



# Alken Fund Absolute Return Europe

Factsheet as at 31st January 2018

NAV EU1 Class 141.66 € NAV US1 Class 148.51 \$ NAV CH1 Class 124.35 CHF NAV GB1 Class 128.95 £

## Investment

### Investment Objective

The Fund aims to provide capital growth and a positive absolute return over long term period through long and short market exposure in the European markets primarily in equities or related derivative contracts, and specifically to deliver absolute (more than zero) returns in each year, although an absolute return performance is not guaranteed.

### Investment Universe

The Fund will have flexible net exposure to equity markets by taking long and short exposures on European equities primarily through the use of transferable securities, linear financial derivatives "delta one" (i.e. non optional, derivative instruments like contracts for difference (CFD) and portfolio swaps) and index futures.

### Fund Manager's Comment

The Alken Absolute Return rose 1.57% in January, bringing the year to date to 1.57%. The net exposure was increased to 47.24% whereas the gross exposure was increased to 128.14%.

Equity markets had a strong start to the year. The appreciation of the euro reflected investors' expectations about the end of quantitative easing. The European Central Bank left interest rates unchanged despite the strengthening of the recovery. Oil prices continued to move upwards, driven in large part by investor speculation.

Within the fund, Wirecard was again a significant contributor as investors recognize the company's strong competitive position in the high-growth e-commerce payments industry. Peugeot and Renault benefitted from improving sentiment towards the automotive industry which has become one of the cheapest cyclical sectors in Europe after last year's derating. Siemens Gamesa released stronger than expected results that started to show operational improvements.

On the negative side, Veolia shares moved down after Suez warned on 2017-2018 profits; we believe this is a company-specific issue and expect Veolia's share price to recover. 1&1 Drillisch consolidated on no incremental news. The telecom sector did not participate in the cyclical rally in January. We reduced our Grandvision position after a poor trading update.

Economic momentum continues to be strong across European economies, as evidenced by all macro indicators. The global recovery remains on track, but investor expectations have caught up with this and we have become increasingly vigilant – the exceptional stability of markets in 2017 is unlikely to extend through 2018.

## Key Data

Total Fund Assets (€ mn)	996
<b>Fund</b>	<b>ABSOLUTE RETURN EUROPE</b>
Legal Status	SICAV - UCITS V
Vehicle Type	PART 1 OF THE 2010 LAW
Fund Launch Date	31/01/2011
Fund Manager	ALKEN ASSET MANAGEMENT LTD.
Custodian	PICTET & CIE (EUROPE) S.A.
Hurdle Rate	5% ANNUALIZED
Cut-Off Subscriptions	16:00 CET
Cut-Off Redemptions	16:00 CET
Fund Status	Open

Shareclass	EU1	US1	CH1	GB1
Share Launch Date	05/02/2013	03/10/2012	15/07/2013	28/06/2013
ISIN	LU086683229	LU0832412760	LU0866838062	LU0832413578
Bloomberg Code	ALKAEU1 LX	ALKEUS1 LX	ALKACH1 LX	ALKAGB1 LX
Distribution Policy	ACC	ACC	ACC	ACC
Sub Settlement	T+4	T+4	T+4	T+4
Red Settlement	T+4	T+4	T+4	T+4
Management Fees	1.10%	1.10%	1.10%	1.10%
Performance Fees*	20%	20%	20%	20%
Hedged	No	Yes	Yes	Yes
Min. Initial Investment	N/A	N/A	N/A	N/A

For other shareclasses in EUR, GBP, USD and CHF please refer to the fund prospectus

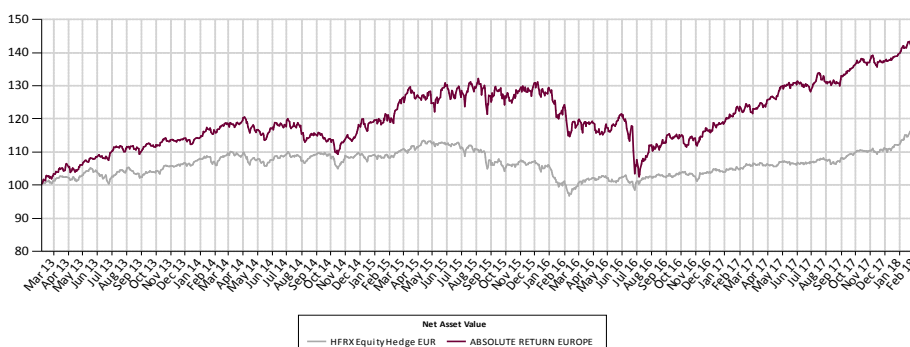
\* Relative to the hurdle rate, payable quarterly.

