

INVESTMENT STRATEGY



A EURO ZONE EQUITY FUND, all kind of stocks stype, all kind of capitalisations

ROCHE-BRUNE ZONE EURO ACTIONS is a pure stock picking fund with a portfolio of 50 to 65 European large and mid-cap stocks which benefit from profitable growth and an international presence.

Euro Zone
Equities

Target : to outperform the Euro Zone equity markets with a reduced volatility



ABOUT THE FUND

Fund managers : Bruno FINE & Grégoire LAVERNE

Net Asset Value per share (I): 1 530,42 EUR

1 month performance 1,29%

Total AUM (million €) 227

Benchmark : Euro STOXX Net Return

Holding duration : 5 - 7 years

Fund type : French FCP (Fonds Commun de Placement)

Changes in management process: No

Inception date: March 1, 2006

Inception date I share : February 26, 2014

End of fiscal year: last working day in June

NAV Frequency: Daily

Type of valuation: Closing price

Type : Capitalisation

Settlement and delivery: D + 2

Dealing deadline: D Day before 11am (Paris time)

Custodian: BNP Paribas Securities Services

Fund administrator: BNP Paribas Securities Services

ISIN Code I share : FR0011720960

Annual Management fee (I): 1,00% TTC

Performance fees 20% of the outperformance

Bloomberg code: RBEURSI FP



FUND MANAGER COMMENT

In a context of a soft environment in the beginning of the month during which the investors hold their breath with the political drama in Catalonia, the markets embarked on an uptrend at the end of the month, reassured by the ECB's speech. Indeed, the latter succeeded again in its balancing act by announcing the decrease of its asset-buying program, while lengthening the duration of its Quantitative Easing policy. By these messages, the central banker managed to convince the market its willingness to support sustainably the European economy.

Over the month, the fund Roche-Brune Zone Euro goes up by +1.29% but the Euro STOXX TR posts a much better performance with 2.32%. However, since the beginning of the year, the fund has performed by +17.51% generating a cumulated alpha of 153 bps and a 52 weeks volatility at 10.8%.

Further our monthly M.U.S.T.® committee, we sold our positions in Koenig & Bauer (GER, rotary presses producer) and Nordex (GER, wind turbines producer). On the opposite, we initiated new lines in A2A (ITA, utilities), Carrefour (FRA, wholesale retailer) and Evonik (GER, specialty chemicals)

Over the month, our sensitivity to the financial risk decreased sensitively to 6.8% through Banks and Insurances ETFs vs 7.7% previously.

The turnover rate of the portfolio, on a 12 months rolling basis, reached 105.5%. The weighted average capitalisation of the fund's companies equals to € 10Bn.

Our firm convictions for 63 stocks is well diversified in terms of risk, sector, management style and geographical exposure in Europe. We still favor companies with an international reach, a sustained cash flow and a good combination of attractiveness (13.5/20) and expected return. The companies selected need to be eligible to our non-financial criteria (SRI grade > C+). We reinforced our selection requirements through the distributive capacity of each stock chosen. As a result of our approach, the investment rate of Roche-Brune Zone Euro Actions is close to its maximum at 97.0%.

CUMULATED PERFORMANCE - I share

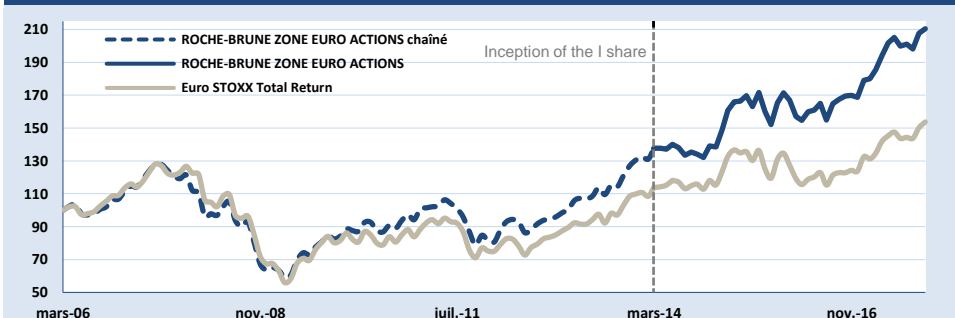
	Fund	Benchmark	Spread
YTD	17,51%	15,97%	1,53%
1 month	1,29%	2,32%	-1,04%
1 year	23,88%	23,71%	0,17%
3 years	59,32%	36,25%	23,06%
5 years*	119,36%	80,81%	38,55%
10 years*	73,31%	21,32%	51,99%
Origin*	110,46%	53,73%	56,74%

ANNUAL PERFORMANCE - I share

	Fund	Benchmark	Spread
2017	17,51%	15,97%	1,53%
2016	7,22%	4,15%	3,07%
2015	20,58%	10,33%	10,25%
2014*	4,61%	4,14%	0,47%
2013*	31,80%	23,74%	8,06%
2012*	24,69%	19,34%	5,36%
2011*	-20,01%	-15,22%	-4,80%

