



# MERCLIN PATRIMONIUM

Management company: DPAS<sup>2</sup>, delegated to Mercier Vanderlinden Asset Management

## Monthly Report

Date:	September 30, 2018
Price Class R:	1.825,92 EUR
Price Class C:	1.521,03 EUR
Price Class R dis:	1.764,90 EUR
Price Class C dis:	1.494,18 EUR
Morningstar <sup>1</sup> Rating™:	★★★★★

### FUND DESCRIPTION

The objective of the fund is to increase the value of your investment over the medium- to long-term. Under normal market conditions, the fund primarily invests in a diversified portfolio of equities and bonds from all countries worldwide, including from emerging countries. The fund may invest directly in equities or bonds, or indirectly by investing in units of other investment funds or in certificates of deposit. In order to take advantage or hedge against market fluctuations, or for effective portfolio management, the sub-fund may use derivatives. The Fund Manager will select the various investment classes, sectors and countries in a flexible manner, on the basis of macroeconomic and financial criteria. This fund is suitable for investors who understand the risks of the fund and who wish to invest for a minimum investment horizon of 3 to 5 years.

### PERFORMANCE<sup>3</sup>

	YTD**	2017	2016	2015	2014	2013	2012	2011	2010
<b>Merclin II Pat R</b>	<b>-0,41%</b>	+5,04%	+8,27%	+7,58%	+10,95%	+12,79%	+8,87%	-1,50%	+11,67%
<b>Merclin II Pat C</b>	<b>-0,71%</b>	+4,62%	+7,83%	+7,15%	+10,50%	+12,48%	-	-	-
Ranking Morningstar <sup>1</sup> %	60	38	5	6	11	9	51	15	11

\* These annual (except YTD) performance numbers are based on historical data and are no guarantee for future results - Based on cap classes

\*\*YTD is the cumulative performance since the 1st of January of the current calendar year.

2

### MANAGERS' COMMENT

Safilo is the second biggest player (after Luxottica) in the global wholesale frames market. The company has a good geographical diversification. The industry is expected to grow overall thanks to demographic, economic and social factors. In addition, the group has a strong and supportive reference shareholder (HAL). This is one of the main reasons why the convertible bond was bought in March when the price dropped.

This underperformance was explained by the release of poor 2017 results, the anticipated termination of the licensing agreements with LVMH and the refinancing risk with the revolving credit facilities due in 2018. Since then, the group has announced a 2020 business plan with a focus on top line-growth and improvement of profitability. To implement this plan, Safilo last week announced a capital increase with the support of its shareholders and a refinancing of the credit facilities. The bond's price went up on the news, making it the right time to sell the position.

### TOP 5 STOCKS

1	Berkshire Hathaway	3,07%
2	Microsoft	2,90%
3	Fairfax Financial	2,84%
4	Alliance Data Systems	2,46%
5	Anheuser-Busch	1,92%
		13,19%

### TOP 5 OTHERS

1	Nama Perp Call 2020	1,45%
2	Global Evolution frontier market	1,13%
3	Steinhoff 2023	0,81%
4	RBS Perp	0,68%
5	Ineos 2024	0,65%
		4,72%

### RETURN<sup>5</sup>

Annualized <sup>4</sup>	Merclin II Pat R CAP	Merclin II Pat C CAP
1 year	+0,27%	-0,13%
3 years	+5,63%	+5,21%
5 years	+6,72%	
Annualized since inception	+7,12%	+7,13%

<sup>4</sup>The return figures indicated above do not include commissions eventually linked to the issuing and redemption of shares, nor stock exchange turnover tax. Based on historical data, which offer no guarantee of future returns and can even be misleading. Performance is calculated on a cumulative basis for periods under one year and on an actuarial basis for periods of over one year. Performance of the Merclin II Patrimonium R Cap up to 30.06.2013 were achieved under the scope of a fund governed by Section II of the Law of 17 December 2010 on undertakings for collective investment. Inception of Merclin II Patrimonium C Cap is 30.08.2012.

