

JOHCM Continental European Fund

Fund overview

- The Fund aims to generate long-term capital growth through active management of a portfolio of European (excluding UK) equities
- Senior Fund Manager Paul Wild employs a pragmatic investment process that combines top-down economic and sector views with bottom-up stock picking
- A core investment style with a focus on European large and mid-cap stocks
- SFDR classification: Article 8. Please click [here](#) for further details
- Benchmark: MSCI Europe ex UK Index
- The use of the Index does not limit the investment decisions of the fund manager therefore the shareholdings of the Fund may differ significantly from those of the Index
- Please refer to the Prospectus/KIID/KID for further information

A GBP Class

ISIN: IE0033009121

Fund details

Fund size	GBP 490.05m
Launch date	5 November 2001
Benchmark***	MSCI Europe ex UK NR Index (12pm adjusted)
No. of holdings	38
Domicile	Ireland
Fund structure	UCITS
Tax status	UK reporting status
Denominations	GBP, EUR, USD
Valuation point	12pm Dublin time
SFDR	Article 8

Fund managers



Paul Wild

Senior Fund Manager

Paul has managed the Fund since 2010. He joined JOHCM in 2003 and has 25 years of industry experience.



Justin MacGregor

Senior Analyst

Justin has worked on the Fund since 2021. He joined JOHCM in 2015 and has 16 years of industry experience.

Performance highlights

Return since launch (%)



Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A GBP Class	-2.29	-1.15	10.18	42.24	39.14	131.40	625.32	9.61
Benchmark	-2.48	-0.40	8.99	33.29	36.74	109.03	344.26	7.15
Quartile**	2	3	1	1	1	1	1	-

Discrete 12 month performance to

	31.05.2023	31.05.2022	31.05.2021	31.05.2020	31.05.2019
A GBP Class	10.18	-0.87	30.24	2.00	-4.10

Past performance is no guarantee of future performance.

The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. For further information on risks please refer to the Fund's KIID/KID and/or the Prospectus. The Fund's investment include shares in small-cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile.

*Annualised since launch. **Sector quartile ranking: IA Europe ex UK, and Lipper Global Equity Europe ex UK domiciled in the UK, offshore Ireland, or offshore Luxembourg.

NAV of Share Class A in GBP, net income reinvested, net of fees. The A GBP Class was launched on 7 May 2003. During the period 5 November 2001 to 7 May 2003 the performance record is based on the pre-existing share class that had a higher management fee. ***Benchmark: MSCI Europe ex UK NR Index (12pm adjusted). During the period 7 May 2003 to 31 December 2012 the Fund was benchmarked against the FTSE Eurofirst 300 TR Index. For the period 1 January 2013 to present the Fund is benchmarked against the MSCI Europe ex UK NR Index (12pm adjusted). Performance of other share classes may vary and is available on request.

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Portfolio analysis (%)

Data as at 31 May 2023

Top 10 holdings

	Absolute	Relative
Roche	7.1	4.1
Novo Nordisk	6.4	2.9
Heineken	5.9	5.6
Nestlé	5.2	0.9
LVMH	4.7	1.5
Siemens	4.4	2.6
ASML	4.4	0.5
Deutsche Telekom	4.3	3.4
Orange	4.2	3.9
AXA	3.8	3.1
Total	50.4	

Sector breakdown

	Absolute	Relative
Communication Services	9.1	5.7
Utilities	8.5	4.2
Consumer Staples	13.5	2.8
Information Technology	10.7	0.5
Health Care	16.7	0.0
Real Estate	0.1	-0.6
Financials	12.9	-2.5
Energy	0.7	-2.6
Industrials	13.0	-3.3
Materials	2.9	-3.4
Consumer Discretionary	7.7	-5.0
Cash	4.3	4.3

Country breakdown

	Absolute	Relative
France	32.0	7.9
Switzerland	15.9	-4.4
Netherlands	15.0	5.8
Germany	13.6	-3.3
Denmark	8.5	2.3
Ireland	3.8	2.2
Italy	2.1	-2.7
Spain	1.5	-3.4
Portugal	1.4	1.0
Other	1.9	-9.8
Cash	4.3	4.3

Market cap breakdown

	Absolute	Relative
Large (>EUR 5bn)	93.1	-6.0
Mid (EUR 2 - 5bn)	2.7	1.8
Cash	4.3	4.3

Attribution & contribution (%)

Stock attribution

Top contributors	Relative return
Roche	0.28
Siemens	0.14
Schneider Electric	0.12
ASML	0.09
L'Oréal	0.08
Top detractors	
Heineken	-0.31
Julius Baer Group	-0.15
Swatch Group	-0.12
AXA	-0.12
Orange	-0.11

Sector attribution*

	Relative return
Industrials	0.39
Health Care	0.34
Energy	0.17
Materials	0.16
Information Technology	0.08
Real Estate	0.05
Financials	-0.05
Utilities	-0.08
Communication Services	-0.11
Consumer Discretionary	-0.18
Consumer Staples	-0.26

*Excludes cash

Please note that due to rounding breakdowns may not add to 100.00%. All Attribution figures are as at end of day and are calculated on a gross basis. Other includes: Sweden, Belgium, Austria, Finland and Norway.



