

AMG Europe Fund

Monthly Report August 2020

Review

European equity markets continued to rise in August, with the AMG Europe Fund (+3.5%) rising even stronger than the market. On the macro side, this movement was fundamentally underpinned by better-than-expected purchasing managers' indices as well as by a further improvement in corporate sentiment in Germany, which was reflected in the Ifo business climate index in July with a third consecutive rise. The manufacturing, service and retail sectors have revised their assessments of the current situation and expectations for the coming months noticeably upwards.

Cewe Stiftung achieved a top result in the Corona environment: While commercial online printing performed as expected, the "stay-at-home effect" helped to boost demand for photo books (+11%). Overall, the decline in sales was thus cushioned to -1.7%. The improved product mix subsequently helped to generate a seasonally unusual operating profit (EBIT) of EUR 2.4 million. In a "normal" year, the company generates a negative EBIT in the second quarter. In addition to the strong operating performance, the balance sheet was further strengthened, the equity ratio now stands at 54% and the total return on capital employed rose to 20.3% in Q220, compared to 18.1% in the same quarter of the previous year. **Allianz** was able to report a solid result for Q220 in a challenging environment. Compared to Q1, operating profit recovered by 11% and Covid-19 related claims were at the same level as in the previous quarter. Life & Health and Asset Management also improved. The slightly lower Solvency II ratio of 187% is still solid and will be sufficient to continue the dividend policy. Carton packaging manufacturer **Mayr Melnhof** significantly exceeded market expectations with a 12% EBITDA growth in Q2, made possible by increased inventory build-up at the customer. Due to the high resilience of the end markets in the food retail sector, the price and volume outlook remains stable. With a P/E 2021e of 14.3x and a dividend yield of 2.6%, Mayr Melnhof remains attractive. With the strong balance sheet, further growth impulses from acquisitions should be on the agenda under the new CEO Oswald. The copper producer **Aurubis** performed well in 3Q20/21 with better metal extraction and higher precious metal prices. Although revenues fell slightly by 4.6% to EUR 2.9 billion, operating earnings before taxes climbed by 90.9% to EUR 42 million. Since the end of May 2020, Recycler Metallo has also been part of the Group, with the help of which Aurubis can still reach the lower end of the confirmed annual EBT forecast of EUR 185 - 250 million (after 9 months: 133 million).

Facts

Domicile of Fund:	Switzerland
Fund Management Company:	LLB Swiss Investment Ltd, Zurich
Custodian Bank:	Frankfurter Bankgesellschaft, Zurich
Investment Manager:	AMG Fondsverwaltung AG, Zug +41 41 726 71 71, www.amg.ch
Reference currency:	EUR
Launch date:	01.04.2007
ISIN:	CH0027940730 (A) / CH0048476664 (B) CH0297417534 (C)
Distributions:	Dividend & Capital Gain distributing (A + C) Dividend distributing only (B)
Subscription / Redemption:	Daily / no fees
Performance Fee:	none
Management Fee:	1.0% (A + C); 1.5% (B)
TER (31.12.2019):	1.26% (A); 1.76% (B); 1.26% (C)
Tax transparency:	Switzerland, Austria
Tax Status Germany:	Equity Fund within the meaning of the German investment tax law (InvStG) with part. release
Registered for public distribution:	Switzerland, Germany

Breakdown by Currencies

EUR	78.8%	CHF	17.3%
NOK	2.0%	DKK	2.0%

Distributions:

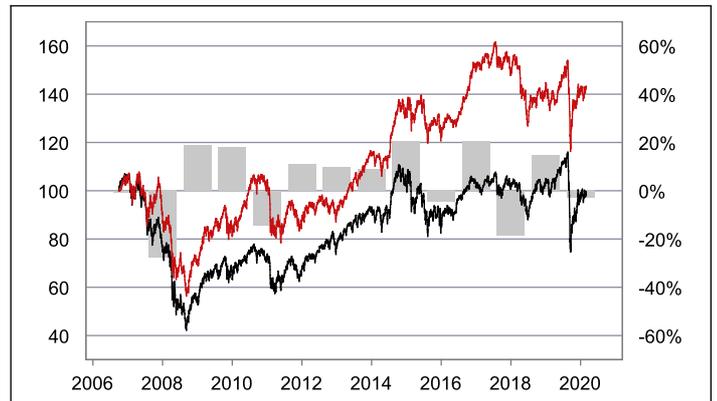
12.03.2013	Dividend	EUR 2.00
18.03.2015	Dividend	EUR 1.40
18.03.2020	Dividend	EUR 1.00

Key Figures

Net Asset Value (Tranche A):	EUR 134.33
Number of Shares Issued:	304'617
Net Asset Value (Tranche B):	EUR 128.97
Number of Shares Issued:	37'356
Net Asset Value (Tranche C, CHF-hedged):	CHF 142.22
Number of Shares Issued:	124'563
Total Net Asset Value:	EUR 62.2 Mio.

Performance - Tranche A (Distributions included)

	1 Month	3 Months	12 Months	3 Years*	5 Years*	since inception*
Fund	3.5%	3.2%	3.6%	-2.1%	1.6%	2.7%
Stoxx600®	2.9%	4.6%	-3.4%	-0.7%	0.2%	-0.2%
						*p.a.
	2020	2019	2018	2017	2016	since inception
Fund	-2.9%	14.8%	-18.6%	20.3%	-4.6%	43.2%
Stoxx600®	-11.9%	23.2%	-13.2%	7.7%	-1.2%	-2.1%



■ AMG Europe ■ Stoxx600® indexed ■ Yearly performance (right scale)

Please find the detailed overview under www.amg.ch

Risk Ratios (rolling over the last 3 Years)

Volatility (p.a.):	14.1%
Sharpe Ratio (-0.43% Risk Free Rate):	n/a
Beta (vs. Stoxx600®):	0.66

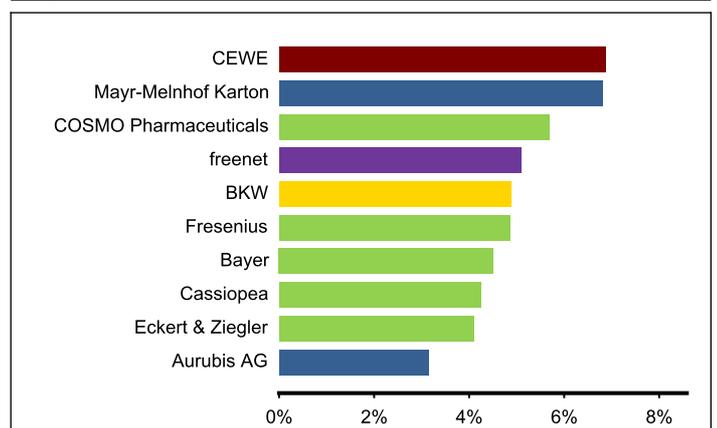
Breakdown by Sectors

Health Care	29.7%
Industry	15.7%
Basic Materials	12.7%
Utilities	9.8%
Communication	7.0%
Consumer Disc.	5.7%
Technology	4.1%
Consumer Staples	3.8%
Financials	2.0%
Energy	1.9%
Cash	7.4%

Exposure

Long Position:	92.6%
Hedge Position:	5.1%
Net Position:	87.5%
Absolut Position:	97.7%

Largest Positions



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