

Cashflow Solution

November 2025 review

Liontrust GF European Strategic Equity Fund



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Key takeaways

- European equities posted modest gains in November, with market leadership rotating towards healthcare and financials.
- Both the long and short books contributed positively to performance
- Top long-book performers in November included Games Workshop, which signalled a strong first half with rising sales and profits, and ArcelorMittal, which advanced on expectations that stronger European policy support will bolster the steel sector.

Performance

The Fund's A4 share class returned 1.8%* in euro terms in November. The Fund's comparator benchmarks, the MSCI Europe Index and HFRX Equity Hedge EUR Index, returned 0.9% and -0.1% respectively.

Commentary

European equities posted modest gains in November. The month was marked by sharp swings in sentiment with markets surging early on, led by financials, on relief around the US government shutdown and solid earnings expectations. However, volatility picked up mid-month amid concerns over stretched valuations in AI-linked technology stocks.

European markets were led by strong performance from healthcare (+5.4%) and financials (+2.9%), alongside solid contributions from consumer staples (+2.5%), utilities (+2.3%), energy (+1.5%), materials (+1.4%). The weakest segments were communication services (-2.8%), industrials (-2.9%) and technology (-4.0%).

Both the long book (c.108% of Fund NAV) and short book (c.34%) contributed positively to performance over the period, helping the Fund outperform the benchmark.

Within the long book, **Games Workshop**, the manufacturer and retailer of tabletop war-game systems and fantasy miniatures, signalled a strong first half, with both sales and profits set to increase. In a trading update, the company announced estimated revenues of at least £310 million for the six months to November, up 15% from £269 million a year earlier. Pre-tax profit is expected to reach around £135 million, compared with nearly £127 million in the prior period.

ArcelorMittal advanced after noting that increased European policy support for the steel sector is set to bolster performance next year and over the medium term. The company expects a cumulative uplift of around \$2.1 billion in EBITDA over the coming years, with approximately \$700 million in 2025 and \$800 million in 2026.

French construction and concessions company **Eiffage** rose after reporting strong Q3 results, with sales exceeding forecasts, driven by solid performance in its Contracting division, 7% order-book growth, and a confirmed full-year revenue outlook.

Within the short book, positive contributors included a digital infrastructure and computing services company which declined sharply after announcing plans to issue a sizeable multi-year convertible bond, with investors reacting negatively to the proposed terms of the offering. Elsewhere, a semiconductor materials manufacturer weakened after issuing third-quarter revenue guidance below market expectations, reflecting continued softness across key end markets.

Long book detractors included **Auto Trader**, which fell after a covering analyst downgraded the stock, citing growing competitive and operational pressures as the advertising sector adapts to rapid developments in AI. **Belimo** shares also fell after a broker cut its price target and reduced earnings estimates, citing more pronounced margin headwinds.

Discrete years' performance (%) to previous quarter-end**:

	Sep-25	Sep-24	Sep-23	Sep-22	Sep-21
Liontrust GF European Strategic Equity A4 Acc EUR	2.9%	14.7%	3.7%	29.2%	36.8%
MSCI Europe	9.3%	18.8%	19.2%	-11.0%	28.8%
HFRX Equity Hedge EUR	6.6%	9.5%	2.5%	-4.0%	16.5%

	Sep-20	Sep-19	Sep-18	Sep-17	Sep-16
Liontrust GF European Strategic Equity A4 Acc EUR	-14.9%	3.0%	2.6%	5.2%	0.7%
MSCI Europe	-7.8%	5.7%	1.5%	16.3%	1.8%
HFRX Equity Hedge EUR	-2.4%	-3.5%	-1.1%	5.8%	-1.3%

*Source: Financial Express, as at 30.11.25, total return (income reinvested and net of fees).

**Source: Financial Express, as at 30.09.25, total return (income reinvested and net of fees). Investment decisions should not be based on short-term performance.

For a comprehensive list of common financial words and terms, see our glossary at:
<https://www.liontrust.com/benefits-of-investing/guide-financial-words-terms>

Key Features of the Liontrust GF European Strategic Equity Fund

Investment objective & policy ¹	<p>The investment objective of the Fund is to achieve a positive absolute return over the long term for investors through a portfolio of long, synthetic long and synthetic short investments primarily in European equities and equity related derivatives. The Fund may invest anywhere in the world but will primarily invest in European companies either directly or via derivatives. The Fund may use financial derivative instruments for investment purposes and for efficient portfolio management (including hedging). The Fund will take both long and short positions in derivatives meaning the gross exposure of the Fund will typically be greater than 100% of the net asset value of the Fund.</p> <p>The Investment Adviser will alter the ratio of long and short exposures in the Fund depending on the Investment Adviser's confidence in the investment process' ability to generate returns from the short positions. Where sufficient short opportunities can be found, the Fund will have an approximately equal weighting in long and short positions. At other times, the Fund will have a net long position i.e. more long positions than short positions held in the Fund. Where investments are held in a currency other than the base currency, the exposure to currency risk may be minimised by hedging. The Fund expects to provide a positive absolute return under all market conditions over the medium to long term. However, there is no guarantee this will be achieved over this or any other time period. Income from the Fund's investments is reinvested. The Fund has both Hedged and Unhedged share classes available. The Hedged share classes use forward foreign exchange contracts to protect returns in the base currency of the Fund.</p>
Recommended investment horizon	5 years or more
Risk profile (SRRI) ²	4
Active/passive investment style	Active
Benchmark	<p>The Fund is considered to be actively managed in reference to MSCI Europe Index and the HFRX Equity Hedge (EUR) Index (the "Benchmarks") by virtue of the fact that it uses the Benchmarks for performance comparison purposes. The Benchmarks are not used to define the portfolio composition of the Fund and the Fund may be wholly invested in securities which are not constituents of the Benchmarks.</p>

Notes: 1. As specified in the PRIIP KID of the fund; 2. SRI = Summary Risk Indicator. Please refer to the PRIIP KID for further detail on how this is calculated.

Key Risks

Past performance does not predict future returns. You may get back less than you originally invested. We recommend this fund is held long term (minimum period of 5 years). We recommend that you hold this fund as part of a diversified portfolio of investments.

Overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.

This Fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Fund's value than if it held a larger number of investments.

As the Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the fund to defer or suspend redemptions of its shares. In addition the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings.

Outside of normal conditions, the Fund may hold higher levels of cash which may be deposited with several credit counterparties (e.g. international banks). A credit risk arises should one or more of these counterparties be unable to return the deposited cash.

Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.

The issue of units/shares in Liontrust Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

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