



The Fund

The Fund has been managed by Olly Russ since launch in April 2010, and he was joined by Oisín O'Leary as Assistant Fund Manager in June 2017. The aim of the Fund is to deliver a high level of income and capital growth over the long term (5 years or more) by investing in companies incorporated, domiciled, listed or which conduct significant business in the EEA (European Economic Area) and Switzerland. The Fund seeks to deliver a net target yield of at least 125% of the net yield of the MSCI Europe ex UK Index each year. The managers have the ability to use a covered call strategy to boost income and to implement hedging on hedged share classes.

Key information

Class Launch Date	14.09.16
Comparator Benchmark 1	MSCI Europe ex UK
Comparator Benchmark 2	IA Europe Excluding UK
Fund Size [^]	£35.3m
Number of Holdings	54
Net Underlying Yield ^{^^}	4.64%
Target Benchmark Yield	3.42%
Active Share [*]	83.52%

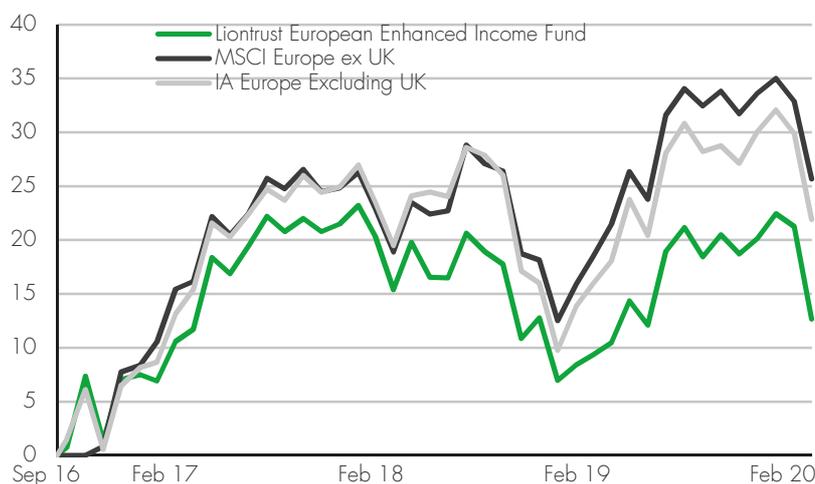
[^]Fund AUM shown is in the base currency of the fund.

Fund Target: 125% of the yield of MSCI Europe excluding UK (This will be hedged if the fund share class is hedged).

Our experienced fund management team

Olly Russ and Oisín O'Leary have a combined 25 years of investment and capital markets experience. Olly joined Liontrust in July 2016, having started his career at investment boutique Orbitex in 1998. At Orbitex, Olly worked on European Equity and UK Income funds and was responsible for running the Orbitex UK Equity Fund from its inception in March 2000. In 2002, Olly moved to Invicta Investment Management, a privately owned hedge fund, before joining Neptune Investment Management as a fund manager and financial analyst. He moved to Argonaut Capital in 2005. Oisín joined Liontrust in June 2017, having previously been an investment analyst at Argonaut Capital Partners across the company's range of funds from September 2015. He was also formerly an investment analyst at Maris Capital and a debt capital markets analyst at HSBC Bank.

Performance since manager inception date (%)



Discrete years' performance (%)

To previous quarter 12 months ending:	Dec 19	Dec 18	Dec 17
Liontrust European Enhanced Income Fund	14.5	-11.9	13.5
MSCI Europe ex-UK Index	20.0	-9.9	15.8
IA Europe ex-UK sector average	20.3	-12.2	17.3
Quartile ranking	2	3	4

Cumulative performance (%)

	1 month	YTD	3 months	6 months	1 year	3 years	Since inception
Liontrust European Enhanced Income Fund	-7.1	-8.0	-6.2	-4.9	3.0	5.4	12.7
MSCI Europe ex-UK Index	-5.4	-6.9	-6.0	-5.1	6.1	13.7	25.7
IA Europe ex-UK sector average	-6.1	-7.7	-6.3	-4.9	5.1	12.2	21.9
Quartile ranking	4	3	2	1	3	3	3

Source: Financial Express, as at 29.02.20, total return, bid-to-bid, net of fees, income reinvested

Key risks: Past performance is not a guide to future performance. Investment in the Fund carries the risk of potential total loss of capital. The Fund writes out of the money call options to generate additional income. These call options will be "covered". Unitholders should note that potential capital growth of the Fund would be capped if these call options are exercised against the Fund and the Fund's capital returns are likely to be lower than the market in periods of rapidly rising share prices. The Fund's expenses are charged to capital. This has the effect of increasing dividends while constraining capital appreciation. Investment decisions should not be based on short-term performance. Investment in the Fund involves a foreign currency and may be subject to fluctuations in value due to movements in exchange rates. Discrete performance data is not available for five full 12 month periods due to the launch date of the portfolio.

