

# Patrimonial SRI Fund I - Acc

Monthly summary report | as at 31 May 2020



## 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 40% 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	111,53
2020 year-to-date return as at 31 May 2020	-6,38%

## Performance

	1M	YTD	2019	2018	2017	3Y	SI
Midas Patrimonial	0,74%	-6,38%	13,13%	-3,71%	5,98%	5,12%	11,53%

## Fund key facts

Inception date	04 October 2016
ISIN code	LU1452410738
Asset class	Diversified
Total fund assets	€273 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,53%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

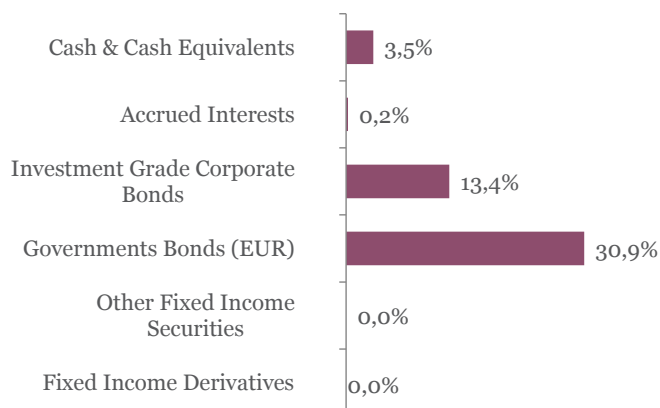
## Asset Allocation



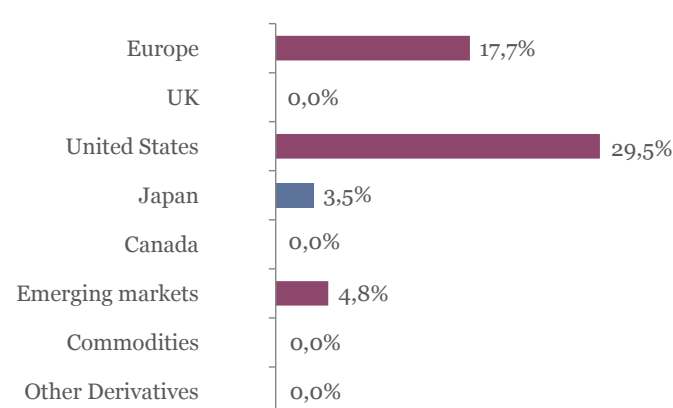
## Currencies

	USD	JPY	HKD	CHF	Other
Exposure	29,2%	3,0%	1,1%	0,0%	0,4%

## Fixed income asset allocation



## Equity and other securities asset allocation



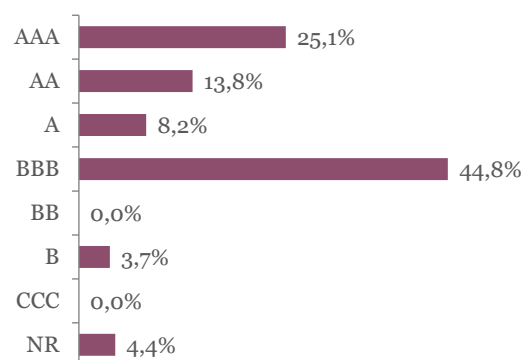
■ Direct Exposure ■ Equity Derivatives

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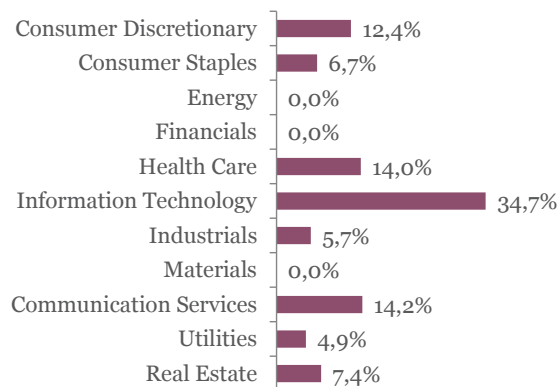
Top 10 fixed income holdings	YTM	Rating	Weight
NETHERLANDS GOVT : NETHER 3 1/4 07/15/29	-0,5%	AAA	2,7%
DEUTSCHLAND REP : DBR 0 08/15/29	-0,3%	AAA	2,6%
NETHERLANDS GOVT : NETHER 0 3/4 07/15/29	-0,3%	AAA	2,0%
BTPS : BTPS 1 07/15/22	0,2%	BBB-	1,9%
BTPS : BTPS 2 1/2 11/15/25	0,9%	BBB-	1,6%
EUROPEAN INVT BK : EIB 0 3/8 07/16/25	-0,4%	AAA	1,5%
AGENCE FRANCAISE : AGFRNC 0 1/8 11/15/29	-0,2%	AA	1,5%
BUNDESSCHATZANW : BKO 0 03/11/22	-0,6%	NR	1,5%
BTPS : BTPS 0.35 02/01/25	0,7%	BBB-	1,4%
DEUTSCHLAND REP : DBR 1 1/4 08/15/48	0,2%	AAA	1,4%

