



INDEPENDANCE ET EXPANSION Europe Small

Luxembourg SICAV compliant with European UCITS V

October 2018



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ASSET CLASS

- ✓ European equities
- ✓ PEA
- ✓ Small & Mid Cap

INVESTMENT STYLE

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

BENCHMARK

- ✓ STOXX® Europe Small ex UK NR

OBJECTIVE AND INVESTMENT POLICY

Independence et Expansion Europe Small ("I&E Europe Small") 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 European companies listed on a regulated market whose market capitalization is less than ten billion euros, and with low price to cash-flow ratio, and to sell the stocks when do not meet these criteria anymore.

The Fund may also purchase convertible bonds and warrants to acquire shares of such companies.

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

COMMENTS

The market seems to anticipate a recession in 2019, all the companies seen as cyclical fall sharply.

Except for Akwel and ENCE, results are in line with forecasts. ENCE lowered its guidance of EBITDA and Akwel published a strong Q3 with a topline growth of 11.6% (lfl) offset by a one-off provision of €25M.

The average P/E of the fund stands at 10.6 representing a discount of 37% compared to its Index.

KEY MONTHLY FIGURES

31/10/2018

NAV	A(C)	€ 85,5	X(C)	€ 85,6
			I(C)	€ 85,6
Fund assets				€ 4,8m
Net monthly performance				
I&E Europe Small X(C)				-8,21%
Benchmark				-7,13%
Portfolio				
Investment ratio				96%
Number of stocks in portfolio				34
Top 10 holdings weighting				43%

ANNUALISED STATISTICS - X(C)

Performance / risk ratios

	1 year	3 years	5 years	10 years
Performance				
I&E Europe S.	-	-	-	-
Benchmark	-	-	-	-
Volatility				
I&E Europe S.	-	-	-	-
Benchmark	-	-	-	-
TE	-	-	-	-
IR	-	-	-	-

TE : tracking error ; IR : information ratio

CUMULATIVE PERFORMANCE - X(C)

Trailing performance

	I&E Europe	Benchmark	Stoxx 50 NR
2018	-	-	-
3 months	-	-	-
6 months	-	-	-
1 year	-	-	-
3 years	-	-	-
5 years	-	-	-
7 years	-	-	-
10 years	-	-	-
20 years	-	-	-

EVOLUTION OF THE FUND'S NAV - X(C)

Fund launched in June 2018

Fund annual performance shall not be disclosed during its first calendar year in accordance with regulations.

FUND FINANCIAL RATIOS

	⁽²⁾ P/B		P/CF		PE		Yield
	level	spread	level	spread	level	spread	level
I&E Eur. median	1,9	-5%	7,6	-35%	11,4	-33%	3,4%
I&E Eur. mean	2,1	5%	7,6	-35%	11,8	-30%	3,7%
I&E Eur. asset weighted	2,1	5%	7,7	-35%	11,9	-30%	3,5%
Benchmark	2,0		11,7		16,9		2,7%

Source Stanwahr, Thomson Reuters and STOXX for benchmark (3)

Performance net of fees; dividends are accrued.

(1) : The Benchmark is net dividend reinvested (NR).

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

(3) : Data excluding negative values and outliers

INDEPENDANCE ET EXPANSION

Europe Small

Share class X(C) - LU1832174889

Share class A(C) - LU1832174962

Share class I(C) - LU1832175001

SECTOR BREAKDOWN

Sector	Weight
Information Technology	16%
Auto. & Parts	10%
Paper & Packaging	10%
Chemicals	8%
B2B Services	7%
Financials	7%
Retailing	5%
Others	5%
Transportation	4%
Capital Goods	3%
Food & Beverage	3%
Media	3%
Healthcare	3%
Energy	3%
Materials	3%
Real Estate	2%
Steel industry (vide)	2%
Cash	4%
Total	4%

Source for sector breakdown: Stanwahr

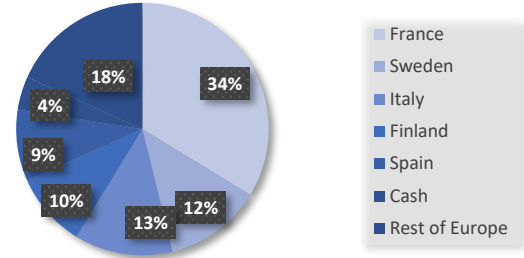
TOP HOLDINGS

Stocks	Weight
Tecnoinvestimenti	5,9%
SII	4,5%
The Navigator	4,5%
Scor	4,4%
Stef	4,0%
ERCROS	4,0%
Arkema	4,0%
ALD	3,9%
Scanfil	3,7%
Swedol	3,7%

MARKET CAP BREAKDOWN



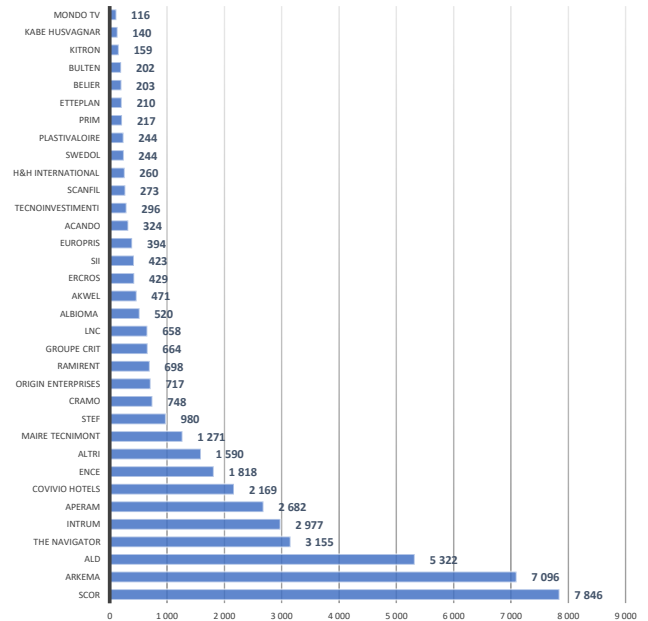
GEOGRAPHIC BREAKDOWN



MAIN VARIATIONS OVER THE MONTH

Stocks	Perf.	Comments
Outperformance vs. the benchmark		
Kabe Husvagnar	6,0%	Good Q3
The Navigator	4,3%	Good Q3
Scor	2,2%	Probability of a takeover
Intrum	1,0%	Details of Intesa deal were well received
Origin Enterprises	0,0%	-
Underperformance vs. the benchmark		
ALD	-16,4%	Concern about resale price of diesel cars
Groupe Crit	-16,8%	Cyclical
SII	-17,2%	IT services sector under pressure
ERCROS	-19,8%	Cyclical
Aperam	-23,8%	Expected slowdown for Q4 vs. Q3

STOCKS MARKET CAPITALIZATION



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.

MAIN CHARACTERISTICS

Valuation: every Wednesday of each month (or next business day)
 Management fees: 1.95% / year inclusive of taxes
 Performance fees: 10%
 Subscription fees: 0%
 Redemptions fees: 0%

CONTACT

Portfolio management company: Stanwahr Sarl
 5, allée Scheffer L – 2520 Luxembourg
 Tel: 00 352 47 67 26 68
 Email : contact@stanwahr.com

SUBSCRIPTIONS / REDEMPTIONS

Subscriptions and redemptions: every Wednesday of each month (or next business day)
 Caceis Bank Luxembourg
 Tél : 00 352 47 67 27 35

FUND'S THIRD PARTIES

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

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