

MIDAS - Patrimonial Fund I - Acc

Monthly summary report | as at 30 April 2018

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	108,84
2018 year-to-date return as at 31 March 2018	-0,48%

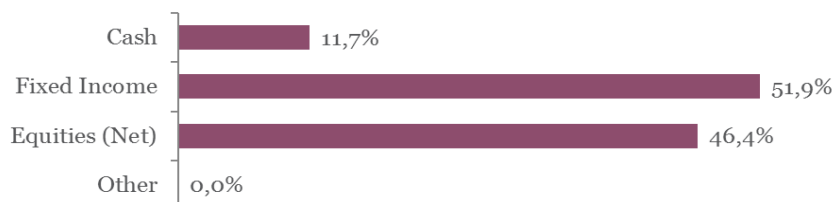
Performance

	1M	3M	YTD	1Y
Midas Patrimonial	0,88%	-1,75%	-0,48%	3,06%

Fund key facts

Inception date *	04 October 2016
ISIN code	LU1452410738
Asset class	Diversified
Total fund assets	€ 352 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,50%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

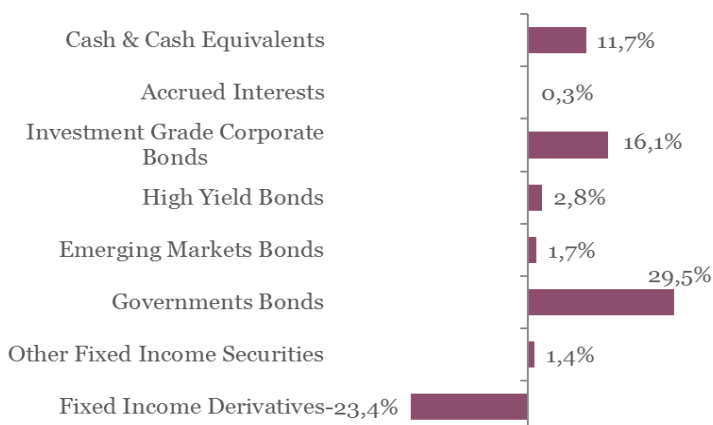
Asset Allocation



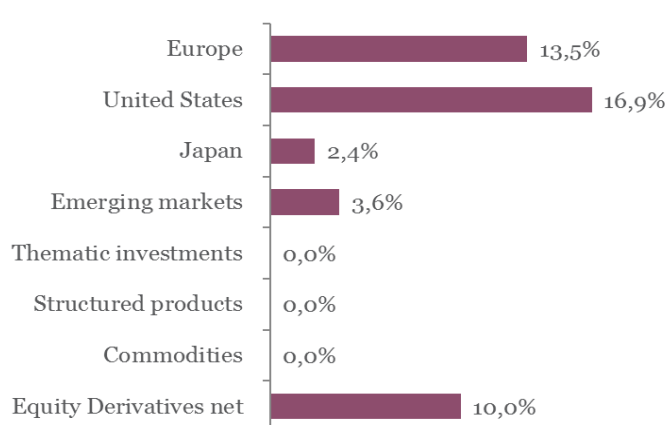
Currencies

	USD	GBP	JPY	CHF	Other
Exposure	21,1%	2,5%	6,0%	0,5%	0,3%

Fixed income asset allocation



Equity and other securities asset allocation



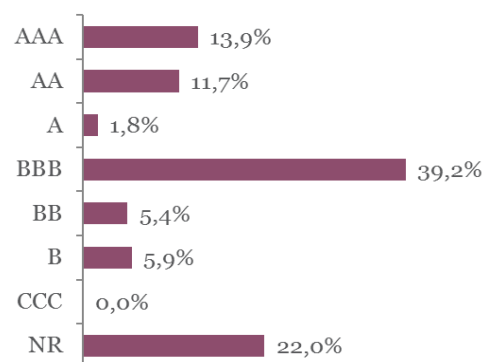
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Top 10 fixed income holdings

	YTM	Rating	Weight
DEUTSCHLAND REP : DBR 0 1/2 08/15/27	0,5%	AAA	5,4%
BTPS : BTPS 1.45 11/15/24	1,1%	BBB	3,3%
FRANCE O.A.T. : FRTR 0 1/2 05/25/25	0,4%	AA	3,1%
BTPS : BTPS 2 02/01/28	1,8%	BBB	2,9%
BTPS : BTPS 0.9 08/01/22	0,4%	BBB	2,7%
AGENCE FRANCAISE : AGFRNC 0 1/8 11/11/22	0,3%	AA	2,0%
SPANISH GOV'T : SPGB 0.45 10/31/22	0,2%	BBB	1,9%
GAZPROMBANK : GPBRU 3.984 10/30/18	1,9%	BB+	1,7%
SPANISH GOV'T : SPGB 1.6 04/30/25	0,8%	BBB	1,6%
AROUNDTOWN SA : ARNDTN 1 1/2 07/15/22	1,5%	BBB+	1,4%

