

MIDAS - Eurozone Equities I - Acc

Monthly summary report | as at 30 April 2019



Investment Objective

The Fund's objective is to provide long-term capital growth and to outperform the Euro Stoxx Net Return EUR Index. The Fund is actively managed and invests primarily in companies of countries which are part of the Eurozone.

Latest Update

| | |
|--|--------|
| NAV per share | 95,13 |
| 2019 year-to-date return as at 30 April 2019 | 16,08% |

Performance

| | 1M | 3M | 6M | YTD | 2018 | SI |
|-------------------------|-------|--------|-------|--------|---------|--------|
| Midas Eurozone Equities | 4,63% | 10,07% | 4,07% | 16,08% | -18,94% | -4,87% |
| Performance Indicator* | 5,02% | 10,80% | 9,73% | 17,72% | -12,72% | 2,85% |

* Euro Stoxx Net Return EUR (Bloomberg Code: SXXT <Index>)

Fund key facts

| | |
|-------------------|---------------------|
| Inception date | 15 November 2017 |
| ISIN code | LU1715158744 |
| Asset class | Equities |
| Total fund assets | 28.2 million |
| Base currency | EUR |
| Legal status | Luxembourg UCITS |
| Management Fee | 0,80% |
| Custodian | Crédit Suisse Lux |
| Liquidity | Daily |
| Settlement Date | Trade Date + 2 Days |
| French PEA | Eligible |

Monthly comments

April was another positive month for European equities, with earnings guidance recomforting markets globally. After the stellar rebound of equity markets since beginning of the year we have picked up two French retailers that so far failed to recuperate last year's drop. Given fears about "yellow vests" and its impact on in-store traffic, both retailers are still out of favour with investors. Unjustified we believe. **SMCP** is positioned in the "affordable luxury" market and its business model is a combination of Luxury and Fast Fashion Retail. The luxury segment is growing at 6% annually, compared to 4% for the clothing market as a whole. SMCP is successfully exporting its Parisian chic image to China for instance where it is also benefiting from the presence of its majority shareholder Shandong Ruyi, the largest textile manufacturer in China. One of the company's strengths is its flexibility to adapt to a rapidly evolving market. Its average design-to-stores time is below 120 days, something unparalleled in the luxury segment. **Maisons du Monde** is positioned at the intersection of fast fashion and furniture. The company used to be the darling of French retail, but after several quarters of slowing growth and miscommunication, the stock has lost its momentum. Conditions have changed, with an increased number of competitors and less growth. However, we believe that MdM continues to benefit from the best business model in the market, which should help it to continue to lead the pack in the omnichannel field, while margin expansion could compensate for some of the shortfall in growth. We tentatively increased the fund's exposure to the automobile sector. While there still are many issues the sector has to cope with, valuation is undeniably attractive. The fund has recently initiated positions in two OEMs: Peugeot and FCA (Fiat Chrysler Automobiles). **Peugeot** has done to Opel/Vauxhall in 2 years what General Motors had failed to do in almost 2 decades: turning it profitable again. Carlos Tavares is implementing the same strategy at Opel as the one that turned the PSA Groupe (Peugeot Citroën and DS) into a European powerhouse, realizing operating margins comparable to the likes of Premium car maker BMW. The French carmaker currently has an appealing new model line-up, while its financial solidity (cash positive) gives it a lot of flexibility both in terms of future M&A as in terms of capabilities to weather a market downturn.

While Peugeot is predominantly a European business, **FCA** generates only 20% of its revenues in Europe and the majority of its profits through its Chrysler franchise in North and Latin America. We mainly see further upside deriving from FCA's ongoing transformation, and the potential for a new luxury standalone group combining Maserati and Alfa Romeo (towards 2022). The company has set course in 2014, under the realm of late Sergio Marchionne, to make FCA a leaner and more focused company than the one it had become. The most recent transaction is proof of this: The company has sold its automotive components business Magnetti Marelli to KKR for EUR 5.8 b in cash. MM was considered as a 'non-core' asset and will result in a special cash dividend of EUR2b or EUR1.3/share in May. This brings its cash distribution to shareholders to EUR1.95/share in one month's time for a stock price of EUR13.7 end of April.

Characteristics

| | Fund | Index |
|---------------------|--------|-------|
| Number of Holdings | 43 | 306 |
| Top 10 Weight | 32,3% | 21,6% |
| Avg Mkt Cap (bn €) | 49,7 | 57,6 |
| Med Mkt Cap (bn €) | 20,7 | 11,2 |
| Index overlap | 27,6% | 100% |
| Net equity exposure | 100,0% | 100% |

