

Trigon Russia Top Picks Fund

Fact Sheet | August 2021

Overview

Trigon Russia Top Picks Fund invests in listed equity securities of Russia and other CIS countries. The Fund's portfolio is focused on 20-25 high conviction cases spread across sectors and small/mid and large-cap companies.

The Fund targets investments in shares of attractively valued companies expected to benefit from the growth in the region's economy and global demand for natural resources. The analysis is based on fundamental indicators, where the pivotal part is an in-depth understanding of the local market, its corporate history, and companies clear and transparent dividend policy.

The Fund is actively managed to consistently beat the index return and offer long-term capital appreciation.

Fund Manager's Comments

The Russian market continued to outperform the EM space in August on an upward global trend as well as strong earnings season of Russian companies added optimism. In August, MSCI World TR gained 2.9%, while the MSCI EM TR index was up 3.1%. Trigon Russia Top Picks Fund gained 4.7% in August, while MSCI Russia TR was up 4.0%. YTD, the Fund is up by 32.2% versus 27.7% for the benchmark. Over the last three years the Fund is up by 92.0%, 31.1% ahead of the index.

We are honoured to report that Trigon Russia Top Picks Fund is now a top-performing fund in the region based on YTD performance, as well as on one, two, three, five, seven and ten years. Great to see that our contrarian and benchmark agnostic portfolio of the best stock ideas changing over time has shown excellent results in the short as well as in the long run.

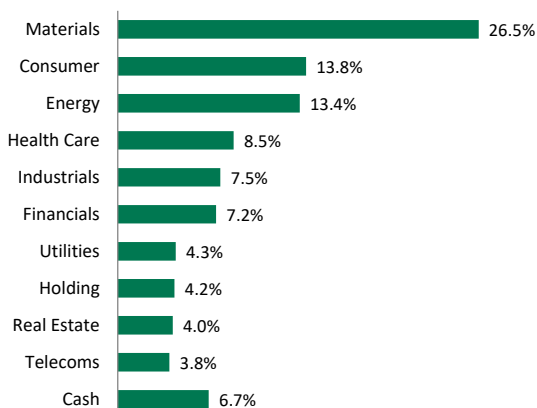
August was a very busy month as according to the law it is the last month when Russian listed companies are obliged to report 1H financials. We have also initiated several new positions and exited fairly valued names based on our analysis and conference calls with the management. In general, many companies that are in our portfolio are cash generative, have low leverage and are paying out large parts of their earnings.

The Russian economy continued to recover with 2Q GDP growth at 10.3% YoY, slightly above the consensus. For the 1H21 the growth was 4.8% and is now well above the pre-Covid level. The forecasts for the whole 2021 have been upgraded as well with consensus expecting on average over 4% growth. August inflation remained elevated at 6.8%, so that level will likely push the Central Bank to continue raising rates in September.

Domestic retail investors continue to discover the opportunities of the Moscow Exchange and support the market on any politically driven weakness. More than 13.8 million people (9% of the population) now have brokerage accounts with trading volumes on the equity market reaching all-time highs. Retail investors now account for 41% of equity trading. The rise of the local investor could reshape the entire equity market, lifting valuations, improving liquidity, and lowering volatility. Sanctions threats are also no longer influencing the market in such a manner as it was before. Dividends remain crucial for Russia's equity market investment case. Russia continues to deliver one of the highest dividend yields in the EM universe. Despite COVID-19, Russian companies managed to raise their total dividend spending this year thanks to favourable commodity prices.

MSCI Russia's estimated P/E ratio for 2021 is now 7.1x and has a dividend yield of 7.9%, well above the Russia Eurobond yield. Trigon Russia Top Picks Fund portfolio is trading at a weighted average of 8.5x expected earnings for 2021 and a 9.2% dividend yield.

Sector allocation

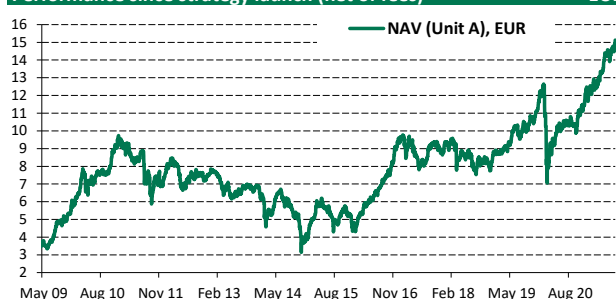


Disclaimer: Past performance of the fund does not guarantee or indicate future performance of the fund. The value of the fund units may increase and decrease over time, therefore there is no guarantee that the investors get back the amount invested in the fund. The risk factors of the fund are described 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.

