

Trigon New Europe Fund
Fact Sheet | September 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

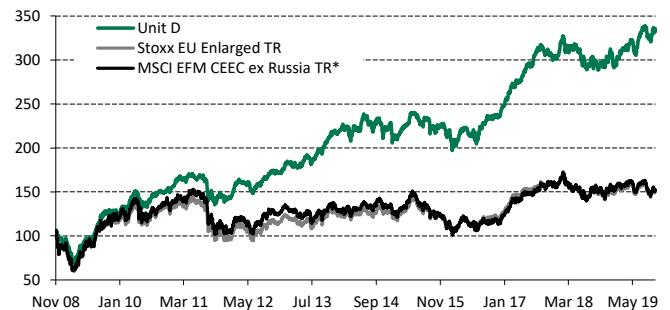
Fund AUM: €147.3 mil
Positions: 43
UCITS IV: Yes
Auditor: PwC
Depository: DZ PRIVATBANK
Dealing: Daily
Domicile: Luxembourg
Launch: Apr 10, 2002

Fund Manager's Comments

In September, equities performed strongly, backed by more quantitative easing by European Central Bank and by second "one-off" "mid-cycle" cut by the FED. Meanwhile, negative macro numbers were mostly ignored by the markets. Eastern European markets once again lagged the world markets due to the continued poor performance by Polish equities. Trigon New Europe Fund outperformed its benchmark fifth month in a row and delivered 3.0% return compared to 1.3% gain of the regional index. Main drivers for the outperformance were second month in a row our over-weight exposure to Romanian equities and off-benchmark exposure to Turkish companies. In YTD terms, the Fund is up by 14.4%, 14.5% ahead of its regional benchmark (MSCI EFM CEEC ex Russia TR Index, -0.1% YTD in euro terms). Eastern Europe equities remain one of the laggards in the world this year as global emerging markets MSCI EM TR index is up by 11.0%, Western European Stoxx 600 TR index by 19.5% and US S&P 500 TR Index by 26.1%, all in euro terms. The Fund has outperformed its regional benchmark in 5 and 10 years by 38.4% and 129.9%, respectively.

Economic Sentiment Indicators (ESI), a good proxy for GDP growth, showed a mixed picture in September. The headline numbers deteriorated in Czech and Hungary, in the latter to a 3-year low. ESI was flattish in Poland and Romania, and continued to recover in Turkey, although at a slower pace. In terms of sub-segments, the sentiment in manufacturing worsened in all five countries, while late-cyclical construction was showing improvement across the board, even in Turkey. In general, the September ESI suggests that manufacturing, and therefore exports, will remain weak for the H2 of 2019, retail sales and consumer sentiments are showing first signs of weakness and only construction is holding up the growth momentum. That said, growth normalization from 3-5% levels to 2-4% levels has been widely expected and H1 strength was rather a positive surprise for us, and the markets.

Trigon New Europe Fund's portfolio trades on a weighted average of 10.7x 2019E earnings and 5.5x EV/EBITDA 2019E, multiples that cannot be considered demanding at current interest rate environment. Fund holdings offer a weighted average dividend yield of 5.5% on 2019E earnings backed by high single digit free cash-flow generation and strong balance-sheets.

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


30-Sep-19	Unit D	Unit E	Benchmark*
Year-to-Date	14.4%	14.7%	-0.1%
1 month	3.0%	2.9%	1.3%
3 months	0.6%	0.4%	-5.3%
6 months	7.8%	7.5%	-3.4%
1 year	13.4%	12.9%	-1.4%
3 years	43.3%	41.4%	33.7%
5 years	46.1%	42.7%	7.7%
10 years	163.9%	151.1%	34.0%
Since launch	270.3%	272.0%	11.4%
Launch of unit	10.04.02	08.04.09	n/a*

Fund Details	Unit D	Unit E	Unit B
NAV	23.6600	37.2000	104.5500
12 months High	23.9200	37.6400	106.6200
12 months Low	20.5500	32.4400	91.7200
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) 0.78
 Daily volatility (1 year) 9.4%

