



RWC Continental European Equity Fund

28th August 2020

Fund Aim

To provide capital return and income to investors by investing primarily in Continental European equity securities

Fund AUM €50.1m

Team AUM €372.8m

Firm AUM €15,398.9m

Fund Details

Managers Graham Clapp
Russell Champion

Launch Date 14th December 2017

Structure UCITS IV Lux SICAV

Domicile Luxembourg

Share Classes EUR, GBP

Minimum Investment

Share Class B 10,000,000

Share Class R 25,000

Share Class S 100,000,000

Annual Management Charge

Share Class B 0.80%

Share Class R 0.80%

Share Class S 0.60%

Distribution Frequency Semi-Annual

XD Dates 30 Jun, 31 Dec

Pay Dates 13 Jul, 14 Jan

Dealing - Subscriptions Daily

Dealing - Redemptions Daily

Dealing Cut Off 13:00 CET

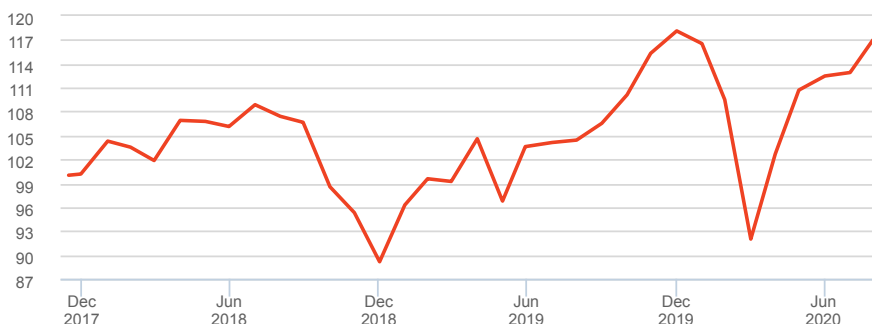
Administrator Brown Brothers Harriman

Auditor PricewaterhouseCoopers (LUX)

Fund Codes

Share Class	ISIN	Sedol	Bloomberg
B EUR	LU1697531488	BF8F669	RWCEBEC LX
B GBP	LU1697531561	BF8F6R0	RWCEBGC LX
R GBP	LU1697531728	BF8F744	RWCERGC LX
S EUR Dist.	LU1966011980	BJVM698	RWCESED LX

Cumulative Performance - Class B EUR



Cumulative Performance (%)

	NAV per Share	1M	3M	YTD	1Y	SI
B EUR	117.00	3.62	5.69	-0.95	12.06	17.00
MSCI Europe ex UK TR		3.91	7.16	-6.27	1.95	5.46

Discrete Monthly Performance - Class B EUR (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2020	-1.35	-6.04	-15.99	11.60	7.83	1.60	0.39	3.62	-	-	-	-	-0.95
2019	8.00	3.42	-0.34	5.41	-7.49	7.07	0.50	0.29	2.02	3.36	4.73	2.44	32.52
2018	4.13	-0.73	-1.62	4.95	-0.12	-0.60	2.58	-1.34	-0.70	-7.59	-3.30	-6.47	-10.99

Commentary

The MSCI Europe ex-UK index continued its recovery in August, rallying a further 3.91%. Optimism over a vaccine, and central bank stimulus acted to support risk assets. The fund modestly underperformed, rising just 3.62%, with positive sector allocation offset by negative stock picking. Consumer staples and health care were the largest sources of relative outperformance, whilst financials and consumer discretionary were the largest negatives. Radiotherapy equipment producer Elekta rose 18% in August, as the company reported better than expected Q1 results. Although hospitals have been focusing more on treating Covid-19 patients rather than making large capital investments, Elekta still managed to deliver positive order growth in the quarter which bodes well for future years. Cost control and a higher mix of high-margin service revenues also drove profits ahead of market expectations. Additionally, in August, Elekta's closest peer Varian was acquired by Siemens Healthineers, causing speculation that Elekta could too be a takeover candidate. In the process, Healthineers won out over another unnamed bidder, who may ultimately become interested in Elekta as an alternative. Although in the long-term Varian may become a fiercer competitor as part of a larger organisation, there may be near-term disruption that Elekta can capitalise upon.

Pandora's strong performance persisted in August with the shares rising a further 12%, driven by continued signs of the brand turnaround gaining traction. The company's Q2 results were initially taken negatively by the market due to a slight slowdown in momentum from lockdowns in certain geographies. Having spoken to the company following the results and analysed the latest traffic data, we continue to believe there is evidence of improving underlying momentum in key markets and that the Q2 shortfall was primarily affected by the timing of Valentine's Day in China. Furthermore, the CEO bought a significant number of shares in the company post results, demonstrating his own confidence in the business turnaround and that the shares remain attractively valued.

