

Cartesio *Income*

Factsheet

NAV (Class I)
117.60

Assets
216m €

November 2024

The fund is up 1.0% in November and 8.2% YTD. The US election has taken American exceptionalism one step further. A gusher of articles everywhere about the irresistible prowess of the American economy, its stock market and its massive lead in tech innovation and productivity. Europe is characterized as a museum.

We will not quibble with the arguments and the facts, partly because our investment remit is European but also because we don't disagree entirely. However, American exceptionalism is now well recognized and priced for near perfection. The S&P 500 Shiller P/E was at a 50% premium to Europe back in 2008, it is now at a 110% premium. The US accounts for 70% of MSCI world but only 27% of world GDP. The US economy faces a daunting fiscal challenge and could be about to embark on a policy path which is problematic, to say the least. A good crisis sometimes brings new opportunities. It brings lower prices/expectations and can serve as a catalyst for change and fresh solutions

The fund moves upwards as rates come down and the credit portfolio keeps delivering. The fund has delivered excellent returns in the last two years, whilst avoiding the fixed income meltdown of 2022. The credit portfolio

(80% weight) still has gas in the tank: a YTM of 5% and a running yield of 5.4%.

Investment objective

Cartesio Income replicates the investment strategy of Cartesio X. It seeks higher risk adjusted returns (Sharpe ratio) than Euro Government bonds (Bloomberg Series-E Euro Govt 7-10 Yr Bond Index).

Strong emphasis on capital protection.

Investment strategy

Equity exposure is limited to a maximum of 40% of assets, the balance is invested in bonds and cash.

Fund History

Cartesio X has an overall Five Star Morningstar rating. Since inception (March 2004) it has returned 3.8% p.a. against 3.4% p.a. total return for Long

Term Euro Gov Bonds with a volatility of 4.1% (index 5.2%). On a five and three year basis the fund has returned 17.1% and 17.2% respectively against total returns of -8.6% and -10.5% respectively for Long Term Eurozone Gov Bonds with 87% and 61% respectively of the volatility experienced by the index.

Factors to consider

- The fund has a long bias (Equities & Bonds) but with a strong emphasis on capital protection over the medium term.
- The equity and bond components are 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 low level of risk.

Performance Chart*



Chart relates to past data. Past performance does not guarantee future returns.

PERFORMANCE

2024	8.2%
Since Inception (p.a.)*	3.8%

RISK / RETURN

Volatility*	4.1%
Beta	0.27
Sharpe*	0.66

ASSET ALLOCATION

Equity	14.4%
Bonds	79.2%
Cash	6.4%

EQUITY SECTOR DISTRIBUTION

Materials	16.2%
Financials	15.8%
Industrials	13.9%
Communication Services	12.9%
Consumer Staples	10.5%

MAIN HOLDINGS

Abanca AT1 10.625	1.9%
EDF Híbrido 2028	1.6%
Terna Híbrido 2030	1.6%
Permanent TSB Senior 28	1.6%
VW Hybrid 3.748%	1.6%

INVESTMENTS/DIVESTMENTS EQUITIES

Investments: -

Divestments: Bayer

MARKET RETURNS

	2024	Since 31/03/04
MSCI Euro Net Total Return	9.1%	6.4% p.a.
Sharpe		0.29
Long Term Euro Gov. Bond	3.4%	3.3% p.a.
Sharpe		0.41
Euro Gov T Bill	3.4%	1.2% p.a.

* Inception 31st March '04. Cartesio X until May '11

HOLDINGS		
1	Abanca AT1 10.625	1.9%
2	EDF Híbrido 2028	1.6%
3	Terna Híbrido 2030	1.6%
4	Permanent TSB Senior 28	1.6%
5	VW Hybrid 3.748%	1.6%
6	BAT Hybrid	1.6%
7	Alstom Hybrid	1.5%
8	Unicaja AT1 2026	1.5%
9	Unicredit AT1 PERP	1.5%
10	Ibercaja AT1 9.125 2028	1.4%
11	Allianz Hybrid 2031	1.4%
12	Lenzing híbrido 2025	1.4%
13	Enel Híbrido 2028	1.4%
14	Trafigura Senior 2026	1.4%
15	ENGIE Híbrido Perpetual	1.4%
16	Caisse Reassurance CoCo	1.3%
17	Unibail Hybrid 7.25%	1.3%
18	ZEGLN Secured 6,75%	1.3%
19	Teleperformance senior 31	1.3%
20	Other (including: Equities)	65.6%
21	Cash	6.4%
	Total	100%

