

AULIEN S.C.A., Sicav - SIF / PATRIMONIUM

(Isin : LU0730697348)

30 June 2022

Strategy & Investment Policy: Asset allocation fund

The objective of the Company is to achieve an optimum return for the Shareholders by undertaking directly or indirectly investments while reducing investment risk through diversification.

The Sub-Fund will predominantly invest in a diversified portfolio of equities, government and corporate bonds, commodities (through financial derivative instruments), currencies, structured products and alternative investment products. The sub-Fund will allocate a significant portion of its equity allocation into international stocks.

Monthly management comment

Quote of the month : “ Inflation is taxation without legislation ” - Milton Friedman 1912-2006

Macro & Politics: “ Central banks will do whatever it takes to tackle inflation ”

Economists are like meteorologists; they are pretty good at telling what the weather is like today but not very accurate in predicting tomorrow. After months of being behind the curve and thinking the inflation was “temporary”, we now see how all central banks aggressively rise their rates. Yesterday, the Swedish Riksbank was the latest one to step up with a 50bp hike, the first such big move in 22 years. These steps go parallel with a string of growth downgrades all over the world. As always, the European Central Bank is the slowest in taking any action but a hike in July is more than anticipated as well as rate path signals for September and November. Short term rates are on the rise, but longer-term interest rates are beginning to fall as a recession seems highly inevitable. Inflation fighting comes with a cost as GDP forecasts drops, unemployment begins to rise, consumer confidence at rock bottom and real estate prices tumbling. We believe a soft landing is highly unlikely and foresee a recession period before a “new start” can unfold when inflation has cooled down. The major risk being a stagflation scenario if price increases lead to wage pressures, contracting margins and new price increases. We think inflation should normalize within 6 to 12 months at an average rate of 3% (slightly higher to recent levels but still manageable for the economy to swallow). We already note some easing in recent energy prices and hope it will gradually alleviate the suffering consumer. Nevertheless, there are still major threats to this recovery scenario as the War in Ukraine continue to unfold and triggers major changes in commodity trades. Covid could also put the economy in jeopardy as cases are once again growing.

Markets & Investment decisions: “ Upcoming quarterly figures, a reality check ”

All asset classes apart from commodities have dropped sharply YTD (-10 to more than 50% for cryptocurrencies). The Fixed Income market, supposedly sacred has its worse year since the 70's (when the benchmarks were created). As pressures arise from all angles (rates, cycle, spreads, consumption...) something will have to break (signs of stress are already seen in credit markets). The good news is that investors can now earn positive USD real yields for the 1st time in decades by allocating into investment grade bonds. In EUR, we have recently bought a EUR Nestle Bond 2025 yielding more than 2% to maturity after previous purchases in L'Oréal and VW. We must admit having recently been paralyzed by the course of events. In hindsight we should of course have reduced duration and market risk much further than we did. These are times when astute investors can make a longstanding difference. So, now that major Equity markets have lost approx. 20%, is it too late to sell and too early to buy...? We feel the upcoming company earnings will trigger once again volatility and losses where anticipations remain too high. This being said, valuations for some high-quality shares are now at very attractive historical levels. We feel bond duration offers some interesting opportunities (Purchase of a EUR Huhtamaki 2027 yielding close to 5%) but still anticipate head winds for growth stocks (we sell Apple). Nonetheless we anticipate some positive earnings surprises (Hennes & Mauritz) and finally have decided to initiate a position in Equinor (2nd largest European gas provider after Gazprom) as it will probably benefit from large increases of demand towards the winter.

Fund characteristics

Issue date	26.10.2011
Classification	SICAV SIF
Fund type	diversified
Risk level	3/7 low
Holding investment recommendation	5 years
Currency	EUR
Isin Code EUR class	LU0730697348
Isin Code GBP class	LU0837061125
Isin Code CHF class	LU1939276702
Nav calculation	Weekly
Domicile	Luxembourg
General Partner	Aulien Partners S.à.r.l.
Custodian	CBP Quilvest
Fund Administrator	CF Fund Services
Transfert Agent	CF Fund Services
Auditor	Mazars Luxembourg

Financial Conditions

Subscription fees	0%
Redemption fees	0%
Management fees	1.7%
Performance fees	15%

SFDR Disclosure

This Funds is neither in scope of Article 8 nor Article 9 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR Regulation”).

