

### FACTSHEET

### THE MANAGER

#### Market Commentary

Whilst we see a positive backdrop for our strategy across developed markets and expect this to continue for some time, it is worth noting the nuances between markets.

ONS data released in September showed that while M&A involving UK companies nearly doubled in the second quarter to £30bn, the increase was driven largely by outbound M&A reaching a six-year high. This is in stark contrast to 2016 when foreign takeovers of British companies reached the highest value since records began in 1969 (£187bn). It is also somewhat counterintuitive given Sterling weakness since June 2016 and undoubtedly reflects the impact of Brexit.

Elsewhere, with German elections now in the rear-view mirror, another obstacle has passed and economic momentum continues in Europe. It remains to be seen whether the impact of a Catalan independence referendum deemed illegal by the Spanish state will have a persistent influence over European corporate sentiment. European high-yield issuance of €64bn YTD is already equivalent to the whole of 2015. With new-issue coupons averaging 1% lower now than in 2016 while covenants are lighter than ever, it would seem churlish to look this corporate gift horse in the mouth.

In the US, tax reform creeps ever closer. Although much uncertainty remains over the final details, any deal is likely to be stimulative. A key feature to monitor will be the potential loss of corporate loan interest deductions which could have wide ranging repercussions, particularly in respect of the amount of economically viable leverage available for acquisitions. Meanwhile, as CEOs maintain a holding pattern, non-financial companies' liquid assets reached a record \$2.3 trillion.

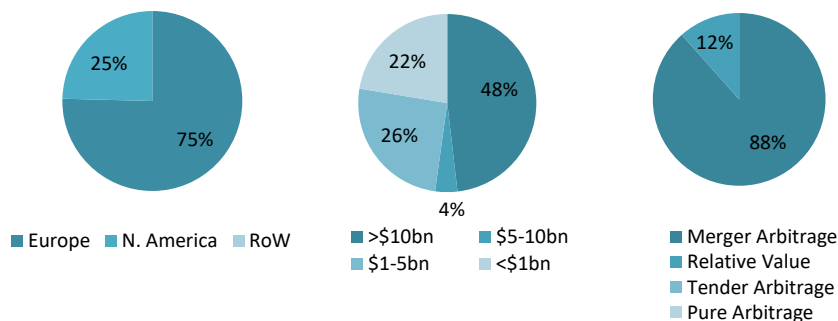
Following the announcement in July that it had been approached by potential buyers and was reviewing its options, Scandinavia's largest payments processor Nets selected a winning bid of \$5.3bn from a consortium led by Hellman & Friedman and GIC. Nets was our best performing position during the month, adding +0.25% gross.

Quidel/Alere was another position of note, generating +0.21% gross in September. We had high conviction that both the FTC and EU would approve Abbott's acquisition of Alere, contingent on Alere divesting its Triage cardiac testing unit to Quidel. The \$400m deal was transformational for Quidel and provided significant upside if consummated. With significant downside to Alere if the deal did not proceed, we took a long Quidel and short Alere position.

The fund suffered no notable detractors during the month, while other positive sources of performance included RLJ Lodging, +0.17% gross, and Novae/Axis, +0.09% gross, as both deals closed.

The fund initiated allocations to 5 new strategies during September.

#### FUND EXPOSURES<sup>1</sup>



**Andrew McGrath, CIO** founded Burren Capital Advisors Limited in 2010. Andrew obtained a European Baccalaureate in 1995 from the European School in Oxfordshire and then graduated in 1998 with a Bachelor of Commerce, Banking & Finance (Hons) from University College

Dublin. After working for Morgan Stanley (1998-2001) as an associate in the Equity Structured Products Group, Andrew moved to Cater Allen International Limited as Head of Equity Relative Value Proprietary Trading (2001-2003). Andrew then moved to Lehman Brothers International Europe where he co-founded the Special Situations portfolio within Lehman Equity Strategies. After nearly 3 years at Lehman Brothers (2003-2006), he moved to BNP Paribas and assumed the role of European Head of Special Situations & Risk Arbitrage Proprietary Trading.

PERFORMANCE	MTD	ITD
BGA UCITS Fund	+1.35%	+12.64%
HFRX Event Driven Index	+0.79%	+8.05%
HFRX Merger Arb. Index	+0.45%	+11.84%
HFRU HF Comp. Index	+0.48%	+0.71%
MSCI World	+2.08%	+13.39%
S&P 500	+1.93%	+21.34%
Euro Stoxx 50	+5.07%	-4.61%

#### PORTFOLIO INFORMATION

No. of positions during month	32
Positions contributing a profit	26
Positions contributing a loss	6
% of profitable positions	81%
Best performing position	0.47%
Worst performing position	-0.06%
Largest allocation	8.95%
20 Day VaR (99%)	3.42%
Volatility	2.53%
Sharpe	1.79
Sortino	3.84

