

Cartesio *Equity*

Factsheet

NAV (Class I)
116.72

Assets
90m €

March 2024

The fund is up 5.6% in March and up 4.8% YTD, closing the quarter at an all-time high. It is twenty years since the inception of Cartesio Y, replicated by Cartesio Equity. The fund has delivered on its twin investment mandate of positive real returns and better risk adjusted returns than its reference benchmark.

Since inception (31/3/2004), Cartesio Y has returned 5.25% p.a. against eurozone inflation of 2.08% p.a. It has delivered a Sharpe ratio (excess return over risk free rate divided by annual volatility) of 0.39 against 0.31 for its reference index (MSCI Europe Net Total Return Index).

Last month we wrote about the excessive market concentration of equities in both the US and Europe. Also, the active role of indexation in that concentration and the investment opportunities that were arising. At the very least, we argued, it is an excellent moment to diversify from the "slavery" of the indices, where we think it is now easier to find value with lower risk.

It may have been lucky timing, but the performance of the funds and the markets support our thesis, which we believe has further to run.

We maintain a high equity exposure in the fund, more a reflection of a high conviction portfolio than the direction of the market which clearly has done extremely well and

could easily correct. YTD our equity portfolio has underperformed slightly its benchmark after a strong March.

Investment objective

Cartesio Equity replicates the investment strategy of Cartesio Y. It seeks higher risk adjusted returns (Sharpe ratio) than European Equities as represented by the MSCI Euro Net Total Return. Willingness to forego potential returns in order to give an adequate capital protection.

Investment strategy

The fund can only hold equities and cash with total flexibility in its exposure to both assets.

Fund History

Cartesio Y has an overall Three Star Morningstar rating. Since inception (March 2004) it has returned 5.2% p.a.

Performance Chart*



* Relates to past data. Past performance does not guarantee future returns.

against 6.6% p.a. total return for Pan-European equities with a volatility of 10.8% (index 18.1%). On a five and three year basis the fund has returned 25.0% and 17.7% respectively against total returns of 52.5% and 30.3% respectively for European equities with 79% and 78% respectively of the volatility experienced by the index.

Factors to consider

- The fund has a clear long bias with emphasis on capital protection over the medium term.
- The equity component is actively managed with a significant tracking error vs the benchmark.
- Suitable for investors seeking to grow and protect their capital over the medium term with a moderate level of risk.

PERFORMANCE*

2024	4.8%
Since Inception (p.a.)**	4.7%

RISK / RETURN

Volatility**	10.9%
Beta	0.72
Sharpe**	0.33

ASSET ALLOCATION

Equity	87.5%
Cash	12.5%

SECTORIAL DISTRIBUTION

Materials	17.6%
Financials	15.7%
Communication Services	14.0%
Industrials	13.2%
Consumer Staples	9.5%

MAIN HOLDINGS

Repsol	3.7%
Merlin Properties	3.6%
Total Energies	3.4%
Covestro	3.4%
Publicis	3.3%

INVESTMENTS / DIVESTMENTS

Investments: -

Divestments: Credit Agricole

MARKET RETURNS

	2024	Since 31/03/04
MSCI Euro Net Total Return	7.6%	6.6% p.a.
Sharpe		0.31
Long Term Euro Gov. Bond	-0.7%	3.2% p.a.
Sharpe		0.42
Euro Gov T Bill	0.8%	1.1% p.a.

** Inception 31st March '04. Cartesio Y until Jun '09. Pareturn Cartesio Equity Class I until Feb'20

HOLDINGS		
1	Repsol	3.7%
2	Merlin Properties	3.6%
3	Total Energies	3.4%
4	Covestro	3.4%
5	Publicis	3.3%
6	Acerinox	3.1%
7	Allianz	3.0%
8	Carrefour	3.0%
9	Coca-cola European Partners	2.8%
10	BAT	2.6%
11	Enel	2.5%
12	Glencore	2.5%
13	Santander	2.5%
14	Logista	2.4%
15	Michelin	2.4%
16	Heidelberg	2.4%
17	Gruppo Unipol	2.3%
18	ITV	2.3%
19	CaixaBank	2.2%
20	Signify	2.1%
21	Other	32.1%
22	Cash	12.5%
Total		100%

