

Trigon New Europe Fund
Fact Sheet | May 2019
Overview

Trigon New Europe Fund invests in listed equity securities of European Union new member states and accession countries. The Fund focuses on investments in Poland, the Czech Republic, Hungary, Romania, Slovenia, Austria (companies with CEE exposure), Serbia, Bulgaria, the Baltic countries and can invest in Turkey. The Fund does not invest in Russia.

The Fund includes around 30-40 thoroughly researched companies. The Fund's investment style is value investing, with active management and stock-picking used to identify attractively-valued equities. Trigon's investment team aims to visit all companies in which we invest, with a preference toward undervalued stocks with solid growth and good dividend yield.

Fund Facts

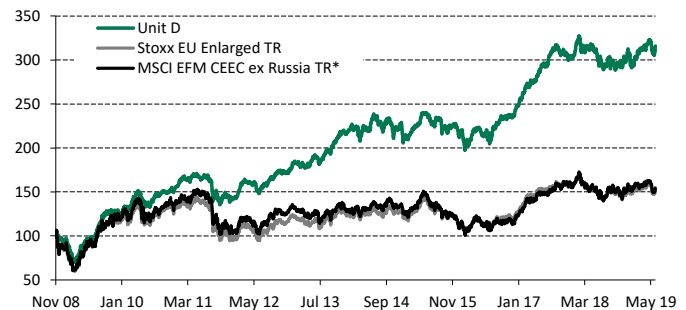
Fund AUM: €111.8 mil
Positions: 39
UCITS IV: Yes
Auditor: PwC
Depository: DZ PRIVATBANK
Dealing: Daily
Domicile: Luxembourg
Launch: Apr 10, 2002

Fund Manager's Comments

In May, Eastern European markets fell together with correction in the world markets. As Eastern Europe had underperformed in the rally phase of the market this year, the decline was more subdued compared to developed and other emerging markets: Stoxx EU Enlarged Index (Eastern European markets) fell by 2.6% while US S&P 500 TR Index slumped by 6.0%, Stoxx 600 TR Index (Western European markets) by 4.9% and MSCI EM TR Index representing emerging markets slumped by 6.7%. In this environment Trigon New Europe Fund delivered a very solid -1.7% return, strongly outperforming its regional markets. In YTD, the Fund is up by 7.9%, 587 bps ahead of its regional benchmark (MSCI EFM CEEC ex Russia TR Index). In 5 and 10 years, the Fund has outperformed the benchmark index by 20.9% and 166.0%.

Value is finally being released in Romanian market. We have been strong advocates for Romanian valuation story for a number of years. Market, which is trading at 7.8x 2019 expected earnings and offers more than 11% dividend yield on 2018 earnings, was strongly sold off due to political reasons at the end of 2018. In May, it got boosted after positive results of EU elections that showed quickly deteriorating popularity of the ruling party, the same party which came out with new tax proposals for a number of listed companies at the end of last year. Compared to previous election results the support for social-democratic PSD party dropped from 46% to 23%, while the combined support for the two main opposition parties increased from 29.3% to 47.6%. On top of that, the leader of the ruling party Mr. Liviu Dragnea was sentenced to jail on corruption grounds, showing the impartiality of the legal system in the country. Romania rallied 5% in euro terms during May taking the YTD performance to 17.5% and being one of the top contributors to our alpha generation this year. The fund has 21% allocation to Romania at the end of May.

Trigon New Europe Fund's portfolio trades on a weighted average of 10.4x 2019E earnings (pre-dividend) and 5.4x EV/EBITDA 2019E, multiples that cannot be considered demanding at current interest rate environment. Fund holdings offer a weighted average dividend yield of 6.5% on 2018 earnings backed by double-digit free cash-flow generation and strong balance-sheets.

Performance (%) since strategy launch (net of fees)


31-May-19	Unit D	Unit E	Benchmark*
Year-to-Date	7.9%	7.7%	2.0%
1 month	-1.7%	-1.7%	-2.7%
3 months	1.6%	1.5%	-1.1%
6 months	2.3%	2.1%	-0.3%
1 year	7.8%	7.4%	8.0%
2 years	7.6%	6.6%	5.6%
3 years	45.7%	44.9%	38.6%
5 years	35.5%	32.4%	14.7%
Since launch	249.1%	251.4%	13.8%
Launch of unit	10.04.02	08.04.09	n/a*

Fund Details	Unit D	Unit E	Unit B
NAV	22.3100	35.1400	99.5200
12 months High	22.8200	35.9600	102.2500
12 months Low	20.3700	32.1700	90.7600
Management fee	Up to 1.5%	Up to 2%	0.75%
Performance fee	none	none	15% of return exceeding the Benchmark*
Subscription fee**	none	none	none
Redemption fee	none	none	none
ISIN	LU1687403102	LU1687403367	LU1687402633
Bloomberg code	TRICLDE LX	TRICLEE LX	TRICLBE LX
Lipper code	68481091	68481092	68481936
Min. subscription	€1 mil	No min.	€5 mil
Sharpe ratio (5 years)	0.63		
Daily volatility (1 year)	10.0%		

