

**SHINING A LIGHT ON THE.....  
ASI Europe ex UK Equity Fund**

**AT A GLANCE**

<b>Investment Objective</b>	
The Fund aims for maximum capital growth through investment in a broad spread of European securities. The Manager will invest in European companies which offer good prospects for capital growth. Whilst the Fund will invest principally in companies incorporated in Europe, the Manager may also invest in companies which derive an important proportion of their earnings from European trade or operations. It is intended that the Fund will have minimal exposure to the UK. The Manager will also take opportunities as they arise to invest in European emerging markets.	

<b>Inception Date</b>	12 <sup>th</sup> October 2009
<b>Fund Factsheet Link</b>	<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F0000045EX">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F0000045EX</a>

<b>Management</b>	
<b>Manager Name</b>	<b>Start Date</b>
Ben Ritchie	
Angus Tester	
Kurt Cruickshank	

<b>Investment Style Details</b>	
<b>Equity Style</b>	
<b>Market Capitalisation</b>	<b>% of Equity</b>
Giant	26.10%
Large	45.11%
Medium	27.10%
Small	1.68%
Micro	0.00%

<b>Top 10 Holdings</b>		
<b>Total number of holdings</b>	31	
<b>Assets in Top 10 Holdings</b>	41.89%	
<b>Name</b>	<b>Sector</b>	<b>% of Assets</b>
Heineken NV	Consumer Defensive	5.08%
Ubisoft Entertainment	Communication Services	4.56%
ASML Holding NV	Technology	4.55%
Novo Nordisk A/S B	Healthcare	4.32%
Nestle SA	Consumer Defensive	4.06%
Kerry Group PLC Class A	Consumer Defensive	3.86%
Hannover Rueck SE	Financial Services	3.77%
Amadeus IT Group SA A	Technology	3.74%
SAP SE	Technology	3.73%

<b>Volatility Measurements</b>	
<b>3-Yr Std Dev (volatility)</b>	11.90%
<b>3-Yr Mean Return (average)</b>	6.15%

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## FUND PERFORMANCE

Performance from 1<sup>st</sup> January 2014 to 31<sup>st</sup> March 2020:

	2014	2015	2016	2017	2018	2019	2020
<b>ASI Europe ex UK Equity Fund</b>	-0.85%	4.61%	19.30%	17.44%	-3.92%	27.47%	-10.68%
<b>iShares MSCI Europe ex-UK ETF</b>	0.04%	4.07%	19.51%	16.37%	-9.95%	19.41%	-17.34%

Performance over 12 months, 3 years, 5 years, and 10 years:

	1 year	3 years	5 years	10 years
<b>ASI Europe ex UK Equity Fund</b>	1.56%	19.60%	38.91%	89.27%
<b>iShares MSCI Europe ex-UK ETF</b>	-8.06%	-3.17%	17.18%	62.60%

*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 update has been written at the time of the Coronavirus Pandemic of 2020, which has impacted the global financial markets in a way that has never been seen before.**

We spoke to the team before the severe market shock. This review was a chance to see how the fund has reacted in this current environment. The first thing from the call which gave us confidence is that the team remain focused on the process and not much has changed as a result of the recent market turbulence.

The focus has always been on quality companies, and they believe this remains the right place to be, especially in this environment. We are in a situation where some companies are operating with no revenue but still have costs. The focus is on the liquidity within those businesses and balance sheets. Can these companies survive and are they going to come out of this stronger?

In terms of performance the fund looks to protect on the downside without compromising on upside capture. In this environment it has done that. Any negative return is not great but for a fully invested fund they have been able to demonstrate they can outperform the market in negative periods.

In terms of holdings, towards the end of February/beginning of March they had added to Nestle and Novo Nordisk. Holdings they have reduced include Heineken, Hanover Rueck and Unilever. They have also added to Amadeus and NTL.

We talked about the severe correction and they explained that it has made them look at everything. The important message is that the fund has done what it should do, and they are pleased with this. They believe a lot of the holdings will come out stronger from this and take market share. Amadeus is an example of this, where competitors have greater levels of debt and could get weaker, enabling them to take greater market share.

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Much of the time in recent days has been about speaking to companies and going through sectors. The key now is to make sure they have not missed anything with any of the companies they hold. The first quarter results will be important, and they expect increased volatility within markets as these come through. They added that if there is a rally in value then this fund will underperform, and although this worries them they do not think that this is likely to happen as it assumes strong growth coming through, which they do not see.

In summary, although this period has been hard for the team they have been pleased that the fund has delivered what it looks to do. They believe the fund is well positioned for the upside when it comes.

*The source of information in this note has been provided by ASI and is correct as at April 2020. 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.*