March 31, 2017

Institutional Shares (BEXIX)

Baron Emerging Markets Fund Fact Sheet

BAMCO, Inc., Registered Investment Adviser

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The performance data quoted represents past performance. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost. The Adviser has reimbursed certain Fund expenses (by contract as long as BAMCO, Inc. is the adviser to the Fund) and the Fund's transfer agency expenses may be reduced by expense offsets from an unaffiliated transfer agent, without which performance would have been lower. Current performance may be lower or higher than the performance data quoted. For performance information current to the most recent month end, visit www.BaronFunds.com or call 1-800-99BARON.You should consider the investment objectives, risks, charges, and expenses of the Fund carefully before investing. The prospectus and summary prospectus contain this and other information about the Fund and can be obtained from the Fund's distributor, Baron Capital, Inc., by calling 1-800-99BARON or visiting www.BaronFunds.com. Please read them carefully before investing.

The Fund may not achieve its objectives. Portfolio holdings may change over time.

Definitions (provided by BAMCO, Inc.): The **MSCI EM (Emerging Markets) IMI Growth Index Net USD** is a free float-adjusted market capitalization index designed to measure equity market performance of large, mid and small-cap securities exhibiting overall growth characteristics across 23 Emerging Markets countries. **MSCI EM (Emerging Markets) Index Net USD** is designed to measure equity market performance of large and mid-cap securities across 23 Emerging Markets countries. The indexes and the Fund include reinvestment of dividends, net of withholding taxes, which positively impact the performance results. The **Morningstar US Fund Diversified Emerging Mkts Average** is not weighted and represents the straight average of annualized returns of each of the funds in the Diversified Emerging Markets category. The Fund has been included in the category since inception. As of 3/31/17, the category consisted of 873, 873, 811, 629, and 429 funds for the 3-month, year-to-date, 1-, 3- and 5-year periods. © 2017 Morningstar, Inc. All Rights Reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Standard Deviation (Std. Dev.):** measures the degree to which a fund's performance has varied from its average performance over a particular time period. The greater the standard deviation, the greater a fund's volatility (risk). **Sharpe Ratio:** is a risk-adjusted performance statistic that measures reward per unit of risk. The higher the Sharpe ratio, the better a fund's risk adjusted performance. **Alpha:** measures the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. **Beta:** measures a fund's sensitivity to market movements. The beta of the market is 1.00 by definition. **R-Squared:** measures how closely a fund's performance correlates to the performance of the benchmark index, and thus is a measurement of what portion of its performance can be explained by the performance of the index. Values for R-Squared range from 0 to 100, where 0 indicates no correlation and 100 indicates perfect correlation. **Tracking Error:** measures how closely a fund's return follows the benchmark index returns. It is calculated as the annualized standard deviation of the difference between the fund and the index returns. **Information Ratio:** measures the excess return of a fund divided by the amount of risk the fund takes relative to the benchmark index. The higher the information ratio, the higher the excess return expected of the fund, given the amount of risk involved. **Upside Capture:** explains how well a fund performs in time periods where the benchmark's returns are greater than zero. **Downside Capture:** explains how well a fund performs in time periods where the benchmark's returns are less than zero. **EPS Growth Rate (3-5 year forecast):** indicates the long-term forecasted EPS growth of the companies in the portfolio, calculated using the weighted average of the available 3-to-5 year forecasted growth rates for each of the stocks in the portfolio provided by FactSet Estimates. The EPS Growth rate does not forecast the Fund's performance. **Price/ Earnings Ratio (trailing 12-months):** is a valuation ratio of a company's current share price compared to its actual earnings per share over the last twelve months. **Price/Book Ratio:** is a ratio used to compare a company's stock price to its tangible assets, and it is calculated by dividing the current closing price of the stock by the latest quarter's book value per share. **Price/Sales Ratio:** is a valuation ratio of a stock's price relative to its past performance. It represents the amount an investor is willing to pay for a dollar generated from a particular company's operations. Price/Sales is calculated by dividing a stock's current price by its revenue per share for the last 12 months. Historical portfolio characteristics are provided by Compustat and FactSet Fundamentals. **Weighted Harmonic Average:** is a calculation that reduces the impact of extreme observations on the aggregate calculation by weighting them based on their size in the fund.

