MIDAS WEALTH MANAGEMENT

MIDAS - Patrimonial Fund I - Acc

Monthly summary report | as at 31 October 2017

Investment Objective

The fund seeks to achieve capital apreciation 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	109,57
2017 year-to-date return as at 31 October 2017	6,18%

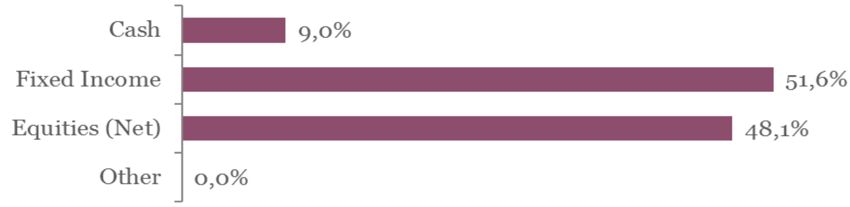
Performance

	1M	3M	YTD
Midas Patrimonial	2,18%	3,22%	6,18%

Fund key facts

Inception date	04 October 2016
ISIN code	LU1452410738
Asset class	Diversified
Total fund assets	€ 377 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,50%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

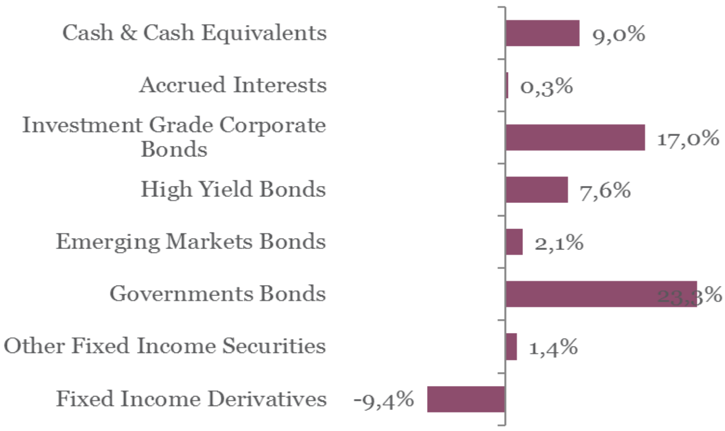
Asset Allocation



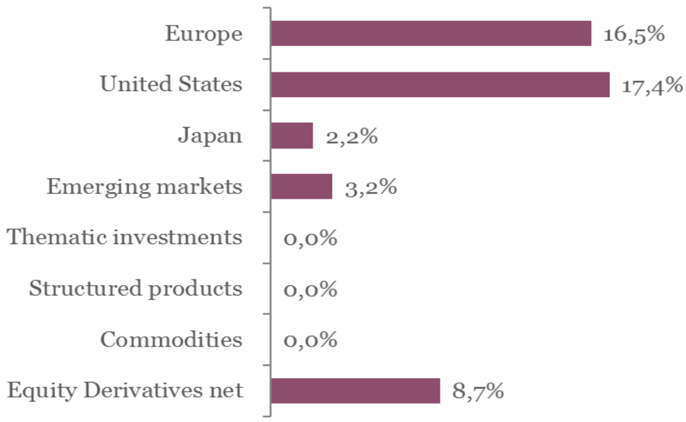
Currencies

	USD	JPY	CHF	CAD	Other
Exposure	16,6%	1,2%	0,8%	0,7%	0,5%

Fixed income asset allocation



Equity and other securities asset allocation



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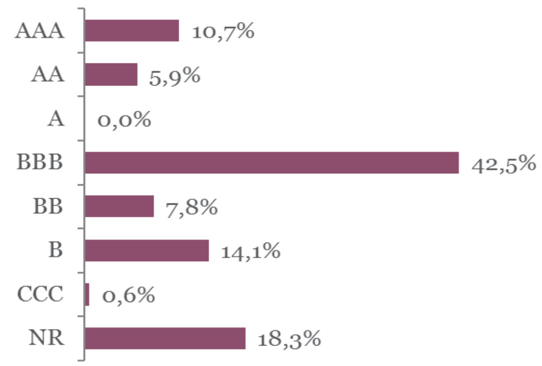
Top 10 fixed income holdings

