



Alma Hotchkis & Wiley US Large Cap Value Equity Fund

A sub-fund of Alma Capital Investment Funds SICAV



As of 28 February 2019

Fund description

- Investment objective: seek current income and long-term capital growth by investing in a concentrated portfolio of large US companies
- Investment process: analyse long term company fundamentals through in-house bottom-up research aiming to identify undervalued stocks
- The fund typically holds 40 to 60 securities and generally invests in companies with a market capitalization above \$3 billion
- Benchmark: Russell 1000 Value Index
- Investment strategy mirrors the Large Cap Fundamental Value strategy managed by the Investment manager since 1980

Investment manager: Hotchkis & Wiley Capital Management, LLC

- Hotchkis & Wiley is an SEC-regulated, Los Angeles-based investment adviser founded in 1980, specialised in US value equity and US high yield bond strategies.
- Interests aligned with investors: employee owned firm – all 21 investment professionals own equity
- George Davis, the CEO of Hotchkis & Wiley and senior portfolio manager of the fund, has over 30 years of investment experience. He coordinates the day-to-day management of around \$23 billion of equity value assets
- Hotchkis & Wiley manage \$27 billion

Cumulative performance (%)

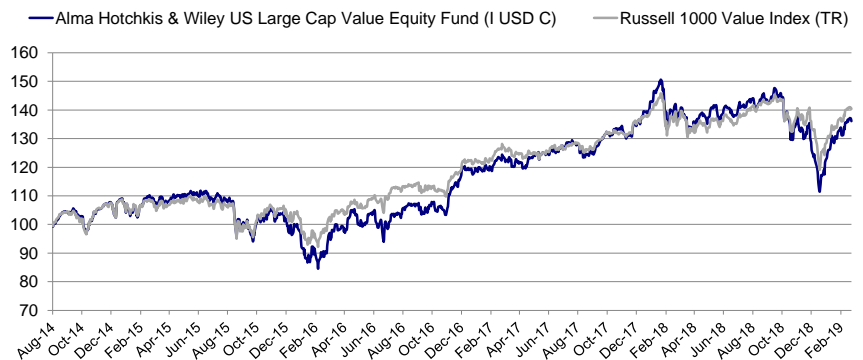
	1 M	3 M	6 M	YTD	1Y	3Y	ITD
I USD C shares	2.86	1.58	-5.54	15.54	-1.43	51.28	36.09
R USD C shares	2.85	1.57	-5.55	15.55	-1.47		
Russell 1000 Value Index (TR)	3.20	0.55	-1.62	11.23	3.16	43.54	40.36