Single-use endoscope producer Ambu fell -18%, with Q3 results disappointing the market. Despite profits coming in ahead of expectations, delays to a clinical study for its new duodenoscope and to the launch of its gastrointestinal products next year, both due to Covid-19 headwinds, disappointed the market. Although these delays are a short-term negative, it does drastically alter the long-term dynamics within the industry. As first mover into single-use endoscopy, Ambu has a market leading position that will be hard to disrupt, making it the primary beneficiary of the industry's shift from reusable to single-use endoscopes, in order to improve economics and avoid contamination. Single-use has still only taken a low single-digit percentage share of the endoscopy market, illustrating the huge addressable market to capture in years to come.

Please note Firm AUM includes emulation account values from the previous month-end.

Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested.

Total Fund returns are calculated on a NAV-NAV basis net income reinvested and are shown net of all fees.

Source: RWC

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Exposure Summary (%)

Equities	90.6
Cash	9.4

Top Ten Long Positions (%)

HelloFresh SE	3.3
Novo Nordisk A/S Class B	3.3
Bayer AG	3.2
Elekta AB Class B	3.1
Legrand SA	3.0
Teleperformance SE	2.9
Erste Group Bank AG	2.9
Loomis AB	2.6
DSV Panalpina A/S	2.6
Ipsen SA	2.6

Security Breakdown

Total No. of Securities Held	48
Top Ten Positions*	29.7

Market Cap Breakdown (% of NAV)

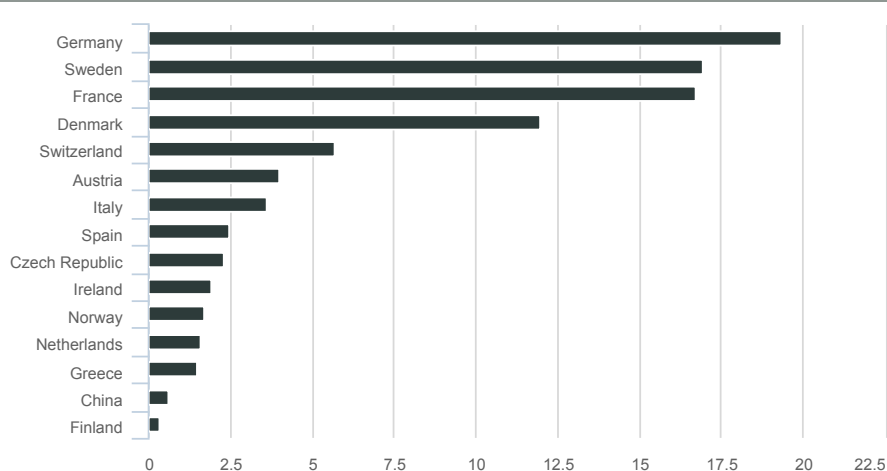
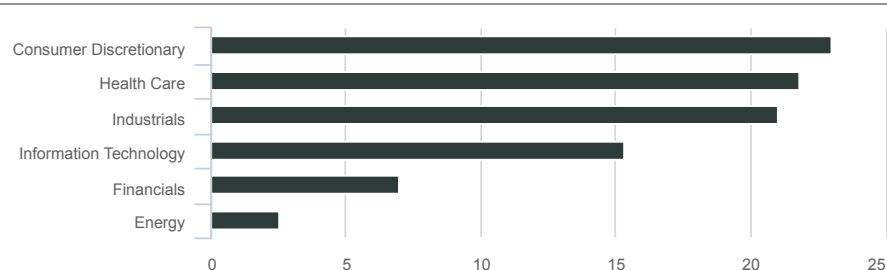
> \$25bn	17.2
\$10bn - \$25bn	23.0
\$1bn - \$10bn	57.0
< \$1bn	2.7

Statistical Analysis

	Fund
Active Share	93.0

Additional Share Class NAV & Performance

Share Class	NAV	1 Month (%)	YTD (%)
B EUR	117.00	3.62	-0.95
B GBP	119.02	2.65	4.31
R GBP	113.60	2.65	4.29
S EUR Dist.	115.39	3.64	-0.84

Geographic Breakdown (%)

Sector Breakdown (%)


The information above may differ from figures published elsewhere due to differences in the standard deviation calculation methodology used. The above figures are quoted based upon the population methodology.

*Percentage of NAV.

Source: FactSet (using GICS Sector Classifications via MSCI).

Country classifications differ from that of the index.

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