# Line Up 30 Capital Fund

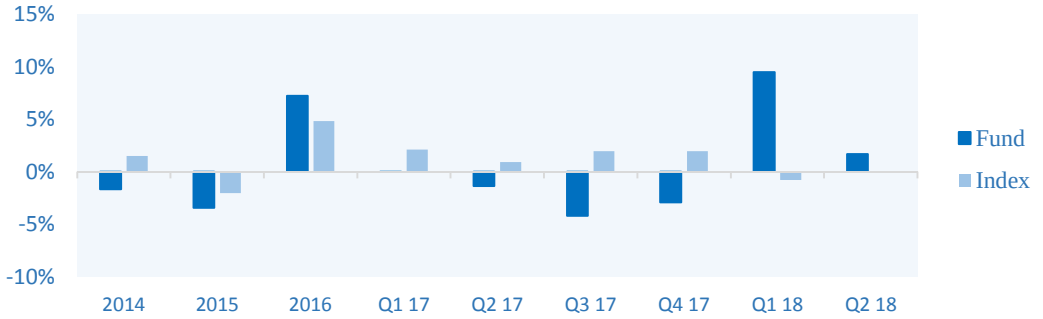
## JUNE 2018

### FUND HIGHLIGHTS

- Balanced fund investing in any type of asset.
- Research preservation of capital growth on a medium-term perspective
- Low volatility & large diversification
- Long-only targeting a low risk implementing straightforward strategies

### GROWTH OF 1'000 EUR

### CALENDAR QUARTER RETURN




| TOTAL RETURNS | Fund% | Index % |
|---|---|---|
| 1 Month | -0,44 | -0,87 |
| Year to Date | 11,3 | -1,47 |
| 1 Year | 6,77 | 1,39 |
| Since Inception | 4,72 | 8,83 |

| INDEX COMPOSITION | % |
|---|---|
| EONIA Capitalized | 30 |
| BBG IG Europe Corp Bond Index | 15 |
| BBG US Corp Bond Index | 15 |
| MSCI World USD | 12 |
| BBG USD EM Corp Bond Index | 10 |
| STOXX 600 | 6 |
| MSCI Emerging Markets | 6 |
| Bloomberg Commodity Index | 6 |

| RISK MEASURES | 1 year | 3 years |
|---|---|---|
| Alpha | -0,41 | -0,34 |
| Beta | -1,18 | 1,29 |
| R-Squared | -0,51 | 0,58 |
| Fund Annualized Volatility | 6,94 | 8,97 |
| Index Annualized Volatility | 2,99 | 4,02 |
| Sharpe Ratio | 0,01 | -0,00 |
| Information Ratio | -0,05 | -0,05 |
| Tracking Error | 8,84 | 7,42 |

### ABOUT THE FUND

**Investment objective**
Achieve a medium-term capital growth

**Category**
Global Balanced Fund

**Reference Index**
30% risky & 70% non-risky assets.

### FUND CHARACTERISTICS

**Legal Structure**
Mutual Professional Fund

**Share Class Inception**
27/03/2014

**Valuation Frequency**
Each Wednesday in BVI

**Custodian**
Banque de Patrimoines Privés Lux
Interactive Brokers Zurich

**Auditor**
BDO British Virgin Islands

**Fund Size**
14,39 M EUR

**Recommended Investment Horizon**
3-5 years

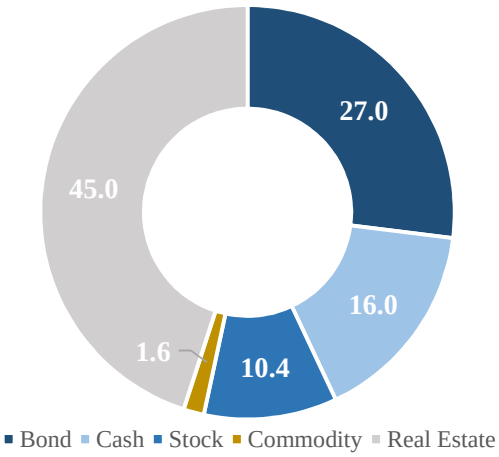
**Investor Type**
Private Customer

### AVAILABLE SHARE CLASS

| Class | ISIN | Bloomberg |
|---|---|---|
| A | VGG5504A1003 | LU30CPA |

# Portfolio as of 27/06/2018

## ASSET ALLOCATION




## TOP 5 EQUITY HOLDINGS %

| | |
|---|---|
| Shire | 1,60 |
| Casino Guichard | 1,38 |
| Tullow Oil | 1,37 |
| CGG | 1,26 |
| TeliaSonera | 1,05 |

