

**Trigon New Europe Fund**

Fact Sheet | April 2017

**Overview**

Trigon New Europe Fund invests in listed equity securities of European Union new member states and accession countries. The Fund focuses on investments in Poland, the Czech Republic, Hungary, Romania, Slovenia, Austria (companies with CEE exposure), Serbia, Bulgaria, the Baltic countries and can invest in Turkey. The Fund does not invest in Russia.

The Fund includes around 35-40 thoroughly researched companies. The Fund's investment style is value investing, with active management and stock-picking used to identify attractively-valued equities. Trigon's investment team aims to visit all companies in which we invest, with a preference toward undervalued stocks with solid growth and good dividend yield.

**Fund Facts**

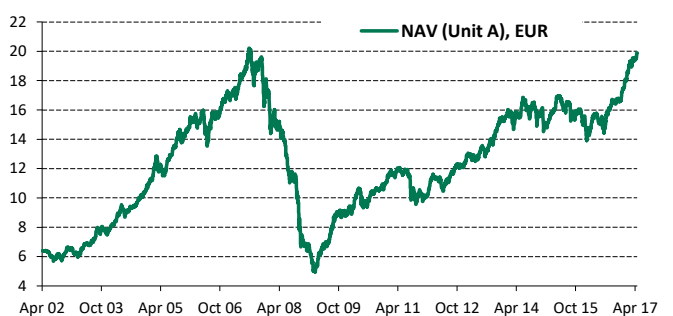
<b>Fund AUM:</b>	€101.9 mil
<b>Positions:</b>	43
<b>UCITS IV:</b>	Yes
<b>Auditor:</b>	PwC
<b>Depository:</b>	Swedbank
<b>Dealing:</b>	Daily (EUR)
<b>Domicile:</b>	Estonia
<b>Launch:</b>	Apr 10, 2002

**Fund Manager's Comments**

The rally in New Europe equities gained momentum in April backed by positive first round results in French elections and strong macro dynamics in both Eastern and Western Europe. Trigon New Europe Fund advanced by 2.9% losing ground to its benchmark index which rallied by 5.7% backed by further strength in Polish equities and exchange rate. In YTD terms, the Fund is up by 13.3%, 470 bps less than the Stoxx EU Enlarged Index. In 5-year terms the Fund is up by 75% compared to 40% performance of the benchmark index.

In April strong top-down flows continued to Poland, taking the Polish index valuation levels above its 10-year average. On forward looking P/E basis Poland is trading at 12.4x earnings, 7.4% premium to its 10-year average. On P/B basis the multiple is in line with its 10-year historical average at 1.3x. In relative terms the Polish multiples look still attractive in world context, as world equity index trades at 18% and Emerging Markets index at 9% premium to its past 10-year average forward looking P/E, respectively at 15.5x and 11.2x. In regional context though, we see much better valuations in Romania and Slovenia. Both markets trade at a single digit forward-looking earnings multiples at 9.1x and 9.9x, respectively, at deep discounts to their own and emerging world historical averages. Unlike in Turkey, where current P/E discount to historical multiples can be explained by 7-year high bond yield environment, the financing cost for governments and corporates in Romania and Slovenia is close to historical lows.

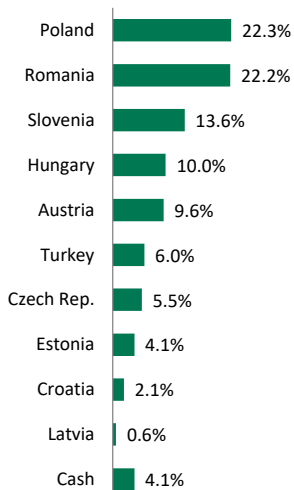
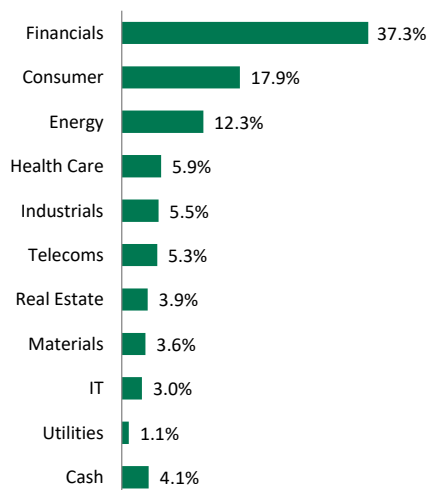
The Trigon New Europe Fund portfolio offers a good value in current uncertain environment: trailing P/B of 1.3x, 2017E ROE of 12%, weighted average 2017E P/E ratio of 12.2x and 2017E EV/EBITDA of 6.2x. The weighted average dividend yield for the portfolio in 2017E and 2018E is 4.7% and 5.2%, respectively.

