



WS Lightman European Fund - Fund Manager Review – March 2026

This document provides a comprehensive review of the WS Lightman European Fund, drawing on fund factsheets, and supporting fund material to assess the strategy, philosophy, performance and role within a diversified portfolio.

Fund Overview

The WS Lightman European Fund is a concentrated European ex-UK equity strategy managed by Rob Burnett and George Boyd-Bowman. The fund launched in March 2019 and sits within the IA Europe ex UK sector.

The strategy has grown significantly in recent years, with the Europe ex-UK OEIC now reaching circa £1.4bn in assets under management. This increase reflects rising interest in the proposition, particularly among investors looking for a differentiated approach to European equity investing.

The fund typically holds around 40–50 companies, meaning stock selection plays a central role in outcomes. The approach is best described as high-conviction value investing, with a strong focus on identifying companies that are trading at attractive valuations but where there is evidence of improving operational momentum and solid balance sheet quality.

Unlike traditional deep value strategies that can sometimes drift into structurally challenged businesses, the Lightman approach seeks to balance valuation discipline with fundamental improvement.

Manager and Investment Team

The fund is managed by Rob Burnett, Chief Investment Officer at Lightman Investment Management, alongside George Boyd-Bowman.

Sumit Mittal
COO & ESG Data
Analyst



Ex Financial Conduct Authority and Investment Analyst at First Climate. CFA, MBA, FRM.

Degree in Mechanical Engineering from the National Institute of Technology, Warangal.

George Boyd-Bowman
Fund Manager



Ex Neptune and Liontrust. Ran global and US equity funds as sole manager at Neptune and Liontrust from 2012-2023. CFA.

Degree in Economics and Management from Oxford.

Rob Burnett
Fund Manager



Ex Neptune. Ran the Neptune European Opportunities Fund from 2005 to 2018. Head of analysis of the global financials sector.

Degree in Politics, Philosophy and Economics from Oxford.

Rajan Sharma
Chief Technology
Officer



Ex S&P Global, IHS Markit and PWC

Masters in Computer Science from Birla Institute of Technology. Degree in Engineering from Thapar Institute of Engineering & Technology.

Rob Burnett has extensive experience in European equity investing and previously managed European equity strategies at Neptune Investment Management. His approach reflects a strong belief in contrarian value investing, supported by detailed fundamental analysis.

The managers operate a highly focused investment process, with a willingness to diverge meaningfully from the benchmark when opportunities arise.

The investment philosophy emphasises:

- Attractive valuation relative to history
- Strong balance sheets
- Improving operational performance
- Cash flow discipline
- Avoidance of excessive leverage or structurally weak companies

The result is a portfolio designed to capture valuation recovery opportunities while maintaining resilience during market downturns.

Investment Process

The investment process begins with a broad universe of approximately 550 liquid European companies.



From this universe the team conducts a multi-stage screening and research process focusing on three key factors:

1. Valuation

The managers prioritise companies trading at low price-to-earnings multiples and attractive free cash flow yields relative to their historical valuations.

2. Balance Sheet Strength

Companies with strong financial structures and manageable debt levels are favoured. This helps avoid classic value traps where weak balance sheets can prevent recovery.

3. Operational Momentum

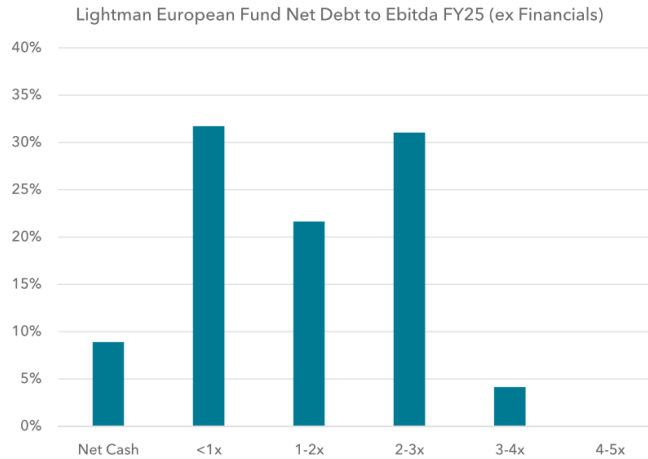
The team looks for signs that business performance may be improving or stabilising, often through operational restructuring, management change, or cyclical recovery. The outcome is a concentrated portfolio of approximately 45 stocks with a high active share, meaning the fund looks meaningfully different from its benchmark.

