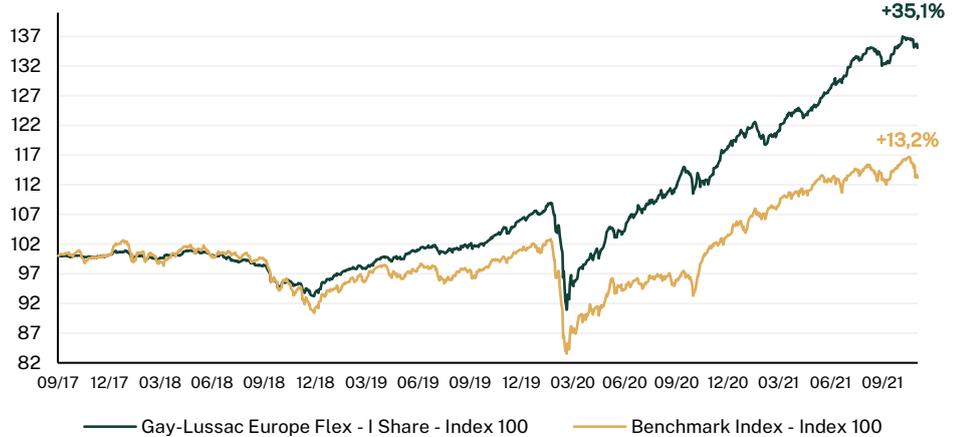


**GENERAL INFORMATIONS**

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>196,57€</b>
NAV (I share)	<b>13 508,73€</b>
Inception date (A share)	29-sep-17
Inception date (I share)	29-sep-17
Net assets	<b>60,04 M€</b>

**Performances and statistics on the 30 november 2021**



	1M	2021	2020	2019	2018	Inception*
<b>A Share</b>	-0,3%	<b>12,8%</b>	11,0%	12,1%	-6,8%	<b>31,0%</b>
<b>I Share</b>	-0,3%	<b>14,0%</b>	11,5%	12,9%	-6,1%	<b>35,1%</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

**3 years values**  
(Bloomberg data)

	<b>Gay-Lussac Europe Flex</b>
Volatility	7,34%
Max Drawdown	-16,54%
Beta	0,49
Sharpe Ratio	1,60

**EXTRA FINANCIAL PORTFOLIO ANALYSIS**

	Gay-Lussac Europe Flex (/10)	Benchmark Index (/10)
Grade average <b>E*</b>	6,31	6,30
Grade average <b>S*</b>	6,55	5,39
Grade average <b>G*</b>	6,46	5,73
Grade average <b>ESG**</b>	7,21	6,86

\* proportion of the fund's investments for which non-financial data are available and used to complement fundamental analysis.

\*\* MSCI coverage rate: 55% / Internal coverage rate: 45% / Total coverage rate: 100%.

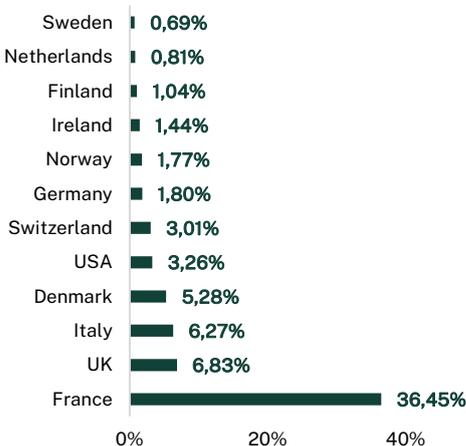


Gay-Lussac Gestion is a signatory of the **United Nations Principles for Responsible Investment (UN-PRI)** since 2020.

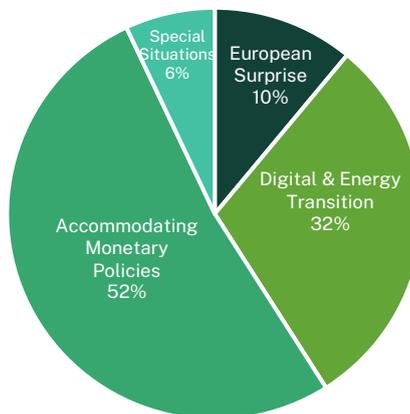


Gay-Lussac Gestion is a supporter of the **Task Force on Climate-related Financial Disclosures (TCFD)** since 2021.

