

# MFS Meridian® Funds

## Emerging Markets Debt Local Currency Fund



As of 31 July 2024  
Fact Sheet

Investment in the fund may involve a high degree of risk and may not be suitable for all investors. Past performance does not predict future returns and your capital is at risk. The value of the fund can be volatile and could decrease substantially in a short period of time. Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the portfolio's base currency, if different. Investors should not rely on this document alone to make investment decisions and the sales prospectus and Key Information Documents (KIDs) should be carefully considered before making any investment in the fund. **The fund specific risks include: bond risk, emerging markets risk, derivatives risk, high yield risk and local currency risk. These relevant risks, as associated with this fund, are highlighted and defined at the end of this document.**

### Investment team

#### Portfolio Managers

**Neeraj Arora, CFA**

- 13 years with MFS
- 19 years in industry

**Ward Brown, CFA, Ph.D.**

- 19 years with MFS
- 29 years in industry

#### Institutional Portfolio Manager\*\*

**Katrina Uzun**

- 6 years with MFS
- 23 years in industry

### Fund benchmark

JPMorgan Government Bond Index Emerging Markets Global Diversified

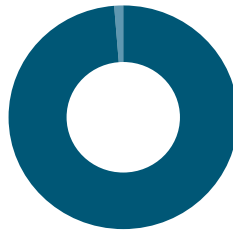
An emerging markets debt fund that offers exposure to the return potential of emerging market debt in local currency and potentially higher yields relative to other sovereign debt markets.

Key Points:

- Disciplined risk management approach focuses on calibrating and managing exposures to both country-specific and global risk factors
- Fundamentally-driven investment process focuses on country-level macroeconomic imbalances and sovereign risks to identify alpha opportunities
- Seeking to anticipate and position for adjustments needed to restore macroeconomic balances by establishing positions in rates and currencies to capitalize on expected price movements

### Portfolio structure (%)

- Bonds (134.0)
- Cash & Cash Equivalents (1.7)



Stocks (-0.1%)

-35.6% Other. Other consists of: (i) currency derivatives and/or (ii) any derivative offsets.

### Top 10 holdings

Brazil Notas do Tesouro Nacional Serie F 10% JAN 01 27

CZK IRS 2Yr Receiver 3.050 DEC 22 27

Republic of South Africa Government Bond 8.875% FEB 28 35

Colombian TES 5.75% NOV 03 27

China Government Bond 2.88% FEB 25 33

Euro BOBL Future SEP 06 24

Colombian TES 7.75% SEP 18 30

Indonesia Treasury Bond 6.375% AUG 15 28

Mexican Bonos 7.75% NOV 23 34

Mexican Bonos 7.75% MAY 29 31

45.7% of total net assets

### Top 10 EM countries (%)

Czech Republic	16.9
Brazil	15.8
Mexico	11.9
South Africa	9.7
Colombia	8.5
Indonesia	8.4
China	7.9
Thailand	6.9
Hungary	5.9
Poland	5.9

### Top currency weights (%)

Indonesian Rupiah	10.5
Mexican Peso	10.1
Malaysian Ringgit	10.0
Thailand Baht	9.3
Brazilian Real	8.1
South African Rand	7.9
Polish Zloty	6.9
Czech Koruna	5.8
Colombian Peso	5.0
Chinese Renminbi	4.9

### Portfolio facts

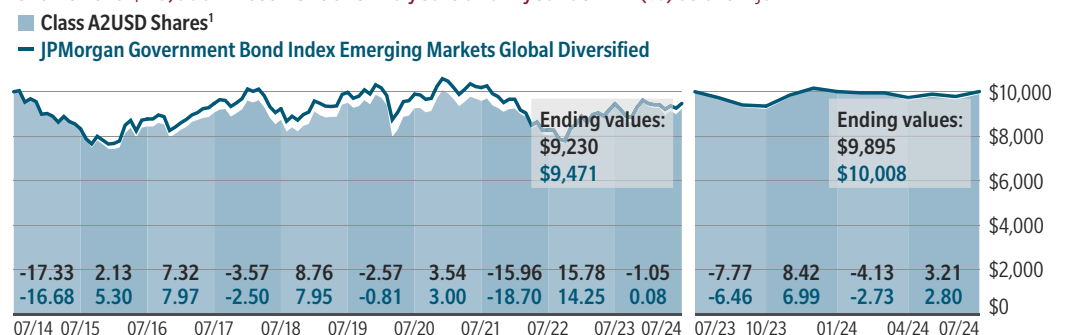
Net Assets (USD)	23.3 million
Number of Issues	103
Number of Issuers	39
Avg. Eff. Maturity	6.8 years
Avg. Eff. Duration	6.2 years
Yield to Maturity	7.8%
Yield to Worst	7.8%