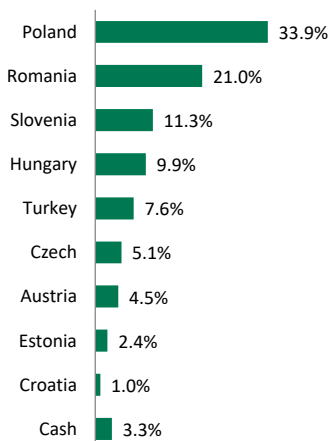
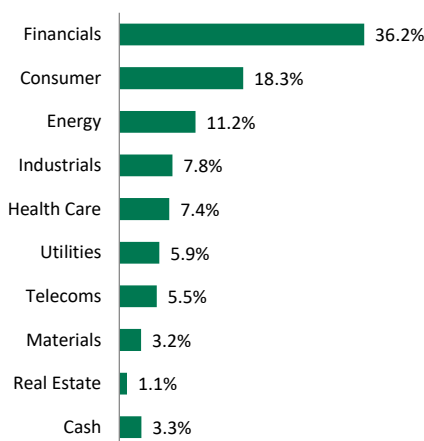
To receive the breakdown of the Fund's holdings or any other additional information, please send a request to funds@trigoncapital.com.

31-May-19	Unit A (EUR)	Unit A (USD)	Unit B
Year-to-Date	8.1%	-	7.2%
1 month	-1.6%	-2.5%	-2.0%
3 months	1.8%	-0.4%	1.3%
6 months	-	-	2.0%
1 year	-	-	8.0%
2 years	-	-	-
3 years	-	-	-
5 years	-	-	-
Since launch	1.4%	1.7%	-0.5%
Launch of unit	05.12.18	31.01.19	18.04.18

*The benchmark index, MSCI EFM CeeC ex Russia TR (EUR), was created on February 2nd, 2008.

**E units (old C unit) can be subscribed to as of April 6th, 2009. D units (old A unit) are again available as of September 1st, 2017.

NAV movements can be followed in: Bloomberg, www.trigoncapital.com, www.morningstar.fi, www.ipconcept.com

Geographic allocation

Sector allocation


Disclaimer: Past performance of the fund does not guarantee or indicate future performance of the fund. The value of the fund units may increase and decrease over time, therefore there is no guarantee that the investors get back the amount invested in the fund. The risk factors of the fund are described in further detail in the prospectus of the fund available on the website www.trigoncapital.com. Please refer to the important legal notice on the last page of this report.

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Monthly Performance (Unit D)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual	CAGR*	
2019	3.2%	2.9%	0.0%	3.4%	-1.7%										
2018	4.1%	-2.7%	-1.1%	-0.5%	-5.3%	0.0%	2.9%	-1.3%	-0.6%	-1.0%	5.6%	-5.2%	-5.7%		
2017	5.7%	2.5%	1.6%	2.9%	4.2%	-0.2%	5.4%	2.2%	-2.7%	0.3%	-1.6%	2.5%	24.9%		
2016	-5.7%	0.3%	6.6%	-1.5%	-1.1%	-2.1%	5.2%	3.5%	1.1%	1.5%	-0.4%	5.2%	12.7%		
2015	0.5%	4.2%	1.6%	4.8%	-0.6%	-4.1%	2.9%	-4.6%	-2.4%	3.4%	-1.0%	-1.1%	3.2%		
2014	0.4%	1.1%	-1.6%	0.4%	5.4%	0.4%	-4.7%	2.3%	0.5%	-2.2%	1.4%	-5.9%	-3.0%		
2013	2.7%	-1.4%	-0.7%	2.4%	4.0%	-3.2%	4.0%	2.1%	5.5%	3.5%	3.2%	0.1%	24.0%		
2012	7.2%	5.9%	-0.9%	-0.3%	-6.9%	5.3%	2.1%	2.8%	4.3%	-0.1%	-0.4%	3.4%	24.0%	2 years	8.5%
2011	4.0%	0.5%	1.4%	1.2%	-2.6%	1.3%	-3.0%	-6.9%	-7.7%	4.0%	-1.9%	0.4%	-9.5%	3 years	9.9%
2010	4.9%	1.1%	9.5%	1.1%	-5.9%	-4.0%	7.9%	0.8%	3.6%	-0.5%	0.0%	5.9%	25.8%	5 years	5.9%
2009	-8.2%	-12.5%	7.3%	15.9%	1.6%	5.9%	11.8%	12.5%	3.2%	-1.5%	-0.1%	0.8%	38.3%		
2008	-11.5%	1.1%	-1.8%	-4.7%	-3.3%	-13.1%	-3.4%	-2.4%	-14.1%	-27.7%	-2.1%	-7.0%	-62.5%		
2007	-0.1%	-0.5%	4.0%	2.6%	3.8%	5.4%	-2.8%	-1.0%	-1.9%	4.1%	-9.6%	-2.7%	0.4%		
2006	3.3%	1.3%	-1.5%	2.9%	-7.6%	2.0%	7.2%	-1.5%	0.2%	4.9%	1.7%	2.3%	15.5%		
2005	3.6%	11.1%	-5.5%	-5.2%	3.7%	6.9%	3.7%	3.6%	5.6%	-3.6%	3.4%	2.2%	32.2%		
2004	4.4%	4.3%	5.2%	1.1%	-0.5%	2.8%	0.9%	1.5%	4.3%	2.9%	3.1%	5.4%	41.6%		
2003	-3.7%	-1.5%	0.7%	9.0%	2.8%	-2.2%	6.8%	8.8%	-4.5%	4.3%	-3.3%	4.3%	22.2%		
2002	-	-	-	0.1%	-1.2%	-5.0%	-1.6%	4.2%	-4.7%	4.8%	7.0%	-1.5%	-		

