

DEBUNKING EMERGING MARKET MYTHS

According to research by Templeton Emerging Markets Investment Trust investors could be missing out on the emerging market opportunities because of misconceptions about emerging markets.

MISPERCEPTION

REALITY



Emerging markets are risky

VS



Adding emerging markets exposure can diversify a portfolio and reduce risks



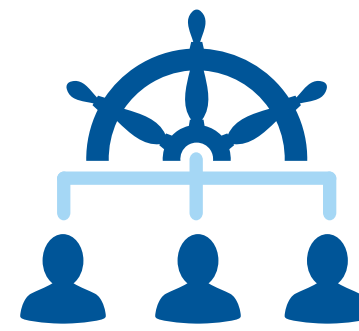
77%

of respondents think that adding emerging market exposure to an investment portfolio increases risk



Volatility is not beneficial for investment portfolios

VS



Volatility provides opportunity for active managers



50%

of investors agree that volatility is beneficial for portfolios

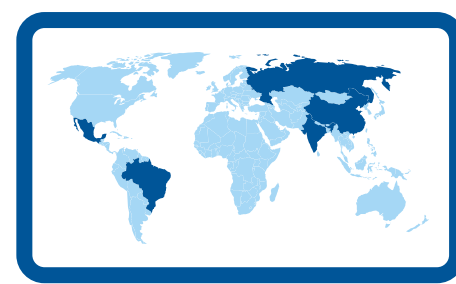
However, **29%**

do not think it is good for investment portfolios



Investors know what an emerging market is

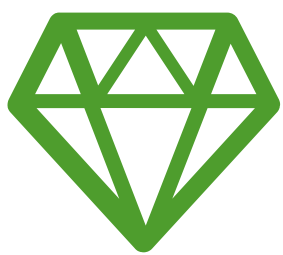
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Investors can only identify famous emerging markets



Research shows investors can easily identify some of the most famous markets as emerging whilst there is some confusion over less famous markets



Emerging markets are all about commodities

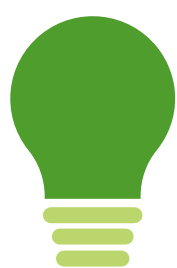
VS



IT and FS now form the biggest part of the MSCI Emerging Markets index

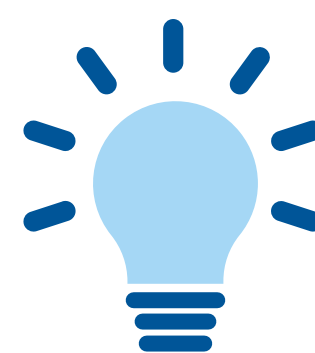


Over half, **56%** of investors still associate commodities with emerging markets



Emerging markets do not drive innovation

VS



Over half of global patent applications are now registered in emerging markets



Over half, **53%** of investors believe the largest number of global patents are registered in the US

Source: research conducted by Opinium Plc on behalf of Templeton Emerging Markets Investment Trust between 31st July to 4th August 2017.

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