

# MIDAS - Patrimonial Fund I - Acc

Monthly summary report | as at 31 July 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	110,74
2018 year-to-date return as at 31 July 2018	1,26%

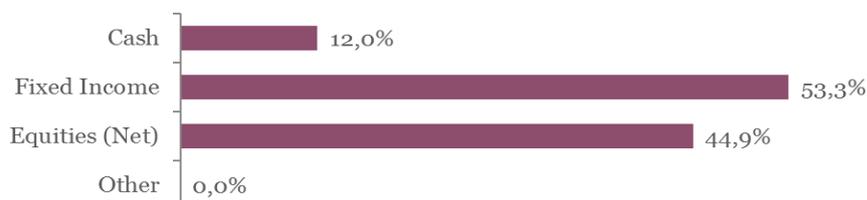
## Performance

	1M	3M	YTD	1Y
Midas Patrimonial	1,17%	1,75%	1,26%	4,32%

## Fund key facts

Inception date	04 October 2016
ISIN code	LU1452410738
Asset class	Diversified
Total fund assets	€ 347 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,50%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

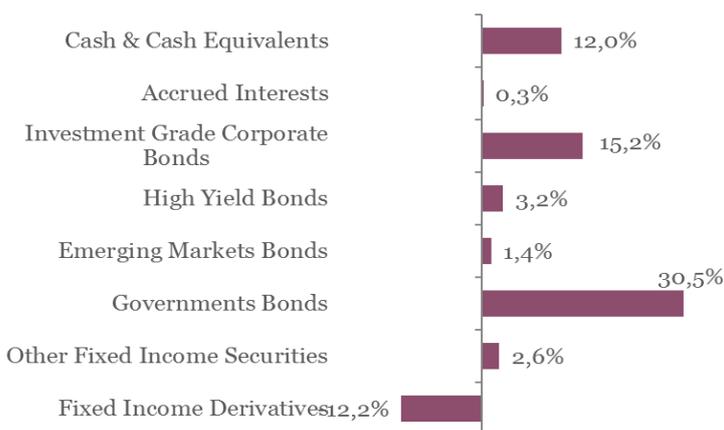
## Asset Allocation



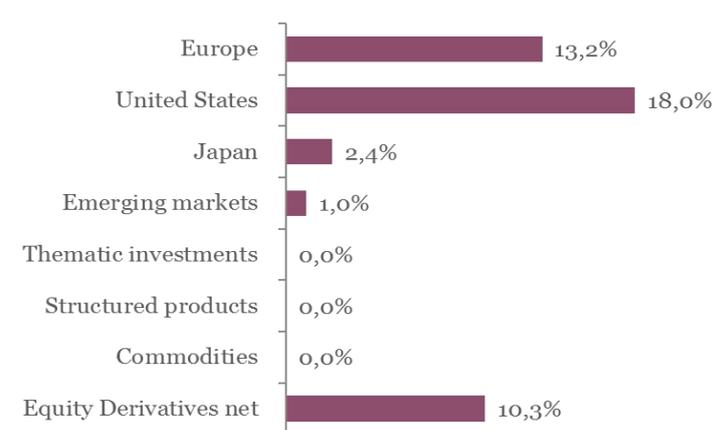
## Currencies

	USD	GBP	JPY	CHF	Other
Exposure	22,3%	2,8%	4,0%	0,5%	0,4%

## Fixed income asset allocation



## Equity and other securities asset allocation



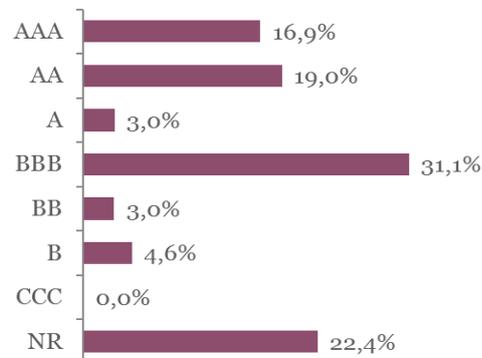
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## Top 10 fixed income holdings