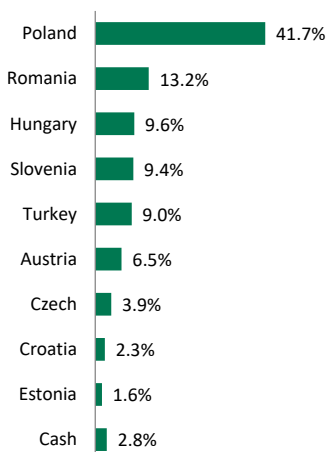
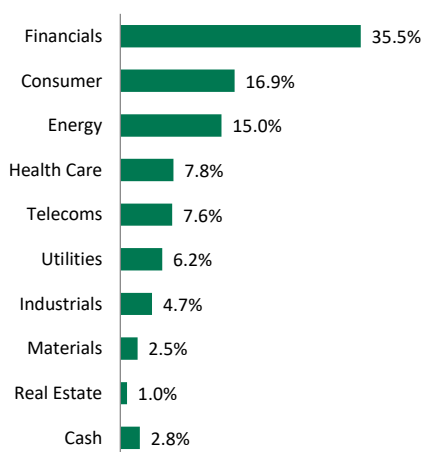
To receive the breakdown of the Fund's holdings or any other additional information, please send a request to funds@trigoncapital.com.

30-Sep-19	Unit A (EUR)	Unit A (USD)	Unit B
Year-to-Date	15.6%	-	13.3%
1 month	3.0%	2.0%	2.9%
3 months	0.7%	-3.6%	-0.3%
6 months	8.1%	5.0%	6.4%
1 year	-	-	11.9%
2 years	-	-	-
3 years	-	-	-
5 years	-	-	-
Since launch	7.7%	5.8%	4.5%
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%	5.5%	1.0%	-3.3%	3.0%						
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)	7.8%	9.0%	8.4%	9.4%	9.5%
Volatility (monthly)				11.2%	10.2%

Downside Risk Analysis

Negative months/total	84/210	40%
Worst calendar month	-27.7%	
Worst calendar quarter	-34.2%	

Upside Risk Analysis

Positive months / total	126/210	60%
Best calendar month	15.9%	
Best calendar quarter	29.9%	

Geographic Allocation

	Sep-19	Mar-19	Sep-18
Poland	41.7%	30.0%	27.8%
Romania	13.2%	22.2%	27.5%
Hungary	9.6%	11.6%	12.4%
Slovenia	9.4%	10.7%	10.5%
Turkey	9.0%	7.8%	6.5%
Austria	6.5%	3.8%	3.2%
Czech	3.9%	5.4%	-
Croatia	2.3%	1.2%	1.6%
Estonia	1.6%	2.3%	4.6%
Cash	2.8%	5.0%	5.8%

Market Cap Allocation

Micro Cap (up to 150m EUR)	1.3%
Small Cap I (150 - 500m EUR)	11.3%
Small Cap II (500m - 1bn EUR)	9.9%
Mid Cap (1 - 3 bn EUR)	34.9%
Blue Chip (more than 3bn EUR)	39.7%

Sector Allocation

	Sep-19	Mar-19	Sep-18
Financials	35.5%	35.5%	44.5%
Consumer	16.9%	17.5%	12.9%
Energy	15.0%	11.9%	13.5%
Health Care	7.8%	7.3%	10.0%
Telecoms	7.6%	5.9%	4.4%
Utilities	6.2%	6.0%	2.1%
Industrials	4.7%	8.5%	4.1%
Materials	2.5%	1.1%	2.7%
Real estate	1.0%	1.2%	-
Other	0.0%	-	0.0%
Cash	2.8%	5.0%	5.8%



Fund Details	Unit A (EUR)	Unit A (USD)
NAV	107.7100	105.7900
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	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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