



Alma Hotchkis & Wiley US Large Cap Value Equity Fund

A sub-fund of Alma Capital Investment Funds SICAV



As of 31 July 2020

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 a SEC-regulated, Los Angeles-based investment adviser founded in 1980, specialised in value equity and high yield bond strategies
- Employee owned firm: 90% of the investment team and 67% of all employees own equity
- Investment team has over 23 years average investment experience and 15 years average tenure at Hotchkis & Wiley
- George Davis, the CEO of Hotchkis & Wiley and senior portfolio manager of the fund, has over 30 years of investment experience.
- Hotchkis & Wiley manages \$25 billion

Cumulative performance (%)

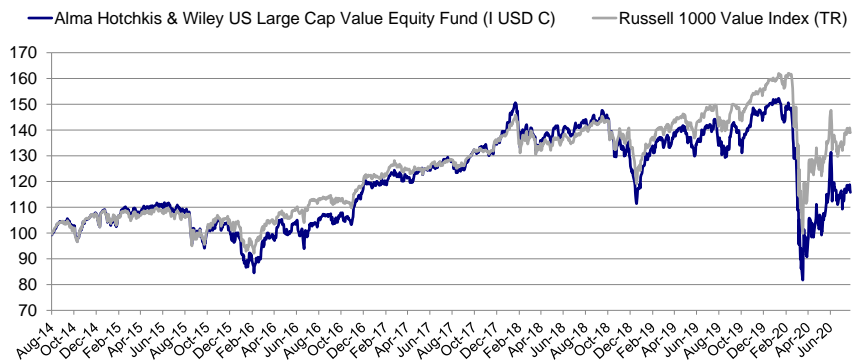
	1 M	3 M	6 M	YTD	1Y	3Y	ITD	ITD (annualized)
I USD C shares	0.90	7.13	-19.06	-22.87	-18.62	-9.79	15.80	2.48
R USD C shares	0.88	7.16	-19.05	-22.85	-18.59			
Russell 1000 Value Index (TR)	3.95	6.80	-11.03	-12.95	-6.01	8.31	39.01	5.65

Fund launched on 6 August 2014

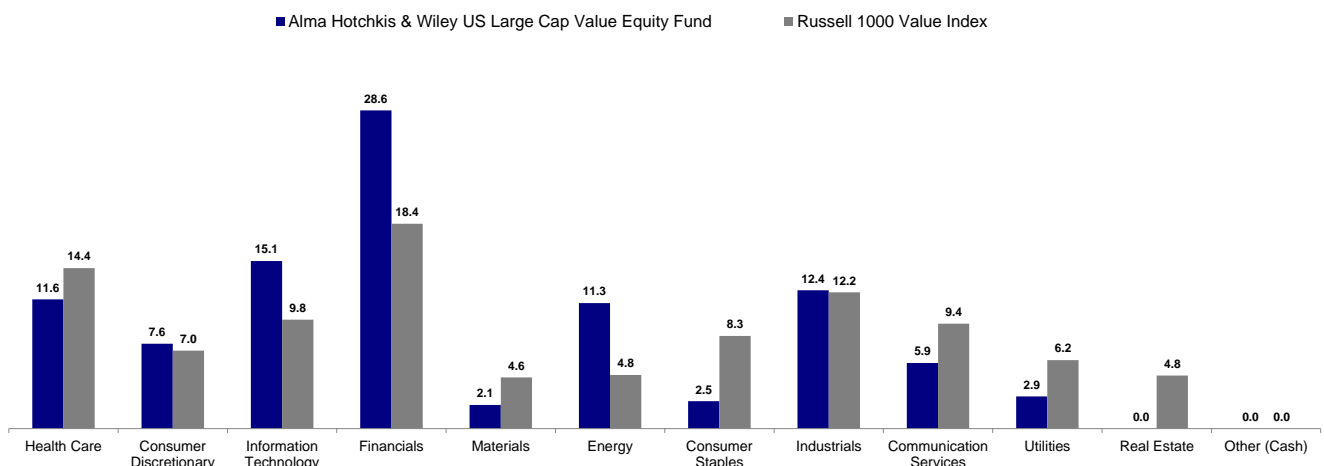
Portfolio characteristics

Main indicators	Fund	Index
No. of securities	57	838
Weighted Average Market Cap (\$ bn)	115.0	113.9
Median Market Cap (\$ bn)	29.0	9.7
Projected P/E Ratio FY2 (x)	11.4	15.7
Price / Normal Earnings (x)	6.6	14.0
Price / Book (x)	1.2	2.0
Price / Sales (x)	0.9	1.6
Projected EPS Growth (%)	6.1	5.9
Active share (%)	78.9	-

