PHILEAS EQUITY EUROPE - I share

30 April 2021

The investment objective of the PHILEAS EQUITY EUROPE is to outperform, on an equity horizon, its benchmark, the MSCI Europe net return index. The fund invests in European Union equities through discretionary stock picking.

ISIN: FR0012749927
Launch date: 15 October 2015
Structure: «European Union equities» fund - French FCP
Management team: Ludovic LABAL / Cyril BERTRAND
Benchmark: MSCI Europe NR

Custodian: CACEIS BANK
Administrator: CACEIS FA
Auditor: MAZARS
Fund dealing: daily
Eligible for French equity savings plan: yes

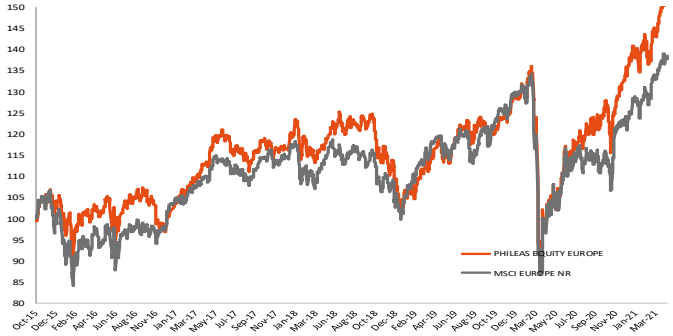
NAV: 151.87€
AUM: 9.22 M€
Management fees: 1.20% incl.taxes
Performance fees: 15% incl.taxes above MSCI Europe NR
Currency: EURO

Performance review

In April, PHILEAS EQUITY EUROPE rose by 3.84% as its benchmark, MSCI Europe net return, rose by 2.06%.

- In Consumer Discretionary, the portfolio performed well thanks to earnings releases that generally beat expectations. LVMH, Brunello Cuccinelli, and Accel contributed most to performance. We took profits on our Brunello position following a 15% rebound.
- In Media, the bulk of the performance came from S4 Capital, a company set up in 2016 by former WPP CEO, Martin Sorrell. This digital advertising start-up now has a market value in excess of £3 billion and is posting organic growth levels of more than 20%, compared with 2–3% for mainstream agencies. Given S4's positioning in growth segments such as digital advertising and marketing services, its expansion prospects look good. External growth is also driving value creation: by adding the founders of acquired companies to S4's shareholder register, it is attracting the best entrepreneurs in the sector at reasonable prices, proving the strength of an effective partnership.
- In Infrastructure, Vinci remains our strongest conviction. Its acquisition of ACS's Industrial Services division opens up significant investment opportunities in renewable energy. We believe the market is underestimating the potential for value creation in this new business segment for the group (see February's newsletter).
- In Services/IT, Amadeus slipped for no particular reason. We continue to hold the stock, which will automatically benefit from any easing in lockdown arrangements and pick-up in air traffic. Although the timing of 'back to normal' remains uncertain, we believe that Amadeus is currently trading at attractive levels.

Performance since inception



Performance (%)

	YTD	1 month	1 year	3 years	Annualized performance*
PHILEAS EQUITY EUROPE	10.56%	3.84%	43.50%	28.69%	7.82%
MSCI EUROPE NR	10.59%	2.06%	30.15%	20.39%	5.95%

** I share launched as of 10/15/2015*

Top holdings

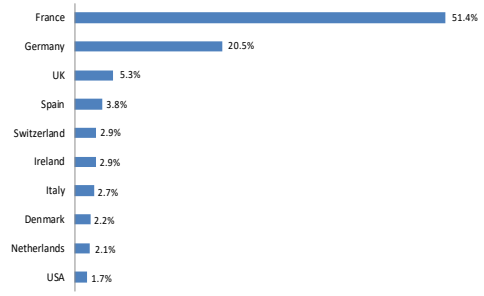
Holdings	%
LVMH	4.2%
Brenntag	4.2%
Saint-Gobain	4.1%
Kion	4.1%
Alten	4.0%
Number of holdings	33
Investment rate	95.55%

Risk indicators - 1-year data

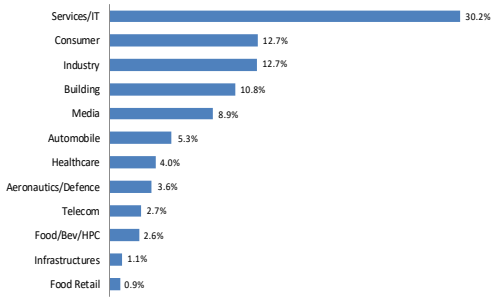
Volatility of the fund	17.35%
Volatility of the benchmark	17.13%
Tracking error	8.45%
Beta	0.87
Information ratio	1.13
Sharpe ratio	2.66

Source : Bloomberg

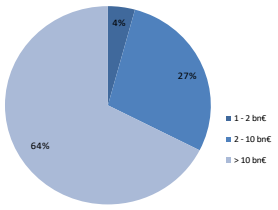
Portfolio exposure by country



Portfolio exposure by sector



Portfolio exposure by market cap



Source: Phileas Asset Management, unless otherwise noted

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