\*\* Advises and communicates on the management of the portfolio, but is not responsible for day-to-day management. Please see important data methodologies later in this document.

MFS Meridian Funds from time to time may be registered for sale in other jurisdictions or otherwise offered where registration is not required.

MFS Meridian Funds are not available for sale in the United States or to US persons. Information on investors rights is made available in English and, as the case may be, in local language at meridian.mfs.com. MFS Investment Management Company (Lux) S.à r.l. may decide to terminate the marketing arrangements of this fund in accordance with the appropriate regulation.

### Growth of a \$10,000 investment over 10 years and 1 year at NAV (%) as of 31-Jul-24



Fund returns assume the reinvestment of dividends and capital gain distributions but do not include a sales charge. Results would have been less favorable if the sales charge were included. This example is for illustrative purposes only and is not intended to represent the future performance of any MFS product. **Past performance is not a reliable indicator for future results.**

Please see reverse for complete performance information and important disclosures.

**NOT INSURED – MAY LOSE VALUE –  
NOT BANK GUARANTEED**

CALENDAR YEAR TOTAL RETURNS (%), NOT INCLUDING SALES CHARGE A2USD<sup>^,1</sup>

	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23
Fund	-4.50	-17.53	9.10	13.55	-7.04	15.25	2.17	-8.49	-9.01	13.17
Benchmark	-5.72	-14.92	9.94	15.21	-6.21	13.47	2.69	-8.75	-11.69	12.70

## ANNUALIZED RETURNS AT NAV (%) ^

## SHARE CLASS INFORMATION

Class	Ongoing Charges (%) <sup>†</sup>	Class Inception Date	10 yr	5 yr	3 yr	1 yr	YTD	Distribution Rate (%)	Sedol	WKN	ISIN	CUSIP	Bloomberg
A1EUR <sup>1</sup>	1.51	26-Mar-09	1.33	-0.16	1.86	0.61	-0.72	—	B3KN2B4	A0REB4	LU0406716257	L6365R566	MEMDEA1 LX
A1USD <sup>1</sup>	1.51	26-Mar-09	-0.80	-0.57	-1.23	-0.97	-2.72	—	B3KN292	A0REB3	LU0406715952	L6365R558	MEMDUA1 LX
A2USD <sup>1</sup>	1.51	26-Mar-09	-0.80	-0.58	-1.26	-1.05	-2.80	5.85	B3KN2C5	A0REB5	LU0406716414	L6365R574	MEMDUA2 LX
I1USD <sup>1</sup>	0.81	26-Mar-09	-0.08	0.15	-0.55	-0.32	-2.34	—	B3KN2M5	A0RECD	LU0406718626	L6365R657	MEMDU11 LX
W1USD <sup>1</sup>	0.91	08-Feb-10	-0.18	0.05	-0.67	-0.42	-2.38	—	B5442L7	A0YCTQ	LU0458495461	L63667734	MEMWW1U LX
W2USD <sup>1</sup>	0.91	24-Aug-12	-0.17	0.06	-0.63	-0.31	-2.43	6.58	B8KHHZ0	A1J1HM	LU0808560832	L6366G288	MEDLW2U LX

**Benchmark:** JPMorgan Government Bond Index Emerging Markets Global Diversified

EUR	1.59	-0.46	0.62	1.97	0.53
USD	-0.54	-1.02	-2.40	0.08	-1.52

## MIFID II PERFORMANCE STANDARD - 12 MONTH RATES OF TOTAL RETURN AT NAV (%) AS OF THE PERIOD ENDED

	31-Jul-20	31-Jul-21	31-Jul-22	31-Jul-23	31-Jul-24
A1EUR	-8.76	2.89	-2.30	7.52	0.61
A1USD	-2.65	3.63	-15.97	15.80	-0.97
A2USD	-2.57	3.54	-15.96	15.78	-1.05
I1USD	-1.81	4.34	-15.42	16.65	-0.32
W1USD	-1.86	4.22	-15.52	16.52	-0.42
W2USD	-1.81	4.13	-15.41	16.34	-0.31