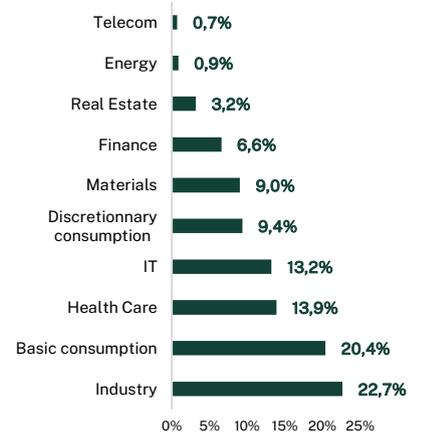
**COUNTRY BREAKDOWN**  
(on the invested share)



**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

**RISK EXPOSURE**



## Macroeconomic review

Carried by an appreciating dollar, US indexes outperformed European's in November. The end of the month was marked by the appearance of the new Omicron variant: CAC 40 TR -1.53%, S & P500 TR -0.73%, STOXX 600 TR -2.53%.

In Europe, the rise in COVID cases has resulted in new containment measures in Austria and a curfew in the Netherlands. The rapid rise in contaminations raises fears that other European countries will follow the same path, such as in Germany, which is facing a peak in contaminations nearly twice that of recent epidemic waves. However, economic growth appears to be holding up well against health and inflation risks. Composite PMIs came out at 55.8 versus 53.2 expected, reflecting strong demand but above all signaling the start of easing tensions on supply chains. Still driven by electricity and gas prices, inflation hit a new record at 4.9% 12 months rolling versus 4.5% expected, while the core figure stood at 2.5% (+ 40bp). On the ECB side, caution remains the main word. Christine Lagarde has clearly ruled out the scenario of a first key rate hike in 2022, as inflation is expected to remain below the 2% target over the medium term, according to the central bank scenario. This was relatively expected by the market, but the hot topic remains around the reduction of the asset purchase programs. The PEPP will therefore likely end after March 2022, but the details of the various options have not yet been specified. We believe that the ECB should keep some flexibility in its asset purchases so as not to create tensions over debt financing in Greece or Italy.

In the United States, Joe Biden has decided to accelerate the approbation of the stimulus plans. After the validation of the \$ 1,000 billion infrastructure stimulus package earlier this month, the \$1,700 billion reconciliation bill has also entered the home stretch. These two measures should provide further support for US growth. However, the issue of inflation remains the main concern of central bankers, who wonder about its persistence and its impact on the US dollar, which has reached a new high point since July 2020. We believe that a status quo for the Fed could partially temper the strength of the dollar over the coming months. On the administrative side, the reappointment of J. Powell for a second four-year term gives investors visibility on the future of US monetary policy. Indeed, the market now seems to be aiming at a first hike in key rates in June 2022. Sovereign rates fluctuated sharply in November. Thus, the 10-year American ended the month at 1.443%, after having peaked at 1.665% at its highest level in November.

### KEY RATIOS

Gross Equity Exposure	68,65%
Futures & Options	-15,28%
Net Equity Exposure	53,37%
Bonds	2,26%
Arbitrage / Takeover bid	9,88%
Liquidities, money market	19,21%
Monthly performance - A Share	-0,34%
Monthly performance - I Share	-0,25%
Number of lines	56
Median PER 2021	23,89
Median EV/Sales 2021	2,84
Median EV/EBIT 2021	19,49

### TOP FIVE POSITIONS

Name	% net asset
DIAGEO PLC	3,08%
NESTLE SA-REG	3,01%
NOVO NORDISK A/S-B	2,84%
BERKSHIRE	2,84%
HATHAWAY INC-CL B	
AIR LIQUIDE SA	2,67%

### BREAKDOWN BY MARKET CAPS

Name	% net asset
More than 4 Mds €	40,70%
From 500 M€ to 4 Mds €	41,18%
Less than 500 M€	18,12%
Average Capitalisation (M€)	43 149
Median Capitalisation (M€)	1 344

## Management review

Regarding purchases, we again initiated positions in **GTT** and **LVMH** and we strengthened positions in **Berkshire Hathaway**. **GTT** is a French engineering company specialized in the design of tanks to transport LNG. The company benefits from a high order book over 2022/23 which does not appear to be valued at the current stock price. We benefited from the unjustified luxury stock price correction following the discovery of Omicron variant to initiate an investment in **LVMH**. We also remain confident in Warren Buffet's ability to profit from the current volatility in the markets and from a possible rise in short-term long rates.

Regarding disposals, we reduced our positions in **Nestlé** and **Biomérieux** and sold our **London Stock Exchange** titles. Among the world leaders in the food industry, **Nestlé**, has had an excellent stock market performance and we have taken some profits in line with our investment process. The French specialist in microbiology and test solutions for COVID 19, **Biomérieux**, has benefited from the acceleration in the number of contaminations in Europe. **London Stock Exchange**, specialized in market data and clearing, is struggling on the stock market under the combined effect of lower than expected synergies with Refinitiv and the upcoming competition from **Euronext** on clearing.