

Trigon New Europe Fund

Fact Sheet | January 2020

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 and Greece. The Fund does not invest in Russia.

The Fund includes around 35-50 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: €260.9 mil
Positions: 45
UCITS IV: Yes
Auditor: PwC
Depository: DZ PRIVATBANK
Dealing: Daily
Domicile: Luxembourg
Launch: April 10, 2002

Fund Manager's Comments

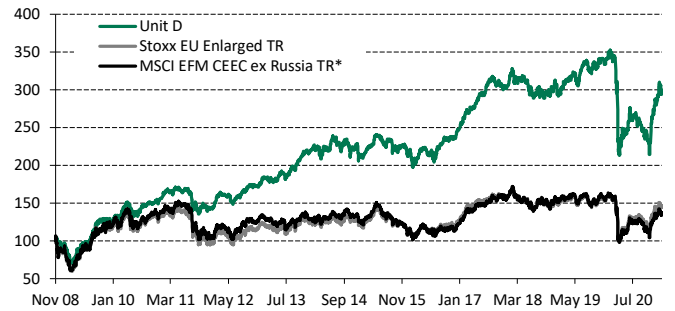
After relatively difficult 2020 for Eastern Europe region, the year started with a strong outperformance in the first two weeks, backed by consensus view on "value over growth" trade and generally positive outlook for EM markets for 2021. The support started to fade in the second half of the month as market focus turned from mid-term positioning view to short-term issues like lockdown extensions and low pace of vaccination roll-out across Europe. For the full month Eastern European index still managed to finish in green, up by 1.2% in euro terms. The Trigon New Europe Fund managed to outperform the regional benchmark advancing by 1.5% in the month. The Fund and the regional index both outperformed developed market indices, US S&P 500 was down by 0.3% and Stoxx Europe 600 TR declined by 0.7%, while MSCI EM index gained 3.8%.

COVID-19 situation has started to show signs of improvement in majority of CEE countries. That has allowed Romania to open shopping malls and even restaurants and cinemas for visitors again. Also, Poland opened its shopping-malls since the beginning of February and plans to open up further during the month. Currently the situation is the worst in Estonia, which has had the mildest restrictions in Europe. Despite the slow process of vaccination in Eastern Europe, elderly segment should be vaccinated by end of March, suggesting less risk for strict shut-downs as hospitalization levels should start to normalize.

Economic Sentiment Indicator (a good proxy for GDP development) quite closely reflected the picture of restrictions in each country. Strongest uptick in sentiment was seen in Turkey, backed by recovery in industry and services. Sentiment also recovered in Romania with strong contribution from industry and construction sectors. Slight declines in consumer confidence were visible in Poland, Czech Republic and Greece – all countries with extended restrictions for January. Main negative driver for the ESI was the decline in the sentiment of services segment. Relatively slower start to the year compared to previous expectations might lead to some downwards GDP revisions for 2021 as was already announced for Germany.

Trigon New Europe Fund is trading on 2020E and 2021E at 13.1x and 10.4x earnings, respectively. 2020E dividend yield is expected to be 5.6%, which does not include any possible one-off dividends by financial companies. High dividends are backed by low-teens free cash-flow generation in 2021E and strong balance-sheets of the companies.

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



31-Jan-21	Unit D	Unit E	Benchmark*
Year-to-Date	1.5%	1.4%	1.2%
1 month	1.5%	1.4%	1.2%
3 months	37.3%	37.2%	31.2%
6 months	17.2%	16.9%	11.0%
1 year	-13.3%	-13.8%	-10.6%
3 years	-8.8%	-10.0%	-19.4%
5 years	41.8%	38.5%	25.8%
10 years	78.8%	70.3%	-3.5%
Since launch	225.8%	225.2%	0.2%
Launch of unit	10.04.02	08.04.09	n/a*

Fund Details	Unit D	Unit E	Unit B
NAV	20.8200	32.5200	93.1300
12 months High	24.3300	38.2000	107.8800
12 months Low	15.0500	23.6100	66.9400
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) 0.38
 Daily volatility (1 year) 27.8%

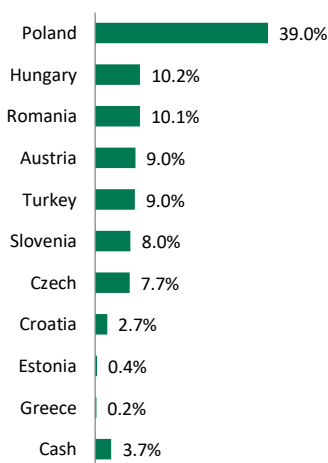
To receive the breakdown of the Fund's holdings or any other additional information, please send a request to funds@trigoncapital.com.

