

AAM European Equities is a UCITS fund regulated by the Autorité des Marchés Financiers. The fund aims to benefit from the growth of selected European companies, particularly those with family shareholders, while seeking to mitigate the risk of sharp fluctuations of the value of its portfolio. The portfolio managers favor companies with proven competitive advantage and robust business model that are less exposed to economic fluctuations than the market in general.

The fund adopts a positioning focused on family-owned companies, incurring less risk and generating stronger performances, and implements a conviction-based investment strategy relying first and foremost on an extensive financial analysis. The purpose of this analysis is to build a robust, diversified portfolio of individually selected equities. In the stock-picking process, the portfolio managers review balance sheets and income statements, examine margins and financial ratios, and estimate each company's theoretical value in order to compare it with its market price. The portfolio managers also place substantial value on qualitative aspects such as business model, strategy, management team, competitive position and barriers to entry. Dividend policy is another significant factor. The fund's performance and volatility may be compared ex post to the Dow Jones Stoxx Europe 600 index (dividends reinvested). This index lists 600 large, mid- and small-cap companies spanning 18 European countries.

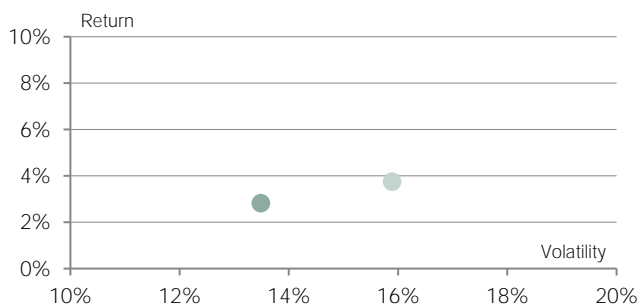
### Cumulative Returns (I Class)



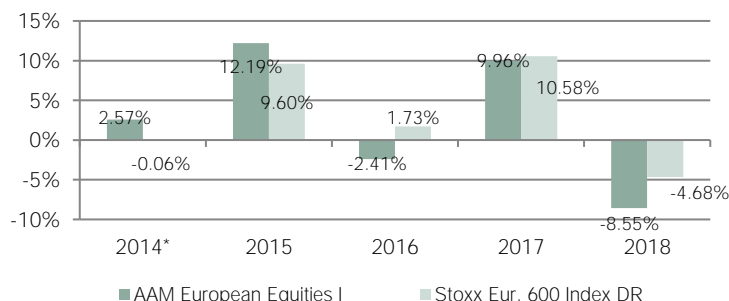
Performance	I	E1	Stoxx. Eur. 600
31/10/2018	(EUR)	(EUR)	Index DR
NAV	112.93	109.58	117.45*
Monthly return	-6.28%	-6.34%	-5.53%
YTD return	-8.55%	-9.12%	-4.68%
Return since inception	12.93%	9.58%	17.45%
Annualized return since inception	2.82%	2.11%	3.74%
Annualized volatility since inception	13.49%	13.49%	15.89%
Inception date	15/06/2014	15/06/2014	-

\*Rebased to 100 at inception date of the fund.

### Annualized return / volatility since inception



### Annual performance since inception



\*Inception date at 16/06/2014

## Monthly Comment

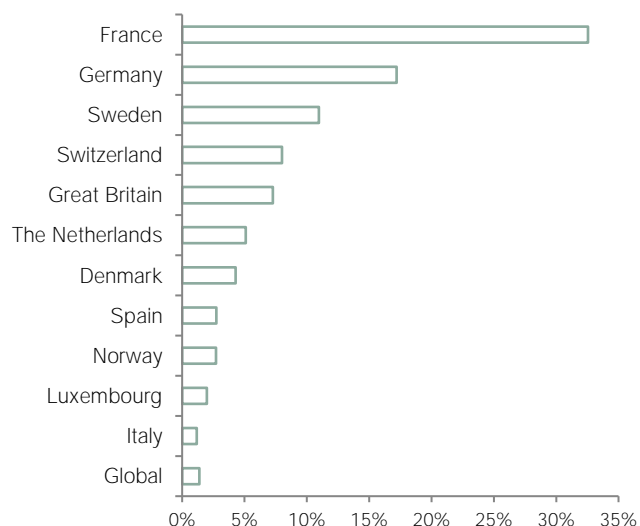
The fund (I class) returned -6.28% in October.

