

Trigon New Europe Fund
Fact Sheet | August 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

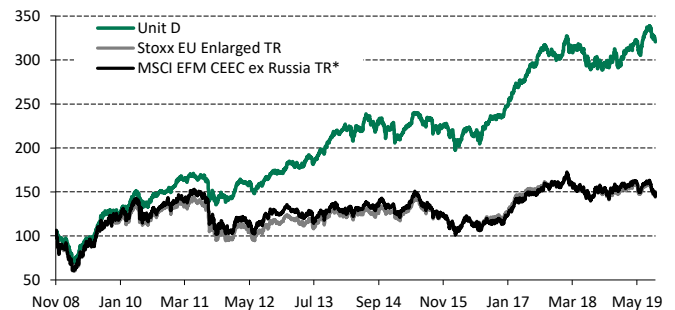
Fund AUM: €129.0 mil
Positions: 41
UCITS IV: Yes
Auditor: PwC
Depository: DZ PRIVATBANK
Dealing: Daily
Domicile: Luxembourg
Launch: Apr 10, 2002

Fund Manager's Comments

After strong first half of 2019, markets became jittery in August on the back of soft macro numbers from Europe, stalling trade talks between US and China, and the collapse of Argentine peso. For unknown reasons, Eastern Europe was once again one of the weakest markets in the world, led by Polish equities. Regional index MSCI EFM CEEC ex Russia TR Index fell by 5.9% in euro terms, more than the 3.8% decline of the Emerging Markets index. Trigon New Europe Fund managed to outperform its benchmark fourth month in a row, falling by 3.3% in a month and being helped by its positions in Romania and Turkey. In YTD terms, the Fund is up by 11.1%, 12.5% ahead of its regional benchmark (MSCI EFM CEEC ex Russia TR Index, -1.4% YTD in euro terms). Eastern Europe region remains one of the laggards in the world this year as global emerging markets MSCI EM TR index is up by 7.9%, Western European Stoxx 600 TR index by 15.2% and US S&P 500 TR Index by 22.8%, all in euro terms. The Fund has outperformed its regional benchmark in 5 and 10 years by 31.0% and 132.1%.

Weakness in Eastern European equity markets is especially noteworthy in light of continued macro strength. Despite the weakness in export markets, the local consumer has remained confident, fuelling the construction sector and domestic demand driven businesses. In Q2, GDP growth exceeded expectations in most of our core countries. Hungary and Poland posted 5.1% and 4.4% yoy growth pace, Romania 4.6% and Czech Republic, the most export dependent economy in the region, 2.8%. The biggest disappointment was in Slovenia, which grew by 2.5% yoy, being similarly to Czech Republic, driven by weakness in Western Europe. Turkish economy, though being in basically opposite side of the business cycle compared to CEE, also surprised the markets with 1.5% fall instead of 1.9% expected by market. Also, the currency remained surprisingly strong ignoring the collapse of Argentine peso in the middle of the month, backed by improved current account and high real interest rate.

Trigon New Europe Fund's portfolio trades on a weighted average of 10.6x 2019E earnings and 5.7x EV/EBITDA 2019E, multiples that cannot be considered demanding at current interest rate environment. Fund holdings offer a weighted average dividend yield of 5.8% on 2019E earnings backed by high single digit free cash-flow generation and strong balance-sheets.

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


31-Aug-19	Unit D	Unit E	Benchmark*
Year-to-Date	11.1%	11.4%	-1.4%
1 month	-3.3%	-3.3%	-5.9%
3 months	3.0%	2.9%	-3.3%
6 months	4.7%	4.4%	-4.4%
1 year	9.4%	9.0%	-3.6%
2 years	3.2%	2.3%	-5.8%
3 years	40.7%	38.8%	30.6%
5 years	42.7%	39.4%	11.7%
Since launch	259.6%	261.5%	10.0%
Launch of unit	10.04.02	08.04.09	n/a*

Fund Details	Unit D	Unit E	Unit B
NAV	22.9800	36.1500	101.5900
12 months High	23.9200	37.6400	106.6200
12 months Low	20.3700	32.1700	91.1500
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) 0.75
 Daily volatility (1 year) 9.4%

