

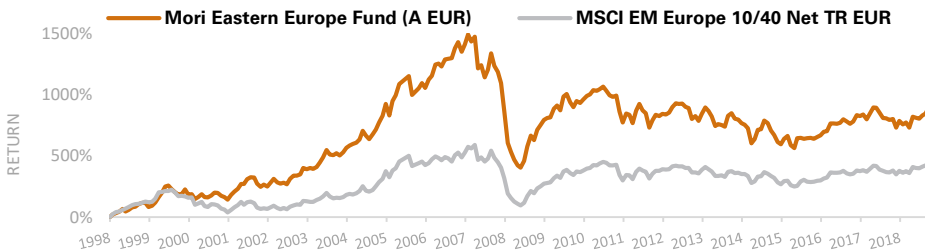
# Mori Eastern European Fund



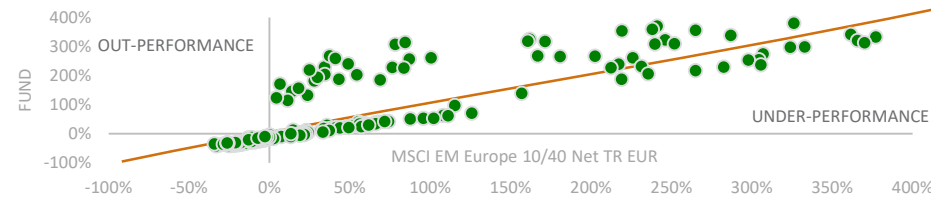
## Fund Objective

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.

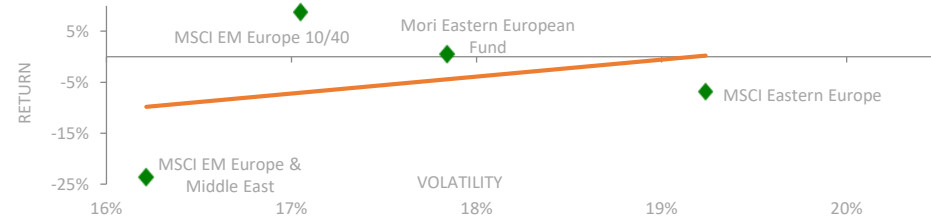
## Historical Performance<sup>1</sup> (Since inception to 28 June 2019, EUR A-Share Class)



## 5-Year Rolling Returns<sup>2</sup> (Since inception to 28 June 2019, EUR A-Share Class)



## Return / Volatility<sup>3</sup> (Since launch date to 28 June 2019, EUR C-Share Class)



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

	1mth	YtD	1Yr	2Yr	3Yr	5Yr	10Yr	Since Inception
Fund	6.0%	20.9%	12.7%	17.3%	36.2%	8.1%	37.8%	903.6%
Index	5.1%	19.5%	18.3%	22.4%	41.9%	15.2%	86.2%	447.7%

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

Country Breakdown	% of Port.	vs. Index
Russia	57.9	-1.1
Turkey	15.0	6.3
Poland	12.9	-6.3
Greece	5.8	0.4
Czech Republic	3.0	0.3
Ukraine	1.7	1.7
Hungary	0.0	-5.0
Cash & Equivalents	3.7	3.7

## Sector Breakdown

Sector Breakdown	% of Port.	vs. Index
Energy	29.0	-11.6
Financials	27.4	-0.7
Industrials	9.3	8.4
Materials	9.0	-3.3
Consumer Staples	7.0	1.6
Telecommunications	6.8	2.5
Consumer Discretionary	3.1	-0.2
Information Technology	2.1	0.9
Real Estate	1.5	1.5
Diversified	1.1	-0.1
Utilities	0.0	-2.7
Cash & Equivalents	3.7	3.7

## 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 79.6m

## Portfolio Characteristics

	Fund	Index
(%) Volatility	17.3	16.6
(%) Active Share	45.5	
(%) Tracking Error	4.3	
Information Ratio	-0.3	

## Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	7.1	7.2
Price to Book	1.5	1.0
Return on Equity	20.6	14.9
Dividend Yield (12 months forward)	5.2	5.4

## Top 10 Holdings

Gazprom	9.4
Sberbank	9.3
Lukoil	7.7
PKO	5.2
Novatek	4.7
PZU	4.5
Severstal	2.7
Norilsk Nickel	2.6
Tatneft	2.4
Gekterna	2.1

## Market Cap

> 5 Bln	61.9%
1-5 Bln	25.8%
< 1 Bln	8.5%

<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). 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 28.06.2019.

# Mori Eastern European Fund



## Performance

Risk assets rallied in June with more accommodative statements coming from the US Fed about potential interest rate cut(s) and the G20 Summit held in Osaka, Japan, toward the end of the month. Oil prices corrected in early June but recovered later following news reports that OPEC and Russia extended their agreement on production figures into 2020. The Hungarian index closed the month 1% lower in euro terms, while all the other Emerging European indices were up for the month. The net asset value of Mori Eastern European Fund increased by 6% in euro terms (C share class) in June, outperforming the MSCI Emerging Europe 10/40 Index, which gained 5.1% on the month.

## Portfolio Activity

Gazprom stock continued its rally in June as more investors and analysts incorporated the new dividend stream into their models. We feel the stock price was supported further by a number of funds that were underweight and/or short in the name. We top sliced Gazprom as our exposure neared the maximum 10% threshold allowed under UCITS.

In Turkey, our equity portfolio remained unchanged. However, we reduced the market/index hedges as the long-awaited Trump-Erdogan meeting at the G20 Summit was friendly. President Trump further stated that Turkey was not treated fairly by the previous Obama administration when it wanted to purchase the US Patriot missile defence system. Thus, Turkey had to look at alternatives and hence went for the Russian S400 missile defence system. Delivery of S400's is expected to start in July and the markets expect that potential sanctions from the US may be limited to defence related companies/entities in Turkey. On the macroeconomic front, the last monthly inflation figure came in lower than expected primarily due to a decline in food prices. Current account deficit also shrank to almost zero in light of the latest official figures. Both bode well for interest rate cuts in the second half of 2019.

We locked in some profits in PKO Bank in Poland as the stock price rebounded nicely following the sell-off in the previous month. We think that the trading range in Polish banks will continue until there is a concrete resolution of the foreign exchange denominated mortgage bill and the future of banking and insurance taxes.

## Outlook

The rhetoric from the G-20 Summit was more positive than generally expected, which gave a push for assets prices in general in the short term. As we are entering the traditionally slow summer months, we think the markets will likely consolidate following a strong month.

## Contacts

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**SOURCE:** Bloomberg as of 28 June 2019, 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 3 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 EUR	02.03.2012
C GBP	02.03.2012
M EUR	01.09.2016
Current NAV	
A EUR	513.15
AA GBP	10.61
B EUR	108.91
C EUR	10.05
C GBP	12.46
M EUR	135.75
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