

**SHINING A LIGHT ON THE.....  
LF Miton European Opportunities Fund**

**AT A GLANCE**

Investment Objective
The investment objective of the fund is to achieve a combination of income and growth.

Inception Date	14 <sup>th</sup> December 2015
Fund Factsheet Link	<a href="http://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000WMCG">http://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000WMCG</a>

Management	
Manager Name	Start Date
Carlos Moreno	14 <sup>th</sup> December 2015
Thomas Brown	14 <sup>th</sup> December 2015

**FUND PERFORMANCE**

Performance from 1<sup>st</sup> January 2016 to 30<sup>th</sup> September 2020:

	2016	2017	2018	2019	2020
<b>LF Miton European Opportunities Fund</b>	22.69%	28.66%	-4.00%	34.19%	24.97%
<b>MSCI Europe Ex UK</b>	3.20%	14.48%	-10.55%	19.41%	-7.74%

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

	1 year	3 years	Since launch
<b>LF Miton European Opportunities Fund</b>	31.48%	65.20%	163.39%
<b>MSCI Europe Ex UK</b>	-2.88%	5.54%	27.07%

*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.*

Tracking Error	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
8.55	125.18	51.92	75.00	1.15	9.23	Growth/Mid

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Volatility Measurements	
3-Yr Std Dev (volatility)	15.41%
3-Yr Mean Return (average)	18.21%

Investment Style Details	
Giant	3.22%
Large	24.70%
Medium	47.47%
Small	21.98%
Micro	0.66%

Top 5 Holdings – 53 Holdings, 30.70% in top 10 holdings		
FinecoBank SpA	Financial Services	3.84%
Soitec SA Share From reverse split	Technology	3.76%
ASML Holding NV	Technology	3.61%
Vestas Wind Systems A/S	Industrials	3.22%
Homeserve PLC	Industrials	3.20%

Top 5 Sectors	
Industrials	19.85%
Technology	19.72%
Healthcare	18.31%
Financial Services	17.30%
Communication Services	11.33%

Top 5 Regions	
Switzerland	18.38%
France	16.62%
Germany	13.91%
Italy	13.68%
Sweden	8.81%

## UPDATE....

**These updates have 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 is one of the top performing European Funds. The managers have a sharp focus on quality and look for those companies which can compound earnings. They are benchmark aware rather than constrained. If we look at the high level metrics we can see a high batting average which is a measure of good stock picking, and importantly the fund has been able to outperform both in falling and rising markets as can be seen in the upside and downside capture.

Coming into the year they felt the fund was well valued but not expensive. When the market dislocation came the bias to quality helped the performance as well as low levels of debt within the companies they hold, which meant they were better able to respond to the environment.

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They also benefited from holdings in healthcare and technology. They reduced weightings in some of the defensive names and recycled this into some cyclicals, but in the main this has been within existing holdings rather than adding new holdings.

This change meant that as the markets recovered they were able to outperform, although the performance is currently in line with the market. If they change holdings, then they would look to one a month as a maximum.

Weightings to healthcare and industrials are down and technology, autos and retail is up. Many of the top ten are unchanged from the end of 2019. Vestas, Qiagen and Kongsberg are still held by the fund but have now dropped out of the top ten. They have sold Phillips and added Soitec and Siemens. Adevinta and CTS have come into the top ten.

In summary, this remains an excellent fund with an excellent track record. Both in 2018 and 2020 it was able to protect on the downside, and at the same time capture the upside when it came. The focus on quality is important and being able to identify opportunities has clearly benefited the performance.

*The source of information in this note has been provided by LF Miton and is correct as at September 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.*