



MERCLIN PATRIMONIUM

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

Monthly Report

Date:	August 31, 2019
N.A.V. Class R:	1.864,70 EUR
N.A.V. Class C:	1.547,63 EUR
N.A.V. Class R dis:	1.802,37 EUR
N.A.V. Class C dis:	1.520,32 EUR
Morningstar ¹ 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^{2,3}

	YTD	2018	2017	2016	2015	2014	2013	2012	2011	2010
MerclIn II Pat R	+9,96%	-7,51%	+5,04%	+8,27%	+7,58%	+10,95%	+12,79%	+8,87%	-1,50%	+11,67%
MerclIn II Pat C	+9,67%	-7,88%	+4,62%	+7,83%	+7,15%	+10,50%	+12,48%	-	-	-
Ranking Morningstar ¹ %	37	69	38	5	6	11	9	51	15	11

³ 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

Based in Switzerland, Oriflame is a leading beauty company, mainly focusing on emerging markets. The portfolio consists of around 1,000 products, 300 to 400 of which are new or renewed (including repackaging or rebranding) every year. It competes with the upper segment of mass-market cosmetics. The company is characterised by the fact that it operates a digital direct selling business model. Its products are only available online (local per-country websites, range of mobile apps) and not in traditional retail. Moreover, the company actively uses social media for advertising. The company has an extensive network of sales representatives who market and distribute the products across 60 countries. Often, these representatives themselves use the products that they promote to their networks and friends. The representatives receive a commission according to the number of units sold, which represents an attractive additional source of income.

This direct selling model features many positives, as it requires lower fixed costs and less marketing than the traditional business model. As a result, margins are good, and high compared to the industry, and this allows the company to generate positive free cash flows. After the delisting of the company in April, the founding family Jochnick is now the main shareholder. The fund has a small exposure to this company.

TOP 5 STOCKS

1	Berkshire Hathaway	3,32%
2	Microsoft	2,50%
3	Fairfax Financial	2,33%
4	Anheuser-Busch Inbev	2,15%
5	Facebook	2,13%
		12,43%

TOP 5 OTHERS

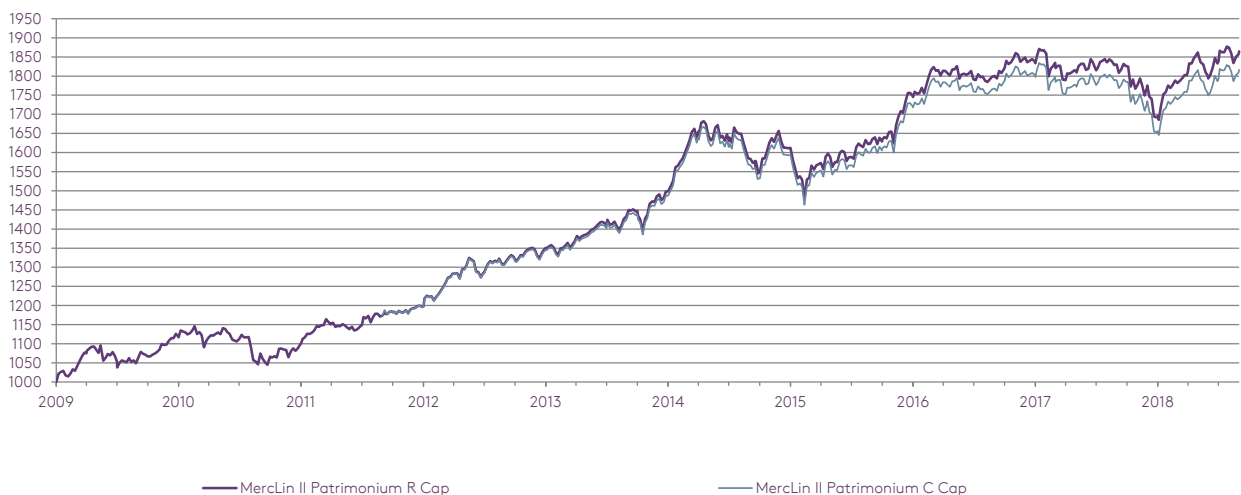
1	Gold bullion	6,25%
2	Orbis Japan	2,83%
3	Orbis Asia ex Japan	1,05%
4	Pareto Hoyerente	0,89%
5	Ruffer Total Return	0,71%
		11,73%

RETURN²

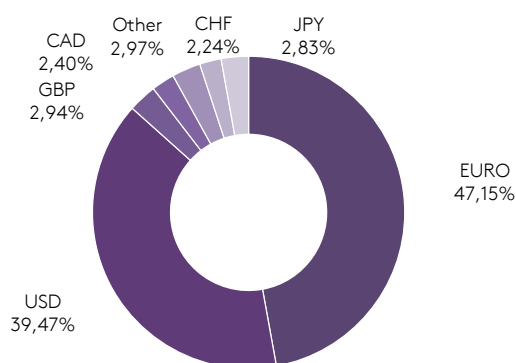
Annualized returns ⁴	MerclIn II Pat R CAP	MerclIn II Pat C CAP
1 year	+2,05%	+1,64%
3 years	+4,74%	+4,32%
5 years	+5,41%	+4,99%
Annualized since inception	+6,65%	+6,43%

⁴ 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.