MAIN HOLDINGS EQUITIES		
1	Merlin Properties	1.0%
2	BAT	0.8%
3	Repsol	0.7%
4	Acerinox	0.7%
5	Carrefour	0.7%
6	BMPS	0.7%
7	AXA	0.6%
8	Heidelberg	0.6%
9	Total Energies	0.6%
10	Publicis	0.5%

RISK ADJUSTED RETURNS PARETURN CARTESIO INCOME*							
	Returns		Volatility		Relative		M2
	Fund	Index	Fund	Index	Volatility		
2004 **	8.3%	5.5%	2.8%	3.4%	81.2%	9.9%	
2005	5.8%	6.0%	4.0%	3.5%	113.2%	5.3%	
2006	9.0%	-1.0%	2.2%	3.5%	62.7%	12.7%	
2007	2.1%	1.8%	3.0%	3.7%	81.1%	1.6%	
2008	-2.2%	10.8%	3.1%	6.1%	49.9%	-8.9%	
2009	8.5%	4.7%	1.5%	5.1%	30.3%	25.0%	
2010	2.1%	-0.3%	2.8%	4.7%	60.0%	3.0%	
2011	0.9%	2.2%	4.4%	6.3%	70.6%	1.3%	
2012	9.8%	14.9%	3.6%	4.8%	74.4%	12.7%	
2013	8.9%	2.9%	2.9%	4.2%	70.6%	12.3%	
2014	4.7%	16.9%	3.3%	3.4%	95.6%	4.9%	
2015	1.3%	2.1%	4.0%	5.3%	76.6%	1.6%	
2016	1.6%	3.5%	4.1%	4.0%	100.8%	1.6%	
2017	3.9%	1.3%	1.4%	3.7%	36.9%	11.3%	
2018	-3.7%	1.4%	1.8%	3.0%	59.6%	-6.0%	
2019	4.3%	6.7%	2.7%	3.8%	70.7%	6.2%	
2020	-3.5%	4.5%	9.9%	5.0%	198.8%	-2.0%	
2021	4.9%	-2.9%	4.2%	3.7%	111.9%	4.3%	
2022	-3.4%	-19.4%	6.8%	10.2%	66.9%	-4.7%	
2023	10.2%	8.9%	4.7%	8.8%	53.8%	16.4%	
2024	8.2%	3.4%	2.5%	5.6%	44.6%	14.2%	
Q1	2.2%	-0.7%	2.1%	5.7%	37.1%	4.6%	
Q2	1.2%	-1.4%	2.7%	6.5%	40.7%	1.6%	
Q3	3.8%	4.6%	2.8%	4.6%	60.9%	5.6%	
Q4 (Nov)	0.8%	1.0%	2.4%	5.1%	46.7%	1.0%	
Total	118.1%	96.5%	4.1%	5.2%	78.1%		

BOND SECTOR DISTRIBUTION	
Gobiernos	-
Consumo Cíclico	8.9%
Consumo Estable	4.8%
Energía	9.5%
Financieros	43.3%
Farmacia/Salud	1.3%
Industriales	7.0%
Materiales	3.3%
Servicios de comuni-	4.7%
Utilities e Infraestructuras	17.3%

VALUATION DATA	
Bonds	
Portfolio YTC	4.8%
Running Yield	5.4%
Portfolio Duration	3.7 years
Fund Duration	3.0 years
Equity	
P/E	9.8x
Div Yield	5.9%

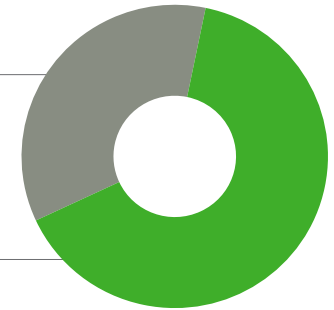
Bond Rating Distribution of the Portfolio

<Inv. grade

35%

≥BBB-

65%



Name

Cartesio Income (Replicates Cartesio X)

ISIN

LU1966822873 (Class I)
LU1966822956 (Class R)
LU1966823095 (Class Z)

Bloomberg

CARTINI LX / CARTINR LX / CARTINZ LX

Inception Date

13/01/20

Type

SICAV (UCITS III)

Benchmark

Bloomberg Euro Gov Bond Index 7-10 yr – Risk Adjusted

NAV frequency

Daily (Euros)

Fund Management Company

Waystone Management Co.

Fund Manager

Cartesio SGIC, S.A.

Custodian

BNP Paribas

Silver

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

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

Auditor

Deloitte

Transfer Agent & Fund Administrator

BNP Securities Services

Fund Management Fee

1.0% - Class I & Class R
0.65% + 7.5% performance fee - Class Z

* All ratings apply to Cartesio X