

The investment objective of the PHILEAS L/S EUROPE Fund is to generate absolute performance, over the recommended 2-years investment horizon, decorrelated from equity markets (Stoxx 600 index), with lower volatility. The Fund invests in long and short equity positions, through discretionary stock picking mainly in Europe.

ISIN: FR0011023910  
Launch date: 11 April 2011  
Structure: UCITS V - French FCP  
Management team: Ludovic LABAL / Cyril BERTRAND  
Benchmark: ESTR

Custodian: CACEIS BANK  
Administrator: CACEIS FA  
Auditor: MAZARS  
Fund dealing: daily  
Dividend policy: accumulation

NAV: 120.35€  
AUM: 103 M€  
Management fees: 1.20% incl. taxes  
Performance fees: 20% incl. taxes above ESTR + 100 bps  
Currency: EURO

### Performance review

In September, PHILEAS L/S EUROPE rose by 0.80%, recording 2.94% losses on the long portfolio and 3.74% gains on the short portfolio in a market down 6.56% (Stoxx 600).

In the Automotive sector (+28 bps), Michelin held up well in the market downturn, while our hedges on equipment manufacturers such as Valeo, Continental and Plastic Omnium underperformed.

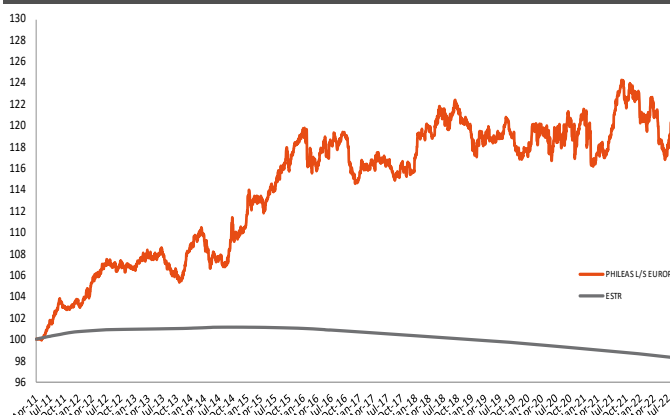
In Media (+17 bps), Stroeer outperformed our shorts on European TVs (Prosieben, Mediaset). In the current context, Stroeer seems better positioned than TVs to resist the digital disruption of streaming platforms. The arrival of Netflix in the advertising market by the end of the year is an additional threat.

In Consumer (+17 bps), LVMH and EssilorLuxottica outperformed, while Puma underperformed. Our hedges in the textile retailing segment performed well. The apparel segment is suffering from pressure on real consumer incomes and the difficulty of passing on cost increases (dollar, freight, energy). We sold our position in Nike on the back of a mixed release. While demand remains good, the unusually high level of inventories in the US is a disappointment and makes us cautious about the company's gross margin dynamics for the coming quarters. The luxury sector seems to be spared for the moment thanks to a more resilient customer base in this kind of environment and the support of a strong dollar. However, we will have to remain vigilant about possible negative wealth effects in the months to come.

In Infrastructure (+16bps), Vinci performed better than our hedges in residential and commercial property.

In Industry (+8bps), stocks exposed to the energy transition theme performed well. Companies like Schneider and Nexans are just beginning to benefit from the megatrend of energy infrastructure electrification. We believe that this investment cycle will last at least ten years and that the market does not yet fully appreciate the future dynamics of these companies.

### Performance since inception



Source: Phileas Asset Management

### Performance (%)

	YTD	1 month	1 year	3 years	Annualized
PHILEAS L/S EUROPE	-2.27%	0.80%	-1.99%	1.00%	1.62%
ESTR	-0.31%	-0.02%	-0.43%	-1.36%	-0.14%

\* I share launched as of 04/11/2011

### Risk indicators - 1-year data

	Beta	Volatility	Sharpe ratio	Maximum drawdown	Calmar ratio *
PHILEAS L/S EUROPE	0.04	4.23%	-0.39	-5.77%	-0.10

