





# Evolution Europe Class R

EUROPEAN EQUITIES MULTICAPS

REPORT  
JUNE 2017

|   |   |
|---|---|
| ISIN Code   | LU1250158919  |
| Bloomberg   | EEVREUR LX  |
| Launch Date   | 15/12/2008  |
| Minimum investment  | 1 share   |
| Subscriptions / Redemptions                                       | Daily<br>Cut off, 12.00 am Luxembourg Time  |
| European equities (R Class)                                       |                                    |
| European equities Flex caps (5 years)                             |                                    |
|   | <b>Style Rating</b>  <b>EDHEC</b>  |
| Pierre Fournier :<br>3 years : 68th / 328<br>5 years : 43th / 262 |                                    |
| Reference Index   | DJ STOXX 600 € NRT (dividends reinvested)   |
| Subscription Fees   | 2.50% (maximum sales commission)  |
| Management Fees (max)   | 2.15% (tx. incl.) + 20.00% (tx. incl.) of the outperformance above the DJ STOXX EUROPE 600 NRT (if performance > 0) |
| Redemption fees   | None  |
| Sources   | Bloomberg & Statpro Révolution  |
| Fund managers   | Pierre Fournier<br>Alexis Arquie  |
| Custodian   | CACEIS Bank Luxembourg  |
| Statutory auditor   | Deloitte & Associés   |
| Legal status  | UCITS IV - SICAV, eligible for the PEA savings plan   |
| Domicile  | Luxembourg  |
| Countries of distribution   | France, Switzerland, Luxembourg, Spain  |
| NAV / Assets  | €319.61 / €205M   |
| Mean/Median capitalization  | €19,640M / €5,074M  |
| Nb of holdings  | 44  |
| Net equity exposure   | 86.56%  |

The fund is exposed to the following risks : risk of capital loss, equity risk, liquidity risk, risk linked to investing in equities in emerging markets, interest rate risk, credit risk, risks related to the use of speculative (high-yield) securities, exchange rate risk, counterparty risk, risk associated with the use of derivatives and risk associated with the subordination of certain debt securities.

For the investors residing outside the Eurozone, the return may increase or decrease as a result of currency fluctuations.

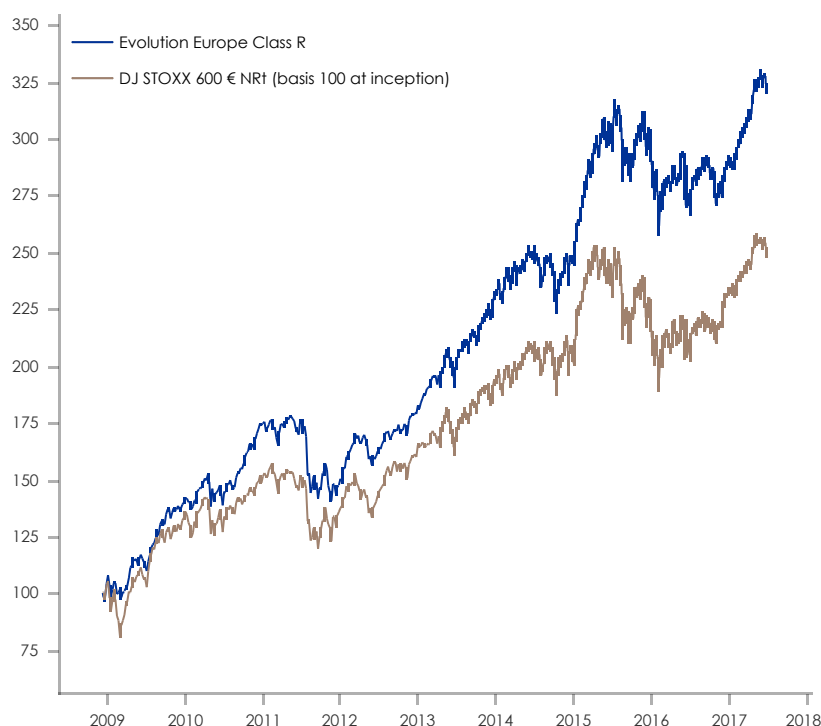
Risk and reward profile **1 2 3 4 5 6 7**

## OBJECTIVES

- The fund's investment universe is the European Community's equities.
- The objective is to outperform its reference index over a period exceeding 5 years, with volatility below its index and a source of alpha derived primarily from stock picking.

