

Cartesio *Income*

Factsheet

NAV (Class I)
102.11

Assets
112m €

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

June 2021

The fund is up 0.11% in June and 5.49% 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 and 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.

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. Our credit portfolio has outperformed and has delivered a 6.7% return YTD which has been a stabilising factor for CI in June.

Stock markets are trading at or near all-time highs, which is why we retain a significant element of protection in the

fund.

Investment objective

Cartesio Income replicates the investment strategy of Cartesio X. It seeks higher risk adjusted returns (Sharpe ratio) than Euro Government bonds (Bloomberg Barclays 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

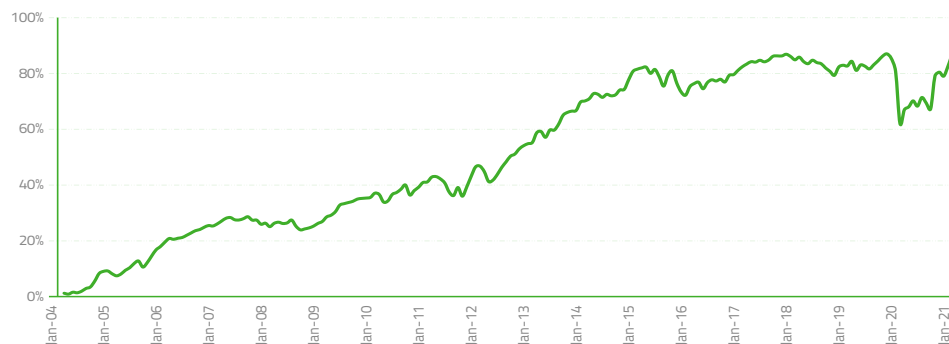
Cartesio X has an overall Four Star Morningstar rating. Since inception (March 2004) it has returned 4.0% p.a. against 4.6% p.a. total return for Long Term Euro Gov Bonds with a volatility of

3.7% (index 4.4%). On a five and three year basis the fund has returned 11.5% and 6.0% respectively against total returns of 10.0% and 10.1% respectively for Long Term Eurozone Gov Bonds with 119% and 144% 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 | |
|--------------------------|------|
| 2021 | 5.5% |
| Since Inception (p.a.)** | 3.8% |

| RISK / RETURN | |
|---------------|------|
| Volatility** | 3.9% |
| Beta | 0.36 |
| Sharpe** | 0.71 |

| ASSET ALLOCATION | |
|------------------|-------|
| Equity | 34.4% |
| Bonds | 18.3% |
| Cash | 47.2% |

| EQUITY SECTOR DISTRIBUTION | |
|----------------------------|-------|
| Industrials | 20.2% |
| Communication Services | 15.0% |
| Financials | 11.1% |
| Materials | 8.3% |
| Health Care | 8.0% |

| MAIN HOLDINGS | |
|--------------------------|------|
| Unicredit AT1 2027 | 2.8% |
| Caixabank AT1 2026 | 2.3% |
| Bankinter 6.25% AT1 | 1.9% |
| Intesa Sanpaolo AT1 2025 | 1.8% |
| Credit Suisse AT1 2024 | 1.4% |

| INVESTMENTS/DIVESTMENTS EQUITIES | |
|----------------------------------|--|
| 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 X until Jun '09. Paretum Cartesio Income Class I until Feb'20

HOLDINGS

| | | |
|----|-----------------------------|-------|
| 1 | Unicredit AT1 2027 | 2.8% |
| 2 | Caixabank AT1 2026 | 2.3% |
| 3 | Bankinter 6.25% AT1 | 1.9% |
| 4 | Intesa Sanpaolo AT1 2025 | 1.8% |
| 5 | Credit Suisse AT1 2024 | 1.4% |
| 6 | Santander UK AT1 2024 | 1.4% |
| 7 | Ibercaja AT1 2023 | 1.4% |
| 8 | OHL 2022 | 1.2% |
| 9 | UNIPOL hybrid 2030 | 1.0% |
| 10 | NH senior sec 2026 | 0.9% |
| 11 | HSBC AT1 USD 2024 | 0.9% |
| 12 | AXA subord. CMS | 0.8% |
| 13 | Abanca AT1 2023 | 0.6% |
| 14 | - | |
| 15 | - | |
| 16 | - | |
| 17 | - | |
| 18 | - | |
| 19 | - | |
| 20 | Other (including: Equities) | 34.4% |
| 21 | Cash | 47.2% |
| | 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 | 5.5% | -2.1% | 3.7% | 3.3% | 113.0% | 4.8% |
| Q1 | 3.6% | -1.6% | 3.9% | 3.6% | 106.4% | 3.3% |
| Q2 (June) | 1.9% | -0.5% | 3.2% | 2.9% | 109.8% | 1.7% |
| Total | 90.4% | 118.2% | 3.9% | 4.4% | 87.1% | |

* Cartesio X until 5/2011 and Pareturn Cartesio Income onwards.
 ** Since March 2004
 Index= Bloomberg Barclays Series-E Euro Govt 7-10 Yr Bond Index
 M2= Theoretical return assuming the save volatility as the Index

MAIN HOLDINGS EQUITIES

| | | |
|----|-------------------|------|
| 1 | Fresenius SE | 1.7% |
| 2 | Liberbank | 1.3% |
| 3 | Merlin Properties | 1.3% |
| 4 | Glencore | 1.2% |
| 5 | Repsol | 1.2% |
| 6 | Signify | 1.2% |
| 7 | Total Energies | 1.2% |
| 8 | Pinfra | 1.1% |
| 9 | SES Global | 1.1% |
| 10 | Takeda | 1.0% |

BOND SECTOR DISTRIBUTION

| | |
|-----------------------------|-------|
| Gobiernos | - |
| Consumer Discretionary | 4.9% |
| Consumer Staples | 0.0% |
| Energy | 0.0% |
| Financials | 88.4% |
| Healthcare | 0.0% |
| Industrials | 6.7% |
| Materials | 0.0% |
| Communication Services | 0.0% |
| Utilities & Infrastructures | 0.0% |

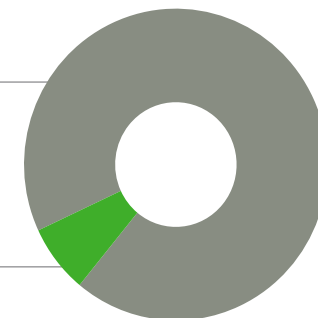
VALUATION DATA

| | |
|--------------------|------------|
| Bonds | |
| Portfolio YTM | 4.0% |
| Portfolio Duration | -1.2 years |
| Fund Duration | -0.2 years |
| Equity | |
| P/E | 13.5x |
| Div Yield | 3.7% |

Bond Rating Distribution of the Portfolio

<Inv. grade
92%

≥BBB-
8%



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 |

| | |
|---|---------------------------------|
| 4 | Lipper Leader Total Return |
| 4 | 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