

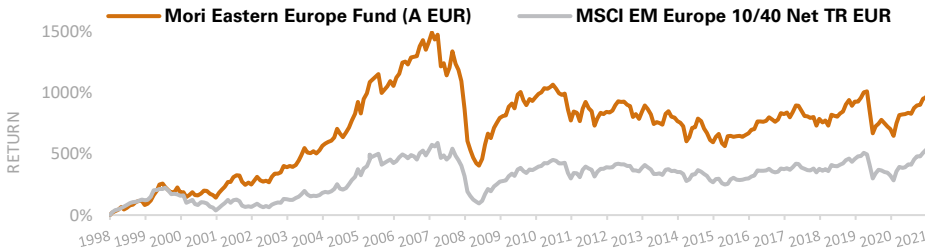
# Mori Eastern European Fund



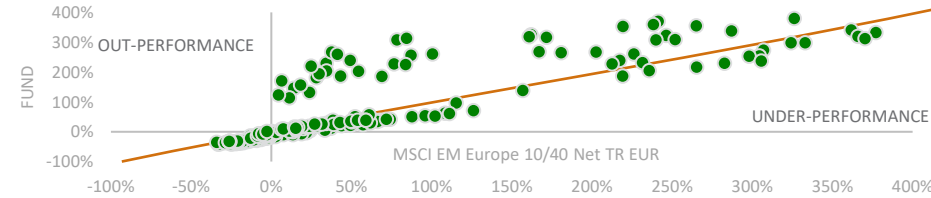
## Fund Objective

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.

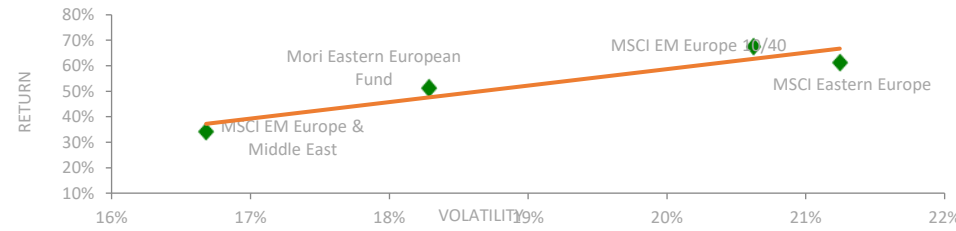
## Historical Performance<sup>1</sup> (Since inception to 29 October 2021, EUR A-Share Class)



## 5-Year Rolling Returns<sup>2</sup> (Since inception to 29 October 2021, EUR A-Share Class)



## Return / Volatility<sup>3</sup> (Since launch date to 29 October 2021, EUR M-Share Class)



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

	1mth	YtD	1Yr	2Yr	3Yr	5Yr	10Yr	Since Inception
Fund	4.3%	21.0%	50.2%	8.7%	30.9%	41.8%	17.1%	1007.7%
Index	4.0%	33.8%	72.3%	13.8%	42.2%	58.9%	48.2%	558.0%

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

Country Breakdown	% of Port.	vs. Index
Russia	56.5	-10.0
Turkey	17.4	12.1
Poland	15.2	-1.0
Greece	5.4	1.6
Multinational	2.8	2.8
Ukraine	1.5	1.5
Czech Republic	0.0	-2.5
Hungary	0.0	-5.5
Cash & Equivalents	1.2	1.2

Sector Breakdown	% of Port.	vs. Index
Energy	28.8	-5.6
Financials	25.5	-2.2
Materials	12.8	-1.7
Consumer Staples	8.4	2.7
Industrials	7.1	6.8
Telecommunications	4.7	1.0
Consumer Discretionary	3.5	-1.2
Diversified	3.0	2.5
Utilities	2.0	-0.6
Information Technology	1.6	-4.4
Real Estate	1.5	1.5
Cash & Equivalents	1.2	1.2

## 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
Domicile	Dublin
Currency	EUR
Index	MSCI EM Europe 10/40 Net TR EUR
Fund Manager	Aziz Unan (Since January 2015)
Launch Date	7 October 1998 (A)
AuM	EUR 67.2m

## Portfolio Characteristics

	Fund	Index
(%) Volatility	18.3	20.6
(%) Active Share	48.0	
(%) Tracking Error	6.3	
Information Ratio	-0.3	

## Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	6.5	11.1
Price to Book	2.0	1.4
Return on Equity	25.7	12.1
Dividend Yield (12 months forward)	6.2	6.3

