

August 2018

For Professional investors only

Fund details

Portfolio managers	Rishikesh Patel Sam Mahtani
Fund type	UCITS
Domicile	Ireland
Benchmark	S&P BSE 100 Index
Inception date	25 August 2015
Fund size	US\$ 1.6m
Strategy size¹	US\$ 37.1m
NAV per share	US\$ 16.2603 (E Acc)
Min. initial investment	Class A - US\$50,000 Class B - US\$1,000,000 Class E - US\$10,000,000
Dealing day	every business day
Initial charge	Class A - up to 3% Class B - nil Class E - contact Investment Manager
Investment management fee	Class A - 1.5% Class B - 1.0% Class E - contact Investment Manager
TER ex investment management fee²	0.75% Currently capped by the Investment Manager

Fund codes by share classes

ISIN E Acc	IE00BCDYJW78
Bloomberg ticker E Acc	BMOGEUA ID

Administrator

State Street Fund Services (Ireland) Ltd.
78, Sir John Rogerson's Quay
Dublin 2, Ireland

Telephone: + 3531 776 8150
Fax: + 3531 523 3783

Contact details

LGM Investments Limited
95 Wigmore Street
London, W1U 1FD, UK

Telephone: +44 (0)20 3650 6600
Fax: +44 (0)20 7495 8651
Email: info@lgminvestments.com
Website: www.lgminvestments.com

Dealing details

Dealing instructions must be received not later than 11am (Irish time) on Dealing Day. Subscription monies must be received in cleared funds no later than four Business Days (Class A, B, E, F, R, S & W) after the Dealing Day.

Other details

BMO LGM Greater India Fund is a sub-fund of BMO Investments II (Ireland) plc, an umbrella fund with segregated liability between sub-funds authorized by the Central Bank of Ireland as a UCITS (undertaking for collective investment in transferable securities).

Key Investor Information Document and prospectus are available from the Fund's Investment Manager, LGM Investments Limited.

Investment objective

The Fund aims for long-term capital growth through investment in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in India and may include investment in other countries in the Indian sub-continent such as Sri Lanka and Bangladesh.

Risk warning

The value of investments and any income derived from them can go down as well as up as a result of market or currency movements and investors may not get back the original amount invested. Securities in emerging markets may involve a higher degree of risk. These markets are typically less liquid and may experience greater volatility in prices and currencies than more established markets.

Performance as at 31 August 2018 (%)

	Fund	Benchmark
Since inception	62.6	42.5
Last month	-2.7	0.0
Last 3 months	-1.8	3.6
Last 6 months	1.6	1.6
Last 12 months	9.8	5.0
YTD	-1.4	-2.0
CY 2017	58.6	39.8
CY 2016	5.8	1.0
CY 2015	-1.7	3.0

Annualised Performance

	Fund	Benchmark
1 year	9.8	5.0
2 years	16.3	12.1
3 years	17.7	11.5
Since inception	17.5	12.5

Performance data is in US\$ terms and gross of investment management fees. The effect of fees will be to reduce the figures shown. All performance is calculated on a NAV to NAV basis. Past performance should not be considered a guide to future performance.

Discrete performance as at 31.08.2018 (%)

	2014	2015	2016	2017	2018
Fund	-	-	20.78	23.11	9.79
Benchmark	-	-	10.27	19.78	5.00

Top ten holdings

Company Name	Sector	% NAV
HDFC Bank	Financials	6.4
ITC	Consumer Staples	5.6
ICICI Bank	Financials	4.9
Hindustan Unilever	Consumer Staples	4.3
Kotak Mahindra Bank	Financials	4.2
Emami	Consumer Staples	4.2
Nestle India	Consumer Staples	4.1
HDFC	Financials	4.1
Delta Corp (India)	Consumer Discretionary	4.0
Britannia Industries	Consumer Staples	4.0
Total		45.7
No. of Holdings		26

Portfolio characteristics*

	Fund	Benchmark
ROIC (non financials)	24.2%	16.5%
ROE (financials)	16.0%	14.4%
Net debt / Equity (non financials)	-21.5%	19.2%
Equity / Assets (financials)	13.5%	11.4%
12m Turnover (12 months) ⁴	53.7%	N/A

Risk statistics

	Since Inception
Alpha (annual basis)	4.5
Annualised volatility (fund)	17.7
Annualised volatility (benchmark)	16.2
Sharpe ratio ⁴	0.9
Tracking error (ex-post)	6.5
Information ratio	0.7
Up market capture ratio	112.5
Down market capture ratio	93.6

Market cap (US\$bn)

	Fund	Benchmark
< 1 bn	9.8%	0.0%
1-5 bn	23.6%	6.4%
> 5 bn	66.6%	93.65%
Weighted Average (US\$bn)	21.5	38.8

Sources: FactSet, LGM, BMO Global Asset Management

¹ Total assets of all portfolios managed by LGM following a similar benchmark to the BMO LGM Greater India Fund.

