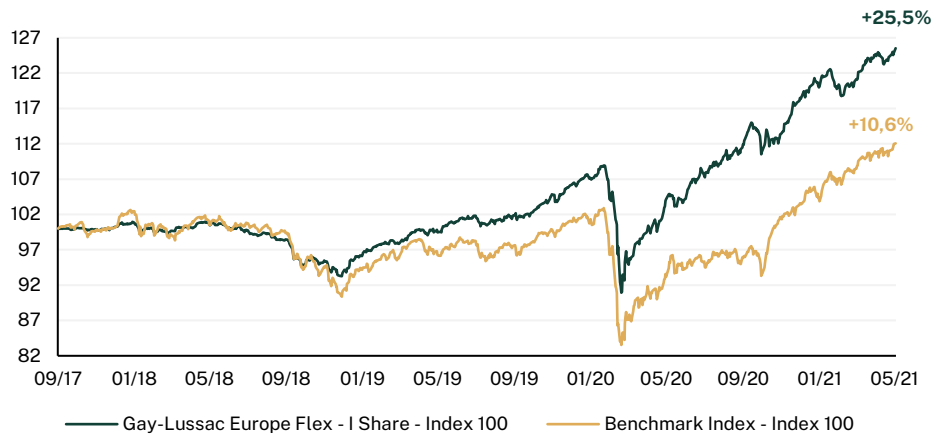


**GENERAL INFORMATIONS**

Custodian	Société Générale
Cut off	Subscriptions/redemptions
ISIN Code (A share)	FR0013280211
ISIN Code(I share)	FR0013280237
Valuation	Daily
Management fees A share	1,50% of Net assets
Management fees I share	0,80% of Net assets
Performance fees (High Water Mark)	12% including tax of the annual perf over 5%
Entry fees	2% maximum
Exit fees (UCITS acquired)	None
NAV (A share)	<b>183,79 €</b>
NAV (I share)	<b>12 551,42 €</b>
Inception date (A share)	29-sep-17
Inception date (I share)	29-sep-17
Net assets	<b>45,99 M€</b>

3 years values (Quantalys data)	Gay-Lussac Europe Flex
Volatility	7,39%
Max Drawdown	-16,58%
Beta	0,63
Sharpe Ratio	1,00

**Performances and statistics on the 31 of may 2021**



	1M	2021 (YTD)	2020	2019	2018	Inception*
<b>A Share</b>	0,8%	<b>5,5%</b>	11,0%	12,1%	-6,8%	<b>22,5%</b>
<b>I Share</b>	0,9%	<b>5,9%</b>	11,5%	12,9%	-6,1%	<b>25,5%</b>

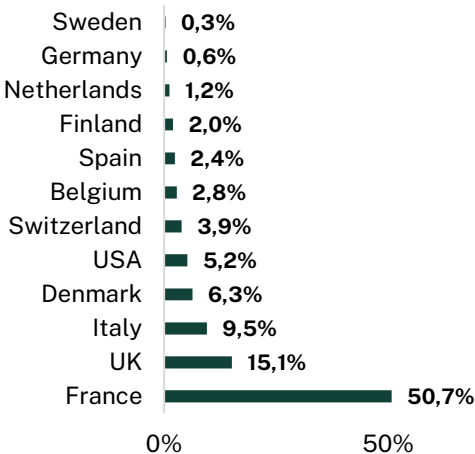
\* Since the launch of the Fund on 29/09/2017  
 \*\* Benchmark index: 50% EONIA (EONCALP7 Index) + 16.66% Stoxx 600 TR + 16.66% CAC Mid&Small TR + 16.66% MSCI EMU Microcaps TR



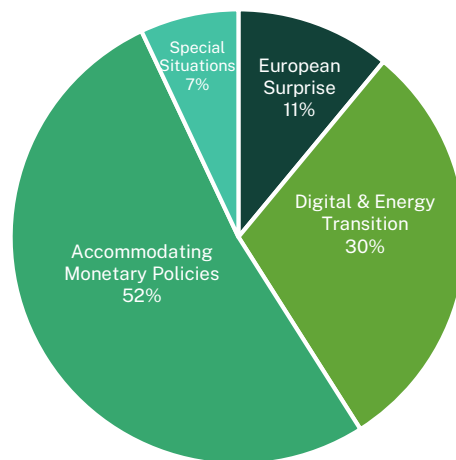
Principles for Responsible Investment

Gay-Lussac Gestion is signatory of the United Nations Principles for Responsible Investment (UN-PRI) since 2010

