

# Mori Eastern European Fund

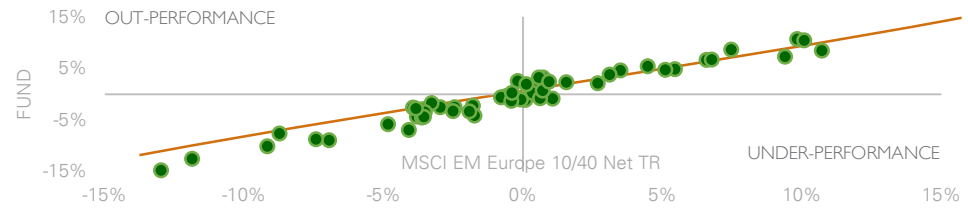


Please note that on June 23, 2016, the Central Bank of Ireland approved renaming of the Renasset Eastern European Fund and Renasset Ottoman Fund to Mori Eastern European Fund and Mori Ottoman Fund, respectively.

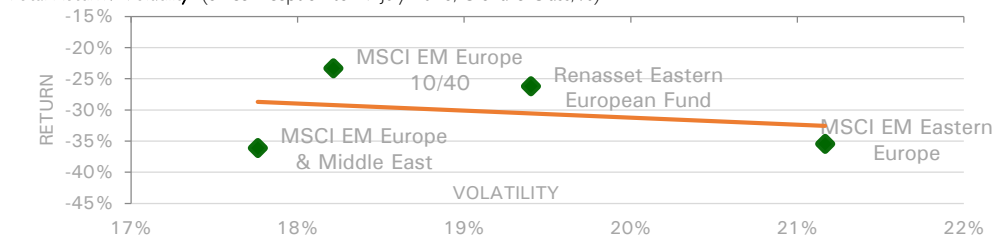
## Fund Objective

The Fund seeks long-term capital appreciation through investments primarily in a portfolio of Eastern European securities. The manager uses a bottom-up approach to incorporate both stock and sector views. The manager's stock-picking style is a combination of proprietary valuation models, target prices, stock market capitalisation, liquidity and his view on the management's quality. Please note that A Euro shares are closed to new subscriptions.

## Active Monthly Returns<sup>1</sup> (Since Inception to 29 July 2016, C Share Class: Monthly, %)



## Total Return / Volatility<sup>1</sup> (Since Inception to 29 July 2016, C Share Class, %)



## Performance<sup>2</sup> (%)

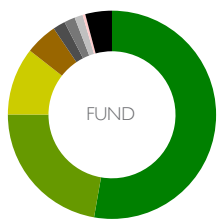
	1mth	3mth	6mth	YTD	2yr	Since Inception
C EUR	-0.8%	-3.3%	11.6%	8.0%	-17.6%	639.4%
Index	0.6%	-3.7%	10.9%	8.1%	-15.3%	269.6%

## Annual Performance<sup>2</sup> (%)

	2015	2014	2013	2012
C EUR	-2.0%	-23.5%	-6.9%	-2.8% <sup>4</sup>
Index	-5.0%	-19.7%	-8.5%	2.2% <sup>4</sup>

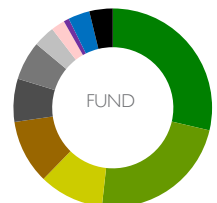
## Portfolio Overview<sup>3</sup> (%)

### Country Breakdown



	% of Port.	vs. Index
Russia	49.7	-3.5
Turkey	21.0	2.8
Poland	9.9	-6.8
Greece	4.7	-0.4
Czech Republic	1.8	-0.7
Ukraine	1.6	1.6
Iraq	1.2	1.2
Kazakhstan	0.4	0.4
Cash & Equivalents	3.9	3.9

### Sector Breakdown



	% of Port.	vs. Index
Financials	29.4	-4.6
Energy	23.7	-9.3
Materials	10.8	2.0
Consumer Staples	10.7	3.3
Industrials	7.2	5.3
Telecommunications	6.5	0.4
Consumer Discretionary	3.6	-0.7
Information Technology	2.3	2.3
Utilities	0.9	-2.6
Index Derivatives	3.6	3.6
Cash & Equivalents	3.9	3.9

## Investment Process

- Bottom-up stock picking
- In-house qualitative and quantitative proprietary valuation database
- Unconstrained, non-benchmark
- Active Beta management (1) Cash management (2) Opportunistic use of futures, options and FX hedging
- Disciplined "sell" process

## Fund Summary

Fund Type	UCITS IV
Domicile	Dublin
Currency	EUR
Index	MSCI EM Europe 10/40 Net TR EUR
Fund Manager	Aziz Unan (Since January 2015)
Launch Date	2 March 2012 (C)
AuM	EUR 76.7m

## Portfolio Characteristics

	Fund	Index
(%) Volatility	19.2	18.1
(%) Active Share	48.6	
(%) Tracking Error	4.6	
Information Ratio	-0.24	

## Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	9.2	10.5
Price to Book	1.4	1.5
Return on Equity	16.0	6.9
Dividend Yield	4.2	4.0

