Mitteilung an alle Anteilseigner der Traditional Global Emerging Markets Funds

Anbei finden Sie eine weitere Information der Fondsgesellschaft Traditional Funds PLC, Dublin. Folgende Fonds betroffen sind:

IE0032606182  Traditional Global Emerging Markets GBP Dis
IE0032605770  Traditional Global Emerging Markets EUR Dis
IE0032605994  Traditional Global Emerging Markets Dis
This document is important and requires your immediate attention. If you are in any doubt as to the action you should take you should immediately consult your stockbroker, bank manager, solicitor, tax adviser and other independent financial adviser. If you have sold or transferred all your shares in the Global Emerging Markets Fund or the Emerging Asia Fund of Traditional Funds plc, please forward this document to the purchaser or transferee, or to the stockbroker, bank manager or other agent through whom the sale or transfer was effected.

Traditional Funds plc

To: Holders of Euro Distributing, Euro Accumulating, Sterling Distributing, US Dollar Distributing and US Dollar Accumulating Class Shares of the Global Emerging Markets Fund; and

Holders of Class A US Dollar Accumulating, Class A Euro Accumulating, Class A Sterling Distributing, Class B Euro Accumulating, Class B Euro Distributing, Class B Sterling Distributing, Class B US Dollar Distributing and Class B US Dollar Accumulating Shares of the Emerging Asia Fund,

(together, the “Shareholders”)

10 November 2010

Dear Shareholders,

Appointment of a successor to Nevsky Capital LLP ("Nevsky Capital") as investment manager of the Global Emerging Markets Fund (the “GEM Fund” and a “Fund”) and the Emerging Asia Fund (the “Asia Fund” and a “Fund”) of Traditional Funds plc (the “Company”)

We refer to our letter of 8 November in which we advised shareholders that Nevsky Capital had tendered its resignation as investment manager of the GEM Fund and the Asia Fund with effect from 8 May 2011. In that letter we further advised you that we believed that it was in the interests of Shareholders in the Funds who wish to continue their investment in the respective markets to offer an alternative to an eventual closure of the Funds on the termination of Nevsky Capital's appointment as investment manager. To that end, we said that we had identified a potential candidate to replace Nevsky Capital as investment manager of the Funds, but that we were still completing our appraisal of the potential replacement.

We are now pleased to advise that the Board has decided to appoint F&C Management Limited ("F&C") as the investment manager of the Funds, subject to regulatory approval by the Central Bank of Ireland.

While Nevsky Capital has given six months' notice the Board is intending that, subject to contract and regulatory approval, the hand over of the management of the Funds from Nevsky Capital to F&C will take place with effect from 1 February 2011.

Georges Court, 54-62 Townsend Street, Dublin 2, Ireland. Tel +353 1 542 2000 Fax +353 1 542 2920
Registered in Ireland No. 302305. Registered office at the above address. VAT Registration No. IE 6322205U
An open-ended umbrella type investment company with variable capital incorporated with limited liability under the laws of Ireland and authorised by the Central Bank of Ireland as an investment company pursuant to the UCITS Regulations with segregated liability between sub-funds
Directors: J. Fitzpatrick (IE), L. Greenlees (GB), D. Hammond (Chairman) (IE), V Holmes (GB), G. Muldoon (IB).
The Board has been advised that Michael Sell, who has managed the Asia Fund since its inception in January 2008, and who is also part of the GEM Fund management team, will be joining F&C with effect from 1 February 2011. The Board believes that this will provide an important element of continuity in the management of both Funds. Michael will be part of the emerging markets team at F&C and will be joined as co-manager of the Asia Fund by Ben Akriog, who has 15 years' experience in Asian markets and has a demonstrable track record of outperformance since 2006.  

The Board believes that the appointment of F&C provides a very suitable successor as investment manager because it deploys similar investment processes to those used by Nevsky Capital and has established proven investment track records in the markets covered by the Funds. There is also expected to be a continuity of compliance monitoring and risk management of the Funds because F&C is also part of the same group of companies as Thames River Capital LLP, which acts as promoter and distributor to the Company and as investment manager to the majority of the Company's other funds.

The emerging markets team at F&C is led by Jeff Chowdhry and consists of 11 investment professionals having a total of 162 years' experience. As at 30 September 2010, the team was managing US$4.8 billion of assets with an investment process similar to that of Nevsky Capital in that it focuses on highly liquid stocks at the top end of the market capitalisation range. The team conducts both top-down economic and political analysis and bottom-up stock research, seeking to deliver outperformance throughout the cycle by not being bound to a single investment style, but rather employing a style intended to be active and pragmatic.

Jeff has been managing the F&C emerging markets team, and its flagship product, the F&C Global Emerging Markets Fund, since 1 May 2006. The Fund outperformed its peer group for the remainder of that year and in two out of the next three calendar years (source Lipper). The F&C Emerging Asia product has also outperformed the peer group median in each of the past four calendar years. Although year to date performance of the F&C Global Emerging Markets Fund and the F&C Emerging Asia Fund is currently below that of their peer group median, F&C believe this is mainly due to the current outperformance of small and medium capitalisation shares relative to large capitalisation shares, a factor which it believes is temporary. The Board has received similar advice from Nevsky Capital in relation to the GEM and Asia Funds, and believes that this is likely to be a feature of any investment process similar to that currently employed on behalf of the Funds, which favours large, very liquid stocks.

As advised above, the appointment of F&C is subject to contract and approval by the Central Bank of Ireland and in the period until 31 January 2011, the Funds will be managed by Nevsky Capital without any change in investment process.

If you have any questions relating to this letter, please contact Client Services at Thames River Capital LLP on +44 (0) 20 7360 3550.

Yours faithfully,

D. Hammond
Chairman
For and on behalf of
Traditional Funds plc

*More detailed past performance information is available on request from the promoter, Thames River Capital LLP. Please contact Client Services on +44 (0) 20 7360 3550. Note: Past performance is no guide to future performance.*