

## Monthly Comment

The Alken Fund European Opportunities was flat in December against 2.1% for the Stoxx 600 benchmark. This brings the relative performance to -10.4% for the year to date.

The election result in the UK and the announcement of the “phase one” trade deal between the US and China were the main headlines in December. Financial markets reacted strongly reflecting reduced uncertainty and closing an outstanding year. More recently, the Chinese Central Bank cut its reserve requirement ratio releasing significant liquidity into the financial system.

British American Tobacco continued its solid trajectory driven by incremental positive news in the US market. The latest regulatory decision on vaping solutions will limit competitive products and favour the company’s existing product which is already fully compliant. B&M European Value Retail rallied driven by improved visibility on the political situation in the UK following the Conservative victory. We expect the business to continue delivering solid results underpinned by a superior price offering and cost efficiencies.

On the downside, Wirecard was under pressure due to persistent negative press articles. We reiterate, as we have done on several occasions, our conviction on the company and its management team which continues to make strong progress within a very attractive industry. We believe the large dislocation between valuation and fundamentals will dissipate over time.

After a strong year for equity markets, the outlook for 2020 will be influenced by the upcoming election in the US and the negotiations to complete Brexit. Political risks have eased slightly whereas economic conditions seem to be stabilising, a favourable environment for stocks with a cyclical bias.

## Portfolio Managers

Nicolas Walewski



Marc Festa



## Investment Objective & Universe

- Achieve annualised capital appreciation in the long-term through a risk adjusted out-performance of the benchmark.
- The fund will invest at least 75% of its assets in equity and equity related securities issued by companies headquartered in Europe.

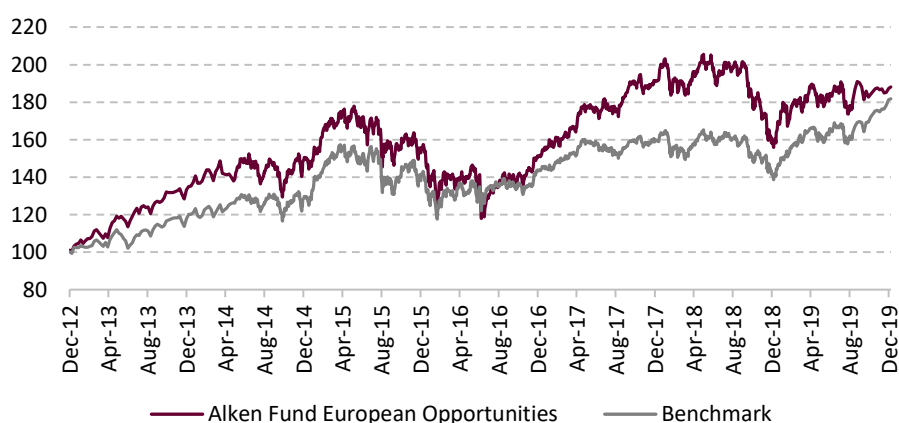
## Fund Facts

AuM:	EUR 1477m
Benchmark:	STOXX Europe 600 Net Return EUR
Base Currency:	EUR
Legal Status:	UCITS
Domicile:	Luxembourg
Management Fee <sup>1</sup> :	1.00%
Performance Fee <sup>2</sup> :	10%
Settlement:	T+4

(1) For shareclasses EU1, US1, CH1, GB1, EU1D, USD1H

(2) Above reference benchmark

## Performance since inception<sup>1</sup>



(1) Performance of the EU1 share class for the fund

Share Class	EU1	US1	CH1	GB1	EU1D	US1H
NAV	187.12	136.51	124.46	172.1	110.24	135.02
Launch Date	Dec-12	May-13	Oct-13	Feb-13	Mar-15	Nov-14
ISIN	LU0866838575	LU0832413909	LU0832414030	LU0832414030	LU1164024165	LU1139087693
Bloomberg	ALKEU1A LX	ALEOUS1 LX	ALKCH1A LX	ALKEGB1 LX	AEOEU1D LX	ALKUS1H LX
Currency Hedging	No	No	No	No	No	Yes

Performance <sup>1</sup>	Fund	Benchmark
Since inception <sup>2</sup>	87.1%	80.2%
YTD	16.5%	26.8%
MTD	0.0%	2.1%
1Y	16.5%	26.8%
3Y	23.7%	25.1%
5Y	25.1%	39.5%
2018	-16.0%	-10.8%
2017	26.5%	10.6%
2016	-3.3%	1.7%
2015	4.7%	9.6%
2014	10.5%	7.2%

