

Cartesio *Income*

Factsheet

NAV (Class I)
99.37

Assets
125m €

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

December 2022

Cartesio Income dropped 1.3% in December and 2.9% in 2022. Since inception (31st March 2004) the fund has achieved an annual return at 3.3% (82.7% accumulated) with a 4% volatility. Our benchmark (Euro Gov. 7-10 Yr Bond) fell 19.4% in 2022.

Asset valuations has been our core lighthouse to deliver returns and minimize losses avoiding bubbles across several asset classes over the years. This mantra continues to apply, even more than ever, in the current scenario.

2022 has been a very tough year for conservative mixed funds driven by the highest correction seen in fixed income since 1971. The positive correlation between fixed income and equity indexes has not helped either to diversify risks.

In fixed income, following the deepest bear market seen over the las few decades, we have increased our exposure to credit up to 54% of assets and we have already decreased our short position in Spanish govies, a position which has delivered excellent results due to the ongoing interest rate storm.

Our credit portfolio (before duration hedges) currently yields 7.2% and it is well diversified both by sector and geography. Fund duration stands at 1.5Yr. Our current 20% cap to high yield

bonds is starting to limit our room for manoeuvre to take advantage of market opportunities.

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.

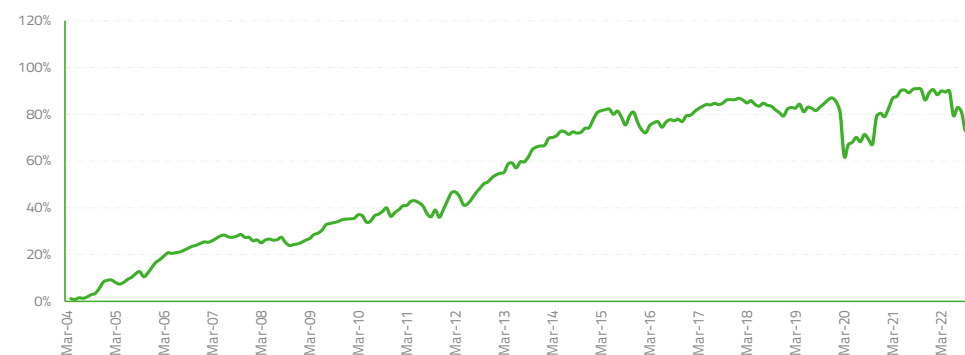
Investment strategy

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 3.5% p.a.

Performance Chart*



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

against 3.0% p.a. total return for Long Term Euro Gov Bonds with a volatility of 4.0% (index 5.0%). On a five and three year basis the fund has returned 1.4% and 0.2% respectively against total returns of -11.4% and -18.1% respectively for Long Term Eurozone Gov Bonds with 97% and 101% 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	
2022	-3.4%
Since Inception (p.a.)**	3.3%

RISK / RETURN	
Volatility**	4.1%
Beta	0.36
Sharpe**	0.56

ASSET ALLOCATION	
Equity	28.4%
Bonds	54.0%
Cash	17.6%

EQUITY SECTOR DISTRIBUTION	
Industrials	14.5%
Materials	14.5%
Financials	13.4%
Communication Services	11.9%
Energy	10.3%

MAIN HOLDINGS	
Unicredit AT1 2027	2.2%
Caixabank AT1 2026	1.9%
UNIPOL hybrid 2030	1.9%
Ibercaja Sr. 2025	1.8%
BAT Hybrid	1.7%

INVESTMENTS/DIVESTMENTS EQUITIES	
Investments:	-
Divestments:	-

MARKET RETURNS	2022	Since 31/03/04
MSCI Pan Euro (Total return.)	-6.6%	6.2% p.a.
Sharpe		0.28
Long Term Euro Gov. Bond	-19.4%	3.0% p.a.
Sharpe		0.42
Euro Gov T Bill	-0.6%	0.9% p.a.

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

HOLDINGS		
1	Unicredit AT1 2027	2.2%
2	Caixabank AT1 2026	1.9%
3	UNIPOL hybrid 2030	1.9%
4	Ibercaja Sr. 2025	1.8%
5	BAT Hybrid	1.7%
6	Unicaja Senior Prefered 2025	1.6%
7	ArcelorMittal senior 2026	1.6%
8	Bankinter 6.25% AT1	1.6%
9	SSE Híbrido 2028	1.6%
10	BP Híbrido 2026	1.4%
11	Naturgy Híbrido 2026	1.4%
12	HSBC AT1 EUR 2029	1.4%
13	Unicaja AT1	1.4%
14	Abertis Hybrid 2025	1.4%
15	Senior sec. OHLA 2026	1.4%
16	NH senior sec 2026	1.4%
17	Lenzing híbrido 2025	1.3%
18	BHP Hybrid 2024	1.3%
19	Credit Assurances Hybrid 25	1.3%
20	Other (including: Equities)	52.8%
21	Cash	17.6%
	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%
Q1	0.4%	-5.9%	8.8%	7.6%	115.3%	0.3%
Q2	-5.5%	-7.0%	6.0%	11.0%	54.9%	-9.9%
Q3	-3.7%	-5.7%	6.5%	10.9%	60.0%	-5.9%
Q4	5.8%	-2.2%	5.6%	11.5%	48.5%	11.7%
Total	82.9%	74.6%	4.1%	5.0%	83.1%	

* 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 save volatility as the Index

MAIN HOLDINGS EQUITIES		
1	Total Energies	1.4%
2	Merlin Properties	1.2%
3	Coca-cola EU Part.	1.2%
4	Repsol	1.0%
5	Glencore	0.9%
6	Carrefour	0.9%
7	Covestro	0.9%
8	Logista	0.9%
9	Gruppo Unipol	0.9%
10	Allianz	0.8%

BOND SECTOR DISTRIBUTION	
Gobiernos	-
Consumer Discretionary	7.0%
Consumer Staples	3.2%
Energy	9.0%
Financials	47.1%
Healthcare	4.7%
Industrials	7.4%
Materials	9.8%
Communication Services	4.2%
Utilities & Infrastructures	5.5%

VALUATION DATA	
Bonds	
Portfolio YTC	7.2%
Portfolio Duration	2.6 years
Fund Duration	1.4 years
Equity	
P/E	9.1x
Div Yield	5.4%

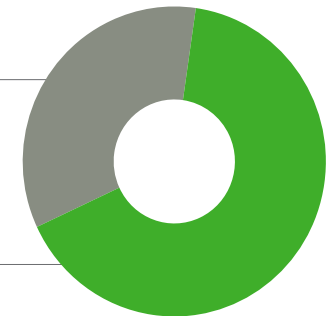
Bond Rating Distribution of the Portfolio

< Inv. grade

34%

≥ BBB-

66%



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

Bronze

MORNINGSTAR ★★★★★ 3 years

MORNINGSTAR ★★★★★ 5 years

MORNINGSTAR ★★★★★ 10 years

MORNINGSTAR ★★★★★ Overall

5 Lipper Leader Total Return

5 Lipper Leader Consistent Return

4 Lipper Leader Preservation

5 Lipper Leader Expense

Auditor

Deloitte

Transfer Agent & Fund Administrator

BNP Securities Services

Fund Management Fee

0.95% - Class I & Class R

0.50% + 7.5% performance fee - Class Z

* All ratings apply to Cartesio X