## Top 10 Holdings

Lukoil	9.2
Sberbank	8.9
Gazprom	8.2
PKO	6.1
Novatek	5.0
Severstal	4.1
Norilsk Nickel	3.2
PZU	3.1
Alior Bank	2.4
Mytilineos	2.3

## Market Cap

> 5 Bln	66.3%
1-5 Bln	22.1%
< 1 Bln	10.4%

<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 (M Share Class), net of fees, excluding initial charge. <sup>4</sup> Performance based on monthly total returns in EUR (M Share Class), net of fees, except 10-Year & since inception (A EUR Share Class). Benchmark index was the MSCI EM Europe Index to December 2008, then MSCI EM Europe 10/40 Net Total Return Index. <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 29.10.2021.

# Mori Eastern European Fund



## Performance

Oil prices continued to rally and settled above USD 80 per barrel in October. The US Fed announced that it would start gradually reducing asset purchases and hinted that interest rate hikes may come sooner than expected in 2022. Several companies released their third quarter financial statements in Emerging Europe, which generally came in better than the analysts' projections. With the exception of the Czech index, other Emerging European bourses managed to close the month on a positive note. The net asset value of **Mori Eastern European Fund** increased by 4.3% (Euro M-Class) in October, while the MSCI Emerging Europe 10/40 TR Index added 4% during the same period.

## Portfolio Activity

Inflation continues to rise across the world. The headline figure in the US was announced to have hit 6.2% in October, a level which has reportedly not been seen since 1990. As we mentioned in a number of monthly reports previously, unlike other expert opinions, we do not believe the inflation issue will be temporary due to massive monetary expansion since the start of the Covid-19 pandemic. This, combined with pent up demand across the world and disruption in the supply chain and logistics, will likely be a policy makers' headache in the months to come.

In a surprise move, the Russian Central Bank aggressively hiked its policy rate by 75 basis points to 7.5% in October. Based on official data, annual inflation rose to 7.4% in September (from 6.7% in August), and it was reported to have hit 8.1% last month. The Bank of Russia further announced that it holds open the option to further key rate hikes at its upcoming meetings. Lukoil's stock price rallied recently on the back of oil price rises. Thus, we locked in some profits in the name last month.

The Central Bank of Turkey cut its key policy rate by 100 basis points to 16%. This came in higher than expected as the market consensus was a 50-basis point cut. This move led to depreciation of the lira against the major currencies. However, as equities became cheaper in hard currency terms, it was viewed as a buying opportunity, especially by international investors. Turkish companies in general also beat consensus earnings estimates for the third quarter by a comfortably large margin, which supported the equity prices last month.

We top sliced PKO in Poland as the stock price had a stellar move year-to date.

## Outlook

We would not be surprised if equities take a breather in November following the recent rally. However, we remain positive as we think that the street will once again revise up their financial projections on the back of the positive third quarter figures. Furthermore, equities will likely provide an inflation hedge. This could result in further inflows into the asset class.

## Contacts

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**SOURCE:** Bloomberg as of 29 October 2021, 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	Class A: 15% of the NAV per Share increase over the higher of (1) the highest NAV per Share on any preceding Calculation day or (2) the Benchmark NAV (EUR 12 Month LIBOR). Class B: 20% of the outperformance of the NAV per Share to the percentage return of the MSCI EM Europe 10/40 Total Return Index (EUR) (MN40MUE Index) in the period from the preceding Calculation Day – subject to a clawback provision) 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
Dealing Day Cut-Off	10:00am Irish Time
Settlement	T+3 T+4 (GBP share classes)
Redemption Fee	0%
Administrator	Northern Trust Fiduciary Services (Ireland) Limited
Entry Charges	0%
Launch Date	
A EUR	07.10.1998
AA GBP	02.03.2012
B EUR	27.11.2009
C GBP	02.03.2012
M EUR	01.09.2016
Current NAV	
A EUR	566.38
AA GBP	11.16
B EUR	119.89
C GBP	13.09
M EUR	151.23
Bloomberg Code	
A EUR	GRIEEUI ID
AA GBP	RAMEAAG ID
B EUR	GRIEEUB ID
C GBP	RAMEECG ID
M EUR	RAMEEME ID
ISIN Code	
A EUR	IE0002787442
AA GBP	IE00B74GCZ17
B EUR	IE00B53RTW70
C GBP	IE00B762ZY72
M EUR	IE00BD03V952

Signatory of:

