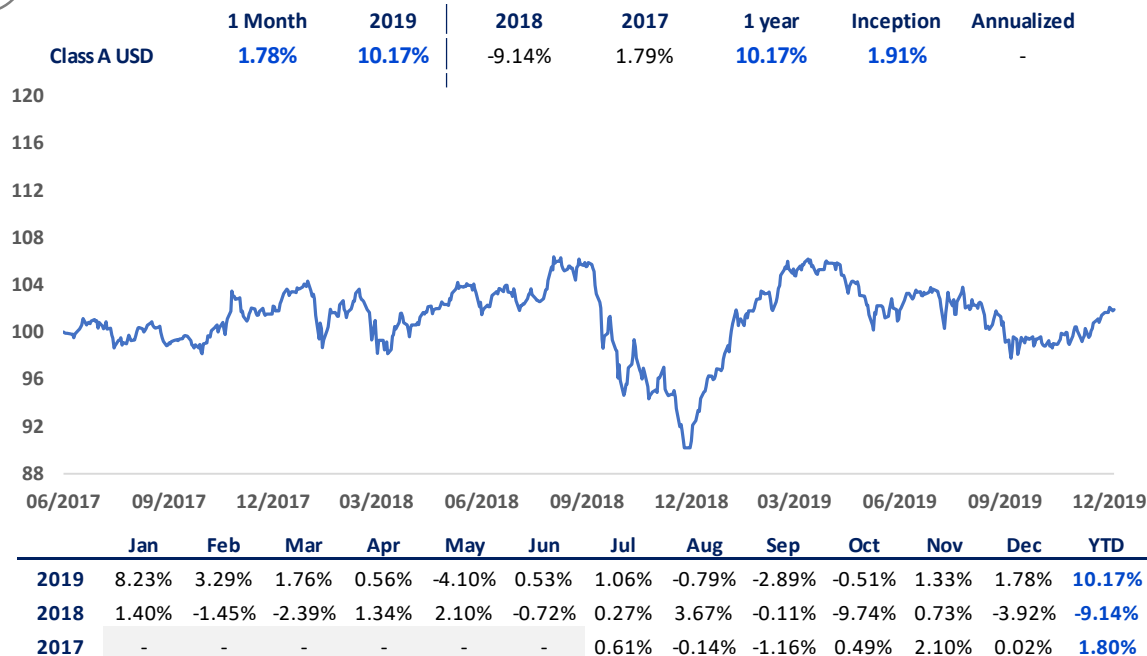


strategy

Sedec North America is a flexible fund seeking long term capital appreciation by gaining exposure on regulated financial markets with constant risk assessment. The investment strategy integrates 3 asset segments to maximize returns while maintaining a stable environment. The first segment is composed of government/corporate bonds, cash and equivalents. This safety allocation aims to protect the fund from severe economic tensions. The second segment invests – up to 75% - in international stocks with emphasis on dividends. The manager will select growth stocks by implementing fundamental analysis. The third segment consists in tactical allocation involving aggressive stocks, special situations with dramatic upside potential. This portion will not exceed 10% of the holdings.

PERFORMANCE ANALYSIS as of 31/12/2019



MAIN POSITIONS, %

(equities)

APPLE INC.	8.90%
AMAZON.COM INC.	4.98%
ALPHABET INC.	4.09%
BOOZ ALLEN HAMILTON	3.26%
TRANSDIGM GROUP	3.20%



FUND PROFILE

Equity exposure	73.84%
Number of positions	32
Top 5 positions	24.43%
Top 10 positions	37.97%



MOVEMENTS

realized in the last month

B	WELLTOWER
+	APPLE INC.

MAIN FEATURES

Share Class	A USD	A EUR H	Total AuM	53.42M USD	Entry fee/max.	2%
NAV	USD 1 019.11	EUR 930.14	Inception date	28/06/2017	Redemption fee/max	none
Ticker Bloomberg	SEBNARU LX	SENAERH LX	Valuation	Daily	Management fee	2% p.a.
ISIN Code	LU1574643885	LU1746875951	Advised inv. period	3 years	Performance fee	10% p.a. on gains
Currency	USD	EUR	Custodian	CACEIS Lux.	Allocation of income	Capitalization
			Auditor	Ernst & Young	Cut-off	2:00 PM

Market Commentary

December allowed equity markets to post their 4th consecutive positive month with the S&P 500 NR benchmark returning +3.0%. The year 2019 was one of the best years for equities in more than 20 years (S&P 500 NR +30.7%) mainly due to the monetary policy reversal by the main central banks.

It is important to remember that only a year ago, the Fed raised its key rates by 25 bps. Since then, the three successive cuts in US key rates have had a considerable impact on the level and shape of the sovereign yield curves. This fall in yields has since extended to all financial assets, including equities. As a result, the P/E of the equity asset class rose, as did the level of the indices. While the P/E of the S&P 500 was 14.5x a year ago, it is now above 18x. However, because of the easing of long the rates, the risk premium of US equities has barely moved to 360bps. The equity market could therefore benefit from the ongoing re-rating initiated in 2019, in a financial context where returns are becoming scarce and sought-after.

Moreover, while economic momentum has been picking up for the past two months, the contribution of corporate earnings growth, expected to reach 9.5% in 2019, could also help support the US Equity market.

Very few to no movements to report in December as we maintain our exposure to equity markets towards a 70% allocation of our portfolio on US stocks.

The Sedec North America posted a +1.78% net return in December and is ending the year 2019 with a +10.17% net performance.



INVESTMENT DISTRIBUTION, %

