

# DPAM Invest B Equities NewGems Sustainable - F

Institutional Factsheet | 30 September 2018

Morningstar ★★★★★ (\*)



## MANAGER COMMENT

### Market Overview

The earnings season will be coming up next month and September, meanwhile, saw another gain for the S&P 500 Index, which is now on track for its largest quarterly gain since 2013! This, despite once again several issues faced by the market. First, the market had to digest another Fed rate hike. Second, there is a lack of progress in US-China trade talks, to say the least. Will this impact the third-quarter earnings this time? Third, US Supreme Court nominee Kavanaugh is facing an FBI investigation before the Senate can vote on his nomination. However, at the same time, recent polling is showing increasing probability of a 'Blue Sweep' (Democrat victory) in the November mid-term elections. Finally, as usual, Europe happily contributes problems of its own. The Italian government unveiled plans for a 2.4% budget deficit, which was wider than expected and sets Italy up for a confrontation with Brussels.

### Performance

The fund (F share) outperformed the MSCI World Net Return Index by 0.89%. Year-to-date, the fund is outpacing the benchmark by a whopping 22.27%.

### What worked?

- Healthcare was the best performing sector this month, with broad-based strength across our holdings. We increased large-cap med-tech companies, a move that paid off quickly, as Abbott and Agilent were top performers in healthcare.
- Consumer discretionary was the second best performing sector, mainly due to Sony, whose latest PlayStation Spiderman game unexpectedly enjoyed very strong sales. Moreover, Disney performed well, as the Fox-Sky-Comcast merger saga had a perfect, happy ending in our opinion.
- Activision Blizzard was the best performer for us this month, as initial feedback on Call of Duty Black Ops 4 and the accompanying 'Blackout' battle royale mode has been favorable.

### What hurt?

- Semiconductors, as ASML and Infineon were the two worst performers. That said, we are underexposed to the sub-sector, so information technology was actually a strong positive contributor (once again) for the performance of the fund.

### Strategy & Outlook

In September, we launched another round of de-risking and profit-taking, shifting to companies with low(er) valuations and stocks within the portfolio that had not performed as well as others. No positions were initiated or sold.

As a reminder, we only invest in companies that in our view will play a role in shaping society (consumers, corporations, governments and the environment) in the future. We have identified seven major themes we are looking to invest in: Nanotechnology, Ecology, Wellness, Generation Z, E-Society, Manufacturing 4.0 and Security. Hence, our name, NewGems. Also, we integrate sustainable Environmental, Social and Governance (ESG) Key Performance Indicators related to each theme into our investment process, as we are convinced that the analysis of ESG risks and opportunities should be part of any fundamental process.

(\*) Morningstar Rating Overall

(\*\*) Sustainability label awarded by the Luxembourg Finance Labelling Agency.

DPAM is signatory of the United Nations Principles for Responsible Investment (UN PRI).

Please read the important information at the end of this document.

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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	22.09.2006
First NAV date	08.12.2008
Countries notified for public sale	AT, BE, CH, DE, ES, FR, GB, IT, LU, NL
ISIN	BE0948502365
Telekurs	004839636
WKN	A0REA9
Entry Fee	Maximum 1%
Exit Fee	0%
Management Fee	0.75%
Ongoing charges	1.04%
Minimum investment	EUR 25'000
NAV (Capitalisation)	166.71
Assets (all classes)	mn EUR 155.30
Number of positions	80

	Fund	Index
<b>PERFORMANCES (%)</b>		
1 month	1.62	0.73
YTD	22.36	9.00
1 year	24.20	13.22
3 years annualised	15.72	12.05
5 years annualised	13.52	13.46
10 years annualised	-	-

	Fund	Index
<b>PORTFOLIO CHARACTERISTICS</b>		
Gross dividend yield (%)	1.37	2.42

## INVESTMENT UNIVERSE

The fund invests mainly in equities and/or securities giving access to the capital of companies “of the future”, around the world, identified by the acronym NEWGEMS (they include trends and themes of activities related to nanotechnology, ecology, well-being, generation Z, E-society, Industry 4.0 and security) and selected on the basis of environmental, social and governance (ESG) criteria.

## INDEX

MSCI World Net Return (since 31.07.2014)  
Previous Index: MSCI World Energy

## BREAKDOWNS (%)

Sectors	Fund	Index	Regions	Fund	Index
Information Technology	31.8	18.6	North America	54.6	65.6
Health Care	22.6	13.2	Europe ex-EMU	14.3	10.1
Consumer Discretionary	11.9	12.7	Japan	11.7	8.7
Industrials	10.9	11.5	EMU	10.2	11.3
Financials	10.8	16.6	Rest Of World	6.7	4.3
Materials	5.3	4.6	Cash	2.4	0.0
Consumer Staples	2.6	8.0			
Telecommunication Services	1.6	2.7			
Energy	0.0	6.3			
Real Estate	0.0	2.9			
Utilities	0.0	3.0			
Cash	2.4	0.0			

## Top 10

	Fund	Index
Sony Corporation	2.7	
Alphabet A	2.3	
Microsoft	2.3	
Amazon Com	2.2	
Walt Disney	2.1	
Apple	2.0	
Kerry Group	1.8	
UnitedHealth Group	1.8	
Koninklijke DSM	1.8	
Agilent Technologies, Inc.	1.8	

