

# MIDAS - Patrimonial Fund A - Acc

Monthly summary report | as at 31 August 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	126,62
2018 year-to-date return as at 31 August 2018	1,30%

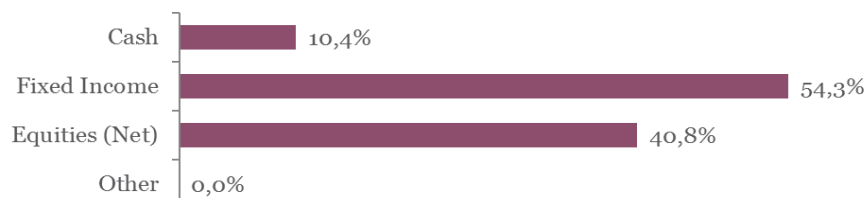
## Performance

	1M	YTD	2017	2016	2015	3Y	5Y
Midas Patrimonial	0,47%	1,30%	5,03%	1,86%	2,31%	8,02%	27,86%

## Fund key facts

Inception date *	31 May 2013
ISIN code	LU0927887843
Asset class	Diversified
Total fund assets	€ 348 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	1,25%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

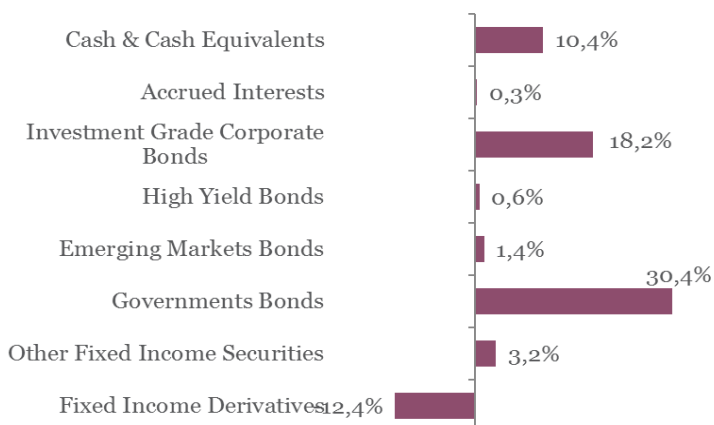
## Asset Allocation



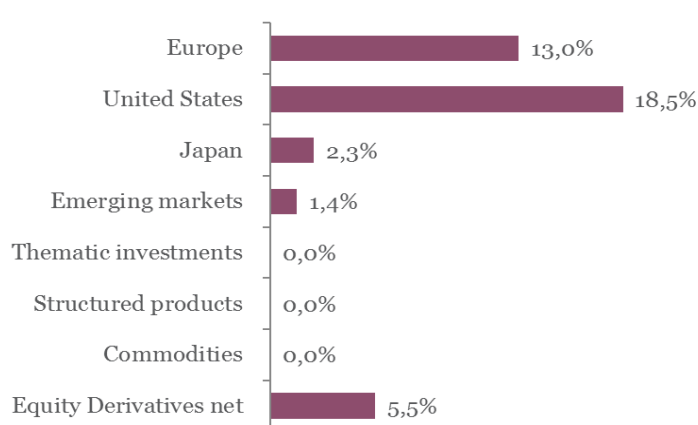
## Currencies

	USD	GBP	JPY	CHF	Other
Exposure	23,0%	2,7%	4,0%	0,5%	0,4%

## Fixed income asset allocation



## Equity and other securities asset allocation

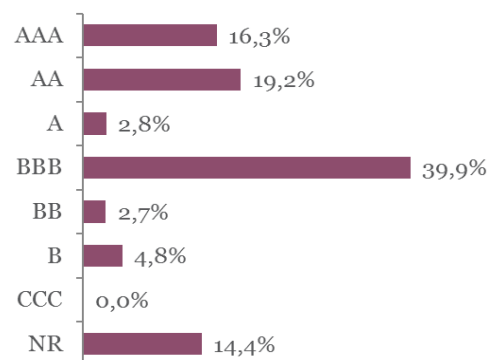


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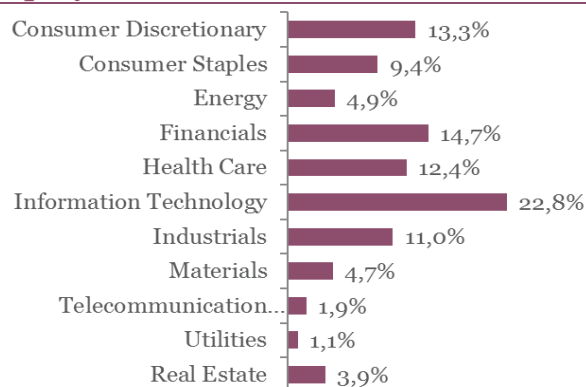
Top 10 fixed income holdings	YTM	Rating	Weight
DEUTSCHLAND REP : DBR 0 1/2 08/15/27	0,2%	AAA	5,6%
FRANCE O.A.T. : FRTR 0 1/2 05/25/25	0,2%	AA	3,2%
BTPS : BTPS 1.45 11/15/24	2,9%	BBB	2,6%
BTPS : BTPS 2 02/01/28	3,2%	BBB	2,6%
HELLENIC T-BILL : GTB 0 10/05/18	0,7%	B	2,5%
AGENCE FRANCAISE : AGFRNC 0 1/8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

## Fixed income rating breakdown



Top 10 equity holdings	Sector	Weight
AMAZON.COM INC	Consumer Discretionary	0,9%
APPLE INC	Information Technology	0,9%
BANK OF AMERICA CORP	Financials	0,8%
ROYAL CARIBBEAN CRUISES LTD	Consumer Discretionary	0,8%
JPMORGAN CHASE & CO	Financials	0,8%
MICROSOFT CORP	Information Technology	0,8%
VISA INC	Information Technology	0,8%
LYONDELLBASELL INDU-CL A	Materials	0,8%
ALPHABET INC-CL A	Information Technology	0,7%
BROADCOM INC	Information Technology	0,7%

## Equity sector breakdown



## Top 5 funds and other holdings

Amundi Japan TOPIX ETF	2,3%
MM Convertible Europe	1,5%

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## Market Review