31-Jan-21	Unit A (EUR)	Unit A (USD)	Unit B
Year-to-Date	1.5%	0.8%	1.6%
1 month	1.5%	0.8%	1.6%
3 months	37.6%	43.5%	37.4%
6 months	17.6%	20.8%	17.4%
1 year	-12.7%	-3.6%	-12.4%
2 years	-1.1%	4.7%	-2.8%
3 years	-	-	-
5 years	-	-	-
Since launch	-4.3%	4.7%	-6.9%
Launch of unit	05.12.18	31.01.19	18.04.18

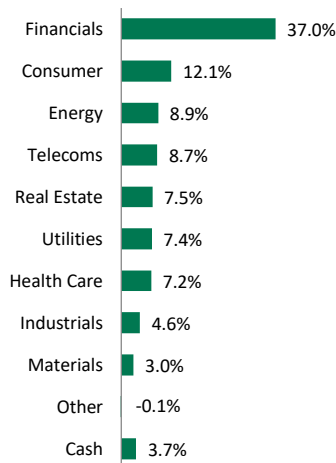
*The benchmark index, MSCI EFM CEEC ex Russia TR (EUR), was created on February 2nd, 2008.
 **E units (old C unit) can be subscribed to as of April 6th, 2009. D units (old A unit) are again available as of September 1st, 2017.

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*	
2021	1.5%														
2020	-1.0%	-9.2%	-26.1%	7.9%	4.6%	1.8%	-3.9%	-0.1%	-5.2%	-10.0%	24.1%	9.0%	-15.4%		
2019	3.2%	2.9%	0.4%	2.9%	-2.1%	5.6%	1.3%	-4.7%	4.5%	0.0%	1.2%	1.3%	17.3%		
2018	4.1%	-2.7%	-1.1%	-0.5%	-5.3%	-1.4%	4.3%	-1.2%	-0.2%	-0.4%	4.4%	-5.1%	-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 -0.4%
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 -2.2%
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 5.7%
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)	16.7%	22.9%	20.2%	27.8%	20.8%
Volatility (monthly)				42.6%	30.3%

Downside Risk Analysis

Negative months/total	91/232	39%
Worst calendar month	-27.7%	
Worst calendar quarter	-34.2%	

Upside Risk Analysis

Positive months / total	137/232	61%
Best calendar month	655.8%	
Best calendar quarter	29.9%	

Market Cap Allocation

Small Cap (0 - 500 mio EUR)	8.1%
Mid Cap (500 mio - 5bn EUR)	66.0%
Large Cap (more than 5bn EUR)	22.3%

Geographic Allocation

	Jan-21	Jul-20	Jan-20
Poland	39.0%	42.7%	45.3%
Hungary	10.2%	8.5%	8.8%
Romania	10.1%	8.2%	9.8%
Austria	9.0%	8.3%	3.3%
Turkey	9.0%	7.3%	9.8%
Slovenia	8.0%	8.6%	7.1%
Czech	7.7%	8.3%	8.6%
Croatia	2.7%	3.2%	2.4%
Estonia	0.4%	0.9%	1.0%
Greece	0.2%	0.4%	-

Cash	3.7%	3.6%	4.1%
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Sector Allocation

	Jan-21	Jul-20	Jan-20
Financials	37.0%	35.9%	36.2%
Consumer	12.1%	14.0%	16.0%
Energy	8.9%	10.4%	13.1%
Telecoms	8.7%	11.7%	8.1%
Real estate	7.5%	6.7%	0.9%
Utilities	7.4%	8.2%	11.7%
Health Care	7.2%	5.9%	5.7%
Industrials	4.6%	1.0%	2.6%
Materials	3.0%	1.4%	1.6%
Other	-0.1%	0.2%	0.0%
Media	-	1.1%	-
Cash	3.7%	3.6%	4.1%

Fund Details

	Unit A (EUR)	Unit A (USD)
NAV	95.6900	104.7400
12 months High	111.0700	110.8700
12 months Low	68.7300	68.7300
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	TRICLAX LX
Lipper code	68481933	68481934
Min. subscription	€15 mil	\$15 mil



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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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