



# MERCLIN INSTITUTIONAL

Management company: Degroof Petercam Asset Services; management delegated to Mercier Vanderlinden Asset Management

## Monthly Report

Date: February 28, 2019

N.A.V. Class R 1.888,42 EUR

N.A.V. Class F 1.172,09 EUR

**Important Notice:** Minimum subscription amount: 250.000,00 EUR  
Reserved for eligible investors

### FUND DESCRIPTION

MercLin Institutional Equity Fund RDT-DBI (sub-fund of MercLin Institutional Fund) meets the requirements imposed by the applicable regulations to benefit from the Definitely Taxed Income regime (DBI-RDT): the sub-fund distributes at least 90% of the received income, after deducting salaries, commissions and charges. The company-shareholder can – as of income year 2018 – deduct 100% from the taxable basis of the income distributed by the sicav resulting from dividends or from capital gains on shares, which meet the requirements of the DBI-RDT deduction. The fund follows the equity strategies of the MercLin Global Equity fund.

### RESULTS<sup>2,3</sup>

	YTD	2018	2017	2016	2015	2014	2013	2012	2011
MercLin DBI/RDT R	+9,04%	-10,14%	+5,74%	+8,74%	+12,98%	+20,14%	+22,74%	+7,97%	+1,53%
MercLin DBI/RDT F	+9,08%	-10,01%	+5,95%	+8,94%	7	7	7	7	7
MSCI AC World Euro <sup>6</sup>	+11,22%	-4,85%	+8,89%	+11,09%	+8,76%	+18,61%	+17,49%	+14,34%	-4,25%

<sup>3</sup> It concerns annual (except YTD) performance numbers based on historical data and which are no guarantee of future results. YTD is a cumulative return over a period from the 1st of January of the current year till a given date (see above) in the current year.

<sup>6</sup> MSCI AC World Euro Net dividend reinvested. The investment policy of the subfund does not include a tracking error objective with the benchmark. Performances of the subfund may therefore vary from the performance of the benchmark.

### MANAGER'S COMMENT

Interactive Brokers "IB" is the highest-margin, lowest-cost broker in the world. IB provides seamless global access to 120 markets. While your typical broker is run by salespeople, IB is managed and operated by programmers. This allows IB to earn a higher profit per employee than any tech giant. In the seminal essay "Why Software is Eating the World", venture capitalist Marc Andreessen predicts that software-oriented companies will outcompete their peers in any industry. While pure software companies grab a lot of today's attention, opportunities can be found when scouring for tech leaders in "old" industries as these companies are not classified as "tech" nor covered by tech analysts. There's a case to be made for the longevity and low-risk nature of IB's growth. Despite still having small market shares in its many customer segments, IB was ranked first on Barron's Top Brokers for the 7th year in a row. IB should continue to attract smart clients while there are virtually no existing clients leaving. Growth should be highly profitable as costs are largely fixed. Like Amazon, IB defends its low-cost leadership by sharing the benefits of scale through lower prices and improving the award-winning product. This platform company with a long growth runway has an earnings valuation in line with the general US market.