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Portfolio Facts and Characteristics

	Fund	MSCI EM IMI Growth Index
# of Equity Securities / % of Net Assets	94 / 91.3%	-
Turnover (3 Year Average)	27.01%	-
Median Market Cap†	$7.96 billion	$1.00 billion
Weighted Average Market Cap†	$44.67 billion	$70.97 billion
EPS Growth (3-5 year forecast)†	16.1%	18.6%
Price/Earnings Ratio (trailing 12-month)*†	19.0	19.2
Price/Book Ratio*†	2.4	2.6
Price/Sales Ratio*†	2.0	1.7

* Weighted Harmonic Average
† Source: FactSet PA – Compustat, FactSet and BAMCO. Internal valuations metrics may differ.
R6 Shares are also available for this Fund.

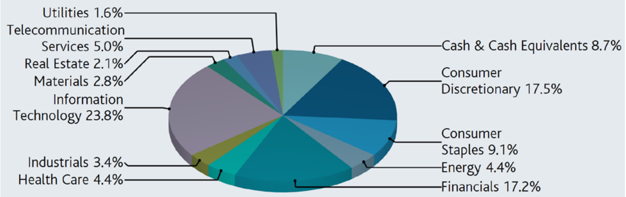
Performance Based Characteristics[2]

	3 Years	5 Years	Since Inception
Std. Dev. (%) - Annualized	12.96	13.15	14.69
Sharpe Ratio	0.16	0.44	0.27
Alpha (%) - Annualized	0.51	3.80	3.54
Beta	0.83	0.84	0.80
R-Squared (%)	90.02	84.60	86.02
Tracking Error (%)	4.82	5.66	6.47
Information Ratio	0.05	0.62	0.55
Upside Capture (%)	82.58	94.06	89.01
Downside Capture (%)	80.03	75.00	73.41

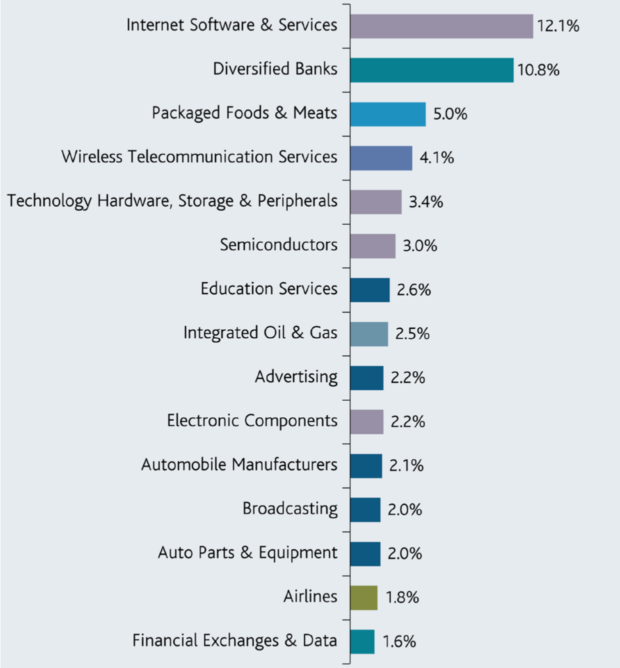
Top 10 Holdings

Top 10 Holdings	% of Net Assets
Alibaba Group Holding Limited	3.5
Tencent Holdings, Ltd.	2.7
Samsung Electronics Co., Ltd.	2.4
Taiwan Semiconductor Manufacturing Company Ltd.	2.1
Smiles SA	1.8
Copa Holdings, S.A.	1.7
YPF S.A.	1.7
TAL Education Group	1.6
Momo Inc.	1.6
Sberbank of Russia PJSC	1.5
Total	**20.6**

GICS Sector Breakdown[1]



Top 15 GICS Sub-Industry Breakdown[1]



Colors of Sub-Industry bars correspond to sector chart above.

Investment Strategy

The Fund invests mainly in non-U.S. companies of all sizes with significant growth potential. The majority of investments are in companies domiciled in developing countries, and the Fund may invest up to 20% in companies in developed and frontier countries. Diversified.

Portfolio Manager

Michael joined Baron in 2007 and has 30 years of research experience. From 2003 to 2007, he was a managing principal of Artemis Advisors, which acquired the Artemis Funds, a long-short equity strategy he co-founded in 1998. From 1993 to 2003, he worked at ING Furman Selz as a director of proprietary trading and was named senior managing director and portfolio manager in 1996. From 1989 to 1993, he worked at Lazard Frères in investment banking. From 1987 to 1989, Michael was an analyst at Bear Stearns. Michael graduated summa cum laude from Tulane University with a B.A. in Economics in 1987.

