

# MIDAS - Patrimonial Fund A - Acc

Monthly summary report | as at 30 June 2019



## 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	126,84
2019 year-to-date return as at 30 June 2019	6,20%

## Performance

	1M	YTD	2018	2017	2016	3Y	5Y
Midas Patrimonial	2,91%	6,20%	-4,45%	5,03%	1,86%	11,79%	16,20%

## Fund key facts

Inception date *	31 May 2013
ISIN code	LU0927887843
Asset class	Diversified
Total fund assets	€ 301 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	1,25%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

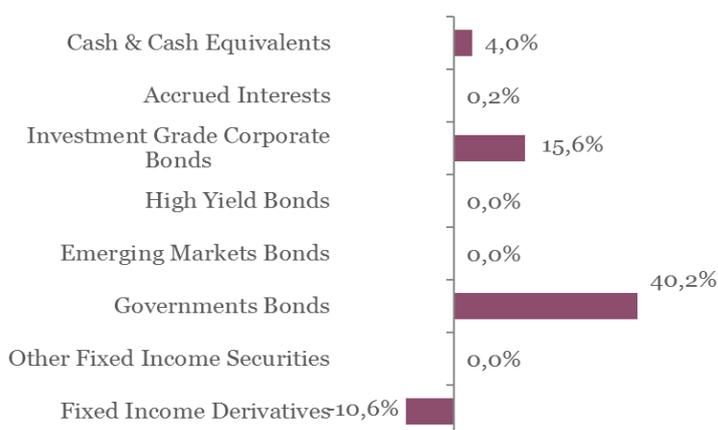
## Asset Allocation



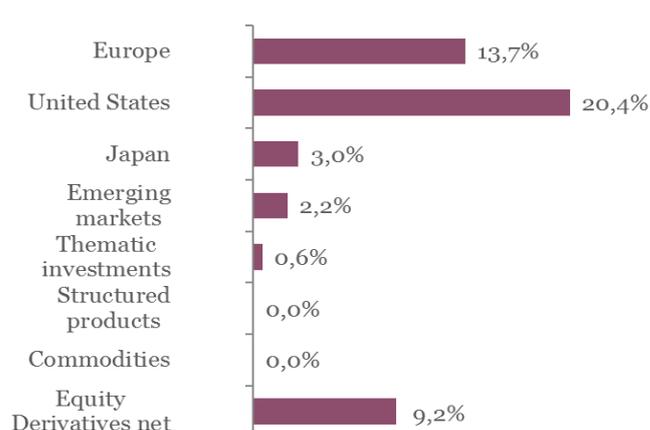
## Currencies

	USD	GBP	JPY	CAD	Other
Exposure	23,1%	1,5%	4,2%	1,6%	2,6%

## Fixed income asset allocation



## Equity and other securities asset allocation

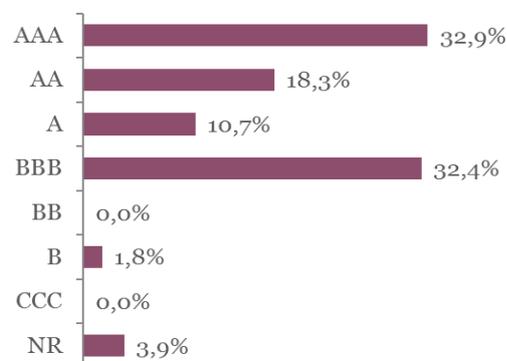


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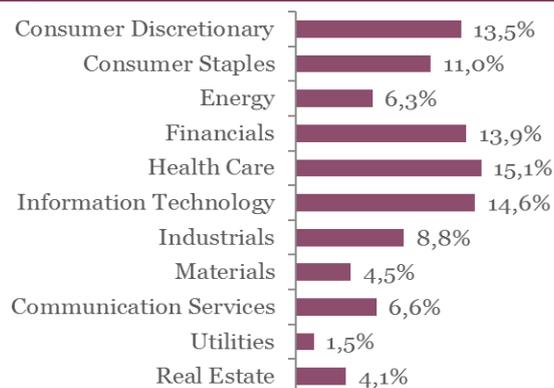
Top 10 fixed income holdings	YTM	Rating	Weight
DEUTSCHLAND REP : DBR 0 1/2 08/15/27	-0,5%	AAA	6,3%
NETHERLANDS GOVT : NETHER 0 3/4 07/15/27	-0,3%	AAA	3,6%
BTPS : BTPS 2 02/01/28	1,7%	BBB	2,8%
EUROPEAN INVT BK : EIB 0 3/8 07/16/25	-0,3%	AAA	2,8%
AGENCE FRANCAISE : AGFRNC 0 1/8 11/15/27	-0,3%	AA	2,7%
BOTS : BOTS 0 02/14/20	-0,1%	BBB	2,5%
ALLIANDER : ALLRNV 0 7/8 04/22/26	0,1%	AA-	2,1%
SPANISH GOVT : SPGB 1.6 04/30/25	-0,1%	BBB+	1,9%
DEUTSCHLAND REP : DBR 1 1/4 08/15/48	0,3%	AAA	1,5%
ASFINAG : ASFING 0 1/4 10/18/24	-0,4%	AA+	1,4%

## Fixed income rating breakdown



Top 10 equity holdings	Sector	Weight
MICROSOFT CORP	Information Technolog	0,9%
APPLE INC	Information Technolog	0,9%
PEPSICO INC	Consumer Staples	0,9%
VISA INC	Information Technolog	0,9%
JOHNSON & JOHNSON	Health Care	0,9%
MEDTRONIC PLC	Health Care	0,8%
FREY	Real Estate	0,8%
AMAZON.COM INC	Consumer Discretionar	0,8%
ALIBABA GROUP HOLDING-SP ADR	Consumer Discretionar	0,7%
RAYTHEON COMPANY	Industrials	0,7%

## Equity sector breakdown



## Top 5 funds and other holdings

Amundi Japan TOPIX ETF	3,0%
Quaero Bamboo	1,5%

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## Market Review

Markets ended the first half of the year on a very positive note, with most asset classes performing well in June. Bonds and equities reacted positively to major central banks turning dovish to counter growth slowdown and fading inflation. Towards the second half of the month, renewed hope for a market-friendly outcome to trade negotiations between the US and China added another booster to more risky asset classes.

