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## Vanguard and T. Rowe Price launch international funds

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By Editorial Staff    Thu, Sep 24, 2015

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*New low-cost Vanguard index funds look for dividend-paying stocks overseas, while an actively-managed T. Rowe Price fund searches for undervalued financial, telecommunications and consumer discretionary stocks in emerging markets.*

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Vanguard has registered its first dividend-oriented international index funds with the Securities and Exchange Commission. They are Vanguard International High Dividend Yield Index Fund and Vanguard International Dividend Appreciation Index Fund.

The funds, expected to be available in December, will offer three share classes: Investor (\$3,000 minimum), Admiral (\$10,000 minimum) and ETF.

The Investor shares of the International High Dividend Yield Index Fund will have an expected expense ratio of 0.40% per year, while the Admiral shares and ETFs will cost 0.30%. The Investor shares of the International Dividend Appreciation Index Fund will have an expected expense ratio of 0.35% per year, while the Admiral shares and ETFs will cost 0.25%.

Vanguard International High Dividend Yield Index Fund will track the FTSE All-World ex US High Dividend Yield Index, a new benchmark of more than 800 of the highest yielding large- and mid-cap developed and emerging markets securities.

Vanguard International Dividend Appreciation Index Fund will track the new Nasdaq International Dividend Achievers Select Index, which comprises more than 200 all-cap developed and emerging market stocks with a record of increasing annual dividend payments.

The two new funds will complement Vanguard's existing domestic dividend-oriented funds, the \$15 billion Vanguard High Dividend Yield Index Fund and the \$23 billion Vanguard Dividend Appreciation Index Fund. Vanguard now offers almost 20 international index fund and ETFs, the company said in a release.

### **T. Rowe looks for bargains in emerging markets**

T. Rowe Price has launched the [Emerging Markets Value Stock Fund](#), which invests in emerging markets companies that are "out-of-favor and undervalued but possess identified catalysts that could drive their stock prices higher," the Baltimore-based fund company said

in a release.

Ernest Yeung, the portfolio manager for T. Rowe Price's International Small-Cap Equity Strategy, will manage the fund, which will hold 50-80 undervalued stocks from emerging-market and frontier-market companies in Europe, Latin America, Africa, the Middle East, and Asia, minus Japan. Current weightings favor financial, telecommunications services and consumer discretionary stocks in Romania, Russia, Brazil, South Africa, China, South Korea, and Taiwan.

Investor Class shares (Ticker: PRIJX) and Advisor Class shares (Ticker: PAIJX), will have net expense ratios estimated to be capped at 1.50% and 1.65%, respectively, through February 28, 2018. The minimum initial investment is \$2,500, or \$1,000 for retirement accounts or gifts or transfers to minors (UGMA/UTMA) accounts.

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