

Cartesio *Equity*

Factsheet

NAV (Class I)
110.55

Assets
85m €

February 2024

The fund is up 0.6% in February and down 0.7% YTD. The portfolio has underperformed so far this year. Apart from the increasing concentration of the market, on which more later, MSCI Europe Value is flat YTD against a 7% rise for the MSCI Growth.

In equities, a clear trend has been the increasing concentration of the market. The top ten stocks by market cap represent 24% of the European equities and 32% in the US (the highest in the US since the Nifty-Fifty era of the early 70s), this is something to consider.

We believe the large concentration we see in the equity market is the result of three factors: the success and track record of these companies in the past, high valuations extrapolating that success and more, and, finally, indexation represents more than 50% of global assets and is growing.

Valuation matters for future returns. Extrapolating the past is easy but dangerous. As passive investment becomes the dominant form of investing, it means momentum investing rules and the price discovery process becomes distorted. We may be entering uncharted territory, but the end-result is unlikely to be a joyful experience for investors. We urge diversification

Investment objective

Cartesio Equity replicates the investment strategy of Cartesio Y. It seeks higher risk adjusted returns (Sharpe ratio) than European Equities as represented by the MSCI Euro Net Total Return. Willingness to forego potential returns in order to give an adequate capital protection.

Investment strategy

The fund can only hold equities and cash with total flexibility in its exposure to both assets.

Fund History

Cartesio Y has an overall Three Star Morningstar rating. Since inception (March 2004) it has returned 5.0% p.a. against 6.4% p.a. total return for Pan-European equities with a volatility of 10.8% (index 18.2%). On a five and three

year basis the fund has returned 17.7% and 17.5% respectively against total returns of 49.7% and 33.5% respectively for European equities with 80% and 78% respectively of the volatility experienced by the index.

Factors to consider

- The fund has a clear long bias with emphasis on capital protection over the medium term.
- The equity component is actively managed with a significant tracking error vs the benchmark.
- Suitable for investors seeking to grow and protect their capital over the medium term with a moderate level of risk.

Performance Chart*



* Relates to past data. Past performance does not guarantee future returns.

PERFORMANCE*

2024	-0.7%
Since Inception (p.a.)**	4.4%

RISK / RETURN

Volatility**	10.9%
Beta	0.71
Sharpe**	0.31

ASSET ALLOCATION

Equity	84.9%
Cash	15.1%

SECTORIAL DISTRIBUTION

Materials	16.3%
Financials	16.1%
Communication Services	13.5%
Industrials	13.4%
Consumer Staples	9.9%

MAIN HOLDINGS

Repsol	3.7%
Covestro	3.5%
Publicis	3.4%
Total Energies	3.4%
Merlin Properties	3.3%

INVESTMENTS / DIVESTMENTS

Investments: CaixaBank

Divestments: Fresenius

MARKET RETURNS

	2024	Since 31/03/04
MSCI Euro Net Total Return	3.5%	6.4% p.a.
Sharpe		0.30
Long Term Euro Gov. Bond	-1.8%	3.2% p.a.
Sharpe		0.41
Euro Gov T Bill	0.5%	1.1% p.a.

** Inception 31st March '04. Cartesio Y until Jun '09. Pareturn Cartesio Equity Class I until Feb'20

HOLDINGS		
1	Repsol	3.7%
2	Covestro	3.5%
3	Publicis	3.4%
4	Total Energies	3.4%
5	Merlin Properties	3.3%
6	Carrefour	3.0%
7	Coca-cola European Partners	2.9%
8	Allianz	2.8%
9	Acerinox	2.8%
10	Enel	2.6%
11	BAT	2.5%
12	Michelin	2.4%
13	Logista	2.4%
14	Gruppo Unipol	2.3%
15	Glencore	2.3%
16	Credit Agricole	2.3%
17	Santander	2.2%
18	Heidelberg	2.2%
19	CaixaBank	2.2%
20	CCR	2.1%
21	Other	30.4%
22	Cash	15.1%
Total		100%

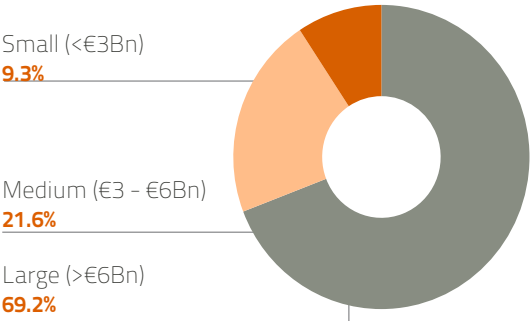
PORTFOLIO VALUATION	
P/E	9.7x
Div Yield	5.3%