RISK ADJUSTED RETURNS CARTESIO EQUITY*							
	Returns		Volatility		Relative		M2
	Fund	Index	Fund	Index	Volatility		
2004 **	8.5%	8.3%	4.6%	11.5%	39.9%		18.9%
2005	12.4%	26.1%	6.0%	9.4%	64.1%		18.2%
2006	16.1%	19.6%	5.3%	12.7%	41.7%		34.7%
2007	2.2%	2.7%	6.9%	15.8%	43.4%		-0.1%
2008	-14.2%	-43.6%	13.0%	36.9%	35.1%		-48.9%
2009	14.9%	31.6%	8.2%	24.3%	33.7%		41.8%
2010	3.5%	11.1%	10.9%	18.5%	58.8%		5.5%
2011	-5.7%	-8.1%	16.1%	22.2%	72.3%		-8.6%
2012	6.3%	17.3%	11.3%	14.7%	76.4%		7.9%
2013	21.1%	19.8%	8.8%	11.9%	73.3%		28.5%
2014	3.6%	6.8%	10.2%	13.4%	75.8%		4.7%
2015	7.3%	8.2%	11.6%	20.3%	57.4%		12.6%
2016	0.0%	2.6%	10.1%	19.7%	51.0%		0.2%
2017	7.2%	10.2%	3.9%	8.4%	46.1%		16.1%
2018	-6.0%	-10.6%	5.2%	12.6%	41.4%		-13.8%
2019	9.2%	26.1%	6.9%	13.1%	52.9%		17.7%
2020	-9.0%	-3.3%	23.8%	28.5%	83.6%		-10.7%
2021	9.3%	25.1%	10.0%	12.4%	80.8%		11.7%
2022	-1.9%	-9.5%	14.5%	18.8%	77.4%		-2.3%
2023	11.3%	15.8%	10.3%	11.4%	90.8%		12.1%
2024	4.8%	7.6%	6.9%	7.9%	87.6%		5.4%
Q1	4.8%	7.6%	6.9%	7.9%	87.6%		5.4%
Total	149.5%	259.2%	10.9%	18.1%	60.1%		

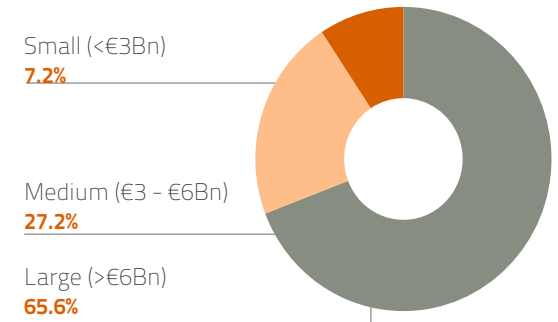
* Cartesio Y until 12/2009 and Paretun Cartesio Equity from 12/2009 until 02/2020
 ** Since March 2004
 Index= MSCI Euro Net Total Return // M2= Theoretical return assuming the save volatility as the Index

PORTFOLIO VALUATION	
P/E	10.2x
Div Yield	5.0%

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SECTOR DISTRIBUTION		FUND	M7EU
1	Consumer Discretionary	5.4%	11.2%
2	Consumer Staples	9.5%	10.7%
3	Energy	8.2%	5.4%
4	Financials	15.7%	18.5%
5	Health Care	1.4%	15.5%
6	Industrials	13.2%	16.5%
7	Information Technology	1.6%	8.1%
8	Materials	17.6%	6.5%
9	Real Estate	6.5%	0.8%
10	Communication Services	14.0%	3.0%
11	Utilities	6.9%	3.8%
Total		100%	100%

Market Cap Distribution (Equity Portfolio)



Name
 Cartesio Funds Equity (Repliates Cartesio Y)

ISIN
 LU1966822444 - Class I
 LU1966822527 - Class R
 LU1725678517 - Class Z

Bloomberg
 CARTEQI LX / CARTEQR LX / CARTEQZ LX

Inception Date
 13/01/20
 (Cartesio Y 31/3/04)

Type
 SICAV (UCITS III)

Benchmark
 MSCI Euro Net Total Return – Risk Adjusted

NAV frequency
 Daily (Euros)

Management Company
 MDO Management Services

Fund Manager
 Cartesio SGIC, S.A.

Custodian
 BNP Paribas



MORNINGSTAR ★★★★★ 3 years
 MORNINGSTAR ★★ 5 years
 MORNINGSTAR ★★★ 10 years
 MORNINGSTAR ★★★ Overall

- 5 Lipper Leader Total Return
- 4 Lipper Leader Consistent Return
- 1 Lipper Leader Preservation
- 5 Lipper Leader Expense

Auditor
 Deloitte

Transfer Agent & Fund Administrator
 BNP Securities Services

Fund Management Fee
 1.55% - Class I and Class R
 0.90% + 7.5% performance fee - Class Z

* All ratings apply to Cartesio Y