



# INDEPENDANCE ET EXPANSION France Small

Morningstar ranking



Luxembourg SICAV compliant with the European UCITS IV

March 2020



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## ASSET CLASS

- ✓ French Equities
- ✓ Small & Mid Cap

## INVESTMENT STYLE

- ✓ Value Stocks
- ✓ Fully invested (90%-100%)
- ✓ Concentrated portfolio

## BENCHMARK

- ✓ CAC Mid & Small NR since January 2017, CAC Small NR before

## OBJECTIVE AND INVESTMENT POLICY

The Independence et Expansion SICAV ("I&E") is an actively managed fund which seeks capital growth over a three year time frame.

The fund's investment policy is to buy shares of French companies listed on a regulated market whose market capitalization is less than or equal to the highest market capitalization of the CAC Mid & Small index and with low price to cash-flow ratio and to sell the stocks which do not meet these criteria.

The Fund may also purchase convertible bonds and warrants to acquire shares of such companies. The fund may also invest up to 10% of its net assets in companies listed on the Alternext and 10% in non-French European small caps.

The Fund's investment policy incorporates extra-financial environmental, social, and quality of governance (ESG) criteria.

## COMMENTS

Comment on last page

## KEY MONTHLY FIGURES

31/03/2020

NAV	A(C) € 346,30	X(C) € 348,26
Fund assets	€m 123,3	

### Net monthly performance

Indépendance et Expansion X(C)	-21,2%
CAC Mid & Small NR	-21,7%

### Portfolio snapshot

Investment ratio	96,0%
Number of stocks in portfolio	40
Top 10 holdings weighting	51%

## ANNUALIZED STATISTICS - X(C)

### Performance / risk ratios

	1 year	3 years	5 years	10 years
<b>Performance</b>				
I&E	-23,5%	-12,5%	2,3%	11,1%
CAC M&S NR <sup>(1)</sup>	-23,1%	-8,0%	1,0%	5,0%
<b>Volatility</b>				
I&E	26,7%	19,2%	17,6%	16,3%
CAC M&S NR <sup>(1)</sup>	25,8%	18,2%	16,8%	16,1%
TE	3,1%	5,9%	5,9%	6,7%
IR	-0,13	-0,77	0,21	0,91

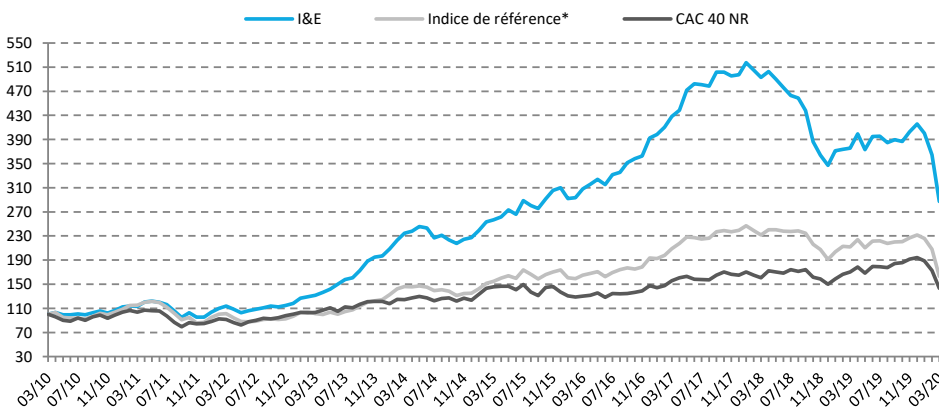
TE : tracking error ; IR : information ratio

## CUMULATIVE PERFORMANCE - X(C)

### Trailing performance

	I&E	CAC M&S NR <sup>(1)</sup>	CAC 40 NR
2019	-30,9%	-29,7%	-26,2%
3 months	-30,9%	-29,7%	-26,2%
6 months	-26,2%	-25,9%	-22,2%
1 year	-23,5%	-23,1%	-15,9%
3 years	-32,9%	-22,0%	-8,1%
5 years	11,9%	5,3%	-1,8%
7 years	117,9%	61,2%	38,9%
10 years	187,4%	62,9%	43,2%
20 years	617,9%	119,9%	16,6%

