GAM Star European Equity – USD

Developed Markets - Europe

MARKETING MATERIAL

USD UCITS (FCA Recognised) / ISA eligible (Reporting fund status) / Price as at 29 Sep 2017 USD 27.5938 (Acc) 24.0142 (Inc)

October 2017

Fund description

Investment strategy: Europe

Investment objective: Capital appreciation.

Investment style: Capital growth through investing in European equities. Stocks selected on a fundamental, bottom up approach.

Currency hedging: May be employed to protect against exchange rate risk.

Manager



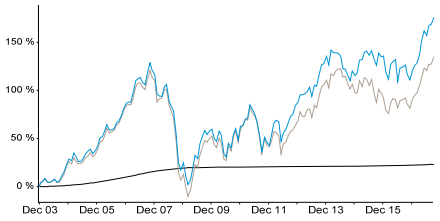
Niall Gallagher

Manager commentary as at 29 Sep 2017

European equity markets recorded their best monthly performance for the year. European equities outperformed global equities, with all size indices performing strongly, although large-caps underperformed their small and mid-cap peers. Company earnings have generally been well received, supported by higher GDP growth, as well as some early signs of pricing power emerging. The GAM Star European Fund outperformed the benchmark index during the quarter, with the positive impact from sector and country positioning, and stock selection. The main positive contributors at the stock level were Kingspan Group, Faurecia and Euronext. The main detractors were holdings in Ryanair, Paddy Power Betfair and Fresenius. Irish-listed Kingspan Group performed strongly, boosted by the announcement of the acquisition of a 51% stake in the leading insulated panel manufacturer in Brazil, which fits well alongside its organic growth profile. French automotive component manufacturer Faurecia performed strongly on the back of improved production relative to global peers, building on its positive first-half results. Pan European financial exchange group, Euronext reported earnings ahead of consensus expectations, leading to upgrades. The company completed its acquisition of FastMatch, an FX business, helping diversify its revenue streams. Ryanair detracted following the cancelling of around 2% of its flights over a six- week period to improve operational reliability. While any impact on its brand is likely to be met by fare promotions and combined with other short-term costs is likely to lead to negative earnings revisions, earnings growth will still be strong. We do not believe that recent events undermine the long-term economics of the business. Paddy Power Betfair's share price fell sharply following the announcement of a change of chief executive and half-year results slightly below expectations. The shares recovered, but not enough to stop it being one of the main detractors. German healthcare group Fresenius traded lower on the back of limited news flow. The outlook for European equities remains positive, with a supportive macro situation, robust earnings growth and attractive valuations relative to other regions and asset classes.

Fund performance and risk analysis

Performance from 17 Dec 2003 to 29 Sep 2017



Performance summary as at 29 Sep 2017

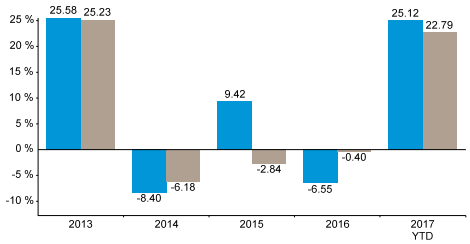
	Fund %	Equity Index %
1 month return	2.78	3.30
3 months' return	7.34	6.45
12 months' return	21.88	22.30
Return since inception	175.94	134.83
Annualised return since inception	7.64	6.39

The fund does not include the security of capital which is characteristic of a deposit with a bank or building society.

Standardised past performance to 29 Sep 2017

September-September (%)	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
GAM Star European Equity – USD	25.88	-0.71	4.88	0.07	21.88
MSCI Europe Index Net in USD	24.23	5.82	-9.33	2.49	22.30

Performance history to 29 Sep 2017



Key to charts and tables:
Fund: GAM Star European Equity – USD; Equity Index: MSCI Europe Index Net in USD; **Cash Index: Average USD 1 Month Deposit Rate**

Historical monthly returns

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017	2.48	0.90	4.24	5.32	4.66	-1.89	4.20	0.23	2.78	-	-	-	**25.12**
2016	-6.94	-3.45	7.07	1.28	0.93	-9.86	6.80	0.38	0.97	-4.25	-2.70	4.56	**-6.55**
2015	1.16	6.23	0.13	3.21	0.61	-1.76	1.90	-3.83	-2.49	5.57	-1.62	0.45	**9.42**
2014	-3.74	6.88	-1.22	0.03	-0.33	-1.36	-5.44	-0.06	-3.01	-2.47	4.73	-2.12	**-8.40**
2013	4.25	-0.05	0.54	1.31	2.33	-4.72	5.87	-0.58	6.40	4.19	0.73	3.27	**25.58**
2012	7.87	7.86	1.59	-0.88	-12.06	6.02	2.14	4.16	3.95	1.75	4.89	1.79	**31.24**

