

December 31, 2018

# WASATCH EMERGING MARKETS SMALL CAP FUND™

(WAEMX) Open to all investors.



## ABOUT THE FUND

<b>Inception</b>	10/1/2007
<b>Total Fund Assets ^</b>	\$407 Million
<b>Morningstar Category</b>	Diversified Emerging Mkts
<b>Objective</b>	Long-term growth of capital
<b>Core Beliefs</b>	<ul style="list-style-type: none"> <li>Earnings drive stock prices</li> <li>Small companies can grow faster than large ones</li> <li>We can find small undiscovered emerging market companies with excellent earnings growth</li> <li>Patience and discipline lead to smart long-term investments</li> </ul>
<b>Research Tenets</b>	<ul style="list-style-type: none"> <li>Leverage the firm's thorough, collaborative and disciplined research process</li> <li>Find the World's Best Growth Companies™ within emerging markets, specifically: <ul style="list-style-type: none"> <li>high-quality companies with strong financials</li> <li>emerging leaders with a sustainable competitive advantage</li> <li>a proven management team</li> <li>earnings growth greater than the relevant sector or industry</li> </ul> </li> </ul>
<b>Compared to Other Wasatch Funds</b>	Our emerging markets fund focused on small companies
<b>Total Expense Ratio</b>	Gross 1.97% / Net 1.95% (1.94% excluding interest expenses)

## ABOUT THE FUND MANAGERS

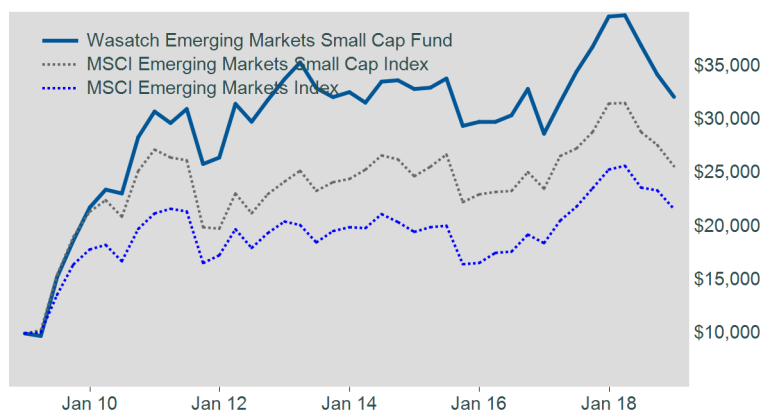
The Wasatch Emerging Markets Small Cap Fund is managed by a team of portfolio managers led by Ajay Krishnan.

Ajay Krishnan, CFA	<i>Lead Portfolio Manager</i> Industry Experience: 24 years Tenure at Wasatch: 24 years
Roger Edgley, CFA	<i>Director of International Research; Portfolio Manager</i> Industry Experience: 27 years Tenure at Wasatch: 16 years
Dan Chace, CFA	<i>Portfolio Manager</i> Industry Experience: 20 years Tenure at Wasatch: 16 years
Andrey Kutuzov, CFA	<i>Associate Portfolio Manager</i> Industry Experience: 13 years Tenure at Wasatch: 10 years
Scott Thomas, CFA, CPA	<i>Associate Portfolio Manager</i> Industry Experience: 13 years Tenure at Wasatch: 6 years
Kevin Unger, CFA	<i>Associate Portfolio Manager</i> Industry Experience: 6 years Tenure at Wasatch: 3 years

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## GROWTH OF A HYPOTHETICAL \$10,000 INVESTMENT

12/31/2008 through 12/31/2018



## AVERAGE ANNUAL TOTAL RETURNS

Through 12/31/2018	1 Year	5 Years	10 Years
Wasatch Emerging Markets Small Cap Fund	-18.95%	-0.28%	12.38%
MSCI Emerging Markets Small Cap Index	-18.59%	0.95%	9.87%
MSCI Emerging Markets Index	-14.58%	1.65%	8.02%

^All share classes combined.

Data shows past performance. Past performance is not indicative of future performance and current performance may be lower or higher than the data quoted. For the most recent month-end performance data, visit [www.WasatchFunds.com](http://www.WasatchFunds.com). Investment returns and principal value will fluctuate and shares, when redeemed, may be worth more or less than their original cost. The Advisor may absorb certain Fund expenses, leading to higher total shareholder returns. **Total Expense Ratio: Gross 1.97%; Net 1.95%.** The Advisor has contractually agreed to reimburse Total Annual Fund Operating Expenses in excess of 1.95% until at least 1/31/2020.

Wasatch Funds will deduct a 2.00% redemption fee on Fund shares held 60 days or less. Performance data does not reflect this redemption fee or taxes.

Investing in foreign securities, especially in emerging markets, entails special risks, such as currency fluctuations and political uncertainties, which are described in more detail in the prospectus. Investing in small cap funds will be more volatile and loss of principal could be greater than investing in large cap or more diversified funds.

An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contains this and other information, visit [www.wasatchfunds.com](http://www.wasatchfunds.com) or call 800.551.1700. Please read the prospectus carefully before investing.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. The MSCI Emerging Markets and Emerging Markets Small Cap Indices are free float-adjusted market capitalization indices that are designed to measure the equity market performance of emerging markets. You cannot invest directly in any index.