All major equity indices rose, with the S&P500 (+6.9%) and MSCI emerging markets (+5.7%) outperforming the rest (+4.3% for Stoxx Europe 600 and +2.6% for the Japanese TOPIX).

Most government bond yields tumbled, including both core (German 10Y -13 bps to -0.33%, US 10Y -12 bps to 2.01%) and periphery countries (Spain 10Y -32 bps, Italy -57 bps). Corporate bonds performed similarly, in the wake of the equity rally. Investment Grade bonds increased by 1.58% (Bloomberg Barclays EUR Corporates IG) with hybrid and subordinated debt outperforming senior one.

After its selloff in May, Oil prices rebounded in June with the WTI contracts rising 9% as markets anticipated OPEC+ to extend its production cap for another 9 months.

Gold was the big performer of June, rising 8%.

## Portfolio Performance

The fund advanced 2.91% during the month, benefiting from both rising equities and bonds. Some exposure, both to equity markets as to bond duration, has even been added during the first half of the month. Duration of the fixed income part of the fund was increased from 5.4 to 5.9, while equities exposure reached an all-time high of over 49%. The fund also benefited from the rising gold price through an exposure to goldmining companies added recently.

## Market Outlook

Investors have been receiving conflicting signals lately. Global equity markets have made new highs but interest rate futures suggest the Federal Reserve will cut rates by almost 100bps in the next year. This is the opposite of late last year when US equities fell by 20% and the Fed hiked. One can simply “blame the Fed” for both last year’s sell-off and the recent bull run, but that ignores other major drivers of market action, including the trade wars, the manufacturing slump, and the popular but hardly ubiquitous view that the US economy is near the end of the cycle. Different perspectives can give wildly different judgments on the global economy at the moment. We see the following: households and firms in developed markets can borrow at exceptionally low rates, unemployment is low, labor income and profits are growing, and business cost pressures are visible but modest. Therefore, we maintain our high equity exposure, while also keeping our long duration profile as a damper against future shocks.

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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.