

# Patrimonial SRI Fund I - Acc

Monthly summary report | as at 31 October 2020

Signatory of:



## 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                                  | 115.00 |
| 2020 year-to-date return as at 31 October 2020 | -3.47% |

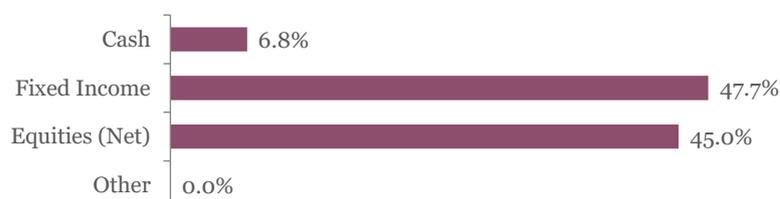
## Performance

|                   | 1M     | YTD    | 2019   | 2018   | 2017  | 3Y    | SI     |
|-------------------|--------|--------|--------|--------|-------|-------|--------|
| Midas Patrimonial | -0.67% | -3.47% | 13.13% | -3.71% | 5.98% | 4.96% | 15.00% |

## Fund key facts

|                   |                     |
|-------------------|---------------------|
| Inception date    | 04 October 2016     |
| ISIN code         | LU1452410738        |
| Asset class       | Diversified         |
| Total fund assets | €271,61 million     |
| Base currency     | EUR                 |
| Legal status      | Luxembourg UCITS    |
| Management Fee    | 0.53%               |
| Custodian         | Crédit Suisse Lux   |
| Liquidity         | Daily               |
| Settlement Date   | Trade Date + 2 Days |

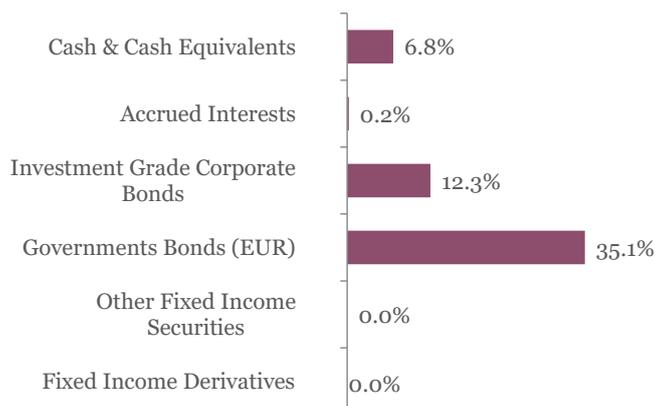
## Asset Allocation



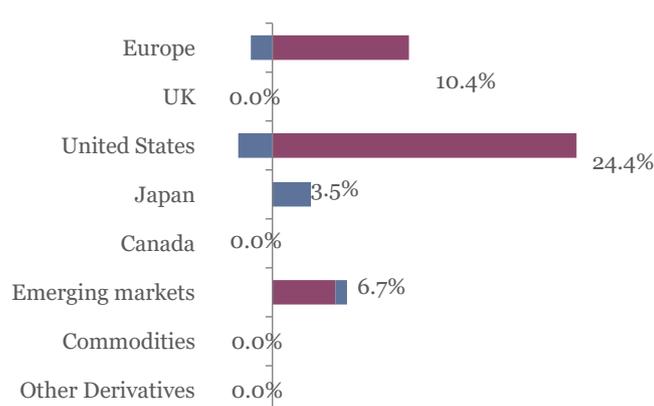
## Currencies

|          | USD   | JPY  | HKD  | CHF  | Other |
|----------|-------|------|------|------|-------|
| Exposure | 26.1% | 2.9% | 0.9% | 0.0% | 0.0%  |

## Fixed income asset allocation



## Equity and other securities asset allocation



■ Direct Exposure ■ Equity Derivatives

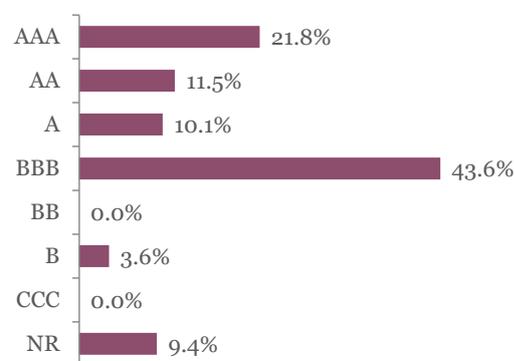
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## Top 10 fixed income holdings

|  | Rating | Weight |
|--|--------|--------|
| NETHERLANDS GOVT : NETHER 3 1/4 07/15/21 | AAA    | 3.6%   |
| FRANCE O.A.T. : FRTR 1 1/4 05/25/36      | AA     | 2.0%   |
| BTPS : BTPS 1 07/15/22                   | BBB-   | 1.9%   |
| REP OF POLAND : POLAND 0 02/10/25        | A-     | 1.9%   |
| DEUTSCHLAND REP : DBR 0 08/15/29         | AAA    | 1.8%   |
| BTPS : BTPS 2 1/2 11/15/25               | BBB-   | 1.6%   |
| EUROPEAN INVT BK : EIB 0 3/8 07/16/25    | AAA    | 1.5%   |
| AGENCE FRANCAISE : AGFRNC 0 1/8 11/15/23 | AA     | 1.5%   |
| BTPS : BTPS 0.35 02/01/25                | BBB-   | 1.5%   |
| BUNDESSCHATZANW : BKO 0 03/11/22         | NR     | 1.5%   |

