



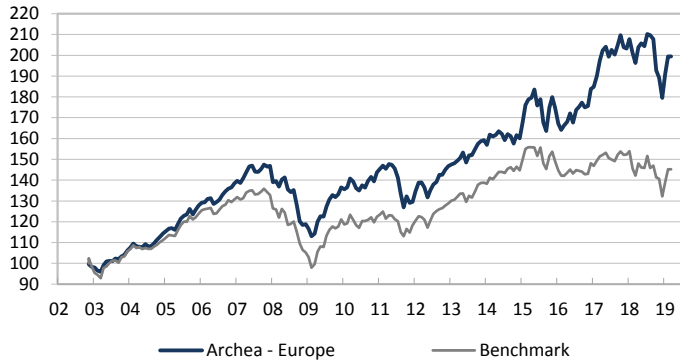
**FUND MANAGER'S COMMENTS**

This was an excellent first quarter of 2019, the best since 2015. The stock markets were driven by the more accommodative policies of central banks and the hope of a Sino-U.S. deal. In this context, the Eurostoxx 50 (SX5P) rose by 2.88% over the month of March and closed the quarter up 12.93%. At the same time, our fund gained 3.37% in March and a remarkable increase of 14.88% over the quarter, thanks to a judicious stock picking.

During the month of March, we took partial profits on our *Adidas* and *Wirecard* positions to increase liquidity.

**Outlook:** We remain overweight in equities as the economic and profit outlook looks set to improve and some valuations are still reasonable. In addition, the speech of Mario Draghi has reassured as the ECB is ready, if necessary, to postpone its first rate increase. Finally, the rebound in China's manufacturing activity is positive for the markets, however the uncertainties surrounding the Brexit could weigh on the European stock markets.

**PERFORMANCE**



	Archea Europe	Benchmark
Since 19.11.2002	99.94%	45.19%
YTD	11.13%	9.77%
March 2019	0.00%	0.00%

**SUMMARY**

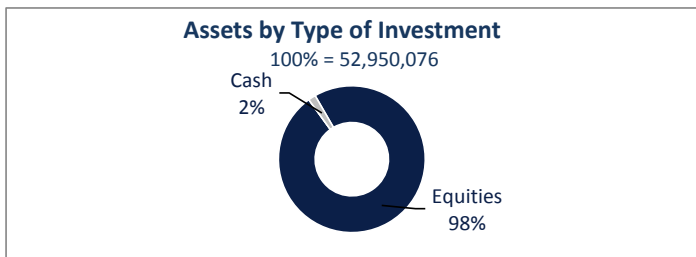
NAV PER 29.03.2019	<b>199.46</b>
REF CURRENCY / TYPE OF SHARES	EUR / CAPITALISATION
AUM OF COMPARTMENT (EUR)	52,950,076
DATE OF INCEPTION	12.11.2002
ISSUE PRICE	EUR 100
TYPE / DOMICILE	UCITS V / Luxembourg
FUND MANAGER	Bellatrix Asset Management SA
CUSTODIAN BANK	Banque de Luxembourg SA
REGISTRAR	European Fund Administration
AUDITOR	PWC
ISIN	LU0159350494
TELEKURS	1,529,808
BLOOMBERG	PAEBALR LX
MANAGEMENT FEE	1.5%
BENCHMARK *	SX5P
DISTRIBUTION COUNTRIES	LU, BE, FR, CH, DE, DK

\* 50% SX5P, 50% BERPG2 till 31.12.2017

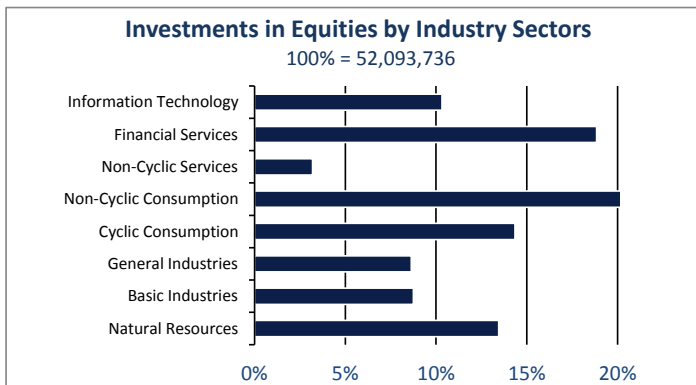
**Performance History**

in %	2002 STD	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 YTD	Performance	
																			Total	Annualised
Archea Europe	-1.5	8.0	7.7	11.8	8.3	6.1	-19.1	14.8	5.3	-9.8	13.2	8.4	0.6	9.1	5.2	10.5	-11.7	11.1	99.9	4.3
Benchmark	-1.6	7.5	5.0	11.5	5.5	1.6	-20.7	15.1	1.0	-3.3	8.8	7.8	4.3	2.9	-0.6	2.9	-13.1	9.8	45.2	2.3

