

# Aviva Investors Euro Liquidity Fund

## Monthly summary for November 2024



REPRESENTATIVE SHARE CLASS  
IE00B3CKRG34

SHARE CLASS INCEPTION DATE  
18/08/2008

FUND SIZE  
EUR 3002.20m

### Fund overview

**Objective:** The investment objective of the Sub-Fund is to offer returns in line with money market rates and preserve the value of the investment. The Aviva Investors Euro Liquidity Fund is a Short-Term Variable Net Asset Value (VNAV) Money Market Fund.

For further information on Sustainability Risk please refer to the Sustainable Finance Disclosure section. On 14th May 2021 the Fund benchmark was changed from 7-Day EUR LIBID rate. (The London Interbank Bid Rate (LIBID) to the 7-Day EUR Interbank BID Rate (EURIBID). Historic benchmark performance is shown up to 14th May 2021 for the 7-Day EUR LIBID rate. On the 1st of March 2023, the fund benchmark was changed from the 7-day Euro LIBID rate to the Euro Short Term Rate.

### Summary

Fund managers

**Demi Angelaki** since 12/2020  
**Richard Hallett** since 03/2022

Performance benchmark

**Euro Short Term Rate**

### Month in review

Euro money market instruments felt the headwind of weaker purchasing manager index data and increased political worries in November. Speculation grew that the ECB would increase the pace of policy easing.

### Looking ahead last updated November 2024

We remain cautious on negative carry for longer tenors and conscious of a volatile period ahead due to year-end liquidity factors but also the political situation in core Europe.

### Month in review

The Eurozone saw mounting political uncertainty in November, with the break-up of Germany's 'Traffic Light' coalition set to trigger snap elections early in the new year. Towards the end of the month, the French government also looked to be heading towards collapse as prime minister Michel Barnier's budget came under attack from both left and right. In the background, Donald Trump's election as US president raised concerns about the potential for growth-sapping trade wars between the EU and the US. Economic data continued to flag stagnation in the Eurozone. The composite PMI dipped to its lowest reading since the start of the year, with the slowdown being relatively broad based. Given the current trend of PMIs, fourth quarter growth is likely to be below the European Central Bank (ECB) forecast of 0.23% (quarter on quarter). Inflation data gave little respite for the ECB, with the finalised print for October showing a 30 basis point rise to 2.0% from the previous month (initial estimates for November reported a further rise to 2.3%). Given this backdrop, the release of the minutes of the ECB's October meeting stressed "risk management", which suggested that growth worries could put 50 basis point cuts interest rates in play for them in future meetings. We continued to extend the fund's weighted average maturity to 37 days by adding up to six-month fixed-rate securities, mainly during sell-off episodes. We added ESTER floating-rate securities in both certificates of deposits and EMTN format (Canadian, Australian, Singaporean) banks. Assets under management increased over the month to €2.89 billion.

### Calendar year returns

	2019	2020	2021	2022	2023
<b>Fund gross</b>	-0.37%	-0.39%	-0.53%	0.01%	3.38%
<b>Fund net</b>	-0.47%	-0.49%	-0.63%	-0.09%	3.28%
<b>Benchmark</b>	-0.61%	-0.68%	-0.68%	-0.12%	3.28%
	2014	2015	2016	2017	2018
<b>Fund gross</b>	0.11%	-0.11%	-0.32%	-0.41%	-0.40%
<b>Fund net</b>	0.01%	-0.21%	-0.41%	-0.51%	-0.50%
<b>Benchmark</b>	-0.05%	-0.26%	-0.49%	-0.54%	-0.56%

### Past performance is not a guide to future performance.

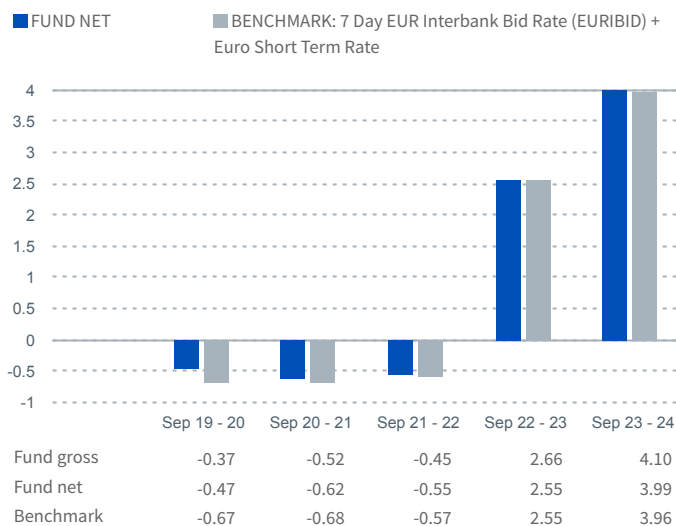
Performance shown is for the representative share class, for details of other share classes please refer to the specific factsheet. Performance basis: Mid to mid, in the share class currency, net of tax payable by the Fund with income reinvested. Net figures are net of ongoing charges and fees. Net and Gross performance does not include the effect of any exit or entry charge.