Fund launched on 6 August 2014

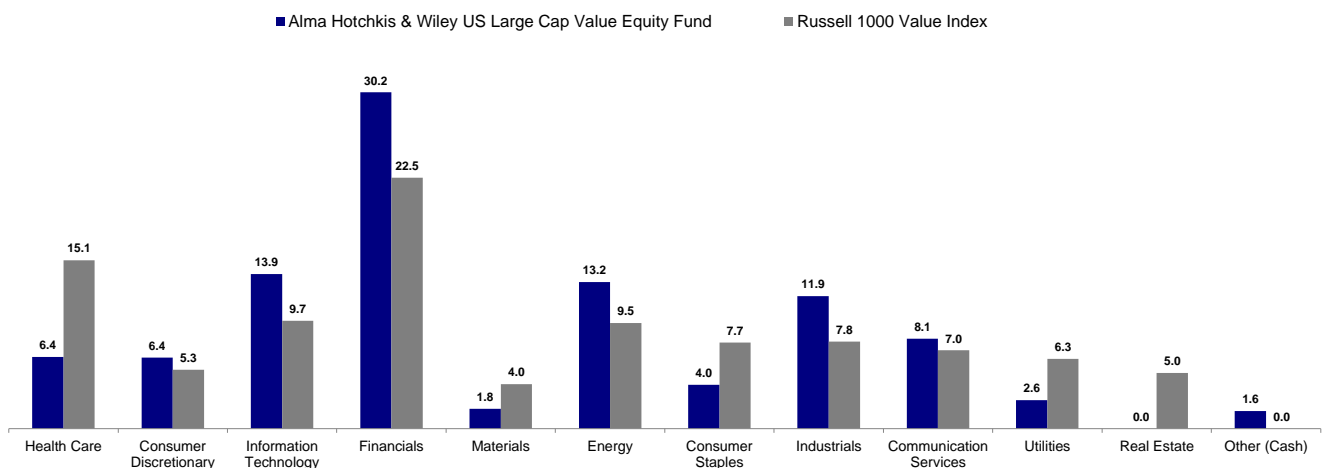
Portfolio characteristics

Main indicators	Fund	Index
No. of securities	51	721
Weighted Average Market Cap (\$ bn)	101.1	118.6
Median Market Cap (\$ bn)	32.2	9.3
Projected P/E Ratio	10.5x	13.1x
Price / Normal Earnings	8.2x	14.2x
Price / Book	1.5x	2.0x
Price / Sales	1.1x	1.5x
Projected EPS Growth	6.0x	5.7x
Active share (%)	83.3	-

Performance (Indexed - Base 100)



Sector breakdown (% NAV)



Top 10 positions details

Security name	Sector	% NAV
AMERICAN INTERNATIONAL GROUP	Financials	5.06
CITIGROUP INC	Financials	4.27
GENERAL ELECTRIC CO	Industrials	4.13
WELLS FARGO & CO	Financials	4.02
MICROSOFT CORP	Information Technology	3.76
HEWLETT PACKARD ENTERPRISE	Information Technology	3.30
GENERAL MOTORS CO	Consumer Discretionary	3.24
GOLDMAN SACHS GROUP INC	Financials	3.16
ORACLE CORP	Information Technology	2.73
DISCOVERY INC-C	Communication Services	2.69
TOTAL:		36.37

Investment manager's commentary

Market:
The S&P 500 Index returned +3.2% in February. Following its +8.0% return in January, it is now up +11.5% since the beginning of the year, recovering most of its 4Q 2018 decline. Positive progress on trade talks between the US and China, dovish comments from the US Federal Reserve, and another strong corporate earnings season appears to have refueled investor optimism. All sectors were positive in the month—technology and industrials led while consumer discretionary and communication services lagged. By focusing on valuation, we have been able to identify attractive valuation opportunities even when the overall market is close to fully valued, as it appears today. The portfolio trades at 1.5x book value and 8.3x normal earnings compared to 2.0x and 14.2x, respectively, for the Russell 1000 Value Index.

Fund:
The fund slightly underperformed the Russell 1000 Value Index in February. Nearly 25% of the portfolio was invested in stocks trading at a discount to book value compared to just 6% for the index; this hurt performance as the deeply-discounted group lagged the overall market. The overweight allocation to technology helped but stock selection in the sector hurt, with the net effect slightly negative. Stock selection in consumer discretionary and materials were modest detractors. Stock selection in industrials and the underweight exposure to REITs were modest positive contributors. The largest individual detractors to relative performance were AIG, Vodafone, National Oilwell Varco, Citigroup, and International Paper; the largest positive contributors were Microsoft, CNH Industrial, Citizens Financial, General Electric, and Hess.

Fund facts

Fund total net assets:	\$88.9 M	Dealing:	Each day with a 1-day notice
Fund domicile:	Luxembourg	Cut-off time:	5 pm CET
Fund type:	UCITS SICAV	Identifiers:	Institutional USD Capitalisation share class
Base currency:	USD	Isin:	LU0963547111 Ticker: ALDCPBI LX Launch: 6 August 2014
Management fee:	0.75% p.a.	Retail USD Capitalisation Ticker:	ALDCBRU LX Launch: 21 November 2017
Depository, Administrator, Transfer Agent:	BNP Paribas Securities Services (LU)	Isin:	LU0963547970
Management company:	Alma Capital Investment Management (LU)	Countries where the fund is registered:	France, Germany, Luxembourg, Switzerland, United Kingdom, Austria
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