

Trigon Russia Top Picks Fund
Fact Sheet | September 2020
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 Manager's Comments

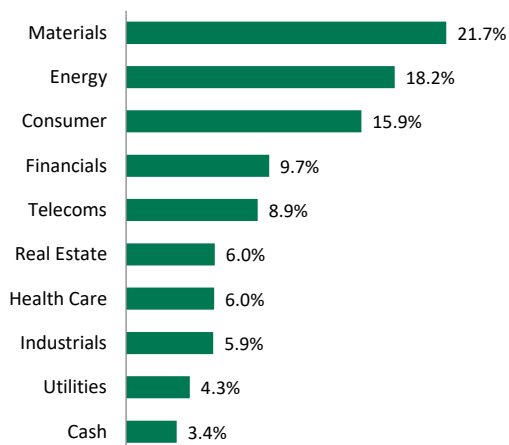
September was a turbulent month for global markets with concerns about increasing number of COVID cases, which oppressed global assets. MSCI World TR declined -1.6% in September, while MSCI EM TR was up +0.4%. Trigon Russia Top Picks Fund outperformed the benchmark with return of -0.6%, while MSCI Russia TR lost -5.5%. In YTD terms, the Fund is down -6.3%, while the index is down -31.1%.

Rouble weakened 2.7% against EUR in September mostly due to the global dollar strength as well as geopolitics again the main driver. In addition, after swift recovery in late April-May, oil price recovery started to slow down and dropped -7.4% in September to 42USD/bbl, as COVID-related challenges continued to take a toll on demand.

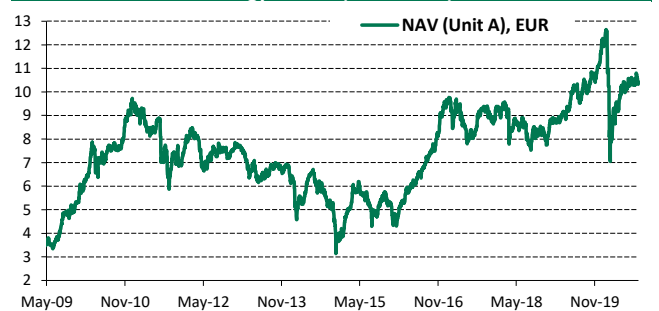
The key development in September that concerned investors the most was the government's proposal to cancel some tax benefits for oil companies as well as increase the mineral extraction tax for metals and mining sector. Given the lack of details at this early stage of the regulatory discussions, it is currently impossible to quantify the impact of the changes. At the same time the initial numbers suggest that some oil companies would suffer more than the metals and mining sector. The Fund has only 2% exposure to the companies whose financials could be impacted.

The ability to deploy economic stimulus has differentiated Russia from many other emerging markets, as Russia entered the crisis with tight monetary and fiscal policies, significant reserves and strong corporate balance sheets. In response to the corona-crisis, the government has announced additional spending and the CBR has cut rates to 4.25%. The combined size of monetary and fiscal stimulus programs is now up to 10% of GDP. During previous crisis Russia acted in opposite way – cut the spending and hiked rates.

Russian companies have substantially increased their dividend pay-outs over time from 15% to current 45-50% and have one of the most attractive dividend yields in the EM equities space. MSCI Russia's estimated P/E ratio for 2020 is now 11.3x and dividend yield of 5.7%, well above the Russia Eurobond yield. Trigon Russia Top Picks Fund portfolio is trading at a weighted average of 9.5x expected earnings for 2020 and 7.8% dividend yield.

Sector allocation

Fund Facts

Fund AUM:	€3.7 mil
Positions:	22
UCITS IV:	Yes
Auditor:	PwC
Depository:	Swedbank
Dealing:	Daily
Domicile:	Estonia
Launch:	Feb 14, 2006

Performance since strategy launch (net of fees)


	Unit A	Unit D	Benchmark*
30-Sep-20			
Year-to-Date	-6.3%	-7.7%	-31.1%
1 month	-0.6%	-0.6%	-5.5%
3 months	4.7%	4.7%	-8.7%
6 months	25.7%	25.9%	5.8%
1 year	1.5%	0.1%	-21.9%
2 years	22.6%	21.2%	-1.8%
3 years	12.2%	11.8%	28.2%
5 years	114.8%	105.5%	65.7%
Since launch	63.2%	29.3%	-5.6%
Launch of unit	14-Feb-06	31-Aug-11	14-Feb-06

Fund Details	Unit A	Unit D
NAV in EUR	10.4308	12.9334
12 months High	12.6401	15.6277
12 months Low	7.0511	8.7310
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)	0.76
Daily volatility (1year)	30.3%

(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.

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* 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*	
2020	7.1%	-9.4%	-23.2%	12.5%	5.6%	1.1%	2.9%	2.3%	-0.6%						
2019	13.6%	-1.0%	-0.1%	4.5%	1.0%	8.3%	3.9%	-4.3%	3.9%	1.0%	1.7%	5.6%	43.6%		
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%	2 years	12.4%
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%	3 years	6.9%
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%	5 years	25.0%
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%		
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%		
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)	16.5%	15.0%	21.9%	30.3%	23.9%
Volatility (monthly)				31.6%	25.8%

Downside Risk Analysis

Negative months / total	76/176	43%
Worst calendar month	-29.9%	
Worst calendar quarter	-36.2%	

Upside Risk Analysis

Positive months / total	100/176	57%
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)	12.0%
Small Cap II (500m - 1bn EUR)	9.7%
Mid Cap (1 - 3bn EUR)	23.9%
Blue Chip (more than 3bn EUR)	50.9%

Monthly Return Contribution Analysis (Unit A)

Russia	-0.1%	Energy	18.8%
Kazakhstan	-0.4%	Materials	15.9%
		Financials	6.5%
		Telecoms	0.0%
		Utilities	-2.3%
		Real Estate	-2.5%
		Consumer	-6.0%
		Health Care	-13.7%
		Industrials	-17.2%

Gross Performance -0.5% -0.5%

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Geographic Allocation

	Sep-20	Mar-20	Sep-19
Russia	89.1%	90.7%	88.8%
Kazakhstan	7.5%	5.4%	4.2%
Cash	3.4%	3.9%	7.0%

Sector Allocation

	Sep-20	Mar-20	Sep-19
Materials	21.7%	11.5%	8.8%
Energy	18.2%	18.3%	11.6%
Consumer	15.9%	16.9%	12.6%
Financials	9.7%	10.0%	18.1%
Telecoms	8.9%	7.7%	9.2%
Real Estate	6.0%	4.0%	3.4%
Health Care	6.0%	4.6%	7.5%
Industrials	5.9%	8.1%	7.7%
Utilities	4.3%	15.0%	14.0%
Cash	3.4%	3.9%	7.0%

Performance (net of fees)

30-Sep-20	Unit A	Unit C	Unit D
Year-to-Date	-6.3%	-7.0%	-7.7%
1 month	-0.6%	-0.7%	-0.6%
3 months	4.7%	4.4%	4.7%
6 months	25.7%	25.1%	25.9%
1 year	1.5%	0.5%	0.1%
2 years	22.6%	20.1%	21.2%
3 years	12.2%	9.6%	11.8%
5 years	114.8%	109.6%	105.5%
Since launch	63.2%	178.1%	29.3%
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	27.8127	-
12 months High	33.9142	-
12 months Low	18.9030	-
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	EE3600109450
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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