



# MERC LIN PATRIMONIUM

Management company: Degroof Petercam Asset Services; management delegated to Mercier Vanderlinden Asset Management

## Monthly Report

Date:	July 31, 2019
N.A.V. Class R:	1 873,10 EUR
N.A.V. Class C:	1 555,13 EUR
N.A.V. Class R dis:	1 810,49 EUR
N.A.V. Class C dis:	1 527,69 EUR
Morningstar <sup>1</sup> Rating™:	★★★★★

### FUND DESCRIPTION

The objective of Patrimonium, a subfund of MerclIn II SICAV, is to increase the value of your investment over the medium- to long-term. Under normal market conditions, the fund primarily invests in a diversified portfolio of equities and bonds from all countries worldwide, including from emerging market countries. The fund may invest directly in equities or bonds, or indirectly by investing in units of other investment funds or in certificates of deposit. In order to take advantage or hedge against market fluctuations, or for effective portfolio management, the sub-fund may use derivatives. The Fund Manager will select the various investment classes, sectors and countries in a flexible manner, on the basis of macroeconomic and financial criteria. This fund is suitable for investors who understand the risks of the fund and who wish to invest for a minimum investment horizon of 3 to 5 years.

### RESULTS<sup>2,3</sup>

	YTD	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>MercLin II Pat R</b>	<b>+10,46%</b>	-7,51%	+5,04%	+8,27%	+7,58%	+10,95%	+12,79%	+8,87%	-1,50%	+11,67%
<b>MercLin II Pat C</b>	<b>+10,20%</b>	-7,88%	+4,62%	+7,83%	+7,15%	+10,50%	+12,48%	-	-	-
Ranking Morningstar <sup>1</sup> %	31	69	38	5	6	11	9	51	15	11

<sup>3</sup> These performance numbers are based on historical data and are no guarantee of future results. YTD: Performance since the 1st of January of the current calendar year. This is a cumulative return.

### MANAGER'S COMMENT

With Central Banks now committed to lower yields for a while longer, businesses in the real estate sector should stand out as clear beneficiaries. They enjoy the dual advantage of having lower financial charges on their levered balance sheet while benefitting from increased valuation on their portfolio thanks to lower acquisition yields. However, if yields were to rise again in the future, they would be penalised twice. For this reason, the fund is not invested in real estate equities, but it holds different convertible bonds issued by real estate companies. These investments are attractive because, if yields creep up, the convertible bonds trade like a straight bond of an investment-grade company. On the other hand, if rates drop even further, the convertible bonds benefit from the positive share price evolution through the option to convert the bonds into equity. The convertible bonds currently invested in the portfolio are issued by companies such as Deutsche Wohnen, Immofinanz, Korian and Adler.

### TOP 5 STOCKS

1	Berkshire Hathaway	2,90%
2	Microsoft	2,43%
3	Fairfax Financial	2,40%
4	Anheuser-Busch Inbev	2,26%
5	Facebook	2,20%
		12,19%

### TOP 5 OTHERS

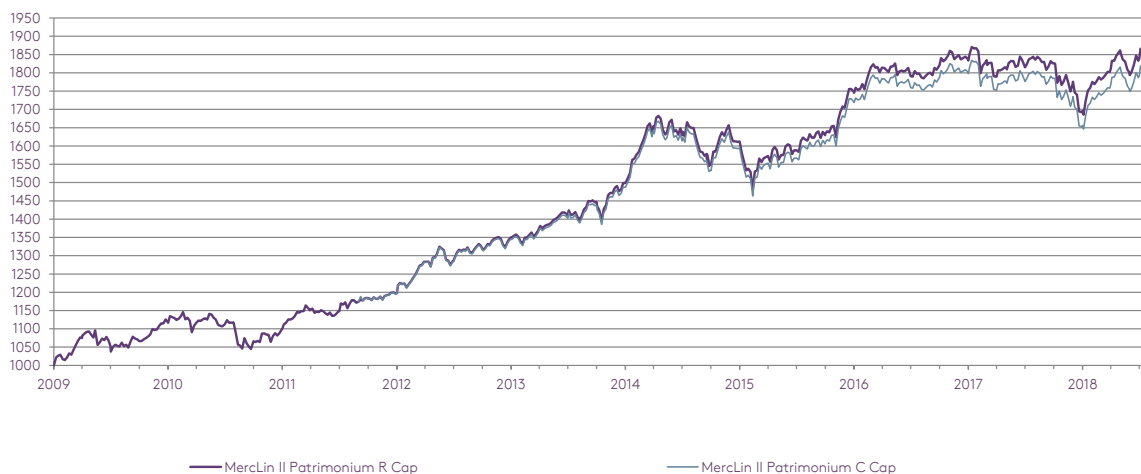
1	Gold bullion	5,76%
2	Orbis Japan	2,81%
3	US treasuries 2048	1,25%
4	Orbis Asia ex Japan	1,13%
5	Pareto Hoyerente	0,87%
		11,82%