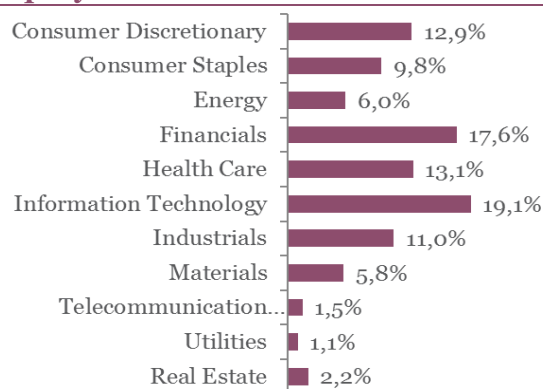
Fixed income rating breakdown



Top 10 equity holdings

	Sector	Weight
ALIBABA GROUP HOLDING-SP ADR	Information Technology	0,9%
JPMORGAN CHASE & CO	Financials	0,9%
BANK OF AMERICA CORP	Financials	0,7%
ESTEE LAUDER COMPANIES-CL A	Consumer Staples	0,7%
TOTAL SA	Energy	0,7%
ALPHABET INC-CL A	Information Technology	0,7%
MICROSOFT CORP	Information Technology	0,7%
BROADCOM INC	Information Technology	0,7%
AMAZON.COM INC	Consumer Discretionary	0,7%
SAFRAN SA	Industrials	0,7%

Equity sector breakdown



Top 5 funds and other holdings

Nordea Stable Emerging Markets Equity Fund	2,8%
La Francaise Sub Debt	2,5%
Amundi Japan TOPIX ETF	2,4%
MM Convertible Europe	1,4%

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Market Review

In April, Equity markets reversed some of their losses from February and March thanks to solid corporate earnings, lower geopolitical risks and more dovish central banks. Yet, despite some notable exceptions (French CAC40, Italian MIB) Equity indices are still roughly negative year-to-date. During the month, European and Japanese Equities were the main winners with +3.9% on the Eurostoxx 600 and 3.6% on the Topix, while Emerging Markets were a laggard (-0.55% on the MSCI Emerging) on the back of the stronger US dollar. Positive developments on risk aversion also translated into Fixed Income Markets and 10-year German Bunds yields rose from 0.49 to 0.56. Credit Markets were more stable as can be seen in the IBOXX Euro Liquid Corporates Index which remained virtually unchanged (+0.02%).

On the currencies side, the US dollar kept its momentum intact by further erasing losses from early 2018 at a whisker from its 2018 opening level. Oil prices also kept on its footing, up +5.6% on the month as traders braced for a re-imposition of U.S. sanctions on Middle East crude producer Iran.

Portfolio Performance

The Fund has gained 0.88% mainly on the back of stronger equity markets. During the month, we increased global exposure from 41% to 46% as corporate earnings maintained their strong momentum while geopolitical risks slightly dissipated. However, we maintained our underweight in Emerging Markets as the stronger US dollar could keep weighing on their performance.

On the Fixed Income part of the portfolio, we tactically reduced our duration to 3.7 after the strong run in German Bunds. However, we are less worried on the duration in the medium term as Central Banks have been rather dovish in their latest statements while inflation remained stubbornly low.

Market Outlook

In recent months, engaging rhetoric on the commercial dispute between the US and China has awoken the risk of a stagflationary environment (slower growth and higher inflation) that could prove detrimental to risky assets. Additionally, those fears are currently underpinned by a fading activity level and a loss in macroeconomic momentum since the end of March as a variety of indicators exhibit a swoon vs. previous highs.

But yet, tariffs so far remain limited both in terms of size and targeted industries. Also, there is a will to engage into negotiations from both parties to reach for a zero-sum game. Thus, global growth, although currently witnessing a slowdown in its appreciation pace, will eventually be stabilizing at a solid level. For Equity markets to rise, it might just take more time and evidence to definitely erase the fear of trade disputes and their potential implications on the level of trade and global growth. We expect this to unfold once the strong base effects from Q2 2017 in both Europe and Japan are behind us and as Emerging Countries and US will reappear as the main sources of positive growth surprises respectively driven by a buoyant activity for the former and impact of fiscal stimulus and strong Capex momentum for the latter.

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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.