

ODEY ALLEGRA DEVELOPED MARKETS



Fund Manager Report

Q1-20 was a dreadful quarter for the market and the fund which lost -35.78%. The quarter started off poorly for the fund as value continued to underperform and the UK space saw profit taking after the fourth quarter. From the 20th Feb the market had one of its sharpest sell offs in history caused by the Coronavirus. By the quarter end the MSCI World had fallen -21.05% with other markets such as the FTSE 250 and the Russell 2000 down -33.4% and -31.8% in dollars respectively.

Reasons for under performance

A crucial point to make is that we believe that our positions were oversold by the market over this short period of time. Much of the selling in the market was driven by technical factors of de-grossing or top down risk control drivers which contributed towards these 'inefficiencies' in the market. An easy stock example to give here was on a day when our biggest position (Plus500) put out a trading statement saying that it expected 'revenues and profitability for the full year to be substantially ahead of current consensus expectations' the shares were down 15% at one point on the day and closed down 5%. As the quarter progressed some of this 'inefficiency' in the market unwound but not much as we see it. This has created huge opportunity on a forward looking basis in our existing positions many of which we have added to and some new positions.

Importantly when we look at material impairments to intrinsic value in our fund due to recent events there is only one name which looks obvious, our offshore driller Valaris. Aside from this relatively small position we see that for much of fund this crisis can prove to be a catalyst that helps increase market share, pricing power and margins over the medium term. Before going into some of these names on an individual basis these are some of the top down reasons for why the fund performed so poorly relative to the market.

We did not foresee the extent of the COVID-19 crisis and the extent that the market would sell off.

We will give you our view on why the crisis could be good in the medium term for the strongest European airlines (and other positions hit in the quarter) but clearly had we foreseen the extent of lockdowns and flight cancelations we would have sold all of our airline positions (4.94% in aggregate as at the 20th Feb in International Consolidated Airlines and Dart Group). The same can be said about our cyclical positions generally which were represented in the fund through bank holdings, IWG and Arcelor Mital. We also did not expect ahead of time that most retailers would be forced to close and that most sporting events would be called off which is relevant for the gaming stocks. Although we trimmed these cyclical quite early on in the selloff it was clearly not a good starting point for this crisis with the fund having exposure to airlines, tour operators, retailers and banks.

Our value bias was a drag on performance.

We have previously explained that the fund, driven by bottom up fundamentals, has been moving into value over the past couple of years. This positioning created a performance headwind over the quarter as seen by the chart. We will discuss in our macro views why our conviction on value having a multiyear period of outperformance has increased.

Performance

-25.0% Monthly performance
-35.8% Year-to-date performance
1.9% CAGR since inception

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

Fund details¹

\$ I Class	113.80
\$ R Class	103.30
£ I Class	142.38
£ R Class	120.91
€ I Class	130.42
€ R Class	69.56
Fund Size	\$62 million
Strategy AUM	\$194 million
Fund Inception	06 Jun 2013
Class Inception	06 Jun 2013
Fund Type	Irish Long Only UCITS

Fund Managers

James Hanbury
Jamie Grimston

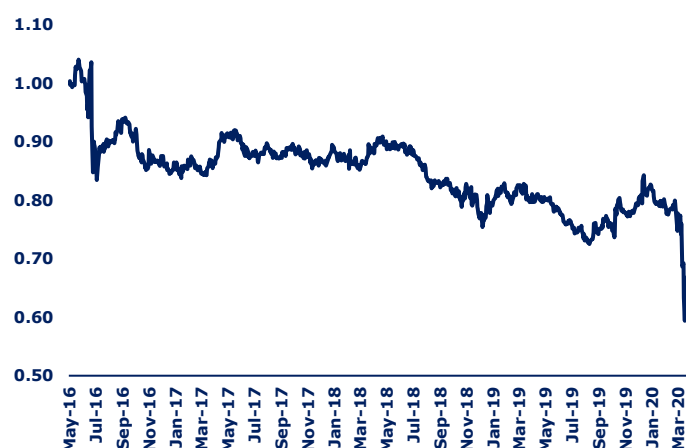
For full bios visit odey.com

The line chart illustrates the percentage of respondents who believe the U.S. is the best country to live in over time. The y-axis represents the percentage, ranging from 0.80 to 1.00 in increments of 0.02. The x-axis shows dates from Jan. 1 to March 25, 2020. The percentage starts at 1.00 on Jan. 1 and shows a general downward trend with some fluctuations, ending at approximately 0.85 on March 25.

Date	Percentage
01-Jan	1.00
08-Jan	0.99
15-Jan	0.98
22-Jan	0.97
29-Jan	0.96
05-Feb	0.95
12-Feb	0.94
19-Feb	0.93
26-Feb	0.94
04-Mar	0.92
11-Mar	0.89
18-Mar	0.86
25-Mar	0.85

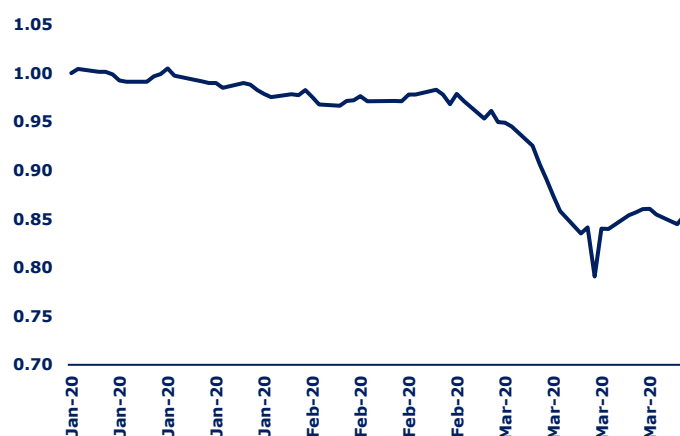
Our domestic UK exposure hurt performance.

