

Equity - Global

DGC - Stock Selection Class C EUR

June 30, 2024

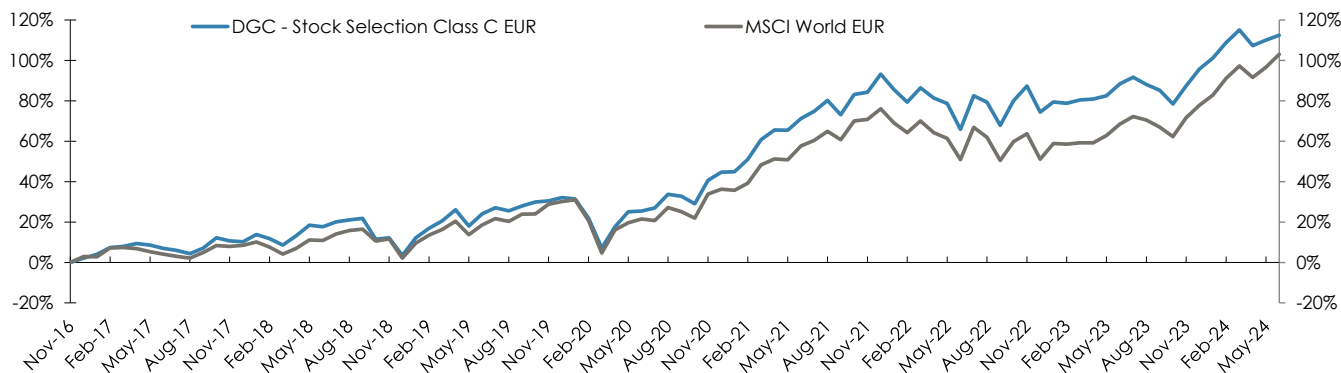


FUND OBJECTIVE

The sub-fund is an equity long only fund. It invests in equities and equity-related products.

The investment objective of the sub-fund is to achieve a performance in a global equity market better than the "MSCI World in Euro" index. The sub-fund will invest in global equities with an emphasis on developed markets with no specific style or geographic bias. It will invest in companies with attractive growth prospects following a strict valuation process.

HISTORICAL PERFORMANCE



MONTHLY PERFORMANCE (%) NET OF FEES

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Fund	Index*
2024	2.82%	3.80%	2.97%	-3.64%	1.35%	1.12%							8.55%	14.21%
2023	2.86%	-0.37%	0.89%	0.25%	0.93%	3.20%	1.77%	-1.91%	-1.48%	-3.66%	5.02%	4.42%	12.18%	17.64%
2022	-3.99%	-3.34%	3.96%	-2.73%	-1.47%	-7.15%	10.02%	-1.77%	-6.41%	7.28%	4.04%	-6.85%	-9.72%	-14.19%
2021	0.16%	4.18%	6.49%	2.95%	-0.05%	3.54%	2.07%	3.11%	-3.94%	5.78%	0.61%	4.87%	33.57%	29.26%
2020	-0.43%	-7.29%	-12.05%	9.77%	6.28%	0.30%	1.22%	5.28%	-0.70%	-2.84%	9.07%	2.84%	9.56%	4.64%
2019	8.46%	4.14%	3.24%	4.50%	-6.46%	5.11%	2.53%	-1.20%	1.91%	1.53%	0.37%	1.25%	27.60%	27.49%

Data before November 12th 2019 are based on a real portfolio adjusted with the fund's fees. Data from November 13th is the real fund's performance.

STATISTICAL ANALYSIS (Since December 2016)

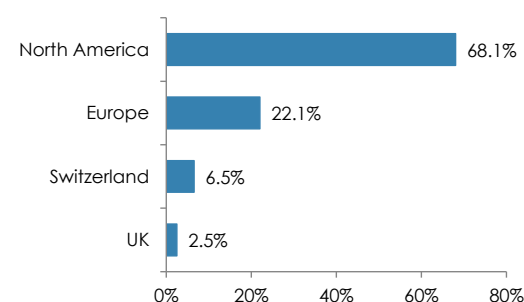
Return	Fund	Index*
Annualized return	10.4%	9.8%
% Positive Months	64%	60%

Risk	Fund	Index*
Annualized Volatility	14.2%	14.1%
Sharpe Ratio (1%)	0.66	0.62

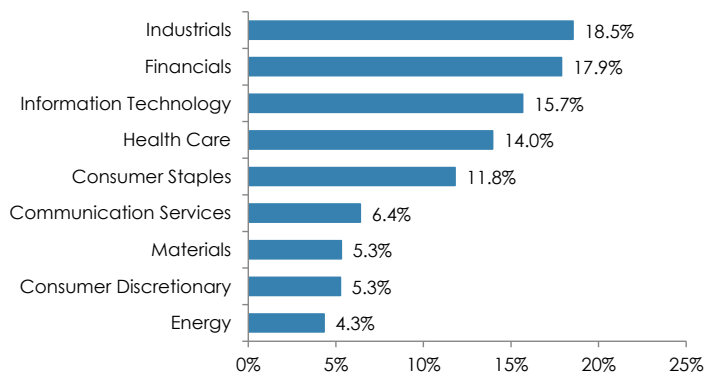
Comparison To Benchmark	Index*
Annualized Alpha	0.9%
Beta	0.97
Correlation	0.96

Top Holdings	Weight
Alphabet Inc	4.08%
Microsoft Corp	3.78%
ASML Holding NV	3.64%
Constellation Brands Inc	3.50%
Abbott Laboratories	3.49%
Total number of holdings	40

Equity Regional Exposure



Sector Breakdown



*Index: MSCI World EUR

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FUND COMMENTARY

"In the Summertime" – Mungo Jerry, 1970.

