

**SHINING A LIGHT ON THE.....
BlackRock Greater Europe Investment Trust**

AT A GLANCE

Investment Objective	
To achieve capital growth through investment in a focused portfolio constructed from a combination of the securities of large, mid and small capitalisation European companies with some investment in the developing markets of Europe.	

Inception Date	20 September 2004
Fund Factsheet Link	http://tools.morningstar.co.uk/uk/cefreport/default.aspx?tab=0&vw=sum&SecurityToken=FO00000EYP 2 0 FCGBR\$\$ALL&ClientFund=0&CurrencyId=GBP

Management	
Manager Name	Start Date
Sam Vecht	20 September 2004
Stefan Gries	22 June 2017

Investment Style Details	
Equity Style	
Market Capitalisation	% of Equity
Giant	42.61%
Large	47.42%
Medium	9.48%
Small	0.49%
Micro	0.00%

Top 10 Holdings		
Total number of holdings	37	
Assets in Top 10 Holdings	39.60%	
Name	Sector	% of Assets
Sap se	Technology	4.62%
Unilever NV DR	Consumer Defensive	4.58%
Fresenius Medical Care AG & Co. KGaA	Healthcare	4.32%
Lonza Grop Ltd	Basic Materials	4.04%
RELX NV	Consumer Cyclical	3.94%
Novo Nordisk A/S B	Healthcare	3.87%
Cie Financiere Richemont SA	Consumer Cyclical	3.71%
Danske Bank A/S	Financial Services	3.70%
Industria De Diseno Textil SA	Consumer Cyclical	3.44%
DSV A/S	Industrials	3.38%

Volatility Measurements	
3-Yr Std Dev (volatility)	12.43%
3-Yr Mean Return (average)	13.47%

LWM Consultants Ltd

FUND PERFORMANCE

Performance from 1 January 2013 to 28 February 2018:

	2013	2014	2015	2016	2017	2018
BlackRock Greater Europe Investment Trust	27.18%	-3.83%	16.41%	10.07%	22.95%	-2.66%
iShares MSCI Europe	22.91%	-0.22%	3.13%	17.75%	15.47%	-2.87%

Performance over 1, 3, 5 years and since launch:

	1 year	3 years	5 years	Since Launch
BlackRock Greater Europe Investment Trust	17.58%	46.11%	62.59%	351.38%
iShares MSCI Europe	8.85%	27.29%	51.32%	-

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

UPDATE....

There has been a change in management on the trust, with Stefan taking the lead role in June 2017. As part of this there has been some re-organisation in holdings but fundamentally the philosophy of the fund hasn't changed.

Stefan explained that although the micro picture is important this comes from a bottom up perspective to enable them to get a full picture. By doing this they can find strong companies irrespective of what is happening in a particular country.

From the perspective of what is happening in Europe, at the moment they are seeing a broad-based recovery across sectors, strong employment growth, high corporate and consumer confidence and importantly labour reforms coming from France (a strong France is important to Europe).

Stefan doesn't feel that valuations are particularly stretched in Europe but there are always worries – inflation, interest rates, strength of the Euro, politics etc. Having said that Stefan isn't that worried. The changes in France are potentially good news for Europe and a Government in Germany is positive for reforms within the EU.

Italy is something to watch but this is its 65th government since the end of the Second World War and so the reality is that there is unlikely to be any major problems from these shift in government.

But as Stefan pointed out, although this provides an insight to what is happening in Europe, many of the companies they invest in are global. This means the global picture is as important as what is happening in Europe.

With this background in mind they are looking for the strongest opportunities across the region with a focus on 30 to 40 companies. The fund can invest in Emerging Europe up to 25% of the holdings.

LWM Consultants Ltd

The team are happy to step away from sectors if they think they are unattractive so currently they are underweight sectors like telecoms, utilities and basic materials. Where they are finding opportunities are in luxury brands and smaller healthcare companies.

Some examples of holdings include Straumann which is a dental implant manufacturer and Sika which is a construction chemical company. They are invested in a diversified group of companies where the common factor is that they offer growth and earnings power not reflected in the market.

They have 5 holdings in Emerging Europe where they feel valuations are currently attractive. They accept these are riskier stocks, but they also offer considerable upside potential.

Stefan came on board 12 months ago and took control of the trust in June. The changes he has made have started to filter through from June. The 12-month figures are stronger than when we last reviewed the fund and this impacts the longer-term numbers. Investing in European Funds is competitive, and this would have to be compared to other funds in the market. One key difference is the opportunity to invest in Emerging Europe.

In summary, a new manager and strategy has seen performance improve but in a competitive market this fund would have to be compared to other opportunities in the market place.

The source of information in this note has been provided by BlackRock and is correct as at March 2018. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.