

Trigon Russia Top Picks Fund
Fact Sheet | September 2019
Overview

Trigon Russia Top Picks Fund invests into securities traded on the global regulated markets with a Russian market focus. The Fund's portfolio consists of approximately 25 different securities that are deemed as most attractively valued by our investment team.

When making our investments, we seek a beneficial risk-return relationship, taking into account fundamental indicators as well as opportunities based on technical analysis and the inefficiencies of the region's stock markets.

Fund Facts

Fund AUM:	€5.6 mil
Positions:	23
UCITS IV:	Yes
Auditor:	PwC
Depository:	Swedbank
Dealing:	Daily
Domicile:	Estonia
Launch:	Feb 14, 2006

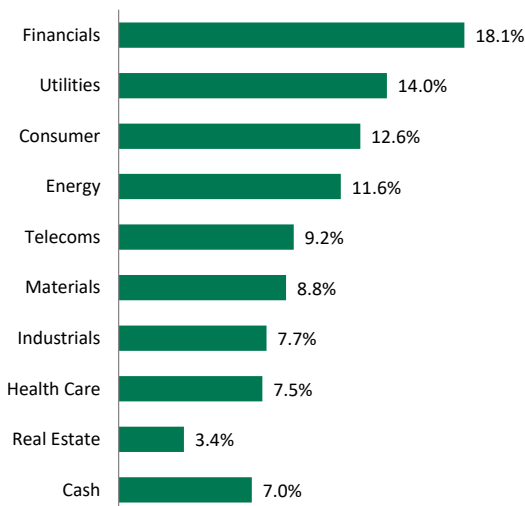
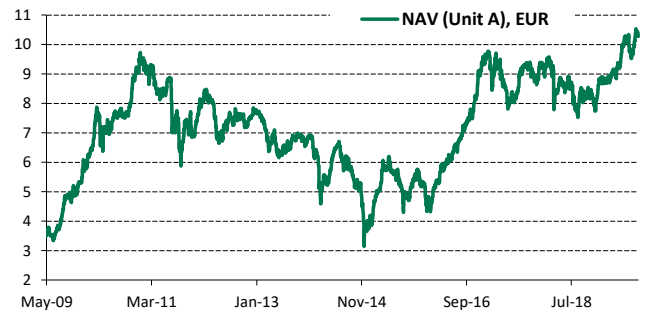
Fund Manager's Comments

Global markets recovered in September on easing trade tensions and loosening monetary policies around the globe. Emerging markets index MSCI EM TR was up by 2.9% in line with MSCI World TR that was up by 2.9%. Russian market outperformed with MSCI Russia TR up by 4.2% and Trigon Russia Top Picks Fund by 3.9%. The Fund is up by 32.6% YTD as of end of September.

Rouble was strong against the euro, appreciating by 4.0% in a month. As expected, the Central Bank has cut the key rate to 7.0%, guiding potential review of the neutral rate which was set at 2-3% above inflation. Considering the global environment, there is still room for Russia to cut rates. It is now widely expected that the rate will reach 6.5% in the 1Q20. The latest macro data suggests the economy has shown slight acceleration to around 1.3% in 3Q19, primarily driven by delayed investment and industrial production growth.

Modest GDP growth is however offset by the strong state of public and external finances as well as declining dependence on oil and gas revenues. Budget surplus has grown to significant 3.7% of GDP in 8M19. Modest fiscal easing is expected in the next three years with budget surplus reaching 0.8% in 2020. The liquid part of National Welfare Fund is close to 8% of GDP and the spending from this fund could start next year. With fiscal and monetary policy turning more growth-supportive, the activity in the economy is likely to pick up over time.

Looking forward, Russian market looks particularly compelling given its underperformance, value, and the current oil price level. Russian stocks retain one of the highest dividend yields and lowest P/E ratios of any major emerging market. Russian companies have substantially increased their dividend pay-outs over time from 15% to current 45-50%. MSCI Russia's estimated P/E ratio for 2019 is now 5.8x and dividend yield of 7.3%. Trigon Russia Top Picks Fund portfolio is trading at a weighted average of 6.4x expected earnings for 2019 and 8.7% dividend yield.

