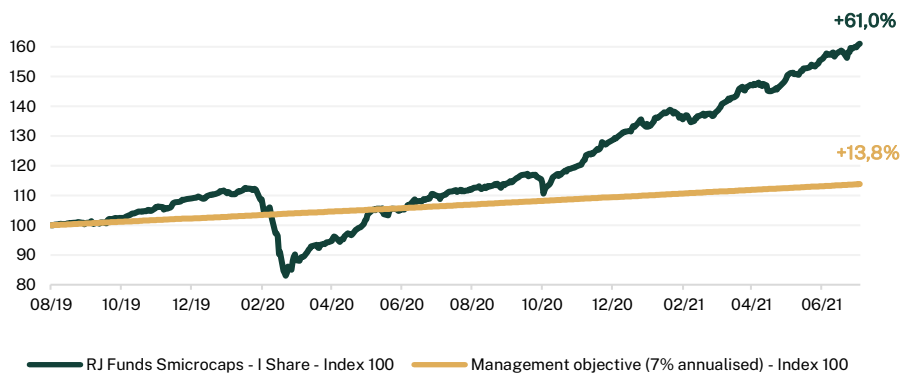


**GENERAL INFORMATIONS**

Custodian	Société Générale
ISIN code (P Share)	LU2022049022
ISIN code (I Share)	LU2022049295
ISIN code (D Share)	LU2022049378
Valuation	Daily
Management fees A Share	2% of Net assets
Management fees I Share	1% of Net assets
Management fees D Share	1% of Net assets
Performance fees (High Water Mark)	12% including tax of the annual perf over 7%
Entry fees	2% maximum
Exit fees (UCITS acquired)	None
NAV (P Share)	<b>237,23 €</b>
NAV (I Share)	<b>241,56 €</b>
NAV (D Share)	<b>\$1 059,39</b>
Inception date (P Share)	27 aug 19
Inception date (I Share)	27 aug 19
Inception date (D Share)	8 jun 21
Net assets	<b>39,12 M€</b>

**Performances and statistics on the 30 of July 2021**



1 year values (Bloomberg Data)	RJ Funds Smicrocaps
Volatility 1Y	13,84%
Max Drawdown	-5,64%
Bearish Beta	0,54
Sharpe Ratio	4,66

	1M	2021	2020	2019	Inception
P Share	2,5%	<b>23,7%</b>	17,4%	8,9%	<b>58,2%</b>
I Share	2,5%	<b>24,3%</b>	18,6%	9,3%	<b>61,0%</b>
D Share*	2,6%	<b>6,0%</b>			<b>6,0%</b>

\*Launch of the D Share on June 8, 2021

**PORTFOLIO EXTRA-FINANCIAL ANALYSIS**

Grade average E*	6,71/10
Grade average S*	6,68/10
Grade average G*	5,74/10
Portfolio grade overall ESG**	<b>6,38/10</b>

\*proportion of the fund's investments for which non-financial data are available and used to complement fundamental analysis.  
\*\*Qualitative scores calculated using the internal ESG analysis model  
Coverage rate: 96%



Principles for Responsible Investment

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



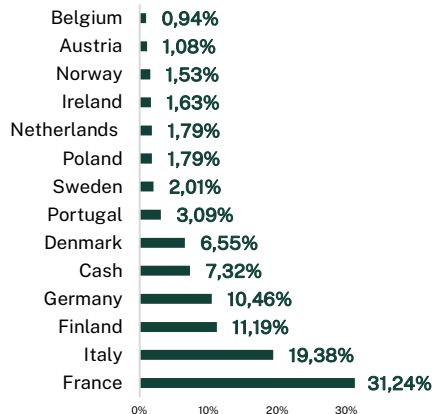
TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Gay-Lussac Gestion is a supporter of the **Task Force on Climate-related Financial Disclosures (TCFD)** since 2021.

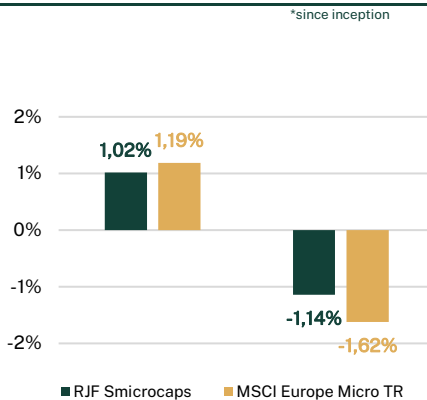


The **Raymond James Fund Smicrocaps** fund obtained the **label Relance** on the **5/10/2021**.

