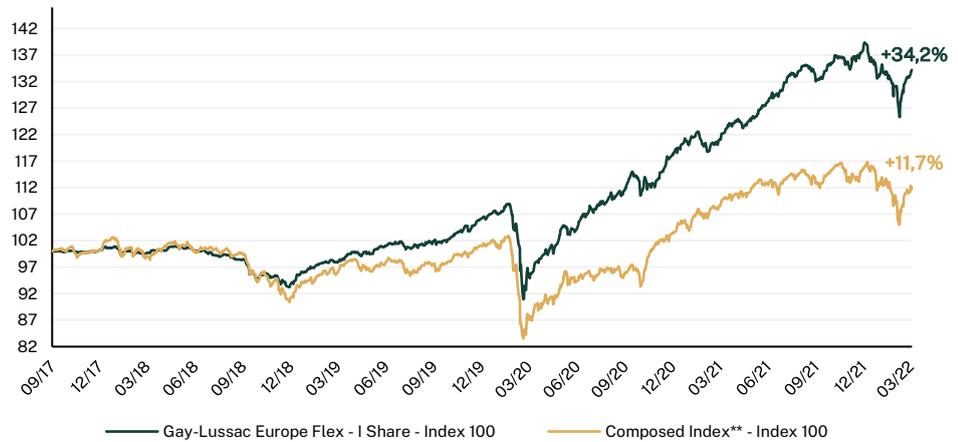


**GENERAL INFORMATIONS**

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>194,83€</b>
NAV (I share)	<b>13 419,90€</b>
Inception date (A share)	29-sep-17
Inception date (I share)	29-sep-17
Net assets	<b>71,27 M€</b>

**Performances and statistics on the 31 of march 2022**



	1M	2022	2021	2020	2019	2018	Inception*
<b>A Share</b>	2,3%	<b>-3,9%</b>	<b>16,3%</b>	11,0%	12,1%	-6,8%	<b>29,9%</b>
<b>I Share</b>	2,3%	<b>-3,7%</b>	<b>17,6%</b>	11,5%	12,9%	-6,1%	<b>34,2%</b>

\* Since the launch of the Fund on 29/09/2017  
\*\* Composed index representing the risk profile of the Gay-Lussac Europe Flex strategy

3 years values (Bloomberg data)	Gay-Lussac Europe Flex
Volatility	7,76%
Max Drawdown	-16,54%
Beta	0,45
Sharpe Ratio	1,35

**EXTRA FINANCIAL PORTFOLIO ANALYSIS**

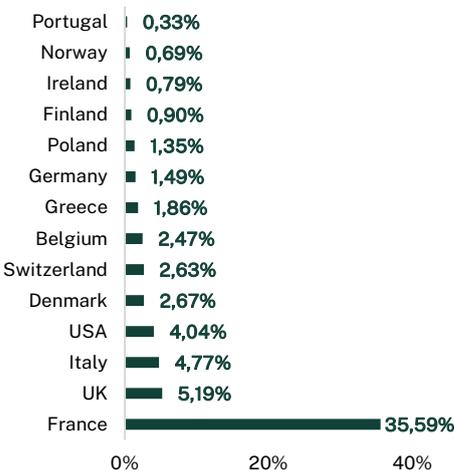
	Gay-Lussac Europe Flex (/10)	Benchmark Index (/10)
Grade average E*	6,26	6,57
Grade average S*	6,58	5,58
Grade average G*	6,32	5,70
Grade average ESG**	<b>7,21</b>	<b>7,49</b>

\* proportion of the fund's investments for which non-financial data are available and used to complement fundamental analysis.  
Gay-Lussac Europe Flex: Coverage rate 100% (42,9% MSCI + 57,1% internal coverage)  
STOXX 600: Coverage rate 95,4% (95,4% MSCI)

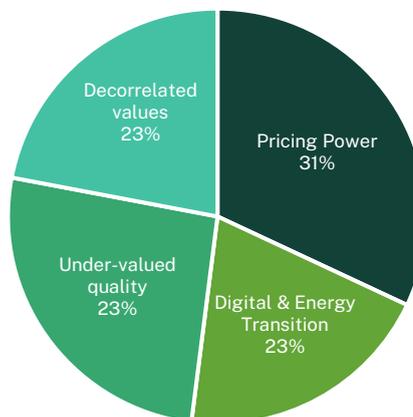
**PRI** Principles for Responsible Investment  
Gay-Lussac Gestion is a signatory of the **United Nations Principles for Responsible Investment (UN-PRI)** since 2020.

**TCFD** TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES  
Gay-Lussac Gestion is a supporter of the **Task Force on Climate-related Financial Disclosures (TCFD)** since 2021.

