

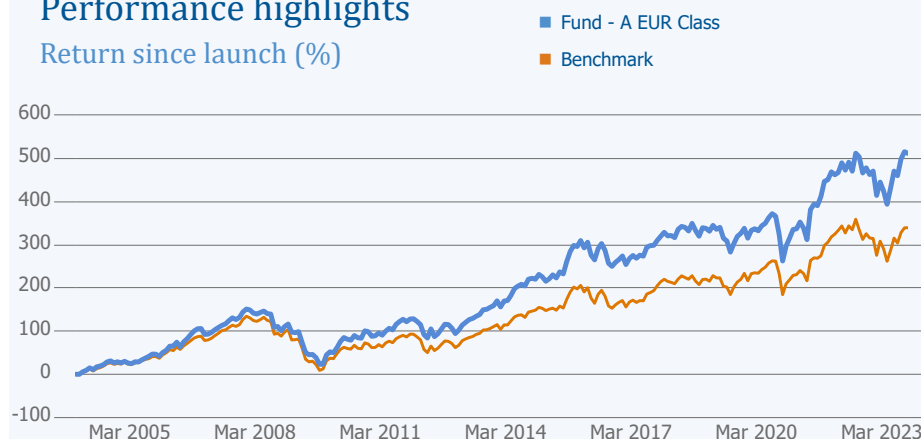
JOHCM Continental European Fund

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
- The Fund promotes environmental and social characteristics throughout the investment decision making process, 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

Performance highlights

Return since launch (%)



Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A EUR Class	-0.63	9.23	5.78	68.80	45.71	139.91	511.25	9.52
Benchmark	0.04	8.74	3.26	54.48	42.80	113.25	339.09	7.71
Quartile**	3	2	1	1	1	1	1	-

Discrete 12 month performance to

	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019
A EUR Class	5.78	5.74	50.91	-15.00	1.55

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. Therefore there can be no assurance that the Fund will be able to attain its objective. 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. Lipper ranking is from A GBP Class.

NAV of Share Class A in EUR, net income reinvested, net of fees. The A EUR Class was launched on 7 May 2003. ***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.

A EUR Class

ISIN: IE0033009238

Fund details

Fund size	EUR 536.61m
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

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.

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Portfolio analysis (%)

Data as at 31 March 2023

Top 10 holdings

	Absolute	Relative
Novo Nordisk	6.9	3.6
Roche	6.8	4.2
ASML	5.0	1.5
LVMH	4.9	1.7
Nestlé	4.4	0.1
Siemens	3.9	2.1
Heineken	3.8	3.4
Deutsche Telekom	3.6	2.6
Sanofi	3.4	1.8
AXA	3.3	2.6
Total	46.0	

Sector breakdown

	Absolute	Relative
Utilities	8.2	3.8
Communication Services	6.9	3.4
Information Technology	12.4	2.8
Health Care	17.8	1.8
Consumer Staples	11.4	0.6
Real Estate	0.1	-0.6
Financials	15.0	-0.8
Energy	0.8	-2.8
Materials	2.9	-3.6
Consumer Discretionary	8.5	-4.4
Industrials	11.4	-4.8
Cash	4.5	4.5

Country breakdown

	Absolute	Relative
France	31.7	7.2
Germany	15.7	-1.2
Switzerland	13.4	-6.1
Netherlands	12.5	3.5
Denmark	8.2	2.2
Italy	5.0	0.1
Ireland	2.9	1.4
Portugal	2.1	1.7
Belgium	1.6	-0.4
Other	2.4	-12.8
Cash	4.5	4.5

Market cap breakdown

	Absolute	Relative
Large (>EUR 5bn)	92.5	-6.8
Mid (EUR 2 - 5bn)	3.0	2.3
Cash	4.5	4.5

Attribution & contribution (%)

Stock attribution

Top contributors	Relative return
Novo Nordisk	0.26
BNP Paribas	0.18
Sanofi	0.15
ING	0.13
Credit Suisse	0.10
Top detractors	
Commerzbank	-0.57
ASR Nederland	-0.47
UniCredit	-0.27
Vonovia	-0.24
Intesa Sanpaolo	-0.24

Sector attribution*

	Relative return
Energy	0.21
Materials	0.18
Communication Services	0.09
Health Care	0.07
Information Technology	0.00
Industrials	-0.10
Consumer Staples	-0.14
Real Estate	-0.15
Utilities	-0.27
Consumer Discretionary	-0.41
Financials	-0.57

*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: Spain, Sweden, Austria, Finland and Norway.



