

INVESTMENT STRATEGY

A EUROPEAN EQUITY FUND, all kind of stocks stype, all kind of capitalisations

ROCHE-BRUNE EUROPE 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 european equity markets with a reduced volatility

European Equities



ABOUT THE FUND

Fund managers : Bruno FINE & Grégoire LAVERNE

Net Asset Value per share (I): 1 516,87 EUR

1 month performance 0,73%

Total AUM (million) 224 million euros

Benchmark : STOXX Europe 600 Net Return

Holding duration : 5 - 7 years

Fund type : French Mutual Fund

Changes in management process: September 30, 2005

Fund's share inception date : February 6, 2014

End of fiscal year: last working day in September

NAV Frequency: Daily

Type of valuation: Closing price

Type : Capitalisation

Settlement and delivery: D + 2

Dealing deadline: Day D before 12:30pm (Paris time)

Custodian: BNP Paribas Securities Services

Fund administrator: BNP Paribas Securities Services

ISIN Code (P) : FR0011686930

Annual Management fees (P): 1,00% TTC

Performance fees 20% of the outperformance

Bloomberg code: RBCAPAI 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 Europe Actions goes up by +0.73% but the STOXX Europe 600 TR posts a much better performance with 1.91%. However, since the beginning of the year, the fund has performed by +15.28% generating a cumulated alpha of 323 bps and a 52 weeks volatility at 9.7%.

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

Over the month, our sensitivity to the financial risk decreased slightly to 5.4% (through Banks and Insurances ETFs) vs 6.0% previously.

The turnover rate of the portfolio, on a 12 months rolling basis, reached 103.5%. The weighted average capitalisation of the fund's companies equals to € 14.9 Bn.

Our firm convictions for 62 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 (13.6/20) 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 Europe Actions is close to its maximum at 98.02%.

CUMULATED PERFORMANCE - I share

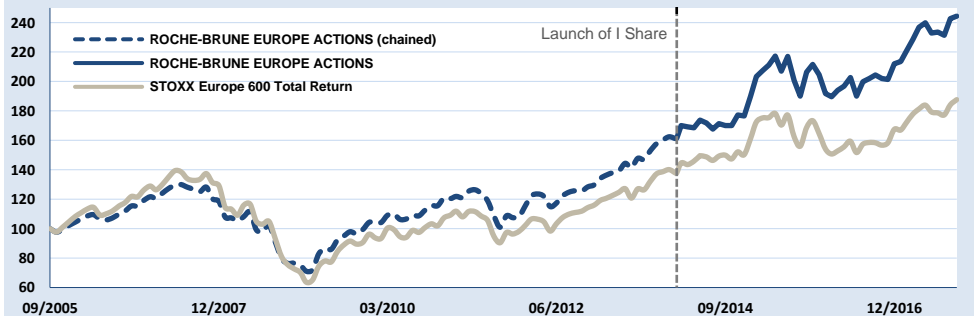
	Fund	Benchmark	Spread
YTD	15,28%	12,05%	3,23%
1 month	0,73%	1,91%	-1,18%
1 year	20,95%	19,74%	1,21%
3 years*	43,65%	27,36%	16,29%
5 years*	95,11%	67,77%	27,35%
10 years*	90,96%	36,58%	54,38%
Inception**	144,84%	87,68%	57,16%

ANNUAL PERFORMANCE - I share

	Fund	Benchmark	Spread
2017	15,28%	12,05%	3,23%
2016	3,56%	1,73%	1,83%
2015*	15,94%	9,60%	6,34%
2014*	8,89%	7,20%	1,69%
2013*	25,18%	20,79%	4,39%
2012*	19,94%	18,18%	1,76%
2011*	-10,48%	-8,61%	-1,87%

Source : Internal performance (net of fees). Inception of the I Share the 6th february of 2014. \*Performances and NAV before inception of Part I have been chained with the ones of the oldest Part (P), adjusted for the management fees of this share. \*\* Since 30/09/2005, shift to a European Index

NAV EVOLUTION\* (SINCE OCTOBER 2005\*\*)



MONTHLY RETURN - I share

	January	February	March	April	May	June	July	August	September	October	November	December	Year
2017	0,78%	3,30%	3,59%	3,62%	1,27%	-2,88%	0,28%	-0,91%	4,80%	0,73%			15,28%
2016	-6,25%	-1,23%	2,36%	1,46%	3,01%	-6,29%	5,17%	1,14%	1,10%	-1,11%	-0,32%	5,26%	3,56%
2015	7,63%	7,01%	2,03%	1,80%	2,88%	-4,74%	4,82%	-7,50%	-5,27%	8,56%	2,56%	-3,30%	15,94%
2014	-0,81%	5,72%	-0,47%	-0,41%	3,05%	-1,04%	-2,40%	2,16%	-0,71%	-0,01%	4,19%	-0,39%	8,89%
2013	3,43%	1,61%	1,25%	0,82%	3,75%	-2,07%	4,49%	-0,51%	3,99%	3,23%	1,51%	1,39%	25,18%
2012	6,85%	5,73%	1,09%	-1,32%	-5,68%	2,06%	4,22%	2,04%	0,77%	-0,24%	2,32%	1,07%	19,94%

Source : Roche-Brune (net of fees).

