

### Fund factsheet

31/08/2024

### Structure

Open Ended Investment Company (OEIC)

### Regulatory status

UCITS

### Fund launch date

29/03/2019

### Benchmark

MSCI Europe ex UK (comparator)

### Fund size (GBP)

£710m

### Number of holdings

43

### Dealing frequency

Daily

### IA sector

IA Europe ex UK

### UK UCITS ManCo.

Waystone Management (UK) Limited

### Yield (projected 2024<sup>1</sup>)

4.40%

### Yield (historic - 2023<sup>1</sup>)

I Acc 5.7291p / 3.76%

I Inc 5.0474p / 3.91%

R Acc 5.3781p / 3.57%

R Inc 4.0559p / 3.68%

### Initial charge

N/A

### Performance fees

N/A

### Ex - dividend date

31st December



## Fund managers



Rob Burnett



George Boyd-Bowman

## Fund aim and objectives

The objective of the fund is to provide long term (in excess of five years) capital growth. The fund will invest at least 80% of its assets directly in the shares of companies listed and domiciled in Europe (excluding the UK). The fund will have a concentrated portfolio of approximately 40-50 holdings, selected at the manager's discretion. The investment manager seeks to invest in undervalued companies with positive operational momentum.

## Fund commentary

We believe equity market volatility has the potential to persist, driven by the largest companies in the benchmark. The biggest companies are not only the most crowded but also the most expensive. This is introducing vulnerability to the index and making passive investing risky. But this need not be a threat. Active management with a value bias can protect client portfolios.

Our focus remains on companies at low valuations with strong balance sheets, with solid dividends, buy-backs and earnings expectations that can be beaten. Today we are finding more opportunities in defensive companies than cyclicals. Over the last two years certain defensives in consumer staples and healthcare have de-rated sufficiently to be considered as potential value investments.

Whilst bond yields have fallen, we do not see the scope for large declines in yields, even in recession. We believe supply and demand factors driven by government deficits will limit the scale of yield declines. Falling bond yields is the classic release valve for valuations during an economic slowdown, and so if this release valve is not as effective, it could add downside to benchmark valuations.

We prepare for this scenario by enabling the portfolio to compete against Bunds, Gilts and Treasuries. The WS Lightman European Fund has an estimated dividend yield of 4.40% in 2024 and 4.50% in 2025, which we view as a strong starting point.

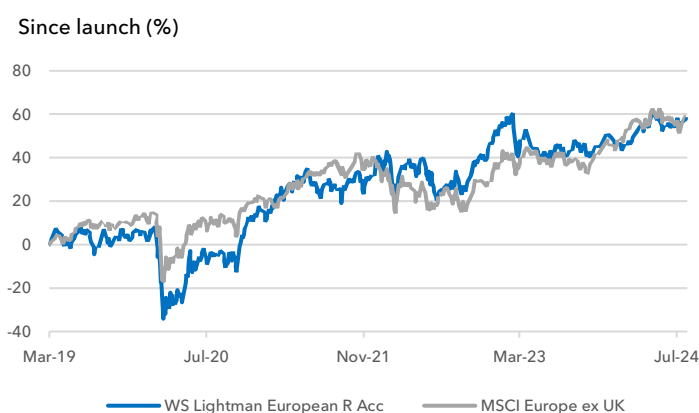
Whilst the remainder of 2024 looks a little challenging for the index, we believe the Fund can deliver positive absolute and relative returns.

Sector breakdown		Top 10 countries		Top 10 holdings	
Consumer Staples	17.53%	France	21.15%	Roche	5.85%
Communication Services	16.99%	Netherlands	15.94%	Unilever	4.59%
Financials	16.05%	Switzerland	14.74%	Ahold Delhaize	4.49%
Health Care	15.62%	Sweden	7.84%	Sandoz	4.13%
Materials	12.98%	Norway	7.52%	Danone	4.13%
Industrials	10.00%	Denmark	6.39%	Orange	4.09%
Energy	6.98%	Australia	5.49%	DNB	3.78%
Cash	2.91%	Germany	4.95%	Koninklijke	3.61%
Consumer Discretionary	0.93%	United States	4.10%	Sanofi	3.37%
Utilities	0.00%	Portugal	2.88%	Danske Bank	3.22%

### Fund share classes

Share class	OCF (capped)	SEDOL	ISIN	Bloomberg	Min. initial investment	Min. subsequent investment	Regular saving
Institutional (Acc)	0.6%	BGPFJM6	GB00BGPFJM62	LFLMEIA LN	£100m	£1,000	N/A
Institutional (Inc)	0.6%	BJCWFY5	GB00BJCWFY55	LFLMEIE LN	£100m	£1,000	N/A
Retail (Acc)	0.8%	BGPFJN7	GB00BGPFJN79	LFLMERA LN	£1,000	£1,000	£50
Retail (Inc)	0.8%	BJCWFZ6	GB00BJCWFZ62	LFLMERE LN	£1,000	£1,000	£50

### Performance



Cumulative (%)	1m	3m	6m	1yr	3yr	Launch
R-Acc	1.51	1.36	8.45	10.72	25.30	58.96
I-Acc	1.53	1.41	8.55	10.94	26.06	60.71
Benchmark	2.55	0.52	4.99	14.38	15.93	60.03

Calendar year (%)	2024	2023	2022	2021	2020	2019*
R-Acc	5.43	3.17	11.00	16.97	6.22	5.98
I-Acc	5.57	3.37	11.21	17.20	6.43	6.16
Benchmark	8.19	14.83	-7.62	16.73	7.49	11.15

Past performance is not an indicator of future performance. Tax treatment depends on the individuals' circumstances and may be subject to change in the future. All data as at 31/08/24 in GBP; fund prices from Northern Trust, benchmark from MSCI. For periods covering part of a calendar year, performance has not been annualised: \*2019 performance is from fund launch on 29/03/2019 to year end.<sup>2</sup>

### What are the risks specific to this fund?

- The value of investments and the income derived from them may fall as well as rise and shareholders may not recoup the original amount they invest in the Fund.
- Funds investing in overseas securities are exposed to currency risk. Exchange rate movements may cause the GBP value of investments to increase or decrease.
- The Fund may suffer a reduction in value due to dealing costs incurred when buying and selling investments and management fee charges applied to the fund. Net yields may be lower than gross yields.

### Contacts

The Key Investor Information Document (KIID) and prospectus are available in English from:

Lightman Investment Management  
20 Eastbourne Terrace  
London, W2 6LG

Sales - 020 3667 3425  
info@lightmanfunds.com  
Visit lightmanfunds.com

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<sup>1</sup> Note: 2023 yields are estimated net yields based on the period Jan - Dec 2023. Net yield is after expenses and taxes. Yield % is calculated using ex-dividend unit price as on 02/01/2024. 2024 gross yields are approximate and have been calculated based on actual stock weightings and consensus dividend yields for 2024 as available on Bloomberg.

<sup>2</sup> Performance quoted does not consider applicable taxes on the investor. Performance calculated using GBP denominated unit prices or index values as at beginning and end of periods. Fund performance is net of fees with net income reinvested. Benchmark is MSCI Europe ex UK net return GBP index.