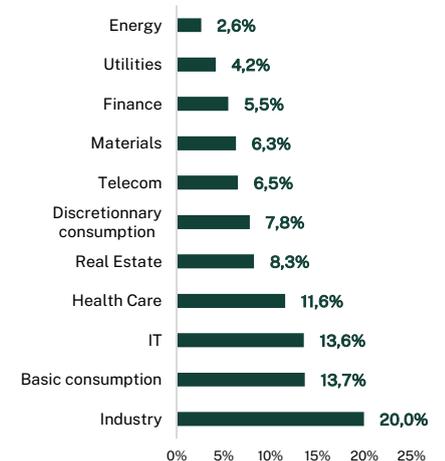
**COUNTRY BREAKDOWN**  
(on the invested share)



**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.

**MANAGEMENT TEAM**

Louis de FELS	Daphné PARANT
Hugo VOILLAUME, CFA	Paul EDON
Guillaume BUHOURS	Thibaut MAISSIN
	Arthur BERNASCONI

**RISK EXPOSURE**



## Macroeconomic review

March was marked by the first consequences of the Russian-Ukrainian conflict. The equity markets showed a slight rebound after the sharp fall at the end of February. However, the magnitude of the rebound remains very disparate between the American and European markets: S&P 500 +3.67%, CAC 40 NR +0.10%, STOXX 600 TR +1.00%.

In Europe, economic growth held up in March, benefiting from the positive effects of the lifting of health constraints. The leading PMI indicators confirmed fears of a slowdown in economic activity, but the decline appears to be weaker than initially expected. On the other hand, March consumer confidence statistic were a major disappointment, dropping to a low point since the beginning of the pandemic (-18.7 vs. 8.8 in February). Nevertheless, the good orientation of the job market and fiscal support should help contain the slowdown in consumption in the short term. The impact of the conflict will therefore be gradual, first in discretionary consumption, then in industry and finally in services. Despite initial signs of encouraging talks on the Ukrainian front, the effects of the conflict are already being clearly felt, particularly on price indexes. European inflation has largely surprised expectations, coming in at 7.3% year-on-year against the expected 6.7%. In this context of resilient growth and high inflation, we believe that the ECB could accelerate the pace of its monetary policy normalization.

In the United States, the impact of the Ukrainian crisis on American consumption seems to be much less significant than in the euro zone, as evidenced by the US consumer confidence index, which confirmed its upward trend. The US household confidence index settled its resilience, standing at 107.2 in March compared to 105.7 in February. Nevertheless, the growing risks to purchasing power of households, while prices at the pump are recording high levels, remains one of the priorities of Joe Biden, who has decided to voluntarily destock one million barrels per day of strategic reserves to lower the price of oil and thus support consumption. Growth in the US should therefore be strong enough to hold it together for the next few months before the industry takes over once the tension as tensions on the supply chain should ease. This good macroeconomic orientation should thus allow the FED to continue its monetary tightening. As a result, the market is now counting on 7 rate hikes in 2022, which caused the US 10-year yield to peak at 2.47% on 25 March, which rose by 51.3 basis points over the month.

### KEY RATIOS

Gross Equity Exposure	64,76%
Futures & Options	-20,28%
Net Equity Exposure	44,49%
Bonds	2,68%
Arbitrage / Takeover bid	11,05%
Liquidities, money market	21,52%
Monthly performance - <b>A Share</b>	2,27%
Monthly performance - <b>I Share</b>	2,33%
Number of lines	53
Median PER 2021	18,19
Median EV/Sales 2021	1,51
Median EV/EBIT 2021	13,59

### TOP FIVE POSITIONS

Name	% net asset
VIVENDI SE	3,65%
BERKSHIRE	3,57%
HATHAWAY INC-CL B	3,01%
DIAGEO PLC	3,01%
NESTLE SA-REG	2,63%
PERNOD RICARD SA	2,52%

### BREAKDOWN BY MARKET CAPS

Name	% net asset
More than 4 Mds €	35,33%
From 500 M€ to 4 Mds €	34,41%
Less than 500 M€	24,90%
Average Capitalisation (M€)	45 519
Median Capitalisation (M€)	1 215

## Management review

As with our entire range of funds, we have been active in adjusting Gay-Lussac Europe Flex throughout the month.

Our main selling movements concerned **Carlsberg**, **Vetoquinol**, and **Air Liquide**. We sold our line in **Carlsberg**, which had fallen in our rankings and for fear of a possible slowdown in consumer discretionary. We reduced our exposure to **Vetoquinol**, which certainly published good results, but whose lack of real confidence displayed for the coming year disappointed us. Concerning **Air Liquide**, it is more a matter of taking profits which does not call into question the quality of the value. The group recently announced an objective of accelerating growth and improving its operating margin.

Our main buying movements concerned **Vivendi**, **VIB Vermoegen** and **Shurgard Self Storage**. We are continuing to strengthen our **Vivendi** line, a company that we consider too discounted in terms of its assets and which also has a speculative aspect. We strengthened our positions on **VIB Vermoegen** following the stock's sharp decline linked to fears surrounding the entry of DIC Asset AG into the capital and the new strategic axis that the company should adopt in the coming months. We find this reaction exaggerated given the already conservative valuation of the portfolio and the significant development pipeline in an attractive area in Europe. Finally, we strengthened our line in **Shurgard Self Storage**, developer, owner and operator of self-service storage facilities in Europe. This company is part of our "quality-defensive" value strategy, relatively decorrelated from the market.