

MIDAS - Eurozone Equities I - Acc

Monthly summary report | as at 31 May 2018

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	103.00
2018 year-to-date return as at 31 May 2018	1.88%

Performance

	1M	YTD	SI
Midas Eurozone Equities	-0.42%	1.88%	3.00%
Performance Indicator*	-1.50%	0.53%	0.63%

* 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	49 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

May started on the same footing as April, as the soft patch in economic momentum seemed to dissipate, with developed countries equity markets gaining as much as +2,5/3% in the first trading sessions of May. Yet, by mid-May, 3 important metrics (Oil prices, the dollar, and US Long-Term interest rates) vigorously reached threshold levels that exhibit the potential to endanger some economic zones, the emerging countries most notably. This was also outbid by a return of political risks in both some Emerging countries (Venezuela, Saudi politics, and Iran) and Europe, with fears of an "Italeave" roaring back with vengeance on the back of the Italian political scene demise.

The fund, which lost 0.42% over the month, outperformed its indicator, on the back of good stock selection and sectorial bets. The fact that we reduced our exposure to financials, as well as our overweight on IT stocks contributed positively to the fund return. Best performers were some IT stocks, ie **Wirecard** and **Infineon** and once again **Basic-Fit**.

Performance was negatively impacted by fund's exposure to the financial sector which suffered from 1/some disappointing results, and from a perceived negative impact from 2/falling long term interest rates and 3/ from their exposure to 'sensitive' countries (Emerging markets and peripheral countries).

During the month we initiated a position in **Interpump**, the largest manufacturer of professional high pressure piston pumps in the world and one of the leading groups operating on an international basis in the hydraulic sector. Since its IPO, M&A has transformed a profitable but essentially mature business, characterized by low single-digit growth, into a double-digit growth story. We have a positive view on Interpump's positioning in highly profitable businesses, with exposure to several excellent niches (high and very high-pressure pumps and power take offs (PTOs)).

We also increased our position in **Siltronic** which manufactures hyperpure silicon wafers. It caters its products worldwide for use in computers, smartphones, flat-panel displays, navigation systems, automotive, engine control systems... Siltronic's growth story is set to continue, with strong silicon demand and we think there is still ample upside : as the wafer market is set to remain tight with strong demand and no expected added capacity.

Given Saudi Arabia discussions about raising oil production and crude oil prices peaking we took the opportunity to take profits on **Schoeller Bleckmann** (which manufactures components for directional drilling technology used by the oil and gas industries) which traded at all-time high levels. We did not seek to replace this position by another energy-related stock, willingly materializing an underweight exposure to the sector.

Characteristics

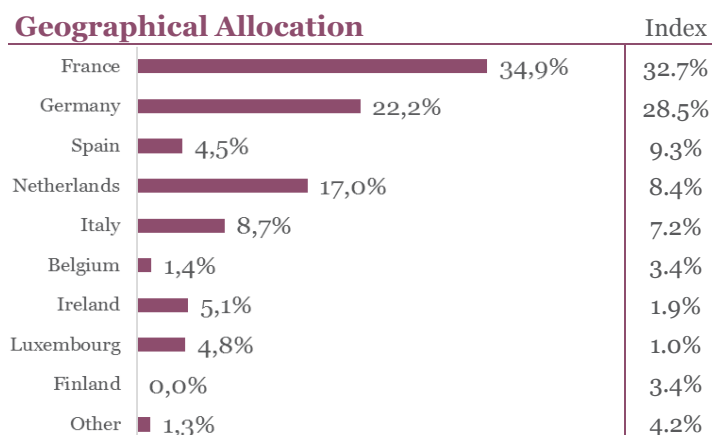
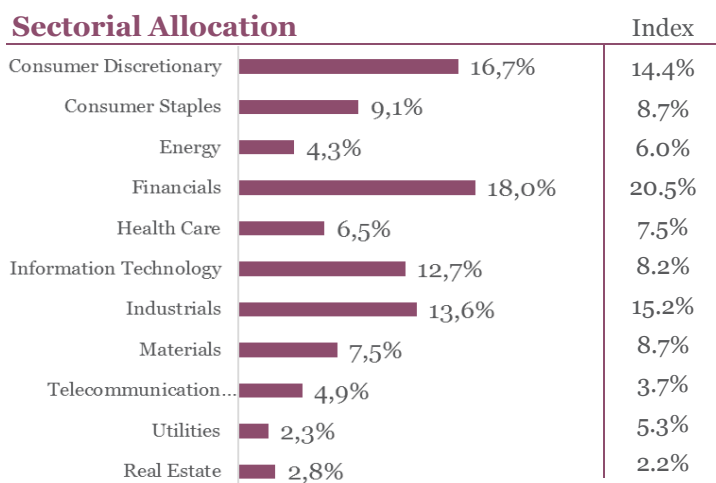
	Fund	Index
Number of Holdings	40	298
Top 10 Weight	32.3%	17.9%
Avg Mkt Cap (bn €)	26.1	57.4
Med Mkt Cap (bn €)	11.0	12.8
Index overlap	18.6%	100%
Net equity exposure	99.9%	100%

Risk Profile

1	2	3	4	5	6	7
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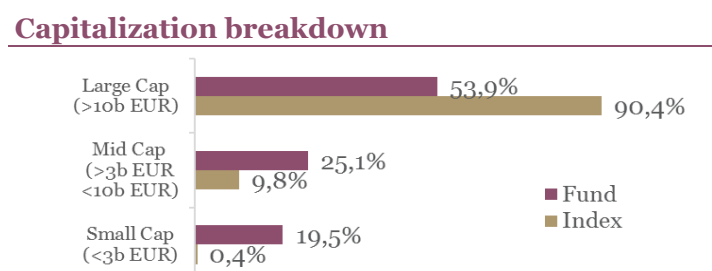
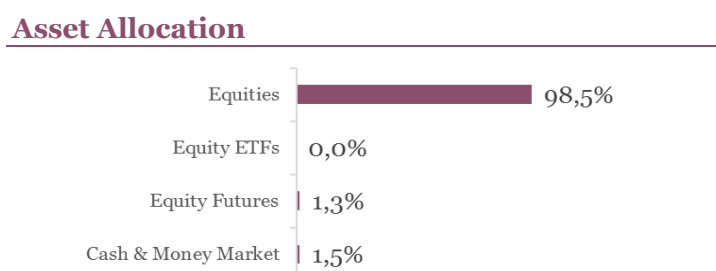


Top 10 Positions

Company	Fund (%)	Index (%)
BASIC FIT NV	3.5%	0.0%
AIRBUS GROUP NV	3.4%	1.3%
TKH GROUP NV	3.4%	0.0%
ASML HOLDING NV	3.4%	1.8%
WIRECARD AG	3.3%	0.4%
ROTHSCHILD & CO	3.2%	0.0%
STROEER SE & CO KGAA	3.1%	0.0%
COVESTRO AG	3.1%	0.3%
BANCO SANTANDER SA	3.0%	1.8%
KERRY GROUP PLC	2.9%	0.3%

Top 10 overweight

Company	Fund (%)	Index (%)
BASIC FIT NV	3.5%	0.0%
TKH GROUP NV	3.4%	0.0%
ROTHSCHILD & CO	3.2%	0.0%
STROEER SE & CO KGAA	3.1%	0.0%
WIRECARD AG	3.3%	0.4%
GRAND CITY PROPERTIES	2.8%	0.0%
DRILLISCH AG	2.9%	0.1%
COVESTRO AG	3.1%	0.3%
IPSEN	2.7%	0.0%
KERRY GROUP PLC	2.9%	0.3%



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