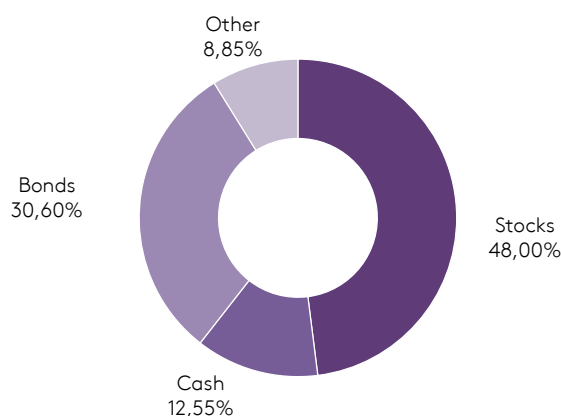
NAV GRAPH^{3,4}



CURRENCY



ASSET ALLOCATION



SECTOR EXPOSURE

Banks	13,23%
Technology	10,22%
Healthcare	8,52%
Consumer Goods	8,42%
Consumer Services	7,59%
Insurance	5,23%
Industrials	4,66%
Holding Companies	4,12%
Other	12,79%
Funds	6,42%
Commodities	6,25%
Cash & Cash Equivalents	12,55%

BONDS

Government	1,60%
Floating Rate Investment Grade	1,01%
Floating Rate High Yield	4,48%
Corporate Investment Grade	0,38%
Corporate High Yield	7,17%
Corporate Hybrids	2,87%
Financial Senior	0,40%
Financial Subordinated	8,41%
Convertibles	3,03%
Mutual Funds	1,25%

LAST BUY - SELL

BUY

Unilever
Ceramec 2025

INCREASE

Berkshire Hathaway
Mohawk
Novartis
Paprec 2025
Raffinerie Heide 2022

SELL

Mondelez
L Brands
Euronav 2022
Van Lanschot Perp

REDUCE

Alliance Data Systems
Cognizant Technology
Interactive Brokers
Roche
Cirsca 2023
US treasuries 2048

TECHNICAL DATA

Fund Name:	MerLin II SICAV
Manufacturer:	Degroof Petercam Asset Services
Domicile:	Luxembourg
Legal Status:	SICAV subject to Part I of the Luxembourg law of 17 December 2010
Type of shares:	Capitalisation & Distribution
Belgian Financial Service Provider:	Banque Degroof Petercam S.A.
Custodian:	Banque Degroof Petercam Luxembourg S.A.
Transfer Agent:	Degroof Petercam Asset Services
Management company:	Degroof Petercam Asset Services
Manager:	Mercier Vanderlinden Asset Management
Auditor:	KPMG-audit
Maturity:	not determined
N.A.V. publication:	De Tijd, L'Echo, www.merciervanderlinden.com and www.beama.be/en/nav
Minimum subscription:	1 share
Subscription fee:	Class F and R : 0% (Mercier Vanderlinden) Class C : Max. 3%
Swing pricing:	no
Redemption fee:	0%
TOB on exit :	1,32% / max € 4000 for Class Cap, 0% for Class Dis
Tax on UCITS investing more than 10% of their assets in debt claims	Yes (30%)
Withholding Tax:	30%
N.A.V. calculation:	Weekly on Thursday
Subscription/Redemption:	Before Thursday 2.00pm
Performance fee:	no
Assets under management:	1.251 m EUR
Inception:	31/12/2009

	Management Fee	Ongoing Charge ⁵	ISIN	Bloomberg
Class R:	0,8% annually	1,08%	LU0476058226	MERPATR LX
Class C	1,2% annually	1,47%	LU0819995118	MERPACC LX
Class R dis:	0,8% annually	1,08%	LU1082460731	MERRDIS LX
Class C dis:	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.

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. 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 an email to compliance@mvmv.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>.

¹ For further information about Morningstar Rating™ and Ranking Morningstar®, please visit the Morningstar website on 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>

² Source data: Bloomberg, Morningstar & Banque Degroof Petercam Luxembourg.

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