Investment Principles

- Long-term perspective allows us to think like an owner of a business
- Independent and exhaustive research is essential to understanding the long-term fundamental growth prospects of a business
- We seek appropriately capitalized open-ended growth opportunities, exceptional leadership, and sustainable competitive advantages
- Purchase price and risk management are integral to our investment process

Fund Facts

Inception Date	December 31, 2010
Net Assets	$3.21 billion
Expense Ratio (As of FYE 12/15)	1.20%

In addition to the general stock market risk that securities may fluctuate in value, investments in developing countries may have increased risks due to a greater possibility of: settlement delays; currency and capital controls; interest rate sensitivity; corruption and crime; exchange rate volatility; and inflation or deflation. The Fund invests in companies of all sizes, including small and medium sized companies whose securities may be thinly traded and more difficult to sell during market downturns.

1 - Industry sector or sub-industry group levels are provided from the Global Industry Classification Standard ("GICS"), developed and exclusively owned by MSCI, Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P"). All GICS data is provided "as is" with no warranties. The Adviser may have reclassified/classified certain securities in or out of a sub-industry. Such reclassifications are not supported by S&P or MSCI.
2 - Source: FactSet SPAR. Except for Standard Deviation and Sharpe Ratio, the performance based characteristics above were calculated relative to the Fund's benchmark.

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Baron Emerging Markets Fund Institutional Shares (BEXIX)

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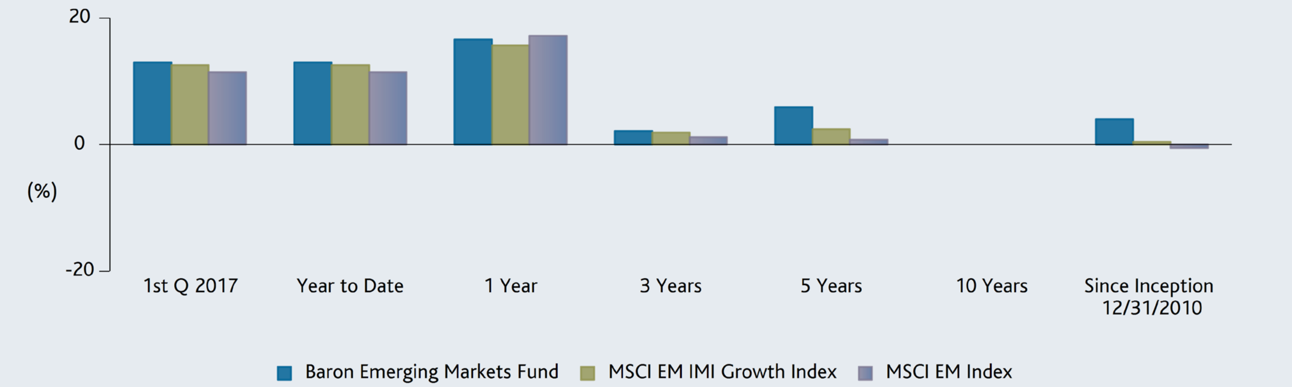
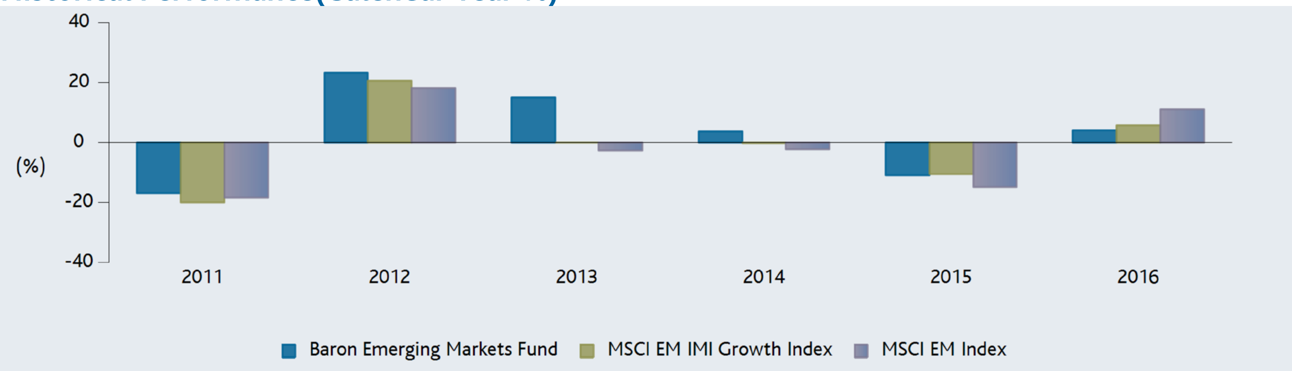
Performance as of March 31, 2017