### Looking ahead last updated November 2024

With a clear dovish bias, recent communication from the ECB have struck a very different tone to that of the US Federal Reserve. Speeches from Stournaras, Panetta and Elderson conveyed satisfaction with the progress with inflation thus far and, more importantly, indicated that downside growth risks are now taking precedence in their thinking. They also made explicit references to the notable growth risks posed by tariffs and rising protectionism. Stournaras made the case for the ECB to be more proactive in response to the growth downturn, referencing PMIs as examples of slowing growth and thus the case for urgency. We would be wary of attaching much weight to PMI implied numbers for European growth, given the large forecast errors that the survey has had in forecasting euro area growth this cycle. Nonetheless, the growth-focused narrative put forward by ECB governing council members draws focus to the poor activity data that we have seen recently in the Eurozone. We remain cautious on negative carry for longer tenors and conscious of a volatile period ahead due to year-end liquidity factors but also the political situation in core Europe.

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## Rolling annual net performance (%)



### Past performance is not a guide to future performance.

Basis of performance is described on page 1.

## Performance

	Cumulative (%)					Annualised (%)		
	1M	3M	6M	YTD	1Y	5Y	10Y	Since Inception
<b>Fund gross</b>	0.27	0.89	1.88	3.63	3.99	1.20	0.44	0.58
<b>Fund net</b>	0.27	0.87	1.83	3.54	3.89	1.09	0.34	0.48
<b>Benchmark</b>	0.26	0.85	1.81	3.50	3.85	1.03	0.27	0.35

## Sustainable Finance Disclosure

The Sub-Fund seeks to promote environmental and social characteristics, ESG considerations, and an evaluation of Sustainability Risks and good governance principles are integrated when selecting investments. The investments, where it is possible, will be aligned with the environmental/social characteristics and will be selected based on specific ESG investment criteria outlined within the Prospectus. There may on occasion be investments used for hedging and efficient portfolio management purposes which are not possible to be aligned with the environmental or social characteristics described.

The Fund does not have a sustainable investment objective, and the Investment Manager will consider adverse impacts of an investment to the extent they are financially material. *For further information please refer to the prospectus and our website.*

## Fund risks

### Warning - Investment Risk & Currency Risk

The value of investments and the income from them will change over time. The Fund price may fall as well as rise and as a result you may not get back the original amount you invested.

### Warning - Money Market Securities Risk

The Fund invests in money market instruments such as short term bank debt, the market prices/value of which can rise as well as fall on a daily basis. Their values are affected by changes in interest rates, inflation and any decline in creditworthiness of the issuer.

This is not a guaranteed investment, an investment in a Money Market Fund is different from an investment in deposits and can fluctuate in price meaning you may not get back the original amount you invested. This investment does not rely on external support for guaranteeing liquidity or stabilising the NAV per unit or share. The risk of loss of the principal is to be borne by the investor.

### Warning - Sustainability Risk

The level of sustainability risk may fluctuate depending on which investment opportunities the Investment Manager identifies. This means

that the fund is exposed to Sustainability Risk which may impact the value of investments over the long term.

Full information on risks applicable to the Fund are in the Prospectus and the Key Investor Information Document (KIID).

## Important information

### THIS IS A MARKETING COMMUNICATION

The source for all performance, portfolio and fund breakdown data is Morningstar unless indicated otherwise. For share classes that have not yet completed 5 years, the cumulative performance chart will start from the first full month. All data is as at the date of the Factsheet, unless indicated otherwise.

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For further information please read the latest Key Investor Information Document and Supplementary Information Document. The Prospectus and the annual and interim reports are also available on request. Copies in English can be obtained, free of charge from Aviva Investors Luxembourg S.A., 2 rue du Fort Bourbon, L-1249 Luxembourg or from BNY Mellon Fund Services (Ireland). You can also download copies at [www.avivainvestors.com](http://www.avivainvestors.com)

Where relevant, information on our approach to the sustainability aspects of the fund and the Sustainable Finance disclosure regulation (SFDR) including policies and procedures can be found on the following link: <https://www.avivainvestors.com/en-gb/capabilities/sustainable-finance-disclosure-regulation/>

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