

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): 1 233,22 EUR

1 month performance: 7,09%

Total AUM: 85 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): 0,85% TTC max

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

Performance fees: 20% of the outperformance

Bloomberg code: RBCAPAI 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

Thanks to a strong rally of the equity markets, the performance of our funds improved well this month. January marks the beginning of a transition period in the accommodating policies of the European and American Central Banks. Caution is required until growth stabilizes in Europe and inflation comes back in the United States. Reopening negotiations between Beijing and Washington were well received. On the corporate side, earnings season is now launched with good news for our funds.

On a sector point of view, our monthly performance benefited from our exposure in industrial stocks, and our underweight of the telecommunication sector. Inversely, our low exposure to financial stocks was a negative contributor.

A few companies negatively contributed to the fund performance. **Henkel** (-6.7%) published mixed 2018 results; they expect lower margins in 2019 due to investments increase and a more difficult environment. **Thales** (-5.2%) weighting, after a very strong year, was significantly reduced in our portfolio in 2018. The French company suffered in January, partly because of a slowdown of its 2019 growth, but also because of the pending integration of Gemalto, expected to happen in the first quarter.

Regarding positive contributors, **Alten** (+15.1%) published results that exceeded expectations for the fourth quarter of 2018, and expects 2019 to be characterized with organic growth plus its external growth program. **Jeronimo Martins** (+19.6%) reported a good pick up in 2018 sales, driven by the momentum of the Portuguese market.

CUMULATED PERFORMANCE - I share

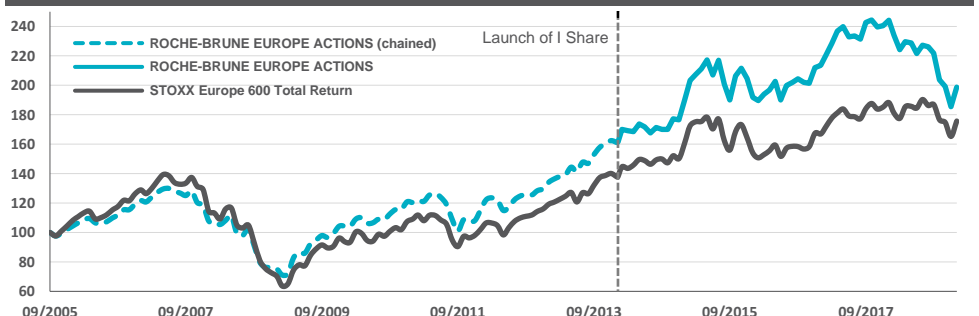
	Fund	Benchmark	Diff.
YTD	7,09%	6,32%	0,76%
1 month	7,09%	6,32%	0,76%
1 year	-18,68%	-6,67%	-12,00%
3 years	3,54%	13,99%	-10,45%
5 years*	23,54%	27,51%	-3,97%
10 years*	164,92%	150,45%	14,46%
Inception**	99,05%	75,73%	23,33%

ANNUAL PERFORMANCE - I share

	Fund	Benchmark	Diff.
2019	7,09%	6,32%	0,76%
2018	-22,85%	-10,77%	-12,08%
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%

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%	-3,20%	2,60%	-0,54%	-1,90%	-8,09%	-2,33%	-6,82%	-22,85%
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 - January 2019



TOP TEN HOLDINGS

Company	Country	Weight	Attractiveness	RMV
VEOLIA ENVIRONNEMENT	France	3,44%	15,0	10,39%
ALTEN SA	France	3,36%	12,7	9,73%
TOTAL SA	France	3,36%	12,9	17,06%
GRANDVISION NV- W/I	Netherlands	2,97%	13,3	8,42%
PRYSMIAN SPA	Italy	2,78%	18,5	15,09%
ARKEMA	France	2,60%	12,5	14,10%
JERONIMO MARTINS	Portugal	2,47%	13,8	7,92%
DEUTSCHE POST AG-REG	Germany	2,47%	15,5	12,92%
BREMBO SPA	Italy	2,22%	13,6	10,73%
UCB SA	Belgium	2,21%	11,8	7,94%

BEST CONTRIBUTORS

Company	Country	Performance
JERONIMO MARTINS	Portugal	+19,6%
MANITOU	France	+18,8%
PEUGEOT	France	+17,9%
DUERR	Germany	+16,9%
CARREFOUR	France	+15,9%

WORST CONTRIBUTORS

Company	Country	Performance
HENKEL	Germany	-6,6%
THALES	France	-5,2%
TELENOR	Finland	-4,8%
IPSEN	France	-2,5%
DE LONGHI	Italy	-1,4%

MAIN MOVES DURING THE MONTH

New	Strengthened	Reduced	Sold
ADIDAS (DEU)	BECHTLE (DEU)	ACERINOX (ESP)	CONTINENTAL (DEU)
ELISA (FIN)	INDITEX (ESP)	CONZZETA (CHE)	SUEZ (FRA)
STROER (DEU)	NOKIAN (FIN)	IMERYS (FRA)	VALMET (FIN)
VOLKERWESSELS (NLD)	VALEO (FRA)	PFEIFFER (DEU)	
		THALES (FRA)	

RISK INDICATORS (52 weeks) - I share

Fund volatility	14,83%
Benchmark volatility	13,95%
Tracking Error	5,33%
Active Share	83,97%
Information ratio	-2,06
Sharpe ratio	-1,27
Bêta	0,99

M.U.S.T.® INDICATORS

Fund attractiveness	14,0/20
Return on Market Value (RMV)	11,27%
Government bonds 10 y yield	1,08%
Required RMV	5,54%
Risk premium	573 pb

SECTOR BREAKDOWN

	Fund	Bench.
Consumer staples	13,2%	18,0%
Financials	8,4%	21,1%
Industry	28,8%	13,9%
Raw materials	8,8%	7,3%
Oil & Gas	5,2%	7,1%
Healthcare	8,4%	13,6%
Utilities	6,9%	4,2%
Consumer discretionary	13,0%	6,5%
Technology	4,9%	5,1%
Telecoms	2,4%	3,2%

COUNTRY BREAKDOWN

	Fund	Bench.
Germany	17,0%	13,6%
Others	4,8%	3,3%
Benelux	12,6%	8,1%
Spain	4,8%	4,7%
Finland	3,1%	2,2%
France	33,4%	16,8%
Italy	12,9%	3,3%
Danemark, Norway, Sweden	4,7%	8,0%
United-Kingdom	0,0%	25,4%
Switzerland	6,7%	14,5%

BREAKDOWN BY MARKET CAP

Higher than € 10 Bn	37,44%
From € 5 to 10 Bn	19,50%
From € 1 to 5 Bn	42,63%
Lower than € 1 Bn	0,43%

BREAKDOWN BY ASSET CLASS

Equities	89,66%
Bank & Insurance ETF	8,14%
Cash	2,20%

RELEVANT INFORMATION

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