

# Cartesio *Equity*

## Factsheet

NAV (Class I)  
103.51

Assets  
81m €

The Pareturn Cartesio Equity ceased to exist on the 24th of March 2020 as a result of the merger with Cartesio Funds Equity

## June 2021

The fund is down 1.05% in June and up 11.04% YTD. The Fed has certified what economic data and equities have been saying for some months now. The V shaped recovery from COVID has happened and inflation risks are rising. Markets are saying that this is as good as it gets and have turned quite defensive. For all the talk of inflation and growth, the fact is that ten-year yields are now below what they were before the onset of COVID. The move to new highs in the market has been led by defensive sectors and long duration growth stocks which had lagged badly since November.

Our view is that both fiscal and monetary policy remain in expansionary mode. Inflation and growth will certainly decelerate from current levels, but we find the almost recessionary message coming out of the markets quite unlikely.

We are not into the rotation treadmill. Our focus remains on valuations and the opportunity set we see in our portfolio. In general, we see a clear divergence between the growth prospects implied by the valuation in many in our companies and those that we think they can attain.

We are perfectly aware, however, that stock markets are trading at or near all-time highs, which is why we retain a significant element of downside protection in the fund.

### 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 5.3% p.a. against 6.6% 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 23.0% and 9.1% respectively against total returns of 53.5% and 26.7% respectively for European equities with 75% 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	11.0%
Since Inception (p.a.)**	4.7%

### RISK / RETURN

Volatility**	10.8%
Beta	0.84
Sharpe**	0.34

### ASSET ALLOCATION

Equity	82.7%
Cash	17.3%

### SECTORIAL DISTRIBUTION

Industrials	19.8%
Communication Services	14.9%
Financials	10.9%
Energy	8.3%
Materials	8.2%

### MAIN HOLDINGS

Fresenius SE	4.2%
Repsol	3.3%
Merlin Properties	3.1%
Signify	2.9%
Total Energies	2.9%

### INVESTMENTS / DIVESTMENTS

Investments:

Divestments:

### MARKET RETURNS

	2021	Since 31/03/04
MSCI Pan Euro (Total return.)	16.1%	6.6% p.a.
Sharpe		0.30
Long Term Euro Gov. Bond	-2.1%	4.6% p.a.
Sharpe		0.80
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

HOLDINGS		
1	Fresenius SE	4.2%
2	Repsol	3.3%
3	Merlin Properties	3.1%
4	Signify	2.9%
5	Total Energies	2.9%
6	Glencore	2.9%
7	Liberbank	2.7%
8	SES Global	2.5%
9	CCR	2.5%
10	Pinfra	2.5%
11	Logista	2.4%
12	Takeda Pharmaceutical	2.4%
13	Atos	2.3%
14	Santander	2.2%
15	EDF	2.2%
16	KPN	2.2%
17	Publicis	2.1%
18	Unibail R-W	2.1%
19	Software AG	2.1%
20	Gruppo Unipol	2.1%
21	Other	31.1%
22	Cash	17.3%
<b>Total</b>		<b>100%</b>

	RISK ADJUSTED RETURNS CARTESIO EQUITY*					
	Returns		Volatility		Relative	
	Fund	Index	Fund	Index	Volatility	M2
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	11.0%	16.1%	9.7%	11.5%	84.9%	13.1%
Q1	7.7%	8.8%	10.1%	11.8%	86.2%	8.9%
Q2 (June)	3.1%	6.7%	8.3%	11.3%	72.9%	4.3%
<b>Total</b>	<b>121.2%</b>	<b>203.1%</b>	<b>10.8%</b>	<b>18.8%</b>	<b>57.4%</b>	

Index price only 65.9%

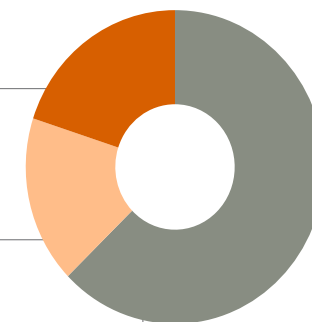
\* Cartesio Y until 12/2009 and Paretun Cartesio Equity from 12/2009 until 02/2020

\*\* Since March 2004

Index= MSCI Pan Euro Total Return // M2= Theoretical return assuming the same volatility as the Index

PORTFOLIO VALUATION	
P/E	13.5x
Div Yield	3.7%

SECTOR DISTRIBUTION		FUND	MSPE
1	Consumer Discretionary	4.4%	11.7%
2	Consumer Staples	5.6%	15.0%
3	Energy	8.3%	5.0%
4	Financials	10.9%	16.4%
5	Health Care	7.9%	15.4%
6	Industrials	19.8%	12.8%
7	Information Technology	7.4%	8.6%
8	Materials	8.2%	7.5%
9	Real Estate	6.3%	0.4%
10	Communication Services	14.9%	3.2%
11	Utilities	6.2%	4.1%
<b>Total</b>		<b>100%</b>	<b>100%</b>

Market Cap Distribution  
(Equity Portfolio)Small (<€3Bn)  
19.7%Medium (€3 - €6Bn)  
18.4%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

## Bronze

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 &amp; 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