European markets fell prey to multiple uncertainties, shedding up to 8% over the month. Rising US rates, battles over the Italian budget and Brexit, geopolitical tensions and trade wars, end-of-cycle fears and a slowdown in global growth all combined to make investors very nervous indeed. Growth and momentum stocks (technology, luxury goods, construction) were swept up in the decline, while value stocks (telecom, retail, media, utilities) proved more resilient, as did more defensive stocks such as healthcare and food & beverage.

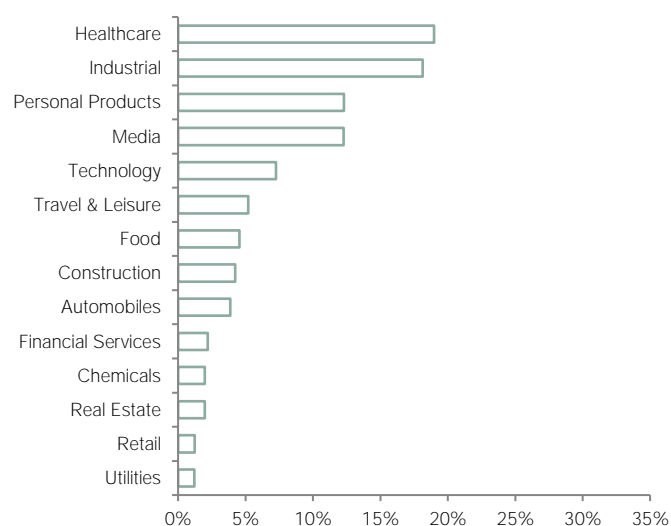
Q3 earnings season is in full swing, and despite getting off to a rocky start, a significant improvement was observed in the last two weeks of October. Nearly three-fourths of European companies have now published their results, with over half beating the consensus posting earnings growth of +11% on average.

We initiated a position in German real estate group Aroundtown. The company boasts an impressive buying track record and in turning around high-vacancy and/or low-rent properties. By investing in these buildings, renegotiating leases and reducing vacancy rates, the company's strategy makes its properties much more profitable and generates both value and cash flows. Aroundtown presents a solid balance sheet, limited leverage and easy access to various sources of funding that will help fuel its growth.

### Allocation by Geography



### Allocation by Industry



### Top 10

1	TELEPERFORMANCE	3.98%
2	ORPEA	2.82%
3	GRIFOLS SA - B	2.75%
4	ASSA ABLOY AB-B	2.74%
5	SCHIBSTED ASA-CL A	2.72%
6	CTS EVENTIM AG & CO KGAA	2.68%
7	ATTENDO AB	2.59%
8	VIVENDI	2.52%
9	HEINEKEN NV	2.48%
10	STROEER SE & CO KGAA	2.46%

### Key Financials

	AAM EE	Stoxx Eur. 600 Index DR
Beta	0.82	-
Ebit Margin	20.36%	12.21%
5-year EPS Growth Estimates	11.41%	5.00%
FCF Yield	3.97%	5.65%
Net Debt / EBITDA	1.62	3.31
Number of stocks	49	600

Source: Bloomberg, BPFS

Information on fund distribution both in and from Switzerland: The state of the origin of the fund is France. In Switzerland, the representative is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17, quai de l'île, CH-1204 Geneva. The prospectus, the Key Investor Information Documents, the fund regulation as well as the annual and semi-annual reports may be obtained free of charge from the representative. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

### Characteristics

Legal structure	French UCITS Fund
Inception	15 June 2014
Liquidity	Daily
Management fees	1.25% (I class with a min. 500'000 EUR investment) 2% (E1 class)
Entry / Exit fees	4% max. / 0%.
Performance fees	10% of the outperformance above 7% net annualized
Custodian	BNP Paribas Securities Services
Auditor	PricewaterhouseCoopers Audit

### Codes

Class	ISIN	Bloomberg	Telekurs	WKN
I	FR0011911197	AAMEEQI FP	CH24678817	A12CG8
E1	FR0011911189	AAMEEE1 FP	CH24678815	A1160X

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