

Cartesio *Equity*

Factsheet

NAV (Class I)
102.04

Assets
82m €

May 2023

The fund is down 3.5% in May and up 2.1% YTD. European equities are again showing extreme bifurcation in performance and valuation between different sectors. In US equities this bifurcation is perhaps more extreme as the market has weeded out, quite rightly, non-profitable tech. In a way we have gone back to the bifurcation we last saw towards the end of 2021. The fund remains well placed to exploit this bifurcation as valuations revert to the mean.

We think there are two drivers at work. First the market is in total rapture with Artificial Intelligence (AI) and will chase any company related to this theme. It is far from clear who are the winners or losers from this technology but, as usual, the market shoots and asks questions later. The second driver is the perennial fear about a coming recession, which means anything remotely cyclical is questioned, even if the recession is not here or may be priced in already.

We think financial repression and negative or modest real rates are here to stay. This is the main reason why equities are well supported, and economic growth defies the doom mongers.

Equities, particularly the ones we own, have zero valuation excess to work through and are real assets that should navigate well this landscape

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 Pan Euro Index. 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 Four Star Morningstar rating. Since inception (March 2004) it has returned 4.8% p.a. against 6.6% p.a. total return for Pan-European equities with a volatility of 10.9% (index 18.5%). On a five and three

year basis the fund has returned 8.5% and 34.8% respectively against total returns of 43.6% and 53.1% respectively for European equities with 77% and 91% 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 Chart*



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

PERFORMANCE*

| | |
|--------------------------|------|
| 2023 | 2.1% |
| Since Inception (p.a.)** | 4.1% |

RISK / RETURN

| | |
|--------------|-------|
| Volatility** | 11.0% |
| Beta | 0.74 |
| Sharpe** | 0.29 |

ASSET ALLOCATION

| | |
|--------|-------|
| Equity | 79.0% |
| Cash | 21.0% |

SECTORIAL DISTRIBUTION

| | |
|------------------------|-------|
| Industrials | 15.2% |
| Materials | 14.4% |
| Financials | 13.2% |
| Communication Services | 12.5% |
| Energy | 8.9% |

MAIN HOLDINGS

| | |
|-----------------------------|------|
| Total Energies | 3.9% |
| Carrefour | 3.3% |
| Merlin Properties | 3.0% |
| Coca-cola European Partners | 2.8% |
| Gruppo Unipol | 2.7% |

INVESTMENTS / DIVESTMENTS

Investments: -

Divestments: -

MARKET RETURNS

| | 2023 | Since 31/03/04 |
|-------------------------------|------|----------------|
| MSCI Pan Euro (Total return.) | 9.5% | 6.6% p.a. |
| Sharpe | | 0.30 |
| Long Term Euro Gov. Bond | 4.0% | 3.2% p.a. |
| Sharpe | | 0.43 |
| Euro Gov T Bill | 0.9% | 1.0% p.a. |

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

HOLDINGS

| | | |
|--------------|-----------------------------|-------------|
| 1 | Total Energies | 3.9% |
| 2 | Carrefour | 3.3% |
| 3 | Merlin Properties | 3.0% |
| 4 | Coca-cola European Partners | 2.8% |
| 5 | Gruppo Unipol | 2.7% |
| 6 | Covestro | 2.6% |
| 7 | Engie | 2.6% |
| 8 | Acerinox | 2.6% |
| 9 | Repsol | 2.5% |
| 10 | Publicis | 2.5% |
| 11 | Bayer | 2.4% |
| 12 | Logista | 2.4% |
| 13 | Allianz | 2.3% |
| 14 | Heidelberg | 2.3% |
| 15 | CCR | 2.2% |
| 16 | ITV | 2.2% |
| 17 | Glencore | 2.2% |
| 18 | Alphabet | 2.1% |
| 19 | Enel | 2.1% |
| 20 | Credit Agricole | 2.0% |
| 21 | Other | 28.2% |
| 22 | Cash | 21.0% |
| Total | | 100% |