## PERFORMANCES

|                          | Monthly | YTD    |
|--------------------------|---------|--------|
| Evolution Europe Class R | -2.11%  | 10.67% |
| Reference Index          | -2.53%  | 7.04%  |



|                          | Cumulative performance (%) |         |         |                 | Annualized performance (%) |         |                 |
|--------------------------|----------------------------|---------|---------|-----------------|----------------------------|---------|-----------------|
|                          | 1 year                     | 3 years | 5 years | Since Inception | 3 years                    | 5 years | Since Inception |
| Evolution Europe Class R | 17.03%                     | 29.28%  | 96.93%  | 219.61%         | 8.93%                      | 14.50%  | 14.57%          |
| Reference Index          | 18.17%                     | 20.48%  | 73.54%  | 147.76%         | 6.40%                      | 11.64%  | 11.20%          |

## KEY FIGURES / PERFORMANCE INDICATORS

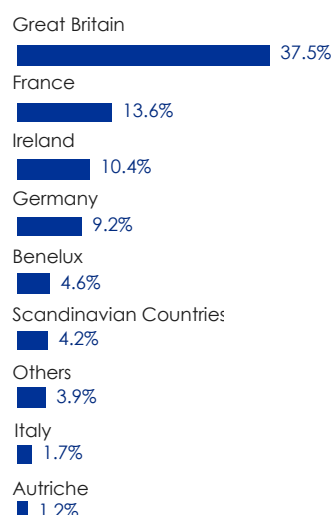
|  | Evolution Europe | Reference index |
|--|------------------|-----------------|
| Volatility 3 years                         | 12.55%           | 16.05%          |
| Nb positive months                         | 71               | 64              |
| Nb negative months                         | 32               | 39              |
| Max. monthly gain                          | 10.99%           | 13.84%          |
| Max. monthly loss                          | -13.08%          | -14.77%         |
| Average weekly perf. (with positive index) | 1.34%            | 1.74%           |
| Average weekly perf. (with negative index) | -1.17%           | -1.82%          |

## HISTORICAL PERFORMANCE % (NET OF FEES)

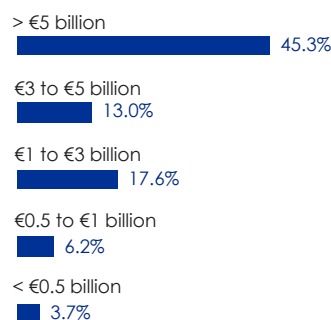
|      |                 | jan.   | feb.   | mar.   | apr.   | may    | june   | july   | aug.    | sept.  | oct.   | nov.    | dec.   | Annual/YTD |
|------|-----------------|--------|--------|--------|--------|--------|--------|--------|---------|--------|--------|---------|--------|------------|
| 2010 | Fund            | 0.19%  | 0.09%  | 4.69%  | 1.47%  | -3.59% | 0.20%  | 2.74%  | -0.85%  | 5.68%  | 4.74%  | 1.15%   | 6.29%  | 24.75%     |
|      | Reference index | -2.68% | -0.28% | 7.51%  | -0.98% | -5.32% | 1.97%  | 2.94%  | -1.43%  | 5.17%  | 0.84%  | 0.45%   | 3.52%  | 11.61%     |
| 2011 | Fund            | -1.03% | -0.30% | -0.85% | 3.91%  | -0.38% | -1.02% | -3.42% | -13.08% | -0.40% | 7.38%  | -10.42% | 4.94%  | -15.40%    |
|      | Reference index | 1.78%  | 1.48%  | -2.63% | 3.39%  | -0.85% | -1.98% | -2.70% | -14.77% | 0.46%  | 10.16% | -10.80% | 10.48% | -8.61%     |
| 2012 | Fund            | 4.97%  | 5.45%  | 3.65%  | 0.20%  | -5.56% | 1.36%  | 2.80%  | 0.97%   | 1.67%  | 0.20%  | 3.65%   | 0.46%  | 21.17%     |
|      | Reference index | 4.57%  | 3.81%  | -0.14% | -1.04% | -5.61% | 3.93%  | 3.54%  | 2.74%   | 0.99%  | 0.86%  | 2.12%   | 1.15%  | 17.80%     |
| 2013 | Fund            | 3.73%  | 2.66%  | 2.80%  | 1.07%  | 3.12%  | -2.92% | 4.91%  | -0.41%  | 2.88%  | 3.16%  | 3.25%   | 1.93%  | 29.26%     |
|      | Reference index | 4.04%  | -0.27% | 2.20%  | 1.66%  | 2.04%  | -5.07% | 5.21%  | -0.51%  | 4.52%  | 3.93%  | 1.03%   | 1.03%  | 21.18%     |
| 2014 | Fund            | -0.37% | 5.42%  | 0.26%  | 0.08%  | 2.18%  | -0.62% | -1.67% | 1.02%   | -0.41% | -3.02% | 4.05%   | 0.62%  | 7.49%      |
|      | Reference index | -1.66% | 5.00%  | -0.79% | 1.57%  | 2.60%  | -0.52% | -1.64% | 2.03%   | 0.41%  | -1.74% | 3.26%   | -1.28% | 7.20%      |
| 2015 | Fund            | 5.72%  | 6.86%  | 1.62%  | 3.66%  | 2.82%  | -1.94% | 4.46%  | -5.10%  | -2.79% | 4.41%  | 3.80%   | -2.47% | 22.21%     |
|      | Reference index | 7.25%  | 6.98%  | 1.68%  | 0.10%  | 1.67%  | -4.49% | 4.01%  | -8.23%  | -4.06% | 8.08%  | 2.81%   | -5.03% | 9.60%      |
| 2016 | Fund            | -6.12% | -3.53% | 2.73%  | 0.09%  | 3.72%  | -6.82% | 3.79%  | 1.34%   | 0.68%  | -3.33% | -0.59%  | 3.93%  | -4.83%     |
|      | Reference index | -6.37% | -2.21% | 1.40%  | 1.75%  | 2.50%  | -4.83% | 3.73%  | 0.74%   | -0.11% | -1.03% | 1.05%   | 5.75%  | 1.73%      |
| 2017 | Fund            | -0.55% | 4.41%  | 2.88%  | 3.25%  | 2.50%  | -2.11% |        |         |        |        |         |        | 10.67%     |
|      | Reference index | -0.31% | 3.05%  | 3.32%  | 1.98%  | 1.45%  | -2.53% |        |         |        |        |         |        | 7.04%      |

