

For professional clients only – not for distribution to retail clients.

Fund Aim

The fund aims to provide long-term capital growth through investment primarily in Continental European equities.

TOP 10 HOLDINGS

1.	Novartis	3.2%
2.	Raiffeisen Bank	3.1%
3.	Bayer	3.0%
4.	Roche	3.0%
5.	SpareBank 1 SMN	2.6%
6.	Italiaonline	2.3%
7.	Valeo	2.3%
8.	FMC	2.2%
9.	Covestro	2.1%
10.	Heineken	1.9%

PERFORMANCE

	Class B EUR	STOXX Europe 600 ex UK
3 months	-0.1%	-0.8%
6 months	9.2%	8.7%
12 months	26.0%	16.1%
Since launch (11 Sept. 2015)	24.8%	14.1%

	Class B EUR	STOXX Europe 600 ex UK
2017 YTD	10.6%	8.6%
2016	8.6%	2.4%
2015 (from 11 Sept.)	4.0%	2.6%

Commentary

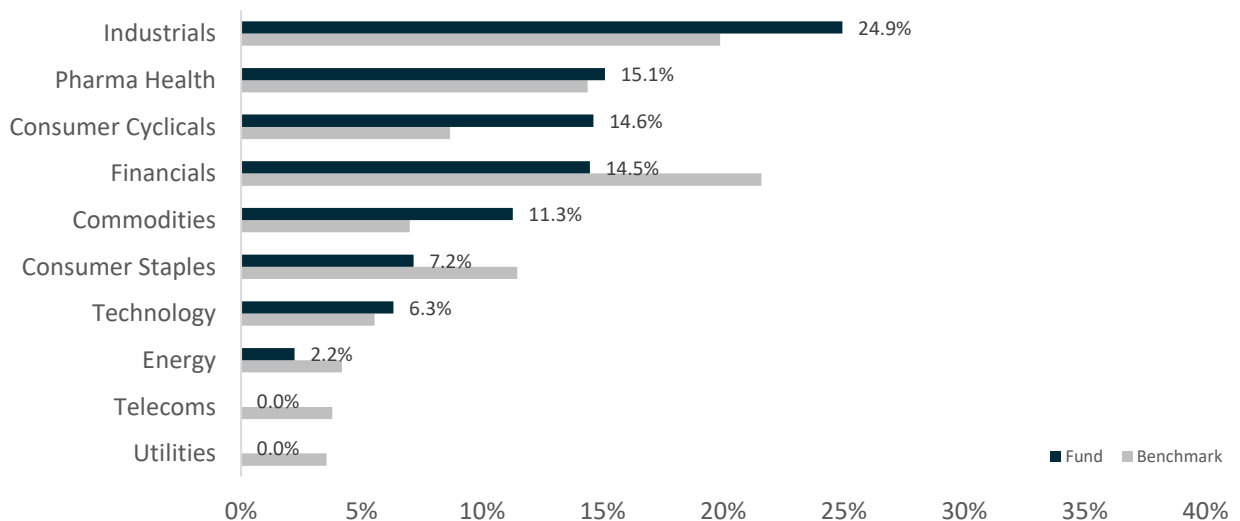
In July the Comeragh European fund posted a return of 0.1%, a 0.2% outperformance of the STOXX Europe 600 ex UK Index, which fell -0.1%!

Among the best performing stocks this month has been Italiaonline, a fairly recent addition to the portfolio. Whilst top line revenues are falling marginally due to a structural decline in traditional print media, profitability is improving as management repositions the company as a leading digital solutions provider in the Italian market. Over two-thirds of revenues now come from digital and as this share continues to increase, so too will the quality of Italiaonline's profits – higher margins, lower capital intensity and greater return on capital. With that, we anticipate a significant rerating of the stock.