Top 10 fixed income holdings	YTM	Rating	Weight
DEUTSCHLAND REP : DBR 0 1/2 08/15/27	0,4%	AAA	5,4%
SPANISH GOV'T : SPGB 1.45 10/31/27	1,5%	BBB+	5,3%
PORTUGUESE OT'S : PGB 2 7/8 07/21/26	1,9%	BBB-	3,7%
BTPS : BTPS 0.35 11/01/21	0,3%	BBB	3,5%
FRANCE O.A.T. : FRTR 0 1/2 05/25/25	0,3%	AA	3,0%
CELLNEX TELECOM : CLNXSM 2 7/8 04/18	1,9%	BB+	1,7%
BOLLORE SA : BOLFP 2 01/25/22	1,1%	NR	1,6%
GAZPROMBANK : GPBRU 3.984 10/30/18	1,0%	BB+	1,6%
ICCREA BANCA SPA : ICCREA 1 1/2 10/11/2	1,4%	BBB	1,6%
SPAIN I/L BOND : SPGBEI 0.3 11/30/21	0,4%	BBB+	1,4%

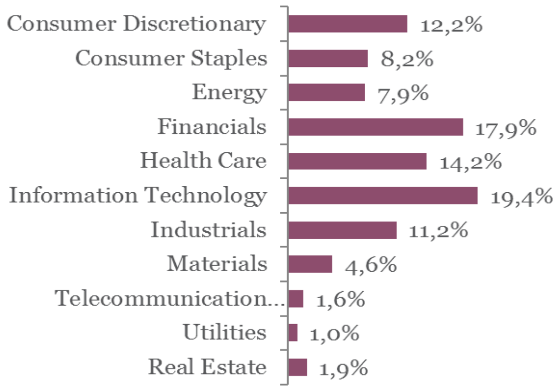
Fixed income rating breakdown



Top 10 equity holdings

Top 10 equity holdings	Sector	Weight
BANK OF AMERICA CORP	Financials	0,9%
JPMORGAN CHASE & CO	Financials	0,9%
AMAZON.COM INC	Consumer Discretionary	0,8%
ABN AMRO GROUP NV-GDR W/I	Financials	0,8%
CITIGROUP INC	Financials	0,7%
JOHNSON & JOHNSON	Health Care	0,7%
ING GROEP NV-CVA	Financials	0,7%
AXA SA	Financials	0,7%
ALPHABET INC-CL A	Information Technology	0,7%
CHECK POINT SOFTWARE TECH	Information Technology	0,7%

Equity sector breakdown



Top 5 funds and other holdings

Nordea Stable Emerging Markets Equity	2,6%
Amundi ETF TOPIX	2,2%
MM Convertible Europe	1,4%

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Market Review

Another “all thumbs up” to all major economies in October! The US economy, for instance, confirmed its decent shape with a 3% GDP growth over the 3rd Quarter. It is also getting a step closer towards a major tax reform, as Congress approved a Bill which authorizes a Budget of USD1.5 trillion to finance tax cuts over the next decade. In Japan, Mr Abe got his hoped-for landslide election victory, paving the way for a continuation of his “three-arrow” project. The 19th China Plenum showed that the Asian nation is not going to diminish its pursuit of the Belt and Road Initiative. In Europe finally, the ECB has communicated on how it intends to reduce its monthly asset purchases. It will continue to buy back assets by another nine months as of January 2018. Instead of the current EUR60bn however, the monthly amount will be reduced to EUR30bn. In other words, the ECB continues its (very) accommodative policy for much longer.
Stocks were up across the board with the S&P500 (+2.2%) breaking records and the Japanese TOPIX adding another 5.5%, while the broad Stoxx Europe 600 ended the month up 1.8%. Bonds performed particularly well too, with European Investment Grade Bonds (EuroBIG index) up 1% and the Markit iBoxx Liquid High Yield index up 0.9%.
The USD recouped some of this years’ losses and gained 1.5% against the EUR.
In the commodities universe, energy continued its rebound with the Brent price adding another 4.35 USD per barrel, bringing the global benchmark price above $60 a barrel as prospects for a prolonged OPEC production cap rose.

Portfolio Performance

During the month, the Fund has gained 2.18% on the back of strong performances for nearly all asset classes. The Fund clearly benefited from its big exposure (48%) to equity markets, which all performed positively. Despite the Fund’s lower exposure to US equities, the equity part performed slightly better than the overall market thanks to some good stock picking.
The fixed income part of the portfolio contributed positively as credit spreads narrowed considerably, while the yield curves dropped as well. Last but not least, currency exposure contributed positively during the month, mainly the US dollar which appreciated 1.5%.

Market Outlook

While high valuations for most asset classes and end-of-cycle fears are acknowledgeable, we cannot ignore the momentum currently unfolding in financial markets, nor trying to bet against it. We thus maintain a pro-growth stance in our investment strategy by favouring equity markets. In the fixed income part of the Fund, we also run a carry strategy with a preference for periphery and credit, backed by still accommodative monetary policies.