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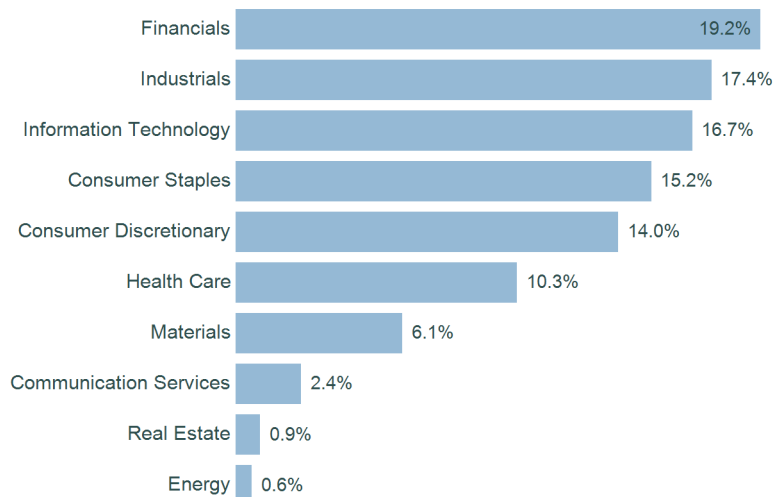
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## PORTFOLIO CHARACTERISTICS

Est. 5-year EPS Growth	23.2
Forward 12-month P/E Ratio	19.5
P/E to Growth Rate	0.8
Median Market Cap	\$2.01b
Weighted Average Market Cap	\$3.66b
Number of Holdings	66
Portfolio Turnover	38%
Alpha (5 year)	-1.08
Beta (5 year)	0.85
R-Squared (5 year)	0.78

## SECTOR ALLOCATION



\* includes other assets and liabilities

## REGION/COUNTRY ALLOCATION OF EQUITIES

Region	Fund	Country	Fund
Asia	79.3%	India	30.0%
South America	10.3%	China	15.3%
North America	5.1%	Korea	14.0%
Africa	2.3%	Taiwan	13.7%
East Europe	1.7%	Brazil	6.9%
Middle East	1.3%	Mexico	5.1%
Total	100.0%	Thailand	4.0%
		Other	11.0%
		Total	100.0%

Excludes cash and cash equivalents.

## TOP 10 EQUITY HOLDINGS

As of 12/31/2018	% of Fund
Medytox, Inc. (Korea) <i>Biotechnology</i>	4.0%
Magazine Luiza S.A. (Brazil) <i>General Merchandise Stores</i>	3.2%
ICICI Lombard General Insurance Co. Ltd. (India) <i>Property &amp; Casualty Insurance</i>	3.1%
Vitasoy International Holdings Ltd. (China) <i>Packaged Foods &amp; Meats</i>	3.1%
Silergy Corp. (Taiwan) <i>Semiconductors</i>	2.8%
Bajaj Finance Ltd. (India) <i>Consumer Finance</i>	2.8%
51job, Inc. ADR (China) <i>Human Resource &amp; Employment Services</i>	2.6%
Clicks Group Ltd. (South Africa) <i>Drug Retail</i>	2.4%
Info Edge India Ltd. (India) <i>Interactive Media &amp; Services</i>	2.4%
Douzone Bizon Co. Ltd. (Korea) <i>Systems Software</i>	2.2%
<b>Total</b>	<b>28.6%</b>

Current and future portfolio holdings are subject to risks and may change at any time. References to specific securities should not be construed as recommendations by the Fund or its Advisor.



To invest in this fund, please visit  
[www.WasatchFunds.com](http://www.WasatchFunds.com)  
or call 800.551.1700

P.O. Box 2172 • Milwaukee, WI 53201-2172  
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**Est. 5-year EPS Growth %:** Estimated percentage increase in earnings per share (EPS) per year of the fund's holdings over the next 5 years. These returns are not guaranteed and may be higher or lower. Source: Wasatch and FactSet. **Forward 12-mo. P/E Ratio:** The sum of the stock prices of the fund's holdings divided by the aggregate earnings per share of those holdings for the next 12 months, calculated as a weighted harmonic average. **P/E to Growth Rate:** The forward 12-month P/E ratio divided by the estimated 5-year EPS growth rate. Portfolios with a number less than 1.0 would be considered undervalued, around 1.0 would be considered fair valued and significantly greater than 1.0 would be considered overvalued. **Weighted Average Market Cap:** The average market capitalization of companies held by the fund, weighted by their percentage of fund net assets. **Portfolio Turnover:** A measure of trading activity in a fund's portfolio over the past 12 months expressed as a percentage of the fund's average total assets. **Alpha** measures a fund's risk/reward potential. A positive alpha means the fund outperformed the index. A negative alpha means the fund underperformed the index. **Beta** measures a fund's risk in relation to the market. A beta of 0.8 means the fund's total return is likely to move up or down 80% of the market change; 1.25 means total return is likely to move up or down 25% more than the market. **R-Squared** measures (from 0 to 1.0) how closely a fund's movements are correlated with movements of its benchmark. An R-squared of 1.0 would mean that the fund's movements are completely correlated with the movements of its benchmark.

WAS004916 4/20/2019