**Benchmark:** JPMorgan Government Bond Index Emerging Markets Global Diversified

EUR	-6.60	2.72	-5.45	5.66	1.97
USD	-0.81	3.00	-18.70	14.25	0.08

Past performance is not a reliable indicator for future results. All financial investments involve an element of risk. The value of investments may rise and fall so you may get back less than originally invested.

Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the portfolio's base currency, if different.

Other share classes are available for which performance and expenses will differ.

Returns would have been lower had sales charges, of up to 6% of the net asset value (NAV), or any commissions, fees or other charges that your financial intermediary may charge been reflected.

Please note that this is an actively managed product.

It is expected that the Fund's deviation from the benchmark will be significant.

Performance results reflect ongoing charges and any applicable expense subsidies and waivers in effect during the periods shown. All historic results assume distributions within the fund and/or the share class are reinvested.

The source for all fund data is MFS. Source for benchmark performance: SPAR, FactSet Research Systems Inc.

Fund Inception Date: 26 March 2009

<sup>^</sup> Results represent the percent change in NAV.

Periods less than one year are actual not annualized.

<sup>†</sup> Ongoing charges are expressed at an annual rate as a percentage of net assets and are based on expenses for the semi-annual period ending July 31 or annual period ending January 31. For a Class with less than the full period of data available, or where an adjustment is necessary to reflect current charges, the ongoing charges figure is an estimate. Ongoing charges may vary from year to year. Please see the KID of the relevant Class for the most recent expense information.

<sup>1</sup> The fund's investment policies changed to permit increased derivatives usage on 31 October 2014; performance shown before this date reflects the fund's policies prior to this change.

Class I shares are only available to certain qualifying institutional investors.

Class W shares are available to discretionary portfolio management or independent advisory accounts, clients of financial intermediaries otherwise prohibited from receiving compensation from the Fund, and to employees of MFS and its affiliates.

CREDIT QUALITY<sup>†</sup> (% OF TOTAL NET ASSETS)

AA	4.3
A	11.9
BBB	39.5
BB	27.5
B	5.5
Other Not Rated	45.3

Avg. credit quality: BBB-

## TRAILING 3-YEAR RISK MEASURES VS. BENCHMARK (A2USD)

Standard Deviation	11.05 vs. 10.64
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**Standard Deviation** is an indicator of the portfolio's total return volatility, which is based on a minimum of 36 monthly returns. The larger the portfolio's standard deviation, the greater the portfolio's volatility.

## RISK INDICATOR - CLASS A2USD

◀ Lower Risk (typically lower rewards)		Higher Risk ▶ (typically higher rewards)	
1	2	3	7
		3	

The rating is based on past volatility of returns and may be different in the future or for other classes of the fund.

**See the fund's offering documents for more details, including information on fund risks and expenses.**

The prospectus and the Key Information Documents for Switzerland, the articles of incorporation, the annual and semi-annual report in French, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du General-Dufour CH-1204 Geneva, Switzerland, web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Geneva, 17, quai de l'Ille, CH-1204 Geneva. The last share prices can be found on www.fundinfo.ch. For the shares of the Fund distributed to non-qualified investors in and from Switzerland and for the shares of the Fund distributed to qualified investors in Switzerland, the place of performance is Geneva.

MFS Meridian Funds is an investment company with a variable capital established under Luxembourg law. MFS Investment Management Company (Lux) S.à.r.l. is the management company of the Funds, having its registered office at 4, Rue Albert Borschette, L-1246, Luxembourg, Grand Duchy of Luxembourg (Company No.

B.76.467). The Management Company and the Funds have been duly authorised by the CSSF (Commission de Surveillance du Secteur Financier) in Luxembourg.

#### Important Data Methodologies

Top holdings, portfolio characteristics and weightings do not reflect the effect of exposure/weightings for hedging of hedged share classes. Full holdings and net assets do reflect this hedging.

