

## Fund Fact Sheet

29/12/2023

### Asset Class

Global Equities

### Fund Characteristics

AUM	€ 287,9 mn
Launch date	11/03/2000
Oldest share class (B)	LU0117287580
Turnover (2023) <sup>1</sup>	24%
Reference currency	EUR
Legal structure	SICAV, UCITS
Domicile	Luxembourg
European passport	Yes
Countries of registration	AT, BE, CH, DE, DK, ES, FI, FR, GB, IT, LU, NL, NO, SE, SG, PT

### Fund Manager

Maxime Hoss joined BLI - Banque de Luxembourg Investments in February 2013 as a fund analyst. Since January 2022, Maxime manages the BL Global Equities fund. Following nearly 2 years auditing investment funds with KPMG, Maxime spent over 5 years in the BCEE asset management company managing equity funds and funds of funds. He holds a master's degree in International Finance and Economic Development from the University of Kent at Canterbury.

### Management Company

BLI - Banque de Luxembourg Investments  
16, boulevard Royal  
L-2449 Luxembourg  
Tel: (+352) 26 26 99 - 1  
www.bli.lu

### Dealing & Administrator Details

UI efa S.A.	
Tel	+352 48 48 80 582
Fax	+352 48 65 61 8002
Dealing frequency	daily <sup>2</sup>
Cut-off time	17:00 CET
Front-load fee	max. 5%
Redemption fee	none
NAV calculation	daily <sup>2</sup>
NAV publication	www.fundinfo.com

### Investment policy

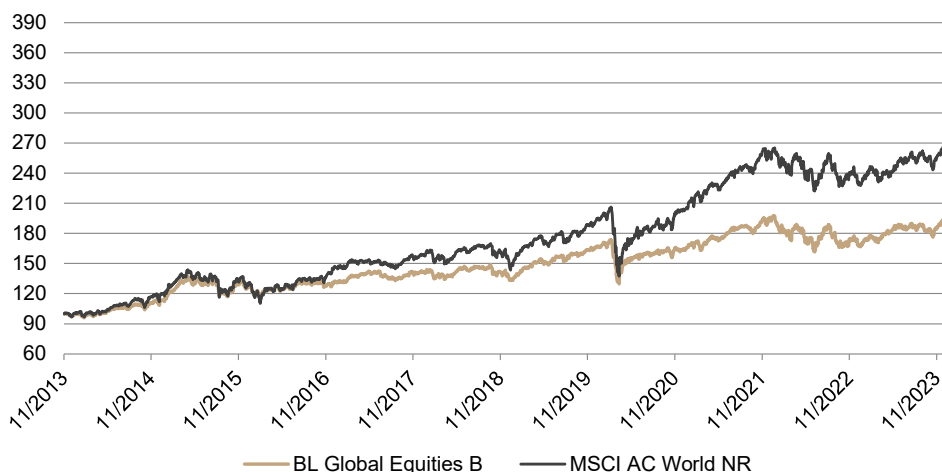
The fund's objective is to generate long-term capital gains by investing in high-quality companies listed on equity markets anywhere in the world that have a solid sustainable competitive advantage. It aims to generate higher risk-adjusted returns than its benchmark universe over a full market cycle.

A minimum of 30% of the fund's assets will be invested in sustainable assets.

The fund manager implements an active, long-term strategy based on solid convictions.

### Key features

- An active, fundamental, conviction-based and purely bottom-up approach, oriented towards the long term;
- Constant attention is paid to the quality of the fundamentals and the valuation of the companies included in the portfolio;
- Integration of ESG factors at different stages of the investment process (exclusions, analysis, valuation, monitoring of controversies, voting policy and engagement);
- Non-benchmarked management resulting in significant deviations from the initial investment universe;
- Low turnover.



Performance	2023	2022	2021	2020	2019
Fund (B shares)	17,9%	-15,0%	18,4%	0,1%	23,2%
MSCI AC World NR	18,1%	-13,0%	27,5%	6,7%	28,9%

Performance	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Fund (B shares)	3,8%	8,0%	5,4%	17,9%	18,7%	46,4%	97,9%
MSCI AC World NR	3,5%	6,4%	5,9%	18,1%	31,0%	80,1%	167,4%

Volatility	3 months	6 months	1 year	3 years	5 years	10 years
Fund (B shares)	11,6%	11,1%	10,0%	12,7%	13,1%	12,2%
MSCI AC World NR	12,7%	11,9%	11,0%	13,2%	15,9%	15,2%

The index (MSCI World AC) is shown in the performance chart as well as in the performance tables above for performance measurement purposes only and it should under no circumstances be considered as an indication of a specific investment style or strategy.