Aulien integrates ESG (Environmental, Social and Governance) criteria in its investment process, on the basis of a specific risk assessment methodology / approach allocating to each asset a dedicated ESG scoring.

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Current top positions

Stocks:

Swedish Match	1.5%
Investor B	1.2%
Essity	1.2%

Bonds:

Netflix Inc 3.625% 15.05.27	1.7%
BNP Paribas 1.125% 22.11.23	1.5%
Piaggio & C. 3.625% 30.04.25	1.5%

Funds:

Quantex Global Value Eur I Dist	2.9%
Eleva Absolute Return Europe I Cap	2.7%

Others:

UBS Irl Fund Select Money Market EUR	11.0%
ZKB Gold ETF AA (USD) Dist	5.4%

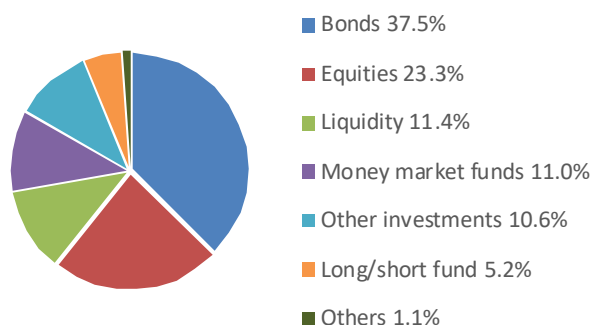
Profil risk & yield



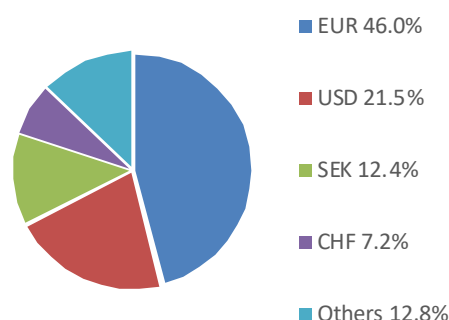
Time to liquidate (CSSF circular 19/733)

- 99.81% of the total assets composing the portfolio of the fund can be liquidated in less than 7 days during normal market conditions
- 99.09% of the total assets composing the portfolio of the fund can be liquidated in less than 7 days during stressed market conditions

Asset class allocation



Currency allocation



NAV at 24.06.22 : EUR 108.52

AUM (m EUR): 32.4

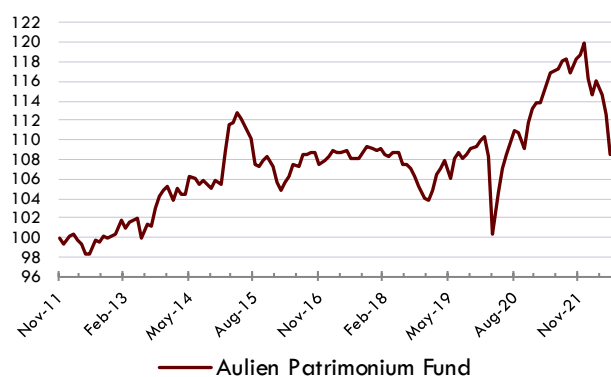
Performance (in EUR)

	1 m	3 m	6 m	YTD
Aulien Patrimonium	-3.7%	-6.5%	-9.5%	-9.5%

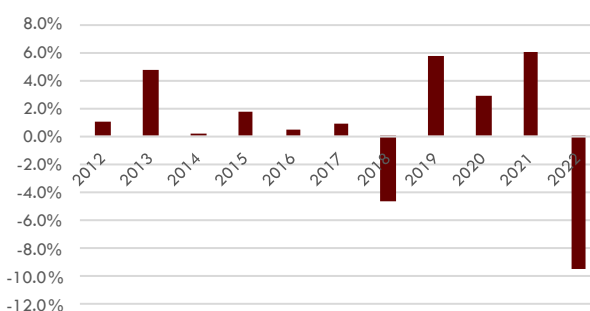
Calendar year performance

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Aulien Patrimonium	+6.0%	+2.9%	+5.8%	-4.6%	+1.0%	+0.5%	+1.8%	+0.2%	+4.8%

Past performance is no guarantee of future results



Calendar years



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