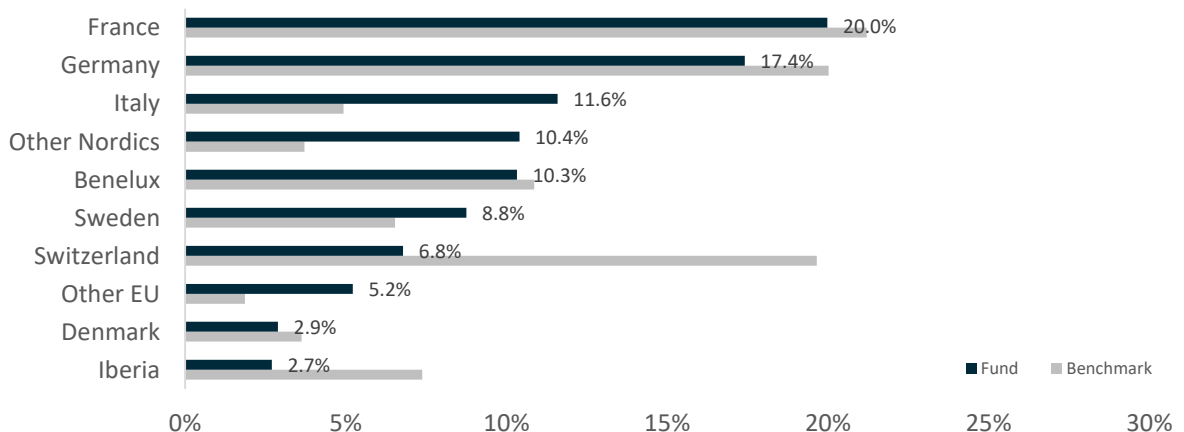
The biggest disappointment this month has been our holding in ADVA Optical Networking, which fell following their Q2 report which contained a weak outlook for the remainder of the year. ADVA produces equipment that enables and regulates the flow of data – and with global bandwidth requirements increasing by 20-30% per annum, the long term growth of the industry seems assured. However order flow can be lumpy and the market has punished the stock for a year of flattish revenue development. Going forwards, growth should resume and management's mid-term EBIT margin target of 10% lies well above the current 4-5%.

We are starting to rebalance the portfolio towards our “anchor” stocks, funded by a reduction in investments in the commodity space. Eurozone macroeconomic indicators remain at elevated levels but the potential for further positive surprise is now limited. The reflation trade has served us well; the fund enjoying an outperformance over 10% since last July. We continue to prize both value and earnings momentum in our investment decisions – but with the main thrust of the global industrial reflation behind us, we are focusing on beneficiaries of Eurozone domestic growth which now appears to be on a self-sustaining path.

Sector Allocation



Country Allocation



Risk Overview

	FUND	INDEX
P/E	12.6	16.6
EV/EBITDA	6.0	9.1
Div Yield	2.7%	3.3%
ROE	16.9%	16.7%
3m EPS Revs	6.9%	1.1%
Net Debt / EBITDA	0.59	0.95
Sharpe Ratio	2.51	
Beta (3m)	0.91	

Fund Facts

Fund Status	Sub-fund of a Dublin-domiciled UCITS ICAV, authorised and regulated by the Central Bank of Ireland. Recognised in the UK by the Financial Conduct Authority
Sector	Europe ex UK
Benchmark Index	STOXX Europe 600 ex UK
Fund Size	€77.8m
Fund Launch Date	11 th September 2015

Class	ISIN	SEDOL	Distribution Type	Annual Management Fee	Initial Minimum Subscription
Class A EUR	IE00BYN38431	BYN3843	Income	0.60%	€100,000
Class A GBP Hedged	IE00BYN38985	BYN3898	Income	0.60%	£100,000
Class B EUR	IE00BYN38M12	BYN38M1	Accumulation	0.60%	€100,000
Class B GBP Hedged	IE00BYN38Q59	BYN38Q5	Accumulation	0.60%	£100,000
Class C EUR	IE00BYN38Y34	BYN38Y3	Income	0.75%	€500
Class C GBP Hedged	IE00BYN39629	BYN3962	Income	0.75%	£500
Class D EUR	IE00BYN39B71	BYN39B7	Accumulation	0.75%	€500
Class D GBP Hedged	IE00BYN39C88	BYN39C8	Accumulation	0.75%	£500

Further Information

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Dealing:

- Daily dealing (except Irish public holidays)
- 11.00 dealing cut-off (forward pricing)
- 17.00 valuation point
- CACEIS Ireland
 - + 353 (0)1 672 1631
 - One Custom House Plaza, IFSC, Dublin D01 C2C5, Ireland

Risk Warning

The value of investments and the income from them can go down as well as up and investors may not receive back the original amount invested. Past performance is not an indicator of future performance. Exchange rates may cause the value of the underlying overseas investments to go down as well as up. Investment in smaller companies may involve a higher degree of risk as markets are usually more sensitive to price movements.

Please read the Risk Section of the Fund's Prospectus and Key Investor Information Document (KIID) for a fuller description of the risks prior to investing. Comeragh Capital LLP and its affiliates and/or their officers, partners and employees may own or have positions in the fund and/or any investment mentioned herein. The factsheet does not represent an invitation to invest in the Fund. Subscriptions must be made in conjunction with the KIID and Prospectus, copies of which can be obtained free of charge in English at www.comeraghcapital.com. Comeragh Capital LLP acts as investment manager and promoter to Comeragh Funds ICAV.