Investors are also invited to consult the performance chart disclosed in the key investor information document of the sub-fund.

<sup>1</sup> min (purchases, sales) / average of net assets

<sup>2</sup> Luxembourg banking business day

## Current Portfolio

29/12/2023

### Top Holdings Equity Portfolio

MasterCard	4,2%
Microsoft	4,1%
Rollins	2,9%
Roche Holding	2,8%
Resmed	2,7%
Reckitt Benckiser	2,6%
Alphabet	2,5%
TSMC	2,5%
Givaudan	2,4%
Amazon.com	2,4%

<b>Cash</b>	<b>8,4%</b>
<b>Weight of Top 10</b>	<b>29,1%</b>
<b>Number of holdings</b>	<b>48</b>

### New Investments in December

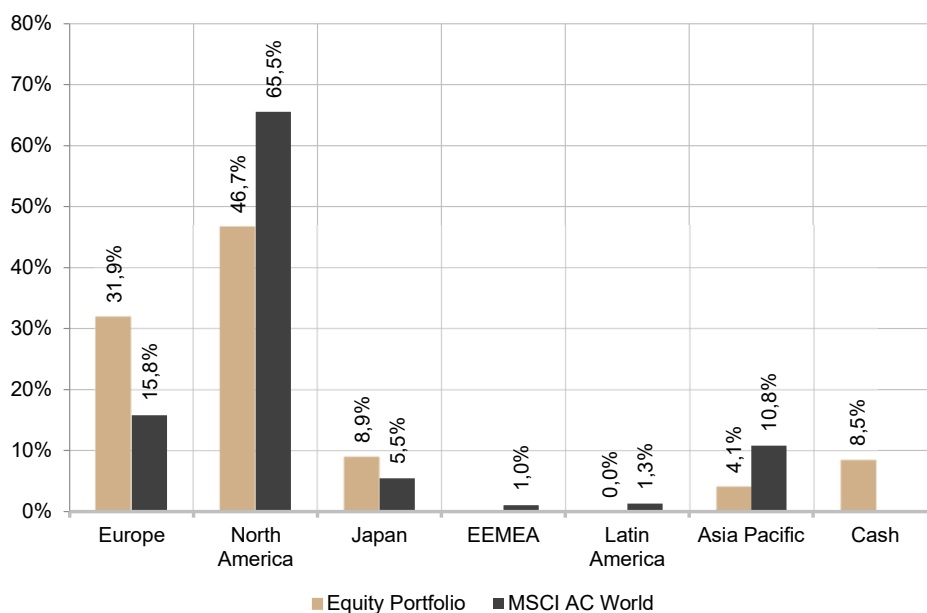
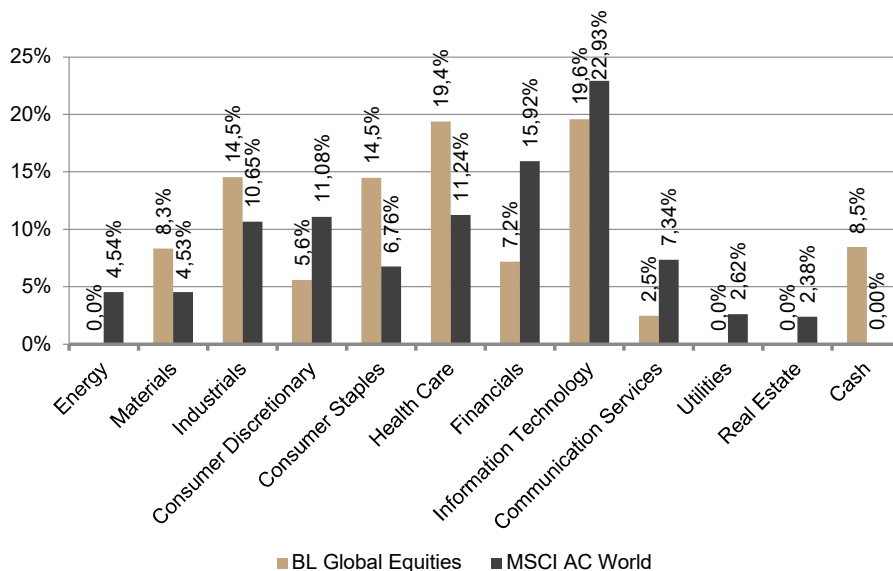
no transactions