#### UCITS MONTHLY PERFORMANCE\* (USD Institutional Founder Class B)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D
2017	+0.15%	+0.36%	+1.25%	+0.46%	-0.10%	+0.02%	+0.53%	+0.86%	+1.35%				<b>+4.97%</b>
2016	+0.07%	+0.89%	+0.05%	-0.08%	+0.31%	+1.03%	+0.91%	+1.18%	+0.91%	-0.99%	+1.30%	+1.47%	<b>+7.25%</b>
2015	-	-	-	-0.66%	+0.54%	-0.96%	+0.28%	-0.80%	-0.22%	+1.77%	-0.18%	+0.30%	<b>+0.05%</b>

\*The performance figures quoted above represent the performance of the Burren Global Arbitrage UCITS Fund since its launch on 7<sup>th</sup> April 2015. These performance figures refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance. <sup>1</sup>as at month end

NEW DEALS	SECTOR	COUNTRY	VALUE (USDM)
Rockwell Collins \ United Technologies	Industrial	USA	30,174
Uniper \ Fortum	Utilities	GER	11,531
Orbital ATK \ Northrop Grumman	Industrial	USA	9,168
Nets \ PE Consortium	Consumer, Non-cyclical	DNK	6,338
ASH Grove Cement \ CRH PLC	Industrial	USA	3,500

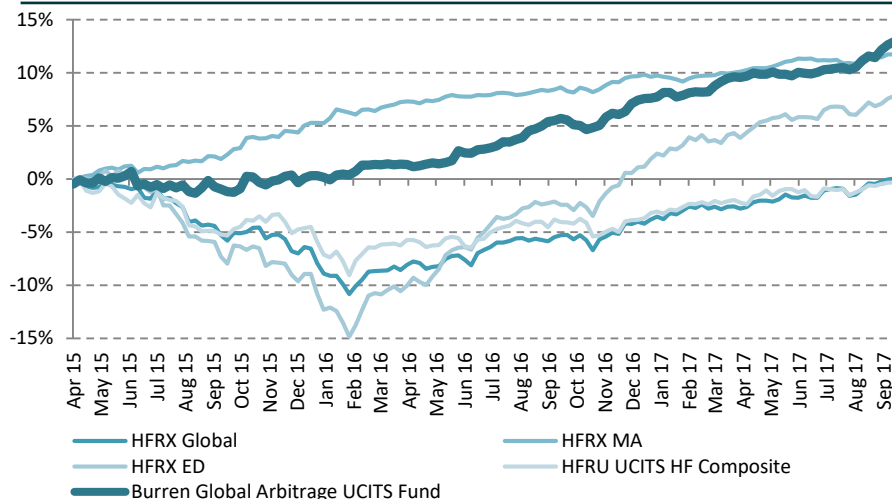
### FUND FACTS

Liquidity	Daily
Fund AUM	\$16.1 million
Inception	7 <sup>th</sup> April, 2015
Domicile	Ireland

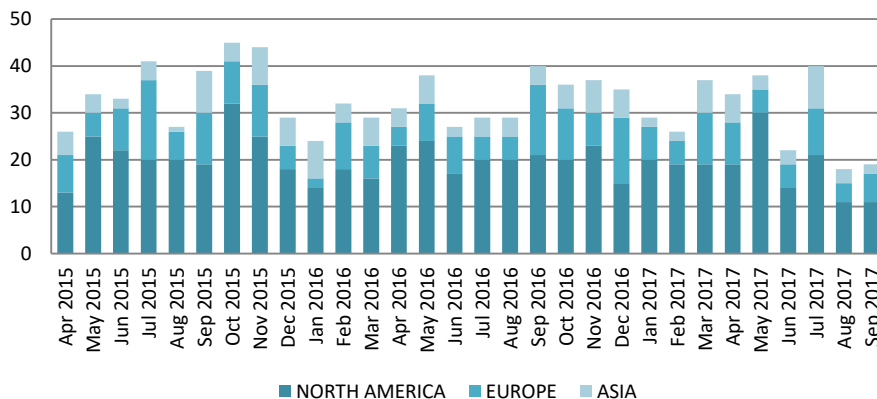
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	20%
Min Init. Sub.	100,000
ISIN Codes	EUR: IE00BVVB9450/IE00BVVB9D45 USD: IE00BVVB9781/IE00BVVB9H82 CHF: IE00BVVB9674/IE00BVVB9G75 GBP: IE00BVVB9567/IE00BVVB9F68

Share Class	Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	2.00%
Perf. Fee	20%
Min Init. Sub.	100,000
ISIN Codes	EUR: IE00BVVB9J07 USD: IE00BVVB9M36 CHF: IE00BVVB9L29 GBP: IE00BVVB9K12

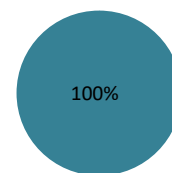
### BURREN GLOBAL ARBITRAGE UCITS FUND vs INDICES



### NUMBER OF ELIGIBLE OPPORTUNITIES BY REGION / MONTH



### LIQUIDITY ANALYSIS<sup>2</sup>



- <1 day
- 1-2 days
- 2-5 days
- >5 days

<sup>2</sup>Shares held / 20D average daily volume

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