### TOP 10 STOCKS

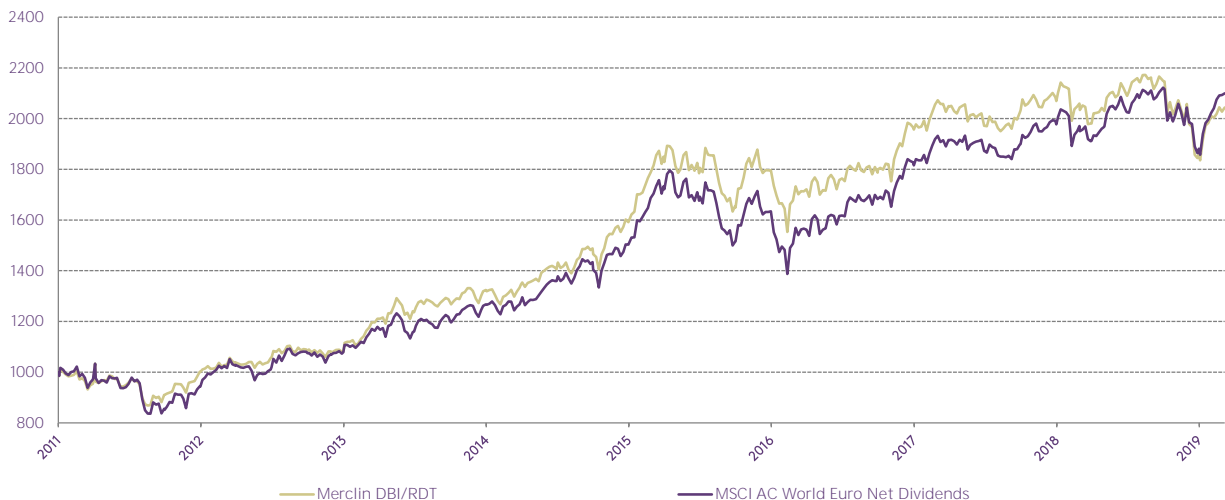
1	Berkshire Hathaway	6,79%
2	Fairfax Financial	6,00%
3	Microsoft	5,06%
4	Alphabet	4,60%
5	Fiat Chrysler	4,32%
6	Citigroup	4,31%
7	Alliance Data Systems	4,31%
8	AB InBev	4,20%
9	Facebook	3,92%
10	Goldman Sachs	3,65%
		47,16%

### RETURN<sup>2</sup>

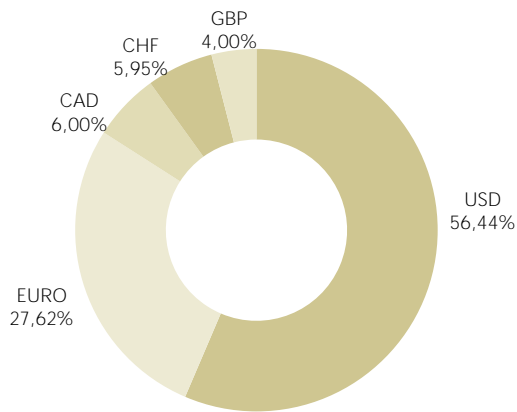
Annualized Returns <sup>4</sup>	MercLin DBI/RDT R	MercLin DBI/RDT F	Benchmark <sup>2</sup>
1 year	-1,55%	-1,40%	+6,21%
3 years	+6,55%	+6,73%	+11,57%
5 years	+9,23%	7	+10,35%
Ann. since inception	+9,13%	+5,27%	+9,47%
Cum. since inception	+104,57%	+17,53%	+109,26%

<sup>4</sup> The return figures indicated above do not include commissions eventually linked to the issuing and redemption of shares. These are annualised returns based on historical data, which offer no guarantee of future returns.

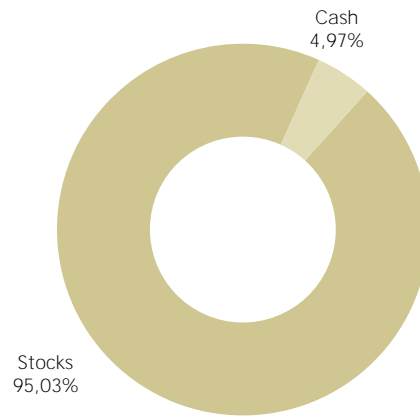
### NAV GRAPH<sup>3, 4</sup>



## CURRENCY



## ASSET ALLOCATION



## GEOGRAPHICAL EXPOSURE

USA	56,44%
Euro Zone	22,65%
Other	10,97%
Switzerland	5,95%
Great Britain	4,00%
Emerging Markets	0,00%
Japan	0,00%

## SECTOR EXPOSURE

Consumer Staples	26,36%
Financials	20,62%
Information Technology	17,53%
Healthcare	13,27%
Holding Companies	8,21%
Consumer Discretionary	7,67%
Other	4,97%
Industrial Goods & Services	1,38%
Energy	0,00%