(1) Performance of the EU1 share class for the fund

(2) 18 December 2012

Risk Indicators <sup>1</sup>	Fund	Benchmark
Volatility	17.6%	14.7%
Alpha	0.2%	
Tracking Error	7.7%	
Information Ratio	0.1	
Active Share	90.4%	

(1) Since inception

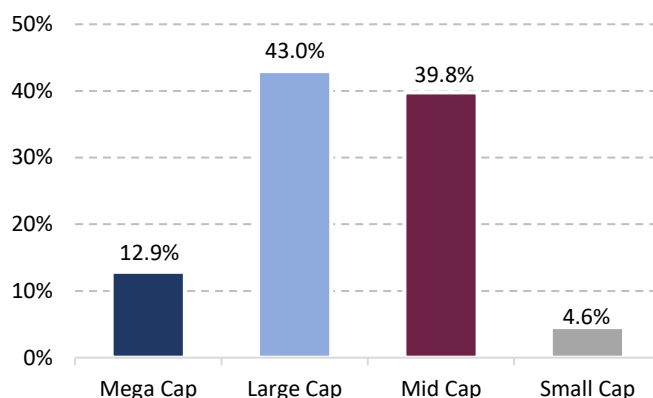
Key Contributors	Exposure	Contribution
British American Tobacco PLC	5.9%	0.5%
B&M European Value Retail SA	3.8%	0.3%
Atacadao SA	1.4%	0.3%

Key Detractors	Exposure	Contribution
Wirecard AG	9.1%	-1.1%
Hurricane Energy	1.5%	-0.5%
Valeo	3.4%	-0.5%

Top 5 Holdings	Exposure
Wirecard AG	9.1%
Peugeot SA	6.1%
British American Tobacco PLC	5.9%
Carrefour SA	5.3%
Eiffage SA	5.1%

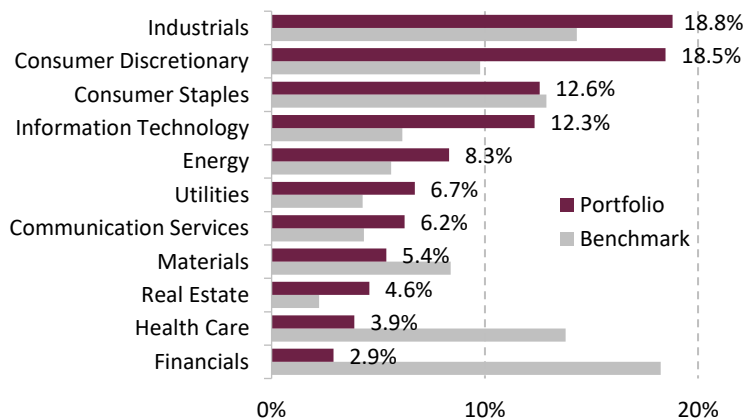
Concentration	Fund	Index
Top 10 Holdings	50.9%	17.3%
Top 20 Holdings	76.2%	27.8%
Number of Holdings	54	600
Cash Holding	1.1%	

## Market Capitalisation<sup>1</sup>

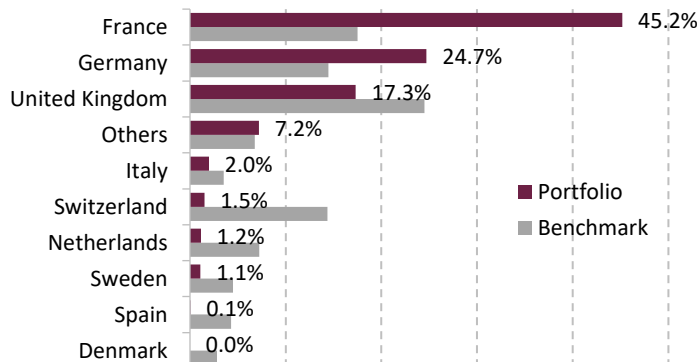


(1) Mega Cap > €50 bn, Large Cap < €50 bn, Mid Cap < €10 bn, Small Cap < €2 bn

## Sector Breakdown



## Country Breakdown



Exposure: end of month exposures

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