Fund manager's commentary

- The European Central Bank raised rates, signalling that it remains cautious on inflation
- The European banking system, Credit Suisse aside, remains in the healthiest condition it has been in for fifteen years
- The fund continues to trend in a more defensive direction, while maintaining non-defensive holdings that benefit from specific structural or macroeconomic drivers

March was a fairly dramatic month for developed market equities, with the effects of quickly rising interest rates moving to the fore. In the US, the vagaries of regulatory laxity came to a head with the implosion at Silicon Valley Bank, Silvergate and Signature, with depositor contagion spreading to the likes of First Republic. The core of the issue was the lack of access to high quality liquid assets due to huge over-exposure to held-to-maturity bonds, at a time of deposit flight from a concentrated depositor base. We have to be thankful that European regulations apply to both bigger and smaller banks, whilst the strides made on liquidity coverage and stable funding ratios leave the sector in a much more resilient position. Despite this, Europe was not able to escape given the issues at Credit Suisse, a bank not lacking in capital or even particularly liquidity but experiencing a business sustainability issue after client confidence had been impaired. The hastily arranged UBS takeover of Credit Suisse, engineered by the Swiss National Bank and regulator to preserve financial stability, had been much expected, although the wipe-out of the contingent convertible (AT1) debtholders using the Swiss 'viability event clause' caused ructions in funding markets. European bank regulators were quick to emphasise in the credit hierarchy that core Tier 1 equity would take losses ahead of AT1.

The European Central Bank raised rates by 50bps to 3% and remained data dependent given the elevated uncertainty. Staff forecasts remain cautious on inflation, with a 5.3% headline for 2023 and 2.9% next year, with core inflation expected to be at 4.6% in 2023. GDP forecasts were revised higher to 1% growth for 2023 and stand at 1.6% for 2024. In Europe, quantitative tightening began at a pace of €15bn per month from March to June but will likely hasten in the second half of the year. March headline inflation declined to 6.9%, whereas core nudged higher to 5.7%. Fed Chair Powell's Congressional testimony was decidedly hawkish early in the month, but post the regional banking issues, the resultant 25bp rate increase and accompanying statement omitting of the 'ongoing increases' was seen as being decidedly less hawkish. The median dot plot signals rates at 5.1% at the end of 2023 and 4.3% end 2024. The bond market, particularly in the US, saw significant monthly gyrations with the 2-10 year US Treasury yield curve inverting below 100bps and, later in the month, saw the most significant decline in the 2 year yield since 1987. Lastly, Finland cleared its last hurdles for NATO membership.

The fund underperformed during March, leaving us slightly ahead for the quarter. Underperformance was unusually stock picking driven, mainly within financials, consumer discretionary and utilities. A number of financials weighed the greatest, including Commerzbank, ASR and Unicredit; whilst Novo Nordisk made the greatest single positive attribution. The biggest takeaway from the events of March is that raising rates so quickly, after such a long period of ultra-low rates, will not be without continued casualties. Additionally, the cost of higher rates is going to result in a sustained period of lower growth and suppressed earnings. Whilst the European market valuation is below historical norms, this cannot be said for the US. We are confident that the European banking system, Credit Suisse aside, remains in the healthiest condition it has been in for fifteen years. Year to date, the fund has continued to trend in a slightly more defensive direction, while maintaining non-defensive holdings that benefit from specific structural or macroeconomic drivers.

Performance over 1 month	%
Fund - A EUR Class	-0.63
Benchmark	0.04

Statistics

	Annualised since launch
Active share* (%)	66.76
Fund volatility (%)	17.58
Benchmark volatility (%)	17.40
Alpha	1.83
R squared	0.96
Correlation	0.98
Tracking error (%)	3.61
Information ratio	0.50
Sharpe ratio	0.48

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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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 EUR Class	IE0033009238	3300923	JHCMUEI ID	A0BLYN	Up to 5%	0.75%	0.85%	£1,000
B EUR Class	IE0033009014	3300901	JHCMUEE ID	A0BLYL	Up to 5%	1.25%	1.35%	£1,000

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 March 2023.

*Other currency equivalents apply.

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