Exhibit 2: FTSE 250 performance vs the FTSE World ex UK (GBP) May 2016-Q1 2020



	Weighted average market cap as at 31st March (USD Bns)
Odey Developed Markets Fund	10,735
MSCI World Index	21,294

Exhibit 4: Small/mid cap underperformance in Q1 as illustrated by the circa 15% underperformance of the Russell 2000 vs the Russell top 200



ODEY ALLEGRA DEVELOPED MARKETS FUND

Many of our companies have a private company mentality. We believe that the biggest benefit of having companies run by owner operators is experienced in a difficult environment. No one will be working harder to cut costs, increase revenue opportunities, take market share and reduce the risk of unnecessary equity dilution than those CEOs with an ownership mentality. We have many of these type of managers in the portfolio with prime examples being Mark Dixon at **IWG**, Philip Meeson at **Dart Group**, Masayoshi Son at **Softbank**, Mike Ashley at **Frasers Group**, Michael O'Leary at **Ryanair** and Tim Martin at **JD Wetherspoon**. The downside in the short term is that often these business prioritise reduced disclosure for competitive reasons ahead of soothing market fears with more transparency. We are comfortable with and actually like this approach but it is clearly important that our investors understand this as well.

Positions which performed poorly

What fills us with excitement on a forward looking basis is how cheap we feel our portfolio is now. To a certain extent we have become credit analysts over the past few weeks as understanding liquidity, covenants and cash flows has been key. When we look at some of the ratings of our stocks it is not apparent that the market is doing the bottom up work here. These are some of the names that cost the fund the most performance in the quarter.

IWG, the global service office company, cost the fund -5.58% in the quarter. IWG is clearly a cyclical business but we believe the market is over estimating this factor and underestimating the extent to which it can reduce costs. The average tenant at IWG is on a 12 month contract so even if tenants do not turn up to work IWG can still collect the rent whilst forfeiting service revenues it might have collected. There will be bad debt risk as smaller tenants struggle but it helps that IWG collects rent in advance and holds onto c. 3 months rent as a deposit. Whilst the company closed centres in China for a few months, when the economy reopened the centres came back very quickly to 80% of their previous activity. IWG has almost all of its 3400 centres in separate special purpose vehicles which means in theory it can separately close down a centre or region with no implication for the parent company but in practice it means it is a lot easier to renegotiate rents (its largest cost) if circumstances change. This is one of the reasons that IWG generated cash throughout the GFC. Another reason is that it is very easy for IWG to reduce growth capex and significantly cut central costs. A poster child of QE driven growth has been the serviced office space, with Wework being a signature example. We believe this sector is strewn with negative cash flow, over leveraged businesses of which many will cease to exist due to the global recession. Given that IWG has low debt levels, good liquidity, the best network and operating metrics in the sector we believe it will come out of this crisis in a much stronger relative position. We believe that if IWG stopped growing completely (which would not be the optimum strategy) that it could generate close to \$1bn of cash flow in a more normal environment; the current EV is c. \$2.5bn. Mark Dixon the founder and CEO in March bought £5.5m of shares, we have also been adding to our position.

Viasat, the vertically integrated satellite business, cost the fund -2.66% in the quarter as the shares fell by more than 50%. The irony is that Viasat should be one of the more resilient businesses to the corona crisis and recent quarterly results beat expectations considerably. Yes 5% of profits is derived from providing

inflight wifi to airlines globally, representing a short term risk. However, more than 60% of profits and almost 50% of fully funded backlog is derived from Government contracts, the US military being the largest. Residential broadband contracts, c. 35% of profits, in rural America are also seeing an uptick rather than a decline in demand. We are comfortable with the company's leverage and liquidity, even in a prolonged recession scenario. If anything, the current crisis could be helpful in terms of reducing the amount of new capital, and therefore competing bandwidth, coming into the sector. The often cited risk of abundant supply from Low Earth Orbit Satellites in particular, including Softbank's OneWeb and Elon Musk's backed StarLink (the service operation of SpaceX), has seen new funding dry up. Elon Musk recently hit a noticeably different tone when discussing SpaceX compared to how he discusses Tesla; "we don't think Starlink is going to destroy all other satellites or something, definitely not. We just want to be in the "not bankrupt" category that is our goal". Since those remarks, OneWeb entered Chapter 11 in late March. We don't believe the market fully understands the technological advantages of Viasat's powerful geostationary fleet, bringing much higher proven throughput and thereby meaningfully lower costs to supply. Viasat on the other hand continues to be on a healthy, profitable, trajectory. VSAT-3 will launch in 2021 and we think it will be very value accretive; before these launch related expenditure we see the shares trading on an EV/EBIT multiple of 10x. When one looks at the value when Viasat 3 capacity is full the shares trade closer to 1x EV/EBIT. We have added to our position.

Frasers (previously Sports Direct) cost the fund -3.02% in the quarter after the shares fell more than 60%. Clearly non-essential retail in a lock down is not a good place to be and revenues will be hit short term and there will have to be stock provisions taken. That said we think Frasers is more defensive than the market gives it credit for and this should also be an opportunity for it to take market share as weaker competitors fail. As an illustration in the past few days Debenhams has gone into administration for the second time in 12 months taking further capacity out. Firstly the business Frasers normally does has at least 20% of its sales online which is still open and operating. Frasers has good liquidity, a strong balance sheet and owns more c. £850m of properties with no debt against them. We believe Frasers has been one of the biggest beneficiaries of the government support. It may well have the highest business rates bill as a % of sales due to the large amount of properties it brought from the administrator with zero or little rent. The company will get a 12 month holiday on business rates which we estimate to be more than £100m. The furloughing of staff and deferral of VAT is also helpful for the cost base. As we come out of this downturn clearly it may take a while for demand to fully return and Sports Direct as one of the cheapest retailers on the high street has a defensive quality. When demand normalises we think the shares are on close to a 40% FCF yield when adjusting for the property. We have added to our holding.