Portfolio Characteristics

The portfolio reflects a deliberate value orientation, with exposures to sectors where valuations appear attractive relative to long-term averages.

Value does not require taking balance sheet risk today

- In the past, finding value has sometimes meant owning weaker balance sheets. Not today
- Strong balance sheets are seen across many value sectors
- Strong balance sheets shorten duration, speeding up cash returns, and diminish dilution risk



Typical sector allocations include:

- Materials
- Consumer Staples
- Telecommunications
- Healthcare

The strategy has historically maintained lower exposure to expensive growth sectors, particularly where valuations appear stretched.

Geographically, the portfolio is diversified across key European markets including:

- Germany
- France
- Netherlands
- Switzerland
- Denmark

Sector breakdown		Top 10 countries		Top 10 holdings	
Materials	16.83%	Germany	15.44%	Roche	5.66%
Health Care	16.35%	Netherlands	14.45%	Novo Nordisk	4.17%
Consumer Staples	15.19%	France	12.63%	Magnum Ice Cream	3.82%
Communication Services	14.29%	Switzerland	12.53%	BMW	3.80%
Industrials	11.38%	Denmark	9.27%	Orange	3.53%
Consumer Discretionary	9.09%	Norway	8.17%	Swisscom	3.40%
Financials	7.05%	Australia	6.64%	BHP	3.36%
Energy	7.02%	Sweden	5.20%	ArcelorMittal	3.35%
Cash	2.80%	Portugal	3.90%	Rio Tinto	3.27%
Utilities	0.00%	Spain	2.13%	KPN	3.19%

The fund maintains a high active share (circa 85%), reflecting the managers' conviction in stock selection rather than benchmark replication.

Performance

Since launch, the fund has delivered strong performance relative to the MSCI Europe ex UK benchmark.

Performance

Since launch (%)



Cumulative (%)	1m	3m	6m	1yr	3yr	Launch
R-Acc	4.35	8.99	17.51	28.14	34.91	107.26
I-Acc	4.37	9.04	17.63	28.4	35.73	110.15
Benchmark	2.18	5.28	12.55	19.12	41.25	94.42

Calendar year (%)	2025	2024	2023	2022	2021	2020
R-Acc	31.41	0.25	3.17	11.00	16.97	6.22
I-Acc	31.67	0.45	3.37	11.21	17.20	6.43
Benchmark	26.18	1.94	14.83	-7.62	16.73	7.49

Past performance is not an indicator of future performance. Tax treatment depends on the individuals' circumstances and may be subject to change in the future. All data as at 31/01/26 in GBP; fund prices from Northern Trust, benchmark from MSCI. For periods covering part of a calendar year, performance has not been annualised.²

This pattern highlights the fund's differentiated investment style, which can outperform strongly when value opportunities are rewarded but may lag during periods dominated by expensive growth stocks.

Downside Risk and Volatility

One notable characteristic of the strategy has been its relatively low downside volatility compared to many value funds.

The investment team emphasises balance sheet strength and cash flow stability, which can help provide resilience during periods of market stress.

Recent market volatility has again tested this characteristic, with the portfolio demonstrating relatively strong downside protection, reinforcing the fund's appeal as a more disciplined value strategy.

Scale and Liquidity

With assets approaching £1.4bn, scalability is an important consideration.