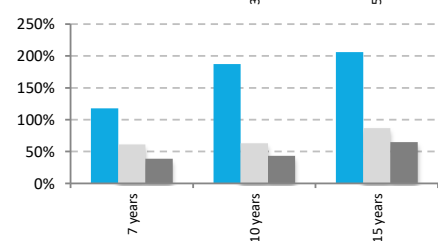
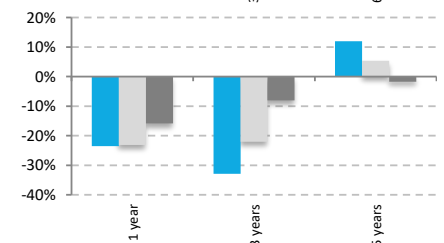
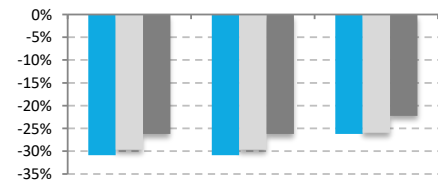
## EVOLUTION OF THE FUND'S NAV OVER 10 YEARS - X(C)



## FUND FINANCIAL RATIOS

	P/B		P/CF		PER		Yield
	level	spread	level	spread	level	spread	
I&E median	0,9	-48%	5,2	-42%	8,7	-63%	4,1%
I&E mean	1,1	-37%	5,4	-39%	9,4	-60%	4,3%
I&E asset weighted	1,2	-31%	5,0	-44%	9,4	-59%	4,3%
Cac M&S NR index	1,7		8,9		23,3		2,6%

Source: Stanwahr, Idmidcaps for Cac Mid & Small NR index



Performance net of fees; dividends are accrued.

(1): The benchmark of the fund is the CAC Mid & Small NR index since 12/31/2016. The CAC Small NR was the benchmark of the fund since 12/31/2004. Previously, the benchmark of the fund was the SBF Second Marché index. For time periods before 12/31/2016, the performances of the fund's benchmark presented in this document are the results of the geometrical linking between the 2 indexes for their respective time-periods.

(2): P/B= Price to book ratio; C/CF = Price to Cash Flow ; PER = Price earning ratio; Yield= Stock return / portfolio

# INDEPENDANCE ET EXPANSION SICAV

Share class X(C) - LU0104337620

Share class A(C) - LU0131510165

## I SECTOR BREAKDOWN

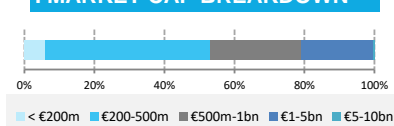
Sectors	Weights
B2B Services	18,8%
Software & Services	15,7%
Auto. & Components	11,9%
Consumer Durables & Apparel	10,1%
Energy	7,5%
Real Estate	6,8%
Chemicals	5,8%
Diversified Financials	4,9%
Transportation	4,4%
Materials	3,4%
Media	2,6%
Capital Goods	2,5%
Others	1,7%
Cash	4,0%
<b>Total</b>	<b>100%</b>

Source for sectors classification: Stanwahr

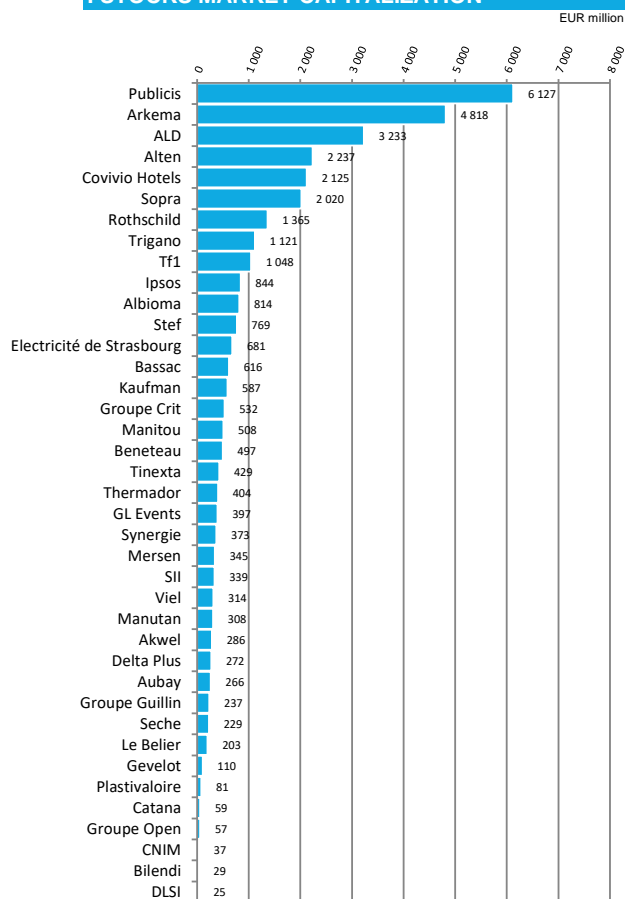
## I TOP HOLDINGS

Stocks	Weights
Albioma	7,1%
Arkema	5,8%
SII	5,8%
ALD	5,5%
Le Belier	5,2%
Akwel	4,7%
Viel	4,6%
Kaufman	4,5%
Stef	4,4%
Delta Plus	3,5%

