

Merrion Irish Equity Fund FACTSHEET

30th June 2021

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
Riska Rating ESMA*	6
Volatility**	21.1%
Benchmark	ISEQ Total Return Index

* Source: MoneyMate

**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.

The Merrion Irish Equity fund produced a return of 3.9% over the second quarter ahead of its benchmark which returned 1.4%. Over the past ten years, the fund has delivered annualised performance of 13.9% outperforming the benchmark's 12.7%.

The main positive drivers over the quarter were overweight positions in Kerry Group (+10.9%) and several smaller cap equities such as Datalex (+65%), FBD (+27.8%) & Uniphar (+ 33.8%) that performed strongly over the quarter. Over the second quarter, the fund added to Greencoat Renewables, initiated a new long in C&C and took some profits in CRH.

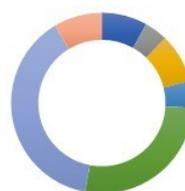
Ireland has made significant progress regards vaccinations which should start to help the domestic focused Irish companies. The latest data shows 46% of the total population and 62% of the adult population in Ireland have been fully vaccinated against the virus. Over the past week, the daily pace of the vaccination rose to 1.27 per 100. This is the highest rate in the EU and the fourth fastest in the World. Irelands relatively high exposure to higher growth sectors such as Technology and Pharma will also continue to drive strong economic growth outside the domestic exposed sectors.

The narrative around house price inflation continues to improve with Irish house prices rising for the 5th consecutive month in May to 5.5% y-o-y. House prices now sit just 14% below their 2007 peak. The supply of housing in Ireland is also at historical lows and amidst the pandemic, Ireland topped the list of OECD countries for percentage of household income saved in the last 18 months.

Heightened macro 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 reasonable valuations and strong fundamentals.

Sector Exposure

- Consumer Discretionary 29.1%
- Consumer Staples 26.7%
- Energy 5.1%
- Financials 3.3%
- Healthcare 3.0%
- Material and Industrials 31.7%
- Information Technology 1.1%
- Utilities 0.0%



Please refer to our monthly Strategy and Outlook for an update from the Investment team. <https://www.cantorfitzgerald.ie/merrion-investment-managers/market-updates/>

Please refer to our website link: <https://cantorfitzgerald.ie/wp-content/uploads/2019/08/policy-research-third-party-1.pdf> for our policy regarding the provision of research by third parties. In relation to Merrion Investment Trust - KIDs additional information is available on request from Merrion Investment Managers - please contact 670 2500 or e-mail info@merrion-investments.ie. Further details are available on request from Merrion Investment Managers.

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