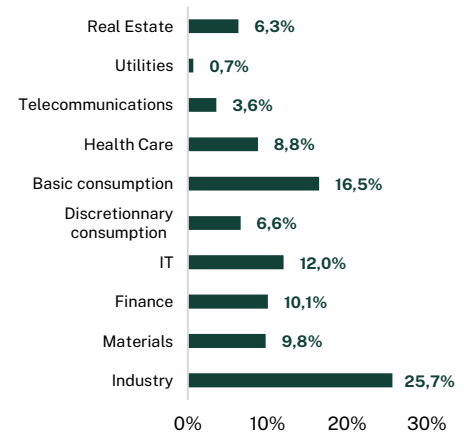
**COUNTRY BREAKDOWN**  
(on the invested share)



**BREAKDOWN BY INVESTMENT THEME**



**INDUSTRY BREAKDOWN (on the invested share)**



**INVESTMENT PROCESS**

- Two defensive criteria, Low Volatility and Low Beta, and one performance criterion, Momentum, to quantitatively filter the investment universe.
- Selection of 3 to 4 major structural and/or cyclical themes by a quarterly Macroeconomic Committee bringing together economists, strategists, fund managers and financial analysts.
- Definition of the investable universe through the selection of stocks in line with the themes selected and validated by the fundamental analysis of the companies.
- Construction and follow-up of the portfolio in risk budget

**INVESTMENT OBJECTIVE**

To obtain, over an investment horizon of **at least 5 years an annualised performance over 5%** net of current charges. This objective is pursued through investments mainly in Equity markets of EU and OCDE. The stocks are selected in accordance with the investment themes defined by the quarterly Macroeconomic Committee.

**MANAGERS AND ANALYSTS**



**RISK EXPOSURE**



## Macroeconomic review

May was marked by a clear outperformance of European indexes against the United States: CAC 40 + 2.83%, STOXX 600 + 2.14%, S&P + 0.55%.

In Europe, all the national parliaments have now validated the 750 billion euro stimulus plan, suggesting the funds' release as of July. This financial support will accompany the reopening of economies and enhance the recovery. The old continent has started to catch up in terms of controlling the epidemic thanks to the acceleration of vaccination, but certain economic indicators are still under pressure, such as the unemployment rate rising at 8% in the euro zone. In terms of monetary policy, the ECB has maintained a sustained pace of asset purchases on its PEPP program and its members are maintaining cautious communication despite a 2% inflation over one year. The reduction in monetary support should not take place for several months to prevent any tightening of financial conditions.

In the United States, sentiment indicators are very positive. The manufacturing PMI stands at 62.1 and the services PMI is estimated at 70.1, with respective increases of 1.6 and 5.4 points. Discussions on Joe Biden's proposed infrastructure plan are continuing. The Republican Party's counter-offer (\$ 928 billion) falls far short of the Democrats' ambition (\$ 1,700 billion, an amount already lower than the initial 2,300 billion). One of the Republicans' fears lies in the rise in inflation, which reached 3.6% in April according to the PCE index, mainly reflecting transitory pressures linked to supply and energy price constraints. In this context, the Fed so far has persevered in its strategy of not reacting preventively to the inflation risk. Nevertheless, some of its members indicate that a reduction in monetary support ("tapering") could be considered in the next meetings.

### KEY RATIOS

Gross Equity Exposure	68,04%
Futures & Options	-19,74%
Net Equity Exposure	48,30%
Bonds	2,92%
Arbitrage / Takeover bid	10,46%
Liquidities, money market	18,58%
Monthly performance - <b>A Share</b>	0,78%
Monthly performance - <b>I Share</b>	0,87%
Number of lines	55
Median PER 2021	23,23
Median EV/Sales 2021	2,63
Median EV/EBIT 2021	18,11

### TOP FIVE POSITIONS

Name	% net asset
UNILEVER PLC	3,18%
BERKSHIRE	
HATHAWAY INC-CL B	2,84%
STEF	2,64%
NESTLE SA-REG	2,63%
ADMIRAL GROUP PLC	2,60%

### BREAKDOWN BY MARKET CAPS

Name	% net asset
More than 4 Mds €	40,06%
From 500 M€ to 4 Mds €	34,39%
Less than 500 M€	25,56%
Average Capitalisation (M€)	35 836
Median Capitalisation (M€)	134,90

## Management review

Regarding the current macroeconomic environment of rising inflation and increasing sovereign rates has prompted us to increase our exposure to defensive stocks. As such, we have initiated positions in **Diageo** and **Pernod Ricard**, two leading companies in the distillery and marketing of alcoholic beverages. We have also strengthened our position in Unilever, a global company with a large portfolio of brands in hygiene and food. Thanks to their positioning in the consumer goods sector with strong brands, these three companies can pass input price increases. The solidity of their business model will allow them to navigate through less favorable economic cycle phases, where the resilience of margins and the maintenance of market shares become essential.

On the contrary, this economic context has prompted us to reduce our equity exposure to growth. We sold our **Teleperformance** shares, the specialist in outsourced customer relationship management. We also reduced our position in **Somfy**, the expert in the automation of home closings, and in **Corbion**, the world's leading producer of lactic acid.