RISK ADJUSTED RETURNS CARTESIO EQUITY*

| | Returns | | Volatility | | Relative | | M2 |
|--------------|---------------|---------------|--------------|--------------|--------------|--|--------|
| | Fund | Index | Fund | Index | Volatility | | |
| 2004 ** | 8.5% | 8.0% | 4.6% | 11.1% | 41.2% | | 18.4% |
| 2005 | 12.4% | 26.1% | 6.0% | 9.5% | 63.1% | | 18.4% |
| 2006 | 16.1% | 19.0% | 5.3% | 12.7% | 41.9% | | 34.6% |
| 2007 | 2.2% | 4.5% | 6.9% | 15.7% | 43.7% | | -0.2% |
| 2008 | -14.2% | -42.5% | 13.1% | 37.3% | 35.0% | | -49.0% |
| 2009 | 14.9% | 31.1% | 8.2% | 24.4% | 33.7% | | 45.0% |
| 2010 | 3.5% | 10.1% | 11.0% | 18.7% | 58.5% | | 5.5% |
| 2011 | -5.7% | -6.6% | 16.3% | 22.2% | 73.7% | | -8.4% |
| 2012 | 6.3% | 17.2% | 11.5% | 14.7% | 78.2% | | 7.7% |
| 2013 | 21.1% | 19.6% | 9.0% | 12.2% | 74.0% | | 28.3% |
| 2014 | 3.6% | 7.0% | 10.3% | 13.4% | 76.5% | | 4.6% |
| 2015 | 7.3% | 7.2% | 11.8% | 20.7% | 57.0% | | 12.7% |
| 2016 | 0.0% | 3.6% | 10.2% | 19.8% | 51.9% | | 0.2% |
| 2017 | 7.2% | 9.8% | 4.0% | 8.5% | 47.2% | | 15.7% |
| 2018 | -6.0% | -9.4% | 5.2% | 12.5% | 41.6% | | -13.8% |
| 2019 | 9.2% | 25.8% | 7.1% | 11.3% | 62.6% | | 14.9% |
| 2020 | -9.0% | -4.6% | 23.5% | 28.3% | 83.0% | | -10.8% |
| 2021 | 9.3% | 26.8% | 10.3% | 12.5% | 82.3% | | 11.5% |
| 2022 | -1.9% | -6.6% | 14.5% | 18.2% | 79.2% | | -2.2% |
| 2023 | 2.1% | 9.5% | 11.4% | 12.3% | 92.5% | | 2.1% |
| Q1 | 3.6% | 8.9% | 12.5% | 13.7% | 91.0% | | 3.9% |
| Q2 | -1.5% | 0.5% | 10.7% | 9.3% | 115.2% | | -1.3% |
| Total | 118.1% | 238.5% | 11.0% | 18.5% | 59.4% | | |

Index price only 73.5%

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

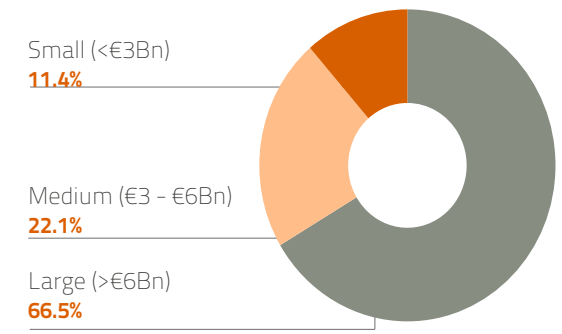
PORTFOLIO VALUATION

| | |
|-----------|------|
| P/E | 9.9x |
| Div Yield | 5.2% |

SECTOR DISTRIBUTION

| | FUND | MSPE | |
|--------------|------------------------|-------------|-------|
| 1 | Consumer Discretionary | 6.9% | 11.4% |
| 2 | Consumer Staples | 7.7% | 14.2% |
| 3 | Energy | 8.9% | 6.3% |
| 4 | Financials | 13.2% | 16.8% |
| 5 | Health Care | 5.0% | 18.0% |
| 6 | Industrials | 15.2% | 13.0% |
| 7 | Information Technology | 2.2% | 7.6% |
| 8 | Materials | 14.4% | 5.8% |
| 9 | Real Estate | 5.5% | 0.2% |
| 10 | Communication Services | 12.5% | 2.6% |
| 11 | Utilities | 8.3% | 4.3% |
| Total | 100% | 100% | |

Market Cap Distribution (Equity Portfolio)



Name
 Cartesio Funds Equity (Repl-
 cates 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 Pan Europe – Risk
 Adjusted

NAV frequency
 Daily (Euros)

Management Company
 MDO Management Services

Fund Manager
 Cartesio SGIC, S.A.

Custodian
 BNP Paribas

Silver

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

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

Auditor
 Deloitte

Transfer Agent & Fund Administrator
 BNP Securities Services

Fund Management Fee
 1.5% - Class I and Class R
 0.75% + 7.5% performance fee -
 Class Z

* All ratings apply to Cartesio Y