

Merrion Irish Equity Fund **FACTSHEET**

31st March 2019

The Merrion Irish Equity Fund captures the capital growth potential inherent in equity markets over the long term. The Fund invests in equities domiciled, or having substantial business interests in Ireland. The companies may be listed on the Irish Stock Exchange or another international exchange.

FUND

Fund Type	Equity
Bid/Offer Spread	None
Launch date	05.01.2001
Base Currency	EUR
Liquidity	Daily
Risk Rating	5
Volatility*	14.1%
Benchmark	ISEQ Total Return Index

***Volatility* on a risk scale of 1 to 7, with level 1 being generally low risk and level 7 being generally high risk. The volatility is measured from past returns over a period of five years using weekly and monthly data where applicable. Prior to making an investment decision, you should talk to your financial advisor or broker in relation to the risk profile most suitable for you.*

PERFORMANCE UPDATE AT 31.03.2019

	Irish Equity	ISEQ Index
1 Month	1.3%	1.2%
3 Months	15.8%	12.9%
1 Year	-7.8%	-5.2%
3 Years p.a.	1.5%	0.6%
5 Years p.a.	7.5%	6.1%
10 Years p.a.	14.9%	13.1%
15 Years p.a.	5.9%	3.4%

Source: MoneyMate 31.03.2019

*Performance figures are quoted gross of management fees.

Management fees are detailed in the relevant share class addendum.

The Irish equity fund strongly outperformed its benchmark in Q1 delivering a return of 15.8% versus the ISEQ which returned 12.9%. This builds on its strong medium term performance with a 5 year return of 7.5% versus 6.1% for the benchmark and 14.9% versus the 13.1% over a 10 year period.

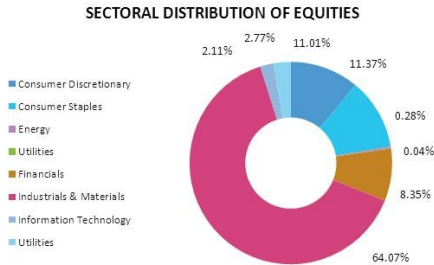
Over the quarter the main positive contributors were overweight positions in Cairn Homes (+33.7%) , Dalata Hotels (+20.8%) , Green Reit (+12.9%) , Glenveagh (+25.1%) & Independent News & Media (+21%). Tactical trading in Irish financials AIB & Bank of Ireland added further to the outperformance.

Underweights in Food and beverages stocks Aryzta (+26%), Glanbia (+7%) and Kerry Group (+15%) were the main drags on otherwise strong outperformance.

Looking ahead, we remain constructive on the Irish housing market dynamics. Strong demographics, FDI and income growth should drive the demand side with current annual supply estimated to be approximately 50% of estimated longer term demand of 35-40,000 units. Although there are some concerns over affordability for new homes, much of Cairn & Glenveagh's housing supply is in the lower priced range.

Although Brexit uncertainty is likely to continue to drive higher than average volatility in the short term, we believe Irish equities offer an attractive proposition for the medium term investor given current valuations and strong fundamentals.

SECTORIAL DISTRIBUTION OF EQUITIES



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