### Investments sold in December

no transactions

### Currency Allocation

USD	50,5%
JPY	12,4%
EUR	12,0%
CHF	10,1%
DKK	7,3%
GBP	4,4%
SEK	1,7%
SGD	1,6%
BRL	0,0%



Investor Type	Clean Share	Eligibility Restrictions	Share Class	Currency	Income	Mgmt Fees	On-going Charges	SRI	ISIN	Bloomberg
Retail	No	No	A	EUR	Dis	1,25%	1,43%	4	LU0439764787	BLGLBEA LX
Retail	No	No	B	EUR	Cap	1,25%	1,44%	4	LU0117287580	BLGLBEQ LX
Retail	Yes	Yes	AM	EUR	Dis	0,85%	1,04%	4	LU1484140683	BLGLEAM LX
Retail	Yes	Yes	BM	EUR	Cap	0,85%	1,04%	4	LU1484140766	BLGLEBM LX
Institutional	No	Yes	BI	EUR	Cap	0,60%	0,75%	4	LU0439765164	BLGLBEI LX

## Management Report

29/12/2023

The mainstay of the Federal Reserve's policy – reinforcing hopes of monetary easing in 2024 without the onset of a recession – enabled equity markets to continue their rebound after the sharp rise already recorded in November. Thanks to a euphoric year-end, many stock market indices came close to, or even surpassed, their previous records set around two years ago. The MSCI All Country World Index Net Total Return expressed in euros hit a new high after gaining 3.5% in December and 18.1% over full-year 2023. From a geographical perspective, the S&P 500 in the United States rose by 4.4% (in USD) in December, narrowly missing its record level from early 2022. The Stoxx 600 in Europe rose by 3.8% (in EUR) and the MSCI Emerging Markets index by 3.7% (in USD). Penalised by the yen's rebound, the Topix in Japan was the lone faller, down 0.4% (in JPY). In terms of sectors, real estate, industrials and materials benefited most from the prospect of lower interest rates, while the majority of energy, consumer staples and utilities stocks barely participated in the share price rises.

The NAV of BL Global Equities (retail accumulation B share in EUR) increased by 3.8% in December. The fund thus outperformed the MSCI All Country World equity index (+3.5%).

The fund benefited from a general rebound in the smallest market capitalisations in December, which had lagged significantly since the start of the year. US mid-caps Ansys (+23.7%), Idexx Labs (+19.2%), Waters (+17.3%) and Aspen Technology (+16.9%) outperformed significantly over the month. Ansys was buoyed by news that it is in takeover talks with several interested buyers.

On the negative side, defensive consumer and health stocks such as Coloplast (-2.5%), Reckitt Benckiser (+0.4%) and PepsiCo (+0.9%) were among the worst performers over the month, as were Swiss stocks SGS (-2.4%) and Nestlé (-1.9%), penalised by the Swiss franc's near 2.5% appreciation against the euro. Notably, some major technology stocks such as Microsoft (-0.8%) and Adobe (-2.4%) were not among the positive contributors to performance.

The fund ended the year with a gain of 17.9%, virtually matching the performance of the MSCI All Country World equity index (+18.1%).

## Investment Approach

### Investment Principles

#### **Limit losses:**

The value of an investment that has lost 50% must double to recover incurred losses.

> *Avoiding losses is more important than realising extraordinary gains.*

#### **Master investment risks:**

Risks arise when the parameters of the investment are not properly understood.

> *We avoid investing in assets we do not fully understand.*

#### **Valuation / margin of safety:**

The price paid determines the return.

> *The objective is to invest with a safety margin to increase the potential return and limit the risk of loss.*

#### **Consideration of an entire business cycle:**

Foregoing part of potential gains in strongly rising markets pays dividends in falling markets.

> *Our objective is to outperform the relevant market indices over an entire business cycle by limiting the drawdown in challenging markets.*

#### **Active management:**

The market reference is solely used for performance measurement principles.

> *Owing to the active investment approach of our portfolio management, the portfolio structure may deviate strongly from that of market indices.*

### Equity investment approach: “Business-Like Investing” approach

We consider an equity investment as a long-term participation in a quality business. As a consequence, we need to make sure that the businesses we invest in are able to compete successfully within their line of business and remain profitable for the years to come.