	Total Returns(%)				Annualized Returns(%)									
	1st Q 2017		Year to Date		1 Year		3 Years		5 Years		10 Years		Since Inception 12/31/2010	
	Return	+ –	Return	+ –	Return	+ –	Return	+ –	Return	+ –	Return	+ –	Return	+ –
BEXIX - Institutional Shares	13.02		13.02		16.64		2.19		5.94		N/A		4.01	
MSCI EM IMI Growth Index	12.56	0.46	12.56	0.46	15.69	0.95	1.93	0.26	2.45	3.49	N/A		0.45	3.56
MSCI EM Index	11.44	1.58	11.44	1.58	17.21	-0.57	1.18	1.01	0.81	5.13	N/A		-0.51	4.52
Morningstar Div. EM Cat. Avg.	11.59	1.43	11.59	1.43	16.40	0.24	0.71	1.48	1.20	4.74	N/A		N/A	

The blue shading represents Fund outperformance vs. the corresponding benchmark. The yellow shading represents underperformance.

Historical Performance(Calendar Year %)

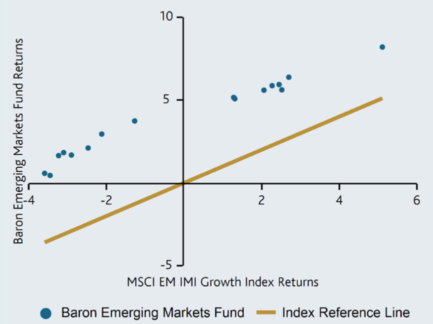


	2011	2012	2013	2014	2015	2016
BEXIX - Institutional Shares	-17.00	23.22	15.02	3.75	-10.97	4.08
MSCI EM IMI Growth Index	-20.04	20.72	0.10	-0.15	-10.51	5.84
MSCI EM Index	-18.42	18.22	-2.60	-2.19	-14.92	11.19

Country Breakdown

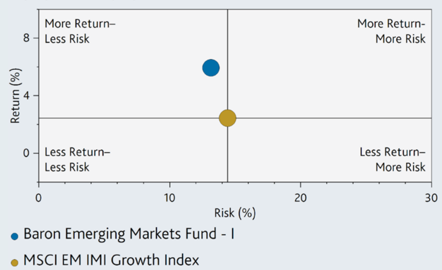
	% of Net Assets		% of Net Assets
Developing	**85.3**	**Developing (Cont'd)**	
China	26.1	Panama	1.7
India	15.5	Malaysia	0.7
Taiwan	8.7	Thailand	0.7
Korea	7.6	**Developed**	**4.0**
Brazil	5.1	Hong Kong	1.7
Mexico	5.1	Singapore	1.4
South Africa	4.4	United Kingdom	0.6
Russia	3.0	United States	0.3
Indonesia	2.5	**Frontier**	**2.0**
Philippines	2.3	Argentina	1.7
Chile	1.9	Nigeria	0.3

BEXIX has outperformed the MSCI EM IMI Growth Index 100% of the time (since its inception and using rolling 5-year annualized returns).



Risk/Return Comparison[2]

03/31/2012 - 03/31/2017



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Baron Emerging Markets Fund Institutional Shares (BEXIX)

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Review and Outlook

While global equities advanced in general, the first quarter of 2017 delivered the mean reversion in performance we had suspected would happen as expectations regarding Trump's policies moderated, with a return to outperformance by growth over value and emerging market leadership alongside a solid advance.

In our view, three key variables have influenced recent market performance as well as forward-looking expectations. First, we witnessed the walking back of the level of certainty and moderation in anticipated terms of several of Trump's policy positions. Challenges in implementing the travel ban, the failure to win Congressional approval of the proposed health care reform bill, and resistance and/or dilution to protectionist measures are but a few examples that have undermined conviction in the economic and foreign policy outlook under Trump. These events have also raised questions regarding the impact upon any future fiscal balance and tax reform proposals, particularly the controversial border adjustment tax, which in our view remains a principal threat to emerging market equities.

Second, evidence of strong global economic momentum that we witnessed in the second half of last year continued throughout the first quarter. With regard to emerging markets in particular, we believe the market has finally embraced our view that we are on the cusp of a cyclical earnings recovery, and we suspect this was a second driver of the strong first quarter advance in related equities. Having said this, we believe that leading indicators of U.S. and global growth may well be peaking, and while this would generally suggest outperformance by quality growth equities in a moderating growth environment, we will remain attuned for any early signs of more troubling risk of a downturn.

Finally, China's economic recovery has gained steam, and this has served to improve sentiment regarding credit risk and currency stability in China. This is a third and significant support for emerging markets. Further, in mid-March, Chinese authorities introduced new reform measures that we believe can help China continue its transition from a credit-fueled, investment driven economy towards a healthier balance with increased exposure to consumption and value-added industries. Given that six months remain until China's 19th National Congress, where Communist Party leadership and power will be determined for the next five years and beyond, we believe China is highly unlikely to be the source of any global or market instability in 2017.

