

Cartesio *Equity*

Factsheet

NAV (Class I)
93.22

Assets
74m €

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

December 2020

The fund was up 2.14% in December and down 9% in 2020. Having started 2020 with a relatively high equity exposure and with a value/cyclical bias, the first months of the year were naturally painful. We reached the conclusion that the pandemic was likely a temporary phenomenon without a long term effect on productivity or economic growth. We also saw deep value in our equity and credit portfolio. The best decision we made was to increase slightly equity exposure without making significant changes to the portfolio. This allowed the fund to capture 90% of the market's upside from the bottom and an excellent fourth quarter where the fund outperformed the market by 50%. Our equity portfolio was down 9% in 2020, underperforming European equities which were down 4.6%.

As the markets power ahead we believe valuations are rich but optimists are quick to point out that they are around average once the level of interest rates is taken into account. TINA has gone mainstream, from retail investors to strategists. It seems to us that investors have reached the conclusion that staying on the sidelines is the worst possible course of action: either inflation will confiscate your cash or rising markets will make you look foolish.

We are happy to add to our downside

protection at current volatility and market levels.

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 4.8% p.a.

Performance Chart*



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

against 5.9% p.a. total return for Pan-European equities with a volatility of 10.9% (index 19.2%). On a five and three year basis the fund has returned 5.5% and -2.5% respectively against total returns of 23.7% and 8.7% respectively for European equities with 70% and 75% 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*

2020	-9.0%
Since Inception (p.a.)**	4.2%

RISK / RETURN

Volatility**	11.0%
Beta	0.83
Sharpe**	0.28

ASSET ALLOCATION

Equity	86.1%
Cash	13.9%

SECTORIAL DISTRIBUTION

Industrials	21.2%
Communication Services	16.8%
Materials	10.2%
Financials	8.3%
Utilities	8.2%

MAIN HOLDINGS

Fresenius SE	3.6%
Atos	3.1%
Pinfra	3.0%
Glencore	3.0%
SES Global	2.9%

INVESTMENTS / DIVESTMENTS

Investments: Logista

Divestments: -

MARKET RETURNS

	2020	Since 31/03/04
MSCI Pan Euro (Total return.)	-4.6%	5.9% p.a.
Sharpe		0.25
Long Term Euro Gov. Bond	4.5%	4.9% p.a.
Sharpe		0.84
Euro Gov T Bill	-0.4%	1.1% p.a.

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

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74m €

HOLDINGS

1	Fresenius SE	3.6%
2	Atos	3.1%
3	Pinfra	3.0%
4	Glencore	3.0%
5	SES Global	2.9%
6	Repsol	2.9%
7	KPN	2.8%
8	Takeda Pharmaceutical	2.7%
9	Signify	2.7%
10	Publicis	2.7%
11	Merlin Properties	2.5%
12	Volkswagen	2.4%
13	Heidelberg	2.4%
14	Liberbank	2.4%
15	Santander	2.4%
16	FNAC	2.4%
17	Allianz	2.3%
18	Logista	2.1%
19	Alphabet	2.0%
20	Unibail R-W	2.0%
21	Other	33.7%
22	Cash	13.9%
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%	
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%	
Q1	-27.0%	-21.8%	32.2%	43.5%	73.9%	-36.5%	
Q2	11.0%	11.9%	27.8%	27.1%	102.7%	10.7%	
Q3	-2.7%	-0.9%	13.3%	17.3%	76.7%	-3.5%	
Q4	15.3%	10.1%	18.7%	17.6%	106.4%	14.4%	
Total	99.2%	161.0%	11.0%	19.2%	57.2%		

Index price only 45.9%

* 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	17.1x
Div Yield	3.5%

SECTOR DISTRIBUTION

	FUND	MSPE	
1	Consumer Discretionary	7.1%	10.5%
2	Consumer Staples	3.7%	16.2%
3	Energy	4.5%	5.2%
4	Financials	7.9%	16.3%
5	Health Care	7.4%	16.2%
6	Industrials	21.1%	12.3%
7	Information Technology	7.8%	7.4%
8	Materials	10.4%	7.1%
9	Real Estate	5.1%	0.5%
10	Communication Services	16.2%	3.3%
11	Utilities	8.7%	4.9%
Total	100%	100%	

Market Cap Distribution (Equity Portfolio)

Small (<€3Bn)

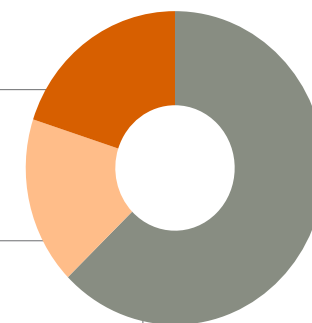
20.0%

Medium (€3 - €6Bn)

17.3%

Large (>€6Bn)

62.7%



Name

Cartesio Funds Equity (Replacates 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

- 3 Lipper Leader Total Return
- 2 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