ALBEMARLE ASSET MANAGEMENT

Eagle Fund Class I
April 2024

About Albemarle Asset Management

Albemarle Asset Management was founded in London in 2003. The company provides both individual and collective management services for private and institutional investors, financial and capital management consultancy, and managed investment solutions. Our services cover global financial markets and our expertise enables us to offer diverse set of investment instruments and strategies.

Fund Objective

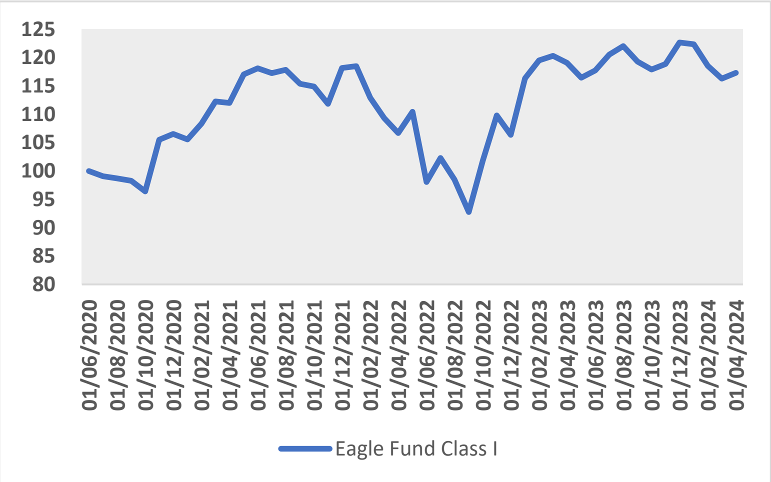
The primary objective of the Eagle Fund is to achieve long-term capital growth. The Fund aims to achieve long term capital appreciation by investing predominantly in a diversified portfolio of listed and unlisted global equities and equity related-securities bonds, fixed & variable income securities of various issuers.

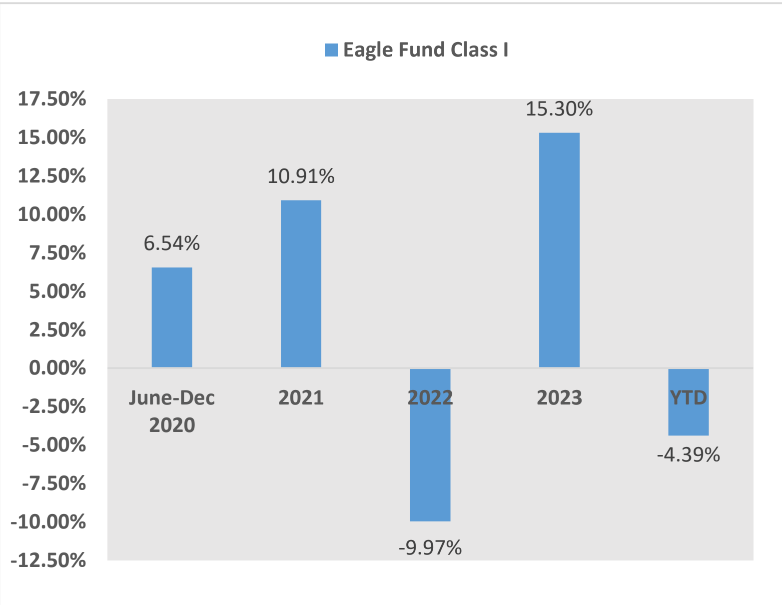
Performance

	YTD	1M	3 mo	6 mo	Inception
Fund	-4.39%	0.86%	-4.14%	-0.50%	17.28%

	Best Mth	Worst Mth	CAGR	Vol	Sharpe R.
Fund	9.73%	-11.24%	4.15%	6.98%	0.72

Chart Performance





Fund Information

Company	Albemarle Alternative Funds PLC
Investment Manager	Albemarle Asset Management Ltd
Bloomberg	AEAGLEI ID Equity
ISIN	IE00BKPLQS76
Inception	12/06/2020
	EUR
Fund Manager	Albemarle Asset Management Ltd
Management Fees	1.50% p.a.
Performance Fees	20% of the amount by which the NAV exceeds the High Watermark level
NAV	Monthly
Cut-Off for sub.	T-1 before 2.30pm Irish Time
Cut-Off for red.	T-30 before 2.30pm Irish Time
Stlmt date for sub.	T+2 Irish Business Days
Stlmt date for red.	T+5 Irish Business Days
Domicile	Ireland
Auditors	Grant Thornton
Depositary	Northern Trust Fiduciary Services (Ireland) Ltd
Category	QIAIF