We believe the strength in emerging market economies and corporate earnings is likely to sustain over the coming months and quarters, though we will continue to monitor for risks to this view, particularly given that the U.S. and China are likely to continue to unwind previous stimulus measures; for now the capital markets appear positioned to absorb this incremental tightening. We remain optimistic regarding the long-term potential for the high quality growth businesses in which we invest.

Top Contributors/Detractors to Performance for the Quarter Ended March 31, 2017

Contributors

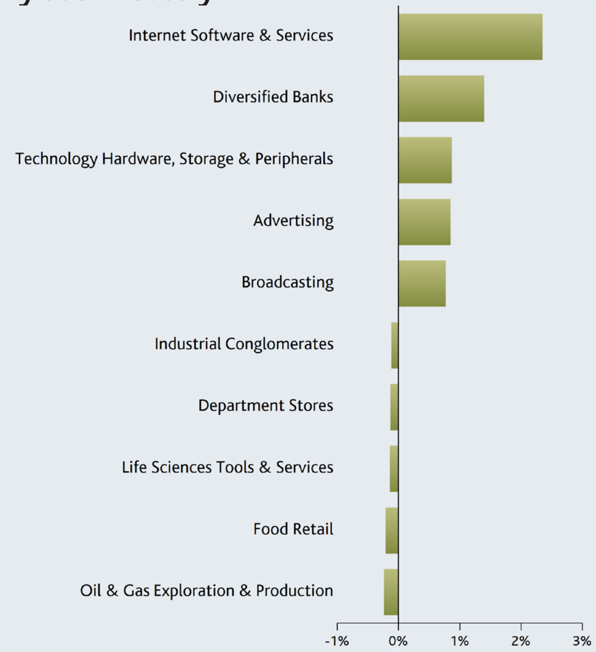
- Shares of **Alibaba Group Holding Limited**, the largest e-commerce company in China, rose in Q1 as a result of strong mobile and advertising growth. We expect mobile monetization to continue improving through 2017 while the company invests against new growth areas such as groceries, brand advertising, and cloud computing.
- Shares of Brazilian loyalty program **Smiles SA** grew during Q1. The company continues to gain market share especially among bank customers, the most important and lucrative source of profitability for the loyalty industry. Additionally, Smiles' pace of growth indicates a positive inflection point in Brazil for both airlines and loyalty programs. We believe Smiles has a solid runway for growth as its shares trade at an inexpensive multiple, in our view.
- **TAL Education Group** is a leading Chinese K-12 tutoring company, operating over 470 learning centers in 25 cities. Shares of TAL increased in Q1, driven by enrollment growth of about 75%. We see significant opportunity for continued growth as TAL opens new learning centers and expands existing ones, further gaining share in the fragmented Chinese K-12 tutoring market.

Detractors

- Shares of Russia's leading convenience store operator, **Magnit PJSC**, declined in Q1 following a disappointing earnings announcement. We believe an improved macroeconomic outlook in Russia will improve consumer purchasing power. Magnit has an opportunity, in our view, to regain market share lost to open-air markets over the past 24 months, and re-accelerate cosmetics and potentially pharmacy store growth.
- **Tullow Oil plc** is an international exploration and production company focused mainly on Africa. Shares fell in Q1 due to 2017 production guidance that missed analyst expectations coupled with investor concerns over the impact of falling oil prices on the company's balance sheet. The company announced a rights issue to alleviate debt pressure. We retain conviction based on Tullow's operational improvements, production ramp-up in Ghana, exploration upside in South America, and potential monetization of East Africa assets.
- Shares of **Divi's Laboratories Ltd.**, a leading Indian manufacturer of complex active pharmaceutical ingredients, declined in Q1. The stock fell after the company was issued an Import Alert by the FDA, owing to unfavorable observations noted during a surprise facility inspection. The company is committed to addressing all outstanding FDA observations with an estimated resolution timeframe of 18-24 months. We retain conviction in Divi's due to its industry-leading profitability and long-term relationships with major pharma clients.

Contribution to Return[1]

By Sub-Industry



By Holdings

Top Contributors	Average Weight(%)	Contribution(%)
Alibaba Group Holding Limited	3.61	0.81
Smiles SA	1.62	0.77
TAL Education Group	1.43	0.63
Momo Inc.	1.04	0.62
Sun TV Network Ltd.	1.08	0.60

Top Detractors	Average Weight(%)	Contribution(%)
Magnit PJSC	0.92	-0.21
Tullow Oil plc	0.77	-0.21
Divi's Laboratories Ltd.	0.65	-0.14
PT Matahari Department Store Tbk	0.75	-0.13
Bidvest Group Ltd.	0.94	-0.12

1 - Source: FactSet PA.