### RETURN<sup>2</sup>

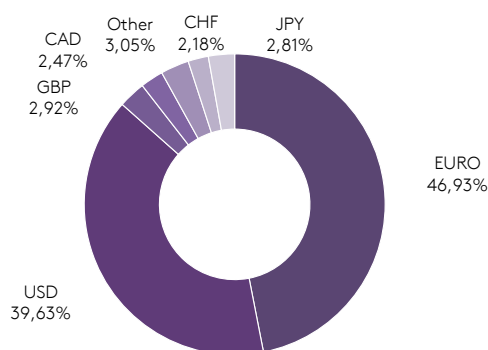
Annualized returns <sup>4</sup>	MercLin II Pat R CAP	MercLin II Pat C CAP
1 year	+1,96%	+1,56%
3 years	+5,01%	+4,58%
5 years	+5,90%	+5,48%
Annualized since inception	+6,77%	+6,59%

<sup>4</sup>The return figures indicated above do not include commissions eventually linked to the issuing and redemption of shares, nor stock exchange turnover tax. Based on historical data, which offer no guarantee of future returns and can even be misleading. Performance is calculated on a cumulative basis for periods under one year and on an actuarial basis for periods of over one year. Performance of the MerclIn II Patrimonium R Cap up to 30.06.2013 were achieved under the scope of a fund governed by Section II of the Law of 17 December 2010 on undertakings for collective investment. Inception of MerclIn II Patrimonium C Cap is 30.08.2012.

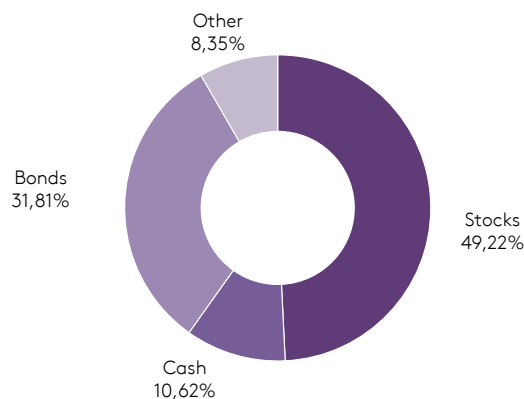
### NAV GRAPH<sup>3,4</sup>



## CURRENCY



## ASSET ALLOCATION



## SECTOR EXPOSURE

Banks	13,86%
Technology	10,48%
Consumer Goods	8,87%
Consumer Services	8,55%
Healthcare	8,32%
Insurance	5,35%
Industrials	4,40%
Holding Companies	3,72%
Telecom	1,22%
Oil & Gas	0,68%
Other	23,94%
Cash & Cash Equivalents	10,62%

## BONDS

Government	2,17%
Floating Rate Investment Grade	1,00%
Floating Rate High Yield	4,92%
Corporate Investment Grade	0,39%
Corporate High Yield	7,16%
Corporate Hybrids	2,80%
Financial Senior	0,41%
Financial Subordinated	8,57%
Convertibles	3,12%
Mutual Funds	1,26%

## LAST BUY - SELL

### BUY

BAM 2021	Oriflame 2024
Deutsche Wohnen 2026	R-Logitech 2023
La Foncière verte 2026	