**Performance (net of fees)**


30-Apr-17	Unit A	Unit C	Benchmark*
Year-to-Date	13.3%	13.1%	18.0%
1 month	2.9%	2.9%	5.7%
3 months	7.2%	7.0%	11.0%
6 months	18.7%	18.4%	22.0%
1 year	28.6%	27.9%	29.4%
2 years	18.1%	16.9%	7.1%
3 years	27.4%	25.5%	20.4%
5 years	75.1%	70.6%	40.0%
Since launch	211.4%	216.1%	n/a*
Launch of unit	10-Apr-02	08-Apr-09	n/a*

Fund Details	Unit A	Unit C
NAV in EUR	19.8976	31.6091
12 months High	19.8976	31.6091
12 months Low	14.4300	23.0203
Management fee, annual	Up to 1.5%	Up to 2%
Performance fee	none	none
Subscription fee**	n/a	Up to 2%
Redemption fee	Up to 1.5%	Up to 1.5%
Stock code/ISIN	EE3600018602	EE3600102372
Bloomberg code	TRICEAE ET	TRICEAC ET
Lipper code	65006724	68011005
Minimum subscription	n/a	none
Sharpe ratio (5 years)	1.15	
Daily volatility (1 year)	10.3%	

To receive the breakdown of the Fund's holdings or any other additional information, please send a request to [funds@trigoncapital.com](mailto:funds@trigoncapital.com).

**Geographic allocation**

**Sector allocation**


**Disclaimer:** Past performance of the fund does not guarantee or indicate future performance of the fund. The value of the fund units may increase and decrease over time, therefore there is no guarantee that the investors get back the amount invested in the fund. The risk factors of the fund are described in further detail in the prospectus of the fund available on the website [www.trigoncapital.com](http://www.trigoncapital.com). Please refer to the important legal notice on the last page of this report.

\*The benchmark index, Stoxx EU Enlarged TMI Total Return (EUR), was created on December 31st, 2002. Source: Bloomberg.

\*\*C units can be subscribed to as of April 6th, 2009. As of April 6th, 2009 it is not possible to subscribe to A units.

NAV movements can be followed in: Bloomberg, [www.trigoncapital.com](http://www.trigoncapital.com), [www.morningstar.fi](http://www.morningstar.fi)

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**Monthly Performance (Unit A)**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Annual	CAGR*	
2017	5.7%	2.5%	1.6%	2.9%											
2016	-5.7%	0.3%	6.6%	-1.5%	-1.1%	-2.1%	5.2%	3.5%	1.1%	1.5%	-0.4%	5.2%	12.7%		
2015	0.5%	4.2%	1.6%	4.8%	-0.6%	-4.1%	2.9%	-4.6%	-2.4%	3.4%	-1.0%	-1.1%	3.2%		
2014	0.4%	1.1%	-1.6%	0.4%	5.4%	0.4%	-4.7%	2.3%	0.5%	-2.2%	1.4%	-5.9%	-3.0%		
2013	2.7%	-1.4%	-0.7%	2.4%	4.0%	-3.2%	4.0%	2.1%	5.5%	3.5%	3.2%	0.1%	24.0%		
2012	7.2%	5.9%	-0.9%	-0.3%	-6.9%	5.3%	2.1%	2.8%	4.3%	-0.1%	-0.4%	3.4%	24.0%	2 years	7.8%
2011	4.0%	0.5%	1.4%	1.2%	-2.6%	1.3%	-3.0%	-6.9%	-7.7%	4.0%	-1.9%	0.4%	-9.5%	3 years	4.1%
2010	4.9%	1.1%	9.5%	1.1%	-5.9%	-4.0%	7.9%	0.8%	3.6%	-0.5%	0.0%	5.9%	25.8%	5 years	11.6%
2009	-8.2%	-12.5%	7.3%	15.9%	1.6%	5.9%	11.8%	12.5%	3.2%	-1.5%	-0.1%	0.8%	38.3%		
2008	-11.5%	1.1%	-1.8%	-4.7%	-3.3%	-13.1%	-3.4%	-2.4%	-14.1%	-27.7%	-2.1%	-7.0%	-62.5%		
2007	-0.1%	-0.5%	4.0%	2.6%	3.8%	5.4%	-2.8%	-1.0%	-1.9%	4.1%	-9.6%	-2.7%	0.4%		
2006	3.3%	1.3%	-1.5%	2.9%	-7.6%	2.0%	7.2%	-1.5%	0.2%	4.9%	1.7%	2.3%	15.5%		
2005	3.6%	11.1%	-5.5%	-5.2%	3.7%	6.9%	3.7%	3.6%	5.6%	-3.6%	3.4%	2.2%	32.2%		
2004	4.4%	4.3%	5.2%	1.1%	-0.5%	2.8%	0.9%	1.5%	4.3%	2.9%	3.1%	5.4%	41.6%		
2003	-3.7%	-1.5%	0.7%	9.0%	2.8%	-2.2%	6.8%	8.8%	-4.5%	4.3%	-3.3%	4.3%	22.2%		
2002	-	-	-	0.1%	-1.2%	-5.0%	-1.6%	4.2%	-4.7%	4.8%	7.0%	-1.5%	-		