It was a hot summer indeed as August brought a fair load of events in the financial markets. Another leg up for the US dollar (+0.6% for the month) coupled with tighter financial conditions started to strain the weakest links of the emerging complex. Indeed, with emerging countries having feasted on debt over the past decade, Turkey is only one example. Highly indebted, badly managed countries could easily follow suit, and candidates are numerous. Consequently, Emerging Markets equities were amongst the worst performing during the month with the MSCI Emerging losing 2.9%. Unfortunately, Europe didn't fare much better with the Stoxx Europe 600 losing 2.4% amid renewed tensions in Italy. Investors found refuge in the US, where the S&P 500 appreciated by 3%. The solidity of the economic cycle was confirmed yet again by strong economic data.

In the fixed income space, interest rates fell as investors poured into safer haven assets. The 10-year German Bund rates fell by 10bps to 0.33% and 10-year US Treasuries came back to 2.86%. Italian Government bonds were however heavily penalized as interest rates on 10-year BTPs increased to 3.3% amid budget talks.

## Portfolio Performance

During the month, the Fund has gained 0.47%. The positive performance comes on the back of high US equities exposure (26%), low Emerging Markets exposure (only 1.5% through Alibaba and Tencent), high US dollar exposure and long duration in the bonds portfolio.

Indeed, during the month, we reduced equities from 45% to 41%. More importantly we significantly reduced Emerging Markets and European exposures in favor of American stocks. Parallely, we increased the duration profile of the bonds portfolio from 5 to 5.3 which served as a cushion during risk-off periods.

## Market Outlook

Rebounds in emerging countries equity markets were short lived with the USD strength not helping.

Currently, we maintain a constructive stance towards Risk Assets, with a clear and notable preference towards the US. Yet, important milestones in the near future and them being potential sources of volatility (US-China Trade negotiations, Emerging strains, Italy, US mid-term elections...) prevents us from being too aggressive in this strategy.

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\* Performance has been calculated since inception on the 31st of May 2013 of Expert Investor Sicav Midas Global Balanced Fund which merged into Midas Sicav Patrimonial Fund on the 1st of August 2016.