

The GM Fund

Fund Objective

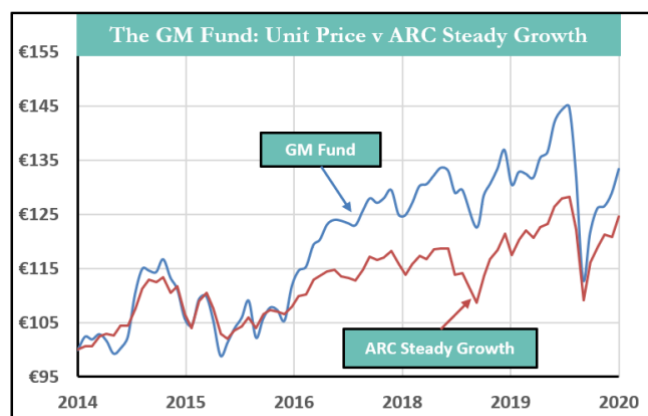
The GM Fund is a mixed-asset fund that aims to achieve capital growth over the medium- to long-term. The fund's natural position is to be heavily weighted towards equities (which include property REITs and private equity) - the best performing asset class over the medium- to long-term. However, other asset classes are considered if clear value is evident or if the risk protection on offer is deemed preferable. The GM Fund has two share classes, A & B.

Fund Details

Fund Net Assets	€53,112,922
Units in Issue	387,383
NAV per unit (A/B)	€133.43/€137.78
Total Expense Ratio (A/B)	1.25%/0.25% p.a.

Top 10 Holdings 44.6%

Berkshire Hathaway	8.0
SPDR MSCI Consumer Staples ETF	5.8
Markel	4.5
CVC Credit Partners Euro Opp.	3.9
Ryanair Holdings	3.9
DCC	3.8
Tetragon	3.8
2Xideas Library Fund	3.7
TR European Growth Trust	3.7
M&G Listed Infrastructure Fund	3.5



Monthly Factsheet

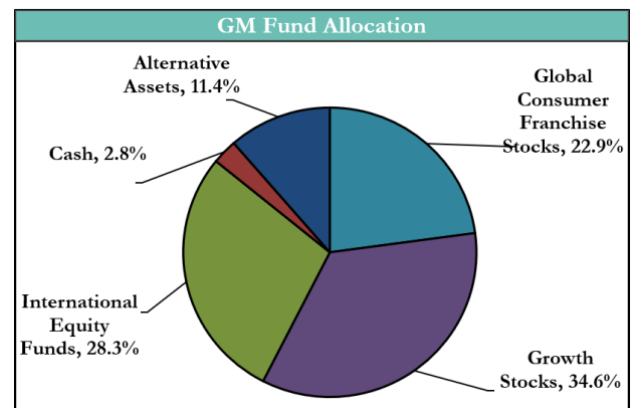
31st Aug 2020

Performance Commentary

The GM Fund (A share class) increased 3.5% after costs in August 2020, which compares to a 3.2% increase in the ARC Steady Growth Index and a 4.6% increase in the FTSE World Index (€). As the fund can invest in different asset classes, it is best compared to the ARC Steady Growth Index. Year-to-date, the GM Fund is down 7.6% after costs compared to a 2.6% decline in the ARC Steady Growth Index. There is further analysis of developments in the fund overleaf.

Currency Exposure

	%
UK Pound	4.3
US Dollar	16.3
Euro	34.5
Mixed Currency Assets	44.9



Performance

	1 MTH	YTD	1 Year	Since Incept.
The GM Fund A	3.5%	-7.6%	1.2%	33.4%
The GM Fund B	3.6%	-6.9%	2.2%	37.8%
ARC Steady Growth	3.2%	-2.6%	3.3%	24.7%

Calendar Year

	2019	2018	2017	2016
The GM Fund A	17.7%	-4.3%	11.7%	8.7%
ARC Steady Growth	17.8%	-6.5%	6.4%	2.2%

For anyone interested in obtaining further information on the GM Fund, send an email to info@gillenmarkets.com and we will be happy to assist.

Commentary

Global equity markets were higher again in August with the FTSE World Index (€) up 4.6% - driven, in the main, by the performance of a narrow breath of US technology stocks. The gold price was up just 0.4% in August following strong gains in the previous two months.

Positive contributors to performance during August included Kingspan (+18.4%), AB Foods (+15.9%), Ryanair (14.7%), Berkshire Hathaway (+11.4%) and Schroders Global Energy Transition Fund (+9.6%).

The majority of our growth stocks had positive gains. Kingspan delivered better than expected half-year results. Both ABF's and Ryanair's operations have been significantly impacted by CV-19, but recognition that both companies will remain leaders in their space most likely led to a recovery in share prices during August. Berkshire continues to benefit from its sizeable holding in Apple, which is benefitting from a surging share price.

The largest detractors in the fund on the month included Diageo (-10.4%), CVC Credit Partners European Opportunities (-9%) and Heineken (-5.7%). The closure of pubs and restaurants along with the cancellation of major events is weighing on both Diageo and Heineken – reflected in negative share price performance in August. CVC Credit's discount to NAV widened from 1% to 10% during the month, a buying opportunity, in our view.

During the month we sold out of our position in the iShares Physical Silver ETC following strong gains, while we added modestly to our positions in Murray Int'l and Irish Continental on share price weakness.

We also reduced our position size in the SPDR World Consumer Staples ETF and recycled the proceeds into four of the single name stocks in the theme – Diageo, Heineken, Coca-Cola and Unilever.

Share price underperformance in 2020 at Diageo, Heineken and Coca-Cola surprises us. While earnings will be impacted by Covid-19 in the short-term, this is likely to be temporary and it seems investors are pricing long-term growth assets off short-term events, which is why we took the opportunity to add to our holdings.

All Holdings

Growth Stocks	34.6%
Berkshire Hathaway	8.0%
Markel	4.5%
Ryanair Holdings	3.9%
DCC	3.8%
Associated British Foods	3.4%
Irish Continental Group	3.3%
Kingspan	3.1%
Applegreen	2.9%
Mincon Group	1.7%
Global Consumer Franchise Stocks	22.9%
SPDR World Consumer Staples ETF	5.8%
Unilever	2.5%
Heineken	2.5%
Diageo	2.4%
Reckitt Benckiser	2.2%
Mondelez	1.8%
Colgate	1.7%
Johnson & Johnson	1.7%
Coca-Cola	1.7%
Kerry Group	0.6%
International Equity Funds	28.3%
2Xideas Library Fund	3.7%
TR European Growth Trust	3.7%
M&G Listed Infrastructure Fund	3.5%
AVI Japan Opportunity Trust	3.3%
Templeton Emerging Markets	3.3%
iShares MSCI World Value ETF	2.9%
Murray International	2.2%
Schroders Global Energy Transition	2.1%
AVI Global Trust	1.7%
iShares Euro Stoxx Bank 15-30 ETF	1.0%
Majedie Investments	0.9%
Alternative Assets	11.4%
CVC Credit Partners Euro Opp.	3.9%
Tetragon	3.8%
Greencoat Renewables	2.9%
iShares Physical Gold ETC	0.8%
Cash	2.8%
Total	100%