## I MARKET CAP BREAKDOWN



## I STOCKS MARKET CAPITALIZATION



## I MAIN VARIATIONS OVER THE MONTH

Stocks	Perf.	Commentary
<b>Outperformance vs. the benchmark</b>		
Alten	8,6%	New investment
Publicis	2,8%	Little affected by the economic situation
Viel	-1,9%	High volatility benefits brokerage
Groupe Guillin	-8,2%	The plastic tray has a sanitary role
Albioma	-8,6%	Low impact from economic situation

<b>Underperformance vs. the benchmark</b>		
Catana	-33,6%	Rental companies no longer buy
Plastivaloire	-35,1%	The Automotive sector is at a standstill
Synergie	-36,0%	Temporary work
Mersen	-37,0%	Capital goods
Groupe Open	-41,6%	2019 results worse than expected

## I RISK / RETURN PROFILE



This indicator represents the annual historical volatility of the Fund over a 5-year period. In the absence of sufficient historical data, the risk indicator incorporates data simulated from a benchmark portfolio. Risk category 5 reflects a high potential gain and/or loss in the portfolio's value. This is achieved through investments in equities in small - or medium-sized companies on the European market. Historical data such as that used to calculate the synthetic indicator cannot be considered as a reliable indication of the Fund's future risk profile. The risk category associated with the Fund is not guaranteed and may change over time. The lowest risk category does not mean "risk free". Your initial investment is not guaranteed.

## I MAIN CHARACTERISTICS

Valuation: every business day  
 Management fees: 1,95% / year inclusive of taxes  
 Performance fees: 10%  
 Subscription and Redemption fees: 0%

## I CONTACT

Management company : Stanwahr Sarl  
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 Tel. : 00 352 47 67 26 68  
 Email : contact@stanwahr.com

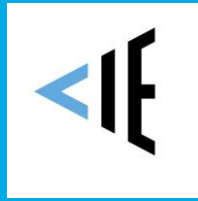
## I SUBSCRIPTIONS / REDEMPTIONS

Subscription: every business day  
 Redemption: every business day  
 Caceis Bank Luxembourg  
 Tel: 00 352 47 67 23 33  
 Fax: 00 352 47 67 70 59

## I FUND'S THIRD PARTIES

Depositary bank: Caceis Bank Luxembourg  
 Fund administrator: Caceis Bank Luxembourg  
 Statutory auditor: Deloitte SA

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## I Commentaire

The current pandemic will affect the results of almost all the companies in the portfolio, most of which have had to stop their activities because of the containment.

Some of them, however, will have little or no impact. This is the case, for example, of broker Viel, which is benefiting from the increase in market volatility and whose results should improve significantly. It is indeed likely that its activity last month was at least doubled. Also, producers or distributors of electricity such as Albioma - a significant line of the portfolio - or Electricité de Strasbourg, should not be too impacted.

We no longer plan to significantly change the composition of the portfolio because we believe we have already sold or reduced the titles most affected by the economic situation: the temporary work sector, events, commercial real estate, or even hotel real estate.

At this point, we hesitate between investing (i) in companies whose capitalization has dropped the most since the start of the pandemic and which will rebound when activity picks up, such as Crit; or (ii) in companies whose results should not decrease too much this year, such as Albioma, Electricité de Strasbourg, or even Stef (transport of agro-food products under controlled temperature).

We are already planning a resumption of activity at the end of the health crisis. If the latter were to rebound strongly in the second half, the results for 2019 should be recovered in 2021. In this hypothesis, the market is attractive as the interest rates will probably remain close to zero.

Most portfolio companies are expected to weather this crisis without risk of bankruptcy. We invest in companies that have a high return on capital employed, and even if this return falls during a crisis, it provides a safety net - provided the crisis is not too long. These companies also have little debt, with the exception of ALD (automobile leasing).

In addition, we have not changed much the physiognomy of the portfolio, it is essentially the relative increases or decreases that have led to the evolution of the weights, especially for Viel which has become a significant line.

The share of cash in the fund's assets has already been reduced.