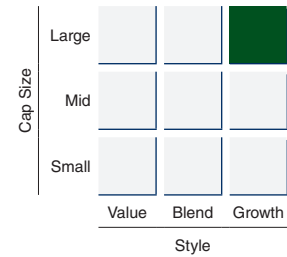
	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Sit Developing Markets Growth (Gross)</b>	<b>12.84</b>	<b>2.65</b>	<b>-5.38</b>	<b>-14.40</b>	<b>5.65</b>	<b>45.72</b>	<b>-13.65</b>	<b>21.46</b>	<b>24.82</b>
<b>Sit Developing Markets Growth (Net)</b>	<b>10.66</b>	<b>0.62</b>	<b>-7.29</b>	<b>-16.17</b>	<b>3.58</b>	<b>43.29</b>	<b>-14.90</b>	<b>19.84</b>	<b>23.15</b>
MSCI Emerging Markets Index	15.15	-4.98	-4.63	-16.96	8.58	34.35	-16.64	15.43	15.84

## BALANCE SHEET / PROFITABILITY - MEDIANS (%)

	Return on Invested Capital	Free Cash Flow Margin	Net Debt/Capital
<b>Sit Developing Markets Growth</b>	<b>7.2</b>	<b>9.0</b>	<b>-6.7</b>
MSCI Emerging Markets Index	7.2	7.6	14.8

Performance figures for the latest period are preliminary and subject to change. Past performance is not indicative of future results. Returns are calculated on a time-weighted total return basis, include the reinvestment of all income, and returns for periods greater than one year are annualized. The information above is supplemental to and complements the attached composite presentation. The account information set forth above is for the representative portfolio and is provided for illustrative purposes only.

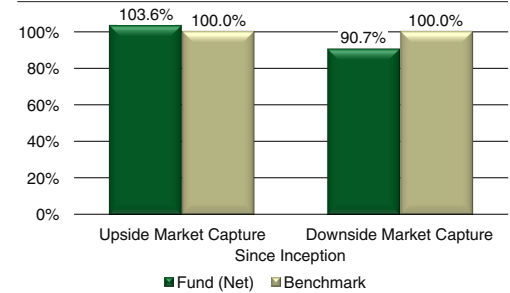
## INVESTMENT STYLE



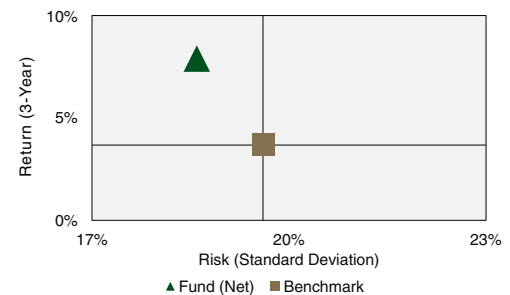
## TOP TEN HOLDINGS

Company Name	% of Securities
Samsung Electronics Co., Ltd.	6.8
Tencent Holdings, Ltd.	6.1
Taiwan Semiconductor Co.	5.2
Alibaba Group Holding, Ltd., ADR	5.0
TAL Education Group, ADR	4.2
iShares MSCI India ETF	3.3
LG Chem, Ltd.	3.2
NICE Systems, Ltd., ADR	3.2
JD.com, Inc., ADR	2.9
HDFC Bank, Ltd., ADR	2.9

## UPSIDE vs. DOWNSIDE MARKET CAPTURE



## RISK/RETURN ANALYSIS



## PORTFOLIO CHARACTERISTICS

Total Assets (Millions):	\$13.5
Number of Holdings:	53
Wtd. Avg. Market Cap (Billions):	\$181.6
Median Market Cap (Billions):	\$25.6
Beta (vs. MSCI Emerging Markets Index):	0.90
Inception Date:	6/30/94

