

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.

European Equities

Target : to outperform the european equity markets with a reduced volatility



ABOUT THE FUND

Fund managers : Bruno FINE & Grégoire LAVERNE

Net Asset Value per share (I): 1 420,63 EUR

1 month performance: -0,32%

Total AUM: 128 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

With the return to the forefront of Italian and Spanish political risk and Trump's statements on tariff barriers on steel and aluminium, May will have been half in jest, half in earnest.

The bad news were quickly offset by the favourable inflation dynamics in the Euro zone and the United States, which embellished Central Banks' expectations. In Europe, the ECB will be able to exit its accommodative monetary policy, which will lead to a gradual rise in sovereign rates over the medium term. On the other side of the Atlantic, statistics have reassured and the FED will be able to normalise its monetary policy without jeopardising the economic activity and the rise in prices.

Since mid-April, despite the violence of some market movements due to current events, we have seen a change of regime and a standardisation of the market after 5 months of unjustified outperformance of the most expensive stocks.

On the portfolio side, two effects particularly impacted our performance this month: a positive effect from our underweight position in the financial sector and a negative effect from our underexposure position in UK equities.

In terms of contributors, Pfeiffer Vacuum Technology (+22.3%), a German vacuum pump manufacturer that joined the fund in April, had a very good month in May after the publication of excellent results for the first quarter of 2018. As for Stabilus (+15.7%), the Luxembourg specialist in gas springs and shock absorbers, these are the figures for its first fiscal semester, marked by a very positive momentum, which will allow it to foresee a very good 2018 financial year.

In contrast, the incumbent UK telecoms operator BT Group (-17.9%) reported lower results for its fiscal year ended on March, but announced a strategic plan to reorganise the group in a difficult market environment. In Germany, Deutsche Post (-10.1%) published disappointing results in the first quarter, penalized in particular by negative currency impacts. The company remains very attractive in a context of strong volume growth in its "Express" division.

CUMULATED PERFORMANCE - I share

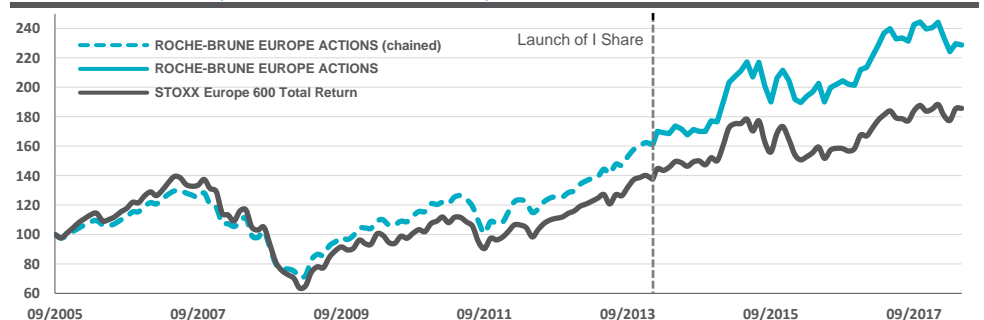
	Fund	Benchmark	Diff.
YTD	-4,83%	0,28%	-5,11%
1 month	-0,32%	0,13%	-0,45%
1 year	-4,59%	0,98%	-5,57%
3 years	5,35%	4,13%	1,21%
5 years*	58,78%	46,01%	12,77%
10 years*	105,84%	59,23%	46,61%
Inception**	129,30%	85,73%	43,57%

ANNUAL PERFORMANCE - I share

	Fund	Benchmark	Diff.
2018	-4,83%	0,28%	-5,11%
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%	2,43%	-0,32%								-4,83%
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 - May 2018



TOP TEN HOLDINGS

Company	Country	Weight	Attractiveness	RMV
THALES SA	France	2,76%	18,2	5,66%
CONTINENTAL AG	Germany	2,50%	13,6	10,59%
FNAC DARTY SA	France	2,27%	15,8	12,14%
VEOLIA ENVIRONNEMENT	France	2,20%	13,4	9,01%
DUERR AG	Germany	2,15%	14,7	9,97%
AUTOGRILL SPA	Italy	2,13%	12,1	5,91%
BARCO N.V.	Belgium	2,13%	13,7	5,82%
ALTEN SA	France	2,09%	12,4	8,17%
ANDRITZ AG	Austria	2,06%	13,2	9,41%
UCB SA	Belgium	2,06%	12,5	8,47%

BEST CONTRIBUTORS

Company	Country	Performance
PFEIFFER VACUUM	Germany	+22,3%
STABILUS	Luxembourg	+15,7%
LISI	France	+10,8%
SIKA	Switzerland	+8,9%
DSV	Denmark	+8,0%

WORST CONTRIBUTORS

Company	Country	Performance
BT GROUP	###	-17,9%
NEXANS	France	-12,9%
AZA	Italy	-12,9%
HENNES & MAURITZ	Sweden	-11,3%
SALINI IMPREGIOLO	Italy	-11,3%

MAIN MOVES DURING THE MONTH

New	Strengthened	Reduced	Sold
IMI (GBR)	ACERINOX (ESP)	AZA (ITA)	SODEXO (FRA)
	AKZO NOBEL (NLD)	DEUTSCHE POST (DEU)	
	ALTEN (FRA)	ELECTROLUX (SWE)	
	ANDRITZ (AUT)	IPSEN (FRA)	
	BREMBO (ITA)	MONCLER (ITA)	
	BT GROUP (GBR)	NEXANS (FRA)	
	CARREFOUR (FRA)	PEUGEOT (FRA)	
	DUERR (DEU)	RTL GROUP (LUX)	
	FNAC-DARTY (FRA)	WOLTERS KLUWER (NLD)	
	...		

RISK INDICATORS (52 weeks) - I share

Fund volatility	11,22%
Benchmark volatility	11,44%
Tracking Error	3,91%
Active Share	87,40%
Information ratio	-1,47
Sharpe ratio	-0,24
Bêta	0,92

M.U.S.T.® INDICATORS

Fund attractiveness	13,8/20
Return on Market Value (RMV)	9,30%
Government bonds 10 y yield	1,03%
Required RMV	5,18%
Risk premium	412 pb

SECTOR BREAKDOWN

	Fund	Bench.
Consumer staples	16,4%	18,0%
Financials	7,0%	21,7%
Industry	32,6%	14,9%
Raw materials	8,3%	7,3%
Oil & Gas	0,0%	6,8%
Healthcare	7,1%	12,5%
Utilities	6,7%	3,7%
Consumer discretionary	15,2%	6,8%
Technology	3,6%	4,9%
Telecoms	3,1%	3,3%

COUNTRY BREAKDOWN

	Fund	Bench.
Germany	16,4%	14,7%
Others	4,3%	3,7%
Benelux	14,2%	8,2%
Spain	6,7%	4,8%
Finland	3,8%	1,8%
France	26,8%	16,8%
Italy	10,8%	3,3%
Danemark, Norway, Sweden	5,5%	8,1%
United-Kingdom	4,6%	25,5%
Switzerland	7,0%	13,2%

BREAKDOWN BY MARKET CAP

Higher than € 10 Bn	43,82%
From € 5 to 10 Bn	15,83%
From € 1 to 5 Bn	40,02%
Lower than € 1 Bn	0,33%

BREAKDOWN BY ASSET CLASS

Equities	92,70%
Bank & Insurance ETF	6,87%
Cash	0,43%

RELEVANT INFORMATION

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