Sector allocation

Performance since strategy launch (net of fees)


30-Sep-19	Unit A	Unit D	Benchmark*
Year-to-Date	32.6%	32.8%	35.9%
1 month	3.9%	3.9%	4.2%
3 months	3.3%	3.4%	3.0%
6 months	18.1%	18.3%	18.7%
1 year	20.8%	21.1%	25.7%
2 years	10.6%	11.7%	45.6%
3 years	40.6%	39.1%	65.5%
5 years	79.7%	70.7%	69.9%
Since launch	60.8%	29.2%	20.9%
Launch of unit	14-Feb-06	31-Aug-11	14-Feb-06

Fund Details	Unit A	Unit D
NAV in EUR	10.2762	12.9216
12 months High	10.5357	13.2467
12 months Low	7.7447	9.7184
Management fee, annual	Up to 1%	0.75%
Performance fee	none	20% of return exceeding the Benchmark*
Subscription fee**	none	none
Redemption fee	none	none
Stock code/ISIN	EE3600080297	EE3600109336
Bloomberg code	TRINETP ET	TRINETD ET
Minimum subscription	€1 mil	No min.

Sharpe ratio (5 years)	0.50
Daily volatility (1year)	14.8%

(Detailed information about Unit C can be found on the next page.)

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

* Benchmark Index: MSCI Russia Daily Net TR EUR. Source: Bloomberg.

** D units can be subscribed to as of August 8th, 2011. Calculation of the performance fee has commenced after the launch of D unit at a nominal price of 10 EUR per share. As of September 1st, 2017 it is again possible to subscribe to A units.

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

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Monthly Performance (Unit A)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual	CAGR*	
2019	13.6%	-1.0%	-0.1%	4.5%	1.0%	8.3%	3.9%	-4.3%	3.9%						
2018	6.0%	1.1%	-3.4%	-7.6%	2.3%	-0.6%	1.9%	-9.7%	8.0%	-1.9%	0.5%	-7.6%	-12.0%		
2017	4.0%	-3.3%	3.5%	-0.7%	-9.1%	-6.5%	0.3%	10.8%	4.6%	-0.7%	-3.6%	-1.0%	-3.2%		
2016	-6.5%	1.9%	9.8%	8.2%	2.7%	4.5%	2.9%	7.3%	5.3%	4.7%	8.2%	10.0%	75.9%		
2015	6.4%	24.3%	7.2%	10.5%	4.7%	-5.7%	-6.2%	-6.9%	-1.6%	12.2%	4.3%	-8.9%	41.7%		
2014	-10.1%	-5.6%	-7.4%	-2.6%	17.1%	5.5%	-7.1%	-4.2%	-2.0%	-5.4%	-9.2%	-25.6%	-47.3%		
2013	0.6%	-1.2%	-6.0%	-6.6%	-0.1%	-5.0%	0.1%	2.3%	4.7%	2.0%	-2.5%	3.2%	-8.8%	2 years	-7.7%
2012	14.5%	5.5%	-3.0%	-1.6%	-13.9%	2.1%	5.4%	-1.0%	2.9%	-0.8%	-2.6%	4.3%	9.8%	3 years	14.4%
2011	3.3%	-0.6%	-0.7%	-7.6%	-0.2%	-1.9%	5.0%	-13.9%	-15.0%	14.7%	1.6%	-7.2%	-23.4%	5 years	2.3%
2010	10.4%	5.9%	13.0%	7.1%	-5.2%	2.8%	2.6%	1.2%	0.7%	-0.4%	14.7%	3.3%	70.0%		
2009	-8.7%	-9.1%	7.2%	15.7%	7.2%	-2.1%	4.3%	11.0%	19.4%	-2.5%	4.7%	7.1%	63.2%		
2008	-13.9%	-0.9%	-0.6%	-5.7%	2.1%	-7.2%	-0.1%	-1.9%	-25.5%	-29.9%	-1.4%	-4.8%	-63.6%		
2007	0.4%	3.6%	7.6%	5.4%	3.8%	5.4%	0.2%	0.4%	-1.7%	3.7%	-10.8%	3.4%	22.3%		
2006	-	1.2%	1.7%	2.4%	-9.0%	3.0%	7.1%	-1.1%	2.9%	4.2%	1.5%	0.5%	-		