The managers have addressed this by maintaining exposure primarily to liquid mid and large-cap companies, allowing the portfolio to remain implementable even at larger asset levels.

Internal analysis indicates that even at £3bn AUM, the majority of the portfolio could be liquidated within a relatively short time frame, suggesting that liquidity risk remains manageable.

Peer Comparison – Style and Performance

European equity funds often fall into distinct style categories, and understanding where Lightman sits can help advisers assess its role within portfolios.

Lightman European Fund
Style: Value / Contrarian

Focus on undervalued companies with improving fundamentals and strong balance sheets.

Comgest Growth Europe ex UK

Style: Quality Growth

Invests in high-quality companies with strong long-term earnings growth and high returns on capital.

Performance has lagged recently as expensive growth stocks have struggled.

Liontrust European Dynamic

Style: Cashflow-based quality strategy

Invests in companies with strong cash generation and structural growth opportunities.

Strong recent performance but with less emphasis on valuation recovery.

BlackRock Continental European Income

Style: Income / Core Value

Focuses on dividend-paying companies with stable income streams and moderate valuation discipline.

More diversified and less contrarian than Lightman.

Jupiter European Fund

Style: Core / Flexible European equity

A broadly diversified strategy that blends growth and value exposures with moderate benchmark deviation.

Summary of Positioning

Fund	Style	Portfolio Role
Lightman European	Value / Contrarian	Style diversifier
Comgest Growth Europe	Quality Growth	Structural growth exposure
Liontrust European Dynamic	Cashflow Quality	Balanced active core
BlackRock Continental European Income	Income / Value	Core income allocation
Jupiter European	Core blend	Core European exposure

Lightman stands out as a more distinct value allocation compared with many European peers.

Portfolio Role

The Lightman European Fund may work particularly well in portfolios that already have exposure to:

- global growth funds
- passive European equity allocations
- quality-focused managers

In this context, the strategy can provide style diversification, offering exposure to undervalued companies that may benefit from valuation normalisation.

Because the portfolio is concentrated and strongly style-driven, it is typically better suited as a complementary allocation rather than a core holding.

Key Strengths

- Clear and disciplined value investment philosophy
- High-conviction portfolio with strong active share
- Focus on balance sheet strength helps avoid classic value traps
- Strong long-term performance since launch
- Attractive diversification relative to growth-oriented strategies

Key Risks

- Value style may underperform during growth-led markets, although it is perhaps worth noting that it is underweight financials, which tends to be a large constituent of the value index
- Concentrated portfolio increases stock-specific risk
- European equity markets can be cyclical and sensitive to macroeconomic conditions
- Performance may diverge significantly from the benchmark in the short term

Money Wise UK View

The WS Lightman European Fund represents one of the more interesting differentiated strategies within the European equity universe.

What distinguishes the strategy is not simply its value orientation, but the way the managers combine valuation discipline with balance sheet strength and operational improvement. This helps avoid many of the pitfalls historically associated with deep value investing.

Recent performance has been strong, and the portfolio's relatively resilient downside characteristics add to the appeal.

From a portfolio construction perspective, the fund is most compelling as a diversifier alongside growth-oriented strategies, where its valuation-focused approach can provide balance.

For advisers seeking a high-conviction European equity allocation with a clear style identity, the Lightman European Fund is a proposition that warrants serious consideration.

Disclaimer

Past performance is not a reliable guide to future results. The value of investments can fall as well as rise, and investors may not get back the amount originally invested.

Money Wise UK is not authorised or regulated by the Financial Conduct Authority, and this document does not constitute investment advice or a recommendation to buy or sell any fund, security, or financial product.

This review has been prepared for informational purposes only, based on publicly available fund documentation, performance materials, and meetings with the fund manager. Money Wise UK has not received any fee for preparing this review.

Private investors should conduct their own research and seek independent financial advice before making investment decisions. Financial advisers may use this material as part of their own due diligence, but it should not be relied upon as the sole basis for making recommendations.

Review Completed: March 2026