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European Leaders
OEIC



CAPTURING EUROPE'S FINEST FOR UK INVESTORS



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● WHAT?

A Europe ex-UK large cap equity fund created specifically for UK investors. It seeks high-conviction names with the aim to achieve capital growth over a period of at least five years.

● HOW?

Fund Manager Mark Denham follows a disciplined, selective process based on bottom-up analysis to find companies that demonstrate high and sustainable profitability, underpinned by strong social responsibility credentials and continuous reinvestment of profits for future growth.

● FOR WHO?

FP Carmignac European Leaders is designed for UK investors seeking the best Europe has to offer, and who are prepared to invest for the medium to long-term. It can be used as a core portfolio or as a diversification tool.

CONVICTION-DRIVEN APPROACH



BOTTOM-UP

Rather than being distracted by market noise, relying on cyclical tailwinds, or taking a view on growth figures, interest rates, or currency movements, we use a bottom-up approach to focus on secular opportunities – firms which can grow under their own steam, irrespective of the macro environment.



LONG-TERM

The attributes which affect markets are typically short-term, but great companies are defined by their long-term promise. Over the short term, stock prices can go up or down for a variety of reasons, but over a long period of time ultimately a stock price will always reflect how well or badly the underlying company has done.



REINVESTMENT

We believe companies must not only have a high and sustainable return on their existing business but also go one step further by reinvesting these cash flows for the future. As a result, they grow their capital base while maintaining a superior profit. This leads to a compounding effect on the intrinsic value of the business over the long term.

DISTINCTIVE PROCESS

We take meticulous steps to ascertain companies' suitability. From a universe of around 1,500 European stocks, only 35 to 40 stocks⁽¹⁾ make the final cut.

INVESTMENT UNIVERSE

We are looking to invest in businesses operating in **continental Europe with a market cap of €1bn or above**. Yet our screening can include smaller companies with a market cap of >€500m with the potential to grow.



FINANCIAL SCREEN

We run a **financial screen** based on five key characteristics – including return on investment, reinvestment and operating margin stability – complemented by **in-depth fundamental analysis** (research, forecasts, management meetings, etc.).



SRI SCREEN

Social responsibility metrics allow us to refine the scope: we exclude companies operating in controversial sectors, and we favour those with a positive impact on society or the planet, according to our proprietary and third-party ESG research.

(1) As of 31/08/2020, the portfolio held 38 invested stock assets. Portfolio composition may change at any time and without previous notice.

EXPERIENCED TEAM

Mark Denham has been **finetuning his investment approach since 2003.**

With a blend of asset management knowledge and institutional experience, Mark has the expertise needed to analyse the fundamentals of companies and uncover what makes them more competitive.



Conviction in itself is not enough, but conviction informed by careful analysis and through long-standing European experience can be a very powerful proposition.



Mark can draw from **a deep pool of expertise** within Carmignac's wider investment team:

- *Mark's own European Equities team* comprising one Portfolio Manager and three analysts,
- *The Strategic Investment Committee*, who selects top-down convictions and ensure consistency across the portfolios,
- *Carmignac's entire management team*, specifically sector specialists

This collaboration enables him to identify the finest companies for the Fund. As evidence, Carmignac has received **a Gold rating in the Equity-Europe Sector** by Citywire.



Source and Copyright: Citywire – Carmignac is Gold rated in the Equity-Europe Sector by Citywire for their rolling risk adjusted performance, across the sector, over the period 30/06/2013 - 30/06/2020. Group ratings are updated twice a year.

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Mark DENHAM

Head of European Equities,
Fund Manager

Mark Denham has longstanding experience in European equities, **covering the asset class since 1993** as Analyst, Fund Manager and Head of Team.

He joined Carmignac in 2016 as Head of European Equities and Fund Manager. He currently manages the **FP Carmignac European Leaders** Fund and five other portfolios.

During his career, **he has established a strong track record**, notably at Carmignac, and at Aviva Investors (UK) where he was managing approximately €5 billion through institutional mandates, as well as an OEIC and a SICAV.

Prior to joining Aviva Investors in 2003, Mark was **Director of European Equities** at Insight Investment, and **Fund Manager** at National Mutual Life.

He graduated from Cambridge University with a degree in Natural Sciences and holds a Postgraduate Certificate in Advanced Mathematics.



Mark Denham is rated AAA by Citywire for his 3-year risk-adjusted performance across all funds he is managing to 31/08/2020.



KEY POINTS

1

FOCUSED

A Europe ex-UK fund managed by a **Portfolio Manager with a proven track record**, who seeks to capture Europe's finest companies to achieve capital growth for UK investors.

2

SELECTIVE

Selecting companies that demonstrate **high and sustainable profitability**, reinvestment in future growth and strong social responsibility credentials.

3

CONCENTRATED

A concentrated, low turnover portfolio composed of **high-conviction names**, designed to maximise long-term alpha generation.

MAIN RISKS OF THE FUND

EQUITY: The Fund may be affected by stock price variations, the scale of which is dependent on external factors, stock trading volumes or market capitalization.

CURRENCY: Currency risk is linked to exposure to a currency other than the Fund's valuation currency, either through direct investment or the use of forward financial instruments.

DISCRETIONARY MANAGEMENT: Anticipations of financial market changes made by the Management Company have a direct effect on the Fund's performance, which depends on the stocks selected.

THE FUND PRESENTS A RISK OF LOSS OF CAPITAL.

Recommended
minimum investment
horizon:



Legal form	OEIC
Share class	A GBP Acc
Date of 1 st NAV	15/05/2019
Management	Equity management
ISIN	GB00BJHPHZ49
Bloomberg SEDOL CITI FT MEX Lipper code	FCELAGA LN BJHPHZ4 Q9ZS OFNTR 68547868
Dividend policy	Accumulation
Comparator Benchmark	MSCI Europe ex-UK Net Total Return USD
Morningstar category IA Sector	Europe ex-UK Large-Cap Equity Europe excluding UK
Capital guarantee	No
Ongoing charges	0.89%
Management fees	0.81%
Redemption fees	0.00%
Maximum subscription fees paid to distributors	0.00%

*For the A GBP acc share class. Risk scale from the KIID (Key Investor Information Document). Risk 1 does not mean a risk-free investment. This indicator may change over time. The Company presents a risk of loss of capital. The risks and fees are described in the KIID.

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