

Montanaro European MidCap Fund (€)

29 November 2019

Open Ended

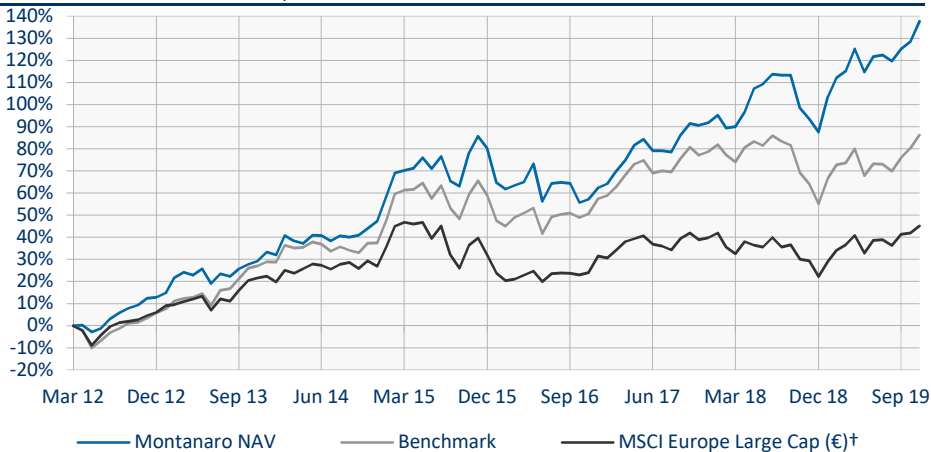
Fund Objective

To outperform its Benchmark, the STOXX Europe Mid 200 (Capital Return) Index. The Fund will invest primarily in MidCap companies quoted in the EU (including the UK), Iceland, Norway and Switzerland with a market capitalisation smaller than the largest constituent of the STOXX Europe Mid 200 (Capital Return) Index at the time of initial investment. No unquoted investments are permitted.

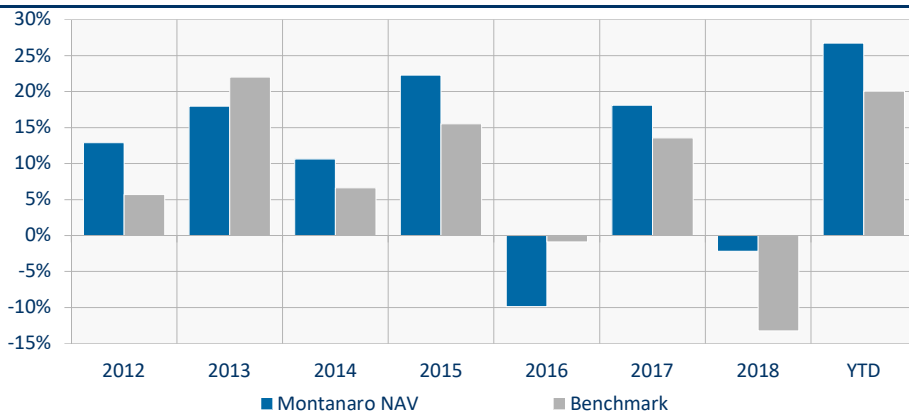
Performance

	YTD	1M	3M	6M	12M	3Y	5Y	Launch
Fund	26.7%	4.0%	8.2%	10.7%	22.8%	51.3%	65.1%	137.7%
Benchmark	20.1%	3.3%	9.6%	10.9%	13.4%	23.6%	35.6%	86.2%
Fund (TR)‡	27.2%	4.0%	8.2%	10.7%	23.3%	52.5%	66.4%	141.1%
STOXX Europe Mid 200 (€ TR)†	23.2%	3.4%	10.0%	12.0%	16.5%	33.2%	52.6%	125.0%

Cumulative Performance Since Inception



Calendar Year Returns



Source: Montanaro, Bloomberg. NAV to NAV, unrounded.

† The Stoxx Europe Mid 200 index (€ gross TR) and the MSCI LargeCap index are used for comparison purposes only.

‡ Dividends reinvested at ex-date.

About Montanaro

Montanaro, an independent specialist asset manager, was established in 1991 to research and invest in quoted Small & MidCap companies. Funds under management are currently €2.9 billion.

Fund Facts

Fund Manager	Montanaro Team
Contact	Alex Magni
Fund Launch	March 2012
Year End	December
Currency	EUR
Class	Distribution
Benchmark	STOXX Europe Mid 200 (€)
Ticker	MEUMCED ID
ISIN	IE00B6VJL827
Sedol	B6VJL82
Net Assets	€143 million
NAV	€2.377
No. of Holdings	25
Median Mkt Cap	€9999 million
Cash	4.6%
Legal Status	Irish OEIC
Listing	Irish Stock Exchange
Valuation Time	Daily 4pm Dublin time
Minimum Investment	€1,000
Dealing Time	12pm Dublin time
Dividend Date	Expected Q1
Management Fee	Annual 1.50%
Performance Fee	20% outperformance of Benchmark + 3%, with a hurdle of €1.917
Authorised for marketing in	Ireland, UK, Switzerland, Sweden, Finland, France

Fund ESG Score

6.4
 The Fund ESG Score is the weighted average of Montanaro's proprietary company ESG Checklist scores (0-10; 10 is best).

