

Cartesio *Equity*

Factsheet

NAV (Class I)
104.12

Assets
85m €

April 2022

The fund is up 0.2% in April and up 2.2% YTD. During the last two years we thought there were three bubbles building up. We can argue about what makes a bubble, but in our book three conditions are necessary: extreme valuation, extreme investor positioning and a plausible, attractive narrative. Bonds, unprofitable or fast-growing new business models and ESG investing met those conditions. The rubble from those bubbles is visible today in very painful losses from their recent peaks. It is also visible in the strong absolute and relative performance of value stocks in general and energy/commodity stocks.

In European equities, the simplest way of putting it is that MSCI Europe Growth is down 12.2% YTD and MSCI Europe value is up 1.1%. Of course, this understates the level of pain in some formerly high-flying names/sectors and the big gains in oil/commodity stocks. Only four sectors are up YTD: energy, basic materials and two defensive sectors like telecoms and health care. Cyclical in general (consumer or industrial) are down. Only 30% of the stocks in our reference index are up this year. A difficult year so far with few places to hide.

In this environment, the equity portfolio is up 3.4% YTD. We think that "value" is likely to keep outperforming given the valuation disparity and investor positioning. Our defence is a portfolio which we think

remains undervalued, but which is also reasonable diversified across sectors.

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 5.1% p.a.

Performance Chart*



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

against 6.6% p.a. total return for Pan-European equities with a volatility of 10.8% (index 18.6%). On a five and three year basis the fund has returned 13.2% and 8.7% respectively against total returns of 34.7% and 24.1% respectively for European equities with 74% 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*	
2022	2.2%
Since Inception (p.a.)**	4.5%

RISK / RETURN	
Volatility**	10.9%
Beta	0.85
Sharpe**	0.32

ASSET ALLOCATION	
Equity	76.2%
Cash	23.8%

SECTORIAL DISTRIBUTION	
Industrials	19.7%
Communication Services	13.1%
Materials	12.6%
Financials	12.1%
Energy	9.8%

MAIN HOLDINGS	
Merlin Properties	3.8%
Total Energies	3.4%
SES Global	3.2%
Repsol	3.0%
CCR	3.0%

INVESTMENTS / DIVESTMENTS	
Investments:	-
Divestments:	-

MARKET RETURNS	2022	Since 31/03/04
MSCI Pan Euro (Total return.)	-4.4%	6.6% p.a.
Sharpe		0.30
Long Term Euro Gov. Bond	-9.4%	3.8% p.a.
Sharpe		0.62
Euro Gov T Bill	-0.3%	1.0% p.a.

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

Cartesio *Equity*

Factsheet

NAV (Class I)
102.67

Assets
85m €

HOLDINGS

1	Merlin Properties	3.8%
2	Total Energies	3.4%
3	SES Global	3.2%
4	Repsol	3.0%
5	CCR	3.0%
6	Carrefour	2.9%
7	Glencore	2.8%
8	Gruppo Unipol	2.5%
9	Logista	2.5%
10	Rio Tinto	2.4%
11	Coca-cola European Partners	2.4%
12	Covestro	2.4%
13	Signify	2.2%
14	Fresenius SE	2.2%
15	Unibail R-W	2.0%
16	Heidelberg	2.0%
17	Allianz	1.9%
18	Unicaja	1.9%
19	Thales	1.9%
20	Publicis	1.9%
21	Other	25.9%
22	Cash	23.8%
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	-9.0%	-4.6%	23.5%	28.3%	83.0%	-10.8%	-10.8%
2021	9.3%	26.8%	10.3%	12.5%	82.3%	11.5%	11.5%
2022	2.2%	-4.4%	16.3%	21.1%	77.0%	2.9%	2.9%
Q1	1.9%	-4.1%	18.1%	23.2%	78.0%	2.5%	2.5%
Q2 (Apr)	0.2%	-0.3%	9.8%	14.0%	70.0%	0.4%	0.4%
Total	122.5%	216.4%	10.9%	18.6%	58.2%		

Index price only

69.3%

* 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	11.6x
Div Yield	4.9%

SECTOR DISTRIBUTION

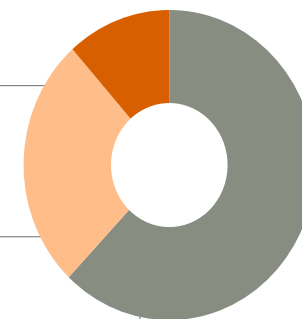
	FUND	MSPE	
1	Consumer Discretionary	4.8%	10.0%
2	Consumer Staples	7.0%	15.2%
3	Energy	9.8%	6.6%
4	Financials	12.1%	16.3%
5	Health Care	6.8%	17.6%
6	Industrials	19.7%	12.0%
7	Information Technology	2.4%	7.9%
8	Materials	12.6%	6.8%
9	Real Estate	7.6%	0.4%
10	Communication Services	13.1%	3.1%
11	Utilities	4.0%	4.2%
Total	100%	100%	

Market Cap Distribution (Equity Portfolio)

Small (<€3Bn)
14.3%

Medium (€3 - €6Bn)
23.8%

Large (>€6Bn)
61.9%



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

- 4 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