

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

AT A GLANCE

| Investment Objective | |
|--|--|
| 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. | |

| | |
|----------------------------|---|
| Inception Date | 12 th October 2009 |
| Fund Factsheet Link | https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F0000045EX |

| Management | |
|---------------------|-------------------|
| Manager Name | Start Date |
| Ben Ritchie | |
| Angus Tester | |
| Kurt Cruickshank | |

| Investment Style Details | |
|---------------------------------|--------------------|
| Equity Style | |
| Market Capitalisation | % of Equity |
| Giant | 31.98% |
| Large | 38.24% |
| Medium | 28.15% |
| Small | 1.63% |
| Micro | 0.00% |

| Top 10 Holdings | | |
|-------------------------------------|------------------------|--------------------|
| Total number of holdings | 30 | |
| Assets in Top 10 Holdings | 46.86% | |
| Name | Sector | % of Assets |
| Novo Nordisk A/S B | Healthcare | 5.82% |
| ASML Holding NV | Technology | 5.62% |
| Nestle SA | Consumer Defensive | 5.57% |
| Deutsche Boerse AG | Financial Services | 5.28% |
| Ubisoft Entertainment | Communication Services | 4.78% |
| Wolters Kluwer NV | Communication Services | 4.25% |
| Prosus NV Ordinary Shares - Class N | Communication Services | 4.19% |
| Kerry Group PLC Class A | Consumer Defensive | 4.03% |
| SAP SE | Technology | 3.70% |
| Amadeus IT Group SA A | Technology | 3.62% |

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| Volatility Measurements | |
|----------------------------|--------|
| 3-Yr Std Dev (volatility) | 12.91% |
| 3-Yr Mean Return (average) | 8.62% |

FUND PERFORMANCE

Performance from 1st January 2014 to 31st May 2020:

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------|--------|-------|--------|--------|--------|--------|--------|
| ASI Europe ex UK Equity Fund | -0.85% | 4.61% | 19.30% | 17.44% | -3.92% | 27.47% | 2.94% |
| iShares MSCI Europe ex-UK ETF | 0.04% | 4.07% | 19.51% | 16.37% | -9.95% | 19.41% | -7.24% |

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

| | 1 year | 3 years | 5 years | 10 years |
|-------------------------------|--------|---------|---------|----------|
| ASI Europe ex UK Equity Fund | 11.64% | 28.15% | 59.31% | 140.78% |
| iShares MSCI Europe ex-UK ETF | 1.64% | 3.31% | 33.10% | 106.27% |

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.

This was a further update with the team at a time when there has been some stability within markets. They started by explaining that the most cyclical businesses and those with large levels of debt have been hardest hit, for example, banks, oils and automotive. They believe that although the macro picture in Europe is poor there is a compelling argument at company level, but it has to be the right company.

The focus is on quality businesses which can perform well across different environments. They will have better earnings growth and lower levels of debt. They have 30 holdings and have a active share of 81% (this is the number of holdings different to the benchmark). The aim is to protect on the downside but capture upside growth.

The fund is well positioned with companies like Amadeus and SAP benefiting from the digitisation of industry, Tecan and Julius Bar benefiting from changing demographics and L'Oreal and Kerry benefiting from consumer trends.

Some new holdings during this period include Wolters Kluwer who provide expert solutions for businesses. They have good levels of cash generation, high levels of recurring revenues, strong balance sheet and the ability to deliver double digit returns. Another example is Swedish Match who are a

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global leader in smoke free tobacco products, with a growth opportunity set in North America. They are a successful and profitable businesses but remain cheap.

Moving forward they believe the world will be focused on quality, especially in a environment of low growth, low inflation and low interest rates. Within this environment the amount companies can grow is pretty modest and therefore they will continue to focus on companies that can sustainably grow.

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