**Sit Investment Associates, Inc.  
Developing Markets Growth Composite  
ANNUAL DISCLOSURE PRESENTATION**

Year End	Total Firm Assets (millions)	Composite Assets (USD) (millions)	Number of Accounts	Composite 3-Yr. Standard Dev.	Benchmark 3-Yr. Standard Dev.	MSCI EMF (Price) Index	Annual Performance Results Composite		Composite Dispersion
							Gross	Net	
2019	13,274.3	10.8	1	14.3%	14.2%	15.43%	21.46%	19.84%	N/A
2018	12,196.2	9.3	1	13.7%	14.5%	-16.64%	-13.65%	-14.90%	N/A
2017	13,340.8	11.2	1	15.4%	15.3%	34.35%	45.72%	43.29%	N/A
2016	12,668.9	6.9	1	15.8%	16.0%	8.58%	5.65%	3.58%	N/A
2015	13,350.6	7.3	1	14.8%	14.1%	-16.96%	-14.40%	-16.17%	N/A
2014	13,505.0	9.5	1	14.8%	15.1%	-4.63%	-5.38%	-7.29%	N/A
2013	13,103.3	72.5	2	17.7%	19.1%	-4.98%	2.65%	0.62%	0.25%
2012	13,081.6	73.2	2	20.9%	21.6%	15.15%	12.84%	10.66%	0.09%
2011	10,895.1	68.2	2	25.3%	25.7%	-20.41%	-16.08%	-17.83%	0.31%
2010	9,873.4	120.6	3	32.4%	32.5%	16.36%	16.04%	13.81%	0.21%

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Index. On reports prior to 2019, the benchmark reported was the MSCI EMF(Emerging Markets) Growth (Price) Index. The benchmark was retroactively changed to the MSCI EMF (Price) Index due to licensing issues and to conform the composite benchmark to the underlying account's benchmark. The composite contains portfolios generally emphasizing the common stock of companies domiciled in emerging market countries. The portfolios in the composite do not use leverage and generally hold between 80 to 100 foreign equity securities. The MSCI EMF Index is an index that is designed to measure equity market performance of emerging markets. The MSCI EMF Index consists of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

Sit Investment Associates, Inc. is an independent registered investment adviser which includes the following subsidiaries: Sit Investment Fixed Income Advisors, Inc.; and Sit Investment Fixed Income Advisors II, Inc. On December 31, 2007, Sit/Kim International Investment Associates, Inc. and Sit/Kim International Investment Associates II, LLC were liquidated into Sit Investment Associates, Inc. Prior to 2000, Sit Investment Associates, Inc. and Sit/Kim International Investment Associates, Inc. issued separate GIPS reports, including disclosure of each entity's assets under management. Beginning in 2000 the two entities issued a combined GIPS report to reflect the entities' current operational and management affiliation. Total assets for all years presented in the table above reflect the combined total assets of all subsidiaries. The firm maintains a complete list and description of composites, which is available upon request.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee returns for all years were updated to reflect the appropriate highest fee for each year. Net of fee performance was calculated using the highest fee applicable annual management fee applied quarterly of 2.00% for the period June 30, 1994 to September 30, 2017 and 1.40% applied quarterly, thereafter. The annual composite dispersion presented is an equal-weighted standard deviation calculated for the accounts in the composite the entire year. Beginning April 1, 2006, SIA calculates a true Time Weighted Return (TWR) for each portfolio within the composite and asset weights their returns to come up with a composite return. Periods are geometrically linked together. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The composite returns are net of any applicable withholding taxes on dividends, interest and capital gains. For the composite taxpayers are primarily domiciled in the United States. For the benchmark returns, the dividend are not included in the return.

The investment management fee schedule for the composite is 0.90% on the first \$10 million, 0.85% on the next \$20 million, 0.75% on the next \$20 million, and 0.60% on the amounts over \$50 million. Actual investment advisory fees incurred by clients may vary.

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

Past performance is not indicative of future results.

Sit Investment Associates, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sit Investment Associates, Inc. has been independently verified for the period January 1, 2017 to December 31, 2019 by ACA Performance Services, LLC, for the period January 1, 2007 to December 31, 2016 by Ashland Partners & Company LLP and for the period January 1, 1997 through December 31, 2006 by KPMG LLP.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

The Developing Markets Growth Composite was created June 30, 1989. Developing Markets Growth Composite contains fully discretionary accounts and for comparison purposes is measured against the MSCI EMF(Emerging Markets) (Price)

Investing involves risk; principal loss is possible. There is no guarantee the Composite's investment objectives will be achieved, and the market value of securities held by the Composite may fall or fail to rise.

**Weighted Average Market Cap** is the average market capitalization of companies held by the Fund, weighted in proportion to their percentage of the Fund's net assets. **Beta** is a measure of a fund's sensitivity to market movements. The beta of the market is 1.00 by definition. A beta above 1 is more volatile than the overall market, while a beta below 1 is less volatile.