*Performance net of fees

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

Risk Management Report (Unit A)

	1M	3M	6M	1Y	2Y
Volatility (daily)	12.7%	14.6%	13.1%	14.8%	17.8%
Volatility (monthly)				19.5%	18.6%

Downside Risk Analysis

Negative months / total	73/164	45%
Worst calendar month	-29.9%	
Worst calendar quarter	-36.2%	

Upside Risk Analysis

Positive months / total	91/164	55%
Best calendar month	24.3%	
Best calendar quarter	41.9%	

Market Cap Allocation

Micro Cap (up to 150m EUR)	0.0%
Small Cap I (150 - 500m EUR)	9.9%
Small Cap II (500m - 1bn EUR)	16.2%
Mid Cap (1 - 3bn EUR)	18.0%
Blue Chip (more than 3bn EUR)	48.9%

Monthly Return Contribution Analysis (Unit A)

Russia	4.4%	Utilities	0.9%
Kazakhstan	-0.4%	Materials	0.8%
		Telecoms	0.7%
		Energy	0.6%
		Industrials	0.5%
		Consumer	0.4%
		Financials	0.2%
		Health Care	0.0%
		Real Estate	-0.1%

Gross Performance 4.0% 4.0%

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.

Geographic Allocation

	Sep-19	Mar-19	Sep-18
Russia	88.8%	94.8%	97.2%
Kazakhstan	4.2%	-	-
Cash	7.0%	5.2%	2.8%

Sector Allocation

	Sep-19	Mar-19	Sep-18
Financials	18.1%	18.4%	18.4%
Utilities	14.0%	10.7%	13.2%
Consumer	12.6%	17.2%	16.3%
Energy	11.6%	10.4%	6.2%
Telecoms	9.2%	5.8%	5.6%
Materials	8.8%	11.9%	20.2%
Industrials	7.7%	9.7%	8.9%
Health Care	7.5%	6.8%	4.3%
Real Estate	3.4%	3.9%	4.0%
Cash	7.0%	5.2%	2.8%

Performance (net of fees)

30-Sep-19	Unit A	Unit C	Unit D
Year-to-Date	32.6%	31.6%	32.8%
1 month	3.9%	3.8%	3.9%
3 months	3.3%	3.1%	3.4%
6 months	18.1%	17.5%	18.3%
1 year	20.8%	19.6%	21.1%
2 years	10.6%	9.0%	11.7%
3 years	40.6%	38.7%	39.1%
5 years	79.7%	77.1%	70.7%
Since launch	60.8%	176.8%	29.2%
Launch of unit	14-Feb-06	15-Apr-09	31-Aug-11

C units can be subscribed to as of April 6th, 2009. Calculation of the performance fee has commenced after the launch of C unit at a nominal price of 10 EUR per share. D units can be subscribed to as of August 8th, 2011. Calculation of the performance fee has commenced after the launch of D unit at a nominal price of 10 EUR per share.

Fund Details	Unit C	Unit E (USD)
NAV	27.6799	-
12 months High	28.3899	-
12 months Low	21.0206	-
Management fee, annual	Up to 2%	0.75%
Performance fee	none	20% of return exceeding the Benchmark*
Subscription fee**	none	none
Redemption fee	none	none
Stock code/ISIN	EE3600102380	EE3600109468
Bloomberg code	TRINETC ET	TRINETU ET
Minimum subscription	none	none

*E unit: 20% of return that exceeds MSCI Russia Daily Net TR USD YTD performance.

**C units can be subscribed to as of April 6th, 2009. E units can be subscribed to as of September 1st, 2017.

Signatory of:



Important Legal Information

Management Company: AS Trigon Asset Management

Disclaimer

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Please see the prospectus, rules and other important information about the funds on the website www.trigoncapital.com. The fund management company is supervised by Estonian Financial Supervision Authority.

MSCI Benchmark Indices

MSCI indices' pricing data source: MSCI.

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