

Trigon Russia Top Picks Fund
Fact Sheet | October 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:	€4.1 mil
Positions:	22
UCITS IV:	Yes
Auditor:	PwC
Depository:	Swedbank
Dealing:	Daily
Domicile:	Estonia
Launch:	Feb 14, 2006

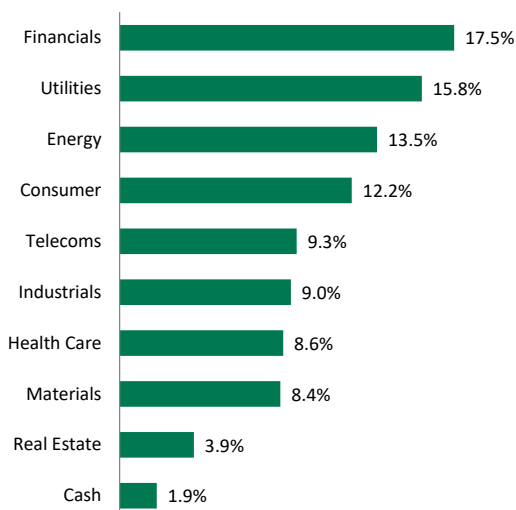
Fund Manager's Comments

Global markets kept their momentum and continued to rally in October. Emerging markets index MSCI EM TR was up by 1.8%, while MSCI World TR that was up by 0.3%. Russian market outperformed with MSCI Russia TR up 6.1%, while Trigon Russia Top Picks Fund gained 1.0%.

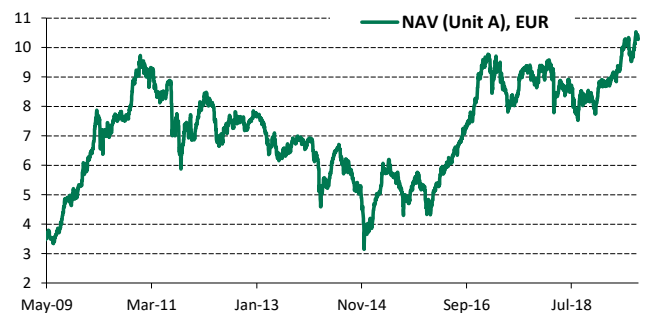
Rouble was weak against the euro, depreciating by -1.4% in a month. The Central Bank has unexpectedly cut the key rate by 50 bps to 6.5% already in October, while the market expected the cut next year. With inflation running at +2.4% YTD, below the 4.0% target, the CBR cut the year-end inflation target to 3.2%-3.7%. There is still room left for another 50bps cut in December, given the rising risk of persistently low inflation.

Gazprom rose by 14.2% in October and was again one of the best performing stocks and the biggest contributor to index's performance due to its high 19.0% weight. It rallied on the back of the news that Denmark had approved construction of the Nord Stream 2 pipeline in its exclusive economic zone, which removes the last obstacle to finish the remaining part of the pipeline. We took profits in the stock and decreased its weight to below 5% on remarkable outperformance and weak gas prices that will hurt Gazprom's financials going forward.

Looking forward, Russian market looks particularly compelling as a low-beta play within the EM universe due to strong fundamentals and prudent macro policies that will limit the downside in the rouble. 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 6.4x and dividend yield of 7.2%, well above the Russia Eurobond yield. Trigon Russia Top Picks Fund portfolio is trading at a weighted average of 6.7x expected earnings for 2019 and 8.4% dividend yield.

Sector allocation

Performance since strategy launch (net of fees)

EUR



31-Oct-19	Unit A	Unit D	Benchmark*
Year-to-Date	33.8%	34.1%	44.3%
1 month	1.0%	1.0%	6.1%
3 months	0.4%	0.5%	6.6%
6 months	14.1%	14.2%	21.1%
1 year	24.3%	24.6%	36.4%
2 years	12.4%	13.4%	55.2%
3 years	35.6%	34.6%	70.3%
5 years	91.7%	82.2%	82.5%
Since launch	62.4%	30.5%	28.3%
Launch of unit	14-Feb-06	31-Aug-11	14-Feb-06

Fund Details	Unit A	Unit D
NAV in EUR	10.3742	13.0477
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)	0.56
Daily volatility (1year)	13.9%

(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.

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.

* 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%	1.0%					
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)	10.5%	14.5%	13.3%	13.9%	17.8%
Volatility (monthly)				19.2%	18.6%

Downside Risk Analysis

Negative months / total	73/165	44%
Worst calendar month	-29.9%	
Worst calendar quarter	-36.2%	

Upside Risk Analysis

Positive months / total	92/165	56%
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)	10.5%
Small Cap II (500m - 1bn EUR)	16.2%
Mid Cap (1 - 3bn EUR)	20.1%
Blue Chip (more than 3bn EUR)	51.3%

Monthly Return Contribution Analysis (Unit A)

Kazakhstan	1.0%	Telecoms	2.4%
Russia	0.1%	Energy	1.6%
		Financials	1.2%
		Materials	-0.1%
		Utilities	-0.6%
		Consumer	-0.7%
		Industrials	-0.8%
		Health Care	-0.9%
		Real Estate	-0.9%

Gross Performance 1.1% 1.1%

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Geographic Allocation

	Oct-19	Apr-19	Oct-18
Russia	93.4%	95.3%	96.6%
Kazakhstan	4.7%	-	-
Cash	1.9%	4.7%	3.4%

Sector Allocation

	Oct-19	Apr-19	Oct-18
Financials	17.5%	12.8%	18.0%
Utilities	15.8%	13.0%	11.6%
Energy	13.5%	11.8%	5.8%
Consumer	12.2%	18.0%	17.7%
Telecoms	9.3%	5.9%	5.1%
Industrials	9.0%	9.2%	9.5%
Health Care	8.6%	8.3%	4.6%
Materials	8.4%	12.2%	20.2%
Real Estate	3.9%	4.2%	4.3%
Cash	1.9%	4.7%	3.4%

Performance (net of fees)

31-Oct-19	Unit A	Unit C	Unit D
Year-to-Date	33.8%	32.7%	34.1%
1 month	1.0%	0.9%	1.0%
3 months	0.4%	0.1%	0.5%
6 months	14.1%	13.5%	14.2%
1 year	24.3%	23.0%	24.6%
2 years	12.4%	10.7%	13.4%
3 years	35.6%	33.6%	34.6%
5 years	91.7%	88.9%	82.2%
Since launch	62.4%	179.2%	30.5%
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	27.9199	-
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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