## Currencies

	Fund	Index
US Dollar	55.6	62.4
Euro	12.0	11.2
Japanese yen	11.8	8.7
Pound sterling	7.6	5.5
Canadian dollar	2.8	3.4
Swiss franc	2.2	2.9
Swedish krona	2.1	0.8
Chinese yuan	1.8	0.0
Norwegian krone	1.5	0.3
Danish krona	1.1	0.6
Korean won	0.9	0.0
Malaysian ringgit	0.8	0.0
Other	0.0	4.1

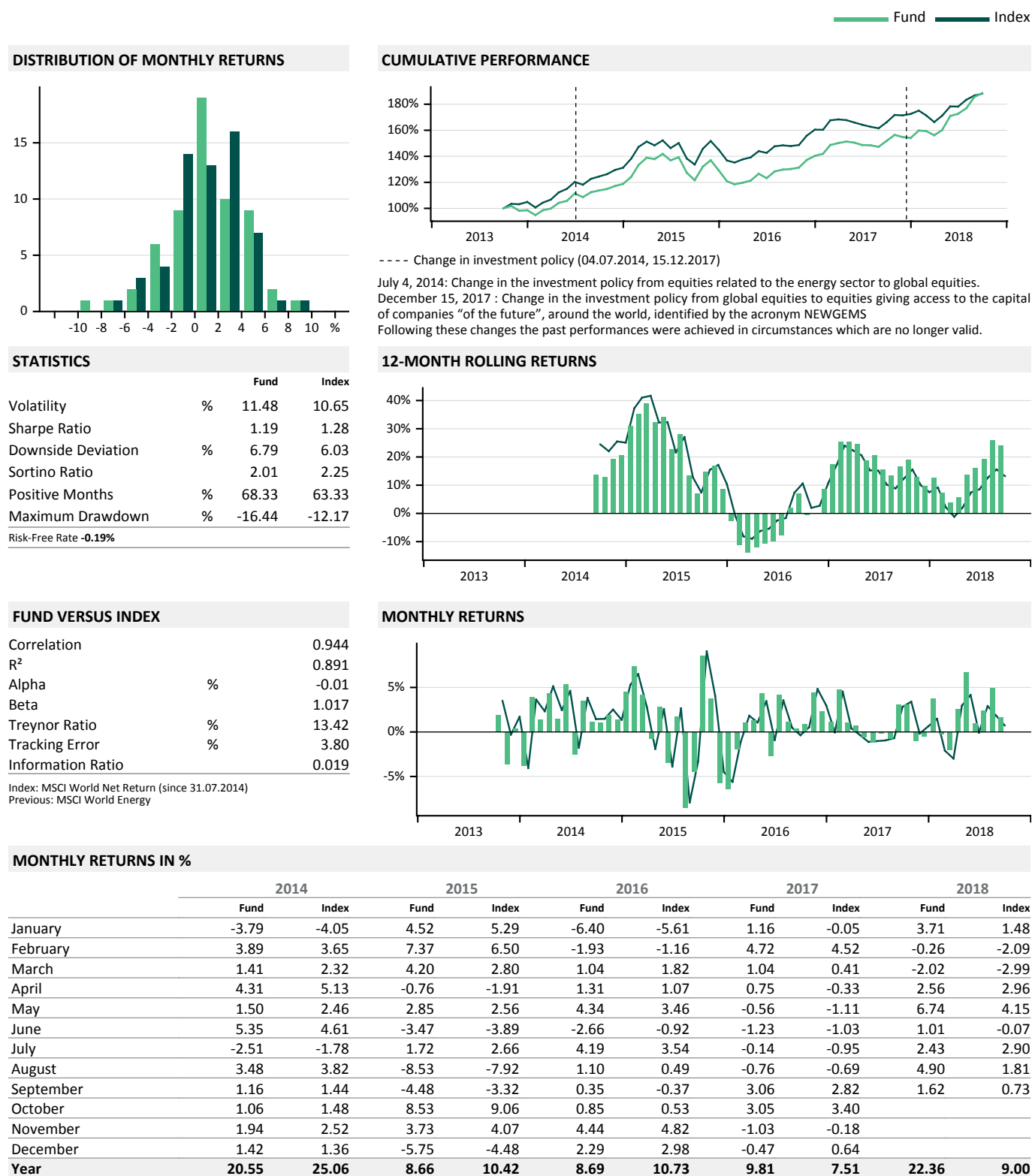
## TOP 5 BEST CONTRIBUTORS & WORST CONTRIBUTORS

Top 5 Best Contributors	Contribution	Top 5 Worst Contributors	Contribution
Activision Blizzard	+0.21	ASML Holding	-0.11
Sony Corporation	+0.19	Infineon Technologies	-0.10
Tomra	+0.17	Axogen	-0.08
Abbott Laboratories	+0.13	Pnc Financial Services Group, Inc.	-0.06
Softbank Corp	+0.12	Exxon Mobil Corp	-0.05

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Reference Currency EUR | Observation Period - 5 years



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