## LAST BUY-SELL

### BUY

Interactive Brokers

### SELL

Deutsche Bank  
Adient

### INCREASE

eBay  
Goldman Sachs  
BNP Paribas

### REDUCE

Alliance Data Systems  
Fairfax Financial  
BMW

## TECHNICAL DATA

<b>Fund Name:</b>	MerclIn Institutional Fund
ISIN Merclin DBI/RDT R:	BE6213770470
ISIN Merclin DBI/RDT F:	BE6282942588
Bloomberg:	MERCINS BB
Domicile:	Guimardstraat 19, BE-1040 Brussels, Belgium
Legal status:	Belgian institutional SICAV with sub-funds in financial instruments and liquid assets
Type of shares:	Distribution
Management company:	Degroof Petercam Asset Services S.A.
Financial Agent:	Banque Degroof Petercam N.V.
Custodian:	Banque Degroof Petercam N.V.
Delegation of the administration:	Banque Degroof Petercam Luxembourg S.A., Brussels branch
Delegation of intellectual management:	Mercier Vanderlinden Asset Management
Distributor:	Banque Degroof Petercam N.V.
Auditor:	PwC
Maturity:	Not determined
N.A.V. publication:	www.merciervanderlinden.com
Minimum subscription amount Merclin DBI/RDT R:	250.000,00 EUR
Minimum subscription amount Merclin DBI/RDT F:	50.000.000,00 EUR
Subscription fee:	Class F and R : 0% (Mercier Vanderlinden)
TOB on exit:	No
Withholding Tax:	30%
Tax on UCITS investing more than 10% of their assets in debt claims:	No
Performance Fee:	No
Anti-Dilution Protection:	0,08% at Subscription, 0,08% at Redemption
N.A.V. calculation:	Weekly on Thursday
Subscription/Redemption:	Before Thursday 1:15 PM
Assets Under Management:	324,3 m EUR
Inception:	17/11/2010

	Management Fee	Ongoing Charge <sup>5</sup>	ISIN
Class R	0,8% annual	0,90%	BE6213770470
Class F	0,6% annual	0,69%	BE6282942588

### Risk Indicator :



The value of an investment in a sub-fund increases or decreases over time. At the time of resale, the price of your shares may be less than the original price, representing a loss. If you invest in a sub-fund whose currency is different from your own, exchange rate fluctuations can also reduce your gains or increase your losses.

The above risk level is calculated on the basis of the sub-fund's volatility over the medium term (i.e. on the basis of actual changes in its value over the last five years or on a simulation, if the subfund was created within that period). The volatility of the sub-fund may increase or decrease over time, which may change its risk level.

### The subfund's risk level reflects the following factor(s):

Equity investments have greater volatility and higher risk than investments in bonds and money market instruments. The risk level does not reflect the potential impact of unusual market conditions or unforeseen events that may increase risk or trigger other risks such as:

- Counterparty risk: the subfund can lose money as a result of the failure of a market player with which it does business.
- Credit risk: risk associated with bonds becoming worthless when the issuer of the bond is not able to repay its debt on maturity.
- Liquidity risk: some financial securities may be impossible to sell quickly at a given time or may have to be sold at a discount.
- Management risk: under abnormal market conditions, the usual management techniques may be ineffective or unfavourable.
- Operating risk: in any market, and especially in the emerging markets, the subfund may lose some or all of its money if there is a failure in the custody of assets or in case of fraud, corruption, political actions or any other adverse event.

In case of complaints concerning this fund, please send an email to [compliance@mvam.eu](mailto:compliance@mvam.eu). If you do not obtain a satisfactory response, you can always contact the Ombudsman of the financial services sector through the website: <http://www.ombudsfin.be/en/individuals/introduce-complaint/>.

The information document and the periodic reports are available free of charge with the financial agent: Banque Degroof Petercam S.A., 44 rue de l'Industrie, B-1040 Brussels. Every investor took note of the information document and any subscription should be made on the basis of this document.

<sup>2</sup> Source data: Bloomberg, Morningstar & Banque Degroof Petercam Luxembourg.

<sup>5</sup> Ongoing charge: charges taken from the subfund over a year (including management fees).

<sup>7</sup> No information available for this period as Class F was only created in 2016.