

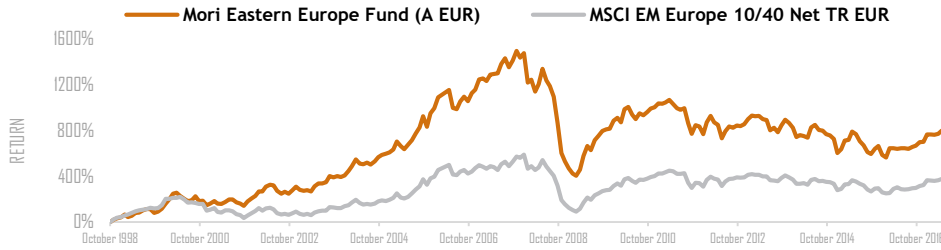
# Mori Eastern European Fund



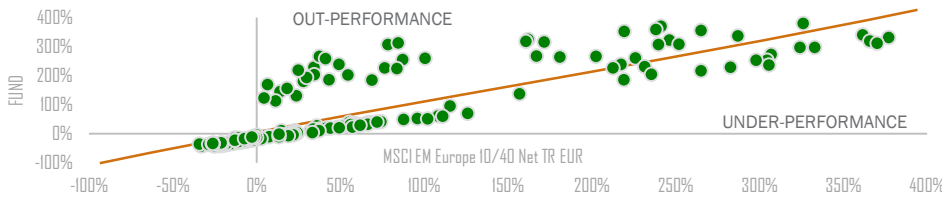
## Fund Objective

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.

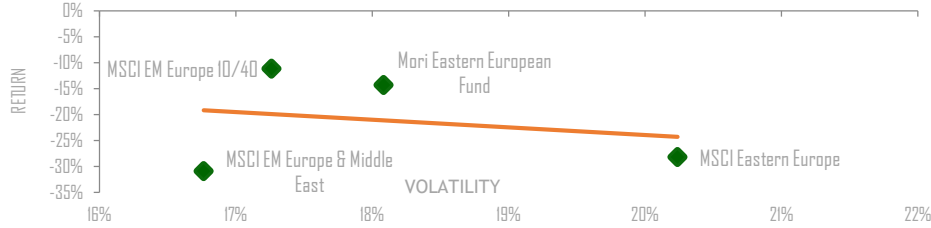
## Historical Performance<sup>1</sup> (Since inception to 30 June 2017, EUR A-Share Class)



## 5-Year Rolling Returns<sup>2</sup> (Since inception to 30 June 2017, EUR A-Share Class)



## Return / Volatility<sup>3</sup> (Since launch date to 30 June 2017, EUR C-Share Class)



## Performance<sup>4</sup> (%)

	1mth	YtD	1Yr	2Yr	3Yr	5Yr	10Yr	Since Inception
Fund	-2.1%	-0.2%	16.1%	7.8%	-7.9%	-0.9%	-41.8%	762.6%
Index	-1.8%	-3.8%	15.9%	2.7%	-5.9%	-1.3%	-26.2%	347.3%

## Portfolio Overview<sup>5</sup> (%)

Country Breakdown	% of Port.	vs. Index
Russia	44.4	-3.7
Turkey	28.1	10.0
Poland	12.0	-8.0
Greece	5.4	-0.7
Czech Republic	3.2	0.5
Ukraine	1.6	1.6
Kazakhstan	0.4	0.4
Hungary	0.0	-5.0
Cash & Equivalents	3.1	3.1

Sector Breakdown	% of Port.	vs. Index
Financials	31.9	-2.6
Energy	22.9	-9.4
Industrials	10.0	8.9
Materials	9.8	0.5
Consumer Staples	7.8	0.6
Telecommunications	4.7	-0.5
Consumer Discretionary	3.2	-1.4
Real Estate	2.4	1.9
Diversified	2.2	0.1
Others	2.2	-1.1
Index Derivatives	-1.9	-1.9
Cash & Equivalents	3.1	3.1

## 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 80.8m

## Portfolio Characteristics

	Fund	Index
(%) Volatility	18.1	17.3
(%) Active Share	49.0	
(%) Tracking Error	4.5	
Information Ratio	-0.2	

## Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	8.0	7.3
Price to Book	1.4	0.9
Return on Equity	14.6	10.2
Dividend Yield (12 months forward)	3.8	4.2

## Top 10 Holdings

Lukoil	6.8
Sberbank	6.0
Gazprom	5.1
PZU	5.0
PKO	4.5
Halkbank	4.1
Vakifbank	4.0
Magnit	3.3
Garanti Bank	2.7
Surgutneftegas	2.7

## Market Cap

> 5 Bln	61.5%
1-5 Bln	26.0%
< 1 Bln	9.6%

<sup>1</sup> Cumulative total returns in EUR (A Share Class), net of fees, excluding initial charge. <sup>2</sup> Performance based on total returns in EUR (A Share Class), net of fees, excluding initial charge. <sup>3</sup> Performance based on monthly total returns in EUR (C Share Class), net of fees, excluding initial charge. <sup>4</sup> Performance based on monthly total returns in EUR (C Share Class), net of fees, except 10-Year & since inception (A EUR Share Class). <sup>5</sup> Table weights shown adjusted for delta exposure, pie chart shows table weights to 100. 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 and Northern Trust as at 30 June 2017.

# Mori Eastern European Fund



## Performance

In light of weak oil prices and the negative news flow on continuous sanctions on Russia by the United States, Russian indices continued their slide in June. Turkish and Greek equities closed the month in positive territory in Euro terms. Turkish stocks recorded extended inflows, as we anticipated, with much better than projected growth in that country. Central European bourses consolidated in June following a strong index performance so far in 2017. The net asset value of Mori Eastern European Fund declined 2.1% in euro terms (C share class) in June, while the MSCI Emerging Europe 10/40 Index was down 1.8% during the same period.

## Portfolio Activity

The portfolio remained relatively unchanged in June as we had adjusted our positioning in the previous month. Our reduction in Gazprom proved to be timely as the stock price continued to slide last month. In Russia, we locked in some profits in the steel maker Novolipetsk. Although we still like the company, the share price did not offer significant upside potential vs our price target in the short term.

Most Turkish holdings consolidated in June. We continue to be bullish on Turkish equities, particularly on the banking stocks we like. We expressed our view on the Turkish banks in our investment universe on June 25 (Mori Views: Untapped Dynamism) and highlighted the fact that we still see good value in them, particularly in the likes of Halkbank and Vakifbank.

In the Czech Republic, Central European Media Enterprises contributed handsomely in June.

## Outlook

After being one of the best performing stock markets in 2016, Russian indices have lost about 20% year to date in Euro terms. A number of Russian stocks have now entered attractive territory based on our investment style. However, we think the market's underperformance may continue in the short term as the global markets seem indecisive about the direction of the oil price. Turkey grew by 5% in the first quarter of 2017. Our close followers may recall that we have been projecting 4% GDP growth for Turkey in 2017, whilst the median of the consensus was 2.3%. Following the first quarter figure several analysts have rushed to revise projections upwards to above 4%, which may make our original projection "conservative" shortly.



## Contacts

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**SOURCE:** Bloomberg as of 30 June 2017, 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, M)
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, C and M share classes: no performance fee.
Initial Min. Investment	€ , £ 10,000 (B, AA) € , £ , \$ 1,000,000 (C, M)
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*	Max. 5.0%
* At Investment Manager discretion.	

## Launch Date

A EUR	07.10.1998
AA GBP	02.03.2012
B EUR	27.11.2009
C EUR	02.03.2012
C GBP	02.03.2012
M EUR	01.09.2016

## Current NAV

A EUR	441.03
AA GBP	8.87
B EUR	93.99
C EUR	8.57
C GBP	10.42
M EUR	115.74

## Bloomberg Code

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

## ISIN Code

A EUR	IE0002787442
AA GBP	IE00B74GCZ17
B EUR	IE00B53RTW70
C EUR	IE00B7D7TZ40
C GBP	IE00B762ZY72
M EUR	IE00BD03V952