

Cartesio *Income*

Factsheet

NAV (Class I)
108.1Assets
162m €

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

December 2023

The fund is up 2.9% in December and up 10.2% in 2023. The fund reaches a new all-time high but, more importantly, it registered only a minor loss in 2022, when the reference index for the fund dropped 19.4%. During 2022-3 the fund has delivered a 6.5% total return vs -12.2% for Eurozone 7-10 year gov. bonds with 50% less volatility.

70% of the return in 2023 was generated by the credit portfolio. The weight in credit grew from 20% at the end of 2021, 54% one year ago and now stands at 75%. Having an obscene amount of negative yielding cash when the reach for yield and duration went to extremes was a good decision. We have also gone from having almost 10% of the fund short of the Spanish Bono back in 2021, to zero now. Effectively, the biggest bubble ever in interest rates has been defused successfully.

Exposure to equities (40% maximum) is down to 13% from 28% one year ago, mostly taking advantage of the rally in the last two months of the year.

The credit portfolio still offers an attractive 6% YTM with three years duration and very diversified by issuer and sector.

Investment objective

Cartesio Income replicates the investment strategy of Cartesio X. It seeks higher risk adjusted returns (Sharpe ratio) than Euro Government bonds (Bloomberg Series-E Euro Govt 7-10 Yr Bond Index).

Strong emphasis on capital protection.

Investment strategy

Equity exposure is limited to a maximum of 40% of assets, the balance is invested in bonds and cash.

Fund History

Cartesio X has an overall Five Star Morningstar rating. Since inception (March 2004) it has returned 3.8% p.a. against 3.3% p.a. total return for Long Term Euro Gov Bonds with a volatility of 4.1% (index 5.2%). On a five and three year basis the fund has returned 15.6%

and 12.6% respectively against total returns of -4.9% and -14.7% respectively for Long Term Eurozone Gov Bonds with 86% and 65% respectively of the volatility experienced by the index.

Factors to consider

- The fund has a long bias (Equities & Bonds) but with a strong emphasis on capital protection over the medium term.
- The equity and bond components are 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 low level of risk.

Performance Chart*



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

PERFORMANCE

2023	10.2%
Since Inception (p.a.)**	3.6%

RISK / RETURN

Volatility**	4.2%
Beta	0.38
Sharpe**	0.62

ASSET ALLOCATION

Equity	13.2%
Bonds	72.9%
Cash	13.9%

EQUITY SECTOR DISTRIBUTION

Materials	16.9%
Industrials	13.3%
Financials	12.8%
Communication Services	11.3%
Consumer Staples	9.1%

MAIN HOLDINGS

Unicredit AT1 2027	2.0%
BAT Hybrid	1.9%
Allianz 2038	1.8%
Repsol Hybrid 2026	1.8%
Enel Hybrid 2028	1.8%

INVESTMENTS/DIVESTMENTS EQUITIES

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 X until Jun '09. Pareturn Cartesio Income Class I until Feb'20

HOLDINGS

1	Unicredit AT1 2027	2.0%
2	BAT Hybrid	1.9%
3	Allianz 2038	1.8%
4	Repsol Híbrido 2026	1.8%
5	Enel Híbrido 2028	1.8%
6	Caixabank AT1 2026	1.6%
7	ArcelorMittal senior 2026	1.6%
8	UNIPOL hybrid 2030	1.6%
9	Permanent TSB Senior 28	1.6%
10	CNP Hybrid 2028	1.5%
11	Trafigura Senior 2026	1.5%
12	NH senior sec 2026	1.4%
13	Abertis Hybrid 2025	1.4%
14	Bayer Hybrid 5.375%	1.4%
15	Telefónica Hybrid 2028	1.3%
16	Sabadell senior 2029	1.3%
17	Orange Híbrido 2026	1.3%
18	Accor Híbrido 2029	1.3%
19	SSE Híbrido 2028	1.3%
20	Other (including: Equities)	56.8%
21	Cash	13.9%
	Total	100%

