

MIDAS - Eurozone Equities I - Acc

Monthly summary report | as at 30 November 2017

Investment Objective

The Fund's objective is to provide long-term capital growth and to outperform the Euro Stoxx Net Return EUR Index. The Fund is actively managed and invests primarily in companies of countries which are part of the Eurozone.

Latest Update

NAV per share	101,4
2017 year-to-date return as at 30 November 2017	1,40%

Performance

	SI	YTD
Midas Eurozone Equities	1,40%	
Performance Indicator*	1,10%	13,67%

* Euro Stoxx Net Return EUR (Bloomberg Code: SXXT <Index>)

Fund key facts

Inception date	15 November 2017
ISIN code	LU1715158744
Asset class	Equities
Total fund assets	14,1 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,80%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days
French PEA	Eligible

Monthly comments

After a particularly positive September and October, European Markets came off their highs at the beginning of the month. This "profit taking" was to be linked principally to uncertainties surrounding a potential US tax reform. As of the middle of the month, markets rebounded somewhat, boosted by the confirmation of continuity at the Fed's governing council where soon-to-be Head J. Powell confirmed that the Fed is not seeing signs of overheating and that inflation remains under control. Macroeconomic indicators were mainly in line with expectations and all pointed to a continued economic expansion.

The Fund was launched on the 15th and was fully invested from the start. Our investment process led us to a big overweight in French stocks (46.4% versus 31.9% for its reference index). Although this overweight was a pure result of our bottom-up selection, we feel comfortable with it given good economic fundamentals and prospects for Europe's second economy.

The fund took off rather well, showing a positive performance of 1,40% versus 1,10% for the SXXT Index. Small and mid-cap stocks outperformed larger capitalizations over the period. About 1/3 of the Fund is currently invested in smaller and mid-sized companies.

Our best performing stocks over the period were **Drillisch AG, Smurfit Kappa Group PLC and Basic-Fit NV**. With over 1.3 million members and 440 clubs, Basic-Fit is the European market leader in the "value-for-money" fitness market. Basic-Fit clubs combine a flexible low-cost membership model with high-quality fitness equipment and technology, virtual and live group lessons and shareable family passes. Basic-Fit is a strong growth story which we consider sustainable for still quite some time. As the company grows, it reaches a stage where it is able to auto finance its expansion. Drillisch emerges as the real winner out of the opening up of the German telecom market. The Company is currently benefitting from sell-side analysts' upgrades following the tying-up with United internet. The latter now holds over 73% of its shares. Smurfit Kappa, one of the leading paper-based packaging solutions in the world, mainly benefited from strong demand signals going forward. We believe they are well positioned to benefit from an ever-increasing demand for packaging driven by global e-commerce activity.

The fund was negatively impacted by the underperformance of **Fresenius SE & Co KGaA and Peugeot SA**, as the French carmaker still has difficulties to convince the market that it bought Opel at good conditions. PSA is said to demand a refund from GM on the grounds that it was misled about Opel's emissions strategy. Fresenius underperformed following a disappointing publication of Akorn, the US company Fresenius agreed to acquire for over USD4bn. There are also some worries about negative pricing trends in its key US injectable generic franchise. We believe that those concerns are priced in and that the company is a strong franchise with high defensive qualities and that is well positioned to benefit from structural long-term trends.

