

## Monthly Comment

The Alken Fund Absolute Return Europe rose 0.1% in August bringing the year to date to 6.3%. The fund ended the month with a net exposure of 60.3% and a gross exposure of 86.1%.

August market headlines revolved around the US Federal Reserve's outlook for monetary policy. The message was clear confirming that controlling inflation remains an absolute priority implying that the current tightening cycle will last longer even if that inflicts economic pain. Leading indicators continued to soften reflecting the impact of the ongoing economic headwinds.

Energean PLC jumped ahead of the start of production at a new gas field and rising demand. Wholesale retailer Atacado released robust results proving the business is performing well in a difficult market environment where persistent inflationary pressures are weighing on consumer spending.

On the downside, UK retailer B&M European Value was under significant pressure as severe inflationary pressures are having a meaningful impact on the business. Future PLC was another detractor alongside the technology sector.

We remain cautious near term given escalating energy prices, particularly in Europe and rising financing costs, which are squeezing real disposable income and reducing consumer confidence and business activity. Under the current market conditions, we believe that having exposure to value names overlooked by investors will prove to be the best strategy to navigate a challenging environment.

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



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

Share Class	A	US3	CH3
NAV	132.89	117.98	102.88
Launch Date	Jun-12	Mar-14	Mar-14
ISIN	LU0572586591	LU1040154095	LU1040153956
Bloomberg Code	ALKAREA LX	ALKAUS3 LX	ALKCH3A LX
Currency Hedging	No	Yes	Yes

## Portfolio Managers

Nicolas Walewski

Marc Festa



## Investment Objective & Universe

Provide capital growth and a positive absolute return over the long-term through long and short market exposure in European markets. The fund will have flexible net exposure to equity markets by taking long and short exposures on European equities through the use of transferable securities, derivatives and index futures.

## Fund Facts

AuM:	EUR 128m
Hurdle Rate:	5%
Base Currency:	EUR
Legal Status:	UCITS
Domicile:	Luxembourg
Management Fee <sup>1</sup> :	2.25%
Performance Fee <sup>1</sup> :	20%
Settlement:	T+3
SFDR <sup>2</sup> :	Art.8

(1) Share Class A

(2) Sustainable Financial Disclosure Regulation

Performance <sup>1</sup>	Fund
Since inception <sup>2</sup>	32.9%
YTD	6.3%
MTD	0.0%
1Y	8.3%
3Y	3.1%
5Y	-0.6%
2021	8.5%
2020	-9.6%
2019	1.4%
2018	-10.8%
2017	16.7%

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

(2) 27 June 2012

Risk Indicators <sup>1</sup>	Fund
Volatility	10.1%
Sharpe Ratio	0.4
Sortino Ratio	0.5

(1) Since inception

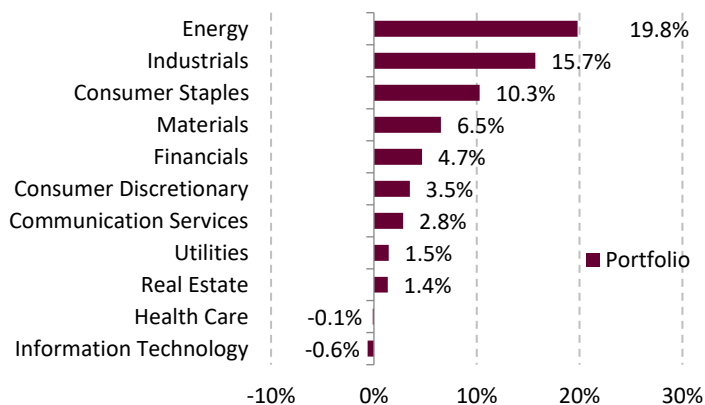
Key Contributors	Exposure	Contribution
Energy (Single Stock)	3.2%	0.4%
Materials (Single Stock)	3.7%	0.3%
Energy (Single Stock)	1.8%	0.3%

Key Detractors	Exposure	Contribution
C. Discretionary (Single Stock)	1.5%	-0.3%
Industrials (Single Stock)	2.0%	-0.3%
C. Services (Single Stock)	1.0%	-0.2%

Contribution	MTD	YTD
Index	0.5%	1.9%
Longs	-0.8%	2.1%
Shorts	0.4%	2.3%
Bonds	0.0%	0.0%

Top 5 Holdings	Exposure
Consumer Staples (Single Stock)	4.7%
Materials (Single Stock)	3.7%
Energy (Single Stock)	3.5%
Energy (Single Stock)	3.2%
Energy (Single Stock)	3.2%

## Sector Breakdown



Exposure: end of month exposures

**Note to Hong Kong Readers:** Please note the portfolio is not authorised by the Securities and Futures Commission and is available for professional investors only. This document has not been reviewed by the Securities and Futures Commission and is issued by AFFM S.A.