\* Calmar ratio computed over the last 3 years

Source: Bloomberg

### Historical monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011				+0.01%	+0.32%	+0.83%	+0.72%	+1.07%	+0.09%	-0.27%	+0.41%	+0.50%	+3.73%
2012	-0.47%	+0.72%	+0.95%	+0.73%	+0.68%	+0.46%	+0.15%	+0.04%	-0.33%	+0.07%	+0.12%	-0.39%	+2.75%
2013	+0.58%	+0.17%	+0.58%	-0.48%	+0.16%	+0.71%	-1.22%	-0.53%	-0.35%	-0.55%	+0.85%	+1.79%	+1.67%
2014	+1.16%	+0.09%	-0.01%	-1.24%	-0.47%	-0.40%	-0.18%	-0.13%	+2.29%	+0.47%	+0.22%	+0.23%	+2.01%
2015	+2.21%	+0.38%	-0.16%	-0.98%	+1.43%	+0.23%	+1.46%	+0.37%	+0.90%	+0.17%	+0.97%	+0.52%	+7.78%
2016	-0.17%	-1.35%	-0.81%	+0.95%	+1.01%	-0.16%	+0.73%	-0.77%	+0.73%	-0.99%	-2.26%	-0.53%	-3.65%
2017	+1.36%	-0.13%	+0.24%	+0.33%	-0.23%	-0.24%	-0.08%	-0.96%	+0.38%	+0.48%	+0.36%	-0.56%	+0.92%
2018	+2.92%	-0.03%	+0.62%	-0.89%	+1.73%	+0.37%	-0.55%	+0.33%	+0.77%	-1.02%	+0.01%	-0.53%	+3.74%
2019	-2.08%	+1.11%	-0.52%	+1.11%	-0.62%	+0.49%	-0.35%	+1.25%	-1.19%	-1.23%	-0.21%	+0.22%	-2.07%
2020	+0.56%	+1.54%	-0.68%	-0.29%	-0.25%	+0.52%	+0.52%	-0.70%	+1.62%	+1.48%	-0.05%	+1.45%	+2.74%
2021	-2.18%	-1.58%	+0.79%	+0.73%	-0.55%	+1.15%	+2.23%	+1.55%	-0.51%	+0.52%	-0.09%	-0.13%	+1.83%
2022	-1.64%	-0.03%	+0.66%	-0.28%	-2.56%	-0.86%	2.52%	-0.80%	+0.80%				-2.27%

### Portfolio exposure

Gross exposure	116.3%
Net exposure	2.6%
Net beta-adjusted exposure	4.4%

Source: Phileas Asset Management, unless otherwise noted

### Portfolio exposure by instrument

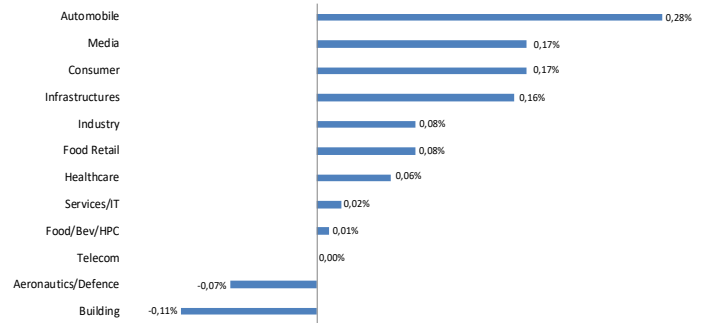
Long equity	58.7%	33
Short equity	51.4%	86
Short indices	-4.7%	3

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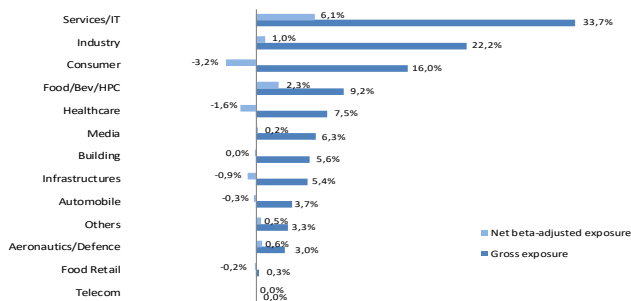
**Top holdings**

Long	%	Short	%
LVMH	3.1%	Consommation Allemagne	1.0%
SCHNEIDER ELECTRIC	2.9%	Services/IT Allemagne	0.9%
CAPGEMINI	2.6%	Consommation Suède	0.9%
AIR LIQUIDE	2.6%	Consommation Allemagne	0.8%
SPIE	2.5%	Construction Allemagne	0.8%