## Top 10 Holdings

Lukoil	8.1
Sberbank	7.4
Gazprom	6.0
Magnit	3.6
PKO	3.6
PZU	3.2
Norilsk Nickel	3.1
Mobile Telesystems	3.1
Tatneft	2.5
Halkbank	2.5

## Market Cap

> 5 Bln	65.0%
1-5 Bln	17.6%
< 1 Bln	13.5%

<sup>1</sup> Performance based on monthly total returns in EUR, since inception, net of fees, excluding initial charge. <sup>2</sup> Performance based on monthly total returns in EUR, net of fees, except since inception (A EUR Share Class). <sup>3</sup> Table weights shown adjusted for delta exposure, pie chart shows table weights to 100. <sup>4</sup> Performance is from inception of share class to year end. Past performance is not a guide to future performance. The value of investments may go down as well as up and investors may lose money. SOURCE: Unless otherwise stated, all data sourced from Bloomberg as at 29 July 2016.

# Mori Eastern European Fund



## Performance

Emerging European equity markets were a mixed bag in July. While Czech, Hungarian and Greek equities rallied in an attempt to close the underperformance gap in so far in 2016, Polish and Russian equities were pretty much flat last month. Turkey was the worst performing as a result of the coup attempt in the night of July 15, which was a totally unexpected black swan event. The net asset value of the Mori Eastern European Fund dropped by 0.8% in euro terms (C share-class) in July, underperforming the MSCI Emerging Europe 10/40 Index which gained 0.6%. The coup attempt failed as there was tremendous resistance by the general public who took to the streets the very same night.

## Portfolio Activity

When the headlines about the military coup attempt started hitting on the evening of July 15, stock exchanges were already closed for the weekend. Hence, we immediately hedged the Turkish lira exposure to at least reduce the currency risk. Fortunately, it became clear by Saturday morning that the attempted military coup failed and the military staff involved surrendered. Unfortunately, Turkey lost over 240 of its citizens and more than 1,500 were wounded during the events of the attempted coup, based on the announcement by government officials. We are not and we do not claim to be political analysts, but we believe the timing of this coup attempt is very peculiar, only days following a number of official announcements about normalization and improvement of relations between Turkey, Russia and Israel. Despite the casualties, the positive outcome of the July 15 events significantly unified the general Turkish population despite differences in political background and ideology. There was no run on the banks by the public and in light of several emergency measures taken by the government and the Central Bank, Turkish capital markets opened on Monday for business as usual. On the equity side, we carefully added onto Halkbank and Vakifbank, as the stocks were trading at around half of their book value and 4.5 to 5.5 times earnings, based on our valuation models.

In Russia, we took some profits in Sberbank given the stock's very strong rally in 2016.

In Central Europe, our recent addition Moneta Money Bank enjoyed a good performance of the stock price in July. We still believe there is significant value in the name.

## Outlook

The July 15 military coup attempt in Turkey was a trauma for everybody including the stock market investors. Thus, the risk perception has increased in the short term. However, one thing that Turkey does well is crises management. The opening of the markets on the following Monday is a proof of that. Recall that it took over a week to re-open the Brussels Airport after the recent terror attack there. As for the population and the country as a whole, we believe that what does not kill you makes you stronger. Our condolences go to the families of the innocent civilians who lost their lives in order to protect democracy in Turkey.

## Contacts

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SOURCE: Bloomberg as of 29 July 2016, unless stated otherwise. **Past performance is not a guide to future returns.**

Please Note	For professional investors only This investment is not for sale to US persons in the US
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## Fund Facts

Management Fees	1.65% (A), 1.75% (B) 2.0% (AA), 1.25% (C)
Performance Fees	A and B share classes: 15% and 20% (respectively) of the NAV per share increase over the higher of either the highest of any previous quarter end NAVs or the benchmark NAV calculated using the EUR 3 month LIBOR rate on a quarterly basis. AA and C share classes: no performance fee.
Initial Min. Investment	€ , £ 10,000 (B, AA) € , £ , \$ 1,000,000 (C)
Dealings	Daily
Redemptions	Daily
Redemption Notice	T+3 T+4 (GBP share classes)
Redemption Fee*	3.0%
Administrator	Northern Trust Fiduciary Services (Ireland) Limited
Entry Charges*	5.0%
* At Investment Manager discretion.	

## Launch Date

A EUR	07.10.98
AA GBP	02.03.12
B EUR	27.11.09
C EUR	02.03.12
C GBP	18.05.12

## Current NAV

A EUR	378.07
AA GBP	7.27
B EUR	80.87
C EUR	7.32
C GBP	8.54

## Bloomberg Code

A EUR	GRIEEUI ID
AA GBP	RAMEAAG ID
B EUR	GRIEEUB ID
C EUR	RAMEECE ID
C GBP	RAMEECG ID

## ISIN Code

A EUR	IE0002787442
AA GBP	IE00B74GCZ17
B EUR	IE00B53RTW70
C EUR	IE00B7D7TZ40
C GBP	IE00B762ZY72