

# MIDAS - Patrimonial SRI Fund B - Acc

Monthly summary report | as at 31 December 2019



## Investment Objective

The fund seeks to achieve capital appreciation over the medium to long-term by investing in a diversified portfolio of primarily fixed income and equity securities (or related instruments). The fund will at all times be at least 50% invested in bonds while the remaining will be invested according to market opportunities. The fund may also be indirectly invested in commodities (including precious metals) and related thematic plays.

## Latest Update

NAV per share	154,29
2019 year-to-date return as at 31 December 2019	12,81%

## Performance

	1M	YTD	2018	2017	2016	3Y	5Y
Midas Patrimonial	0,98%	12,81%	-3,97%	5,50%	2,35%	14,30%	20,31%

## Fund key facts

Inception date *	17 September 2010
ISIN code	LU0541884556
Asset class	Diversified
Total fund assets	€ 309,6 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,78%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

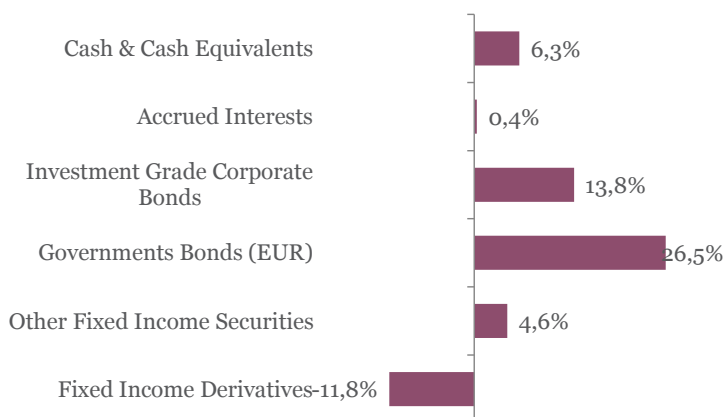
## Asset Allocation



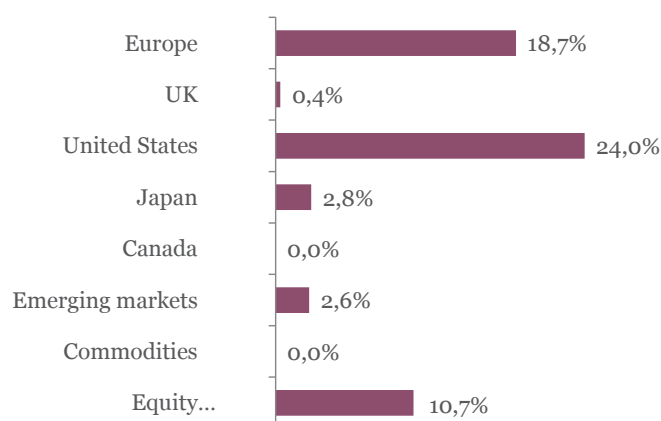
## Currencies

	USD	GBP	JPY	CAD	Other
Exposure	33,3%	2,6%	2,5%	1,6%	2,2%

## Fixed income asset allocation



## Equity and other securities asset allocation

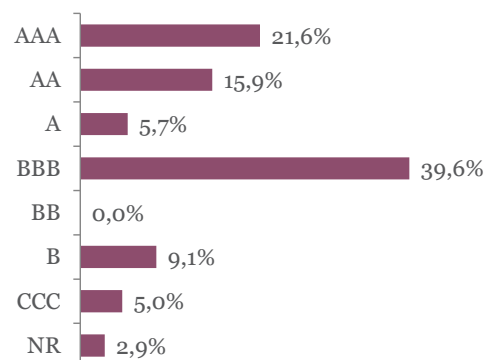


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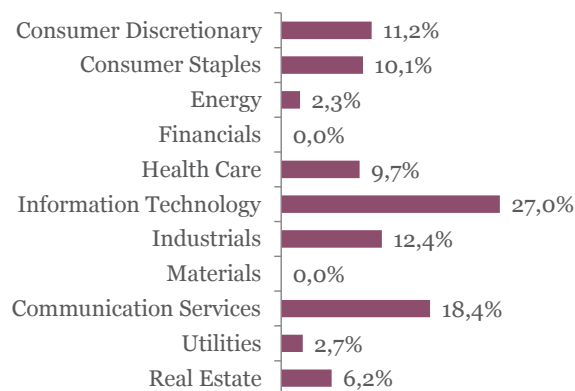
Top 10 fixed income holdings	YTM	Rating	Weight
DEUTSCHLAND REP : DBR 0 08/15/29	-0,2%	AAA	2,2%
ALLIANDER : ALLRNV 0 7/8 04/22/26	0,1%	AA-	2,0%
NETHERLANDS GOVT : NETHER 0 3/4 07	-0,1%	AAA	1,9%
BTPS : BTPS 2 02/01/28	1,1%	BBB-	1,9%
HELLENIC REPUBLI : GGB 4 3/8 08/01/22	0,1%	B+	1,8%
BTPS : BTPS 1 07/15/22	0,1%	BBB-	1,7%
ALTICE FINCO SA : ALTICE 4 3/4 01/15/28	4,5%	CCC+	1,6%
FRANCE O.A.T. : FRTR 2 05/25/48	0,9%	AA	1,5%
DEUTSCHLAND REP : DBR 1 1/4 08/15/48	0,3%	AAA	1,4%
EUROPEAN INVT BK : EIB 0 3/8 07/16/25	-0,2%	AAA	1,3%