*Performance net of fees

* Compound annual growth rate, i.e. average annualized performance of calendar years

Risk Management Report (Unit D)

	1M	3M	6M	1Y	2Y
Volatility (daily)	9.8%	7.9%	9.8%	10.0%	9.2%
Volatility (monthly)				10.3%	10.3%

Downside Risk Analysis

Negative months/total	84/206	41%
Worst calendar month	-27.7%	
Worst calendar quarter	-34.2%	

Upside Risk Analysis

Positive months / total	122/206	59%
Best calendar month	15.9%	
Best calendar quarter	29.9%	

Market Cap Allocation

Micro Cap (up to 150m EUR)	1.2%
Small Cap I (150 - 500m EUR)	11.1%
Small Cap II (500m - 1bn EUR)	13.0%
Mid Cap (1 - 3 bn EUR)	31.9%
Blue Chip (more than 3bn EUR)	39.6%

Geographic Allocation

	May-19	Nov-18	May-18
Poland	33.9%	35.0%	32.9%
Romania	21.0%	23.3%	22.6%
Slovenia	11.3%	10.4%	11.0%
Hungary	9.9%	12.0%	8.5%
Turkey	7.6%	5.1%	5.2%
Czech	5.1%	3.0%	2.7%
Austria	4.5%	4.1%	4.5%
Estonia	2.4%	2.3%	3.3%
Croatia	1.0%	1.2%	1.9%
Cash	3.3%	3.8%	7.6%

Sector Allocation

	May-19	Nov-18	May-18
Financials	36.2%	46.5%	45.6%
Consumer	18.3%	15.4%	7.6%
Energy	11.2%	9.8%	13.0%
Industrials	7.8%	3.9%	3.0%
Health Care	7.4%	8.8%	7.6%
Utilities	5.9%	2.2%	2.7%
Telecoms	5.5%	7.1%	3.7%
Materials	3.2%	2.5%	6.3%
Real estate	1.1%	-	-
Other	-	0.0%	-
IT	-	-	2.8%
Cash	3.3%	3.8%	7.6%



Fund Details	Unit A (EUR)	Unit A (USD)
NAV	101.3800	101.7400
12 months High	103.6200	105.0100
12 months Low	93.1700	93.1700
Management fee	0.80%	0.80%
Performance fee	none	none
Subscription fee**	none	none
Redemption fee	none	none
ISIN	LU1687402393	LU1687402476
Bloomberg code	TRICLAE LX	TRICLAU LX
Lipper code	68481933	68481934
Min. subscription	€15 mil	\$15 mil

Disclaimer: Past performance of the fund does not guarantee or indicate future performance of the fund. The value of the fund units may increase and decrease over time, therefore there is no guarantee that the investors get back the amount invested in the fund. The risk factors of the fund are described in further detail in the prospectus of the fund available on the website www.trigoncapital.com. Please refer to the important legal notice on the last page of this report.

Signatory of:



Important Legal Information

Fund Manager: AS Trigon Asset Management

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Please see the prospectus, rules and other important information about the funds on the website www.trigoncapital.com. Further information as well as contacts for local representatives/agents in the countries where the Fund has Public marketing license can be obtained from the Company.

Additional information for Swiss clients: The extract prospectus (edition for Switzerland), the Key Investors Information Documents, the annual and semi-annual report, in German, and further information can be obtained free of charge from the representative in Switzerland: IPConcept (Schweiz) AG, Münsterhof 12, Postfach, CH-8022 Zurich, Switzerland, tel.: + 41 44 224 32 00, fax: + 41 44 224 32 28, web: www.ipconcept.com. The Swiss paying agent is: DZ PRIVATBANK (Schweiz) AG, Münsterhof 12, Postfach, CH-8022 Zürich.

The fund manager is supervised by Estonian Financial Supervision Authority.

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