



# BEST BUSINESS MODELS

Eurozone Equities  
Large & Mid Caps



IC SHARE CLASS

31 OCTOBER 2018

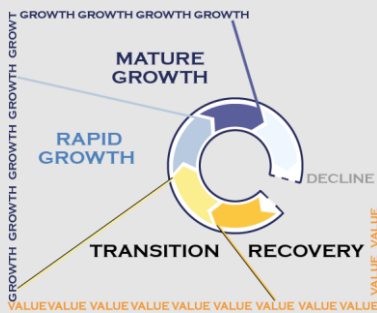
NAV (IC share class) 281,79  
Fund Total Assets 580,9M€

## Best Business Models Investment Process

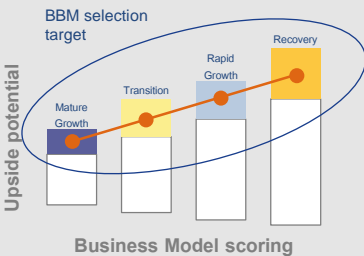
Nowadays, companies are facing three major issues: **Globalisation**, **Digitalisation** and **Regulation**.

Companies are no longer developing at a constant pace. Therefore, it is necessary to:

### Analyse the lifecycle of the companies Business Models



### Look for attractive pairs of share price upside/downside risk



Our investment philosophy, integrating ESG criteria, aims to assess a company's upside potential as a function of its positioning in its lifecycle and to benefit from upward or downward trends in market stock's valuation.

## Investment universe

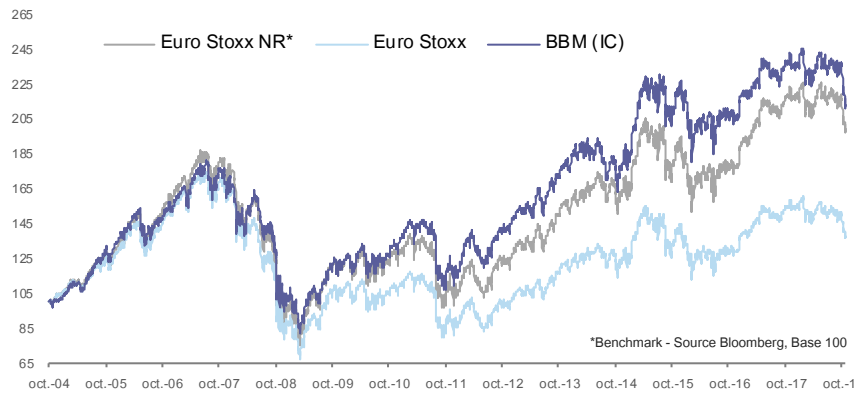
The fund invests predominantly in Eurozone large and mid caps.

## Risk / Return Profile

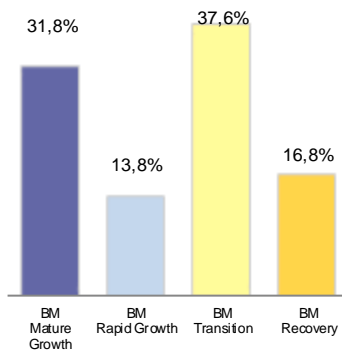


Risk associated with discretionary investment management • Risk of loss of capital • Equity risk • Small caps risk • Emerging equities risk • Derivatives market risk • Interest rate risk • Credit risk • Default risk • Foreign exchange market risk • Liquidity risk.

## Evolution



## Business Models Breakdown



## Performances & Risk Indicators

	BBM (IC)	Euro Stoxx	Euro Stoxx NR*
Perf. 2012	23,9%	15,5%	19,3%
Perf. 2013	24,3%	20,5%	23,7%
Perf. 2014	0,4%	1,7%	4,1%
Perf. 2015	18,5%	8,0%	10,3%
Perf. 2016	-0,1%	1,5%	4,1%
Perf. 2017	7,0%	10,1%	12,6%
Perf. YTD- 2018	-7,7%	-8,4%	-6,4%
Perf. 5 years	21,2%	14,4%	28,7%
Perf. Inception(a)	85,7%	13,8%	74,0%
Volatility 5 years	14,9%	15,8%	15,8%
Volatility 1 year	13,8%	13,7%	13,7%
Béta**	0,99		
Tracking error**	2,5		

Source Bloomberg - Montpensier Finance / (a) 04/10/2002

\*Benchmark Net return / \*\*vs Benchmark NR / Volatility and TE calculation : Friday NAV, rolling weekly steps / Performance calculation : rolling month-end NAV | Past performance is not indicative of current or future results. The fund undertakes risks that may lead to a loss of capital.

