



Data as of 31/03/2020



Management Report March 2020

Share I-USD(H): ISIN code LU1278538944 - Ticker Bloomberg DNCVEHI LX

Share class created the 11 July 2016

INVESTMENT OBJECTIVE

The Sub-Fund seeks to outperform the following index: Stoxx Europe 600 Net Return, over the recommend investment term

PORTFOLIO MANAGERS COMMENTS

Despite a robust start to the year, although the effects of the COVID-19 crisis in China, and to a lesser extent in Asia, were already visible, March served a harsh dose of reality to the European and US markets. Forced selling and a global reduction in risk in all asset classes created extreme volatility. Actions undertaken by governments with the closure of a part of the economy were rapidly accompanied by unprecedented measures to support the economy by central banks and governments (liquidity injections, financing guarantees and fiscal stimulus). Guarantee and credit lines have been opened. Banks remain a key transmission element for these support lines as companies are calling on their credit facility lines.

The US support plan of \$2,000bn (9% of GDP), bond purchases by the ECB as well as a new credit line for banks, LTRO III at -0.75%, and guarantees for certain loans, testify to the severity of this very sudden crisis, the duration of which is unknown. The effects could be felt over the long-term. In these conditions, companies are preserving their balance sheets and no longer communicating on their financial objectives that are no longer valid for 2020, and for which visibility is still very poor for 2021.

Sectors related to discretionary consumer spending, as well as those depending on the cycle and global trade, have collapsed. This is the case of the leisure and banking sectors (-29%) and automotive (-24%).

(-13%), food (-8%) and health (-4%) have resisted well through their defensive vocations.

Among the few positive contributors: Lanxess (+8.30%), Fresnillo (+7.3%) and Richemont (+4.90%)

The negative contributors: Cineworld (-69%), Airbus (-45%) and Tui (-42%)

The fund lost 8.95xf_1M_f%, whereas the benchmark index was down by -14.51% over the month

The fund increased its investment rate very gradually over the month. We remain cautious, since the extent of the recovery is uncertain (V, U, L) and it is difficult to quantify the economic impact this health crisis will leave behind it (unemployment? changes to ROC? the tax consequences of this public windfall?)

Although the fund's liquidity is at an excellent level, we reduced our exposure to less liquid shares (Origin Enterprise in particular), in this same logic of caution.

Concerning our purchases, we favor quality stocks offering attractive entry points (recent examples: Danone, Richemont and Airbus have been integrated). At the same time, we will integrate and strengthen cyclical stocks whose valuations seem excessively low (recent examples: strengthening of Saint Gobain, Bouygues, ARSR Nederland and addition of Lanxess).

In sector terms, we have increased our exposure to the chemicals and consumer goods sectors, but reduced our exposure to the oil & gas and travel & leisure sectors. We nevertheless maintain material exposure to travel & leisure (around 3.3%) since we estimate that our companies (Autogrill, TUI, Cineworld) are robust and will know how to make the most of a return to normal in the environment.

Text completed on 04/03/2020.

Isaac CHEBAR - Don FITZGERALD - Julie ARAV - Maxime GENEVOIS

RISK AND **REWARD** PROFILE



The risk level of this fund is due to exposure to equity and/or fixed income markets

PERFORMANCE AND VOLATILITY

	Share I-USD(H)	Reference Index [®]
YTD performance	-	-22.57%
2019 performance	-	26.82%
Annualised performance since inception	-	1.58%
Volatility 1 year	<u>-</u>	27.54%
Volatility 3 years	-	18.41%
Volatility since inception	-	17.34%

PERFORMANCE SINCE 11/07/2016



(I)STOXX 600 RETURN EUR. Past performance is not a guarantee of future performance.

MAIN HOLDINGS

SANOFI	3.74%	NOVARTIS	2.88%
TOTAL	3.49%	GLAXOSMITHKLINE	2.73%
ENEL SPA	3.06%	ASR NEDERLAND NV	2.73%
FRESNILLO PLC	3.01%	COMPAGNIE DE SAINT GOBAIN	2.72%
SMITHS GROUP PLC	2.96%	ALSTOM	2.69%
•		_	Holdings may change over tim

Holdings may change over time

BEST CONTRIBUTIONS IN THE MONTH

	Weight	Contribution
FRESNILLO PLC	3.01%	0.23%
WACKER CHEMIE	0.61%	0.13%
TOTAL	3.49%	0.12%
NOVARTIS	2.88%	0.09%
CIE FINANCIERE RICHEMON-BR A	1.45%	0.08%
WORST CONTRIBUTIONS IN THE MONTH		