## EQUITY SECTOR ALLOCATION %

| | |
|---|---|
| Energy | 38,0 |
| Consumer Staples | 34,5 |
| Telecom Services | 19,7 |
| Health Care | 17,9 |
| Financials | 13,1 |
| Information Technology | 0 |
| Industrials | 0 |
| Materials | 0 |
| Utilities | 0 |
| Consumer Discretionary | 0 |

## EQUITY GLOBAL ALLOCATION %

| | |
|---|---|
| Europe | 87,6 |
| Emerging Markets | 12,4 |
| North America | 0 |
| Japon | 0 |

## FIXED-INCOME ALLOCATION %

| | |
|---|---|
| European Bonds | 65,1 |
| North-American Bonds | 30,3 |
| Emerging Markets | 4,6 |
| Global Strategy Bonds | 0 |

## CURRENCY ALLOCATION %

| | |
|---|---|
| Euro | 46,8 |
| Sterling Pound | 18,7 |
| US Dollar | 15,4 |
| Russian Ruble | 6,4 |
| Norwegian Krone | 5,1 |
| South-African Rand | 4,4 |
| Turkish Lira | 1,4 |
| Swedish Krone | 1,1 |
| Swiss Franc | 0,7 |

## COMMODITY ALLOCATION %

| | |
|---|---|
| Metals | 100 |
| Agricultural | 0 |
| Energy | 0 |

## ASSETS UNDER MANAGEMENT %

| | |
|---|---|
| Investment Funds | 71 |
| Direct Investment | 29 |

## FEE STRUCTURE & CODES

| | |
|---|---|
| TER | 1,20% |
| Purchase Charge | 0-3,00% |
| Redemption Charge | 0-3,00% |
| - | |
| Minimum Investment | 100’000 EUR |
| NAV / Share | 1047,24 EUR |

## ASSETS INFORMATION

| | |
|---|---|
| Equity Dividend Yield | 2,56% |

Equity Market Capitalization
Mid & Small : 50%
Large : 50%

Equity Valuation
P/E : 13,5 X
Estimated P/E : 12,6 X

Bonds Rating
Investment Grade : 98 %
High Yield : 2 %

| | |
|---|---|
| Effective Bonds Yield | 0% |

## MANAGEMENT INFO

Management Company
Line Up Capital Management

Financial Advisors
Nicolas ANTONIN
Arnaud RAYBAUD

## MANAGEMENT COMMENTARY

While “Trade War” threats have taken the markets up since now several weeks, first implementations took place during June. In Europe and Emerging Markets, this new global protectionism wanted by the US seems to be taken seriously. Monthly, MSCI Emerging Markets plunged -5,31% and Stoxx 600 decreased -1,43%. However in the US, markets kept the increase up at the beginning of the month. With the rise of tensions, US markets fell in the end -0,90% (S&P) and -0,69% (Nasdaq), pulling the MSCI World down -1,15%.

The News is burning : Italian elections, tensions between European countries regarding migrant issues, OPEC meeting, stress-test results from the banks, China depreciating the yuan, US-North Correa meeting, election in Mexico, South Africa and Turkey, Brexit stalemate, tensions about Iran, Israel – Palestine, Yemen, Syria. The key features of what is happening in the world now describe an increase of populism in several countries, a commercial confrontation between China and the US, hard task to keep the European Union on the right track, all in a shaken global diplomatic situation.

On the forex market, there is a high volatility. We took advantage of these strong variations to initiate an investment in TRY and reduce our allocation in GBP and CHF.

Regarding the bond market, US 10y’s yield decrease and is moving closer to US 2y’s yield. Economists are scared of an inverted yield curve eventuality, showing loss of confidence in the economy and indicating a recession. In Europe, analysts are asking themselves if countries will be able to grow without ECB injecting tones of liquidity, what it announced it will end in December. Bond markets behaviors are worrying.

In this environment, the fund went down -0,44%. Our equity allocation remains low and had a very small impact on the performance. ZAR dropped 9% and explains most of the monthly decrease of the fund.

During the month, we reduced our equity allocation taking the opportunity of a high oil to sell Repsol and Total, taking profit on Lindt and selling an ETF on Stoxx 600.

We are at the middle of a fight between investors betting that “Trade War” will end with agreements and those seeing a significant drop on the market. We are on the side of those expecting a negative impact, we think that CEOs and decision makers will revise down their expectations for the future regarding the situation and make them public during the coming quarterly report season.


## INFORMATION

| | |
|---|---|
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