

BL-European Smaller Companies

July 2019

Management Report

Tom Michels
Fund Manager



European small cap share prices drifted downwards in July. Weaker economic indicators were the main reasons while the only factors saving the markets from falling further were statements from the central banks. The ECB and the Fed both confirmed they would be continuing their expansionary monetary policy. The best-performing sectors over the month were consumer staples, healthcare and consumer discretionary. The poorest performers were commodities, energy and financials. The benchmark index (MSCI Europe Small Cap Net TR EUR) was down 0,15% over the month. BL European Smaller Companies (retail accumulation share in euros, net of fees) posted a decline of 1,09%.

The stocks limiting the fund's underperformance against the index were Carl Zeiss Meditec (Germany), Mycronic (Sweden) and Gerresheimer (Germany). These three companies all posted good results. Their businesses are robust and they have enjoyed growth in sales and profit margins. In contrast, the following stocks weighed on the portfolio's performance in July: Krones (results deteriorated further), Interroll (lower growth forecasts after several years of strong growth) and Fagron (after capital withdrawal by one of its main shareholders).

No transactions were conducted within the portfolio during the month.

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Current Portfolio

New Holdings

no transactions

Investments sold

no transactions

Sector Allocation

Energy	0,0%
Materials	2,4%
Industrials	37,8%
Consumer Discretionary	3,6%
Consumer Staples	14,6%
Health Care	27,3%
Financials	0,0%
Information Technology	7,9%
Communication Services	0,0%
Utilities	0,0%
Real Estate	2,4%
Cash	3,9%

Market Capitalizations

< € 1 bn	11,5%
€ 1 - 3 bn	50,4%
€ 3 - 5 bn	34,2%
Cash	3,9%

Top Holdings

Carl Zeiss Meditec	7,0%
Amplifon	5,4%
Loomis	4,5%
CompuGroup Medical	3,9%
Gerresheimer	3,7%
Viscofan	3,5%
Spirax Sarco	3,5%
Rotork	3,5%
Interpump	3,0%
Nibe Industrier	3,0%
Weight of Top 10	41,1%
Number of holdings	43

Geographic Allocation

Belgium	6,2%
Denmark	2,6%
France	4,2%
Germany	26,6%
Italy	12,3%
Norway	2,5%
Spain	6,3%
Sweden	10,1%
Switzerland	12,1%
United Kingdom	13,3%
Cash	3,9%

Performance (EUR)¹

	6 months	1 year	3 years	5 years
Fund (B shares)	7,4%	-1,1%	20,2%	37,5%
Benchmark ³	6,0%	-5,8%	22,7%	48,3%
Quartile	2	1	3	3

Volatility (EUR)²

	6 months	1 year	3 years	5 years
Fund (B shares)	11,1%	17,1%	12,8%	13,5%
Benchmark ³	10,5%	17,2%	11,9%	13,4%
Quartile	3	2	3	2

General Information

Total Assets (EUR)	EUR 189,8 mio
Turnover 2018 ⁴	6%
TER 2018 (class B shares)	1,49%
ISIN Code (class B shares)	LU0832875438
ISIN Code (class I shares)	LU0832875354

¹ Source : Lipper

² Source : Lipper, annualised

³ MSCI Europe Small Cap

⁴ min (purchases, sales) / average of net assets

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