WORST CONTRIBUTIONS IN THE MONTH

	Weight	Contribution
TUI AG-DI	1.32%	-1.14%
CINEWORLD GROUP PLC	0.66%	-1.11%
NEXANS	2.48%	-1.04%
CNH INDUSTRIAL NV	1.61%	-1.02%
UNICREDIT SPA	1.82%	-0.98%

MAIN CHARACTERISTICS

NAV	\$116.65	Net assets	€472M
Estimated PER 2020	8.9 x	ND/EBITDA 2019	1.9 x
Estimated net yield 2019	6.23%	EV/EBITDA 2020	5.4 x

PER (Price Earnings Ratio) is the ratio of market capitalisation to net earnings. It is a way of estimating how expensive a share is. Net debt is gross financial debt adjusted for the cash pile

ND/EBITDA is the ratio between net debt and gross operating profit. It helps estimate a stock's financial leverage

EV/EBITDA is the ratio between enterprise value (market capitalisation + net debt) and gross operating profit. It helps estimate how expensive a share

DNCA Investments is a trademark held by DNCA Finance. This promotional document is a simplified presentation and does not constitute a subscription offer or an investment recommendation. No part of this document may be reproduced, published or distributed without prior approval from the investment management company. Past performance is not a guarantee of future performance. The performances are calculated net of any fees by DNCA FINANCE. Access to products and services presented may be restricted regarding certain persons or countries. Tax treatment depends on the individual situation of each investor. All subscribers must receive the KIID prior to making a subscription. For full information regarding strategies and fees, please refer to the prospectus, KIID documents and other regulatory information available on our website www.dnca-investments.com or free of charge on demand from the investment management company's registered offices. This sub-fund is a sub-fund of DNCA Invest, which is organized as an investment company with variable capital under the laws of the Grand Duchy of Luxembourg and is authorized by the financial regulator (the CSSF) as a UCITS.

DNCA Finance - 19, place Vendome - 75001 Paris - tel: +33 (0)1 58 62 55 00. Email: dnca@dnca-investments.com - www.dnca-investments.com - dedicated intranet site for independents. An investment management company authorized by the AMF (Financial Market Authorities) under number GP 00-030 on 18 August 2000. Non-independent investment advisor as stipulted by the MIFID II Directive.



DNCA INVEST VALUE EUROPE

European value equities

Share I-USD(H): ISIN code LU1278538944 - Ticker Bloomberg DNCVEHI LX

Management Report March 2020

Share class created the 11 July 2016

Data as of 31/03/2020

PERFORMANCE (%)

Year	january	february	march	april	may	june	july	august	september	october	november	december	Annual
2017	-0.60%	1.85%	3.49%	2.47%	2.08%	-2.26%	0.02%	-1.20%	4.98%	0.24%	-1.33%	1.36%	11.40%
2018	2.11%	-2.93%	-2.06%	4.67%	-1.38%	-2.64%	1.82%	-2.62%	-0.67%	-4.77%	-0.82%	-6.53%	-15.16%

Past performance is not a guarantee of future performance.

CHANGES TO PORTFOLIO HOLDINGS

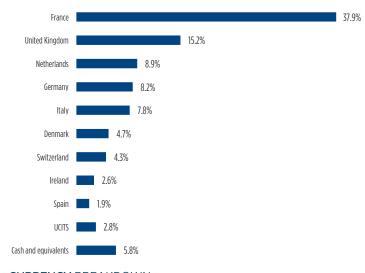
AIRBUS CIE FINANCIERE RICHEMON-BR A CREDIT AGRICOLE SA LANXESS AG WACKER CHEMIE OUT

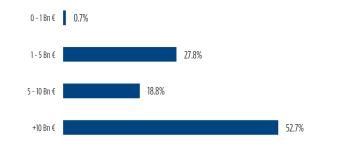
ENI
KINGFISHER PLC
ORIGIN ENTERPRISES PLC
SOCIETE GENERALE SA

BREAKDOWN BY SECTOR

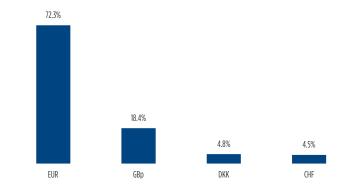


BREAKDOWN BY COUNTRY





CURRENCY BREAKDOWN





19, place Vendôme 75001 Paris www.dnca-investments.com Follow us on in