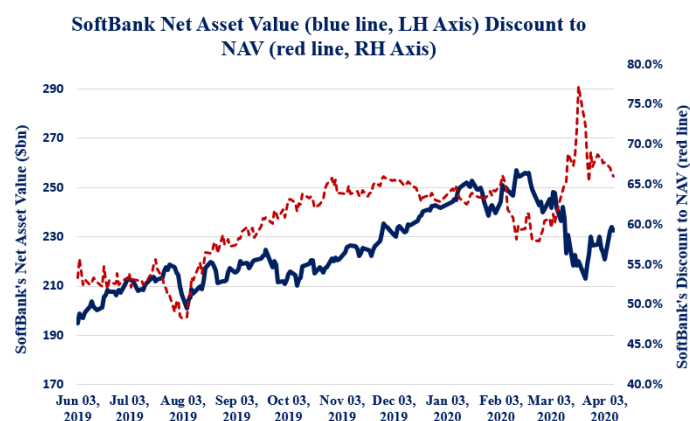
IAG, Ryanair and Dart Group cost the fund -1.94%, -0.27% and -1.62% respectively. COVID-19 obviously creates a horror show for the whole airline industry in the short term, but in these three names we believe we own the best balance sheets in the European industry. It was no surprise to us that Willie Walsh at IAG called publicly for airlines to look to their own resources before seeking government help. The top 5-6 players generate at least 100% of European industry profits and this environment

will see a combination of capacity reduction and nationalisation; both of these scenarios are good for the strongest operators where the competition will retrench and/or be unable to right-size their cost bases. We believe that on the other side of the valley that these companies will have better pricing power due to a more consolidated industry structure. On our numbers and before considering these potential benefits IAG trades on a normalised p/e of c. 3x, Dart on c. 6x and Ryanair on a c. 7x. Having reduced these names early in the sell-off we have been buying again at materially lower prices.

Playtech's (-3.33%) run of bad luck continued in the first quarter as China and Italy are two of its most important countries. Clearly the company had to warn on activity levels and its Snaitech franchise network in Italy was closed in line with the lockdown. Despite this the business is financially in a strong position with over 5 years of liquidity on the balance sheet if activity continues at low levels. The reality is this should be a short-term hit to earnings but the market has put the impact on a perpetual multiple. The remaining part of the business is in good health. Their main division, a B2B software business, does have some exposure to sport but the majority of its exposure is to online gaming which is a beneficiary of COVID-19. The financials divisions is also seeing record profitability with high market volatility. Most of the bookmakers are giving stress tests on their businesses assuming there is no sport until September whereas we believe there is a good chance that it starts to come back before then. We think Playtech is trading on a 2021 EV/EBITDA multiple of 4.3x and a FCF yield for 2021 of c. 20%. Playtech is a diversified growth business. We have bought more shares on the pull back.

Softbank, the Japanese holding company, cost the fund -1.37%. SoftBank remains deeply undervalued in our appraisal. Following SoftBank's share price move, Softbank's largest asset Alibaba now has a market value representing 160% of SoftBank's market cap and at one point in the quarter Softbank traded at a record wide discount to its NAV at about 75%. Meanwhile, SoftBank's net debt only represents only 18% of the gross assets and its key 'problem child' asset, Sprint, has had its merger with T-Mobile now cleared. SoftBank put out a statement during the quarter stating that it would be looking to sell down some of its holdings and buy back its own equity and debt. This is clearly a very value accretive transaction for it to do when the shares trade at such a large discount. Simplistically, the company is selling shares at market value and then buying them back via its holding company at below half price. More than 90% of Softbank's assets are in Alibaba, Arm Holdings, T-Mobile and Softbank Japan (the cash generative telco company). We added to our Softbank holding in the quarter, as did the founder and CEO of the company, Masayoshi Son.

Exhibit 5: Softbank NAV vs Discount to NAV



Source: Bloomberg, Company filings, Odey research.

Stars Group cost the fund -1.38% in the quarter. Stars Group is online only and although it does have some sports exposure the majority of its profits are linked to the Pokerstars brand which has seen downloads pick up dramatically since lockdowns have been in place. Stars Group also received confirmation that the proposed all-share deal with Flutter has received CMA clearance at phase 1 in the UK. This was earlier than consensus expected and the deal should now be completed by the end of June. The shares for the combined entity will trade on around 11x p/e post synergies but before ascribing value to their market-leading US business which adds 30-80% upside on our scenarios.

Cyclicals; we have been buying new positions or adding to high quality well capitalised cyclicals with the risk return looking extremely attractive both in an absolute sense and compared to other areas of the market. Whilst we fully accept that it may take a while for the output gap to close due to second order recessionary impacts these stocks look cheap even if we assume that demand only recovers to 80% of previous levels. Here is a table to illustrate the valuations of these companies even at this reduced level of demand.

Exhibit 6: Valuation of cyclicals with demand only recovering 80% in 2021

STOCK	VALUATION
Arcelor Mittal	3.5 x PE
Travis Perkins	8 x PE
Dart Group	7 x PE
IAG	6.5 x PE
Ryanair	9 x PE
TGS Nopec	4 x EV/cash EBIT

Source: Odey Research.

Companies that have done well operationally over the past quarter

Plus500, the global CFD trading platform, proved what a good diversifier it is in the portfolio at times of high market volatility. The shares contributed +1.26% after it had two positive trading updates. Post the quarter end it reported that Q1 revenue was up 487% year on year as it won market share and had good KPI's across the board. The company should generate at least \$500m of cash flow this year of which at least 90% will come back to shareholders in dividends or buybacks, this is meaningful when the company only has an enterprise value of c. \$900m. Put another way the company is on a FCF yield to the enterprise value this year of 55% and although quarterly earnings can be volatile this is an underlying growth business that generates a high return on invested capital.