Fund facts

Fund managed by Niall Gallagher since 1 Dec 2009
Fund type UCITS
Stock exchange listing Irish
Currency classes CHF, EUR, GBP, USD classes are available
Base currency of the class USD
Inception date of the fund 1 Feb 1990
Inception date of the class 17 Dec 2003
Fund size USD 234.9m
Class size USD 24.8m
Min investment of the class USD 10,000
Dividend policy Net income will be distributed annually. Reporting fund status received.
Dealing day Any business day
Investment manager and sponsor fees* 1.35%
TER 1.59% as at 30 Dec 2016
Bloomberg
Acc GAMSEAD ID Inc GAMSEUD ID
Reuters
Acc SEUUA.FND Inc SEUUI.FND
ISIN
Acc IE0005616481 Inc IE0005618420
Valoren
Acc 995421 Inc 995422
SEDOL
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Data sources GAM, MSCI, Bloomberg

***Excludes administration and custodian fee - please see Prospectus for further details on fees.**

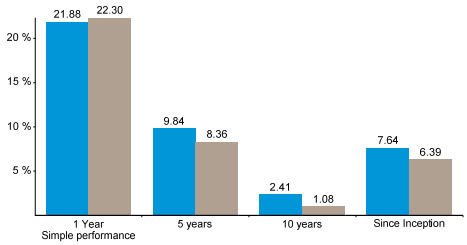
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For daily updates on this fund and a glossary of terms see **www.gam.com**. Access may be subject to certain restrictions.

Past performance is not indicative of future performance. Performance is shown net of fees.

Fund performance and risk analysis, continued

Compound annual growth rates as at 29 Sep 2017



Risk summary as at 29 Sep 2017

	12 months		5 years	
	Fund	Equity Index	Fund	Equity Index
Maximum drawdown (%) ***	-6.84	-5.36	-13.66	-20.80
Annualised standard deviation (%)	10.72	9.24	12.61	12.72
Sharpe Ratio*	1.96	2.33	0.75	0.63

*** The largest loss, peak to trough based on monthly data
* Risk free rate is Average USD 1 Month Deposit Rate

Relative summary as at 29 Sep 2017

	Relative to Equity Index	
	12 months	5 years
Alpha (%)	-0.23	0.19
Beta	1.13	0.90
Correlation	0.97	0.91

Key to charts and tables:
Fund: GAM Star European Equity – USD; **Equity Index: MSCI Europe Index Net in USD**

Asset allocation

Geographic breakdown vs Equity Index as at 29 Sep 2017

	Fund	Equity Index
Germany	22.85 %	15.06 %
France	16.87 %	16.62 %
UK	14.88 %	27.50 %
Ireland	14.06 %	0.70 %
Spain	13.49 %	5.35 %
Netherlands	3.76 %	5.74 %
Switzerland	3.14 %	12.73 %
Italy	2.10 %	3.82 %
Belgium	2.01 %	1.82 %
Finland	1.46 %	1.54 %
Portugal	0.97 %	0.24 %
Other	0.63 %	8.87 %
Net Current Assets	3.78 %	

Industry breakdown vs Equity Index as at 29 Sep 2017

	Fund	Equity Index
Consumer Discretionary	28.56 %	10.55 %
Financials	16.25 %	21.38 %
Consumer Staples	12.04 %	13.68 %
Industrials	9.85 %	13.13 %
Healthcare	9.60 %	12.79 %
Information Technology	8.34 %	4.82 %
Materials	4.85 %	7.89 %
Telecom Services	3.76 %	3.84 %
Energy	2.05 %	6.95 %
Utilities	0.93 %	3.67 %
Net Current Assets	3.78 %	

Currency exposure as at 29 Sep 2017

Name	% of Fund
Euro	76.8
Pound Sterling	19.4
Swiss Franc	3.1
Swedish Krona	0.6

Top 10 holdings as at 29 Sep 2017

Name	Industry	% of Fund
SAP SE	Information Technology	4.7
Kingspan Group	Industrials	4.6
Continental	Consumer Discretionary	4.0
Societe Generale	Financials	3.9
Bayer	Healthcare	3.9
Koninklijke KPN	Telecom Services	3.8
Distribuidora Internacional de Alimentacion	Consumer Staples	3.5
Euronext	Financials	3.3
Paddy Power Betfair	Consumer Discretionary	3.2
Fresenius SE & KGaA	Healthcare	3.2
Total		**38.1**

Important information: Please note that the fund may not be registered in all the jurisdictions set out below.

Source: GAM, unless otherwise stated. (Where applicable and, unless otherwise noted, performance is shown net of fees, on a NAV to NAV basis).GAM has not independently verified the information from other sources and no assurance can be given as to whether such information is accurate, true or complete and GAM makes no warranty, expressed or implied, regarding such information. Every effort has been made to ensure the accuracy of the information provided, but GAM cannot be held responsible for any errors or omissions. While every effort has been made to ensure the accuracy of the financial information herein, you should note that some of the information may be based on unaudited or otherwise unverified information.
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