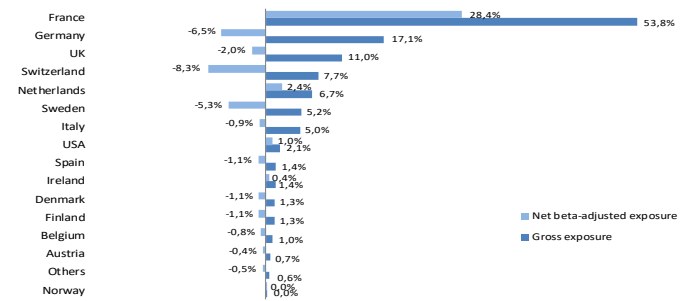
**Gross performance contributors by sector - 1 month**



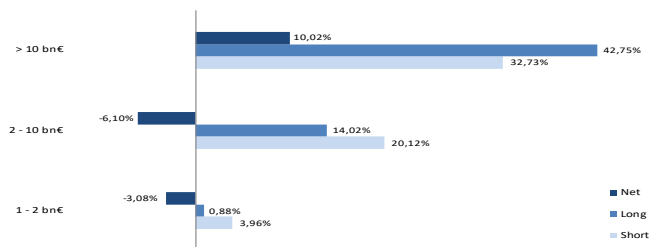
**Portfolio exposure by sector**



**Portfolio exposure by country**



**Portfolio exposure by market cap**



**Performance analysis**

Number of positive months	77
Number of negative months	61
% positive months	55%
Best month	+2.92%
Worst month	-2.56%

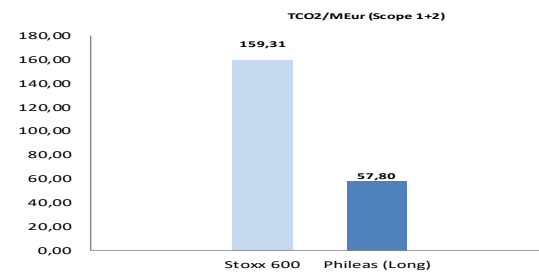
**ESG notation - Net exposure**

	-2	-1	0	+1	+2
Decarbonization	0.0%	0.0%	-8.5%	6.6%	5.1%
Human Capital	0.0%	-4.8%	8.0%	0.0%	0.0%
Governance	-1.3%	-1.4%	2.4%	0.9%	2.5%

**Style Factors - Net exposure**

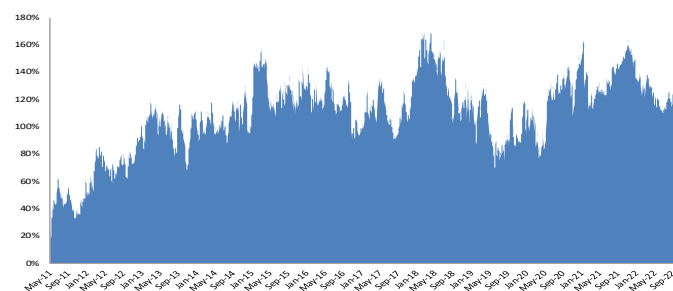
Quality	3.4%
Value	3.8%
N/A	-4.0%

**Carbon Intensity**

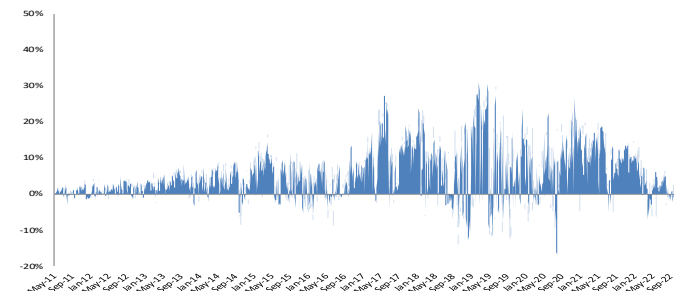


Source: Trucost

**Gross exposure**



**Net beta-adjusted exposure**



Source: Phileas Asset Management, unless otherwise noted

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