Source: Internal performance (net of fees). Inception of the I Share the 26th February of 2014. *Past performances and NAV prior the I share inception date have been chained with the ones of the oldest share (P) adjusted for the management fees of thi.s share

NAV EVOLUTION* (SINCE INCEPTION)



MONTHLY RETURN - I share

	January	February	March	April	May	June	July	August	September	October	November	December	Year
2017	0,54%	2,99%	4,76%	3,88%	1,71%	-2,63%	0,65%	-1,51%	4,88%	1,29%			17,51%
2016	-5,94%	-1,53%	3,43%	0,54%	2,57%	-6,13%	6,38%	1,64%	1,15%	0,28%	-0,65%	6,12%	7,22%
2015*	7,45%	7,92%	3,38%	0,22%	1,98%	-3,90%	5,20%	-6,66%	-5,00%	8,74%	3,63%	-2,58%	20,58%
2014*	-1,01%	5,05%	0,07%	-0,41%	2,00%	-1,27%	-3,47%	1,52%	-1,12%	-1,38%	5,32%	-0,43%	4,61%
2013*	5,44%	1,25%	-0,37%	1,64%	4,66%	-3,66%	5,15%	-0,73%	5,90%	4,91%	2,75%	1,47%	31,80%
2012*	9,11%	5,70%	1,58%	-1,53%	-7,17%	2,34%	3,76%	2,46%	0,69%	1,49%	2,57%	2,10%	24,69%

ROCHE-BRUNE ZONE EURO ACTIONS - October 2017



TOP TEN HOLDINGS				
Company	Country	Weight	Attractiveness	RMV
SALINI IMPREGILO SPA	Italie	2,72%	14,1	12,39%
IMERYSA	France	2,54%	11,7	9,65%
DEUTSCHE POST AG-REG	Germany	2,42%	14,9	7,50%
NEXANS SA	France	2,35%	12,5	11,52%
FAURECIA	Italy	2,29%	16,5	13,10%
THALES SA	France	2,26%	17,5	7,73%
CONTINENTAL AG	Allemagne	2,15%	12,9	10,94%
PRYSMIAN SPA	Spain	2,13%	13,5	8,95%
INGENICO GROUP	France	2,05%	11,8	8,55%
DANONE	Italy	1,98%	9,7	7,33%

MAIN MOVES DURING THE MONTH			
New	Strengthened	Reduced	Sold
A2A (ITA)	ENDESA (ESP)	ALTRAN (FRA)	KOENIG&BAUER (DEU)
CARREFOUR (FRA)	RTL GROUP (LUX)	DEUTSCHE POST (DEU)	NORDEX (DEU)
EVONIK (DEU)		FAURECIA (FRA)	
		MONCLER (ITA)	
		VEOLIA (FRA)	

BEST CONTRIBUTORS			October 2017
Company	Country	Performance	
REFRESCO	Netherlands	+16,5%	
CIE AUTOMOTIVE	Spain	+13,0%	
VILLEROY & BOCH	Germany	+12,6%	
CECONOMY	Germany	+12,4%	
NEXANS	France	+12,0%	

RISK INDICATORS (52 weeks) - I share	
Fund volatility	10,82%
Benchmark volatility	11,06%
Tracking Error	3,22%
Active Share	83,76%
Information ratio	0,10
Sharpe ratio	2,13
Bêta	0,94

WORST CONTRIBUTORS			October 2017
Company	Country	Performance	
DIA	Spain	-14,9%	
LISI	France	-11,1%	
IPSEN	France	-7,7%	
KRONES	Germany	-7,7%	
VALEO	France	-7,5%	

M.U.S.T.® INDICATORS	
Fund attractiveness	13,5/20
Return on Market Value (RMV)	9,02%
Government bonds 10 y yield	2,00%
Required RMV	6,21%
Risk premium	281 bp



SECTOR BREAKDOWN	Fund	Bench.
Consumer staples	21,0%	18,2%
Financials	7,0%	22,4%
Industry	31,6%	16,6%
Raw materials	10,1%	9,6%
Oil & Gas	0,0%	4,9%
Healthcare	3,0%	6,0%
Utilities	4,1%	5,6%
Consumer discretionary	16,8%	5,9%
Technology	6,4%	6,9%
Telecoms	0,0%	3,9%

COUNTRY BREAKDOWN	Fund	Bench.
Germany	17,0%	29,1%
Others	7,4%	6,8%
Austria	7,3%	0,8%
Belgium	5,4%	3,7%
Spain	7,1%	9,9%
Finland	1,3%	3,2%
France	37,1%	31,8%
Italy	13,0%	6,7%
Netherlands	4,4%	8,0%

BREAKDOWN BY MARKET CAP	
Higher than € 10 Bn	32,62%
From € 5 to 10 Bn	23,77%
From € 1 to 5 Bn	31,41%
Lower than € 1 Bn	12,20%

BREAKDOWN BY ASSET CLASS	
Equities	90,22%
ETF Equities	5,52%
Futures on equities	1,23%
Cash	4,26%

RELEVANT INFORMATION

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