

# DPAM Invest B Equities World Sustainable - M

Institutional Factsheet | 31 May 2019



## MANAGER COMMENT

### Market Overview

A breakdown in trade talks between China and the US led President Trump to raise tariffs from 10% to 25% on roughly USD200 billion in Chinese imports. Stocks in trade-sensitive sectors as well as emerging market currencies tumbled as a result. Investors braced for more choppiness and piled into save-havens. The yield of the 10-year US government bond dropped 40 basis points from 2.5% to 2.1% in May. German bond yields plunged back into negative territory, which had last happened in 2016. Bond investors increasingly expect that economic weakness will lead the Fed to cut rates.

### Performance

Although the fund (F share) lost 2.97% in May, it was its strongest month so far this year relative to the MSCI All Country World Net Total Return Index, which dropped 5.39%. Year-to-date, the fund is up 16.75%, outperforming its benchmark by 4.85%.

### What worked?

- Financials was the strongest performing sector, boosted by Bolsa, Brazil's stock exchange owner, Indian bank HDFC and the fact that we have no exposure to developed markets' banks. HDFC's Investor Day strengthened our confidence in the bank's long-term growth outlook.
- Two of this year's additions to the fund did very well. Sysmex, the Japanese world-leader in lab tools for hematology, was the star performer of the month following re-assuring results and guidance. Equinix surged after posting double-digit revenue growth.

### What hurt?

- The most cyclical part of our portfolio, especially industrials and semiconductors, weighed on performance. Infineon reported uninspiring results, and although the company is still seeing 4% like-for-like growth, book-to-bill has dropped below 1 for the first time since 2012 due to order cancellations. As such, confidence is low for a second-half recovery, especially in light of renewed trade worries. Infineon only has a small exposure to Huawei, which was blacklisted by the US, forcing suppliers such as Infineon to stop doing business with the Chinese company.

### Strategy & Outlook

No changes were made to the fund in May. In our view, the portfolio continues to be well positioned with a clear tilt towards high quality large-cap companies. This has helped the fund significantly outperform when the market sold off at the end of last year and again more recently. Also, the fund has been able to outperform when markets rise.

Looking ahead, DPAM Invest B Equities World Sustainable will continue to implement its strategy of investing worldwide for the long-term, targeting high quality companies with good environmental, social and governance profiles that are trading at reasonable valuations.

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## OVERVIEW

Asset Class	Equities
Category	World
Strategy	Active Strategy
Fund Of	DPAM Invest B
Legal Structure	SICAV
Domicile	Belgium
Reference Currency	EUR
Liquidity	Daily
Sub-fund launch	29.10.2001
First NAV date	27.12.2017
Countries notified for public sale	BE
ISIN	BE6299468940
Entry Fee	Maximum 2%
Exit Fee	0%
Ongoing charges*	1.05%
<i>*included management fee</i>	0.75%
Minimum investment	1 share
NAV (Distribution)	154.04
Last gross dividend (26.03.2019)	EUR 1.75
Assets (all classes)	mn EUR 609.00
Number of positions	50

	Fund	Index
<b>PERFORMANCES (%)</b>		
1 month	-2.98	-5.39
YTD	16.71	11.90
1 year	9.51	3.40
3 years annualised	-	-
5 years annualised	-	-
10 years annualised	-	-

	Fund	Index
<b>PORTFOLIO CHARACTERISTICS</b>		
Gross dividend yield (%)	1.59	2.72

## INVESTMENT UNIVERSE

The fund principally invests (without any sectorial restrictions) in shares and/or other securities giving access to the capital of companies throughout the world and selected on the basis of sustainable development criteria (e.g. social, environmental and sustainability criteria).

## INDEX

MSCI AC World Net Return

## BREAKDOWNS (%)

Sectors	Fund	Index	Regions	Fund	Index
Information Technology	23.4	15.7	North America	38.4	58.1
Health Care	18.4	11.4	Europe ex-EMU	22.4	9.3
Financials	11.9	17.0	EMU	18.2	9.5
Industrials	11.0	10.4	Rest Of World	9.9	15.9
Consumer Discretionary	10.9	10.7	Japan	8.1	7.3
Consumer Staples	10.2	8.5	Cash	3.0	0.0
Materials	4.9	4.8			
Communication Services	4.1	8.9			
Real Estate	2.2	3.3			
Utilities	0.0	3.3			
Energy	0.0	5.9			
Cash	3.0	0.0			

## Top 10

Systemex Corporation	2.4
Hdfc Bank -Adr	2.3
Microsoft	2.2
Walt Disney	2.2
Equinix Inc	2.2
Sony Corporation	2.2
Visa A	2.2
Ingersoll-Rand	2.2
Mastercard Incorporated Class A	2.2
Accenture	2.1