RISK ADJUSTED RETURNS PARETURN CARTESIO INCOME*

	Returns		Volatility		Relative	
	Fund	Index	Fund	Index	Volatility	M2
2004 **	8.3%	5.5%	2.8%	3.4%	81.2%	9.9%
2005	5.8%	6.0%	4.0%	3.5%	113.2%	5.3%
2006	9.0%	-1.0%	2.2%	3.5%	62.7%	12.7%
2007	2.1%	1.8%	3.0%	3.7%	81.1%	1.6%
2008	-2.2%	10.8%	3.1%	6.1%	49.9%	-8.9%
2009	8.5%	4.7%	1.5%	5.1%	30.3%	25.0%
2010	2.1%	-0.3%	2.8%	4.7%	60.0%	3.0%
2011	0.9%	2.2%	4.4%	6.3%	70.6%	1.3%
2012	9.8%	14.9%	3.6%	4.8%	74.4%	12.7%
2013	8.9%	2.9%	2.9%	4.2%	70.6%	12.3%
2014	4.7%	16.9%	3.3%	3.4%	95.6%	4.9%
2015	1.3%	2.1%	4.0%	5.3%	76.6%	1.6%
2016	1.6%	3.5%	4.1%	4.0%	100.8%	1.6%
2017	3.9%	1.3%	1.4%	3.7%	36.9%	11.3%
2018	-3.7%	1.4%	1.8%	3.0%	59.6%	-6.0%
2019	4.3%	6.7%	2.7%	3.8%	70.7%	6.2%
2020	-3.5%	4.5%	9.9%	5.0%	198.8%	-2.0%
2021	4.9%	-2.9%	4.2%	3.7%	111.9%	4.3%
2022	-3.4%	-19.4%	6.8%	10.2%	66.9%	-4.7%
2023	10.2%	8.9%	4.7%	8.8%	53.8%	16.4%
Q1	1.7%	3.3%	7.0%	12.0%	58.2%	2.6%
Q2	0.2%	0.7%	4.9%	7.6%	64.2%	0.0%
Q3	1.6%	-2.5%	3.1%	7.7%	40.0%	2.7%
Q4	4.9%	8.0%	4.0%	7.5%	53.2%	8.2%
Total	101.5%	90.1%	4.2%	5.2%	79.5%	

* Cartesio X until 5/2011 and Pareturn Cartesio Income onwards.

** Since March 2004

Index= Bloomberg Series-E Euro Govt 7-10 Yr Bond Index

M2= Theoretical return assuming the same volatility as the Index

MAIN HOLDINGS EQUITIES

1	Merlin Properties	1.1%
2	Total Energies	0.9%
3	Covestro	0.8%
4	Carrefour	0.7%
5	Acerinox	0.7%
6	Glencore	0.6%
7	Signify	0.6%
8	Michelin	0.6%
9	Publicis	0.6%
10	Coca-cola EU Partn.	0.6%

BOND SECTOR DISTRIBUTION

Gobiernos	-
Consumer Discretionary	6.1%
Consumer Staples	4.6%
Energy	13.1%
Financials	40.4%
Healthcare	3.1%
Industrials	6.4%
Materials	5.5%
Communication Services	8.4%
Utilities & Infrastructures	7.5%

VALUATION DATA

Bonds	
Portfolio YTC	5.8%
Portfolio Duration	3.2 years
Fund Duration	2.3 years
Equity	
P/E	11.0x
Div Yield	5.2%

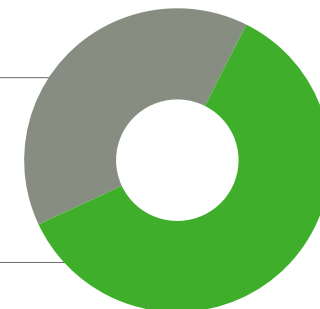
Bond Rating Distribution of the Portfolio

<Inv. grade

37%

≥BBB-

63%



Name

Cartesio Income (Replicates Cartesio X)

ISIN

LU1966822873 (Class I)

LU1966822956 (Class R)

LU1966823095 (Class Z)

Bloomberg

CARTINI LX / CARTINR LX / CARTINZ LX

Inception Date

13/01/20

Type

SICAV (UCITS III)

Benchmark

Bloomberg Euro Gov Bond Index 7-10 yr - Risk Adjusted

NAV frequency

Daily (Euros)

Fund 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

- 5 Lipper Leader Total Return
- 5 Lipper Leader Consistent Return
- 5 Lipper Leader Preservation
- 5 Lipper Leader Expense

Auditor

Deloitte

Transfer Agent & Fund

Administrator

BNP Securities Services

Fund Management Fee

1.0% - Class I & Class R

0.65% + 7.5% performance fee - Class Z

* All ratings apply to Cartesio X