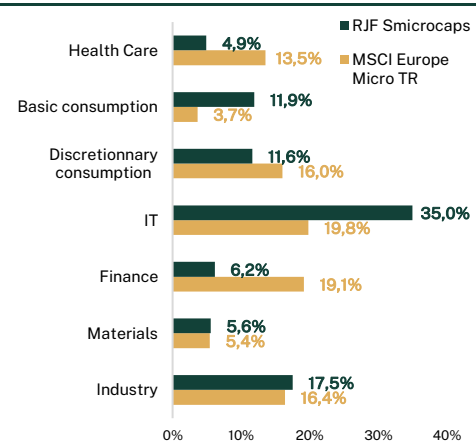
**COUNTRY BREAKDOWN**



**THE FUND'S WEEKLY AVERAGE ON ↗ AND ↘\***



**INDUSTRY BREAKDOWN**



**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**

- An **annualized performance of more than 7% over an investment horizon of at least 5 years.**
- The investment themes defined by the Macroeconomic Committee determine the selection of stocks in which we invest.

**MANAGEMENT TEAM**

Louis de FELS	Paul EDON
Hugo VOILLAUME	Thibaut MAISSIN
Guillaume BUHOURS	Arthur BERNASCONI

**RISK EXPOSURE**



## Macroeconomic review

July was marked by an outperformance of US equities versus Europe's: S&P 500 + 2.27%, STOXX 600, + 1.97%, CAC 40 + 1.61%. In Europe, Eurostat figures showed 2% growth in the euro area in the second quarter compared to the first quarter. The business continues to benefit from the deployment of recovery plans, improved international relations (especially with the United States) and normalization of activity despite the epidemic wave linked to the Delta variant. In this context, the publication of employment figures at the end of June was better than expected: the unemployment rate in the euro zone area stood at 7.0% against 8.0% the previous month. The ECB left its rates unchanged and above all indicated that the rate revision will only take place when inflation reaches "2% in the medium term" (against "lower, but close to 2%" previously). Monetary policy will remain accommodative in order to achieve this scenario, with Christine Lagarde notably declaring that asset buybacks will be maintained until the end of March 2022 or until the Covid-related crisis is over.

In the United States, the economy has returned to its pre-crisis level. The first estimates published at the end of the month showed growth of 1.6% compared to the previous quarter, notably driven by household consumption. On the budget side, a bipartisan group of senators have agreed on the infrastructure program bill. It covers just over \$ 1 trillion in spending, including \$ 550 billion in new spending (the balance coming from existing but unused funds). The legislative process promises to be a long one, however, as there are disagreements between Democrats in the House of Representatives. In terms of monetary policy, Jerome Powell recognized for the first time that inflation could be higher and more persistent than expected, even if he persists in emphasizing its transitory causes. For now, the asset buyback policy remains unchanged but could be in the coming months. In this uncertain environment, the US 10-year rate fell further over the month to 1.2223% at the end of July.

### KEY RATIOS

Investment rate (direct lines)	92,68%
Number of lines	51
PER median 2021	19,89
VE/CA median 2021	1,90
VE/EBIT median 2021	17,70

### TOP FIVE POSITIONS

Name	% net asset
DIGITAL VALUE SPA	4,38%
PHARMANUTRA SPA	4,05%
ROBERTET SA	3,83%
IGE + XAO	3,66%
EXCEET GROUP SE	3,65%

### BREAKDOWN BY MARKET CAPS

Name	% Net asset
More than 500M€	33,23%
From 150 to 500M€	50,94%
Less than 150M€	15,83%
Average Capitalisation (M€)	493,76
Median Capitalisation (M€)	360,62

## Management review

This month we initiated a position in **Vitec Software** and increased our positions in **Labomar SpA** and **Brodrene A&O Johansen**. **Vitec Software** is a conglomerate of companies specialising in software publishing in the Nordic markets. The group's business is divided into some 30 specific verticals such as education and healthcare. The Vitec software investment case appeared attractive to us thanks to the recurrence of its turnover of almost 80%, its growth prospects and the discipline of the management on acquisitions. We also took advantage of a slight market downturn in **Labomar**, which recently acquired the **Welcare** group. **Labomar** is a leader in R&D and outsourced production of nutraceutical products, and this acquisition should enable the group to expand its product range and achieve significant synergies. The group has a high level of liquidity which will be used to further consolidate the market in the second half of the year. The leading Danish distributor of heating and electrical equipment, **Brodrene A&O Johansen**, seems to be best positioned to consolidate this market in the Nordic countries. The group is the pioneer of e-commerce in Denmark, which should enable it to continue to gain market share and improve its margins. The group's targets for 2021 seem very conservative to us in view of the results published by competitors. We have therefore taken this opportunity to strengthen our position. On the sell side, we sold our **Sicit SpA** line, which was the subject of a takeover bid by the majority shareholder in partnership with the French private equity fund Circular Bidco. We also sold our **Harvia** shares. The stock reached our valuation targets after an exceptional sales momentum following the COVID-19 crisis.

### MAIN MOVEMENTS OF THE MONTH

Buy	Sell
Vitec Software	Sicit SpA
Labomar SpA	Harvia
Brodrene A&O Johansen	