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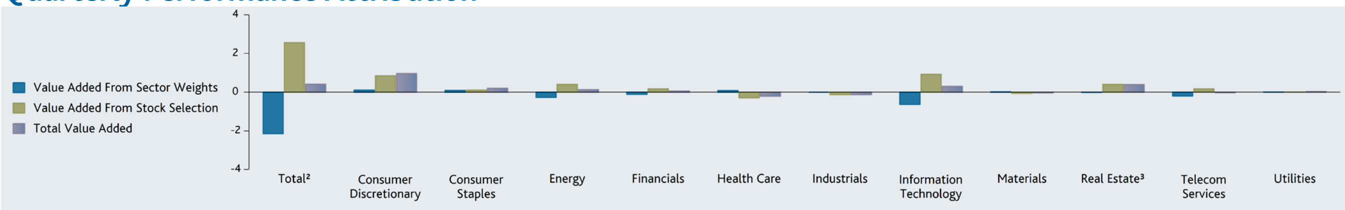
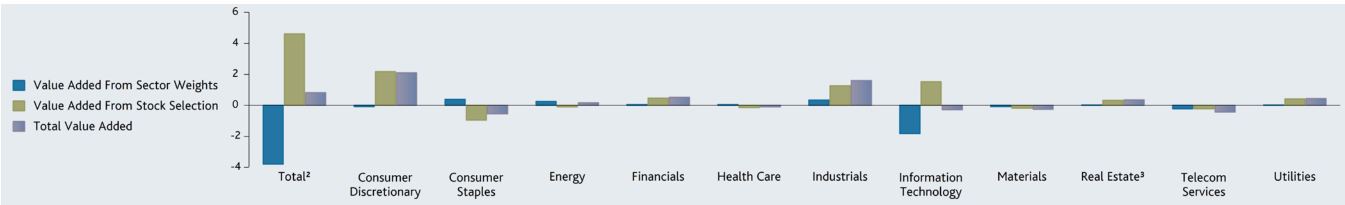
Quarterly Performance Attribution[1]



Sector Average Weights(%)	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate[3]	Telecom Services	Utilities
Baron Emerging Markets Fund	18.99	9.02	4.80	17.96	4.70	3.56	21.62	3.29	2.30	5.08	1.61
MSCI EM IMI Growth Index	14.84	10.69	2.67	12.58	6.06	6.51	34.91	5.51	2.15	1.91	2.16
Over/Underweight	4.15	-1.67	2.14	5.38	-1.37	-2.95	-13.29	-2.22	0.15	3.17	-0.56
Total Return(%)											
Baron Emerging Markets Fund	20.85	8.34	7.60	11.36	-0.48	9.27	22.65	8.78	19.65	9.04	13.15
MSCI EM IMI Growth Index	15.49	6.45	-0.26	10.25	6.20	12.80	17.60	11.95	2.36	5.82	11.24
Relative Return	5.36	1.89	7.86	1.11	-6.67	-3.53	5.04	-3.17	17.29	3.22	1.91

One-Year Performance Attribution[1]



Sector Average Weights(%)	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate[3]	Telecom Services	Utilities
Baron Emerging Markets Fund	21.43	9.00	3.95	15.81	6.19	3.51	18.70	4.03	2.00	5.28	1.33
MSCI EM IMI Growth Index	14.18	11.95	2.20	12.10	6.32	6.96	32.36	5.67	2.97	2.90	2.39
Over/Underweight	7.25	-2.95	1.75	3.71	-0.13	-3.45	-13.66	-1.63	-0.97	2.39	-1.06
Total Return(%)											
Baron Emerging Markets Fund	26.79	-7.64	15.86	19.56	-8.22	53.94	41.93	6.54	14.74	1.91	49.92
MSCI EM IMI Growth Index	14.68	0.36	17.63	15.09	-2.21	6.98	31.12	17.27	1.27	6.14	11.96
Relative Return	12.11	-8.00	-1.77	4.47	-6.01	46.96	10.80	-10.73	13.47	-4.23	37.96

Return calculations for the Portfolio are transaction based and are calculated from the underlying security-level data; they may not correspond with published performance information based on NAV per share.

1 - Attribution analysis for other periods or versus another index will be provided upon request. Source: FactSet PA.

2 - Fund total returns include cash, fees and unassigned securities.