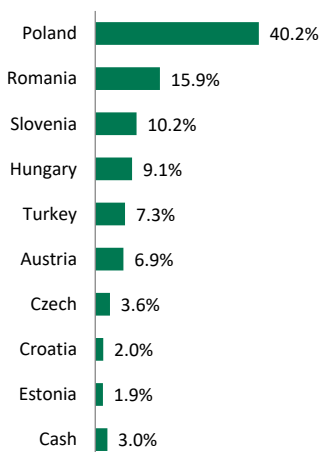
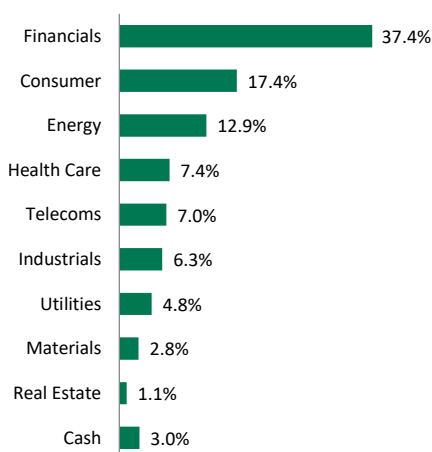
To receive the breakdown of the Fund's holdings or any other additional information, please send a request to funds@trigoncapital.com.

31-Aug-19	Unit A (EUR)	Unit A (USD)	Unit B
Year-to-Date	12.2%	-	10.1%
1 month	-3.3%	-4.3%	-4.0%
3 months	3.1%	2.0%	2.1%
6 months	5.0%	1.6%	3.4%
1 year	-	-	8.1%
2 years	-	-	-
3 years	-	-	-
5 years	-	-	-
Since launch	4.6%	3.8%	1.6%
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%	5.5%	1.0%	-3.3%							
2018	4.1%	-2.7%	-1.1%	-0.5%	-5.3%	0.0%	2.9%	-1.3%	-0.6%	0.0%	4.5%	-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)	11.7%	8.8%	8.3%	9.4%	9.4%
Volatility (monthly)				11.1%	10.2%

Downside Risk Analysis

Negative months/total	84/209	40%
Worst calendar month	-27.7%	
Worst calendar quarter	-34.2%	

Upside Risk Analysis

Positive months / total	125/209	60%
Best calendar month	15.9%	
Best calendar quarter	29.9%	

Geographic Allocation

	Aug-19	Feb-19	Aug-18
Poland	40.2%	30.8%	27.5%
Romania	15.9%	22.2%	27.7%
Slovenia	10.2%	10.5%	11.2%
Hungary	9.1%	12.7%	11.6%
Turkey	7.3%	7.0%	6.7%
Austria	6.9%	6.7%	3.2%
Czech	3.6%	5.1%	-
Croatia	2.0%	1.2%	1.6%
Estonia	1.9%	2.2%	4.9%
Cash	3.0%	1.4%	5.7%

Market Cap Allocation

Micro Cap (up to 150m EUR)	1.5%
Small Cap I (150 - 500m EUR)	11.1%
Small Cap II (500m - 1bn EUR)	7.3%
Mid Cap (1 - 3 bn EUR)	39.7%
Blue Chip (more than 3bn EUR)	37.5%

Sector Allocation

	Aug-19	Feb-19	Aug-18
Financials	37.4%	43.0%	45.8%
Consumer	17.4%	17.9%	12.4%
Energy	12.9%	11.3%	13.2%
Health Care	7.4%	7.6%	10.3%
Telecoms	7.0%	5.9%	4.4%
Industrials	6.3%	8.6%	3.3%
Utilities	4.8%	2.4%	2.1%
Materials	2.8%	0.6%	2.8%
Real estate	1.1%	1.2%	-
Other	-	0.2%	-0.1%
Cash	3.0%	1.4%	5.7%



Fund Details	Unit A (EUR)	Unit A (USD)
NAV	104.5700	103.7500
12 months High	108.7600	110.0100
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	TRICLAI 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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