## Fixed income rating breakdown



Top 10 equity holdings	Sector	Weight
ALTICE NV -A	Communication Service	4,3%
FREY	Real Estate	1,5%
APPLE INC	Information Technolog	1,2%
ALTICE USA INC- A	Communication Service	1,1%
ROYAL CARIBBEAN CRUISES LTD	Consumer Discretionar	1,1%
HONEYWELL INTERNATIONAL INC	Industrials	1,1%
MEDTRONIC PLC	Health Care	1,1%
BROADCOM INC	Information Technolog	1,1%
AT&T INC	Communication Service	1,1%
SEMPRA ENERGY	Utilities	1,1%

## Equity sector breakdown



## Top 5 funds and other holdings

Amundi Japan TOPIX ETF	2,8%
iShares STOXX Europe 600 Automobiles & Parts UCIT	1,9%
Quaero Bamboo	1,5%
ISHR STOXX EUR 600 BANKS	1,0%

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## Market Review

2019 finished with equities rising on signs of stabilization emerging from the manufacturing data both in Europe and in China and given a final boost by the possibility of a signature on a phase 1 US-China trade deal. Furthermore, Boris Johnson's conservative majority in the UK parliament has diminished the perceived risk of a no-deal Brexit. Abating concerns about such ongoing geopolitical uncertainties led to some complacency in global equity markets. Emerging Market (EM) equities surged by 7.2%, trying to catch up with Developed Market (DM) equities. The latter also performed well, with the S&P 500 adding another 2.9%, bringing its 2019 performance to a staggering +28.9%, well ahead of other DM. European stocks and Japanese stocks added respectively 2.1% and 1.3% to bring their 2019 performance to 23.2% and 15.2%.

In this risk-on environment, yields shifted higher and credit spreads tightened (IG -10 bps, HY -21 bps). The German 10Y yield increased by 18 bps to -0.19%. Eurozone government spreads tightened, with the exception of Italy which suffered from renewed political turmoil. Investment Grade corporate bonds declined by 0.05% impacted by the yield effect.

Overall, fixed income markets posted strong performances in 2019, supported by both lower yields and tightened spreads. EUR government bonds, IG and HY corporate bonds returned 6.77%, 7.06% and 9.55% respectively.

Oil prices surged by over 10% in December, among renewed trade optimism and an OPEC commitment to maintain its production cap beyond March 2020.

Interestingly, Gold prices surged as well, with the price for one troy ounce reaching 1517 at years end. Increasing tensions between the US and Iran are the most plausible explanation for this "safe haven" outperformance, while all other defensive assets performed rather poorly.

## Portfolio Performance

The fund was up 0.98% in December, bringing its 2019 performance to +12.81%. The fund was well positioned to profit from last month's relief movements. Equity exposure was around 59% for the majority of the time, with an important exposure to outperforming US technology stocks. At the same time, the fixed income part of the fund benefited from its lower duration exposure, which stood around 4.5 at month's end. So, rising yields had only a minimal impact on the fund's performance.

## Market Outlook

The prospect of a 'phase 1' trade-deal signing ceremony in early January, together with a dollop of relief in the ongoing Brexit saga, has placed global sentiment indicators squarely in 'extreme optimism' territory. Yet uncertainties still remain over the details of this deal (and later phases are unlikely to be dealt with over the short term) and there remains the ongoing risk of the negative sentiment in manufacturing spreading to the consumer. Geopolitical risk prevails (ie. US-Iran), which might lead to some sideways moves in equity markets. In this environment we continue to favour our growth exposure with a strong focus on US tech. That being said, our bond exposure is still largely tilted towards high quality and will remain so, albeit with no intention to increase duration.

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\* Performance has been calculated since inception on the 17th of September 2010 of Expert Investor Sicav Midas Global Balanced Fund which merged into Midas Sicav Patrimonial Fund on the 1st of August 2016.