

## The GM Fund

### Fund Objective

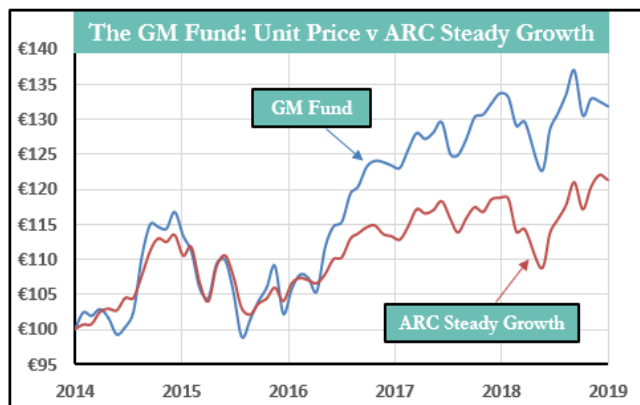
The GM Fund is a mixed-asset fund that aims to achieve capital growth over the medium- to long-term. The fund's natural position is to be heavily weighted towards equities (which include property REITs and private equity) - the best performing asset class over the medium- to long-term. However, other 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	€52,175,808
Units in Issue	388,469
NAV per unit (A/B)	€131.83/€134.76
Total Expense Ratio (A/B)	1.25%/0.25% <i>p.a.</i>

### Top 10 Holdings 51.8%

Berkshire Hathaway	8.9
Ryanair Holdings	5.6
Markel	5.5
Tetragon	5.0
DCC	5.0
Cash	4.8
Greencoat Renewables	4.7
CVC Credit Partners	4.6
Applegreen	3.9
Associated British Foods	3.8



\*The GM Fund began in May 2014

## Monthly Factsheet

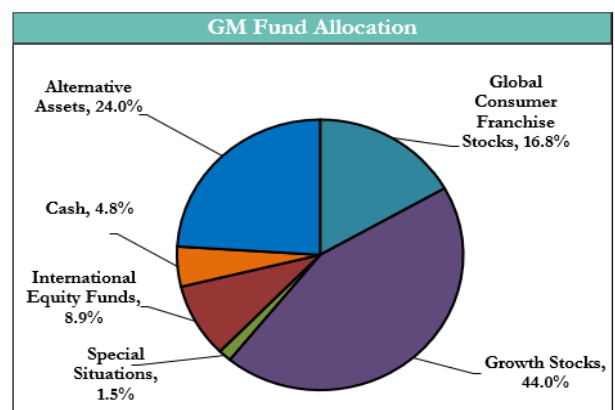
30<sup>th</sup> Aug 2019

### Performance Commentary

The GM Fund (A share class) fell 0.5% after costs in August 2019, which compares to a 0.6% decrease in the ARC Steady Growth Index and a 1.7% fall 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 has gained 7.5% after costs compared to a 11.6% gain in the ARC Steady Growth Index. There is further analysis of developments in the fund overleaf.

### Currency Exposure

	%
UK Pound	8.1
US Dollar	27.7
Euro	29.6
Mixed Currency Assets	34.6



### Performance

	1 MTH	YTD	1 Year	Since Inception
The GM Fund A	-0.5%	7.5%	-1.4%	31.8%
The GM Fund B	-0.5%	8.2%	-0.4%	34.8%
ARC Steady Growth	-0.6%	11.6%	2.1%	21.3%

### Calendar Year

	2018	2017	2016	2015
The GM Fund A	-4.3%	11.7%	8.7%	2.9%
ARC Steady Growth	-6.5%	6.4%	2.2%	3.0%

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

The GM Fund is a sub-fund of Skyline Umbrella Fund ICAV, an Irish collective asset management vehicle established as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended. The GM Fund changed its name from the GM Global Balanced Fund to The GM Fund on the 7th of October 2016. The value of your investment can decline as well as rise. The GM Fund does not guarantee the return of your capital and you should seek independent advice regarding the suitability or otherwise of an investment in this fund before investment. Any investment made in the fund will be made subject to the terms and conditions outlined in the GM Fund Supplement dated 10th August 2016. The ARC Steady Growth is for comparative purposes only and should not be considered an official benchmark. See [www.davy.ie/fund-services/funds](http://www.davy.ie/fund-services/funds) for details. GillenMarkets is regulated by the Central Bank of Ireland. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments. Davy Asset Management are Investment Manager to The GM Fund. Davy Asset Management is regulated by the Central Bank of Ireland.