Ratings and Awards

Important Information

The information contained within this document is for the use of Institutional and Professional Investors only

** Data source: Bloomberg*

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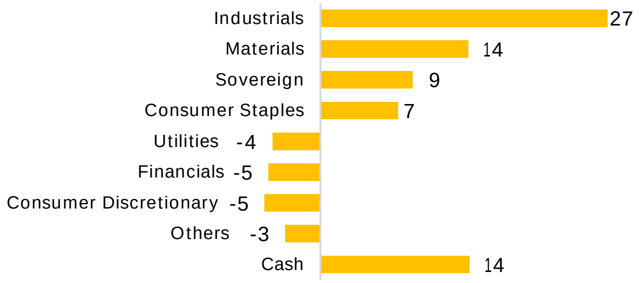
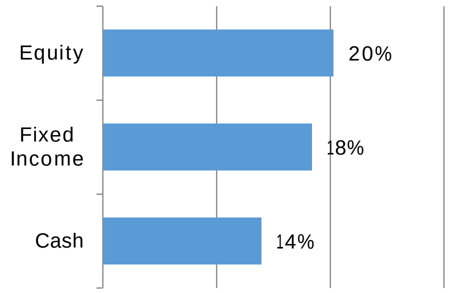
Sector Breakdown Net Exposure (%)



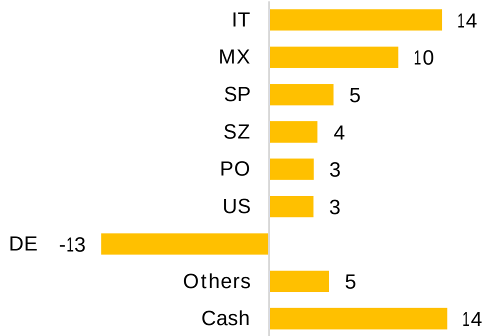
Top Holdings

FILA SPA	11.29%
ENAV SPA	5.33%
CEMEX SAB DE CV	5.32%
EBRO FOODS SA	5.05%
INTESA SANPAOLO	3.89%
Total	**30.88%**

Asset Allocation Exposure



Country Breakdown Net Exposure



Commentary

In April, the changes in our view were two: first, the market stance towards future FED and ECB rate cuts, as the macroeconomic data reflected higher inflation in the US, with a healthy jobs market and an economy that continues to grow despite the cost of financing. The number of expected cuts of 0.25, from the street to the Fed fund rates, passed from 7 in December, to 3 at the end of March '24 to 1 at the end of April '24, in H2'24e. In light of the expectations of the rate, the markets rallied from October '23 by 15-20% to reflect the impact of risk-free DCF valuation with a consequent multiple expansion that we find difficult to justify at this stage. The ECB, given the lack of growth and lower inflation transpired from data so far, seems keen to start to cut rates in June. The BOE is also on the same page.

During the FY'23 reporting season, most of the companies were projecting a difficult H1'24 due to comparison to H1'23 and a better H2'24 thanks to easier comps, lower financing costs, higher real wages, and the return of consumer confidence; forecasting, therefore, a potential mid-single-digit growth by year-end in top line and a 2-3% EPS growth. Second, looking at the universe of companies that we follow, so far, the order intake for industrials in Q1'24 in many cases has been lower than in Q4'23, consumer spending remains subdued with a postponement of spending in large tickets like automotive in the US like in Europe. We see the GDP data recently reported in the US 1.6% y.o.y. for Q1'24, it is positively affected by government spending just like in the EU 0.5% y.o.y. we do not expect a rebound in demand in H2'24 at this stage and we start to see a weaker labor market with the activation of redundancy funds in Europe.

It is our conviction that current valuations can't be supported by current EPS growth expectations and the lack of reference rate cuts, as such, we continue to maintain a conservative stance and see the risk of a market correction over the coming months given the valuation gap. We have position since last winter the Eagle fund for a higher for longer rates scenario, with a recession in EU following our company meetings in Germany. We start to see opportunities in the mid-small cap universe once it is assessed the "new normal" market demand, post-pandemic, post-supply, and demand shocks.

Disclaimer

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