² The Investment Manager has currently agreed to waive or reduce its investment management fee and reimburse expenses to the extent necessary to prevent the total expense ratio (TER) excluding investment management fee of the Fund from exceeding 0.75%.

³ Risk Free Rate: US T-Bill 3 Month.

⁴ Measured as the lesser of purchases or sales divided by the average fund size during the period.

*ROIC - Return on Invested Capital; ROE - Return on Equity; P/E - Price to Earnings

Source: LGM Investments ("LGM"). All data is as at the last business day of the month, if it is not a Dealing Day for the Fund, an indicative NAV has been used. This factsheet is for information purposes only and is based on sources believed to be reliable. It should not be construed as an invitation to purchase or sell shares of the Fund. This document is for sole use of intended recipients and must not be copied or disseminated in whole or part to third parties without the written consent of LGM. LGM accepts no liability for any loss or damage caused by reliance on or use of the information in this factsheet.

The S&P BSE 100 Index is a product of AIPL, which is a joint venture of S&P Dow Jones Indices LLC or its affiliates ("SPDJ") and BSE, and has been licensed for use by BMO Global Asset Management (Asia) Ltd. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); BSE® is a registered trademark of BSE Limited ("BSE"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by AIPL and sublicensed for certain purposes by BMO Global Asset Management (Asia) Ltd. © Asia Index Private Limited 2018. All rights reserved. Redistribution, reproduction and/or photocopying in whole or in part are prohibited without written permission of AIPL. For more information on any of AIPL's indices please visit <http://www.asiaindex.com/>. None of AIPL, BSE, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none of AIPL, BSE, S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC or their affiliates nor their third party licensors shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.

Portfolio managers

Rishikesh Patel, Portfolio Manager. Rishikesh holds a post-graduate degree in Finance and Management from Jannalal Bajaj Institute of Management Studies, Mumbai, and graduated in Commerce from Narsee Monjee College of Commerce & Economics, Mumbai. Before joining LGM in 2006, he worked with ICICI Securities and General Electric. During Rishi's two years at ICICI Securities he was an analyst researching the IT, Real Estate and Cement sectors. Rishi was at General Electric for almost three years and worked across five GE businesses. Since joining LGM he has researched Indian stocks and advised on our Indian mandates. Rishi relocated to our London office in October 2014 and became Co-Portfolio Manager and then Lead Portfolio Manager for our Global Emerging Markets mandates in March and July 2016, respectively.

Sam Mahtani, Portfolio Manager. Sam joined BMO Global Asset Management (EMEA) in 1993 helping launch the F&C India fund, the third offshore India fund to be available to foreign investors. He became co-manager for the fund in 1994 and lead manager in 1996. He has over 20 years investment experience analysing companies and managing money in emerging markets. Sam has research responsibilities for companies in Asia, specialising in India, China, Korea and Latin America. Prior to BMO Global Asset Management (EMEA) Sam worked at the Royal Bank of Scotland Plc for six years as Senior Bank Officer in the corporate trusts division. He is an Associate of the Institute of Financial Services and a member of the CFA Society in the UK. Sam was one of the five BMO Global Asset Management (EMEA) emerging markets team members to become part of LGM in late 2014.

About LGM Investments

LGM Investments is a specialist Asian, Global Emerging (GEM) and Frontier Markets equity manager. Our investment professionals are based in London and Hong Kong.

We are active bottom up stock pickers with a long-term perspective. Quality underpins all our investment thinking and results in non-index driven, high conviction portfolios.