### INCREASE

BNP Paribas	Cirsa 2026
Merck	Intrum 2026
Novartis	

### SELL

CVS Health	EDP Perp
Accor Perp	Salini 2021
Egger Perp	

### REDUCE

Alliance Data Systems
Dollar Tree
Ineos 2025

## TECHNICAL DATA

<b>Fund Name:</b>	MerLin II SICAV
<b>Manufacturer:</b>	Degroof Petercam Asset Services
<b>Domicile:</b>	Luxembourg
<b>Legal Status:</b>	SICAV subject to Part I of the Luxembourg law of 17 December 2010
<b>Type of shares:</b>	Capitalisation & Distribution
<b>Belgian Financial Service Provider:</b>	Banque Degroof Petercam S.A.
<b>Custodian:</b>	Banque Degroof Petercam Luxembourg S.A.
<b>Transfer Agent:</b>	Degroof Petercam Asset Services
<b>Management company:</b>	Degroof Petercam Asset Services
<b>Manager:</b>	Mercier Vanderlinden Asset Management
<b>Auditor:</b>	KPMG-audit
<b>Maturity:</b>	not determined
<b>N.A.V. publication:</b>	De Tijd, L'Echo, www.merciervanderlinden.com and www.beama.be/en/nav
<b>Minimum subscription:</b>	1 share
<b>Subscription fee:</b>	Class F and R : 0% (Mercier Vanderlinden) Class C : Max. 3%
<b>Swing pricing:</b>	no
<b>Redemption fee:</b>	0%
<b>TOB on exit :</b>	1,32% / max € 4000 for Class Cap, 0% for Class Dis
<b>Tax on UCITS investing more than 10% of their assets in debt claims</b>	Yes (30%)
<b>Withholding Tax:</b>	30%
<b>N.A.V. calculation:</b>	Weekly on Thursday
<b>Subscription/Redemption:</b>	Before Thursday 2.00pm
<b>Performance fee:</b>	no
<b>Assets under management:</b>	1 255 m EUR
<b>Inception:</b>	31/12/2009

	Management Fee	Ongoing Charge <sup>5</sup>	ISIN	Bloomberg
<b>Class R:</b>	0,8% annually	1,08%	LU0476058226	MERPATR LX
<b>Class C</b>	1,2% annually	1,47%	LU0819995118	MERPACC LX
<b>Class R dis:</b>	0,8% annually	1,08%	LU1082460731	MERRDIS LX
<b>Class C dis:</b>	1,2% annually	1,48%	LU1082460491	MERPACD LX

**Risk indicator:** please consult the KIID and/or the Prospectus for more details.



### The subfund's risk level reflects the following factor(s):

The risk level does not reflect the potential impact of unusual market conditions or unforeseen events that may increase risk or trigger other risks such as:

- Counterparty risk: the subfund can lose money as a result of the failure of a market player with which it does business.
- Credit risk: risk associated with bonds becoming worthless when the issuer of the bond is not able to repay its debt on maturity.
- Liquidity risk: some financial securities may be impossible to sell quickly at a given time or may have to be sold at a discount.
- Management risk: under abnormal market conditions, the usual management techniques may be ineffective or unfavourable.
- Risk of derivatives: some derivatives may increase the volatility of the subfund or expose the subfund to losses that are higher than the price of the derivatives.
- Operating risk: in any market, and especially in the emerging markets, the subfund may lose some or all of its money if there is a failure in the custody of assets or in case of fraud, corruption, political actions or any other adverse event.

<sup>1</sup> For further information about Morningstar Rating™ and Ranking Morningstar®, please visit the Morningstar website on [www.morningstar.be](http://www.morningstar.be).  
Specific information concerning MerLin II Patrimonium 'R' cap can be found on <http://www.morningstar.be/be/funds/snapshot/snapshot.aspx?id=F000000UI0>

<sup>2</sup> Source data: Bloomberg, Morningstar & Banque Degroof Petercam Luxembourg.

<sup>5</sup> Ongoing charge: charges taken from the subfund over a year (including management fees).

The prospectus, the KIID and the periodic reports are available free of charge from the Belgian representative of the financial agent: Bank Degroof Petercam S.A., 44 rue de l'Industrie, B-1040 Brussels or on [www.merciervanderlinden.com](http://www.merciervanderlinden.com). Every investor took note of the prospectus and/or KIID and any subscription should be made on the basis of these documents.

In case of complaints concerning this fund, please send a email to [compliance@mvam.eu](mailto:compliance@mvam.eu). If you do not obtain a satisfactory response, you can always contact the Ombudsman of the financial services sector through the website <http://www.ombudsfin.be/en/individuals/introduce-complaint>.