

# MIDAS - Eurozone Equities SRI - I - Acc

Monthly summary report | as at 31 October 2019



## Investment Objective

The Fund's objective is to provide long-term capital growth and to outperform the Euro Stoxx Net Return EUR Index. The Fund is actively managed and invests primarily in companies of countries which are part of the Eurozone.

## Latest Update

NAV per share	94,54
2019 year-to-date return as at 31 October 2019	15,36%

## Performance

	1M	3M	6M	YTD	SI
Midas Eurozone Equities	-0,07%	-0,24%	-0,62%	15,36%	-5,46%
Performance Indicator*	1,25%	3,62%	2,96%	21,21%	5,89%

\* Euro Stoxx Net Return EUR (Bloomberg Code: SXXT <Index>)

## Fund key facts

Inception date	15 November 2017
ISIN code	LU1715158744
Asset class	Equities
Total fund assets	24,0 millions
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,83%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days
French PEA	Eligible

## Monthly comments

Third quarter results hurt the Fund in October. Good publications were rewarded, while deceptions were overly punished. The latter was definitely the case for **Anheuser-Busch Inbev**, the global leader in beer production and distribution. The stock went down 13% following its earnings report. The company cited a drop in beer shipments in China, the U.S. and Brazil. ABI lowered its guidance because of volume uncertainty in Brazil and Korea and regulation in China (nightlife, excise). The company now expects “moderate” full-year earnings gains, down from “strong” previously. However, management said that Chinese night life conditions seem to normalize and Brazil is also expected to normalize as competitors have increased prices by now as well. Results were disappointing, but AB Inbev has a strong competitive offering, as shown by its market share gains in China over the first 9 months of the year. We expect ABI to continue delivering mid-single-digit organic top-line growth and slightly higher operating profit growth. One of last month's top performers was German software company **SAP** (+10%). As expectations had come down after its Q2 report amid a weak macroeconomic backdrop, investors pushed the stock up as fears proved to be unwarranted. Its results were solid at almost every level. New bookings for the company's cloud products, a key metric that indicates future sales, grew 33% on a constant-currency basis. That was more than double the pace set in the second quarter. While the market was shocked by the announcement that its long-serving CEO Mr McDermott would step down, it is reassuring to see that he is handing over the reins of the business from a position of strength and that his replacements are long-term members of the SAP executive team.

During the month we have also increased our positions in Solutions 30 and ASML. **ASML**, which has a monopoly on extreme ultraviolet-lithography equipment, expects the Logic business to remain strong, driven by the leading-edge nodes supporting end-market technology and applications such as 5G and artificial intelligence. ASML models an annual revenue opportunity of 13 billion euros in 2020 (11,6 billion in 2019) and an annual revenue of between 15 billion euros and 24 billion euros through 2025. This bullish guidance is based on its positive view of technology drivers such as 5G communications, automotive, artificial intelligence and data centers. We have further increased our position in **Solutions 30**, benefiting from a weakness in the stock price. Solutions 30 wants to be the European leader in solutions for the use of new digital technologies and the deployment of connected objects, more specifically in last mile service solutions. The company has a strong position with the 3 main french telecom operators and is the preferred supplier for EDF's "electric mobility plan". Solutions 30 wants to further strengthen its position in France and export its french model to the rest of Europe. The company has just published its Q3 results, showing a 47% sales growth, boosted by impressive momentum in France, where the deployment of fibre continues to accelerate and yet, rollout remains low (20% as of end of June). New markets in Utilities are also gaining traction (e.g. EV charging stations).

## Characteristics

	Fund	Index
Number of Holdings	40	305
Top 10 Weight	34,1%	22,1%
Avg Mkt Cap (bn €)	51,8	59,6
Med Mkt Cap (bn €)	17,2	11,0
Index overlap	24,6%	100%
Net equity exposure	99,4%	100%

## Risk Profile



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## Sectorial Allocation

	Index
Consumer Discretionary	15,0%
Consumer Staples	12,0%
Energy	9,5%
Financials	10,1%
Health Care	12,0%
Information Technology	12,0%
Industrials	12,7%
Materials	3,8%
Communication Services	4,1%
Utilities	2,1%
Real Estate	6,5%

## Geographical Allocation

	Index
France	43,9%
Germany	7,1%
Spain	4,3%
Netherlands	14,8%
Italy	7,5%
Belgium	2,6%
Ireland	5,3%
Luxembourg	9,5%
Finland	0,0%
Other	3,0%

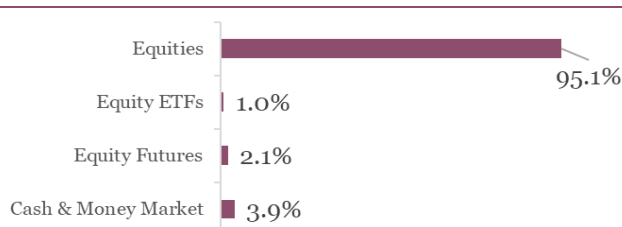
## Top 10 Positions

	Fund	Index
TOTAL SA	4,1%	2,8%
SAFRAN SA	3,9%	1,2%
AIRBUS GROUP NV	3,6%	1,7%
KERRY GROUP PLC	3,5%	0,4%
SAP AG	3,4%	2,9%
LVMH	3,2%	2,3%
GRIFOLS SA	3,1%	0,0%
L'OREAL	3,1%	1,5%
ASML HOLDING NV	3,1%	2,3%
ALTICE NV -A	2,9%	0,1%

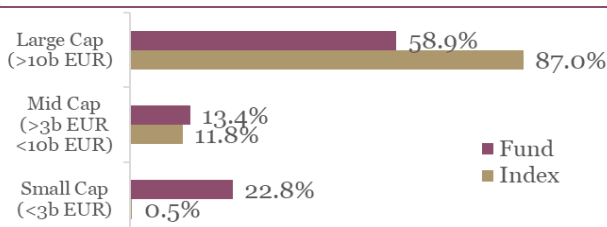
## Top 10 overweight

	Fund	Index
KERRY GROUP PLC	3,5%	0,4%
GRIFOLS SA	3,1%	0,0%
AUTOGRILL SPA	2,8%	0,0%
ALTICE NV -A	2,9%	0,1%
SAFRAN SA	3,9%	1,2%
SARAS SPA	2,8%	0,0%
BASIC FIT NV	2,7%	0,0%
EUROFINS SCIENTIFIC	2,8%	0,1%
GRAND CITY PROPERTIES	2,5%	0,0%
SOLUTIONS 30	2,3%	0,0%

## Asset Allocation



## Capitalization breakdown



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