## Sector Breakdown

	Port.	Index
Industrial Goods & Serv.	15,0%	12,4%
Technology	13,3%	8,4%
Health Care	12,3%	8,5%
Banks	10,4%	10,5%
Automobiles & Parts	7,3%	5,4%
Oil & Gas	7,1%	6,4%
Food & Beverage	5,3%	4,5%
Chemicals	4,6%	6,3%
Personal & Household G.	4,0%	7,9%
Telecommunications	4,0%	3,6%
Financial Services	3,3%	1,5%
Insurance	3,2%	6,4%
Construction & Materials	2,9%	3,6%
Media	2,5%	1,8%
Utilities	2,2%	5,3%
Basic Resources	1,7%	1,3%
Retail	0,9%	2,9%
Real Estate	0,0%	2,5%
Travel & Leisure	0,0%	0,9%

Source Montpensier Finance / Stoxx

## Country Breakdown

	Port.	Index
France	48,0%	31,6%
Germany	23,5%	27,4%
Netherlands	9,1%	13,5%
Italy	4,8%	6,0%
Spain	4,3%	9,1%
United Kingdom	4,0%	0,3%
Ireland	3,2%	2,8%
Others	3,1%	9,3%

Source Montpensier Finance / Stoxx

## Main Holdings

SAP	4,7%
Sanofi	4,5%
Legrand SA	3,6%
Safran	3,5%
Fresenius SE	3,4%
Cap Gemini	3,4%
Kerry Group	3,1%
Allianz	3,1%
Michelin	3,0%
Vinci	2,8%

■ BM Mature Growth ■ BM Rapid Growth ■ BM Transition ■ BM Recovery  
Source Montpensier Finance

BEFORE ANY INVESTMENT, PLEASE CAREFULLY READ THE KIID AND PROSPECTUS OF THE UCIT  
Performance refer to the IC SHARE CLASS - See full disclaimer overleaf

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## Portfolio

During a turbulent October, markets were dominated by risk aversion fuelled by fears of a slowdown in the economic cycle and further geopolitical tensions. The least cyclical companies held in the portfolio fared better in relative terms. As such, Mature Growth and Transition Business Models, which are the least risky, outperformed the riskiest categories such as Rapid Growth and Recovery.

Fund allocation to less-risky BMs was beneficial. The most defensive Mature Growth BMs, such as Total and Sanofi, proved relatively more resilient notably thanks to satisfactory quarterly results. Certain Transition BMs such as Arkema and ABN Amro were negatively impacted by fears of an economic slowdown, while others including Voestalpine and Fresenius SE were hit by profit warnings. Rapid Growth BMs were neglected by investors for the same reasons, led by tech stocks such as Infineon, SAP and ASML. Lastly, our cautious allocation among Recovery BMs contributed positively, as a number of stocks within this category, such as Elis and Unicredit, were weighed down by their cyclical profile.

During the month, we increased our weightings in Chemicals stocks, the Automotive sector and Telecoms, while reducing exposure to Industrials, Personal Goods and the Retail sector.

## Investment approach

The objective of the fund is to achieve annualised capital appreciation in the long term through a risk adjusted outperformance against the benchmark. The stocks are picked on an active, fundamental, bottom up, discretionary and unconstrained approach. The recommended minimum investment horizon is five years.

## Investment Universe

The fund will invest its assets in equity and equity related securities issued by companies that are headquartered in the European Union, or conduct the preponderant part of their activity in the European Union.

## Fund data

Legal Status	SICAV UCITS V
AMF classification	Euro zone equities
Inception date of the FCP Best Business Models	10th April 2002
Inception date of the SICAV from the FCP merger	9th February 2016
Currency	EUR
Approved for public distribution in	France, Belgium Luxembourg, Switzerland
Management fee	IPC : 0.90% IPD : 0.90% IC : 1.3754% ID : 1.3754% RC : 2.25% RD : 2.25%
Performance fee	IPC / IPD (cf. prospectus)
Isin	IPC : FR0013079753 IPD : FR0013079738 IC : FR0013073731 ID : FR0013076361 RC : FR0013079761 RD : FR0013079779
Bloomberg	IPC : MFBBMPC FP IPD : MFBBMPD FP IC : MFBBMIC FP ID : MFBBMID FP RC : MFBBMRC FP RD : MOBBMRD FP
Asset Management Company	Montpensier Finance
Custodian	CACEIS Bank
Valuation	Daily (Caceis)
Cut-off	11:30 AM CET
Investment horizon	5 years minimum
PEA - Eligible (in France only)	Yes

Approved for public distribution in:



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