Fund Facts

Fund AUM: €1.5 mil
Positions: 19
UCITS IV: Yes
Auditor: PwC
Depository: Swedbank
Dealing: Daily
Domicile: Estonia
Strategy launch: 31/05/2009

Performance since strategy launch (net of fees)



	Unit A	Unit D	Benchmark*
31-Aug-21			
Year-to-Date	32.2%	31.3%	27.7%
1 month	4.7%	4.7%	4.0%
3 months	11.7%	11.8%	11.2%
6 months	25.4%	24.5%	27.1%
1 year	44.2%	39.8%	40.6%
2 years	52.9%	46.2%	21.2%
3 years	92.0%	84.0%	60.8%
5 years	118.0%	105.5%	98.2%
10 years	52.0%	81.8%	71.4%
Since strategy launch	321.3%	81.8%	133.8%
Launch of strategy	31-May-09	31-Aug-11	31-May-09

Fund Details	Unit A	Unit D
NAV in EUR	15.1259	18.1779
12 months High	15.1259	18.1779
12 months Low	9.8717	12.2426
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)		0.82
Daily volatility (1year)		15.0%

(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*	
2021	2.0%	3.3%	5.6%	0.7%	5.6%	5.9%	0.8%	4.7%							
2020	7.1%	-9.4%	-23.2%	12.5%	5.6%	1.1%	2.9%	2.3%	-0.6%	-4.7%	9.7%	4.9%	2.8%		
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	21.5%
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	9.1%
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	17.2%
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

Risk Management Report (Unit A)

	1M	3M	6M	1Y	2Y
Volatility (daily)	10.5%	13.1%	13.0%	15.0%	23.8%
Volatility (monthly)				13.1%	24.1%

Downside Risk Analysis

Negative months / total	77/187	41%
Worst calendar month	-29.9%	
Worst calendar quarter	-36.2%	

Upside Risk Analysis

Positive months / total	110/187	59%
Best calendar month	24.3%	
Best calendar quarter	41.9%	

Market Cap Allocation

Small Cap (0 - 500 mio EUR)	0.0%
Mid Cap (500 mio - 5bn EUR)	37.5%
Large Cap (more than 5bn EUR)	55.8%

Monthly Return Contribution Analysis (Unit A)

Russia	3.8%	Health Care	1.2%
Kazakhstan	0.9%	Financials	0.9%
		Energy	0.7%
		Materials	0.5%
		Consumer	0.4%
		Industrials	0.4%
		Utilities	0.3%
		Telecoms	0.2%
		Holding	0.1%
		Real Estate	0.1%
Monthly Return	4.7%		4.7%

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Geographic Allocation

	Aug-21	Feb-21	Aug-20
Russia	86.1%	88.3%	88.4%
Kazakhstan	7.2%	9.0%	7.8%

Cash	6.7%	2.7%	3.8%
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Sector Allocation

	Aug-21	Feb-21	Aug-20
Materials	26.5%	31.4%	20.4%
Consumer	13.8%	8.0%	15.8%
Energy	13.4%	20.1%	18.0%
Health Care	8.5%	8.4%	5.6%
Industrials	7.5%	6.2%	7.3%
Financials	7.2%	4.7%	9.9%
Utilities	4.3%	4.3%	4.2%
Holding	4.2%	5.5%	-
Real Estate	4.0%	4.4%	5.8%
Telecoms	3.8%	4.3%	9.2%

Cash	6.7%	2.7%	3.8%
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Performance (net of fees)

31-Aug-21	Unit C
Year-to-Date	31.3%
1 month	4.6%
3 months	11.4%
6 months	24.8%
1 year	42.7%
2 years	49.8%
3 years	86.3%
5 years	110.9%
Since launch	299.6%
Launch of unit	15-Apr-09

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	39.9632	-
12 months High	39.9632	-
12 months Low	26.3017	-
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

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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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Contact Information

AS Trigon Asset Management
Pärnu mnt. 18
Tallinn 10141
Estonia

Tel: +372 667 9200
Fax: +372 667 9201
www.trigoncapital.com
funds@trigoncapital.com

 **TRIGON ASSET MANAGEMENT**