Fund manager's commentary

- May 2023 marked the first down month, with the technology sector outperforming while other sectors struggled
- European Central Bank raised rates due to persistent high inflation and announced the ceasing of reinvestments under the asset purchase program
- The fund slightly outperformed the benchmark, with strong stock picking in industrials and healthcare sectors

May was the first down month of 2023, with most sectors underperforming other than the pronounced outperformance by technology. There was frenzied excitement regarding artificial intelligence post-Nvidia's strong guidance, but it is not yet clear who will be the losers in coming years. The European Central Bank (ECB) raised rates by 25bps as expected, highlighting the stubbornly high inflation levels and data-dependent approach from here on. The ECB also announced that they will stop reinvestments under the asset purchase program from July. Final inflation data for April showed headline inflation at 7% and core at 5.6%. Unemployment made a new low of 6.5%, whilst consumer confidence was slightly weaker than expected, albeit it has seen a strong bounce since September. The PMIs remained a polarised picture, with manufacturing staying weak at 44.6, whilst Services at 55.9, leading to an all-time wide gap between the two readings. Germany confirmed it is in the recession minority, with GDP falling 0.3% quarter-on-quarter after a 0.5% fall in Q4. The Federal reserve also raised rates by 25bps, to the highest level since 2007, against some concerns over the debt ceiling, whilst unemployment fell to 3.4%.

The fund slightly outperformed in May; we are quite neutral in technology, so did not make much outperformance from the monthly move in the sector. Stock picking was strong, particularly within industrials and healthcare, where Siemens and Roche were the two most significant contributors within each sector. Heineken underperformed over the month, but we continued to add to the position, given the likelihood of a raw materials tailwind heading into the next year. We took a new holding in Ryanair, given the outlook for further market share gains in coming years and the undervaluation of its inflecting free cash flow profile.

Performance over 1 month	%
Fund - A GBP Class	-2.29
Benchmark	-2.48

Statistics

	Annualised since launch
Active share* (%)	67.85
Fund volatility (%)	17.44
Benchmark volatility (%)	17.34
Alpha	1.95
R squared	0.95
Correlation	0.98
Tracking error (%)	3.76
Information ratio	0.51
Sharpe ratio	0.55

Data calculated weekly.

During the period 7 May 2003 to 31 December 2012 the Fund was benchmarked against the FTSE Eurofirst 300 TR Index. For the period 1 January 2013 to present the Fund is benchmarked against the MSCI Europe ex UK NR Index (12pm adjusted).

Fund awards & ratings



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Country registration

	A GBP	A GBP H	B GBP	A EUR	B EUR	A USD H	B USD H	Y GBP	Y GBP H	Regulatory documents
Austria	✓	✗	✓	✓	✓	✓	✓	✓	✗	Regulatory documents English language KIIDs can be found on our website at www.johcm.com Foreign language versions are available on request by calling +44 (0) 20 7747 5646
France	✓	✗	✓	✓	✓	✓	✓	✓	✗	
Germany	✓	✗	✓	✓	✓	✓	✓	✓	✗	
Ireland	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Jersey	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Luxembourg	✓	✗	✓	✓	✓	✓	✓	✓	✗	
Malta	✗	✗	✓	✗	✓	✗	✓	✗	✗	
Netherlands	✓	✗	✓	✓	✓	✓	✓	✓	✗	
Singapore	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Spain	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Sweden	✓	✗	✓	✓	✓	✓	✓	✓	✗	
Switzerland	✓	✓	✓	✓	✓	✓	✓	✓	✓	
UK	✓	✓	✓	✓	✓	✓	✓	✓	✓	

Share class details (Further details on additional share classes are available on request)

	ISIN	SEDOL	Bloomberg	WKN	Initial charge	Annual charge	Ongoing charge	Minimum investment*
A GBP Class	IE0033009121	3300912	JHCMUSI ID	A0BLYM	Up to 5%	0.75%	0.83%	£ 1,000
A GBP H Class	IE00BSJCJ493	BSJCJ49	JHCEAGH ID	A12FYF	Up to 5%	0.75%	0.83%	£ 1,000
B GBP Class	IE0031005436	3100543	JHCMUER ID	768893	Up to 5%	1.25%	1.33%	£ 1,000
Y GBP Class	IE00B993PD05	B993PD0	JHCEYIG ID	A14SKJ	Up to 5%	0.625%	0.70%	£ 50,000,000
Y GBP H Class	IE00BSJCJ501	BSJCJ50	JHCEYGH ID	-	Up to 5%	0.625%	0.70%	£ 50,000,000

Performance fee: A performance fee of 15% is payable on the excess if the NAV outperforms the Index Adjusted NAV (as defined in the Fund supplement) on an annual basis. The calculation is performed daily. Any underperformance is carried forward.

Ongoing Charge is as at 31 May 2023.

*Other currency equivalents apply.

Important information

Professional investors only.

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References to "JOHCM" below are to either JOHCM or JOHCM I as the context requires.

This is a marketing communication. Please refer to the fund prospectus and to the KIID/KID before making any final investment decisions.

These documents are available in English at www.johcm.com, and available from JOHCM I, or (for UK investors) JOHCM, at the addresses set out above.

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