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RISK ADJUSTED RETURNS CARTESIO EQUITY*						
	Returns		Volatility		Relative	
	Fund	Index	Fund	Index	Volatility	M2
2004 **	8.5%	8.3%	4.6%	11.5%	39.9%	18.9%
2005	12.4%	26.1%	6.0%	9.4%	64.1%	18.2%
2006	16.1%	19.6%	5.3%	12.7%	41.7%	34.7%
2007	2.2%	2.7%	6.9%	15.8%	43.4%	-0.1%
2008	-14.2%	-43.6%	13.0%	36.9%	35.1%	-48.9%
2009	14.9%	31.6%	8.2%	24.3%	33.7%	41.8%
2010	3.5%	11.1%	10.9%	18.5%	58.8%	5.5%
2011	-5.7%	-8.1%	16.1%	22.2%	72.3%	-8.6%
2012	6.3%	17.3%	11.3%	14.7%	76.4%	7.9%
2013	21.1%	19.8%	8.8%	11.9%	73.3%	28.5%
2014	3.6%	6.8%	10.2%	13.4%	75.8%	4.7%
2015	7.3%	8.2%	11.6%	20.3%	57.4%	12.6%
2016	0.0%	2.6%	10.1%	19.7%	51.0%	0.2%
2017	7.2%	10.2%	3.9%	8.4%	46.1%	16.1%
2018	-6.0%	-10.6%	5.2%	12.6%	41.4%	-13.8%
2019	9.2%	26.1%	6.9%	13.1%	52.9%	17.7%
2020	-9.0%	-3.3%	23.8%	28.5%	83.6%	-10.7%
2021	9.3%	25.1%	10.0%	12.4%	80.8%	11.7%
2022	-1.9%	-9.5%	14.5%	18.8%	77.4%	-2.3%
2023	11.3%	15.8%	10.3%	11.4%	90.8%	12.1%
2024	-0.7%	3.5%	7.3%	8.6%	85.7%	-0.9%
Q1	-0.7%	3.5%	7.3%	8.6%	85.7%	-0.9%
Total	136.3%	245.6%	10.9%	18.2%	59.8%	
* Cartesio Y until 12/2009 and Pareturn Cartesio Equity from 12/2009 until 02/2020 ** Since March 2004 Index= MSCI Euro Net Total Return // M2= Theoretical return assuming the save volatility as the Index						

SECTOR DISTRIBUTION		FUND	M7EU
1	Consumer Discretionary	5.7%	11.3%
2	Consumer Staples	9.9%	11.0%
3	Energy	8.4%	5.4%
4	Financials	16.1%	18.1%
5	Health Care	1.5%	15.5%
6	Industrials	13.4%	16.5%
7	Information Technology	1.8%	8.3%
8	Materials	16.3%	6.3%
9	Real Estate	6.3%	0.8%
10	Communication Services	13.5%	3.1%
11	Utilities	7.3%	3.8%
Total		100%	100%

Market Cap Distribution
(Equity Portfolio)



Name
Cartesio Funds Equity (Replicates Cartesio Y)

ISIN
LU1966822444 - Class I
LU1966822527 - Class R
LU1725678517 - Class Z

Bloomberg
CARTEQI LX/ CARTEQR LX/
CARTEQZ LX

Inception Date
13/01/20
(Cartesio Y 31/3/04)

Type
SICAV (UCITS III)

Benchmark
MSCI Euro Net Total Return – Risk Adjusted

NAV frequency
Daily (Euros)

Management Company
MDO Management Services

Fund Manager
Cartesio SGIC, S.A.

Custodian
BNP Paribas

Silver

MORNINGSTAR ★★★★★ 3 years
MORNINGSTAR ★★ 5 years
MORNINGSTAR ★★★ 10 years
MORNINGSTAR ★★★ Overall

5 Lipper Leader Total Return
4 Lipper Leader Consistent Return
1 Lipper Leader Preservation
5 Lipper Leader Expense

Auditor
Deloitte

Transfer Agent & Fund Administrator
BNP Securities Services

Fund Management Fee
1.55% - Class I and Class R
0.90%+ 7.5% performance fee - Class Z

* All ratings apply to Cartesio Y