#### **Quality**

In the first step of our investment process, we perform an in-depth review of the targeted company's business model in order to identify its sustainable competitive advantage. A competitive advantage differentiates the company from its competitors and creates barriers to entry, adding value for its investors.

In the second step we analyse whether the competitive advantage translates into recurrent free cash-flow. We put a special emphasis on the analysis of the maintenance capex requirements of the targeted companies to make sure that the generated cash-flow is not absorbed by investment needs to sustain the company's current business operations.

In the third step, we analyse how the targeted company uses its capital. The company's management faces the following options: investment in current business activities, development of new activities, takeovers, dividend payments, stock buybacks or debt repayments.

Only companies that comply with our bottom-up quality criteria are considered for inclusion into our portfolios, which may lead to significant deviations from the relevant market indices.

#### **Valuation**

Even investments in quality companies may result in significant capital losses if the price that was paid for the investment proves too high. To avoid this pitfall, we determine a fair value for each targeted company prior to investing. This fair value is based on the company's normalised free cash flow and serves as reference point for our buy and sell discipline.

#### **Portfolio structure**

BL-Global Equities has a diversified portfolio of around 150 companies. The default regional weighting of equities (35% for Europe, 40% for the United States, 10% for Japan, 11.5% for Asia excluding Japan and 3.5% for Latin America) is adjusted according to valuation levels and the manager's opinion on the relative attractiveness of each region. Given the diversified nature of the portfolio and the importance placed on the analysis of competitive advantage and valuation, the specific risk related to an unfavourable movement in an individual stock is contained.

## Legal Information

This document is issued by BLI - Banque de Luxembourg Investments ("BLI"). It refers directly or indirectly to one or more financial products (the "Financial Product") and constitutes a marketing communication within the meaning of Regulation (EU) 2019/1156 of 20 June 2019 on facilitating cross-border distribution of collective investment undertakings. Economic and financial information contained in this publication is provided for information purposes only based on information known at the date of publication. This information does not constitute investment advice, an investment recommendation or a solicitation to invest and should not be understood as legal or tax advice. No warranty is given as to the accuracy, reliability, timeliness or completeness of this information.

BLI draws the attention of any recipient of this document on the need to use with the utmost caution all information relating to a Financial Product, in particular that relating to the performance of such Financial Product:

- ☐ Where applicable, any scenarios relating to future performance in this document are an estimate of such future performance based on evidence from the past on how the value of this Financial Product varies and/or current market conditions. They are not an exact indicator and what you will get will vary depending on how the market performs and how long you keep the Financial Product.
- ☐ Conversely, the past performance of the Financial Product does not predict its future returns.

In general, BLI does not assume any responsibility for the future performance of these Financial Products and will not be liable for any decision that an investor may make based on this information. Interested persons should ensure that they understand all the risks inherent in their investment decisions and should refrain from investing until they have carefully assessed, in collaboration with their own advisors, the suitability of their investments to their specific financial situation, in particular with regard to legal, tax and accounting aspects.

They must, moreover, consider all the characteristics and objectives of the Financial Product, in particular where it refers to sustainability aspects in accordance with Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

Subscriptions in a Financial Product are only permitted on the basis of its current prospectus, Key Information Document (KID) and the latest annual or semi-annual report (the "Documents"). The Documents are available free of charge at BLI's registered office at regular business hours. All the Documents, including the sustainability information and the summary of investor's rights, are available on BLI's website at [www.bli.lu](http://www.bli.lu)

Any reproduction of this document is subject to the prior written consent of BLI.

### Specific Information concerning MSCI Data:

All MSCI data is provided "as is". Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the result to be obtained by the use thereof) and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

### Specific Information concerning GICS Data:

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard and Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed to use by Banque de Luxembourg S.A.. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if noticed of the possibility of such damages.

### Specific Information for Switzerland:

Legal documentation of the fund may be obtained, free of charge, at the offices of the Swiss representative, CACEIS (Switzerland) S.A., 7-9, Chemin de Précossy, CH-1260 Nyon, Switzerland, in accordance with the provisions of the Swiss Collective Investment Schemes Act of 23 June 2006 ("CISA").

The SICAV has appointed Banque CIC (Suisse) SA, Marktplatz 13, CH-4001 Bâle, Switzerland to act as paying agent for Switzerland.

The present document may be distributed to Swiss qualified investors.

### Specific Information for France:

The present document may be distributed to French professional investors.