

INVESTMENT STRATEGY

M.U.S.T.®

A EURO ZONE EQUITY FUND, blend style, all 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.

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

Euro Zone
Equities



ABOUT THE FUND

Fund managers : Bruno FINE & Grégoire LAVERNE

Net Asset Value per share (I): 1 385,50 EUR

1 month performance: -1,99%

Total AUM (million €): 124

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 fees (I): 0,85% TTC max

External administrative fees (I): 0,15% TTC max

Performance fees: 20% of the outperformance

Bloomberg code: RBEURSI FP

UCITS V: Yes

Performance engine: M.U.S.T.®

Risk and return profile:

1	2	3	4	5	6	7
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FUND MANAGER COMMENT

In September, it's the same song, but the difference is that the twists and turns are no longer just due to tensions between the United States and China. Brexit, Italy and the Central Banks are back in the spotlight. On the Brexit side, tensions are present and solutions are not apparent. However, the deadline for reaching an agreement is fast approaching and Theresa May is still under pressure. The verdict on the Italian budget fell at the end of September with a budget deficit target of 2.4% of GDP for the next three years, well above the recommendations of Finance Minister Giovanni Tria. This announcement brings back to the forefront concerns about debt sustainability with a crucial issue on Italy's rating by rating agencies. And finally, the Central Banks intervened to reassure about growth and inflation in both the United States and Europe.

On a sectoral basis, our **underweight exposure to the stocks of the financial sector (+1.4%) and the Oil & Gas sector (+5.7%)**, two sectors that performed very well over the month, contributed negatively to our performance. On the other hand, our **underweight exposure to technology stocks, which was down sharply (-3.1%)**, was favourable to us.

In terms of values, **Prysmian (-9.7%) and Kronos (-13.7%)** made a negative contribution to the fund's performance. Prysmian, an Italian cablemaker, has entered a declining phase following the release of its 2nd quarter figures. However, the results are better than expected and have been the subject of a reiteration of the 2018 objectives and reassuring news about the Western Link project. Uncertainties about the order book in submarine cables caused the price to fall. But at the beginning of October, new orders reassured the market and suggested that the end of the year would be in line with objectives.

On the side of positive contributors, **Total (+4.9%)** is supporting the rise in oil prices over the month with a favourable news flow: analyst recommendations, macroeconomic environment, completion of the acquisition of Direct Energie, major gas discovery off the United Kingdom...

Carrefour (+7.4%), the French superstore retailer is beginning to regain a certain credibility with analysts on the basis of the initiatives implemented this year to achieve the cost reduction objectives of the Carrefour 2022 plan.

CUMULATED PERFORMANCE - I share

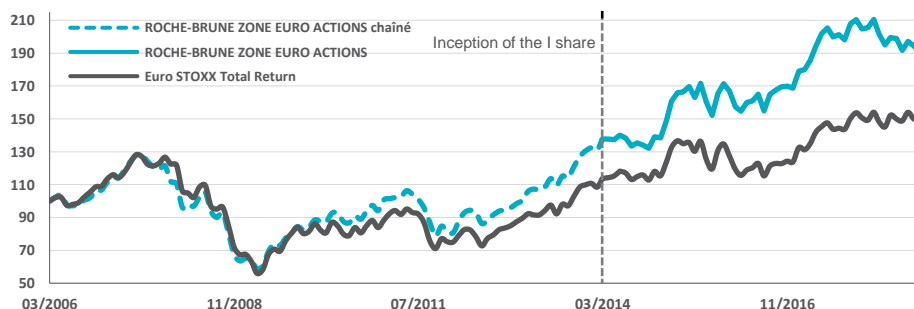
	Fund	Benchmark	Diff.
YTD	-7,27%	0,27%	-7,54%
1 month	-1,99%	-0,23%	-1,76%
1 year	-8,31%	-0,43%	-7,88%
3 years	25,21%	25,18%	0,03%
5 years*	57,37%	45,29%	12,08%
10 years*	136,09%	75,39%	60,71%
Origin*	90,53%	49,59%	40,94%