Ratings and Awards

★★★★ – Morningstar Rating™
 (as at 30/11/19)

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Important Information

All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

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Top 10 Holdings

Kerry Group	4.7%
MTU Aero Engines	4.6%
Rightmove	4.6%
Recordati	4.5%
St. James Place	4.5%
Moncler	4.5%
Ashtead Group	4.4%
Temenos	4.3%
CTS Eventim	4.3%
Teleperformance	4.2%
Total	44.8%

Risk Analysis

	Fund	Index
Jensen's Alpha (annual)	8.3%	
Beta	0.90	1.00
Standard Deviation	10.6%	11.2%
Sharpe Ratio	1.42	0.68
Tracking Error	3.6%	
Information Ratio	2.34	
Active Share	92.3%	

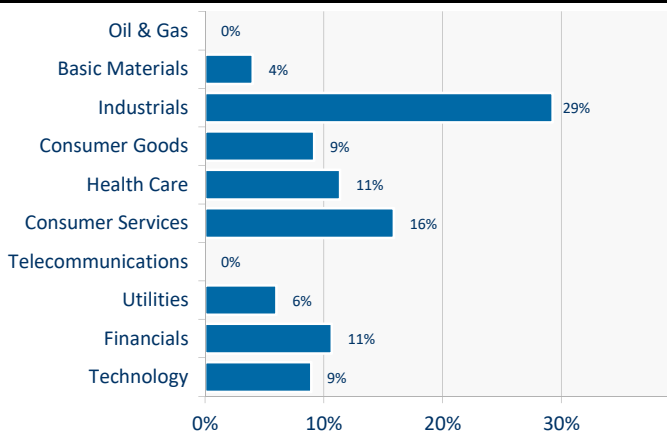
Note: risk statistics over three years

Portfolio Analysis

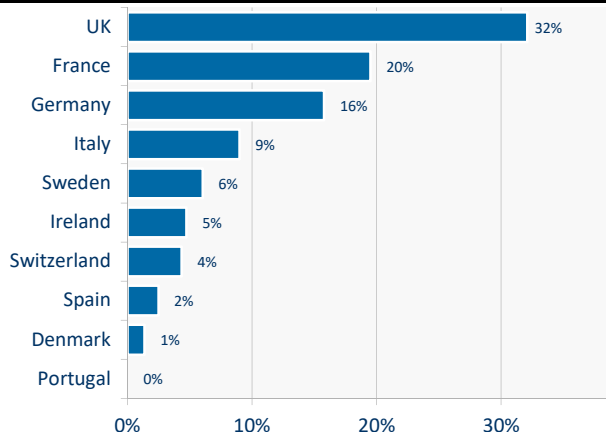
Price / Earnings 20F	23.0
EPS Growth 20F	9.3%
Dividend Yield 20F	2.1%
Dividend Growth 20F	7.5%
Return on Equity 20F	21.7%
EV/EBITDA 20F	17.9
EBIT Margin 20F	28.4%
Net Debt/Equity 20F	51.6%

Source: Factset consensus estimates

Sector Allocation



Country Allocation (Top 10)



Monthly Commentary

Equity markets enjoyed another positive month in November. Within this context, growth remains in vogue. In part, this is thanks to the continued support of Central Banks. Despite occasional worries about rising bond yields, which typically hurt growth stocks, the world of ultra-low interest rates seems set to stay. A sign of the times is that Denmark's third largest bank, Jyske Bank, now offers a 10-year fixed-rate mortgage at -0.5% per year. "Borrow more than you pay back". Oh, Brave New World!

During November, the NAV of the share class increased by 4% in Euro terms, 0.7% ahead of the Stoxx Europe Mid 200 index.

The strongest contribution during the month came from **Moncler**, the luxury clothing brand, which saw good performance despite ongoing protests in Hong Kong. **Halma**, the manufacturer of hazard detection and life protection devices, rose following a good H1 report. **Hexagon**, the leading global provider of measurement technologies, gained after a positive set of results.

The weakest contribution came from **Elekta**, the developer of clinical solutions for treating cancer and brain disorders, which issued a profit warning after a short-term delay in the installation of high margin Gamma Knife units. **Edenred**, the payments and voucher company, weakened due to exposure to volatile Latin America markets. **Recordati**, the pharmaceutical company, underperformed a strong market while still rising in absolute terms, with no company specific news during the month.

Investors will be hoping for a quieter end to the year than was experienced in 2018. Last year, equity markets fell across the board on Christmas Eve, before swiftly rebounding. So extreme were the moves that the Dow Jones recorded its biggest ever daily points gain on December 26th. If ever there was an example of why selling heavily before the holidays was a bad idea, this was it.

With returns having been so strong this year, investors could be forgiven for hoping that markets merely trade sideways in the weeks ahead. This may be wishful thinking given the notable political events still ahead of us, such as the UK General Election. It is also unlikely that President Trump takes time off Twitter during the holiday season. Nevertheless, this has historically been a period in which SmallCap has enjoyed seasonal support. Let us hope that a Santa Rally visits us once again.

We wish you a very Merry Christmas and a Happy New Year!

Risk and Reward Profile



These numbers rate how the Fund may perform and the risk of losing some or all of your investment. In general the potential for higher returns also implies a higher level of risk. However, the lowest category (1) does not mean a risk free investment.

This risk rating is based on historical data which may not be a reliable indication of the future risks and rewards of the fund. The risk rating of the fund may change over time.

Past performance is not a reliable indicator of future results. All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

For further information please see the Risk and Reward section of the Key Investor Information Document (KIID).

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