Tesco (-0.01%) benefited from the crisis but we sold the position to recycle into other stocks during the quarter which we felt presented even better risk return. **Serco** (-1.45%) de-rated in the quarter. Given Serco's high exposure to health and citizens services and other protected front line government services it will in our view end up at least in line with its initial guidance for this year. **Rovio** (+0.10%) the owner and operator of Angry Birds should benefit from 'stay at home'. **AO World** (-1.11%) had a surprising share price reaction in the quarter with the shares down c. 40% when we see it as being a strong beneficiary of the current environment. AO sells electrical devices and major domestic devices only online, which are the categories seeing the biggest surge in demand at the moment for countries in a lockdown/work from home situation. We see this environment as being more than a one or two quarter benefit for AO as in the UK we are seeing an acceleration of bricks and mortar capacity closing and as AO recruits more customers in this windfall it should also accelerate the structural shift to online.

How is the fund positioned now?

The fund is fully invested. On top of our idiosyncratic names we have a long bias to the domestic UK, value, cyclicals and strong businesses where we feel they will come out of this crisis in a stronger relative position. We have taken new positions in **Travis Perkins**, **Ibstock** and **Forterra** (the latter two are brick businesses) as they are cheap high quality businesses and we believe construction will be a key focus for the UK government to kick start the UK economy when shutdown ends. We own banks with **Barclays** being our biggest position. The state of the banking sector is unrecognisable compared to 2008 with lower leverage, better liquidity, greater transparency, higher quality assets and regulators who want to help in a counter cyclical way. We see the risk of equity being raised as extremely low which seems to be in direct contract to what the price/book valuations are telling us.

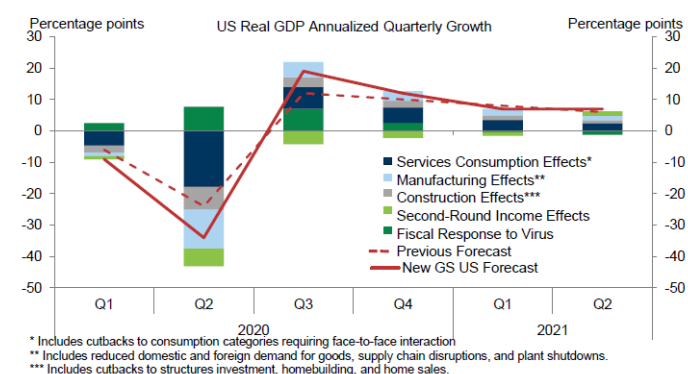
Macro

We have a base case for how things evolve economically, how we come out of this recession and how the COVID-19 will evolve but as ever the portfolio is being driven much more by bottom up opportunities that can do well in a range of outcomes. That said we are more positive than consensus on getting COVID-19 under control in western economies. There are some forecasts that assume 70-80% of the population have to be infected before you are out of the woods but so far China and

South Korea provide a template for how you can slowly get the economy back to work whilst stopping a second wave. The rate of change of infections and new deaths in Western European economies is generally improving meaning that politicians can start thinking and talking about reducing lock downs. Although some models show exponential growth infecting the majority of the population it looks like the compounding effect of enforced lock downs, change in hygiene, change in behaviour, warmer temperatures, the susceptibility curve and more UV light has materially dampened the curve. The reason we feel the risks are over stated of a second wave having a similar disruption on economies when activity return to normal are two fold. Firstly there is a decent chance that by the summer there will be approved treatments given the amount of clinical 'shots on goal' that are being trialled. The near term front runners are the antivirals Remdesivir, Favipiravir and Hydroxychloroquine which are in large scale trials that are scheduled to read out this quarter. In addition three anti inflammatories that could moderate the Covid-19 disease are also in late stage trial; one of these should read out this quarter. If these treatments can cause a meaningful reduction in the progression to severe disease then COVID-19 can potentially be treated like a more normal flu as hospital capacity will be freed up and death rates will drop. Secondly if the economy goes back to work with 3-10% of the population with acquired immunity (by definition highest on the susceptibility curve) then the multiplier of the virus will drop quite materially.

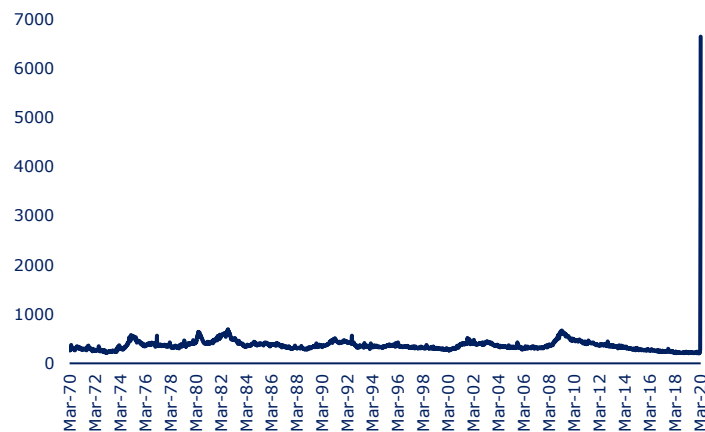
From an economic point of view we feel there are material differences between this recession and the one in 2008/9. The Great Financial Crisis was one which was bought on by the financial sector with systemic issues and it felt appropriate for governments to use monetary stimulus (QE) but at the same time impose austerity on economies. This recession has been created by governments and the drop in economic activity is a 100 year event challenging even the great depression of the early 1930s and governments will feel fiscal rules can be broken in these exceptional circumstances to try and restore economic order.

Exhibit 7: 34% forecast fall in US GDP in Q2 20 and 6.5% fall in FY 2020 US GDP



Source: Goldman Sachs Global Investment Research

Exhibit 8: unprecedented rise in US initial unemployment claims



Source: Bloomberg, US Department of Labour.

