

Cartesio *Equity*

Factsheet

NAV (Class I)
78.12

Assets
68m €

The Pareturn Cartesio Equity ceased to exist on the 24th of March as a result of the merger with Cartesio Funds Equity

October 2020

The fund is down 3% in October and down 23.5% YTD. As the pandemic and lockdowns get worse, so does the market and European equities in particular. Living with COVID 19 has proved to be a rollercoaster where peak pessimism happened in March and peak optimism in early June. Since June, news flow on the pandemic has been mostly negative, taking European equities down 10%. Difficult to say how the situation will evolve from here, death rates and intensive care capacity will drive the lockdown strategy of governments. From a financial and economic perspective, it is clear no recovery will be complete without the roll out of safe and effective vaccines and that will happen hopefully during 2021. (60%). We remain confident in the ability of the fund to deliver value and recover the losses incurred this year.

Our equity portfolio has outperformed since the end of March but clearly has not made up the losses incurred during the first quarter. October was a good month in relative terms but after a poor September. During the early part of October, we bought some more downside protection although the performance of the portfolio remains the key factor going forward. Equity exposure in both funds has not changed much. The undervaluation of our portfolio will not be corrected until some sort of normalisation post Covid takes place, both

in the economy and the stock market.

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. The fund has a long equity bias.

Fund History

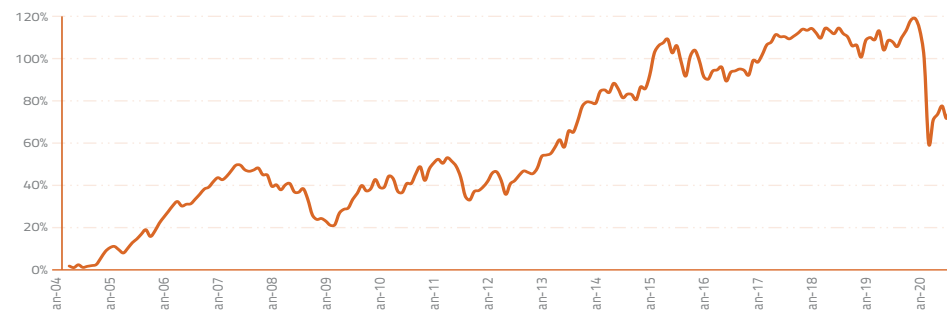
Cartesio Y has an overall Three Star Morningstar rating. Since inception (March 2004) it has returned 3.8% p.a. against 5.0% p.a. total return for Pan-

European equities with a volatility of 10.7% (index 19.1%). On a five and three year basis the fund has returned -11.6% and -17.3% respectively against total returns of 3.0% and -7.7% respectively for European equities with 66% and 72% 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*

2020	-23.5%
Since Inception (p.a.)**	3.2%

RISK / RETURN

Volatility**	10.8%
Beta	0.80
Sharpe**	0.19

ASSET ALLOCATION

Equity	76.3%
Cash	23.7%

SECTORIAL DISTRIBUTION

Industrials	21.0%
Communication Services	16.2%
Utilities	10.9%
Materials	10.1%
Information Technology	7.8%

MAIN HOLDINGS

KPN	2.9%
SES Global	2.9%
Fresenius SE	2.7%
Signify	2.6%
Pinfra	2.5%

INVESTMENTS / DIVESTMENTS

Investments: lenova

Divestments: -

MARKET RETURNS

	2020	Since 31/03/04
MSCI Pan Euro (Total return.)	-18.0%	5.0% p.a.
Sharpe		0.20
Long Term Euro Gov. Bond	4.2%	4.9% p.a.
Sharpe		0.84
Euro Gov T Bill	-0.3%	1.1% p.a.

