

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: 140.87€

AUM: 7.61 M€

Management fees: 1.20% incl.taxes

Performance fees: 15% incl.taxes above MSCI Europe NR

Currency: EURO

Performance review

In October, PHILEAS EQUITY EUROPE progressed by 4.06% against a rise of 6.22% for its reference index, the MSCI Europe dividends reinvested.

In Food Beverages HPC, our positioning on spirits and beer did not work well. Heineken volumes were not as resilient as expected. We sold this position and replaced it with Symrise, whose business should suffer less from price elasticity. Pernod declined despite a reassuring publication. This consolidation does not call into question our positive scenario for the stock.

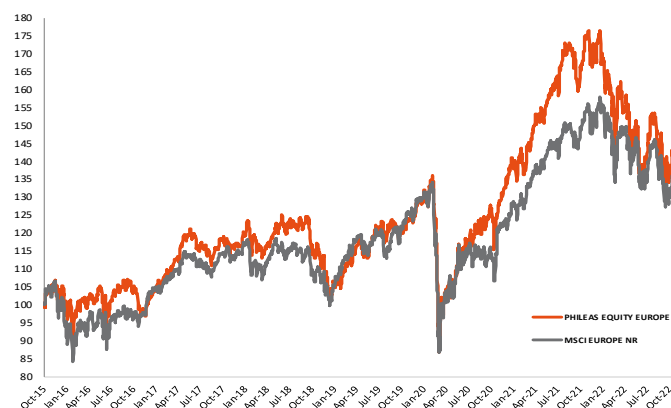
In IT Services, the IT services segment reported good levels of activity, above analysts' expectations. However, Alten, Capgemini and Sopra underperformed the market, reflecting the market's already rather optimistic short-term positioning. We remain confident in the dynamism of these companies in an environment where digital transformation remains a priority for their clients.

In Consumer, LVMH rebounded timidly in the wake of a good quarterly publication.

In Media, Publicis was the best performer in the portfolio over the month. The repositioning carried out a few years ago on digital marketing is bearing fruit. It is reflected in the company's outperformance against its main competitors such as WPP. We believe that this trend should continue in the coming quarters and remain confident in the potential of this position given its still reasonable valuation.

In the automotive sector, we exited Michelin to build a position in Porsche. Positioned in the most attractive segment of the market, Porsche has good growth options (expansion of the addressable market through electrification, enrichment of the product mix) and solid profitability (strong pricing power, economies of scale with Volkswagen). If the group lacks real comparables, these qualities still seem to us to be modestly valued in absolute terms.

Performance since inception



Performance (%)

	YTD	1 month	1 year	3 years	Annualized performance*
PHILEAS EQUITY EUROPE	-19.61%	4.06%	-17.48%	16.39%	5.04%
MSCI EUROPE NR	-12.24%	6.22%	-9.70%	11.27%	4.60%

* I share launched as of 10/15/2015

Top holdings

Holdings	%
CAP GEMINI	5.13%
SPIE	4.82%
PUBLICIS	4.45%
LVMH	4.42%
SOPRA STERIA	4.24%
Number of holdings	32
Investment rate	94.26%

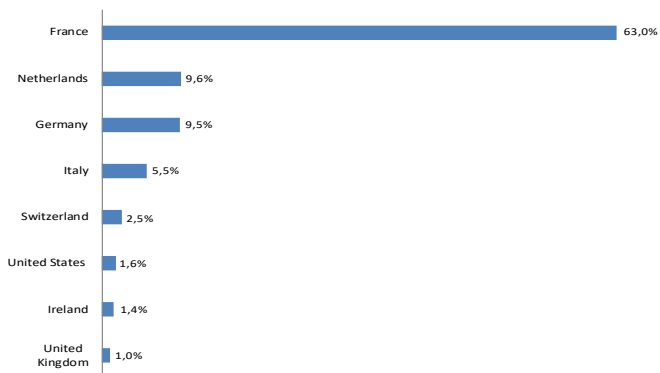
Risk indicators - 1-year data

Volatility of the fund	21.90%
Volatility of the benchmark	18.85%
Tracking error	8.26%
Beta	1.07
Information ratio	-0.73
Sharpe ratio	-0.70

Source : Bloomberg

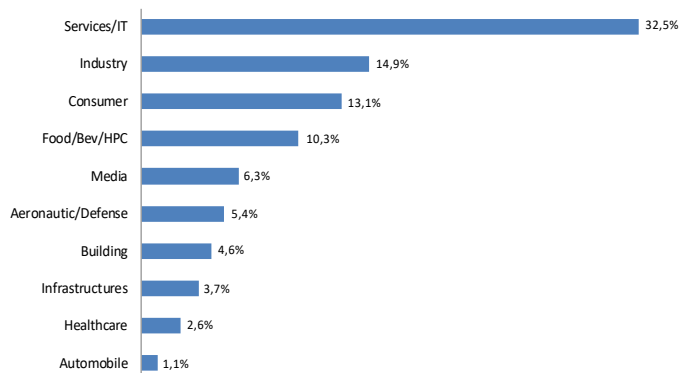
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Portfolio exposure by country



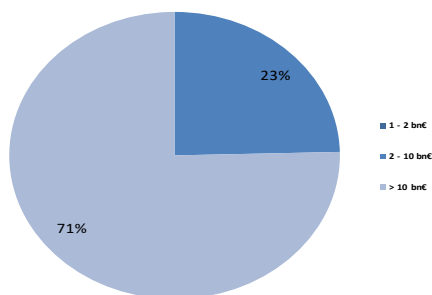
Source : Phileas

Portfolio exposure by sector



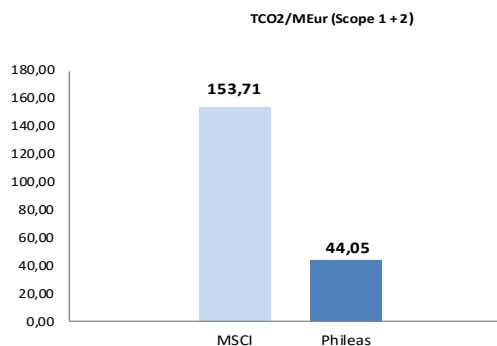
Source : Phileas

Portfolio exposure by market cap



Source : Bloomberg

Carbon intensity



Source : Trucost

ESG notation—Net exposure

	-2	-1	0	+1	+2
Decarbonization	0.0%	3.7%	65.1%	15.0%	8.4%
Human Capital	0.0%	0.0%	70.0%	20.3%	1.9%
Governance	1.1%	10.0%	68.7%	8.6%	3.8%

Source : Phileas

Style factors - Net exposure

Quality	51.3%
Value	27.0%
N/A	15.9%

Source : Phileas