

# MIDAS - Patrimonial Fund A - Acc

Monthly summary report | as at 31 May 2017

## 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	121.75
2017 year-to-date return as at 31 May 2017	2.31%

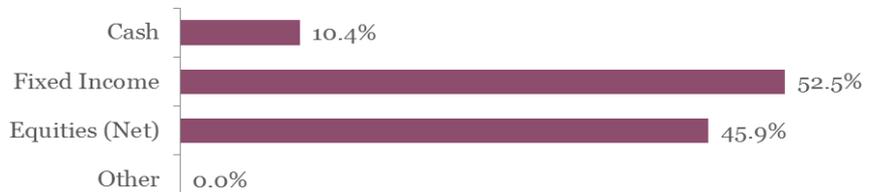
## Performance

	1M	YTD	2016	2015	2014	3Y
Midas Patrimonial	0.21%	2.31%	1.86%	2.31%	9.17%	12.09%

## Fund key facts

Inception date *	31 May 2013
ISIN code	LU0927887843
Asset class	Diversified
Total fund assets	€ 362 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	1.25%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

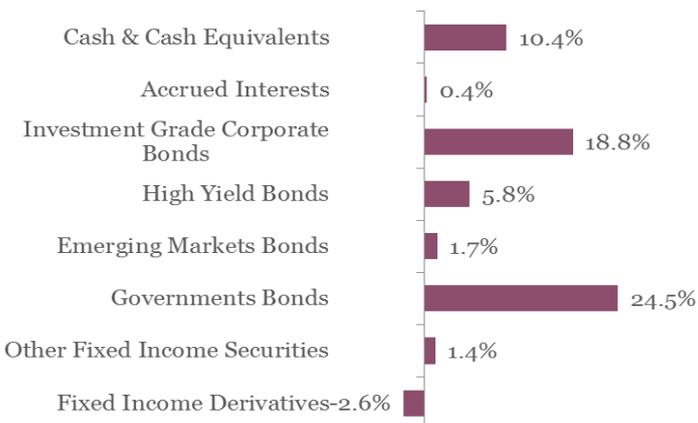
## Asset Allocation



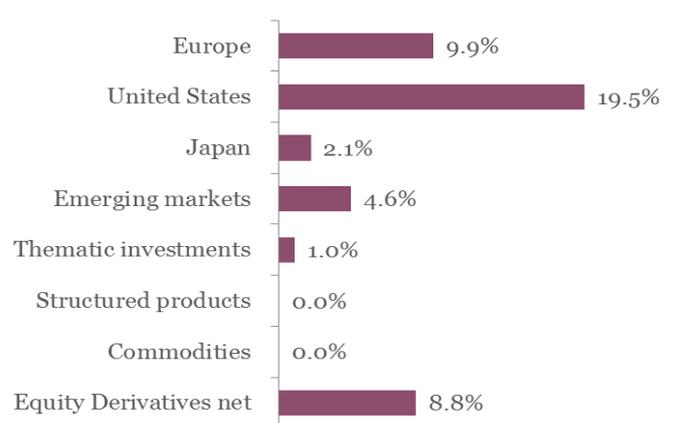
## Currencies

	USD	JPY	GBP	CAD	Other
Exposure	12.6%	1.1%	1.3%	0.7%	0.7%

## Fixed income asset allocation



## Equity and other securities asset allocation

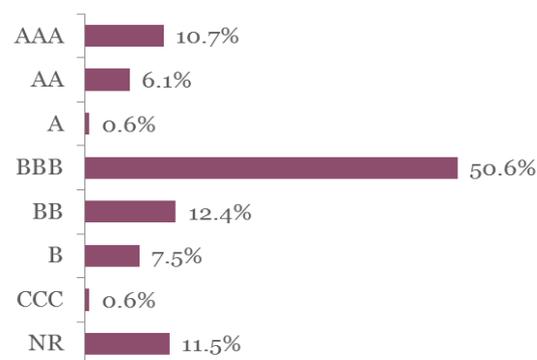


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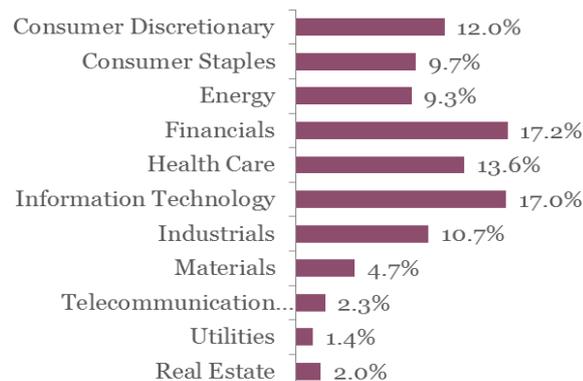
Top 10 fixed income holdings	YTM	Rating	Weight
SPANISH GOV'T : SPGB 0 3/4 07/30/21	0.1%	BBB+	6.3%
DEUTSCHLAND REP : DBR 0 08/15/26	0.2%	AAA	5.4%
BTPS : BTPS 0.05 10/15/19	0.1%	BBB	3.6%
BTPS : BTPS 0.35 11/01/21	0.7%	BBB	3.6%
FRANCE O.A.T. : FRTR 0 1/2 05/25/25	0.4%	AA	3.1%
PRYSMIAN SPA : PRYIM 2 1/2 04/11/22	1.4%	NR	1.5%
BOLLORE SA : BOLFP 2 01/25/22	1.7%	NR	1.4%
ATF NETHERLANDS : ALATPF 1 1/2 07/15/:	1.7%	BBB	1.4%
CNP ASSURANCES : CNPPF 1 7/8 10/20/22	1.0%	BBB+	1.4%
EUROFINS SCIEN : ERFFP 2 1/4 01/27/22	1.4%	NR	1.3%

## Fixed income rating breakdown



Top 10 equity holdings	Sector	Weight
ALTICE NV -A	Consumer Discretionary	0.7%
ALPHABET INC-CL A	Information Technology	0.7%
ING GROEP NV-CVA	Financials	0.7%
BANK OF AMERICA CORP	Financials	0.7%
CHECK POINT SOFTWARE TECH	Information Technology	0.6%
RAYTHEON COMPANY	Industrials	0.6%
PROCTER & GAMBLE	Consumer Staples	0.6%
JPMORGAN CHASE & CO	Financials	0.6%
JOHNSON & JOHNSON	Health Care	0.6%
PFIZER INC	Health Care	0.6%

## Equity sector breakdown



## Top 5 funds and other holdings

Nordea Stable Emerging Markets Equity	2.7%
Amundi ETF TOPIX EUR Hedged	2.1%
iShares MSCI Emerging Markets	1.9%
Robeco US Select Opportunities Equities	1.5%
MM Convertible Europe	1.4%

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## Market Review

Despite slowing momentum in the USA and some emerging markets, global growth remained solid overall. European data confirmed the continuous improvement of its economic environment. Political risks in Europe diminished strongly as well after the French presidential elections gave victory to Mr. Macron, discarding the possibility of an extremist Europe-sceptic government.

