

Cartesio *Equity*

Factsheet

NAV (Class I)
101.02

Assets
78m €

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

April 2021

The fund is up 0.64% in April and 8.37% YTD. Markets, economic data and earnings forecasts seem to point towards a V shaped economic recovery. This scenario is friendly towards equities and unfriendly towards inflation and rates.

During last year we argued that it was unhelpful to speculate about the type of economic recovery post pandemic. We thought it was more helpful to think that the worst was clearly over, to concentrate on the valuation opportunities being offered and that it made no sense to reduce risk until the pandemic was over and the economy normalised to a large extent.

We have not changed significantly our view during the first months of 2021. Our valuation discipline has led us to sell at attractive prices some stocks more directly affected by mobility restraints and where the new normal may be difficult. We have increased exposure to companies/sectors more exposed to a broad-based economic recovery. We have also opted to increase our downside protection in the form of Put options on the Eurostoxx 50.

We still maintain equity exposure substantially above the average since inception (30% net vs 18% since inception).

We are confident about the prospects and undervaluation of our portfolio

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 5.2% p.a.

against 6.4% p.a. total return for Pan-European equities with a volatility of 10.7% (index 18.8%). On a five and three year basis the fund has returned 17.0% and 5.5% respectively against total returns of 44.9% and 20.2% respectively for European equities with 72% and 77% 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*	
2021	8.4%
Since Inception (p.a.)**	4.6%

RISK / RETURN	
Volatility**	10.7%
Beta	0.83
Sharpe**	0.33

ASSET ALLOCATION	
Equity	82.3%
Cash	17.7%

SECTORIAL DISTRIBUTION	
Industrials	18.4%
Communication Services	14.3%
Financials	11.1%
Materials	8.6%
Energy	8.1%

MAIN HOLDINGS	
Fresenius SE	4.0%
Merlin Properties	3.4%
Repsol	3.3%
Glencore	2.8%
Liberbank	2.7%

INVESTMENTS / DIVESTMENTS	
Investments:	
Divestments:	IENOVA, UPM

MARKET RETURNS	2021	Since 31/03/04
MSCI Pan Euro (Total return.)	11.0%	6.4% p.a.
Sharpe		0.28
Long Term Euro Gov. Bond	-2.6%	4.6% p.a.
Sharpe		0.80
Euro Gov T Bill	-0.2%	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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HOLDINGS		
1	Fresenius SE	4.0%
2	Merlin Properties	3.4%
3	Repsol	3.3%
4	Glencore	2.8%
5	Liberbank	2.7%
6	Signify	2.7%
7	Atos	2.6%
8	Logista	2.5%
9	Total	2.5%
10	Pinfra	2.4%
11	Takeda Pharmaceutical	2.4%
12	Santander	2.3%
13	SES Global	2.3%
14	Publicis	2.2%
15	CCR	2.2%
16	Allianz	2.1%
17	Covestro	2.1%
18	Volkswagen	2.1%
19	KPN	2.1%
20	Heidelberg	2.1%
21	Other	31.3%
22	Cash	17.7%
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	8.4%	11.0%	9.4%	11.2%	84.0%		10.0%
Q1	7.7%	8.8%	10.1%	11.8%	86.2%		8.9%
Q2 (Apr)	0.6%	2.0%	7.4%	9.8%	75.5%		0.9%
Total	115.9%	189.7%	10.7%	18.8%	57.3%		

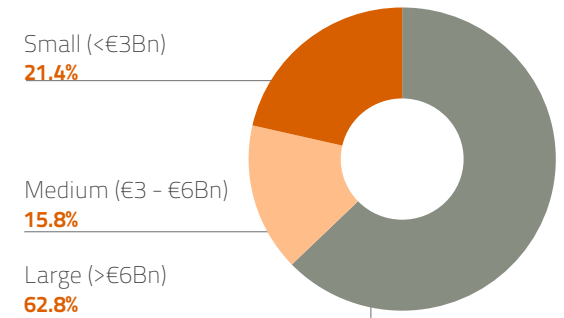
Index price only 59.7%

* 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	13.9x
Div Yield	3.9%

SECTOR DISTRIBUTION		FUND	MSPE
1	Consumer Discretionary	4.8%	11.2%
2	Consumer Staples	5.6%	15.0%
3	Energy	8.1%	4.9%
4	Financials	11.1%	16.9%
5	Health Care	7.8%	14.9%
6	Industrials	18.4%	12.9%
7	Information Technology	7.6%	8.6%
8	Materials	8.6%	7.6%
9	Real Estate	6.6%	0.4%
10	Communication Services	14.3%	3.3%
11	Utilities	7.1%	4.4%
Total		100%	100%

Market Cap Distribution (Equity Portfolio)



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

Silver

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

- 4 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
1.5% - Class I and Class R
0.75% + 7.5% performance fee - Class Z

* All ratings apply to Cartesio Y