**ASSET ALLOCATION**



Currencies		
EUR		60.87%
CHF		30.89%
GBP		8.23%
USD		0.01%



**Top 15 equity positions**

LVMH	6.3%
Swiss Life Holding	5.3%
WDP	5.2%
Logitech Intl SA Reg	5.0%
Total SA	4.9%
Royal Dutch Petroleum Co	4.9%
SAP AG	4.5%
Diageo PLC	4.5%
Roche	4.2%
Adidas	4.2%
Novartis	3.9%
Nestlé SA	3.9%
Rio Tinto	3.6%
Atos	3.4%
Orange SA	3.2%

The manager's comments are views expressed by Bellatrix Asset Management SA. Periodic reports, the issue prospectus and a simplified prospectus are available on request from Bellatrix Asset Management SA or from the registrar of the Fund. This information leaflet must not be considered as an offer to buy or sell shares. In order to constitute an offer, this document must be accompanied by the prospectus and the simplified prospectus of the fund and its recent periodic reports. Although drawn from reliable sources, the figures in this document have not been audited. The past performance of the fund cannot be guaranteed and does not imply future developments of the NAV. The NAV of the portfolio depends on market developments. Returns are calculated net of fees.

The representative in Switzerland is CACEIS (Switzerland) SA, Chemin de Précossy 7-9, CH-1260 Nyon. The paying agent in Switzerland is Credit Agricole (Suisse) Rue du Rhône 46, CH-1211 Geneva 11. Sales documents such as the sales prospectus, including the statutes and key investor information, the annual and half year reports (Switzerland) SA can be obtained free of charge from the representative in Switzerland CACEIS.



**BELLATRIX**

ASSET MANAGEMENT

**ARCHEA FUND** | Europe  
UCITS V



## KEY HIGHLIGHTS

**ARCHEA Europe Fund has been by Morningstar/LIPPER as best portfolio fund in Europe in 2009 for 3 and for 5 years. It has beaten its benchmark in 14 out of 17 years.**

### STRATEGY:

The fund seeks long-term capital growth by:

- The same team of management for the last 17 years i.e. since inception.
- Investing only in European equity securities by conducting in depth and bottom-up analysis.
- Maintaining a diversified portfolio of European companies with good track record and potential to surprise in future.
- Employing disciplined approach by avoiding emotional biases and sticking to its unique long-term investment strategy.
- Employing a multi-sector approach in search of the best opportunities.
- Re-investing dividends to earn even more alpha.
- Managing the risk through rebalancing the portfolio systematically by Combining complementary, value and growth strategies that focus on European market.
- Taking a long-term perspective in order to capitalise on short-term market inefficiencies created by investors' overreaction to political, geopolitical, industry or company specific concerns, i.e. Staying invested all the time, in order to not missing some of the market's best days!

## MARKET COMMENTARY & STRATEGY, 10 MARCH 2019

Last week major global indices closed lower. Equity markets have been disappointed after the dovish tone of European Central Bank's Chairman, Mario Draghi, despite good news of a new round of TLTROs which will "preserve" favourable bank lending conditions. His dovish tone, i.e. ECB's cut of the growth and inflation outlook, and the delay of the interest rate hike from summer 2019 to 2020 were amongst the major comments, which caused a market sell-off. We were observing the V2X Euro Stoxx 50 Volatility Index on Thursday during the press conference: Despite a slightly higher V2X, the index's 50-DMA was still below its 200-DMA, which means that the volatility is trending lower on average. In our view, investors still see the weaker euro and ECB's dovish tone as a support for Europe's largest corporations. But when looking at the tick data, it reveals that the major sell-off of European equities came after U.S. cash opened. Euro Stoxx 600 and S&P 500 remain highly correlated, at about 0.6. On the other hand, data shows that Chinese PPI is becoming strongly correlated with Eurozone inflation, which can bring more risk into euro's inflation outlook. In summary, major central banks are downgrading global growth mainly due to political tensions and international trade conflicts, in defiance of all the expansionary fiscal policies. USD strengthened against the Euro, despite the neutral position of the Fed, which seems to be already priced in. The Bank of Canada became the last central bank to step back from its tightening bias, after acknowledging that it had underestimated the depth of the slowdown. Swedish Riksbank and RBA also pointed to the economic uncertainty and that their rate hike path is a forecast, not a promise. EUR, SEK and AUD underperformed USD last week. All in all, markets' sell off at the end of 2018 was mainly due to China's slowdown as a result of trade war, political uncertainties, weak economic data and the threat of over-tightening by central banks. In our view, we have seen progress in all these four headwinds. If we look at the panic indicators we constantly monitor, investors are more risk-on and less in favour of traditional heavens. We do not see a recession at our door step, and we are "cautiously optimistic". In our view, better than feared corporate earnings could be the most powerful drivers of stock market performance for the next quarter.

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