

**SHINING A LIGHT ON THE.....**  
**Man GLG Continental European Growth Fund**

**AT A GLANCE**

Investment Objective	
<p>The objective of the Fund is to achieve above average long-term capital growth through investing, directly or indirectly, primarily in the quoted securities of companies listed on European Stock Exchanges. To achieve the objective the Fund will be invested primarily in stocks, ADRs and other equity linked instruments including (without limitation) exchange traded or "over the counter" financial derivative instruments such as stock options, equity swaps and contracts for differences. The Fund may also invest in transferable money market securities (including certificates of deposit, commercial paper and bankers' acceptances), fixed and floating rate government and corporate bonds, bonds convertible into common stock, preferred shares and other fixed income investments.</p>	

<b>Inception Date</b>	17 <sup>th</sup> July 1998
<b>Fund Factsheet Link</b>	<a href="http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=FOGBR04SOC">http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=FOGBR04SOC</a>

Management	
<b>Manager Name</b>	<b>Start Date</b>
Rory Powe	1 <sup>st</sup> October 2014

Investment Style Details	
<b>Equity Style</b>	
<b>Market Capitalisation</b>	<b>% of Equity</b>
Giant	18.58%
Large	40.19%
Medium	32.91%
Small	8.31%
Micro	0.00%

Top 10 Holdings		
<b>Total number of holdings</b>	32	
<b>Assets in Top 10 Holdings</b>	52.15%	
<b>Name</b>	<b>Sector</b>	<b>% of Assets</b>
SAP SE	Technology	7.51%
Chr. Hansen Holding A/S	Basic Materials	6.97%
Ferrari NV	Consumer Cyclical	5.76%
ASML Holding NV	Technology	5.61%
Carnival Corp	Consumer Cyclical	4.64%
Partners Group Holding AG	Financial Services	4.60%
Essilorluxottica	Healthcare	4.56%
Assa Abloy AB B	Industrials	4.27%
Delivery Hero SE	Technology	4.20%
Aena SME SA	Healthcare	2.34%

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Volatility Measurements	
3-Yr Std Dev (volatility)	10.65%
3-Yr Mean Return (average)	13.46%

## FUND PERFORMANCE

Performance from 1<sup>st</sup> January 2013 to 31<sup>st</sup> October 2018:

	2013	2014	2015	2016	2017	2018
<b>Man GLG Continental Europe Growth Fund</b>	28.03%	6.58%	30.94%	15.68%	17.87%	-2.86%
<b>iShares MSCI Europe Ex UK ETF</b>	24.53%	0.04%	4.07%	19.51%	16.37%	-4.87%

Performance over 12 months, 3 years, 5 years and since launch:

	1 year	3 years	5 years	Since launch
<b>Man GLG Continental Europe Growth Fund</b>	-4.77%	43.67%	87.54%	408.25%
<b>iShares MSCI Europe Ex UK ETF</b>	-6.05%	33.44%	37.79%	-

*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....

This fund has a good reputation with a strong management team. The manager started the update by explaining that performance had been strong in the first eight months of the year. It then had a poor September and October. As he added, if there is any silver lining the fund is ahead of the index although he is disappointed that all the hard work has been undone in two months.

The aim of the fund is to be resilient in all trading periods, however, in the last couple of months the fund has been in the eye of the storm. The fund aims to sit between value orientated and defensive stocks. It also has a higher exposure to mid and smaller cap stocks. In September and October there was a rotation out of growth and it meant these stocks were hit hardest as were small and mid-cap companies.

An example of a holding which suffered was Ryanair which was down 15%. A mixture of strikes and reducing fares haven't helped but fundamentally the core investment thesis remains strong; this company has a competitive advantage and is addressing a structurally growing market. They expect profits to grow considerably over the coming years.

The team are aware that earnings growth will be hard for some companies in Europe moving forward. Consumer patterns are changing, there are wage pressures, tariffs and supply chain tensions. But they are looking for companies with strong market positions, resilient business models, high returns on invested capital and strong financials.

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The fund is made up of what they call established leaders (87%) and 13% is in emerging winners. They like global companies and about 61% is business to business, the business to consumer is much smaller and about 18% are classed as wholesalers. 21% is invested in luxury good companies where they feel there is no downward pressure on pricing. Importantly 61% of businesses profit comes from recurring income streams.

In summary, this is a well-managed and focused strategy which has delivered positively for investors. It is worth adding that like the UK space there a number of funds trying to secure investors money and investors should consider all options before investing.

*The source of information in this note has been provided by Man GLG and is correct as at October 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.*