3 - As of 9/1/2016 GICS added Real Estate as a new sector. The performance attribution figures above assume that the Real Estate sector existed during the entire time period presented.

When reviewing performance attribution on our portfolio, please be aware that we construct the portfolio from the bottom up, one stock at a time. Each stock is included in the portfolio if it meets our rigorous investment criteria. To help manage risk, we are aware of our sector and security weights, but we do not include a holding to achieve a target sector allocation or to approximate an index. Our exposure to any given sector is purely a result of our stock selection process.

Quarterly Analysis

Baron Emerging Markets Fund rose 13.02% in the first quarter and performed roughly in line with the MSCI EM IMI Growth Index as positive stock selection was offset by the negative effect of cash exposure in a sharp up market for emerging market equities.

On a country basis, outperformance of investments in Brazil, Argentina, Singapore, China, Panama, and India added the most value. Additionally, higher exposure to India aided relative results as stocks in the country rebounded sharply following the fourth quarter sell-off related to the Modi administration's surprise demonetization movement. These positive effects were somewhat offset by underperformance of investments in South Africa and the U.K. and lower exposure to strong performing Korean equities.

On a sector level, outperformance of holdings in Consumer Discretionary, Real Estate, and Information Technology (IT) contributed the most to relative performance. Consumer Discretionary holdings increased over 20%, driven by gains from Smiles SA of Brazil, Sun TV Network Ltd. of India, and TAL Education Group of China. Smiles and TAL were two of the largest contributors on an absolute basis, while shares of Sun TV surged after a legal overhang was removed. Consumer-oriented Indian holdings Exide Industries Ltd., PVR Ltd., and Zee Entertainment Enterprises Ltd. saw their stock prices bounce off the bottom as goods and services tax reform appeared to be on schedule. Strength in Real Estate was attributable to the outperformance of Global Logistic Properties Ltd. Shares of this Singapore-based developer and operator of modern logistics facilities in China, Japan, and Brazil moved higher on news of a possible sale. Within IT, outperformance of new holdings Momo Inc. and Catcher Technology Co., Ltd., added value. Momo operates China's third largest social network service platform, while Taiwan-based Catcher is a leading metal casing solution provider, with a blue-chip client base that includes Apple, Inc. Another contributor to relative results in IT was Sunny Optical Technology Group, an optical manufacturer in China. Sunny benefited from share gains in the camera lens business on increased adoption of higher resolution and dual cameras by Chinese smartphone makers. Favorable stock selection in IT was partly offset by lower exposure to this top performing sector, which was up nearly 18% in the index, thanks in large part to gains from Samsung Electronics Co., Ltd., Tencent Holdings, Ltd., and Alibaba Group Holding Limited. Together, these stocks accounted for nearly 16% of the index during the quarter.

Aside from cash, investments in Health Care detracted the most from relative results, mainly due to the underperformance of Divi's Laboratories Ltd. of India and Ginko International Co., Ltd. of Taiwan.

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Top 10 Holdings as of March 31, 2017