### ROCHE-BRUNE EUROPE ACTIONS - October 2017



#### TOP TEN HOLDINGS

Company	Country	Weight	Attractiveness	RMV
IMERYS SA	France	2,76%	11,7	9,65%
SALINI IMPREGILO SPA	Italy	2,48%	14,1	12,39%
NEXANS SA	France	2,43%	12,5	11,52%
DEUTSCHE POST AG-REG	Germany	2,38%	14,9	7,50%
THALES SA	France	2,27%	17,5	7,73%
FAURECIA	France	2,25%	16,5	13,10%
INGENICO GROUP	France	2,16%	11,8	8,55%
CONTINENTAL AG	Germany	2,14%	12,9	10,94%
ANDRITZ AG	Austria	2,13%	14,9	8,54%
DANONE	France	2,10%	9,7	7,33%

#### BEST CONTRIBUTORS

October 2017

Company	Country	Performance
REFRESCO	Netherlands	+16,5%
CIE AUTOMOTIVE	Spain	+13,0%
CECONOMY	Germany	+12,4%
NEXANS	France	+12,0%
SALINI IMPREGILO	Italy	+8,8%

#### WORST CONTRIBUTORS

October 2017

Company	Country	Performance
DIA	Spain	-14,9%
INCHCAPE	UK	-9,4%
BT GROUP	UK	-8,3%
IPSEN	France	-7,7%
KRONES	Germany	-7,7%

#### MAIN MOVES DURING THE MONTH

New	Strengthened	Reduced	Sold
A2A (ITA)	ENDESA (ESP)	ALTRAN (FRA)	NORDEX (DEU)
CARREFOUR (FRA)	RTL GROUP (LUX)	DEUTSCHE POST (DEU)	
EVONIK (DEU)		DORMA+KABA (CHE)	
		FAURECIA (FRA)	
		MONCLER (ITA)	
		SIKA (CHE)	
		VEOLIA (FRA)	

#### RISK INDICATORS (52 weeks) - I share

Fund volatility	9,66%
Benchmark volatility	9,56%
Tracking Error	3,20%
Active Share	86,60%
Information ratio	0,45
Sharpe ratio	2,11
Bêta	0,95

#### M.U.S.T.® INDICATORS

Fund attractiveness	13,6/20
Return on Market Value (RMV)	9,11%
Government bonds 10 y yield	2,00%
Required RMV	6,30%
Risk premium	281 pb



#### SECTOR BREAKDOWN

	Fund	Bench.
Consumer staples	21,1%	18,6%
Financials	5,6%	22,8%
Industry	27,5%	14,9%
Raw materials	10,4%	8,0%
Oil & Gas	1,3%	6,0%
Healthcare	3,7%	11,4%
Utilities	4,0%	3,9%
Consumer discretionary	18,7%	6,4%
Technology	4,4%	4,4%
Telecoms	3,6%	3,6%

#### COUNTRY BREAKDOWN

	Fund	Bench.
Germany	14,6%	15,1%
Others	3,9%	3,6%
Benelux	13,1%	7,9%
Spain	6,2%	5,1%
Finland	1,3%	1,6%
France	28,6%	16,4%
Italy	9,8%	3,4%
Danemark, Norway, Sweden	7,6%	8,4%
United-Kingdom	10,3%	24,9%
Switzerland	4,6%	13,5%

#### BREAKDOWN BY MARKET CAP

Higher than € 10 Bn	42,41%
From € 5 to 10 Bn	27,45%
From € 1 to 5 Bn	29,94%
Lower than € 1 Bn	0,19%

#### BREAKDOWN BY ASSET CLASS

Equities	92,60%
Bank & Insurance ETF	5,42%
Cash	1,98%

#### RELEVANT INFORMATION

Past performances provide no guide for the future, and nor are they a guarantee of future yields. Performances presented include all fees, excluding potential commissions for subscription and repurchase. This document is not contractual and only provides information indicatively. In no way does it represent an offer to purchase securities or a public request for savings if this fund does not gain prior authorisation. The subscriber, the holder of shares in this fund, acknowledges having received the information note or the prospectus previously required by the AMF. Any additional information may be obtained on request from the asset management company of this fund.

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