

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.	Roche	5.7%
2.	Anheuser-Busch	5.4%
3.	Bayer	5.4%
4.	Novo Nordisk	5.2%
5.	Deutsche Telekom	4.9%
6.	Enel	3.8%
7.	SAP	3.7%
8.	OMV	3.5%
9.	Tokmanni	3.1%
10.	STRABAG	3.1%

## PERFORMANCE

	Class B EUR	STOXX Europe 600 ex UK
3 months	-3.9%	-0.8%
6 months	-11.9%	-8.2%
12 months	-14.2%	-7.8%
Since launch (11 Sept. 2015)	13.4%	10.8%

	Class B EUR	STOXX Europe 600 ex UK
2019 YTD	5.5%	6.1%
2018	-16.4%	-10.9%
2017	13.9%	11.6%
2016	8.6%	2.4%
2015 (from 11 Sept.)	4.0%	2.6%

## Commentary

In January, the Comeragh European Growth Fund rose 5.5% vs. the STOXX Europe 600 ex UK return of 6.1%.

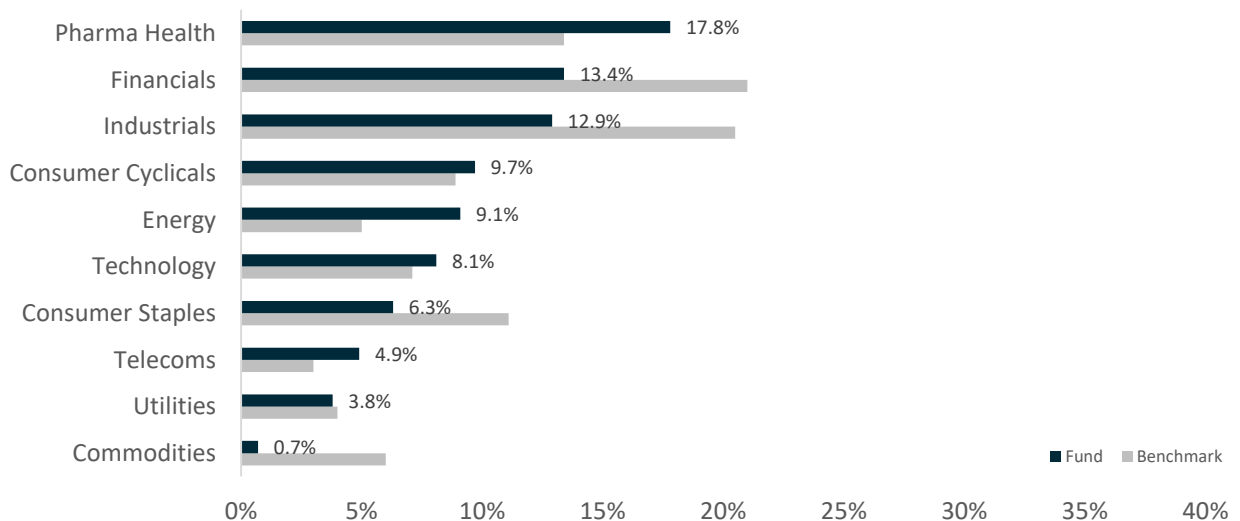
Given the extent of the December selloff and subsequent “oversold” conditions, a strong market bounce was always a possibility. However, our conviction remains that the bull market has run its course and that January will ultimately prove to be a correction within a bear market. The Federal Reserve may have signalled a dovish shift in tone – a catalyst for the S&P 500 breaking back through the 2,700 level – but the past eight rate rises have almost certainly “baked into the cake” a slowdown as tighter financial conditions collide with all-time high levels of consumer debt. Furthermore, the expansionary effects of President Trump’s fiscal policy – which allowed economic momentum in America to continue even as stock markets in the rest of the world moved to price in a downturn – are fading.