Extreme monetary policy has proven over the past few years to have become less effective and arguably counterproductive at stimulating demand. Compared to the GFC governments and central banks have been quicker and probably more effective at initiating stimulus programs. It feels highly likely that when lockdowns soften there will be further stimulus thrown at economies to try and get them to escape velocity and reduce second order impacts. This 'war time attitude' we are seeing means that fiscal deficits will balloon this year, be monetised by central banks and be reflective of governments and policy makers who would rather risk an inflationary/growth shock

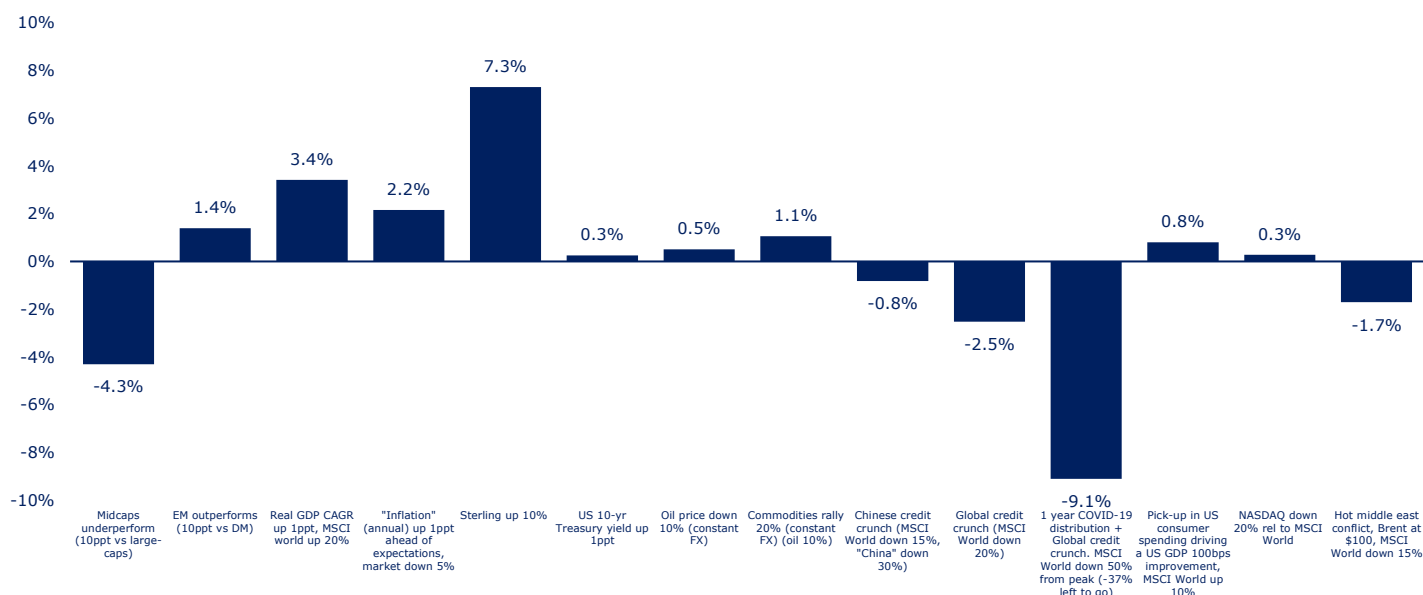
rather than a lasting recession. We would therefore expect a sharper recovery than consensus but clearly this is not without risks and alongside it we would expect some creative destruction with weaker companies falling by the wayside. The more creative destruction that takes place will clearly negatively influence the demand recovery but also create a more profitable environment for the survivors.

The scenario of escape velocity would likely see a material change in the leadership of the market as the secular stagnation and falling discount rates we have seen since the GFC would be replaced with higher nominal growth and rising discount rates. After 10 years of 'growth shares' (which benefit most from falling discount rates) outperforming value shares we could see a material reversal. We have built our portfolio on a bottom up basis but higher nominal growth playing out would be a huge tailwind for our relative and absolute performance. A world of materially higher inflation is generally bad for shares as they de-rate but if we can own good quality cyclical companies on already very low multiples then inflation would be our friend.

Conclusion

We are extremely disappointed and apologetic about the performance of the fund in the first quarter. The silver lining for us is that we feel we have seen limited impairment to intrinsic value in our fund yet the share prices are at odds with that view. Our focus on being in the strongest companies in the sector both financially and operationally has meant that we believe this crisis can be a great opportunity for many of our positions. The upside we see in the fund is almost unprecedented for us.

Exhibit 9: DEVM factor risks.



Note: Assumes full currency hedging; The information above is an estimation of the expected factor return; Odey may make investment decisions that are inconsistent with these views expressed in this communication. The chart above presents projections of future performance. These projections are based on a number of assumptions that may or may not prove to be accurate. Future performance is subject to a wide range of significant risks. As a result, there can be no assurance that the projections in the chart above will prove to be accurate.

Source: Bloomberg; Odey internal unaudited data; All data as at 08-Apr-20.

James Hanbury

ODEY ALLEGRA DEVELOPED MARKETS

ODEY
ASSET MANAGEMENT

Performance

	1-month	3-month	1-year	3-year	5-year	YTD inception	Since inception	CAGR since inc.
Fund	-25.0	-35.8	-25.3	-10.0	-13.9	-35.8	13.8	1.9
MSCI Daily TR Net World	-13.2	-21.1	-10.4	5.9	17.3	-21.1	45.2	5.6
Relative	-11.8	-14.7	-14.9	-15.9	-31.2	-14.7	-31.4	-3.7

DISCRETE YEARLY PERFORMANCE

	1-year to	31 Mar 16	31 Mar 17	29 Mar 18	29 Mar 19	31 Mar 20
Fund		-3.4	-1.0	25.4	-3.9	-25.3
MSCI Daily TR Net World		-3.5	14.8	13.5	4.1	-10.4
Relative		0.1	-15.8	11.9	-8.0	-14.9