^{^^}The amount of income generated for distribution after deducting all expenses. ^{*}The fraction of a fund invested differently to its benchmark. A 100% active share is a fund with no holdings in the benchmark, a 0% active share is a fund identical to the benchmark.

EUROPEAN ENHANCED INCOME

Sector breakdown (%)

Financials	27.3	<div style="width: 27.3%;"></div>
Industrials	16.4	<div style="width: 16.4%;"></div>
Consumer Discretionary	9.4	<div style="width: 9.4%;"></div>
Healthcare	8.7	<div style="width: 8.7%;"></div>
Utilities	8.3	<div style="width: 8.3%;"></div>
Communication Services	8.0	<div style="width: 8.0%;"></div>
Consumer Staples	6.6	<div style="width: 6.6%;"></div>
Energy	3.7	<div style="width: 3.7%;"></div>
Materials	3.6	<div style="width: 3.6%;"></div>
Information Technology	2.4	<div style="width: 2.4%;"></div>
Other	1.5	<div style="width: 1.5%;"></div>

Top 10 holdings (%)

Endesa	4.1
Roche	3.2
Terna SpA	3.1
Banca Farmafactoring	3.0
Zurich Insurance	2.9
Novartis	2.8
Vinci	2.8
Sanofi	2.7
Nobina	2.5
Gjensidige Forsikring	2.4

Geographic breakdown (%)

France	16.8	<div style="width: 16.8%;"></div>
Sweden	16.1	<div style="width: 16.1%;"></div>
Switzerland	14.0	<div style="width: 14.0%;"></div>
Germany	12.5	<div style="width: 12.5%;"></div>
Italy	10.7	<div style="width: 10.7%;"></div>
Norway	8.2	<div style="width: 8.2%;"></div>
Spain	5.8	<div style="width: 5.8%;"></div>
Finland	5.7	<div style="width: 5.7%;"></div>
Netherlands	4.1	<div style="width: 4.1%;"></div>
Other	2.1	<div style="width: 2.1%;"></div>
Cash and Derivatives	4.0	<div style="width: 4.0%;"></div>

Allocation (%)

Equity	96.0
Cash and Derivatives	4.0

Additional information

Minimum initial investment	£5,000,000
Minimum additional investment	£100,000
Ex-dividend date	1 March (Final) 1 June 1 September 1 December
Distribution date	31 January 30 April (Final) 31 July 31 October
Sedol code	BZCOHB2
Bloomberg code	LTEEIIIU LN
ISIN code	GB00BZCOHB25

Risk ratios

Annualised over 36 months	
Alpha	-2.37%
Beta	0.97
Information Ratio	-0.84
Annualised over 260 weeks	
Volatility	14.62%
Benchmark volatility	14.82%

Where the Fund has a short track record, the ratios shown may be based upon the historic data of the Fund as well as a representative fund or the ratio may be calculated over a shorter time period.

Charges

Initial charge	0.00%
Ongoing Charges Figure*	0.91%
Included within the OCF is the Annual Management Charge**	0.75%

*The Ongoing Charges Figure (OCF) covers all aspects of operating a fund during the course of its financial year. These include the annual charge for managing the fund, administration and independent oversight functions, such as trustee, depository, custody, legal and audit fees. The OCF **excludes** portfolio transaction costs except for an entry/exit charge paid by the Fund when buying or selling units in another fund. This will have an impact on the realisable value of the investment, particularly in the short term. **These are the annual costs of running and managing the Fund.

Important information

This document provides information about the Liontrust European Enhanced Income Fund ('the Fund') and Liontrust Fund Partners LLP ('the Manager'). Liontrust Fund Partners LLP (2 Savoy Court, London WC2R 0EZ) is authorised and regulated in the UK by the Financial Conduct Authority (FRN 518165) to undertake regulated investment business. This document does not constitute or form part of, and should not be construed as, an invitation to buy or sell units and neither this document nor anything contained or referred to in it shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever. The value of units and the income generated from them, can fall as well as rise and are not guaranteed; investors may not get back the amount originally subscribed. Equity investments should always be considered as long term. Investors should not purchase the Fund referred to in this document except on the basis of information contained in the Fund's Prospectus. We recommend that investors who are not professional investors should contact their professional adviser. The Fund's Prospectus and Key Investor Information Document (KIID) are available from www.liontrust.co.uk or direct from Liontrust.

Contact information

Liontrust Fund Partners LLP
2 Savoy Court, London WC2R 0EZ

☎ Client Services: 020 7412 1777

☎ Administration & Dealing: 0330 123 3822

✉ Email: admin@liontrust.co.uk

🌐 Website: www.liontrust.co.uk