**Warning:** The content of this document has not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about content of this document, you should obtain independent professional advice.

**Note to Singapore Readers:** In Singapore, shares of Alken Fund Absolute Return Europe may be offered only to (i) institutional investors pursuant to Section 304 of the Securities and Futures Act ("SFA"), (ii) relevant persons, or any persons pursuant to Section 305(2) of the SFA, and in accordance with the conditions specified in Section 305 of the SFA, and not to the general public.

This marketing communication has been issued for the attention of institutional investors and other professional investors and should not be circulated to retail investors for whom it is not suitable. The document has been prepared by AFFM S.A., having its registered office at 3, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Commercial Registry ("R.C.S.") under number B 221.009 ("AFFM"), acting in its capacity of management company, in accordance with Chapter XV of the 2010 Law, of Alken Fund, an undertaking for collective investment in transferable securities ("UCITS"), subject to the 2010 Law (the "Fund"), for information purposes only and shall not be regarded as a public offer to buy or sell any security or financial instrument mentioned in it. AFFM and the Fund are authorised in the Grand Duchy of Luxembourg and regulated by the "Commission de Surveillance du Secteur Financier" (the "CSSF").

Investors should consult their professional advisers regarding the tax and other consequences of an investment in the Fund. This document should be read in conjunction with the Prospectus and/or the relevant Key Investor Information Document ("KIID"). AFFM does not represent that the information contained in this document, including any data, projections and underlying assumptions, is accurate or complete and it shall not be relied upon as such. This document is based upon certain assumptions, management forecasts and analysis of information available as at the date hereof and reflects prevailing conditions and AFFM's views as of the date of the document, all of which are accordingly subject to change at any time without notice, and neither the Fund nor AFFM is under any obligation to notify any of these changes. Neither the Fund nor AFFM makes any representation or warranty whether expressed or implied, and accept no responsibility for its completeness or accuracy or reliability. Past performance as shown in this document is not a reliable indicator or guarantee of future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. In particular, AFFM shall not be liable for any loss or damage, whether direct, indirect or consequential suffered by any person as a result of any errors in or omissions from the document or as a result of relying on any statement contained in this document.

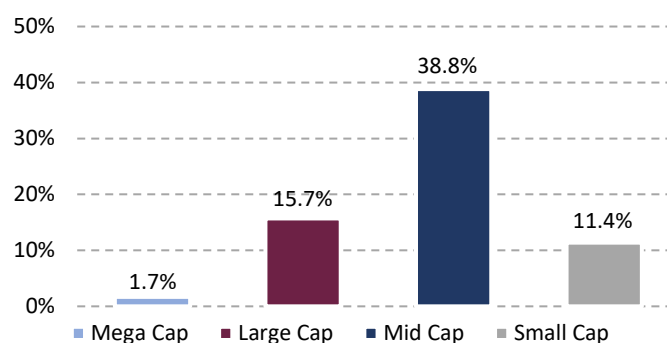
Any subscription to the Fund involves risks, including the possible loss of the principal amount invested. Subscriptions should only be based on the current prospectus and other (official) documents (as applicable) of the Fund, which contain more information regarding risks, charges, entry fees and minimum investment amount. A copy of the Prospectus, the KIID(s), the annual reports, semi-annual reports and any other official documents relating to the Fund are available at the registered office of the Alken Fund at 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. Swiss investors may obtain those free of charge from the representative in Switzerland. Nothing contained in the present document constitutes a solicitation or offer by any member of AFFM to provide any investment advice or service or to purchase or sell any financial instruments. The information it contains aims to inform the subscriber by providing information on the Fund supplemental to that appearing in the Prospectus and/or the KIID(s).

The representative in Switzerland is FundPartner Solutions (Suisse) SA, route des Acacias 60, CH-1211 Geneva 73, Switzerland. The paying agent in Switzerland is Banque Pictet & Cie SA, 60 route des Acacias, CH-1211 Geneva 73, Switzerland.

Alken Fund – 15, Avenue J.F. Kennedy, L-1855 Luxembourg, Tel +352 260 967 242, [info@alken-fund.com](mailto:info@alken-fund.com)

Portfolio Breakdown	Fund
Top 10 Holdings	30.9%
Number of Holdings	76
Long Exposure	80.5%
Short Exposure	-12.9%
Net Equity Exposure	60.4%
Gross Equity Exposure	86.1%

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



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

## Country Breakdown

