



Fund Manager(s)  
**Mark Heslop,**  
**Threadneedle**  
**Asset**  
**Management**  
**Limited**  
 Since: 09 2009

# Threadneedle (Lux) Pan European Small Cap Opportunities

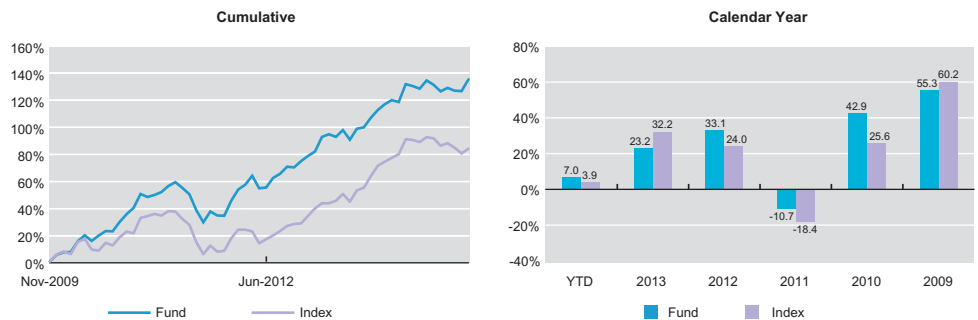
## Fund Objective and Policy

The aim of the Fund is to grow the amount you invested.

The Fund invests at least two-thirds of its assets in shares of smaller companies in Europe, including the UK, or companies that have significant operations there. As it invests in smaller companies, the Fund will mainly invest in companies that are smaller in size than the top 300 companies in the FTSE World Europe Index.

The Fund permanently invests a minimum of 75% of its assets in European Economic Area (excluding Liechtenstein) equities, and is therefore PEA (Plan d'Epargne en Actions) eligible in France.

## 5 Year Performance



## Fund Performance - Cumulative

	1M%	3M%	YTD%	1Y%	3Y%	5Y%	SI <sup>3</sup>
<b>Fund (Net)</b>	3.8	2.8	7.0	8.5	75.3	135.1	57.1
<b>Index (Gross)</b>	2.0	-2.1	3.9	5.6	71.4	83.7	21.1
<b>Peer Group (Net)</b>	3.2	-0.6	3.1	5.4	69.9	91.6	20.7
<b>Ranking<sup>2</sup></b>	19/57	8/57	11/57	15/56	14/50	2/45	2/34
<b>Quartile Ranking<sup>2</sup></b>	2	1	1	2	2	1	1

## Performance 12 Months Ending

	30th Nov 10	30th Nov 11	30th Nov 12	30th Nov 13	30th Nov 14
	39.7%	-4.0%	30.1%	24.2%	8.5%

Note: All performance figures relate to the Net Acc Class A (Retail) EUR share class.

## Past performance is not a guide to future performance.

The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested.

Data reflects current management and other charges, but does not consider the effect of initial charges applicable to new investments.

<sup>1</sup>The index was HSBC Smaller European Companies until 30 September 2013 and Euromoney Smaller European Companies thereafter.

## Top 10 Holdings

	%
<b>Elekta AB Class B</b>	2.2
<b>NORMA Group SE</b>	2.1
<b>Close Brothers Group plc</b>	2.0
<b>Pandora A/S</b>	2.0
<b>Avanza Bank Holding AB</b>	2.0
<b>Howden Joinery Group PLC</b>	1.8
<b>Partners Group Holding AG</b>	1.8
<b>Brenntag AG</b>	1.8
<b>Tyman Plc</b>	1.7
<b>St. James's Place Plc</b>	1.7
<b>Total % in top 10:</b>	19.0
<b>Total Number of Stocks in Portfolio:</b>	100

The mention of any specific shares or bonds should not be taken as a recommendation to deal.

For more information on Threadneedle's SICAV funds please visit our website at [threadneedle.com/lux](http://threadneedle.com/lux).

Source performance: Copyright © 2014 Morningstar UK Limited. Source other: Threadneedle.

