

MIDAS - Eurozone Equities SRI - I - Acc

Monthly summary report | as at 31 December 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	99,18
2019 year-to-date return as at 31 December 2019	21,03%

Performance

	1M	3M	6M	YTD	SI
Midas Eurozone Equities	1,14%	4,83%	4,74%	21,03%	-0,82%
Performance Indicator*	1,22%	5,35%	7,95%	26,11%	10,18%

* 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	25,4 millions
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,83%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days
French PEA	Eligible

Monthly comments

With the 1st part of a deal potentially reached between the US and China and Boris Johnson's election victory, uncertainties diminished. Investors have saluted this increase in visibility during December. Retail, Banks and Basic Resources were among the best performers of the month while the Telecommunication sector slumped 6.5%. Despite the telecom sector's underperformance, we find Altice among our top 3 performers. The group's asset sale is well engaged with the JV formed with Morgan Stanley Infrastructure that will allow Altice to receive 2.3 bn EUR of cash over the next 3 years. This deal values the assets at a high point of the range previously mentioned. Investors are closely watching management's actions and its efforts to reduce the company's leverage. This sale clearly boosted investor's confidence in management's capabilities to deliver. The stock ended the month up 6.4%. Kering was the Fund's top performer in December with a 7% progression. Not so long after the start of the month, Kering announced its intention to acquire Moncler. But it's the deal between the US and China that really carried the stock to record highs in December. Benefiting from the same news flow, ASML is the second top performer in December at 6.7%. The Semi-conductor sector is at the forefront of trade negotiations, a relief on this subject constitutes a significant trigger. We still think the company's technological leadership provides moats high enough to secure future growth. During December, we decided to reduce our exposure to small capitalisation companies in order to reduce the portfolio's volatility. We sold Derichebourg as the scrap metal price keeps falling and we don't see any near term catalyst that could reverse the trend. SMCP strongly re rated on the back of weaker than expected EBITDA for 2020. Despite attractive valuation, we think that SMCP's business is finally impacted by weaker consumer spending in China and the solvability of its main shareholder increases the risk of a further drawdown. We took profits in Basic Fit after a strong progress (65%) since the fund's initial purchase, at the inception of this fund. At 13x EV/EBITDA 2020e, we think the growth is now correctly priced in. We decided to increase our holding in Koninklijke Philips as we remain confident about the value this company can add through the optimisation of healthcare systems and tools around the world. Philips ticks a lot of boxes in regards of future secular trends. Healthcare represent a significant part of the world economy. Ageing population and population growth will emphasize the need to reduce the associated costs and Philips provides solutions. We increased our position in Altice as well. We think a lot of upside still remains as the stock trades with a significant discount to its peer group. By intelligently selling assets, the group is well on track to further reduce its leverage. Next publication will provide us more insight and will be attentively watched, we still believe that consensus is still too sceptical and therefore we forecast an upward price target revision.

Characteristics

	Fund	Index
Number of Holdings	35	305
Top 10 Weight	34,7%	22,3%
Avg Mkt Cap (bn €)	57,3	63,5
Med Mkt Cap (bn €)	58,8	11,8
Index overlap	24,7%	100%
Net equity exposure	97,5%	100%

Risk Profile



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Sectorial Allocation

Sector	Fund	Index
Consumer Discretionary	11,37%	13,2%
Consumer Staples	13,20%	9,3%
Energy	9,26%	5,1%
Financials	8,65%	16,7%
Health Care	14,24%	7,7%
Information Technology	14,82%	9,6%
Industrials	11,91%	15,6%
Materials	2,10%	9,1%
Communication Services	5,67%	5,0%
Utilities	2,26%	6,1%
Real Estate	6,53%	2,7%

Geographical Allocation

Country	Fund	Index
France	38,3%	33,7%
Germany	7,7%	26,0%
Spain	5,4%	8,3%
Netherlands	15,1%	9,7%
Italy	7,0%	6,7%
Belgium	2,5%	3,4%
Ireland	5,3%	1,9%
Luxembourg	8,5%	0,8%
Finland	0,0%	3,2%
Other	10,7%	6,3%

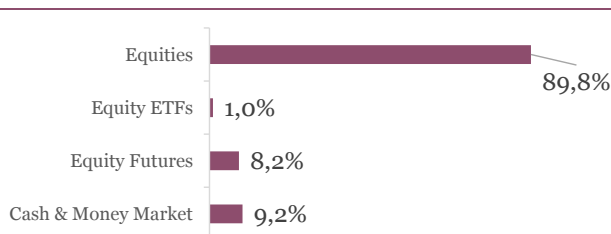
Top 10 Positions

Company	Fund	Index
ALTICE NV -A	4,9%	0,1%
TOTAL SA	3,9%	2,8%
SAFRAN SA	3,5%	1,2%
AIRBUS GROUP NV	3,3%	1,7%
KERRY GROUP PLC	3,3%	0,4%
LVMH	3,1%	2,3%
ASML HOLDING NV	3,1%	2,3%
GRIFOLS SA	3,1%	0,0%
SAP AG	3,1%	2,9%
SOLUTIONS 30	3,0%	0,0%

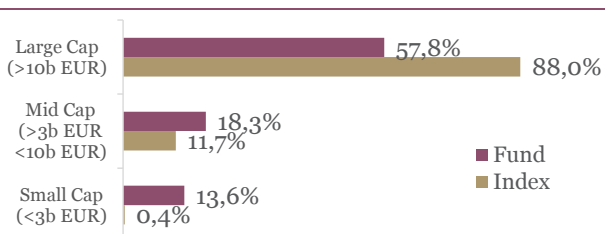
Top 10 overweight

Company	Fund	Index
ALTICE NV -A	4,9%	0,1%
GRIFOLS SA	3,1%	0,0%
SOLUTIONS 30	3,0%	0,0%
KERRY GROUP PLC	3,3%	0,4%
AUTOGRILL SPA	2,7%	0,0%
EUROFINS SCIENTIFIC	2,8%	0,1%
BEIERSDORF AG	2,9%	0,2%
SAFRAN SA	3,5%	1,2%
GRAND CITY PROPERTIES	2,3%	0,0%
CREDIT AGRICOLE SA	2,5%	0,3%

Asset Allocation



Capitalization breakdown



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