	YTM	Rating	Weight
DEUTSCHLAND REP : DBR 0 1/2 08/15/27	0,4%	AAA	5,5%
BTPS : BTPS 2 02/01/28	2,8%	BBB	3,5%
FRANCE O.A.T. : FRTR 0 1/2 05/25/25	0,3%	AA	3,2%
BTPS : BTPS 1.45 11/15/24	2,3%	BBB	2,7%
AGENCE FRANCAISE : AGFRNC 0 1/8 11/11/11	0,2%	AA	2,3%
HELLENIC T-BILL : GTB 0 10/05/18	0,6%	B	2,3%
SPANISH GOV'T : SPGB 1.6 04/30/25	0,8%	BBB	1,6%
GAZPROMBANK : GPBRU 3.984 10/30/18	0,9%	BB+	1,4%
SPANISH GOV'T : SPGB 1.4 04/30/28	1,4%	NR	1,4%
BUNGE FINANCE EU : BG 1.85 06/16/23	1,4%	BBB	1,2%

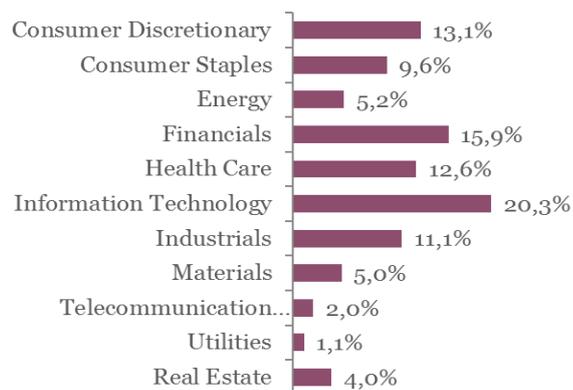
## Fixed income rating breakdown



## Top 10 equity holdings

	Sector	Weight
JPMORGAN CHASE & CO	Financials	0,9%
AMAZON.COM INC	Consumer Discretionary	0,8%
BANK OF AMERICA CORP	Financials	0,8%
LYONDELLBASELL INDU-CL A	Materials	0,8%
BROADCOM INC	Information Technology	0,7%
MICROSOFT CORP	Information Technology	0,7%
ALPHABET INC-CL A	Information Technology	0,7%
ROYAL CARIBBEAN CRUISES LTD	Consumer Discretionary	0,7%
APPLE INC	Information Technology	0,7%
VISA INC	Information Technology	0,7%

## Equity sector breakdown



## Top 5 funds and other holdings

La Francaise Sub Debt	2,5%
Amundi Japan TOPIX ETF	2,4%
MM Convertible Europe	1,5%

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## Market Review

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In July, resurgence of investor's risk appetite led to a strong rebound in risky assets.

The US economy has broken out of its doldrums and is on its way to grow at a faster than 3% pace. It is clear to Mr Trump that the biggest threat to that economic progress are his trade policies, so markets cheered when the US and the EU essentially declared a tariff truce. On top, with results in for over half of the companies in the S&P500 index, 83% have posted stronger-than-expected profits according to Factset. Earnings as a whole are on track to rise 21%, which would mark the second-highest rate since the third quarter of 2010.

Equity markets rose across the board. The MSCI Emerging Markets index finally rebounded 1.7% after five consecutive negative monthly performances while US (S&P500) and European (Stoxx 600) indexes rose by 3.6% and 3.1% respectively.

While European Corporate Bonds (IB8A) rebounded by 0.3%, High Yield Credit (IBOXXMJA) recovered its losses almost entirely (+1.5%) and now shows a close to zero (-0.1%) year-to-date performance.

On the Forex side there were no big moves to be noticed with the EUR and the USD keeping each other mainly in balance with few variances noticed. As was the case for EM equities, EM currencies also managed to halt their slide that had started end of January.

On the commodities side, WTI oil prices dropped over 5%. While global demand is likely to remain strong, US Stock piles rose for a second consecutive month and Lybia became onstream again, causing a, in our view, temporary weakness.

## Portfolio Performance

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The fund rose by 1.17%, supported by good macro numbers and an above average US earnings season. The main positive contributors were equities. Beginning of the month we increased our equity exposure considerably from 39.7% to 44.9% currently, mainly by adding Emerging Market equities (through futures) as the fund was practically absent from this asset class.

On the Fixed Income side, we slightly added back some duration (to 5 from 4.7 end of last month), mainly by adding quality government bonds exposure, to protect the portfolio against potential deteriorations in the trade talks on the one hand and to compensate for higher equity risks on the other hand.

## Market Outlook

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While the trade dispute is a risk we are factoring into our positioning, global growth is reaccelerating and industrial production remains above its long-term average. Given this favorable backdrop, we reassert our current positioning. Although Emerging Markets (EMs) have been through a rough patch due to the trade tensions and the stronger USD, we are confident that EM assets will recover from their current oversold levels. After all, fiscal balances, sovereign debt and current accounts are healthy in many EM countries. We expect this momentum, reinvigorated by a good earnings season, to last for a while.

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