<sup>2</sup>The Ranking and Quartile Ranking are referenced to the Peer Group

## Fund Facts

Index <sup>1</sup>	Euromoney Smaller European Companies
Peer Group <sup>2</sup>	GIFS Offshore – Europe Small-Mid Cap Combined
Fund Size	€179.8m
Launch Date	January, 2007
Type of Share	For available share classes please see prospectus.

## Share Class & General

	A	D	I
Initial Charge	5%	1%	0%
Annual	1.50%	2.40%	0.85%
Min. Investment	€2,500	€2,500	€100,000

All information expressed in Euro

<sup>3</sup>Since Inception

## Sector Weightings

%	Fund	Index	Deviation from Index	
Industrials	25.0	23.5		1.6%
Consumer Discretionary	16.3	16.4		-0.1%
Financials	14.4	20.2		-5.8%
Health Care	13.1	9.0		4.1%
Information Technology	11.9	9.1		2.8%
Materials	10.2	7.3		2.9%
Consumer Staples	6.3	5.6		0.7%
Energy	1.6	4.0		-2.4%
Telecommunication Services	1.0	1.9		-0.9%
Utilities	0.0	3.0		-3.0%
Cash	0.1	-		0.1%

## Country Weightings

%	Fund	Index	Deviation from Index	
United Kingdom	23.4	27.0		-3.6%
Germany	15.8	10.9		4.9%
France	14.4	10.3		4.0%
Sweden	9.3	9.3		0.0%
Italy	7.6	8.7		-1.1%
Ireland	5.9	1.0		4.9%
Switzerland	5.0	7.0		-2.1%
Finland	4.8	2.9		1.9%
Denmark	4.3	2.5		1.8%
Belgium	3.0	3.1		-0.1%
Other	6.4	17.1		-10.8%
Cash	0.1	-		0.1%

## Risk Analysis

Absolute Volatility	9.77%
Relative Volatility	0.92
Tracking Error	6.10%
Sharpe Ratio	2.07

## Relative Performance Summary

Information Ratio	0.15
Jensen Alpha	5.46%
Beta	0.76
R <sup>2</sup>	0.69

Note: Against Index over 3 years

## Additional Information

The European Mid and Small Cap Equities portfolio merged into the Pan European Smaller Companies portfolio on 22 June 2007. The portfolio manager changed as at 5 October 2007.

Previously known as the Pan European Smaller Companies. The fund name changed on 01 February 2013.

Please note this fund may not be registered or authorised in all jurisdictions. For detailed information please consult [threadneedle.com](http://threadneedle.com)

## Fund Codes Class A Acc EUR

Sedol	B54LTV7
ISIN	LU0282719219
Bloomberg	AMESMAE LX
WKN	A0MNG1
Valoren	2903303

For further details on fund codes for other classes, please contact Threadneedle

## Risk Warnings

**MARKET RISK:** The value of investments can fall as well as rise and investors might not get back the sum originally invested, especially if investments are not held for the long term.

**CURRENCY RISK:** Where investments are made in assets that are denominated in foreign currency, changes in exchange rates may affect the value of the investments.

**VOLATILITY RISK:** The fund may exhibit significant price volatility.

## Summarised Glossary

In addition to the above specific risk warnings applicable to the fund, the second page of the factsheet includes a number of statistical measures that should also assist investors and/or their advisors in selecting funds that meets both their investment objectives and appetite for risk.

**SHARPE RATIO:** This measure is a risk-adjusted return statistic. It measures the fund's return over and above cash (excess return over a risk free asset) divided by the absolute volatility of the fund. It shows the trade-off between risk and return. The greater the result, the better the return the fund has delivered given the risks within the fund.

**ABSOLUTE VOLATILITY:** One of the main ways in which the risk of an investment is measured is calculating the degree to which its value fluctuates around an average. The standard method for calculating this volatility is standard deviation. Absolute volatility is the standard deviation of the fund's last three years' performance which is then expressed as a percentage. All the other risk measures below are also based on the last 3 year's fund performance.

**AVERAGE LIFE:** This is the weight adjusted average life of the bonds held in the portfolio i.e. on average how many years to go before their expected redemption.

