

Cashflow Solution

January 2026 review

Liontrust GF Pan-European Dynamic Fund



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Key takeaways

- European equities rose in January despite geopolitical tensions, with IT, utilities and energy leading gains, while consumer discretionary lagged.
- ASML was the top performer on strong AI-related demand, earnings momentum and positive guidance, with additional support from Wärtsilä and ArcelorMittal.
- Detractors included ABF, which declined following a weaker-than-expected trading update, and Renault, which fell amid analyst downgrades and softer market conditions.

Performance

The Fund's A5 share class returned 3.3%* in euro terms in January. This Fund's target benchmark, the MSCI Europe Index, returned 3.1%.

Commentary

January was marked by heightened geopolitical uncertainty, most notably following President Trump's remarks suggesting a US ambition to acquire Greenland. These comments briefly unsettled markets, with eurozone equities coming under pressure mid-month amid concerns over potential tariffs and even military intervention. Sentiment subsequently improved as rhetoric cooled and the US, alongside its NATO allies, pivoted towards dialogue focused on Arctic security cooperation.

Despite the backdrop of geopolitical volatility, European equities posted positive returns over the month. Information technology (+10%), utilities (+8.1%) and energy (+6.6%) were the strongest-performing sectors, while consumer discretionary (-7.8%) and communication services (-0.9%) lagged. Within information technology,

gains were led by semiconductor stocks, supported by a number of well-received earnings announcements, whereas software stocks underperformed their peers.

ASML (+32%) was the top performer over the period, supported by its exposure to accelerating AI-driven semiconductor demand, which is driving increased capital investment across the industry. This was reinforced by strong order momentum, signalling sustained customer spending and improved revenue visibility, while guidance for significantly higher 2026 net sales (€34 billion–€39 billion), ahead of consensus expectations, further underpinned sentiment. In addition, positive analyst commentary and upgrades highlighted ASML’s dominant competitive position and long-term growth potential, providing further support to the share price.

Wärtsilä (+13%) delivered strong performance over the period, supported by positive order newsflow across its marine and energy businesses. A series of new contract wins and customer engagements, including engine selections and long-term service agreements, pointed to improving demand and strengthened revenue visibility, helping to underpin investor confidence and drive the share price higher.

ArcelorMittal’s (+18%) share price strength appears to reflect continued positive sentiment following last year’s announcement of EU tariffs on steel imports, which are expected to improve market supply–demand dynamics and support pricing.

A key driver of **ABF’s (-9.8%)** share price weakness was a disappointing trading update, which highlighted weaker-than-expected sales at its Primark retail business alongside softer performance in parts of the food division. As a result, the company guided that group profit and earnings per share would fall year on year, prompting analyst downgrades and weighing on investor sentiment.

Renault’s (-10%) share price fell over the period following analyst downgrades and reduced forecasts, as brokers raised concerns around weaker market conditions and pressure on margins. Lower price targets reflected expectations of softer volumes and profitability, which weighed on investor confidence and drove the shares lower.

Positive contributors to performance included:

ASML (+32%), ArcelorMittal (+18%) and Wärtsilä (+13%)

Negative contributors to performance included:

Qualcomm (-13%), Renault (-10%) and Associated British Foods (-9.8%)

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

	Dec-25
Liontrust GF Pan-European Dynamic Fund A5	19.7%
MSCI Europe	19.4%

*Source: Financial Express, as at 31.01.26, total return (net of fees and income reinvested), A5 class.

**Source: Financial Express, as at 31.12.25, total return (net of fees and income reinvested), bid-to-bid, A5 class. Discrete data is not available for ten full 12-month periods due to the launch date of the portfolio (27.02.24). Investment decisions should not be based on short-term performance.

Key Features of the Liontrust GF Pan-European Dynamic Fund

Investment objective & policy ¹	The investment objective of the Fund is to achieve capital growth over the long-term by predominantly investing in a portfolio of European equities. The Investment Adviser will seek to achieve the investment objective of the Fund through investment of at least 80% of the Fund’s Net Asset Value in
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	<p>companies which are incorporated, domiciled, listed or conduct significant business in Europe (the EEA, Switzerland and the UK). The Fund will not be restricted in its choice of investment by either size or sector.</p> <p>The Fund is considered to be actively managed in reference to MSCI Europe Index (the “Benchmark”) by virtue of the fact that it uses the Benchmark for performance comparison purposes and for certain Performance Fee Share Classes, to calculate performance fees. The Benchmark is 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> <p>The Fund is not expected to have any exposure to financial derivative instruments in normal circumstances, but the Investment Adviser may on occasion, where it deems it appropriate in seeking to achieve the investment objective of the Fund, use financial derivative instruments listed on a recognised exchange or traded on an organised market or financial derivative instruments traded over-the-counter for investment purposes, efficient portfolio management, and hedging purposes.</p> <p>In addition, the Fund may invest in exchange traded funds and other eligible open-ended collective investment schemes. No more than 10% of the net assets of the Fund will be invested in aggregate in open-ended collective investment schemes. The Fund may invest in closed-ended funds that qualify as transferable securities. Investment in closed-ended funds is not expected to comprise a significant portion of the Fund’s net assets and will not typically exceed 10% of net assets.</p> <p>For liquidity or cash management purposes, a proportion of the Fund may also be invested in debt securities including government and corporate bonds, Money Market Instruments, cash and near cash and deposits. Any investment in bonds will be in investment grade corporate and government fixed or floating rate instruments.</p>
Recommended investment horizon	5 years or more
Risk profile (SRI) ²	4
Active/passive investment style	Active
Benchmark	<p>The Fund is considered to be actively managed in reference to the MSCI Europe Index (the “Benchmark”) by virtue of the fact that it uses the Benchmark for performance comparison purposes and to calculate performance fees. The Benchmark is 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 Benchmark.</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.

For a comprehensive list of common financial words and terms, see our glossary at:

<https://www.liontrust.com/glossary>.

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 (35 or fewer) or have significant sector or factor exposures. If one of these investments or sectors / factors fall in value this can have a greater impact on The Fund's value than if it held a larger number of investments across a more diversified portfolio.

The fund's investment objective is to target capital growth for investors. Growth stocks tend to pay out lower levels of dividend resulting in lower income yields and may produce more volatile returns than the market as a whole.

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.

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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