

BL-EQUITIES EUROPE

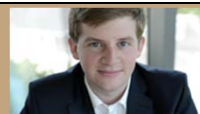
August 2016

Management Report

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In August, European stock markets continued the rally that had started in July. The Stoxx 600 TR index ended the month up 0.74%, with banking shares leading the field. The markets were buoyed by hopes of an interest rate rise in the United States. BL Equities Europe posted a gain of 0.35% over the month.

The portfolio was dented by the generally weak performance of pharmaceutical stocks. Notably this included Novo Nordisk's share price decline after a slight downward revision of its expected results for the year and for the medium term. Although price pressure on the American market, especially for basal insulin, cannot be offset in the short term, the group is generating very comfortable growth and we have confidence in Novo Nordisk's long-term prospects.

Meanwhile, Syngenta, Linde, Sika, Legrand and Henkel all bucked the trend. While the latter three were boosted by good results, Syngenta benefited from CFIUS clearance for its acquisition by ChemChina and Linde was buoyed by ongoing negotiations for a potential merger with Praxair.

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Current Portfolio

New Holdings

no transactions	no transactions

Investments sold

no transactions	no transactions

Additions to investments

no transactions	no transactions

Investments reduced

no transactions	no transactions

Top Holdings

SAP	4,3%
Roche Holding	4,0%
Syngenta	3,9%
DCC	3,6%
Dufry	3,5%
Wirecard	3,4%
Legrand	3,3%
Henkel	3,3%
Grifols	3,2%
Reckitt Benckiser	3,2%
Weight of Top 10	35,7%
Number of holdings	37

Sector Allocation

Energy	0,0%
Materials	16,3%
Industrials	17,4%
Consumer Discretionary	12,9%
Consumer Staples	16,0%
Health Care	14,5%
Financials	0,0%
Information Technology	15,9%
Telecommunication Services	0,0%
Utilities	0,0%
Real Estate	0,0%
Cash	7,1%

Geographic Allocation

United Kingdom	19,7%
Germany	16,7%
Switzerland	17,4%
France	17,1%
Netherlands	6,1%
Denmark	5,6%
Sweden	2,2%
Ireland	3,6%
Spain	3,2%
Cash	7,1%

Market Capitalizations

Large Caps (> EUR 10 billion)	59,3%
Medium Caps (EUR 1-10 billion)	33,7%
Small Caps (< EUR 1 billion)	0,0%

Performance¹

	Since 31/12/2015	2015	2014	2013	2012	2011
Fund (B shares)	-0,7%	10,7%	9,2%	17,0%	21,0%	-3,8%
MSCI Europe NR	-3,3%	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)	0,4%	0,9%	6,5%	1,2%	29,1%	83,0%
MSCI Europe NR	0,7%	-0,2%	5,4%	-2,6%	23,7%	63,5%
Quartile	3	1	1	1	1	1

General Information

Total Assets (EUR)	EUR 796,1 mn
Turnover 2015*	31%
TER 2015 (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 Data¹

	1 year	3 years
Correlation	0,97	0,96
Beta	0,76	0,84
Information ratio	0,48	0,28
Tracking Error*	6,89	5,51

*annualized

¹ Source : Lipper