Yes, it's now summertime; a season supposed to be quieter for financial markets. But history suggests that it's not necessarily the case and that, for whatever reasons, there can be significant spikes of volatility during the summer months. In Mungo Jerry's song, it's all about easy and pleasant choices to be made in summertime, while, for investors, choices can be tricky, especially after the very particular first half we've been through and the multiple possible troublemakers ahead, like US elections and the Democrat candidate debate, French elections, continuous geopolitical tensions, Central Banks policies, the Yen's incredible weakness (is it hiding something serious?), and, of course, demanding valuations in equity markets which are more polarized than ever, with the spectacular dominance from AI-related plays and Growth versus the rest of the market, not to mention very tight credit spreads which are at relatively dangerous levels if we look at the past occurrences when it reached these lows.

June 2024 has been kind of a redux of the last 18 months for equities: the MSCI World Growth added 4.8% while the MSCI World Value lost more than 1%, this says it all. The dynamics around AI and especially Nvidia buoyed the Nasdaq again (+6.2%), and the S&P 500 benefited as well with a +3.5% return. European markets have been weak, with the French elections possibly jeopardizing an historical centre (left or right) oriented National Assembly: the Stoxx 600 lost 1.3% and the euro fell 1.24% versus the dollar. Sovereign spreads also tended to widen on the Old Continent. The Japanese Topix added 1.3%, the MSCI Emerging Markets 3.6% and the Chinese CSI lost 3.3%. When measured into USD, many markets struggle versus the S&P 500 year to date: Europe is 11% behind, Japan 10%, China 16% and EM 8%.

Long term Government yields receded somewhat with better inflation gauges, Credit was down, and Gold stayed flat while Oil added 5.9%, outstripping the shiny stuff for the year (+13.8% versus +12.8%)..

DGC Stock Selection B euro added +1.22% in June, versus +3.35% for the MSCI World NTR in euros. On a year to date basis, the fund is up + 9.22% versus +15.18% for the benchmark.

This is really a tough year for stock picking and for our strategy, which consists in holding a blended portfolio of high-quality companies with a focus on valuations.

One eye-popping statistic when it comes to June clearly exhibits the mindset of the market: the average PER for our top 5 performers last month is 51.7 times 2024 estimated earnings, while it is only 16.1 times for our 5 worst performers.

On top of that, there has been a clear return distinction between industries and cyclical exposure: IT, AI related plays and less cyclical companies were favored, while exposure to the economic cycle was a drag, as almost all the stocks we have in the portfolio that pertain to Industrials, Materials and Financials posted negative performances in June.

Even if this is a painful moment, we aim to maintain the strict discipline we've always applied and not give in when it comes to valuations. This discipline has highly rewarded our portfolio over the long run, and we see no reason why this shouldn't be the case going forward.

We have entirely exited Carl Zeiss Meditec and Weyerhaeuser, we took profits on Schneider, Colgate Palmolive, Paccar, Novo Nordisk and Visa, and we have also reduced Cisco and Union Pacific.

We have increased Bank of America, Pembina Pipeline Corp, Constellation Brands and Palo Alto Networks.

Two new entrants in the portfolio: Legrand, the French manufacturer of electrical devices, and Swiss pharmaceutical giant Roche. Legrand is extremely well positioned in terms of home electricity efficiency improvement and trades at very reasonable levels, while Roche's management, after many erratic years, seems to be willing to show more consistency in terms of corporate strategy, focus on strengths and shareholder policy. Here also, the stock trades at historically low valuation levels.

GENERAL INFORMATION



Fund Inception	November 2019	Subscription	Daily	Fund Domicile	Luxembourg
Fund AUM (EUR)	512'040'280	Redemption	Daily	Inv. Manager	NS Partners SA
Strat. AUM (EUR)	880'514'353	Management Fee	2.00%	Administrator	Apex Fund Services S.A.
Share classes	USD EUR CHF GBP	Performance Fee	0.00%	Auditor	PricewaterhouseCoopers, Lux.
Investment Min	None	NAV	161.66	Custodian	UBS Europe SE, Lux. Branch
ISIN (C EUR)	LU2029569048	Entry/Exit Fee	None	Fund Type	UCITS V
SRI Score	4			SFDR Classification	Article 8

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Actively Managed Fund

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