

## BL-EQUITIES EUROPE

July 2016

### Management Report

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Continuing the rebound that had started at the end of June, the European markets gained 3.73% in July. BL-Equities Europe posted a 3.28% rise over the month. Although the fund was absent from the sectors driving the rally, it did well thanks to good results from the companies held in the portfolio, with SAP, Sage, Wirecard, LVMH, Croda and Assa Abloy posting especially good performance in a difficult environment. Generally speaking, the good quality of the companies in the portfolio and the resilience of their business models gives us confidence in the current market conditions.

Few changes were made to the portfolio during the month. We strengthened our investments in Danone and Pernod Ricard. This was financed by the sale of our position in SKF. The Swedish manufacturer of ball bearings continues to be hampered by the weak economic environment and structural constraints, leading us to reconsider the organic growth potential and return on equity that the group might be able to generate.

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### Current Portfolio

#### New Holdings

New Holdings	Additions to investments
no transactions	Danone
	Smith + Nephew
	Unilever
	Pernod Ricard
	Norma Group Se
	Wirecard

#### Investments sold

Investments sold	Investments reduced
SKF	Linde
	LVMH
	Dufry
	Spectris

#### Sector Allocation

Energy	0,0%
Materials	15,5%
Industrials	17,3%
Consumer Discretionary	13,1%
Consumer Staples	15,9%
Health Care	15,6%
Financials	0,0%
Information Technology	15,5%
Telecommunication Services	0,0%
Utilities	0,0%
Cash	7,1%

#### Market Capitalizations

Large Caps	(> EUR 10 billion)	59,7%
Medium Caps	(EUR 1-10 billion)	33,2%
Small Caps	(< EUR 1 billion)	0,0%

#### Top Holdings

SAP	4,3%
Roche Holding	4,2%
DCC	3,6%
Novo Nordisk	3,6%
Syngenta	3,5%
Dufry	3,4%
Grifols	3,3%
Wirecard	3,2%
Reckitt Benckiser	3,2%
Publicis	3,2%
Weight of Top 10	35,5%
Number of holdings	37

#### Geographic Allocation

United Kingdom	19,9%
Germany	16,0%
Switzerland	17,2%
France	16,9%
Netherlands	6,0%
Denmark	6,4%
Sweden	2,4%
Ireland	3,6%
Spain	3,3%
Cash	7,1%

#### Performance<sup>1</sup>

	Since 31/12/2015	2015	2014	2013	2012	2011
Fund (B shares)	-1,1%	10,7%	9,2%	17,0%	21,0%	-3,8%
MSCI Europe NR	-4,0%	8,2%	6,8%	19,8%	17,3%	-8,1%
Quartile	1	2	1	3	1	1

	1 month	3 months	6 months	1 year	3 years	5 years
Fund (B shares)	3,3%	3,3%	4,0%	-7,5%	27,5%	63,0%
MSCI Europe NR	3,5%	1,4%	2,4%	-11,4%	22,1%	45,8%
Quartile	3	1	1	1	1	1

#### General Information

Total Assets (EUR)	EUR 792,5 mn
Turnover 2015*	31%
TER 2014 (class B shares)	1,10%
ISIN Code (class B shares)	LU0093570330
ISIN Code (class I shares)	LU0439765321

\* min (purchases, sales) / average of net assets

#### Statistical Data<sup>1</sup>

	1 year	3 years
Correlation	0,74	0,64
Beta	0,44	0,37
Information ratio	0,02	0,74
Tracking Error*	20,04	19,78

\*annualized

<sup>1</sup> Source : Lipper