Performance (Indexed - Base 100)



Sector breakdown (% NAV)



Top 10 positions details

Security name	Sector	% NAV
GENERAL ELECTRIC CO	Industrials	4.74
AMERICAN INTERNATIONAL GROUP	Financials	4.72
WELLS FARGO & CO	Financials	3.84
CITIGROUP INC	Financials	3.58
MICROSOFT CORP	Information Technology	3.57
GENERAL MOTORS CO	Consumer Discretionary	2.99
ORACLE CORP	Information Technology	2.96
GOLDMAN SACHS GROUP INC	Financials	2.91
MAGNA INTERNATIONAL INC	Consumer Discretionary	2.64
BANK OF AMERICA CORP	Financials	2.64
TOTAL:		34.60

Investment manager's commentary

Market:

The S&P 500 Index returned +5.6% in July 2020. Better-than-expected corporate earnings and promising economic data overshadowed a resurgence of COVID-19 cases that were triggered by reopening efforts. More than half of S&P 500 companies reported quarterly earnings in July. Of these, more than 80% outpaced consensus expectations with a median beat of +15%. Retail sales grew faster than expected, expanding at +7.5% from the prior month compared to median expectations of +5.0%; industrial production also grew faster than anticipated (+5.4% vs. +4.3%). Housing data was positive as well, with pending home sales growing at a record pace. These positive developments were partially offset by an unexpectedly high increase in initial jobless claims, ongoing trade tensions between the US and China, and continued uncertainty about the pandemic's impact on the economy and capital markets.

The Russell 1000 Growth Index outperformed the Russell 1000 Value Index by 3.7 percentage points in July (+7.7% vs. +4.0%), extending its year-to-date advantage to 31.2 percentage points (+18.3% vs. -12.9%). The growth index has outperformed its value counterpart in 18 of the last 20 months, including each of the first seven months in calendar year 2020. The portfolio typically exhibits valuation characteristics at a discount to the value index, so momentum-driven markets represent a challenging environment for our investment style.

While the recent environment has presented near-term challenges for our value focused approach, we remain committed to the principles of value investing. We will continue to invest in well capitalized, prudently managed, quality companies trading at attractive prices for the risks at hand. Fortunately, the large performance difference between growth and value has created a wide divergence in valuation spreads that we believe will revert toward more normal relationships going forward. Our clients are well positioned to benefit significantly should a reversion manifest in the way we expect.

Fund:

The portfolio underperformed the Russell 1000 Value Index in July. The growth led market represented a stylistic headwind for our value focused style, as the market's most deeply discounted stocks lagged. Stock selection in financials, consumer discretionary, and industrials detracted from performance, along with the overweight position in energy. Positive stock selection in technology and energy helped relative performance. The largest detractors to relative performance in the month were General Electric, Wells Fargo, Royal Dutch Shell, Hess, and Vodafone; the largest positive contributors were Ericsson, FedEx, Corning, Cummins, and Apache.

Fund facts

Fund total net assets:	\$33.49 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
Investment manager:	Hotchkis & Wiley Capital Management, LLC (US)	Contacts	
Fund managers:	George Davis Scott McBride Judd Peters Patty Mckenna Patrick Meegan	Hervé Rietzler (FR / CH / LU / IT) Baptiste Fabre (FR / IR / UK) Britt Lintner (UK / DE) Raluca Alda (CH / IT)	+352 28 84 54 19 +33 1 56 88 36 55 +44 207 009 9240 +41 78 864 19 07
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