

INVESTMENT STRATEGY



A EUROPEAN EQUITY FUND, blend style, large and mid 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): 1 391,35 EUR

1 month performance: -4,21%

Total AUM: 136 million EUR

Benchmark: STOXX Europe 600 Net Return

Holding duration: 5 - 7 years

Fund type: French Mutual Fund

Changes in management process: September 30, 2005

Inception date: March 17, 2003

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 (I) : FR0011686930

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

Performance fees: 20% of the outperformance

Bloomberg code: RBCAPAI FP

UCITS V: Yes

Performance engine: M.U.S.T.®

FUND MANAGER COMMENT

Central Banks were in the spotlight in March; bets were open on the number of rate hikes that the FED would make in 2018. Finally, the US Federal Reserve has remained evasive on the subject and says it is ready to adapt to any change in the economic environment. Nevertheless, as expected, the FED raised its key rate by 0.25% to 1.75%. The ECB, for its part, is in order to prepare for further monetary tightening, but the rate hike will only come in the wake of a return to inflation. To spice up global macroeconomic news, Donald Trump did not remain in the shadows. After putting in place tariff barriers on Chinese steel and aluminum imports, it is now tackling capital flows from the Middle Kingdom. In response to these measures, Beijing has unveiled a list of 128 American products that will be taxed... raising fears of an infernal bidding war between the two countries that could impact growth in the short term.

At micro level, it was the **Consumer Services sector** that penalized our performance the most this month, with **Sodexo** (-19.0%) in first place. The world number 2 in catering suffers from a weakness in its American activity (35% of turnover) and an increase in the cost of work in the same area. Another negative performance, the Belgian Post **bpost** (-34.1%), with usually unsurprising results, surprised the whole market by publishing results marked by a stronger than expected decline in the mail business. This decline, as well as the costly integration of the Radial company acquired at the end of 2017, led the company to revise downwards its 2018 objectives.

On the side of the best contributors, the specialist in high-end braking systems, **Brembo** (+9.0%) confirmed that all signals were green at the time of its last publication at the beginning of the month and the group is confident for the year 2018. It is also a good publication which brought **Thales** (+8.1%) throughout this bearish month. The Group's business, which expects to finalize the acquisition of Gemalto before the end of the year, is well positioned in most of its markets.

CUMULATED PERFORMANCE - I share

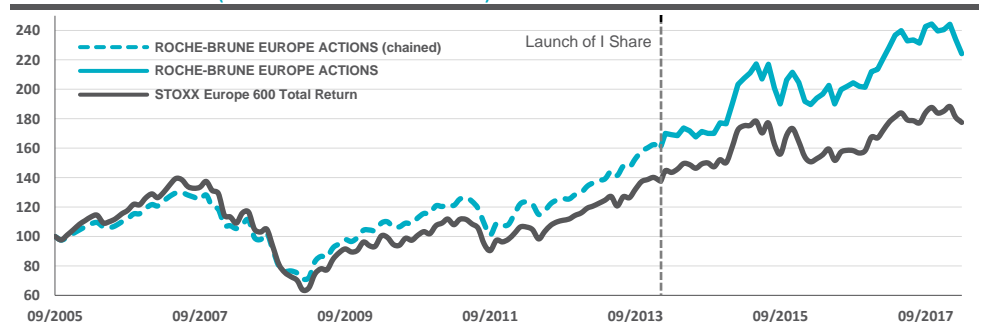
	Fund	Benchmark	Diff.
YTD	-6,79%	-4,16%	-2,63%
1 month	-4,21%	-1,99%	-2,22%
1 year	-1,94%	-0,15%	-1,79%
3 years	8,05%	1,29%	6,76%
5 years*	62,66%	44,76%	17,90%
10 years*	113,01%	62,69%	50,32%
Inception**	124,58%	77,51%	47,06%

ANNUAL PERFORMANCE - I share

	Fund	Benchmark	Diff.
2018	-6,79%	-4,16%	-2,63%
2017	13,44%	10,58%	2,87%
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%

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)**



*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

MONTHLY RETURN - I share

	January	February	March	April	May	June	July	August	September	October	November	December	Year
2018	1,59%	-4,22%	-4,21%										-6,79%
2017	0,78%	3,30%	3,59%	3,62%	1,27%	-2,88%	0,28%	-0,91%	4,80%	0,73%	-1,92%	0,33%	13,44%
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%

Source : Roche-Brune (net of fees).