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

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HOLDINGS		
1	KPN	2.9%
2	SES Global	2.9%
3	Fresenius SE	2.7%
4	Signify	2.6%
5	Pinfra	2.5%
6	Takeda Pharmaceutical	2.5%
7	Atos	2.5%
8	Liberbank	2.3%
9	Alphabet	2.2%
10	Heidelberg	2.1%
11	Publicis	2.1%
12	Repsol	2.1%
13	Merlin Properties	2.0%
14	UPM	1.9%
15	Volkswagen	1.9%
16	Allianz	1.9%
17	Glencore	1.9%
18	FNAC	1.8%
19	Prysmian	1.8%
20	Microsoft	1.8%
21	Other	31.8%
22	Cash	23.7%
Total		100%

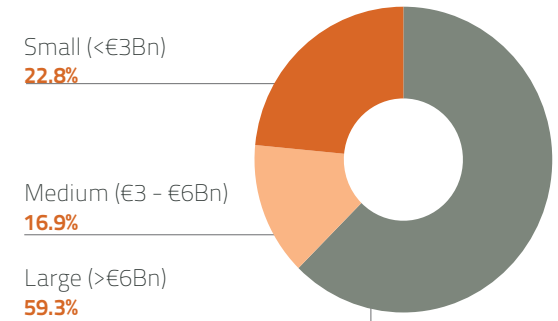
RISK ADJUSTED RETURNS CARTESIO EQUITY*							
	Returns		Volatility		Relative Volatility		M2
	Fund	Index	Fund	Index	Volatility	Volatility	
2004**	8.5%	8.0%	4.6%	11.1%	41.2%	18.4%	18.4%
2005	12.4%	26.1%	6.0%	9.5%	63.1%	18.4%	18.4%
2006	16.1%	19.0%	5.3%	12.7%	41.9%	34.6%	34.6%
2007	2.2%	4.5%	6.9%	15.7%	43.7%	-0.2%	-0.2%
2008	-14.2%	-42.5%	13.1%	37.3%	35.0%	-49.0%	-49.0%
2009	14.9%	31.1%	8.2%	24.4%	33.7%	45.0%	45.0%
2010	3.5%	10.1%	11.0%	18.7%	58.5%	5.5%	5.5%
2011	-5.7%	-6.6%	16.3%	22.2%	73.7%	-8.4%	-8.4%
2012	6.3%	17.2%	11.5%	14.7%	78.2%	7.7%	7.7%
2013	21.1%	19.6%	9.0%	12.2%	74.0%	28.3%	28.3%
2014	3.6%	7.0%	10.3%	13.4%	76.5%	4.6%	4.6%
2015	7.3%	7.2%	11.8%	20.7%	57.0%	12.7%	12.7%
2016	0.0%	3.6%	10.2%	19.8%	51.9%	0.2%	0.2%
2017	7.2%	9.8%	4.0%	8.5%	47.2%	15.7%	15.7%
2018	-6.0%	-9.4%	5.2%	12.5%	41.6%	-13.8%	-13.8%
2019	9.2%	25.8%	7.1%	11.3%	62.6%	14.9%	14.9%
2020	-23.5%	-18.0%	24.0%	30.0%	79.9%	-29.3%	-29.3%
Q1	-27.0%	-21.8%	32.2%	43.5%	73.9%	-36.5%	-36.5%
Q2	11.0%	11.9%	27.8%	27.1%	102.7%	10.7%	10.7%
Q3	-2.7%	-0.9%	13.3%	17.3%	76.7%	-3.5%	-3.5%
Q4 (Oct)	-3.0%	-5.4%	14.6%	17.2%	84.9%	-3.6%	-3.6%
Total	67.5%	124.4%	10.8%	19.1%	56.3%		
Index price only		25.6%					

* 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	16.8x
Div Yield	4.4%

SECTOR DISTRIBUTION		
	FUND	MSPE
1	Consumer Discretionary	7.3%
2	Consumer Staples	4.2%
3	Energy	3.9%
4	Financials	7.8%
5	Health Care	6.8%
6	Industrials	21.0%
7	Information Technology	7.8%
8	Materials	10.1%
9	Real Estate	4.2%
10	Communication Services	16.2%
11	Utilities	10.9%
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



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

- 1 Lipper Leader Total Return
- 1 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