## Commentary

Equity markets threatened a sell-off in mid-August and we got a Dow Theory 'Sell' signal on the US market, but markets steadied somewhat thereafter and the FTSE World Index (€) finished the month down 1.7%. Gold continued its gains in August following the break above the decisive \$1,350 an ounce level in June and ended the month up 6.8%.

Positive contributors to the fund's performance during the month included Wheaton Precious Metals (+12.6%), Franco Nevada (+12.4%), Gold (+6.8%), Silver (+12%) and Greencoat Renewables (+8.2%). Positions that had a negative impact on the fund's performance included Mincon (-12%), Irish Continental Group (-10.3%), Applegreen (-9.9%) and AB Foods (-6.1%).

The precious metals continued to make gains during the month as it seems inevitable that governments will begin to print money to boost spending and growth leading to the debasement of currencies. And Wheaton Precious Metals and Franco Nevada, the providers of equity-like finance to the precious metals' miner, continued to benefit from the gains in precious metals. As a basket, the Global Consumer Franchise Stocks held up well during the month reflecting their defensiveness.

Weakness in Mincon's share price reflects a difficult market backdrop in its industry which has dulled forward sales growth prospects in H2 2019, while Irish Continental continues to be impacted by ongoing Brexit concerns. Applegreen announced an acquisition in the US but a weak share price in August indicates that investors are more focused on debt reduction initiatives following the huge UK Welcome Break acquisition in 2018.

During the month we sold out of our position in Kraft Heinz and we used the proceeds and new monies into the fund to make small additions to existing holdings – Irish Continental Group, Ryanair, Berkshire Hathaway, Mincon, Johnson & Johnson and TR European Growth Trust. We also took some profits on Wheaton Precious Metals and Franco Nevada and recycled the proceeds into the Gold and Silver exchanged-traded commodities.

The sale of Kraft Heinz reflects the fact that we simply got it wrong. It is possible that the share price has bottomed but given the group's debt pile we decided to move on.

## All Holdings

<b>Growth Stocks</b>	<b>44.0%</b>
Berkshire Hathaway	8.9%
Ryanair Holdings	5.6%
Markel	5.5%
DCC	5.0%
Applegreen	3.9%
Associated British Foods	3.8%
Irish Continental Group	3.1%
Burberry	2.5%
PZ Cussons	2.4%
Mincon Group	1.9%
Kingspan	1.4%
<b>Global Consumer Franchise Stocks</b>	<b>16.8%</b>
Heineken	2.5%
Unilever	2.4%
Mondelez	2.3%
Diageo	2.2%
Colgate	2.2%
Reckitt Benckiser	2.0%
Johnson & Johnson	1.9%
Henkel	1.3%
<b>International Equity Funds</b>	<b>8.9%</b>
AVI Japan Opp. Trust	3.4%
TR European Growth Trust	2.2%
Majedie Investment Trust	1.7%
AVI Global Trust	1.6%
<b>Alternative Assets</b>	<b>24.0%</b>
Tetragon	5.0%
Greencoat Renewables	4.7%
CVC Credit Partners	4.6%
Wheaton Precious Metals	3.3%
Franco Nevada	3.2%
Third Point Offshore	1.6%
iShares Physical Gold ETC	0.8%
iShares Physical Silver ETC	0.8%
<b>Special Situations</b>	<b>1.5%</b>
Aryzta	1.5%
<b>Cash</b>	<b>4.8%</b>
<b>Total</b>	<b>100%</b>

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