**BETA:** This is a measure of the volatility of the fund relative to its benchmark. A figure greater than 1 indicates that the fund will tend to outperform in a rising market and under perform in a falling one. I.e. is more volatile than the market. The reverse applies to a Beta of less than 1.

**INFORMATION RATIO:** This statistic is commonly used to measure a fund manager's skill against the benchmark. The out/underperformance of the fund relative to its peer group is divided by the tracking error. Therefore, anything positive is above average and anything negative is below average. The larger the number the better.

**JENSEN ALPHA:** A risk-adjusted performance measure that represents the average return on the fund over and above that predicted by the CAPM (Capital Asset Pricing Model), given the fund's beta and the average market return as represented by the benchmark. If the value is positive then the fund has outperformed the market and if it is negative then the opposite is true.

**MODIFIED DURATION:** Is a measure of risk for fixed interest securities as it predicts the sensitivity of the value of the fund's portfolio to a change in interest rates. The higher the value the greater the volatility of the fund's performance resulting from changes to interest rates. If the modified duration of a fund is 5 years then the average price movement of the fund resulting from a +/- 1% change in interest rates is 5%.

**R<sup>2</sup>:** This is a measure of how close the portfolio of a fund is correlated (or can be explained by) the performance of the benchmark. A result of 1 means a perfect correlation whilst 0 means there is effectively no relationship between the two performances. The degree of reliance that can be placed on the result is not linear, however. Generally, a correlation is only significant for values of 0.75 and above. Finally, it is worth noting that the higher the R<sup>2</sup> the greater the reliance that can be placed on the beta result.

**RELATIVE VOLATILITY:** Shows how much more or less volatile the fund has been relative to its benchmark which for all risk measures will be an index. For example if the fund's absolute volatility is 9% and the benchmark's is 10% then the relative volatility is 0.90.

**TRACKING ERROR:** Indicates how closely the fund tracks the benchmark. It is the standard deviation of the monthly returns of the fund divided by the monthly returns of its benchmark. The lower the number the closer the fund follows its benchmark.

Please refer to the Databook or [threadneedle.com](http://threadneedle.com) for a full Glossary of Terms.

## Important Information

Threadneedle (Lux) is an investment company with variable capital (Société d'investissement à capital variable, or "SICAV") formed under the laws of the Grand Duchy of Luxembourg. The SICAV issues, redeems and exchanges shares of different classes, which are listed on the Luxembourg Stock Exchange. The management company of the SICAV is Threadneedle Management Luxembourg S.A, who is advised by Threadneedle Asset Management Ltd. and/or selected sub-advisors.

The SICAV is registered in Austria, Belgium, France, Finland, Germany, Hong Kong, Italy, Luxembourg, The Netherlands, Portugal, Spain, Sweden, Switzerland, Taiwan and the UK; however, this is subject to applicable jurisdictions and some sub-funds and/or share classes may not be available in all jurisdictions. Shares in the Funds may not be offered to the public in any other country and this document must not be issued, circulated or distributed other than in circumstances which do not constitute an offer to the public and are in accordance with applicable local legislation.

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Subscriptions to a Fund may only be made on the basis of the current Prospectus, the Key Investor Information Document, the latest annual or interim reports and the applicable Terms & Conditions. Investors should note the 'Risk Factors' section of the Prospectus in terms of risks applicable to investing in any fund and specifically this Fund. The above documents are available free of charge on request from the SICAV's registered office at 69, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg, or

- in Austria from Erste Bank, Petersplatz 7, 1010 Wien
- in Belgium: J.P. Morgan Chase Bank Brussels, 1, Boulevard du Roi Albert II, 1210 Brussels;
- in France from CACEIS Bank, 1/3 Place Valhubert, 75013 Paris;
- in Finland from Eufex Bank Plc, Keilaranta 19, 02150 Espoo, Finland
- in Germany from JP Morgan AG, Junghofstr. 14, 60311 Frankfurt,
- in the UK from JPMorgan Worldwide Securities Services, 60 Victoria Embankment, London EC4Y 0JP.

The above documents and the instrument of incorporation can be obtained – in Switzerland from our representative and Paying Agent RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Badenerstr.567, 8066 Zürich.

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