## Fixed income rating breakdown

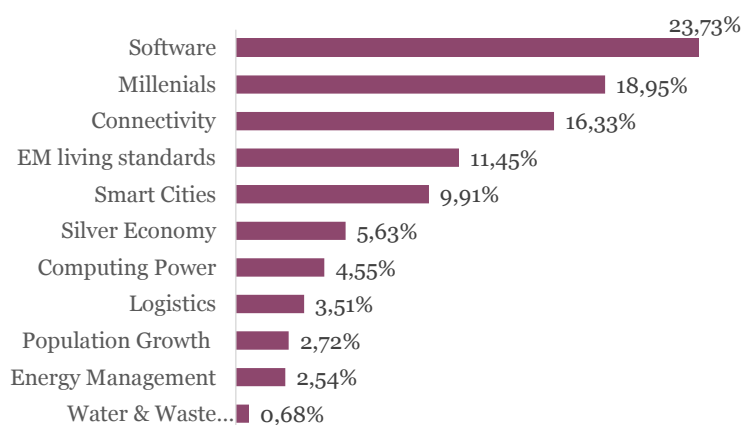


Top 10 equity holdings	Sector	Weight
ALTICE NV -A	Communication Services	3,1%
AMAZON.COM INC	Consumer Discretionary	2,2%
ALIBABA GROUP HOLDING-SP ADR	Consumer Discretionary	2,0%
NVIDIA CORP	Information Technology	1,8%
MEDTRONIC PLC	Health Care	1,8%
APPLE INC	Information Technology	1,8%
MICROSOFT CORP	Information Technology	1,7%
ALPHABET INC-CL A	Communication Services	1,6%
EQUINIX INC	Real Estate	1,6%
CHECK POINT SOFTWARE TECH	Information Technology	1,6%

## Equity sector breakdown



## Thematics breakdown



## Top 5 funds and other holdings

iShares S&P 500 Financials Sector UCITS ETF	2,1%
iShares EURO STOXX Banks 30-15 UCITS ET	1,7%
Quaero Bamboo	1,7%
iShares STOXX Europe 600 Automobiles & Pa	1,6%
iShares STOXX Europe 600 Oil & Gas UCITS	1,1%
iShares STOXX Europe 600 Travel & Leisure	0,7%

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## Market Review

May was quite a confusing month for many observers as major financial indices continued their steady climb, seemingly oblivious to the economic wreckage left by coronavirus. Investors reacted positively to encouraging signs of a swift economic reopening, progress on the vaccine development, as well as prospects of further stimulus across the globe. Furthermore, the quantitative easing, unleashed by major central banks, created a strong support for financial assets. As investors, who generally remained rather defensive, looked at their screens scratching their heads, FOMO (fear of missing out) and TINA (there is no alternative) headlines made their way back into morning meeting reports. Ultimately, a risk-on sentiment spread through the markets with most depressed sectors rebounding significantly in the second half of the month. US and European equities rose 4.5% and 4.2% respectively, Japanese stock outperformed (+6.8%), while Emerging markets lagged (+0.6%) mainly because of Chinese and Hong Kong markets (due to Sino-American tensions). In the fixed income market, we have witnessed the same type of risk-on move as interest rates rose on the one hand and credit spreads narrowed on the other hand. In this context, the German Bund yield receded (+14 bps to -0.45%). Inversely, peripheral spreads tightened strongly (Spain -30 bps, Italy -43 bps, Greece -78 bps). Corporate bonds performed well with the investment grade segment rising 0.17%. Spread tightened (-10bps) despite record issuance, which more than offset the negative yield effect.

## Portfolio Performance

During the month, the Fund has gained 0.74%. Equities have been the main driver behind this performance. We have actually increased our exposure to 55% mainly via European ETFs that are exposed to sectors that have been most penalized (banks, autos, energy,...) and that have significant room for rebound. We have also reintroduced exposure to Japanese stocks via TOPIX futures where exposure to Industrials is high.

The fixed income part of the portfolio was slightly positive during the month despite rising interest rates. Indeed, the effects of rising interest rates was more than offset by lower spreads on European periphery and on corporate credit. Given the higher equity exposure, we have reduced our corporate bonds but we remain focused on peripheral bonds that should continue to benefit from significant ECB stimulus.

The only drag during the month was our currency exposure, mostly via the US dollar which lost 1.4% during the month.

## Market Outlook

As the pandemic recedes and economies reopen, risky assets are also bound to rise. Initially, the rebound was strong for quality growth stocks but the move has started to shift towards more hard-hit sectors. We have not drastically changed our investment strategy (already positioned on growth names and long term thematic), but we have become more constructive on lagging sectors in a more tactical approach. The support that governments and central banks have created has filled the hole created by the coronavirus. Overall, these stimuli have been perceived as strong, decisive and implemented rapidly. For us, receding pandemic coupled with a strong response means that risky assets have further to go.

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