MONTHLY PERFORMANCE SINCE INCEPTION

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Index YTD ²
2020	-4.3	-10.5	-25.0										-35.8	-21.1
2019	11.7	-1.5	-0.1	1.5	-5.1	-1.8	-0.4	-3.3	3.7	7.2	3.9	10.6	27.9	27.7
2018	6.8	-4.1	-2.3	5.9	0.6	0.4	2.1	-3.2	0.6	-6.2	-0.5	-11.8	-12.5	-8.7
2017	1.5	3.2	2.4	5.3	3.8	-0.1	4.6	3.8	4.6	0.3	0.7	-0.1	34.4	22.4
2016	-11.1	4.3	5.8	-1.7	2.4	-3.1	5.2	0.8	-1.5	-8.3	0.5	-1.7	-9.4	7.5
2015	-2.2	6.0	-1.4	2.9	-1.5	-0.3	2.6	-5.9	-2.2	7.4	-0.9	-3.2	0.6	-0.9
2014	-3.5	5.3	-1.9	-3.1	3.7	-1.7	-2.3	2.0	-4.7	4.4	5.0	1.6	4.0	4.9
2013						-1.7	7.9	-2.0	8.5	4.0	2.9	3.1	24.4	15.2

Fund details¹

\$ I Class	113.80
\$ R Class	103.30
£ I Class	142.38
£ R Class	120.91
€ I Class	130.42
€ R Class	69.56
Fund Size	\$62 million
Strategy AUM	\$194 million
Fund Inception	06 Jun 2013
Class Inception	06 Jun 2013
Fund Type	Irish Long Only UCITS
Comparators	Primary: MSCI Daily TR Net World USD
Base Currency	\$

Live fund dashboard

Get the latest fund information on the odey.com fund dashboard (registration required)

[View dashboard on odey.com >](#)

Important information

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

This document is a marketing communication. Before subscribing please read the prospectus and the KIID, available at odey.com. The performance calculation shown is based on the USD share class. If the past performance is shown in a currency which differs from the currency of the country in which you reside, then you should be aware that your performance may increase or decrease as a result of currency fluctuations.

Fund team and contact details

FUND MANAGERS

James Hanbury
Jamie Grimston

For full bios visit [odey.com](#)

ENQUIRIES

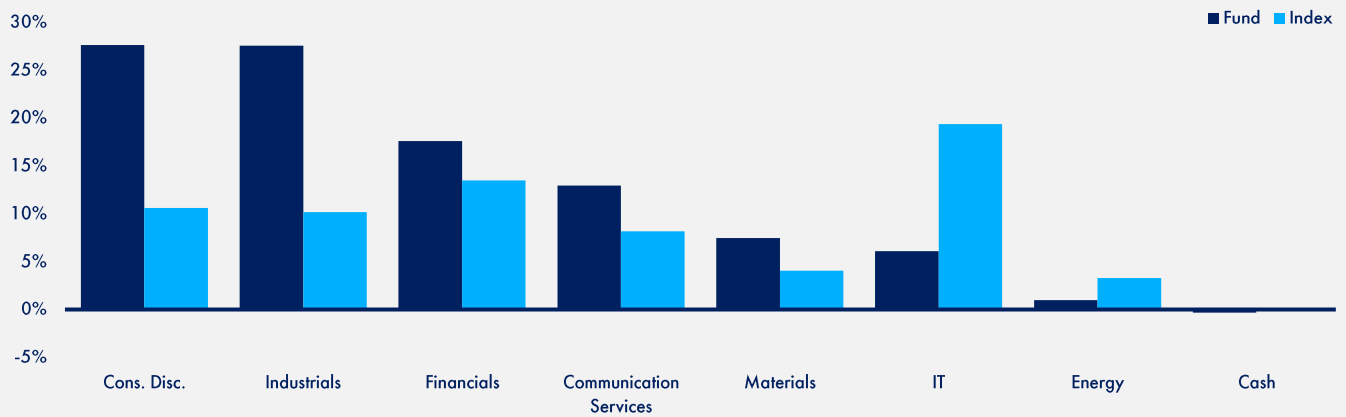
T: +44 (0)20 7208 1400
E: marketingteam@odey.com
W: odey.com

Odey Asset Management, 12 Upper Grosvenor Street, London, W1K 2ND

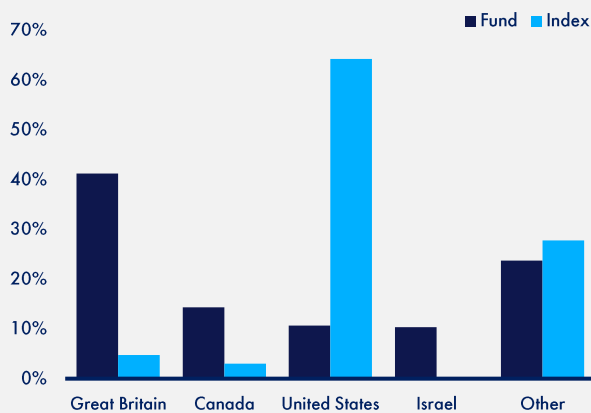
Note: Equity exposure includes all equity related instruments. Currency exposure relates to exposure of all assets held by the fund, including any forward currency positions. Past performance is net of fees and other charges and includes the reinvestment of dividends. Equity exposure as classified by GICS.

Source: All sources, unless otherwise stated, are Odey internal unaudited data and refer to the \$ I share class. All data shown as at 31 March 2020. ¹U.S. Bank Global Fund Services (Ireland) Limited and Bloomberg, calculation on a NAV basis with net income reinvested – the share class prices refer to NAV per share. ²MSCI Daily TR Net World.