## Fund Performance Figures (Net)<sup>1</sup>

Performance	Fund
From Start	41.08%
YTD	1.57%
MTD	1.57%
1Y	15.74%
2Y	14.83%
3Y	17.63%
2017	17.58%
2016	-8.12%
2015	7.93%
2014	4.65%

Past performance is not a reliable indicator of future performance

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



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	1.57%												1.57%
2017	3.19%	-0.64%	3.45%	3.10%	0.48%	-1.25%	1.72%	0.76%	3.26%	1.01%	-0.20%	1.57%	17.58%
2016	-4.45%	-3.99%	0.35%	-1.25%	3.33%	-12.74%	5.81%	0.77%	1.61%	-0.41%	1.67%	2.16%	-8.12%
2015	0.68%	4.77%	0.78%	-1.93%	4.12%	-2.57%	2.33%	-1.90%	-0.07%	1.32%	1.70%	-1.28%	7.93%
2014	1.78%	1.99%	0.77%	-2.41%	0.33%	0.50%	-1.04%	-0.86%	-1.36%	-0.05%	3.91%	1.14%	4.65%
2013		2.43%	3.56%	-0.34%	2.34%	1.06%	1.11%	-0.95%	1.43%	1.91%	0.42%	0.16%	13.84%



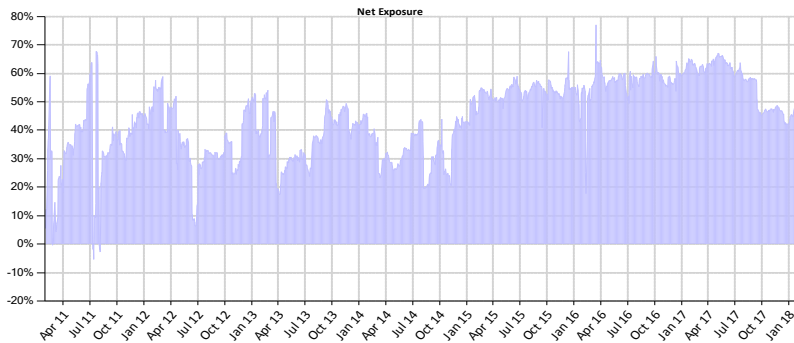
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## Portfolio Breakdown

Portfolio Exposure	Exposure	Portfolio Concentration (Equity)	Exposure
Long Exposure	87.69%	Top 10 Holdings	38.36%
Short Exposure	-40.45%	Top 20 Holdings	61.32%
Net Exposure	47.24%	Total Holdings*	70
Gross Exposure	128.14%		
Bonds		* Includes all instrument types (equity, future, bond)	



Top Five Holdings (Long)	Exposure
WIRECARD AG	6.69%
PEUGEOT SA	5.15%
RENAULT	4.51%
AROUNDTOWN SA	4.36%
VALEO SA	3.35%

Market Capitalization (Long Book)	EUR	Exposure
Small Cap	0-2bn	6.82%
Mid Cap	2-5bn	14.04%
Large Cap	>5bn	66.83%

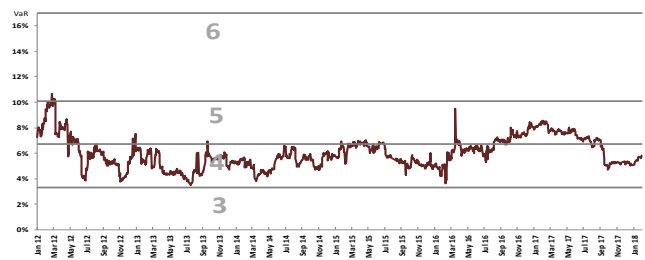
Contribution	MTD	YTD
Index	-0.85%	-0.85%
Longs	2.42%	2.42%
Shorts	-0.04%	-0.04%
Bonds	0.00%	0.00%

Performance Contributors	Contribution	Performance Detractors	Contribution
WIRECARD AG	0.56%	VEOLIA	-0.09%
PEUGEOT SA	0.31%	DRILLISCH AG	-0.09%
SIEMENS GAMESA	0.23%	GRANVISION NV	-0.08%

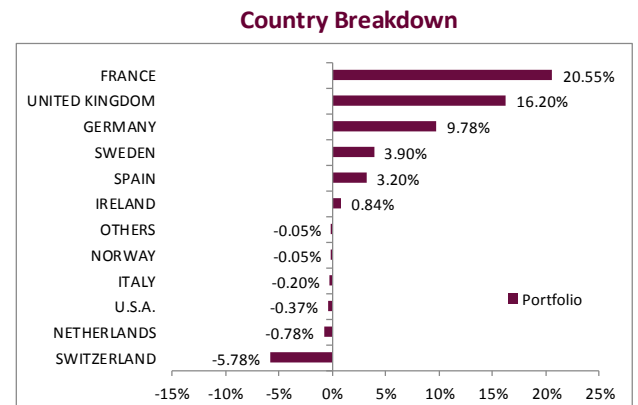
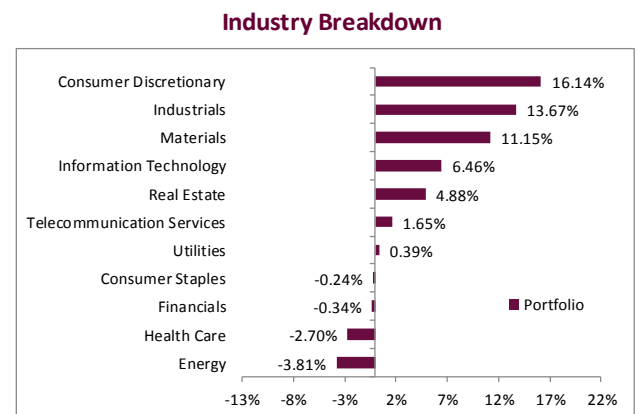
Short stocks are not disclosed and will be listed as sector names.

## Risk Indicators Since Inception

Risk	Fund
Volatility	10.42%
Sharpe Ratio	0.77
Sortino Ratio	1.01
SRRI	
Fund Classification	6



## Industry and Country Breakdown



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