\*Performance net of fees

**Risk Management Report (Unit A)**

	1M	3M	6M	1Y	2Y
Volatility (daily)	5.5%	6.6%	6.8%	10.3%	11.3%
Volatility (monthly)				8.8%	11.6%

**Downside Risk Analysis**

Negative months/total	70/181	39%
Worst calendar month	-27.7%	
Worst calendar quarter	-34.2%	

**Upside Risk Analysis**

Positive months / total	111/181	61%
Best calendar month	15.9%	
Best calendar quarter	29.9%	

**Geographic Allocation**

	Apr-17	Oct-16	Apr-16
Poland	22.3%	27.8%	22.2%
Romania	22.2%	24.3%	24.2%
Slovenia	13.6%	13.3%	7.9%
Hungary	10.0%	7.2%	8.2%
Austria	9.6%	7.2%	10.1%
Turkey	6.0%	-	-
Czech Rep.	5.5%	8.0%	14.8%
Estonia	4.1%	6.2%	8.1%
Croatia	2.1%	-	-
Latvia	0.6%	-	-
Serbia	-	-	1.5%
Bulgaria	-	-	0.2%
Cash	4.1%	6.0%	2.6%

**Market Cap Allocation**

Micro Cap (up to 150m EUR)	2.8%
Small Cap I (150 - 500m EUR)	20.0%
Small Cap II (500m - 1bn EUR)	9.1%
Mid Cap (1 - 3 bn EUR)	38.7%
Blue Chip (more than 3bn EUR)	25.3%

**Sector Allocation**

	Apr-17	Oct-16	Apr-16
Financials	37.3%	31.9%	39.8%
Consumer	17.9%	20.3%	8.2%
Energy	12.3%	15.3%	9.8%
Health Care	5.9%	3.9%	4.2%
Industrials	5.5%	5.4%	14.1%
Telecoms	5.3%	8.2%	4.4%
Real estate	3.9%	-	-
Materials	3.6%	1.7%	-
IT	3.0%	2.2%	3.6%
Utilities	1.1%	4.8%	13.2%
Other	-	0.2%	-
Cash	4.1%	6.0%	2.6%

**Monthly Return Contribution Analysis (Unit A)**

Poland	1.7%	Financials	2.2%
Hungary	0.6%	Energy	0.6%
Romania	0.4%	Real Estate	0.3%
Austria	0.3%	Industrials	0.2%
Turkey	0.3%	IT	0.0%
Slovenia	0.2%	Health Care	0.0%
Czech Rep.	0.2%	Utilities	0.0%
Latvia	0.1%	Telecoms	0.0%
Estonia	-0.1%	Materials	0.0%
Croatia	-0.6%	Consumer	-0.3%
Gross Performance	3.1%		3.1%

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**Best Emerging Europe Equity Fund over 3 & 5 years**

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**Best Emerging Europe Equity Fund over 3 & 5 years**

**Best Emerging Europe Equity Fund over 3 years (2014)**

**Best Emerging Europe Equity Fund over 3 years**

**Best Emerging Europe Equity Fund over 3 years (2014)**

**Important Legal Information**

Management Company: AS Trigon Asset Management

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Please see the prospectus, rules and other important information about the funds on the website [www.trigoncapital.com](http://www.trigoncapital.com). The fund management company is supervised by Estonian Financial Supervision Authority.

Additional information for Swiss clients: The extract prospectus (edition for Switzerland), the Key Investors Information Documents, the fund rules, the annual and semi-annual report, in German, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, tel.: + 41 22 7051177, fax: + 41 22 7051179, web: [www.carnegie-fund-services.ch](http://www.carnegie-fund-services.ch). The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva.

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