

MIDAS - Eurozone Equities I - Acc

Monthly summary report | as at 31 May 2019



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	89,06
2019 year-to-date return as at 31 May 2019	8,68%

Performance

	1M	3M	6M	YTD	2018	SI
Midas Eurozone Equities	-6,38%	0,08%	0,94%	8,68%	-18,94%	-10,94%
Performance Indicator*	-5,70%	0,41%	4,62%	11,02%	-12,72%	-3,01%

* 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	26.0 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

As the chances for a positive outcome in trade negotiations between the US and China all of sudden dropped, global risky assets retreated heftily. European equities did not escape. It comes as no surprise that defensive names such as Grand City Properties, Beiersdorf and Autogrill were among last months' best performers and basic resources exposed companies such as Arcelor Mittal, Derichebourg and Covestro appeared in the bottom of the ranking. Last month, we initiated two new positions in the fund: Koninklijke Philips and Solutions 30. **Solutions 30** is a rapidly growing, Luxembourg based company active in the field of outsourced technical support, providing technical assistance services to the users of digital technology. The company operates under a B2B2C business model, bringing its large fleet of technicians to multiple industry/service leaders (e.g. Orange, Deutsche Telekom, HP, Enedis) via outsourcing contracts. The company is clearly riding the waves the European Union's Horizon 2020 program has created. Horizon 2020 is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Among the sectors that the 2020 program affects, Solutions 30 targets mainly the telecom and energy sector. Member states have to assure that households are covered with fast broadband (>30Mbps) by 2020 and 50% of them by ultra-fast broadband (>100Mbps). As most EU telecom operators have to play catch-up, certainly with regards to ultra-fast broadband, they often opt for outsourcing the technical assistance part of this network roll-out. Horizon 2020 also addresses smart grids and meters. Smart grids are energy networks that can automatically monitor energy flows and adjust to changes in energy supply and demand accordingly. When coupled with smart metering systems, smart grids reach consumers and suppliers by providing information on real-time consumption. With smart meters, consumers can adapt – in time and volume - their energy usage to different energy prices throughout the day, saving money on their energy bills by consuming more energy in lower price periods. 80% of households need to be equipped with a digital/smart meter. Here again, this installation is outsourced to the likes of Solutions 30. After the stock tumbled over 25% following the news Muddy Waters had constructed a small short, without an accompanying report however, we seized the opportunity to build a position.

Year-to-date the HealthCare sector is strongly underperforming the broader markets for no clear reasons. Therefore we decided to reinforce our position to this defensive segment by adding **Koninklijke Philips**. Philips is a leading health technology company focused on improving people's health and enabling better outcomes across the health continuum from healthy living and prevention, to diagnosis, treatment and home care. Headquartered in the Netherlands, the company is a leader in diagnostic imaging, image-guided therapy, patient monitoring and health informatics, as well as in consumer health and home care: over 60% of sales are coming from products in leadership positions. We think Philips is well positioned to benefit from strong growth drivers such as growing and aging population, increasing spend in developing markets and rising burden of chronic diseases.

Characteristics

	Fund	Index
Number of Holdings	44	306
Top 10 Weight	33,1%	22,1%
Avg Mkt Cap (bn €)	46,6	55,0
Med Mkt Cap (bn €)	17,9	10,3
Index overlap	27,4%	100%
Net equity exposure	99,1%	100%

Risk Profile

1	2	3	4	5	6	7
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Sectorial Allocation

	Index
Consumer Discretionary	12,3%
Consumer Staples	10,2%
Energy	6,0%
Financials	17,0%
Health Care	7,2%
Information Technology	9,0%
Industrials	15,3%
Materials	8,8%
Communication Services	5,5%
Utilities	6,1%
Real Estate	2,6%

Geographical Allocation

	Index
France	33,8%
Germany	26,3%
Spain	9,2%
Netherlands	8,7%
Italy	6,3%
Belgium	3,5%
Ireland	1,8%
Luxembourg	0,8%
Finland	3,4%
Other	6,3%

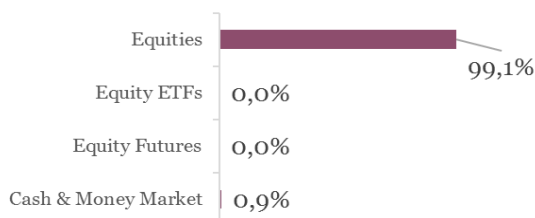
Top 10 Positions

	Fund	Index
GRAND CITY PROPERTIES	3,8%	0,0%
LVMH	3,6%	2,2%
BASIC FIT NV	3,5%	0,0%
TOTAL SA	3,5%	3,1%
ASML HOLDING NV	3,3%	1,8%
GRIFOLS SA	3,2%	0,0%
AXA SA	3,1%	1,1%
KERRY GROUP PLC	3,1%	0,4%
ORANGE	3,0%	0,7%
SAFRAN SA	3,0%	1,1%

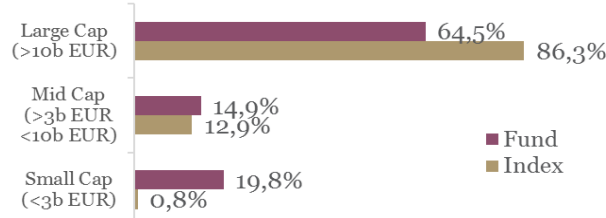
Top 10 overweight

	Fund	Index
GRAND CITY PROPERTIES	3,8%	0,0%
BASIC FIT NV	3,5%	0,0%
GRIFOLS SA	3,2%	0,0%
EUROFINS SCIENTIFIC	2,9%	0,1%
BEIERSDORF AG	3,0%	0,3%
KERRY GROUP PLC	3,1%	0,4%
ORANGE	3,0%	0,7%
ABN AMRO GROUP NV-GDR W/I	2,5%	0,2%
ROYAL DUTCH SHELL PLC-A SHS	2,1%	0,0%
SMCP	2,0%	0,6%

Asset Allocation



Capitalization breakdown



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