Characteristics

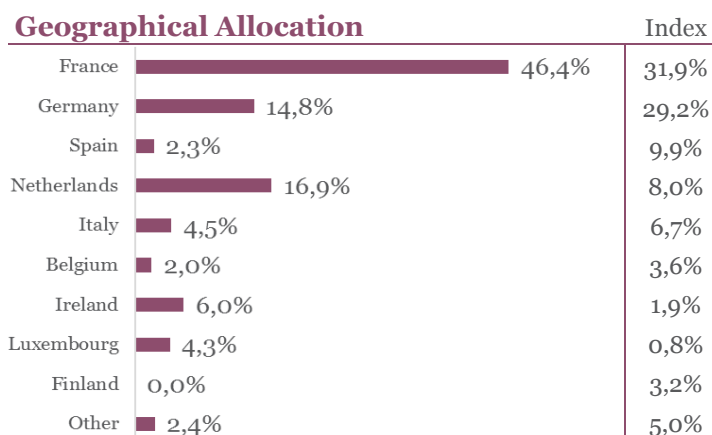
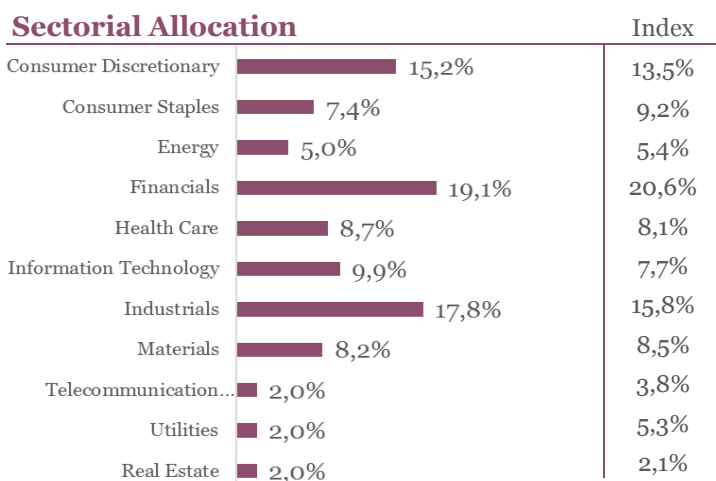
	Fund	Index
Number of Holdings	37	301
Top 10 Weight	34,2%	18,3%
Avg Mkt Cap (bn €)	32,8	59,3
Med Mkt Cap (bn €)	15,7	12,9
Index overlap	21,8%	100%
Net equity exposure	99,6%	100%

Risk Profile



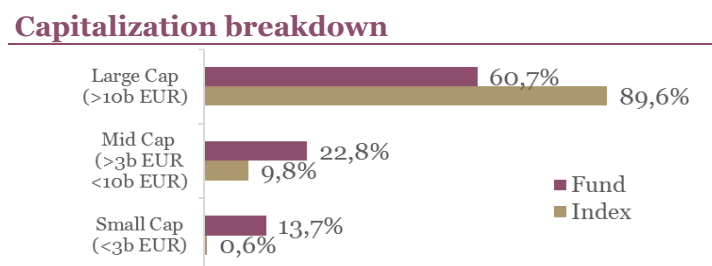
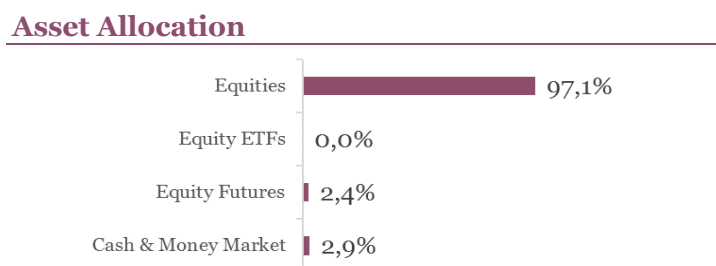
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Top 10 Positions	Fund	Index
TOTAL SA	5,0%	2,7%
AIRBUS GROUP NV	3,9%	1,2%
ELIS SA	3,5%	0,1%
ROTHSCHILD & CO	3,5%	0,0%
INFINEON TECHNOLOGIES AG	3,1%	0,6%
PEUGEOT SA	3,1%	0,3%
TKH GROUP NV	3,0%	0,0%
KERRY GROUP PLC	3,0%	0,3%
ING GROEP NV-CVA	3,0%	1,4%
ASML HOLDING NV	3,0%	1,4%

Top 10 overweight	Fund	Index
ROTHSCHILD & CO	3,5%	0,0%
ELIS SA	3,5%	0,1%
TKH GROUP NV	3,0%	0,0%
IPSEN	3,0%	0,1%
SMURFIT KAPPA GROUP PLC	3,0%	0,1%
PEUGEOT SA	3,1%	0,3%
COVESTRO AG	3,0%	0,2%
ABN AMRO GROUP NV-GDR W/I	3,0%	0,2%
AIRBUS GROUP NV	3,9%	1,2%
BASIC FIT NV	2,7%	0,0%



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