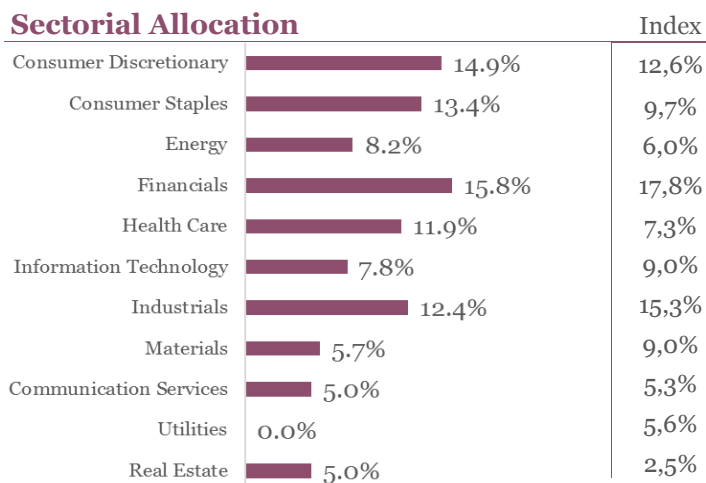
Risk Profile

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

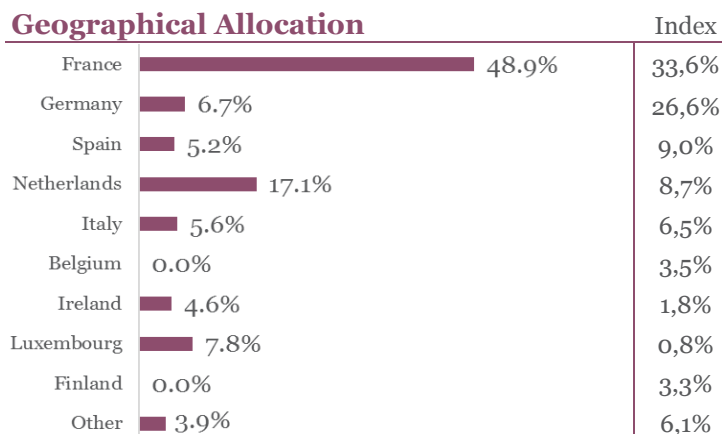
MIDAS - Eurozone Equities I - Acc

Monthly summary report | as at 30 April 2019

Sectorial Allocation



Geographical Allocation



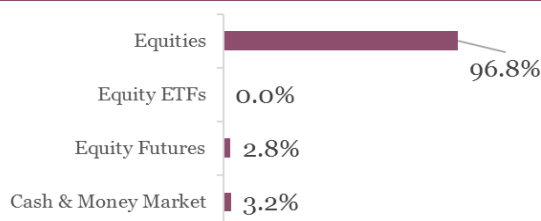
Top 10 Positions

| Position | Fund (%) | Index (%) |
|-----------------------|----------|-----------|
| ASML HOLDING NV | 3,6% | 1,8% |
| BASIC FIT NV | 3,5% | 0,0% |
| LVMH | 3,5% | 2,2% |
| TOTAL SA | 3,5% | 3,1% |
| GRAND CITY PROPERTIES | 3,3% | 0,0% |
| GRIFOLS SA | 3,1% | 0,0% |
| SAFRAN SA | 3,1% | 1,1% |
| AIRBUS GROUP NV | 3,0% | 1,6% |
| AXA SA | 3,0% | 1,1% |
| ORANGE | 2,8% | 0,7% |

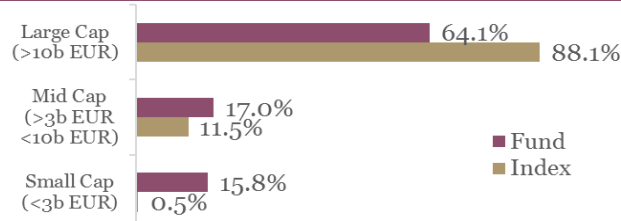
Top 10 overweight

| Position | Fund (%) | Index (%) |
|---------------------------|----------|-----------|
| BASIC FIT NV | 3,5% | 0,0% |
| GRAND CITY PROPERTIES | 3,3% | 0,0% |
| GRIFOLS SA | 3,1% | 0,0% |
| EUROFINS SCIENTIFIC | 2,8% | 0,1% |
| KERRY GROUP PLC | 2,8% | 0,4% |
| BEIERSDORF AG | 2,6% | 0,2% |
| ABN AMRO GROUP NV-GDR W/I | 2,6% | 0,2% |
| ORANGE | 2,8% | 0,7% |
| ROTHSCHILD & CO | 2,1% | 0,0% |
| INTERPUMP GROUP SPA | 2,2% | 0,1% |

Asset Allocation



Capitalization breakdown



This newsletter does not constitute an offer to sell or the solicitation of an offer to purchase any security or investment product. Information herein is believed to be reliable but Midas Wealth Management does not warrant its completeness or accuracy. The opinions expressed within are entirely those of Midas Wealth Management and do not constitute an offer of investment advice. Past performance will not necessarily be repeated and is not indicative of future results. The investments discussed may fluctuate in price or value and you may not get back the amount invested. The indices shown are presented only to allow for comparison of the Midas Wealth Management funds' performance to that of certain widely recognised indices. The volatility of the indices may be materially different from the individual performance attained by a specific fund or investor. In addition, the Midas Wealth Management fund holdings may differ significantly from the securities that comprise the indices shown. Investors cannot invest directly in an index. Performance figures reflect the reinvestment of all dividends and earnings, as well as investment management, administration and performance fees. A description of the specific fee structure and risks of investing for each Midas Wealth Management fund is contained in the fund's prospectus. No part of this document may be reproduced in any manner without the prior written permission of Midas Wealth Management.

The LuxFLAG ESG Label is valid for the period ending on 31/12/2019. Investors must not rely on LuxFLAG or the LuxFLAG Label with regard to investor protection issues and LuxFLAG cannot incur any liability related to financial performance or default of Midas Eurozone Equities.