

Cartesio *Equity*

Factsheet

NAV (Class I)
111.25

Assets
84m €

December 2023

The fund is up 3.3% in December and 11.4% in 2023. The fund reaches a new all-time high but, more importantly, it registered only a minor loss in 2022, amongst double digit losses in European and global equities during that year. During 2022-3 the fund has delivered a 9.3% total return vs 4.8% for European equities with 20% less volatility.

As investors started 2023, there were fears and emotions. All negative and borrowing heavily from recent experience or easy causal relationships. 2023 was a good year for financial assets. Apart from Chinese equities and commodities (excluding gold), it was a year of solid double digit or near double digit returns in financial markets.

As we have argued repeatedly during the year, it is time in the market that counts, rather than timing, particularly when valuation and sentiment are in your favour.

The equity portfolio of CE performed in line with the reference index in 2023 after outperforming very significantly last year. We remain 85% invested in equities in CE, slightly more than this time last year. The reason is, again, down to valuation with a portfolio trading at 11x P/E and 5% dividend yield. We are not expecting a major recession and the interest rate environment we think will be neutral to supportive

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 5.1% p.a. against 6.3% p.a. total return for Pan-European equities with a volatility of 11.0% (index 18.4%). On a five and three

year basis the fund has returned 24.3% and 21.2% respectively against total returns of 59.9% and 31.2% respectively for European equities with 79% and 79% 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	11.3%
Since Inception (p.a.)**	4.5%

RISK / RETURN

Volatility**	11.1%
Beta	0.73
Sharpe**	0.31

ASSET ALLOCATION

Equity	85.0%
Cash	15.0%

SECTORIAL DISTRIBUTION

Materials	16.0%
Industrials	14.2%
Financials	13.5%
Communication Services	12.2%
Consumer Staples	9.1%

MAIN HOLDINGS

Total Energies	4.5%
Merlin Properties	3.9%
Covestro	3.7%
Carrefour	3.3%
Acerinox	3.0%

INVESTMENTS / DIVESTMENTS

Investments: -

Divestments: -

MARKET RETURNS

	2023	Since 31/03/04
MSCI Euro Net Total Return	15.8%	6.3% p.a.
Sharpe		0.28
Long Term Euro Gov. Bond	8.9%	3.3% p.a.
Sharpe		0.43
Euro Gov T Bill	3.0%	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	4.5%
2	Merlin Properties	3.9%
3	Covestro	3.7%
4	Carrefour	3.3%
5	Acerinox	3.0%
6	Publicis	3.0%
7	Engie	2.9%
8	Glencore	2.9%
9	Coca-cola European Partners	2.8%
10	Allianz	2.7%
11	Repsol	2.6%
12	Gruppo Unipol	2.5%
13	Enel	2.5%
14	Logista	2.4%
15	Signify	2.4%
16	Credit Agricole	2.4%
17	Michelin	2.3%
18	CCR	2.2%
19	Santander	2.2%
20	Alphabet	2.2%
21	Other	28.6%
22	Cash	15.0%
Total		100%

RISK ADJUSTED RETURNS CARTESIO EQUITY*

	Returns		Volatility		Relative	
	Fund	Index	Fund	Index	Volatility	M2
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%
Q1	3.6%	8.6%	12.4%	14.2%	87.7%	4.1%
Q2	1.9%	2.3%	9.6%	9.4%	101.5%	1.9%
Q3	1.2%	-2.1%	8.9%	11.1%	80.2%	1.3%
Q4	4.1%	6.4%	10.1%	10.1%	99.3%	4.2%
Total	137.8%	233.8%	11.1%	18.4%	60.2%	

* Cartesio Y until 12/2009 and Pareturn 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

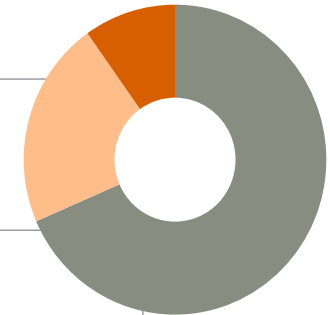
P/E	11.0x
Div Yield	5.2%

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SECTOR DISTRIBUTION

	FUND	M7EU
1	Consumer Discretionary	5.8%
2	Consumer Staples	9.1%
3	Energy	8.3%
4	Financials	13.5%
5	Health Care	3.8%
6	Industrials	14.2%
7	Information Technology	1.6%
8	Materials	16.0%
9	Real Estate	6.9%
10	Communication Services	12.2%
11	Utilities	8.7%
Total	100%	100%

Market Cap Distribution (Equity Portfolio)

Small (<€3Bn)
9.8%Medium (€3 - €6Bn)
21.7%Large (>€6Bn)
68.5%

Name

Cartesio Funds Equity (Replicates 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