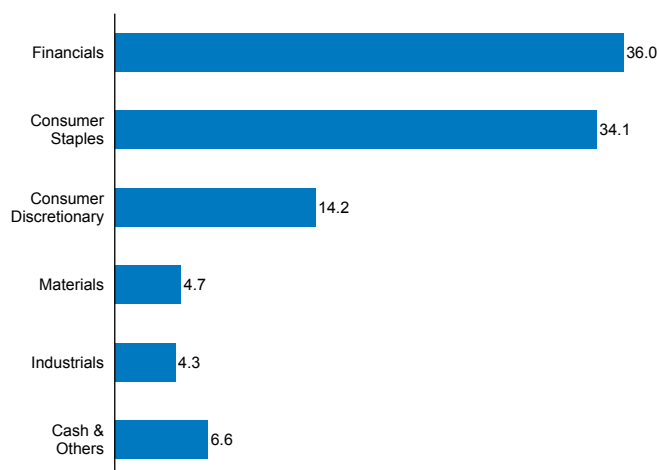
LGM Investments was established in Hong Kong in 1991 and became a wholly owned subsidiary of Bank of Montreal (BMO) in April 2011. It is part of BMO Global Asset Management.

Investment approach

Primary research is the cornerstone of our investment process. We research companies with a long-term view and wait for the opportunity to buy high quality companies without overpaying for their inherent quality.

Our focus on quality companies with sustainable business models generating substantial excess returns over their cost of capital through the cycle leads us onwards asset light business models with modest capital needs; robust balance sheets; and proven management teams with disciplined capital management. We seek clear and fair alignment between majority and minority shareholders.

Sector breakdown (%)



Fund manager's commentary

Indian equities had a decent month, with the MSCI India Index increasing by about 1% in US dollars. The portfolio underperformed the benchmark index.

The portfolio's absolute performance was supported by our holdings in ICICI Bank, Nestle India and ITC. Meanwhile, HDFC Bank, Yes Bank and IndusInd Bank detracted. On account of our bottom-up, quality-focused investment philosophy, as well as our preference for the domestic investment theme, the fund is overweight in consumer staples, consumer discretionary and financial services names and underweight in energy, utility, healthcare, information technology and telecommunications.

Foreign institutional investors were net sellers of US\$278m, while the domestic mutual funds were net buyers of US\$588m worth of stock in August.

Overall emerging market weakness in currencies affected India. The rupee depreciated about 3.6% during the month. With crude oil rising in the last few months, concerns over increasing interest rates and general concerns over global trade, sentiment has turned negative. Despite this, the good news from our recent visit to India and various corporate meetings in the last few weeks is that there seems to be acceleration on the bottom-up fundamentals in which our companies operate.

Among the stocks which supported performance in August was Nestle India. In the last few years post the Maggi noodle scandal, the company has gone through significant transformation under the leadership of the new CEO Suresh Narayanan. There has been renewed focus on volume-led growth with new product launches, and the pace of innovation and renovation has gained significant strength. New products that were launched in last couple of years contribute now about 3% of sales. We believe Nestle, with its dominant market position in almost all the categories that have significant under-penetration in India, can accelerate and grow profitably for a long time.

Among the stocks which detracted performance was Yes Bank. Yes Bank is India's fifth-largest private sector bank, founded in 2004. It started out as a corporate bank and is now becoming more diversified commercial bank with a profitable corporate, retail & SME banking franchise across the country. In the last few years, Yes Bank has steadily built a good liability franchise that can support its long term growth. It is one of the few banks in India that is still run by the original founder, Rana Kapoor, who has been the CEO since inception. However, Reserve Bank of India (RBI) approves the appointment of CEO for fixed tenure and there has been a delay by in confirming Kapoor's tenure for next few years, which led to weakness in the stock. We believe this is a temporary issue that should not impact the long-term value of the franchise.

As at 31 August 2018

Notice to investors in Switzerland: The Prospectus (Swiss Version), Key Investor Information Document, Articles of Association, Annual and Interim Reports in German, as well as further information, can be obtained free of charge from our Swiss Representative: Carnegie Fund Services S.A., 11, rue du Général Dufour, CH-1204 Geneva, Switzerland, Web: www.carnegie-fund-services.ch. The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The current prices can be found at: www.fundinfo.com.

Investment in LGM Funds may be unlawful in some jurisdictions. This fact sheet is for general information only. Reference should be made to the Fund's offering documents for full details of the risks involved. Past performance should not be seen as an indication of future performance.

This document is directed to those persons who have been classified as "Eligible Counterparties" and "Professional Clients" in accordance with FCA COBS4. It is issued by LGM Investments Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom and registered in England and Wales with Company Registration No. 3029249. Registered Office: 95 Wigmore Street, London, W1U 1FD. VAT Registration No. 662 940913 © LGM Investments.