ANNUAL PERFORMANCE - I share

	Fund	Benchmark	Diff.
2018	-7,27%	0,27%	-7,54%
2017	14,72%	12,55%	2,17%
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%

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 this share

NAV EVOLUTION* (SINCE INCEPTION)



*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 this share

	January	February	March	April	May	June	July	August	September	October	November	December	Year
2018	2,47%	-4,14%	-3,37%	2,28%	-0,24%	-3,71%	2,90%	-1,41%	-1,99%				-7,27%
2017	0,54%	2,99%	4,76%	3,88%	1,71%	-2,63%	0,65%	-1,51%	4,88%	1,29%	-2,75%	0,39%	14,72%
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%

*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 this share

ROCHE-BRUNE ZONE EURO ACTIONS - September 2018



TOP TEN HOLDINGS

Company	Country	Weight	Attractiveness	RMV
ALTEN SA	France	2,83%	12,7	7,69%
VEOLIA ENVIRONNEMENT	France	2,80%	13,4	10,53%
PRYSMIAN SPA	Germany	2,62%	15,7	9,80%
TOTAL SA	France	2,59%	12,6	11,53%
BREMBO SPA	Italy	2,53%	14,9	9,47%
GRANDVISION NV- W/I	Pays-Bas	2,53%	13,1	7,84%
THALES SA	France	2,45%	18,6	5,20%
IMERYS SA	Spain	2,15%	10,2	10,36%
ANDRITZ AG	Autriche	2,11%	13,1	7,96%
BARCO N.V.	Italy	2,07%	13,7	5,62%

BEST CONTRIBUTORS

Company	Country	
CARREFOUR	France	+7,4%
ACERINOX	Spain	+6,4%
DEVOTEAM	France	+5,7%
TOTAL	France	+3,7%
IMERYS	France	+2,7%

WORST CONTRIBUTORS

Company	Country	
KRONES	Germany	-13,7%
SYNERGIE	France	-13,7%
AKWEL	France	-13,1%
ATRESMEDIA	Spain	-13,0%
TARKETT	France	-12,4%

SECTOR BREAKDOWN

	Fund	Bench.
Consumer staples	15,5%	17,9%
Financials	8,4%	20,7%
Industry	32,5%	16,2%
Raw materials	10,0%	7,9%
Oil & Gas	2,7%	6,3%
Healthcare	6,2%	8,6%
Utilities	7,9%	5,1%
Consumer discretionary	10,1%	5,5%
Technology	6,8%	8,7%
Telecoms	0,0%	3,2%

COUNTRY BREAKDOWN

	Fund	Bench.
Germany	17,2%	28,4%
Others	5,1%	6,3%
Austria	4,2%	0,8%
Belgium	6,0%	3,5%
Spain	5,6%	8,9%
Finland	4,0%	3,6%
France	38,4%	33,7%
Italy	14,0%	6,3%
Netherlands	5,5%	8,5%

BREAKDOWN BY MARKET CAP

Higher than € 10 Bn	27,9%
From € 5 to 10 Bn	23,2%
From € 1 to 5 Bn	36,7%
Lower than € 1 Bn	12,2%

BREAKDOWN BY ASSET CLASS

Equities	89,7%
ETF Equities	5,6%
Futures on equities	2,5%
Cash	4,7%

MAIN MOVES DURING THE MONTH

New	Strengthened	Reduced	Sold
COVESTRO (DEU)	-	DE LONGHI (ITA)	-
HENKEL (DEU)			

RISK INDICATORS (52 weeks) - I share

Fund volatility	11,76%
Benchmark volatility	12,47%
Tracking Error	5,18%
Active Share	83,08%
Information ratio	-1,52
Sharpe ratio	-0,68
Bêta	0,86

M.U.S.T.® INDICATORS

	M.U.S.T.®
Fund attractiveness	13,9/20
Return on Market Value (RMV)	9,71%
Government bonds 10 y yield	1,05%
Required RMV	4,91%
Risk premium	480 bp
Holdings in portfolio	54

RELEVANT INFORMATION

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