## Fixed income rating breakdown



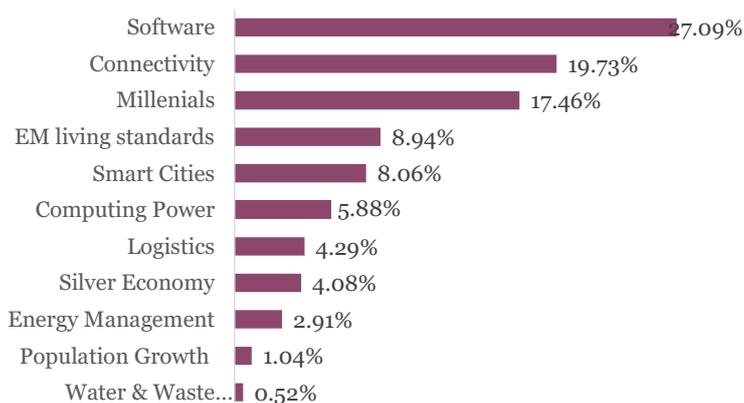
## Top 10 equity holdings

|                              | Sector                 | Weight |
|------------------------------|------------------------|--------|
| ALIBABA GROUP HOLDING-SP ADR | Consumer Discretionary | 2.8%   |
| ALTICE NV -A                 | Communication Services | 2.6%   |
| AMAZON.COM INC               | Consumer Discretionary | 2.2%   |
| BROADCOM INC                 | Information Technology | 1.8%   |
| NVIDIA CORP                  | Information Technology | 1.7%   |
| MICROSOFT CORP               | Information Technology | 1.7%   |
| FREY                         | Real Estate            | 1.7%   |
| UNITEDHEALTH GROUP INC       | Health Care            | 1.6%   |
| MARVELL TECHNOLOGIES         | Information Technology | 1.6%   |
| CHECK POINT SOFTWARE TECH    | Information Technology | 1.6%   |

## Equity sector breakdown



## Thematics breakdown



## Top 5 funds and other holdings

|   |      |
|---|------|
| Quaero Bamboo                               | 2.0% |
| iShares S&P 500 Financials Sector UCITS ETF | 1.9% |
| iShares S&P 500 Consumer Staples Sector UC  | 1.0% |
| iShares EURO STOXX Banks 30-15 UCITS ET     | 0.9% |

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## Market Review

October was a difficult month for financial markets with equities taking a hit and safe haven assets displaying a mixed picture. The second wave in Covid-19 cases across Europe has prompted countries to reimplement partial lockdowns. The new measures taken have been lighter in nature with some sectors carrying on with their activities and schools still operating. Nevertheless, European stocks were the hardest hit with the Eurostoxx 600 falling 5.2% during the month. The American S&P 500 Index lost 2.8% while the Japanese Topix fell 2.8%. Emerging markets fared better (on the back of Asia) and managed to post 2% positive return.

Another element of uncertainty that contributed to increased volatility in October were the US elections. Together the political uncertainty coupled with increased sanitary worries contrasted with the macro economic momentum that was overall stronger than anticipated during the month. This has led to revised growth projections for the full year 2020 and we could witness a particularly vigorous recovery continuing in China.

Corporate earnings were equally better than anticipated as 86% of US companies that have reported beat on estimates, albeit staying significantly lower yoy.

Fixed income markets were mixed in October. On the one hand, government bonds posted strong performance as rates declined (10Y Bund -11 bps to -0.63%) and peripheral spreads were stable. They benefited from the ECB support which increased weekly asset purchases. On the other hand, corporate bonds lagged (IG +0.91%, HY +0.28%) as the positive effect from falling interest rates was somewhat offset by widening credit spreads (Crossover +24 bps).

## Portfolio Performance

During the month, the Fund has lost 0.67% as the fall in equities was partially offset by our fixed income positions and our exposure to the US dollar and the Japanese Yen that played their safe haven role. Given heightened uncertainties, we have decided to trim down our overall risk profile by reducing equities to 45% and to refocus the portfolio towards “Covid proof” positions mainly in the IT and Health Care sectors.

The duration on the fixed income part of the portfolio was kept slightly above 6 years providing a cushion in times of stress.

## Market Outlook

At the time of writing, the final winner is not yet known but it is becoming clear that there will not be a blue wave. Consequently, the decision-making process will remain as complicated as today with significant compromises needed on both Republican and Democrat sides. While this could seem as not ideal, any controversial decision will be hard to push through. The first impression is that this should benefit the IT and Health Care sectors particularly and consequently our portfolio.

On the Covid-19 front, the situation is dramatic in Europe and uncertainties remain with regards to how much lockdowns will be necessary in order to tame the virus. Nevertheless, in the medium term, the final trial stage of the AstraZeneca-Oxford vaccine should come to an end, paving a path to vaccinations across the globe. Other vaccines should follow after. This leads us to remain rather constructive on the markets and the end of the year performance.

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