

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.	Raiffeisen Bank	3.4%
2.	ING Groep	3.3%
3.	Novartis	2.9%
4.	Bayer	2.9%
5.	Societe Generale	2.6%
6.	SpareBank 1 SMN	2.5%
7.	Generali	2.5%
8.	Italiaonline	2.1%
9.	FMC	2.0%
10.	Covestro	2.0%

PERFORMANCE

	Class B EUR	STOXX Europe 600 ex UK
3 months	6.1%	5.4%
6 months	6.0%	4.6%
12 months	26.2%	21.8%
Since launch (11 Sept. 2015)	32.4%	20.3%

	Class B EUR	STOXX Europe 600 ex UK
2017 YTD	17.3%	14.4%
2016	8.6%	2.4%
2015 (from 11 Sept.)	4.0%	2.6%

Commentary

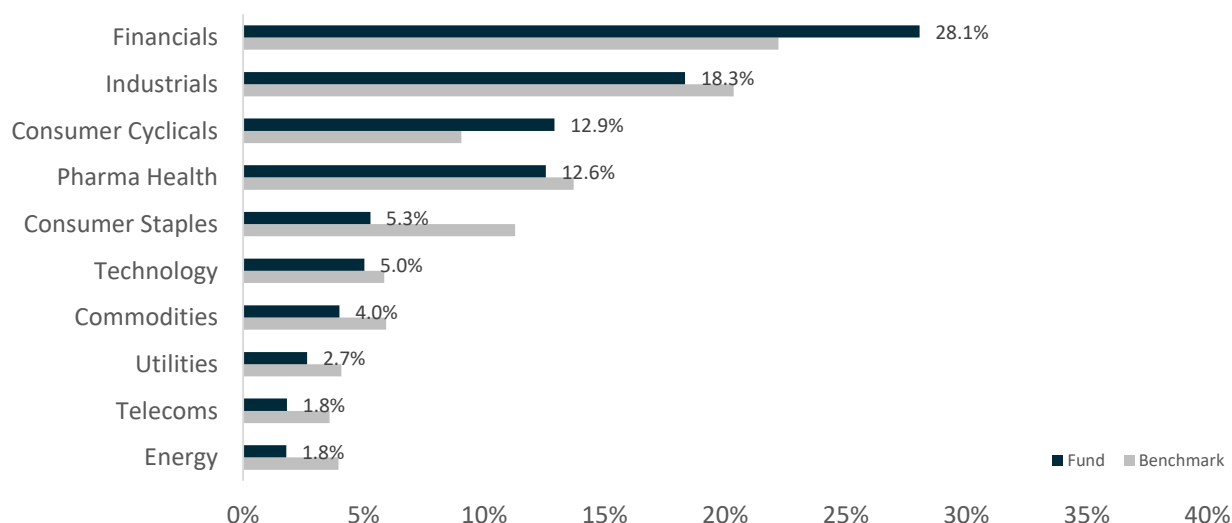
In October the Comeragh European Growth Fund rose 1.5% vs. the STOXX Europe 600 ex UK return of 1.8%.

Performance this month was held back by two main factors: not owning a handful of index heavyweights and maintaining a high cash weighting (7.5%) during a positive month for market performance. As we have articulated in recent newsletters, it is our belief that the end of the QE era beckons and that we are approaching the latter stages of a cyclical expansion which began in early 2016. We therefore do not wish to be overexposed to high duration stocks or industrial/commodity cyclicals, preferring to build positions in areas that benefit more directly from domestic European growth.

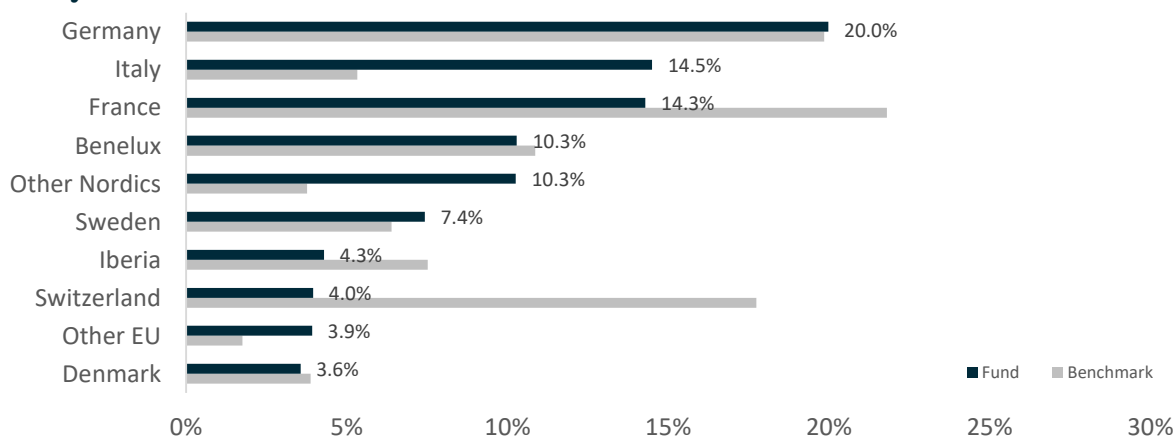
Among the best performing stocks this month have been Covestro and Knowit, both of which reported excellent Q3 figures showing robust top line growth and ongoing improvement in their quality of profits. We gave Covestro a detailed write-up in our October newsletter and the recent results and outlook prompted a round of earnings upgrades and confirm our positive view. Knowit is a Swedish digital consulting and services company benefitting from healthy corporate spending on digital transformation. With double digit growth rates, high cash conversion and a strong balance sheet supporting acquisitions, the shares remain attractive on a P/E of 14x with the likelihood of further upgrades to come.

More generally, we intend to retain an elevated cash weighting as we head towards the New Year. Our November newsletter details our current cautious stance as both economic and sentiment indicators appear to be peaking against a backdrop of an alarming rise in short term consumer debt in the Anglo-American world, which is displaying “late-cycle” characteristics. On the other hand, European consumer (and government) balance sheets look robust and the economic expansion more “mid-cycle” in nature, but its markets are unlikely to be immune to events elsewhere. A potential pullback would represent an excellent buying opportunity into a self-sustaining growth story that has a while to run.

Sector Allocation



Country Allocation



Risk Overview

	FUND	INDEX
P/E	12.8	17.3
EV/EBITDA	5.7	9.6
Div Yield	3.2%	3.3%
ROE	15.3%	16.6%
3m EPS Revs	4.8%	1.7%
Net Debt / EBITDA	0.78	0.94
Sharpe Ratio	3.07	
Beta (3m)	0.89	

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	€85.8m
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.