Portfolio characteristics are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. The portfolio is actively managed, and current holdings may be different.

Weighted average yield-to-maturity of all portfolio holdings excluding cash & derivatives. Yield-to-maturity is the annual anticipated yield on a portfolio if all securities are held until maturity.

Weighted average yield-to-worst of all portfolio holdings excluding cash & derivatives. Yield-to-worst is the annual estimate of the portfolio yield considering factors such as call provisions, prepayments, and other features that may affect a bond's cash flow; and assumes no default. It is an estimated characteristic at a point in time and is not a measure of portfolio performance.

- ‡ The Average Credit Quality (ACQR) is a market weighted average (using a linear scale) of securities included in the rating categories. For all securities other than those described below, ratings are assigned utilizing ratings from Moody's, Fitch, and Standard & Poor's and applying the following hierarchy: If all three agencies provide a rating, the consensus rating is assigned if applicable or the middle rating if not; if two of the three agencies rate a security, the lower of the two is assigned. If none of the 3 Rating Agencies above assign a rating, but the security is rated by DBRS Morningstar, then the DBRS Morningstar rating is assigned. If none of the 4 rating agencies listed above rate the security, but the security is rated by the Kroll Bond Rating Agency (KBRA), then the KBRA rating is assigned. Other Not Rated includes other fixed income securities not rated by any rating agency. Ratings are shown in the S&P and Fitch scale (e.g., AAA). All ratings are subject to change. The portfolio itself has not been rated by any rating agency. The credit quality of a particular security or group of securities does not ensure the stability or safety of an overall portfolio. The quality ratings of individual issues/issuers are provided to indicate the credit-worthiness of such issues/issuer and generally range from AAA, Aaa, or AAA (highest) to D, C, or D (lowest) for S&P, Moody's, and Fitch respectively.

#### Important risk considerations

The fund may not achieve its objective and/or you could lose money on your investment in the fund. ■ **Bond:** Investments in debt instruments may decline in value as the result of, or perception of, declines in the credit quality of the issuer, borrower, counterparty, or other entity responsible for payment, underlying collateral, or changes in economic, political, issuer-specific, or other conditions. Certain types of debt instruments can be more sensitive to these factors and therefore more volatile. In addition, debt instruments entail interest rate risk (as interest rates rise, prices usually fall). Therefore, the portfolio's value may decline during rising rates. Portfolios that consist of debt instruments with longer durations are generally more sensitive to a rise in interest rates than those with shorter durations. At times, and particularly during periods of market turmoil, all or a large portion of segments of the market may not have an active trading market. As a result, it may be difficult to value these investments and it may not be possible to sell a particular investment or type of investment at any particular time or at an acceptable price. The price of an instrument trading at a negative interest rate responds to interest rate changes like other debt instruments; however, an instrument purchased at a negative interest rate is expected to produce a negative return if held to maturity. ■ **Emerging Markets:** Emerging markets can have less market structure, depth, and regulatory, custodial or operational oversight and greater political, social, geopolitical and economic instability than developed markets. ■ **Derivatives:** Investments in derivatives can be used to take both long and short positions, be highly volatile, involve leverage (which can magnify losses), and involve risks in addition to the risks of the underlying indicator(s) on which the derivative is based, such as counterparty and liquidity risk. ■ **High Yield:** Investments in below investment grade quality debt instruments can be more volatile and have greater risk of default, or already be in default, than higher-quality debt instruments. ■ **Local Currency:** The value of securities denominated in emerging market currencies are affected by changes in currency rates or exchange control regulations, restrictions or prohibition on the repatriation of currencies, application of tax laws, including withholding taxes, changes in government administration or economic or monetary policy or changed circumstances in dealings between nations. ■ Please see the prospectus for further information on these and other risk considerations.

#### Benchmark and vendor disclosures

JPMorgan GBI-EM Global Diversified Index is a market capitalization weighted index that is designed to measure the performance of local currency government bonds issued in emerging markets. The index includes only the countries which give access to their capital market to foreign investors; it therefore excludes China, India, and Thailand. Individual country weights in the index are limited to 10% in order for the index to remain fully diversified.

It is not possible to invest directly in an index.

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