

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.	Anheuser-Busch	6.0%
2.	Novo Nordisk	5.8%
3.	Roche	5.7%
4.	Deutsche Telekom	5.0%
5.	Bayer	4.6%
6.	SAP	4.1%
7.	Enel	4.0%
8.	OMV	3.6%
9.	STRABAG	2.8%
10.	Italiaonline	2.8%

PERFORMANCE

	Class B EUR	STOXX Europe 600 ex UK
3 months	9.1%	12.5%
6 months	-5.9%	-0.9%
12 months	-4.4%	3.9%
Since launch (11 Sept. 2015)	17.3%	17.6%

	Class B EUR	STOXX Europe 600 ex UK
2019 YTD	9.1%	12.5%
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 March the Comeragh European Growth Fund rose 0.9% vs. the market return of 1.8%.

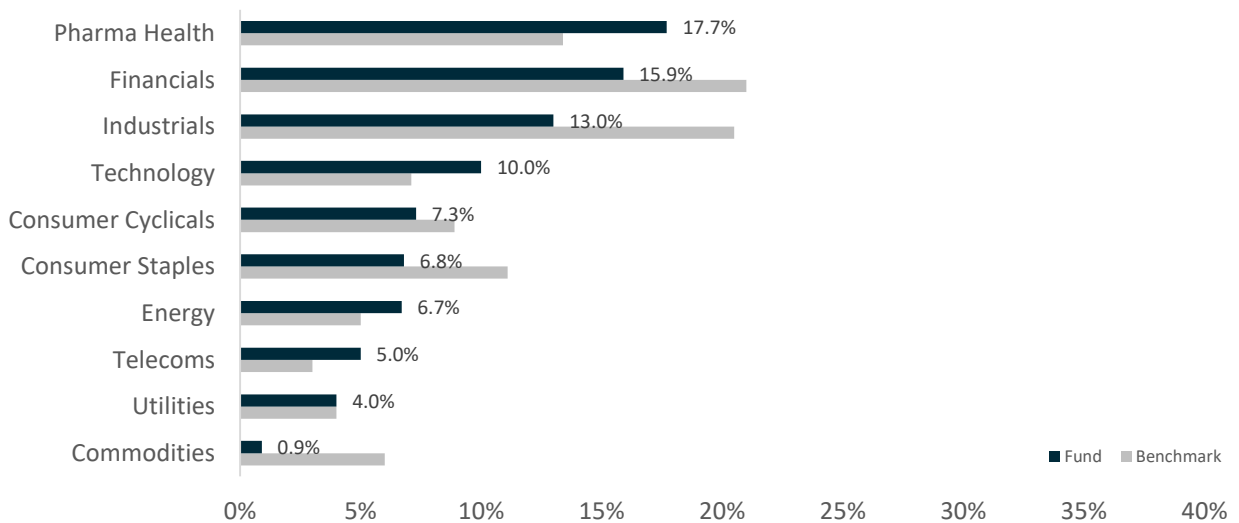
Markets continued to rally despite an increasing weight of evidence that underlying conditions are deteriorating. On the macro front the German Manufacturing PMI fell to 44.1, down from 47.6 in February and the lowest reading since March 2012. Furthermore, data from Japan and Korea is showing slumping exports – another ominous sign. This deepening manufacturing recession is being reflected in company reporting. For instance, Osram has slashed FY revenue growth estimates by over 10% and its margin guidance by a third – hardly a small revision, especially considering that Osram is already halfway through its September fiscal year! Neither do the problems appear to be isolated in the automotive sector, as management also cites weakness in general lighting and mobile device markets, along with “significant” inventory build-ups. Osram may have developed something of a reputation as a serial “profit warner” but the same cannot be said for Infineon, which possesses an enviable position in high-end semiconductors, exposed to rising content share in structural growth areas such as autonomous driving and safety. A positive dynamic of strong growth, operating leverage and earnings upgrades has recently come to a halt. Infineon initially guided revenue growth from 11% down to 9% in February but things have clearly taken a rapid turn for the worse, with management warning at the end of March that revenue growth would now be only 5% and

margins revised down from 17.5% to 16%, with high inventory levels also cited as a problem.

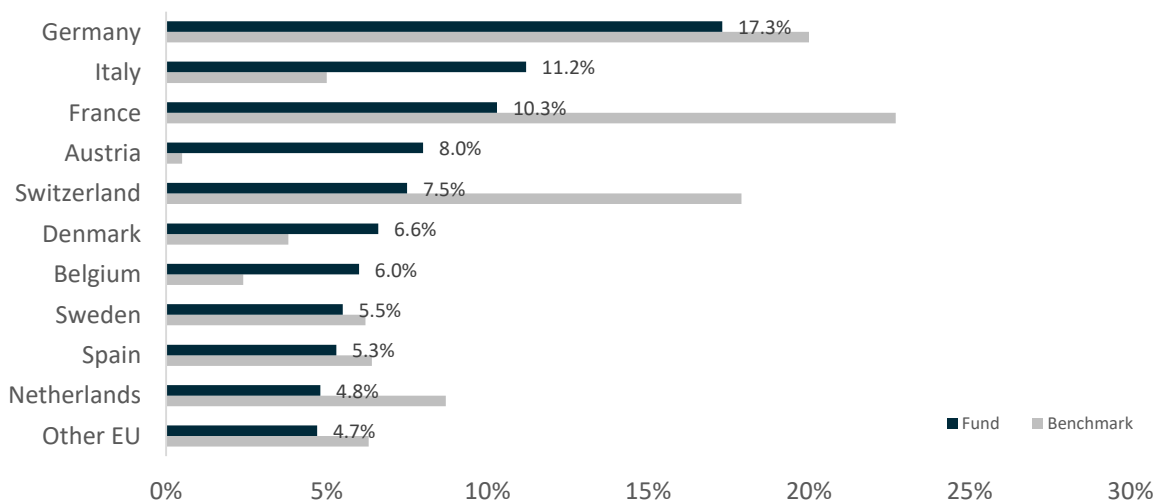
Both Infineon and Osram are useful leading indicators for the broader industrial cycle and these profit warnings tally with the economic data coming through. Of particular interest was Osram's comment that a rebound in order intake in H2 was now not expected. Whilst there remains the possibility that this is an Osram-specific issue, it looks increasingly likely that the global industrial cycle is slowing broadly and with a speed not currently reflected in consensus macro/earnings forecasts. With this in mind, April's US Q1 reporting season may prove a critical turning point - that markets have rebounded towards all-time highs against such a backdrop strikes us as unsustainable. We have lagged the rally but believe that our defensive tactical stance will ultimately be rewarded.

Exits from the portfolio this month include Tokmanni, where valuation had expanded leaving it no longer as compelling, and BW Offshore, which despite a strong run remains good value but as a cyclical, high beta stock would likely be exposed should markets fall. Portfolio entrants include Unicaja Banco, a Spanish retail bank trading at a depressed Price to Book multiple of 0.4x despite a solid capital position and improving returns.

Sector Allocation



Country Allocation



Risk Overview

	FUND	INDEX
P/E	12.0	15.7
EV/EBITDA	6.9	9.5
Div Yield	4.0%	3.7%
ROE	19.2%	16.5%
3m EPS Revs	-0.9%	-0.3%
Net Debt / EBITDA	0.70	1.01
Sharpe Ratio	-0.51	
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	€62.4m
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.