\*Reference index DJ STOXX 600 € NRT

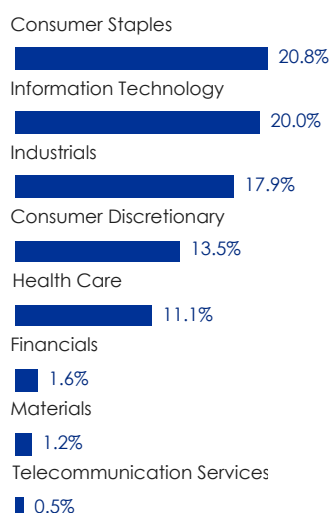
## COUNTRY BREAKDOWN



## BREAKDOWN BY MARKET CAPITALIZATION



## INDUSTRY BREAKDOWN



## TOP HOLDINGS

BAT  
RECKITT BENCKISER  
FRESENIUS MEDICAL CARE  
MICRO FOCUS INTERNATIONAL  
CAP GEMINI

## RISK INDICATORS (3 YEARS)

Sharpe Ratio 0.71  
Beta 0.76  
Jensen's Alpha 5.88%

## MANAGER'S COMMENTARY

Evolution Europe ends the first half of the year up more than 10%, versus a benchmark up around 7%. The end of the reflation trade that dominated 2016 allowed the fund's alpha to fully reemerge.

Among the positive contributions, let's note **Unilever** (Netherlands, staples, €140bn) which, along with a strong-performing staples sector, in which we invested massively at the end of 2016, was up 30%, thanks to a reshuffling of its portfolio, the downsizing of its cost base, and further cash returns to shareholders. **Ryanair** (Ireland, airline, €22bn) also continues on its growth path despite its relatively subdued underlying industry, thanks to its market share gains versus dying competitors. Same goes for **B&M European Value Retail** (UK, retail, £3bn) and **Just Eat** (UK, e-commerce platform, £5bn) in retail and consumer discretionary, proving that companies with disruptive business models can create value even in adverse conditions. Finally, as we talked about in previous comments, we sold several of our small caps holdings. After some very good performance these last few years the valuation of this asset class has come back up to a reasonable level.

Among our disappointments let's note **Pandora** (Denmark, jewelry, DKK78bn), down 25% since we started our position in February, **Technicolor** (France, technology, €1.5bn) and **Gemalto** (France, technology, €5bn), the latter two going down respectively 25% and 7% between the start of the year and when we closed our positions.

This first half of the year, with more than 3 points of outperformance, rewarded good stock picking from the fund management team. Earnings releases from our companies were quite good on average which reinforces our optimism at the start of this second half. With an average upside of 18% in our holdings, we believe the portfolio to be as attractive as ever.  
Enjoy the summer!

**DISCLAIMER.** This document is established by Auris Gestion, an asset management company incorporated in Paris under French law. It contains information, opinions and data which Auris Gestion believes to be pertinent and accurate as of the date of their production and taking into account the economic, financial and market environment. It is produced for the sole purpose of information and should not be considered as an offer for sale or a recommendation.

It does not constitute a convention or a commitment of whatsoever nature. This document is furnished without our knowledge of your risk profile, which shall be established upon a test of adequacy prior to any contractual commitment. Prior to any investment decision you should: (i) read carefully the Key Investor Information Document or the Prospectus established under the control of the supervisory authority (Autorité des Marchés Financiers « AMF ») and available upon request to Auris Gestion or any other distributors of the fund, (ii) enquire about the detailed rules of the fund, including its last available periodical disclosures established by the asset management company, Auris Gestion, (iii) consult your own legal and tax advisors to validate the suitability of a subscription in the fund with your own financial situation and objectives.

Taking into account economic and market's risks Auris Gestion cannot guarantee any objective of performance. The value of your investment can as well go up or down and past performances are not an indicator of future performances.

AURIS INVESTMENT MANAGERS is a trade name for the fund management activity of AURIS GESTION.

**Additional Information for Switzerland :** The prospectus and the Key Investor Information Documents for Switzerland, the fund contract, the annual and semi-annual report, in French, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, web: [www.carnegie-fund-services.ch](http://www.carnegie-fund-services.ch). The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'île, CH-1204 Geneva. The last unit prices can be found on [www.fundinfo.com](http://www.fundinfo.com). For the shares of the compartment distributed to non-qualified investors in and from Switzerland and for the shares of the compartment distributed to qualified investors in Switzerland, the place of performance is Geneva.