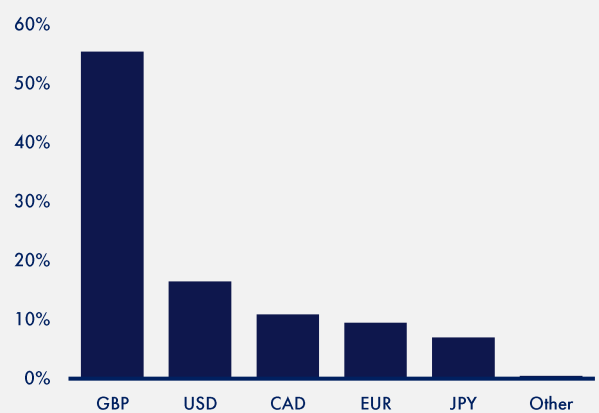
Equity exposure by sector



Equity exposure by geography



Currency exposure



Top ten equities as percentage of NAV

	Notional Exposure
Stars	10.9%
Plus500	10.3%
SoftBank	7.0%
Serco	5.9%
BT	5.9%
AO World	5.2%
IWG	5.2%
Playtech	4.7%
ViaSat	4.3%
Plug Power	3.5%

Statistics

	1-year	3-year	5-year	Inception
Fund annual s.dev.	30.7	22.6	19.8	18.5
Index annual s.dev.	19.0	14.6	13.4	12.6
Alpha	-0.9	-0.4	-0.5	-0.4
Beta	1.4	1.3	1.3	1.3
Correlation	0.9	0.9	0.9	0.9
Sharpe Ratio	-0.8	-0.1	-0.1	0.2
Information Ratio	-0.8	-0.4	-0.6	-0.4
Tracking Error	17.8	12.5	11.2	10.3

Investment objective and policy

The Odey Allegra Developed Markets Fund ('The Fund') aims to achieve long-term capital appreciation through investing predominantly in equity and equity-related securities on a worldwide basis. The Fund may also invest up to 35% of its Net Asset Value in debt and debt-related securities.

APPROACH

The Fund is a concentrated global equity strategy harnessing the experience and judgement of James Hanbury, his investment team and the significant research resource at Odey. The portfolio managers are opportunistic in scope and, while not a prerequisite, are attracted to owner-managed companies and situations where, in their view, the perceived risk is higher than the actual risk, which often occur during reorganisations or complex restructurings. The team invest for the medium to long term though continuously resize positions to ensure the portfolio remains focused on their highest conviction ideas. The Fund is built without formal reference to an index and typically contains 30-50 positions with a higher concentration in the top 10 positions.

RISK CONSIDERATIONS

The Fund has considerable latitude over its allocation; it may own sophisticated instruments such as futures and options for efficient portfolio management and investment purposes. The Fund is suitable only for investors who have a long time horizon (>5 years) and can tolerate high risk. Investors may not get back all the money invested and an investment in this Fund should only form part of an investor's total portfolio. Investors should discuss the suitability of this Fund with their professional adviser.

Investor information

Share classes	I (£, €, \$), R (£, €, \$)	Minimum investment	R £5,000; I £1,000,000 (or equivalent in €/€)
Share class hedging	Non-base currency share classes are unhedged	Dividends	Income potentially distributed on GBP I & R
Trade date (T)	Daily	Administrator	U.S. Bank Global Fund Services (Ireland) Limited
Dealing	By 12pm T-1	Auditor	Deloitte & Touche, Ireland
Valuation	Close of business T-1	Depository	RBC Investor Services Bank, Ireland
Front end fee	Up to 5%	Price reporting	Prices published daily on www.odey.com , Bloomberg and by other third party data providers.
Annual management fee	(\$, €, £) 1.20% (\$, €, £) 0.70%	ISIN	SI: IE00BB0RGZ49, EI: IE00BB0RGR64, £I: IE00BB0RGW18, \$R: IE00BB0RH062, €R: IE00BB0RGT88, £R: IE00BB0RGX25
Performance fee	20% of the relative outperformance of the benchmark, the MSCI Daily TR Net World index. Fees crystallise annually, and on redemption. Relative underperformance is carried forward.	SEDOL	SI: BB0RGZ4, EI: BB0RGR6, £I: BB0RGW18, \$R: BB0RH06, €R: BB0RG T8, £R: BB0RGX2
Anti-dilution fee	May apply to subs/reds if net subs/reds >0.5% of NAV		

Important information

This is a marketing communication and it is not intended to be viewed as a piece of independent investment research.

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Glossary of terms

Please refer to the fund's prospectus for detailed information. Some terms listed are not relevant for every fund. This document is intended for use by individuals who are not familiar with investment terminology. Please contact Odey if you need an explanation of these terms.

Absolute return: The return that an asset/fund achieves over a period of time looking at the appreciation or depreciation (expressed as a percentage) that the asset/fund achieves.

Acc/Accumulation class: A share class which accumulates and reinvests net investment income and net realised capital gains and does not pay dividends.

Active currency exposure: The percentage of a fund's assets which are invested in a particular currency.

Administrator: The specialist entity who maintains the register of shares, provides fund valuation and accounting services.

AIF: Alternative Investment Fund as regulated by the Alternative Fund Management Directive.

Alpha: A measure of performance on a risk-adjusted basis, often seen as the active return on an investment.

Annual management fee: The fee payable by the fund to the investment manager to cover expenses associated with running the fund.

Anti-dilution fee/levy: A fee levied by a fund on investors buying/selling shares to protect current shareholders from the dealing costs incurred when paying out or taking in clients.

Asset class: A group of securities that exhibits similar characteristics, behaves similarly in the marketplace and is subject to the same laws and regulations. The three main asset classes are equities (or stocks); fixed income, or bonds and cash equivalents, or money market instruments.

Base currency: Each fund has a base currency and this is the currency which the fund uses to calculate its net asset value.

Beta: A measure of the fund's volatility in comparison to its benchmark.

CAGR: Compound Annual Growth Rate (CAGR) is the rate at which the fund/benchmark has grown on an annual basis to reach the current performance since inception.