## Currencies

US Dollar	38.4	55.4
Euro	21.1	9.8
Japanese yen	8.2	7.3
Swiss franc	8.1	2.8
Pound sterling	7.6	4.8
Danish krona	3.0	0.5
Indian rupee	2.3	1.1
Indonesian rupiah	2.0	0.2
Norwegian krone	2.0	0.2
Brazilian real	1.9	0.9
Chinese yuan	1.9	3.4
Hongkong dollar	1.8	1.2
Other	1.8	12.5

## TOP 5 BEST CONTRIBUTORS & WORST CONTRIBUTORS

Top 5 Best Contributors	Contribution	Top 5 Worst Contributors	Contribution
Systemex Corporation	+0.43	Infineon Technologies	-0.45
Apple	+0.25	Nvidia Corp	-0.41
Hdfc Bank -Adr	+0.19	Agilent Technologies, Inc.	-0.30
Equinix Inc	+0.15	Rockwell Automation, Inc.	-0.30
B3 Sa - Brasil, Bolsa, Balcão	+0.13	Nidec Corp	-0.24

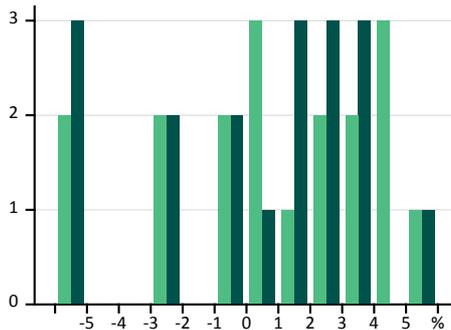
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Reference Currency EUR | Since Inception (27.12.2017)

Fund Index

## DISTRIBUTION OF MONTHLY RETURNS



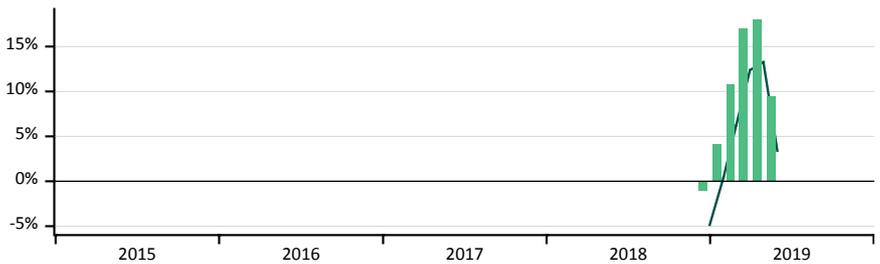
## CUMULATIVE PERFORMANCE



## STATISTICS

		Fund	Index
Volatility	%	-	-
Sharpe Ratio		-	-
Downside Deviation	%	8.17	9.35
Sortino Ratio		1.28	0.46
Positive Months	%	66.67	61.11
Maximum Drawdown	%	-10.22	-11.35
Risk-Free Rate		-0.42%	

## 12-MONTH ROLLING RETURNS

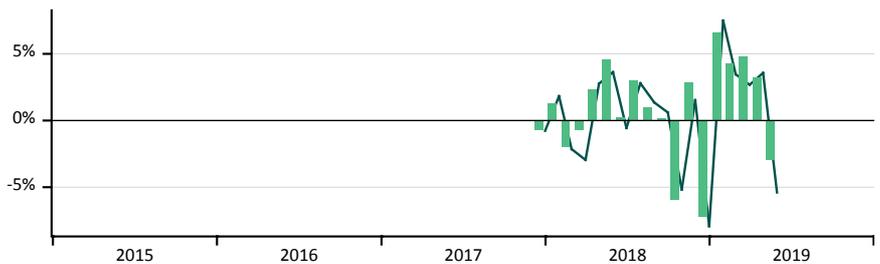


## FUND VERSUS INDEX

Correlation		0.963
R <sup>2</sup>		0.927
Alpha	%	0.48
Beta		0.917
Treynor Ratio	%	11.39
Tracking Error	%	3.62
Information Ratio		1.512

Index: MSCI AC World Net Return

## MONTHLY RETURNS



## MONTHLY RETURNS IN %

	2015		2016		2017		2018		2019	
	Fund	Index	Fund	Index	Fund	Index	Fund	Index	Fund	Index
January							1.29	1.82	6.59	7.49
February							-2.01	-2.14	4.29	3.47
March							-0.73	-2.95	4.80	2.68
April							2.36	2.76	3.26	3.57
May							4.57	3.63	-2.98	-5.39
June							0.28	-0.56		
July							3.01	2.79		
August							0.97	1.35		
September							0.20	0.61		
October							-5.96	-5.17		
November							2.89	1.53		
December					-0.71	-0.77	-7.21	-7.92		
<b>Year</b>					<b>-0.71</b>	<b>-0.77</b>	<b>-1.03</b>	<b>-4.85</b>	<b>16.71</b>	<b>11.90</b>

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