

Fund Managers: Richard Pease, James Milne

## CRUX (Lux) European Special Situations Fund

“  
Against this background,  
the CRUX (Lux)  
European Special  
Situations Fund rose  
3.4% compared to its  
performance compartor  
IA Europe ex UK which  
rose 3.0%.\*  
”

Equity markets continued their upward path in August with a weaker sterling benefitting UK investors. The main news came from China, where the government continued to announce heightened regulations on a slew of sectors including restricting computer gaming use by children. This led to a setback in Chinese stocks whereas US and European stock markets were, on the whole, unaffected. However, investors were briefly jittery in the middle of the month after Chinese officials repeated phrases of “common prosperity” and “wealth redistribution” which knocked luxury goods share prices in particular. At the month end, observers were comforted by remarks from the US Federal Reserve on a gradual tapering of stimulus with no rush for interest rate increases. Against this background, the CRUX (Lux) European Special Situations Fund rose 3.4% compared to its performance compartor IA Europe ex UK which rose 3.0%.\*

The fund outperformed due to strong performance from a variety of holdings. Vivendi gained as it released more details about the forthcoming spin off of Universal Music. Novo Nordisk rose on strong results and on optimism over its obesity drug Wegovy. Van Lanschot advanced on solid results including good inflows in its private bank. SoftwareOne bounced as management reiterated full-year guidance. Performance was held back by Porsche which slipped back as VW announced some production stoppages caused by the global microchip shortage and LVMH lost ground with luxury goods peers. In terms of transactions, we trimmed Bureau Veritas and SGS after good performance and Aroundtown on concerns over future office demand.

Over the summer, investors have started to appreciate that governments will have to manage rather than eliminate covid, and that habits disrupted by the pandemic are unlikely to snap back soon; on top of this, inflation and interest rate expectations have also cooled. This has led to a rotation out of cyclical stocks as well as pandemic-affected companies and into businesses that enjoy secular growth whatever the weather. This has benefitted the fund, as we focus on the

\*Source: FE 31.07.21- 31.08.21 Bid-Bid, income re-invested EUR.

### Important Information

Please note the views, opinions and forecasts expressed in this document are based on CRUX's research and analysis at the time of publication. Before entering into an investment agreement in respect of an investment referred to in this document, you should consult your own professional and/or investment adviser. CRUX (Lux) European Special Situations Fund (the 'Fund') is a sub-fund of the CRUX Global Fund (the 'Company'). The Company is a UCITS scheme incorporated as a Société Anonyme in Luxembourg and is organised as a Société d'investissement à Capital Variable (SICAV). This is a type of open-ended fund widely used in Europe. The Fund is registered with the Commission de Surveillance du Secteur Financier under registry number 11083.

This information is only directed at persons residing in jurisdictions where the Company and its shares are authorised for distribution or where no such authorisation is required. Please read all scheme documents prior to investing. Subscriptions can only be made in conjunction with the latest version of the Prospectus, KIID, Semi-Annual and Annual Accounts. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. Tax assumptions and reliefs depend upon an investor's particular circumstances and may change if those circumstances of the law change. If you invest through a third party provider you are advised to consult them directly as charges, performance and terms and conditions may differ materially than those shown on this document.

On 8th March 2019 CRUX European Special Situations Feeder Fund was renamed CRUX (Lux) European Special Situations Fund. For more information please follow the link [www.cruxam.com](http://www.cruxam.com).



latter, with niches such as technology, testing, food ingredients, sustainable packaging, energy efficiency and software. This growth, coupled with high returns on capital and incentivised management but on undemanding valuations, make for an attractive fund proposition in our view.

#### Important Information

Please note: Due to rounding the figures in the holdings breakdown may not add up to 100%. Unless otherwise indicated all figures sourced from Financial Express, Datastream, State Street and CRUX Asset Management Ltd. Third party data is believed to be reliable, but its completeness and accuracy is not guaranteed.

This document has been approved under Section 21 of the Financial Services and Markets Act 2000 by CRUX Asset Management Ltd. This document is issued by CRUX Asset Management Ltd which is registered in England and Wales (Company no. 08697189) and whose registered address is 48 Pall Mall, London, SW1Y 5JG. It is authorised and regulated by the Financial Conduct Authority (FRN 623757).

These figures refer to the past and past performance is not a reliable indicator of future results.