ROCHE-BRUNE EUROPE ACTIONS - March 2018



TOP TEN HOLDINGS

Company	Country	Weight	Attractiveness	RMV
THALES SA	France	2,54%	18,0	6,51%
IMERYS SA	France	2,25%	9,8	9,83%
VEOLIA ENVIRONNEMENT	France	2,19%	13,2	9,65%
DEUTSCHE POST AG-REG	Germany	2,15%	13,6	8,67%
CONTINENTAL AG	Germany	2,14%	13,7	11,39%
RTL GROUP	Luxembourg	2,08%	13,2	11,23%
UCB SA	Belgium	2,01%	12,6	8,10%
NEXANS SA	France	1,99%	9,8	12,36%
ITV PLC	UK	1,99%	14,9	13,29%
JERONIMO MARTINS	Portugal	1,98%	18,6	9,57%

BEST CONTRIBUTORS

Company	Country	Performance
BREMBO	Italy	+9,0%
THALES	France	+8,1%
MONCLER	Italy	+7,7%
A2A	Italy	+6,8%
PEUGEOT	France	+5,0%

WORST CONTRIBUTORS

Company	Country	Performance
BPOST	Belgium	-34,1%
SODEXO	France	-19,0%
DIRECT ENERGIE	France	-17,3%
DORMA KABA	Switzerland	-13,9%
JERONIMO MARTINS	Portugal	-13,2%

MAIN MOVES DURING THE MONTH

New	Strengthened	Reduced	Sold
DUERR (DEU)	ALTEN (FRA)	DANONE (FRA)	INGENICO (FRA)
GRANDVISION (NLD)	ANDRITZ (AUT)	EVONIK (DEU)	LEONARDO (ITA)
MANITOU (FRA)	APERAM (LUX)	IMERYS (FRA)	SPIE (FRA)
SOMFY (FRA)	ATRESMEDIA (ESP)		VINCI (FRA)
STABILUS (DEU)	BARCO (BEL)		
	BECHTLE (BEL)		
	BRENNTAG (DEU)		
	DEUTSCHE POST (DEU)		
	DIRECT ENERGIE (FRA)		
	...		

RISK INDICATORS (52 weeks) - I share

Fund volatility	11,69%
Benchmark volatility	11,59%
Tracking Error	3,47%
Active Share	85,79%
Information ratio	-0,52
Sharpe ratio	-0,14
Bêta	0,96

M.U.S.T.® INDICATORS

Fund attractiveness	13,8/20
Return on Market Value (RMV)	9,63%
Government bonds 10 y yield	1,06%
Required RMV	5,39%
Risk premium	424 pb

SECTOR BREAKDOWN

	Fund	Bench.
Consumer staples	18,2%	18,4%
Financials	7,4%	23,2%
Industry	26,6%	14,5%
Raw materials	9,4%	7,0%
Oil & Gas	0,0%	6,2%
Healthcare	6,4%	12,3%
Utilities	8,1%	3,8%
Consumer discretionary	18,1%	6,5%
Technology	2,7%	4,5%
Telecoms	3,0%	3,5%

COUNTRY BREAKDOWN

	Fund	Bench.
Germany	15,5%	14,9%
Others	4,1%	3,7%
Benelux	15,2%	8,2%
Spain	5,9%	5,0%
Finland	2,9%	1,8%
France	29,8%	16,7%
Italy	10,4%	3,6%
Danemark, Norway, Sweden	5,9%	8,1%
United-Kingdom	4,0%	24,5%
Switzerland	6,2%	13,5%

BREAKDOWN BY MARKET CAP

Higher than € 10 Bn	47,37%
From € 5 to 10 Bn	17,50%
From € 1 to 5 Bn	34,81%
Lower than € 1 Bn	0,31%

BREAKDOWN BY ASSET CLASS

Equities	91,44%
Bank & Insurance ETF	7,17%
Cash	1,39%

RELEVANT INFORMATION

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