Capital growth/appreciation: Capital growth is measured on the basis of the current value of the asset or investment, in relation to the amount originally invested in it.

Commodity: A physical substance (such as food, grain, metal) which investors buy and sell through futures contracts.

Comparative/Index/Benchmark (e.g. MSCI): A comparator the fund has used to compare its performance to or for its performance fee calculation.

Contribution: Used to explain the breakdown of a fund's absolute performance.

Correlation: A statistic that measures the degree to which two securities move in relation to each other.

Dealing: Arranging the sale and purchase of shares in a fund.

Delta: A ratio comparing the change in the price of an asset to the corresponding change in the price of its derivative.

Derivatives (futures, options, swaps and contracts for difference): A financial contract based on an underlying asset or financial index with its value determined by fluctuations in the underlying asset/index. Derivatives may be used to manage risk in portfolios, for greater flexibility to lower costs, to gain leverage and to enhance returns.

Dist/Distributing Class/Inc/Income: A share class which pays dividend distributions.

Dividends: A sum of money paid regularly (typically annually) by a company to its shareholders out of its profits (or reserves).

Equity/Security: The percentage of the fund that is currently invested in the equity market.

Exposure: The amount invested in a particular type of security, market sector or industry, usually expressed as a percentage of the total portfolio holding.

Fixed income security: A type of investment which pays out periodic income of a fixed amount on a fixed schedule e.g. a bond is a fixed-income security.

Forward currency contracts: A foreign exchange contract that locks in the exchange rate for the purchase or sale of a currency on a future date.

Front end fee: The initial fee/sales charge applied at the time of an initial purchase of an investment.

Fund: Odey Allegra Developed Markets Fund.

Global Industry Classification Standard (GICS): A standardized classification system for equities developed jointly by Morgan Stanley Capital International (MSCI) and Standard & Poor's.

Government bond: A bond issued by a government to support government spending, often issued in the country's domestic currency.

Gross: The total rate of return on an investment before the deduction of any fees or expenses.

Hedged class: A share class giving exposure to assets denominated in foreign currencies without the currency risk of the fund's base currency. Techniques and instruments are used to limit the currency risk between the hedged class and the base currency.

Hedging: Hedging against investment risk means strategically using financial instruments in the market to reduce the risk of adverse price movements.

High water mark: The highest value that an investment fund or account has reached over a specified period of time.

Information ratio: A measure of the fund's returns above the returns of the benchmark to the volatility of those returns.

Investment Manager: Odey Asset Management LLP.

ISIN: An ISIN (International Securities Identification Number) uniquely identifies a security.

KIID: A KIID (Key Investor Information Document) must be provided to anyone who invests in a UCITS.

Leverage: An investment strategy of using borrowed money and/or financial instruments to increase the potential return of an investment.

Long: The practice of buying securities with the expectation the asset will rise in value.

NAV: The NAV (net asset value) of a fund is the value of the fund's assets less its liabilities. NAV per share is the value per share and is calculated by dividing the total NAV of the fund by the total number of shares.

Net: The total rate of return on an investment after the deduction of any fees or expenses, including annual management fee and performance fee where applicable.

Notional Exposure: The total value of a fund's leveraged assets.

Ongoing Charges Figure (OCF): A figure showing all annual charges and other operational expenses payable by a fund.

Performance attribution: A set of techniques that are used to explain why a fund's performance differs from a benchmark.

Performance fee: A fee payable to the investment manager on returns that, subject to a High Water Mark, the fund achieves either in absolute terms or relative to a performance fee benchmark. Please refer to fund prospectus for details.

Portfolio: A group of financial instruments such as shares, funds, bonds, cash and cash equivalents held by an investor and managed by a financial professional.

Proprietary currency positions: Foreign exchange contracts entered into by the fund for investment rather than hedging purposes.

Quoted securities: A quoted or listed security is a financial instrument that is traded through an exchange, such as the LSE, NYSE or Nasdaq.

Rebased method: Used to illustrate a fund's performance against comparative benchmark on a chart whereby they both start at the same point.

Rel/Relative: Calculates how much the fund has out/underperformed its comparative benchmark.

SEDOL: A SEDOL (Stock Exchange Daily Official List) is a unique number assigned by the London Stock Exchange and used in the UK and Ireland to identify securities.

Share class: A designation applied to a specified type of security such as shares in a fund. Each share class has its own rights.

Sharpe ratio: A measure for calculating risk-adjusted performance; the higher the ratio, the better risk-adjusted performance.

Short: The practice of selling borrowed securities with the expectation that the assets will decrease in value whereupon they will be repurchased and returned to the lender.

Since inception/Since inc.: Inception date is the date on which the fund launched.

Sortino: A variation of the Sharpe ratio that differentiates harmful volatility from total overall volatility by using the asset's standard deviation of negative asset returns, called downside deviation. The Sortino ratio takes the asset's return and subtracts the risk-free rate, and then divides that amount by the asset's downside deviation.

Standard deviation/Sta. dev.: Measures the degree of variation of returns around the mean (average) return. When applied to the annual rate of return, it shows the historical volatility.

Statistics: Statistical measurements used to analyse historical fund data such as performance, volatility etc.

Strategy AUM: The total assets of the funds managed by the Investment Manager to a similar investment mandate.

Ten-year adjusted basis: Shows any exposure to Fixed Income, Bond Futures or Interest Rate Futures on a 10-year duration basis.

Tracking error: A risk measure showing how closely a fund's performance follows a particular benchmark.

Treynor: Treynor ratio, also known as the reward-to-volatility ratio, is a metric for returns that exceed those that might have been gained on a risk-less investment, per each unit of market risk.

UCITS: Undertakings for the Collective Investment of Transferable Securities (UCITS) is an EU regulatory framework creating a harmonized regime throughout EU for the management and sale of funds.