During the month, equities were positive with the MSCI World gaining 1.15% in local currencies. The American S&P 500 rallied 1.16%, while the NASDAQ outperformed again, adding another 2.50%. While there was some political upheaval in Brazil, MSCI Emerging Markets was the best performing broader index during the month, rising 2.80%. The Japanese Topix was positive as well, adding 2.39%. European equities gave back some of its recent outperformance with the Eurostoxx 50 Index dropping 0.14%.

In the Fixed Income markets, Investment Grade bonds performed also positively as credit spreads narrowed across the board (+0.47% for the Citi EuroBIG Index). Risk appetite was equally strong with High Yield bonds performing well (+0.78% for the iBoxx High Yield Index). Spreads between the periphery and the core continued to contract.

The EUR appreciated against all major currencies, with the USD and the JPY losing 3.09% and 2.42% respectively. The EUR rise reflected a fading EMU risk premium as well as positive economic surprises.

Despite an agreement reached between OPEC member countries to maintain a production cap for another nine months, Brent oil prices fell 2.48% reflecting fears that global inventories will fail to fall significantly amid a booming US shale oil production.

## Portfolio Performance

The Fund has gained 0.21% during the month. Global equities had a positive contribution to the overall performance while strong Euro appreciation had a negative effect on our foreign currency exposure. As for the fixed income part of the portfolio, it has been performing steadily as spreads contracted further between the periphery and the core.

During the month, we have lowered currency exposure from 32% to 16% as reduced political uncertainty and strong macro-economic data in Europe created a support for the single currency. Furthermore, equities have been slightly reduced (to 46%) as we took some profits off the table. As for the geographical allocation, we have slightly increased our Emerging Markets and Japanese stocks.

In the fixed income part of the portfolio, we have somewhat increased our duration profile (to 4.3) as European inflation struggled to accelerate.

## Market Outlook

Despite some weakness in the first quarter coming from the US, the global macro-economic environment remains healthy. Recent corporate earnings across the globe were reassuring in all developed countries. As we expect the first quarter weakness in the US to be just temporary we intend to keep equity exposure high.

Recently, inflation numbers were lower than expected in both the euro-zone and in the US, so it will be interesting to hear whether Mr Draghi will take into account improving economic conditions and will start changing his tone in one of the next ECB meetings. As there is a risk of rates moving higher, we continue to keep duration in check.

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\* Performance has been calculated since inception on the 31st of May 2013 of Expert Investor Sicav Midas Global Balanced Fund which merged into Midas Sicav Patrimonial Fund on the 1st of August 2016.