Underlying economic conditions, meanwhile, are deteriorating at an alarming pace. Not only are there warnings bells ringing in America (falling auto and home sales, peaking consumer confidence, rising credit card delinquencies) but also China is slowing at a rate not seen since the financial crisis. Despite government stimulus, money supply growth continues to fall and industrial pricing and profitability is on the wane. European export

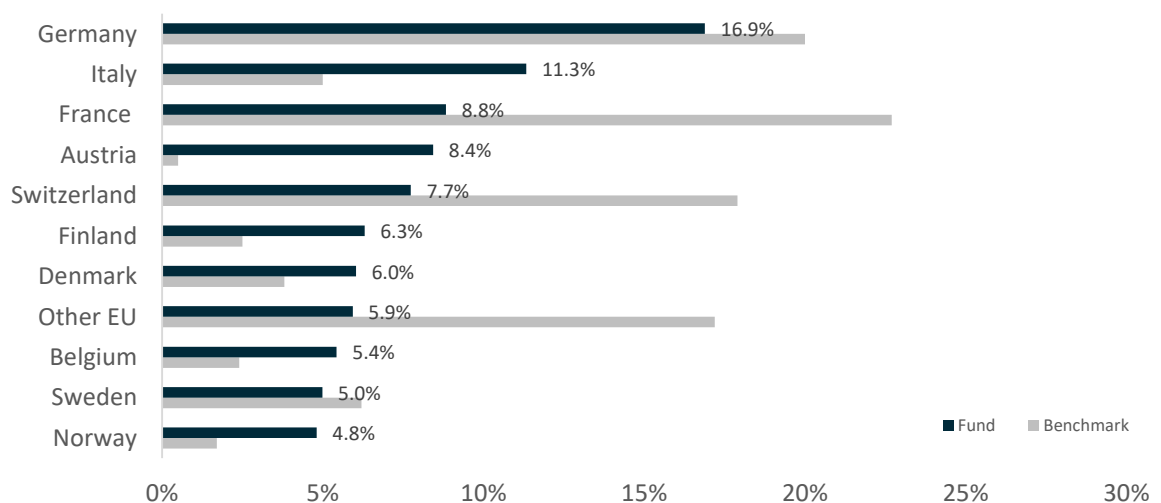
demand is suffering as a result, with German Manufacturing PMIs now in contractionary territory and weakening momentum evident throughout the region. European equities are unlikely to fare well in an environment where both the US and China, the twin engines of global GDP, are slowing. Forecasts for both economic growth and corporate earnings remain, in our view, overly optimistic and we anticipate a wave of downgrades over the coming months. It is hard to foresee a turnaround anytime soon.

The Fund remains defensively positioned, with a high cash weighting and limited exposure to industrial cyclicals. We have started to buy into select financials – perhaps not an obvious sector for investment given our macro views but one which has already endured a significant de-rating, with rock bottom valuations and sentiment offering support. As for our “anchor” holdings in large cap defensives, we have rotated out of Nestle and Novartis (which had performed well during the “duration” trade and become fairly dear) into Bayer and AB InBev, which have been shunned by the market over the past year and offer materially better value.

## Sector Allocation



## Country Allocation



## Risk Overview

	FUND	INDEX
P/E	11.2	15.1
EV/EBITDA	6.6	9.1
Div Yield	4.1%	3.8%
ROE	18.2%	16.4%
3m EPS Revs	-0.9%	0.1%
Net Debt / EBITDA	0.72	0.97
Sharpe Ratio	-0.84	
Beta (3m)	0.96	

## Fund Facts

<b>Fund Status</b>	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
<b>Sector</b>	Europe ex UK
<b>Benchmark Index</b>	STOXX Europe 600 ex UK
<b>Fund Size</b>	€61.4m
<b>Fund Launch Date</b>	11 <sup>th</sup> 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

**Email:** [info@comeraghcapital.com](mailto:info@comeraghcapital.com)

**Website:** [www.comeraghcapital.com](http://www.comeraghcapital.com)

**Telephone:** +44 (0) 207 381 5022

**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](http://www.comeraghcapital.com). Comeragh Capital LLP acts as investment manager and promoter to Comeragh Funds ICAV.