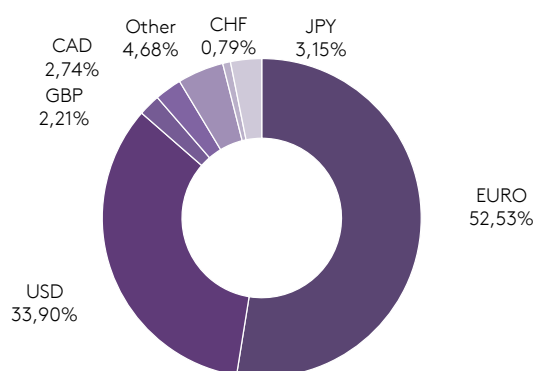
### NAV GRAPH<sup>3,4</sup>



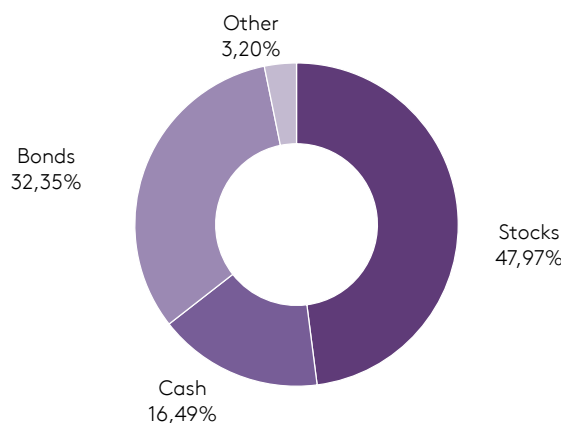
— Merclin II Patrimonium C Cap

— Merclin II Patrimonium R Cap

## CURRENCY



## ASSET ALLOCATION



## SECTOR EXPOSURE

Banks	13,42%
Consumer Services	10,69%
Consumer Goods	10,45%
Technology	10,13%
Healthcare	6,80%
Insurance	5,22%
Industrials	4,08%
Holding Companies	3,82%
Telecom	2,15%
Oil & Gas	0,70%
Other	16,05%
Cash & Cash Equivalents	16,49%

## BONDS

Government	0,44%
Floating Rate Investment Grade	0,24%
Floating Rate High Yield	6,21%
Corporate Investment Grade	0,78%
Corporate High Yield	7,35%
Corporate Hybrids	2,14%
Financial Senior	0,85%
Financial Subordinated	8,16%
Convertibles	4,09%
Mutual Funds	2,09%

## LAST BUY - SELL

### BUY

AroundTown FRN 2030  
Gamenet 2023



### SELL

Cemex 2023  
Greenyard 2021  
Safilo 2019



### INCREASE

Casino 2020  
Cirsa 2023  
Ineos 2024



### REDUCE

Tencent



## TECHNICAL DATA

<b>Fund Name:</b>	MerLin II SICAV
<b>Manufacturer:</b>	Degroof Petercam Asset Services
<b>Domicile:</b>	Luxembourg
<b>Legal Status:</b>	SICAV subject to Part I of the Luxembourg law of December 2010
<b>Type of shares:</b>	Capitalisation & Distribution
<b>Belgian Financial Agent:</b>	Banque Degroof Petercam S.A.
<b>Custodian:</b>	Banque Degroof Petercam Luxembourg S.A.
<b>Transfer Agent:</b>	Banque Degroof Petercam Luxembourg S.A.
<b>Management company:</b>	Degroof Petercam Asset Services
<b>Manager:</b>	Mercier Vanderlinden Asset Management
<b>Auditor:</b>	KPMG-audit
<b>Maturity:</b>	not determined
<b>Share Price Publication:</b>	De Tijd, L'Echo, www.merciervanderlinden.com
<b>Minimum subscription:</b>	1 share
<b>Subscription fee:</b>	Class F and R : 0% (Mercier Vanderlinden) Class C : Max. 3%
<b>Swing pricing:</b>	no
<b>Redemption fee:</b>	0%
<b>TOB on exit :</b>	1,32% / max € 4000 (not on Dis)
<b>Tax on UCITS investing more than 10% of their assets in debt claims</b>	Yes (30%)
<b>Withholding Tax:</b>	30%
<b>N.A.V. calculation:</b>	Weekly on Thursday
<b>Subscription/Redemption:</b>	Before Thursday 2.00pm
<b>Performance fee:</b>	no
<b>Assets under management:</b>	1,213 m EUR
<b>Inception:</b>	31/12/2009

	Management Fee	Ongoing Charge <sup>5</sup>	ISIN	Bloomberg
<b>Klasse R:</b>	0,8% annually	1,10%	LU0476058226	MERPATR LX
<b>Klasse C</b>	1,2% annually	1,50%	LU0819995118	MERPACC LX
<b>Klasse R dis:</b>	0,8% annually	1,09%	LU1082460731	MERRDIS LX
<b>Klasse C dis:</b>	1,2% annually	1,50%	LU1082460491	MERPACD LX

**Risk indicator:** please consult the KIID and/or the Prospectus for more details.

Typically lower risks and rewards 1 2 3 4 5 6 7 Typically higher risks and rewards

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

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.
- Risk of derivatives: some derivatives may increase the volatility of the subfund or expose the subfund to losses that are higher than the price of the derivatives.
- 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.

The **prospectus**, the **KIID** and the **periodic reports** are available free of charge from the Belgian representative of the financial agent: Bank Degroof Petercam S.A., 44 rue de l'Industrie, B-1040 Brussels or on [www.merciervanderlinden.com](http://www.merciervanderlinden.com). Every investor took note of the prospectus and/ or KIID and any subscription should be made on the basis of these documents.

<sup>3</sup>Source data: Bloomberg, Morningstar & Bank Degroof Petercam Luxembourg.  
Reference period January 1st to December 31st, except for actual year (YTD), where reference period is January 1st to date of this report.

<sup>5</sup>Ongoing charge: charges taken from the subfund over a year.

<sup>1</sup> For further information about Morningstar Rating™ and Ranking Morningstar®, please visit the Morningstar website on [www.morningstar.be](http://www.morningstar.be).

Specific information concerning MerLin II Patrimonium 'R' cap can be found on <http://www.morningstar.be/funds/snapshot/snapshot.aspx?id=F000000U10>

In case of complaints concerning this fund, please send a 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/>.