Company	Investment Premise
Alibaba Group Holding Limited (BABA) is the largest e-commerce company in the world. Alibaba owns and operates the two largest online shopping platforms in China, Taobao and Tmall. It also participates in the profits of Ant Financial, which owns Alipay, the largest third party online payment provider in China.	With over 400 million active buyers and over 10 million merchants, we believe Alibaba is poised to benefit disproportionately from the increased penetration of internet, mobile, and e-commerce in China. It enjoys more than 50% market share of all e-commerce transactions in China, and we expect it to continue growing 20%+ for years to come. We also see significant positive optionality in Alibaba's cloud computing, data management, and electronic payments platforms.
Tencent Holdings Ltd. (700.HK) is a leading internet service company and the top game developer in China. Its primary platforms include QQ for instant messaging (815 million media access units (MAUs)), WeChat for mobile messaging (500 million MAUs), and Qzone for social networking (654 million MAUs).	We are bullish on Tencent's ability to grow EPS at 25%+ over the long-term. Tencent benefits from virtuous network effects, and we think it has a long runway to monetize its large user base by pushing value-added services and advertising through its platforms. Gaming comprises 57% of Tencent's revenue, but advertising is its next major growth driver in our view, with in-feed ads on WeChat launched in 2015. Tencent is also investing in online-to-offline services by leveraging its payment solutions across a number of industries including restaurants, ticketing, and travel.
Samsung Electronics Co, Ltd (005930.KS) is a leading consumer electronics manufacturer and the largest handset maker in the world. It is also a key player in the semiconductor and display industries.	Samsung benefits from tremendous scale, which gives it a cost advantage and allows it to outspend competitors in R&D. Its investment in innovation has accelerated new product introductions and improved Samsung's global brand positioning. We think Samsung's in-house capabilities with display, memory, and semiconductors are also a key differentiator, as vertical integration lowers Samsung's product costs and gives it a time-to-market advantage. We believe the sustainability of these advantages is underestimated, and Samsung is undervalued relative to its earnings prospects.
Taiwan Semiconductor Manufacturing Company Ltd. (TSM) is the world's largest independent semiconductor foundry, manufacturing chips on behalf of other companies.	Taiwan Semiconductor benefits from economies of scale and a superior cost structure. It also deploys new technology faster than the competition, allowing it to enjoy higher average sales prices and gross margins. We believe Taiwan Semiconductor is poised to gain market share, driven by increased dominance in advanced nodes (10 nanometers and 7 nanometers), while maintaining superior profitability.
Smiles SA (SMLE3.BZ) is the second largest loyalty program in Brazil, with nine million members and 25% market share. It sells miles to credit card companies and GOL, its airline partner, and provides tickets on GOL flights when consumers redeem the miles.	Smiles is a beneficiary of the growth in air travel and credit cards in Brazil. We believe that Smiles will grow its share (25%) to be more in line with that of its airline partner (40%). Also, we like the business of selling airline miles to banks which distribute miles to consumers for using credit cards. During the time consumers are accumulating points, Smiles earns interest on float and enjoys breakage when miles expire. This allows Smiles to operate a highly flexible, leverageable, and asset light company which enjoys high growth, margins and returns.
Copa Holdings, S.A. (CPA) is a leading Latin American airline. With Panama City's Tocumen Airport as its base, Copa is able to reach every major destination within the Americas. Copa was established in 1944 and is a member of the Star Alliance.	We believe Copa enjoys competitive advantages that have allowed it to achieve margins and returns well above the industry average. It can fly to destinations faster and at lower cost and provide easier, smoother, faster connections than its competitors. It is also able to reach destinations that its competitors cannot. While macroeconomic pressures in Latin America have challenged recent financial performance, we believe that Copa is well positioned to enjoy the recovery.
YPF S.A. (YPF) is an integrated oil & gas company focused on developing conventional and unconventional hydrocarbon fields in Argentina.	YPF is leading the efforts to unlock the value of Argentinean unconventional resources - arguably the best shale resource outside of North America. Break even costs for its Vaca Muerta shale assets continue to drop and are now under $50/barrel. Improvements in the Argentinean macro environment, including recent restructuring of labor contracts, fuel tariffs, and subsidies, are attracting more joint ventures between YPF and international oil companies. We believe the development of Vaca Muerta will accelerate, to the benefit of YPF.
TAL Education Group (XRS) is a leading K-12 after school tutoring provider in China with 470+ learning centers in more than 25 cities.	TAL has been benefiting from positive secular trends in China, including growing competition to gain admission to top schools and rising disposable income. TAL's growth prospects are also fueled by its focus on the K-12 market, a highly fragmented $50 billion market in which the top three providers have less than 5% market share. Its focus on top academic students also protects its high-end brand and allows it to charge a premium for its services. TAL operates an asset-light and cash generative business model, and we believe it can grow EPS at 25%+ for years to come.
Momo Inc. (MOMO) is China's third largest Social Network Service platform, behind only Wechat and Weibo. As of 4Q16, it had a Monthly Active User (MAU) base of 81 million and is transitioning to a pan-entertainment online platform.	We think Momo is uniquely positioned as a leading entertainment platform for young internet users in China. Its ecosystem consists of social network, live broadcasting, and short video. Momo's competitive advantage is the ability to attract one of the highest user engagement and time-spent ratio among similar applications. Longer term, we see Momo continuing to drive user growth with its enriching content offerings and diversifying user monetization channels through professional and user generated content, online advertising, and other new types of entertainment offerings.
Sberbank of Russia PJSC (SBER.LI) is the largest bank in Russia, with over 16,000 outlets throughout the country and a dominant market share in assets, loans, and deposits. The bank also has operations in Turkey, Central Europe, and other former Soviet Union countries, accounting for about 14% of total assets.	In our view, Sberbank is well positioned for a potential improvement in the macro environment and well placed to benefit from expansion of the Russian banking sector longer term. We believe the bank's profitability has bottomed out and ROE is set to recover from 10% in 2015 to about 18-20% by 2020, driven by a rebound in net interest margin, lower provision expenses, and recently announced initiatives to reduce operating costs. Sberbank's operating environment stands to improve with higher oil prices and more benign outlook for Russia post-U.S. elections.

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