



# GREAT EUROPEAN MODELS

European Equities  
Large, Mid & Small Caps



ID SHARE CLASS

31 OCTOBER 2018

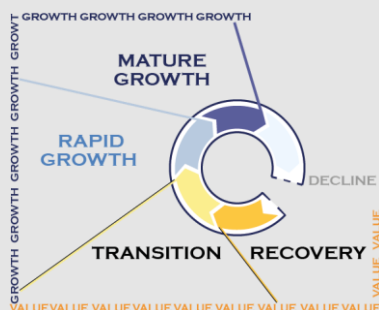
NAV (ID share class) 2946,78  
Fund Total Assets 227,0M€

## Best Business Models Investment Process

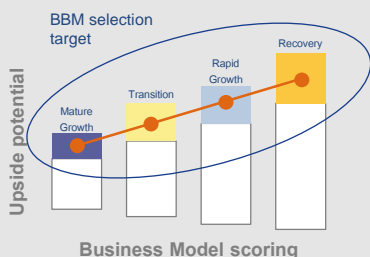
Nowadays, companies are facing three major issues: **Globalisation**, **Digitalisation** and **Regulation**.

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

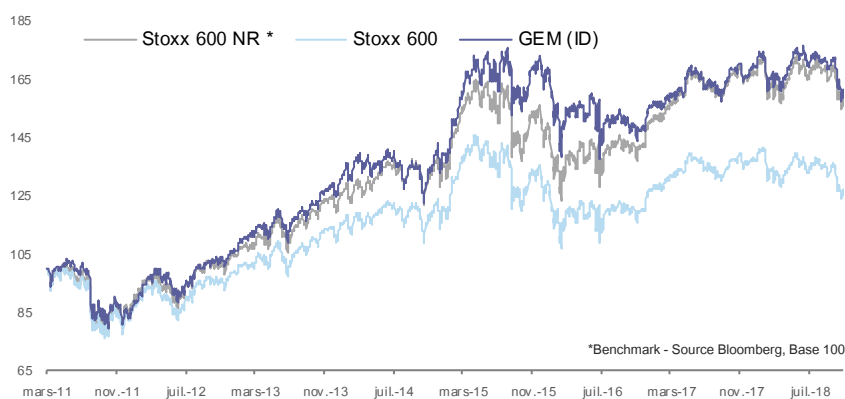
The fund invests predominantly in European large and mid caps.

## Risk / Return Profile

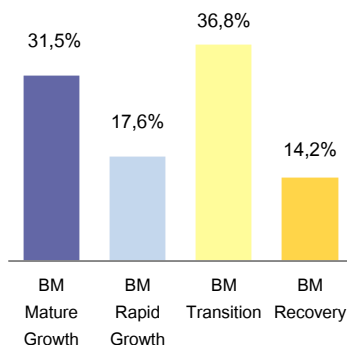


Risk associated with discretionary investment management • Risk of loss of capital • Equity risk • Small caps risk • Emerging equities risk • Derivatives market risk • High yield market risk • Interest rate risk • Credit risk • Default risk • Foreign exchange market risk • Liquidity risk.

## Evolution



## Business Models Breakdown



## Performances & Risk Indicators

	GEM (ID)	Stoxx 600	Stoxx 600 NR*
Perf. 2012	22,3%	14,4%	18,2%
Perf. 2013	23,8%	17,4%	20,8%
Perf. 2014	6,2%	4,4%	7,2%
Perf. 2015	20,6%	6,8%	9,6%
Perf. 2016	-7,4%	-1,2%	1,7%
Perf. 2017	8,5%	7,7%	10,6%
Perf. YTD- 2018	-4,6%	-7,1%	-4,7%
Perf. 5 years	27,5%	12,2%	28,6%
Perf. Inception (a)	61,5%	27,5%	59,3%
Volatility 5 years	13,7%	14,5%	14,6%
Volatility 1 year	11,6%	12,6%	12,6%
Béta**	0,89		
Tracking error**	2,8		

Source Bloomberg - Montpensier Finance / (a) 03/03/2011

\*Benchmark Net return / \*\*vs Benchmark / 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.	25,6%	11,1%
Health Care	11,8%	14,1%
Oil & Gas	9,9%	7,3%
Personal & Household G.	8,0%	8,4%
Banks	6,9%	11,2%
Technology	5,9%	5,1%
Retail	5,5%	2,7%
Chemicals	5,2%	3,8%
Automobiles & Parts	3,4%	2,7%
Construction & Materials	3,2%	2,9%
Insurance	2,9%	6,1%
Food & Beverage	2,4%	6,9%
Basic Resources	2,4%	3,1%
Travel & Leisure	2,4%	1,6%
Media	2,0%	2,1%
Telecommunications	1,5%	3,2%
Utilities	1,1%	3,7%
Financial Services	0,0%	2,1%
Real Estate	0,0%	1,9%

Source Montpensier Finance / Stoxx

## Country Breakdown

	Port.	Index
France	24,2%	15,9%
United Kingdom	18,9%	27,2%
Netherlands	14,1%	6,8%
Germany	12,0%	13,9%
Ireland	6,8%	1,5%
Switzerland	4,5%	13,6%
Belgium	3,5%	1,7%
Others	15,9%	19,4%

Source Montpensier Finance / Stoxx

## Main Holdings

Thalès	5,3%
Unilever NV / Unilever Plc	3,5%
Linde AG - Tender	3,5%
Téléperformance	3,4%
Royal Dutch Shell A	3,4%
KBC Group	3,3%
ABN AMRO Group	3,1%
Zurich Financial Services Nom	2,7%
Peugeot SA	2,6%
SAP	2,6%

Legend: 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  
Presented performance refer to ID share class. See full disclaimer overleaf



### 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.

Our cautious allocation in Recovery BMs contributed positively. Within this BM category, Linde was boosted by the completion of the merger with Praxair. Some Mature Growth BMs, including Thalès and Teleperformance, were impacted by fears of an economic slowdown, while Atos was hit by a profit warning. Transition BMs were neglected by investors for the same reasons, led by cyclicals such as Arkema and UPM. Lastly, our stock-picking among Rapid Growth BMs performed relatively well, notably thanks to satisfactory quarterly earnings from Puma and X5 Retail.

During the month, we increased our weightings in the personal goods sector and reduced our exposure to industrial goods, Chemicals and Basic Resources.

### 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	European Union equities
Inception date of the FCP Best Business Models	23rd September 2010
Inception date of the SICAV from the FCP merger	10th February 2016
Currency	EUR
Approved for public distribution in	France, Belgium Luxembourg, Switzerland
Management fee	IC / ID : 1.50% RC / RD : 2.25% IPC / IPD : 1.00%
Performance fee	IC / ID / IPC / IPD RC / RD (cf. prospectus)
Isin	IC : FR0013083656 ID : FR0013084373 IPC : FR0013183118 IPD : FR0013183126 RC : FR0013084381 RD : FR0013084399
Bloomberg	IC : MFGEMIC FP ID : MFGEMID FP IPC : MFGEMPC FP IPD : MFGEMPD FP RC : MFGEMRC FP RD : MFGEMRD 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 (applicable in France only)	Yes

Approved for public distribution in:



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