

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

(Isin : LU0730697348)

31 August 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 : “ Democracy must learn to defend itself ” - Mikhail Gorbachev

Macro & Politics: “ Don’t fight the Fed ”

Markets were hoping for a Fed pivot but found themselves chilled by Powell’s brief speech at Jackson Holes. We quote « while higher interest rates, slower growth, and softer labour market conditions will bring down inflation, they will also bring some pain to households and businesses ».

This is what we are facing: a recession (technically confirmed in the US with 2 consecutive negative growth quarters and seemingly unavoidable in Europe). The scope of the pain will probably be much higher in Europe as it faces an Energy crisis that further squeezes households and investments. It is quite mind-wobbling to see how European governments have completely failed to secure a minimum level of independence and accessibility in such essential sectors as electricity and heating. The coming months will sting, as Putin holds the upper hand and will do all to split the European consensus on Russian sanctions. The ECB is in an uncomfortable position with Eurozone prices up 9.1% in August putting pressure for a 75 basis points hike this coming week. Its credibility has never been more challenged.

On top of things, China is also struggling with fading growth (it’s PMI is in contraction), and political tensions will prevail into the communist parties XXth congress. The global macro remains blurry, but inflation should peak, the consequent recession should cool things down, but central banks will not be able to be supportive until after the pain has done its job.

Markets & Investment decisions: “ A perfect storm ”

The sharp summer rally is long done as interest rates have recently risen back to their highest levels of the year. Spreads have also widened again, and Equity markets have turned negative again after failing to breach their 200 days average. There might be a change of paradigm as 30 years oscillation between low inflation and deflation have left room to a world where deglobalization, supply constraints and poor fiscal discipline have brought increased volatility in prices and interest rates. Indices performances speak for themselves: Barclays Bond Pan Eur Index lost 5.3% in August and is now down 14% YTD. Eurostoxx 50 - 5.2% / -18%, Swedish OMX -5% and -20% and the Nasdaq -4.6% and -24.5%. The correction was very crisp and fast. The Aulien Fund managed to stay flat for the month leaving the YTD performances at -6%.

We hate losing money for our clients and feel obviously depressed, but our task is to invest and manage risks to our best knowledge. The current storm will eventually fade away and we feel that our investments are strong enough to ride through the current air holes. Furthermore, until real interest rates turn positive, only Equities provide a possibility of real positive returns as they have the ability to adjust prices. Also, one should never forget that when things clear out, the market movements can also be very fast on the high side. We therefore continue to keep our stakes in solid and well managed companies.

Recent activity has been subdued, we have sold a real estate Bond and bought another Bond active in solar Energy. We will likely initiate a position in Cameco (one of the largest uranium producers as we cannot see how Europe can surpass its current crises without nuclear energy). Other ideas include Geberit (water saving toilets), luxury brands such as Swatch or Hermes (this might odd, but valuations have come down sharply) and an electrical battery maker such as Nidec or Panasonic.

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%
Tomra Systems	1.1%

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%
Prosper Stars & Stripes USD I Cap	2.7%

Others:

UBS Irl Fund Select Money Market EUR	10.5%
ZKB Gold ETF AA (USD) Dist	5.2%

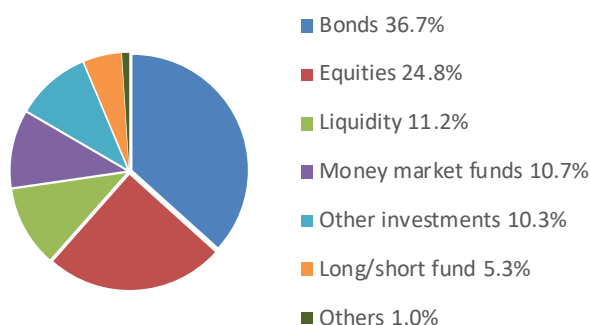
Profil risk & yield



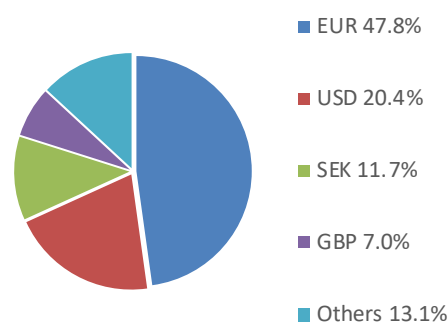
Time to liquidate (CSSF circular 19/733)

- 99.30% of the total assets composing the portfolio of the fund can be liquidated in less than 7 days during normal market conditions
- 98.82% 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 26.08.22 : EUR 112.64

AUM (m EUR): 34.0

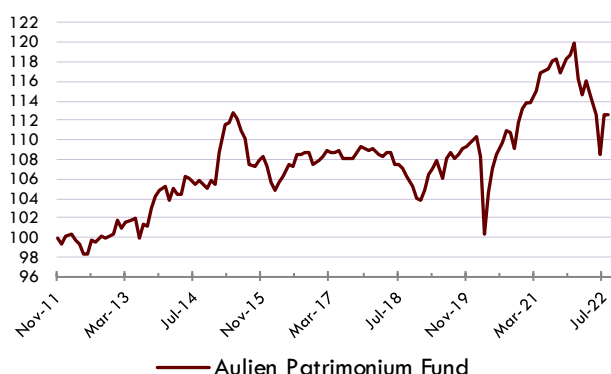
Performance (in EUR)

	1 m	3 m	6 m	YTD
Aulien Patrimonium	+0.0%	+0.0%	-1.7%	-6.1%

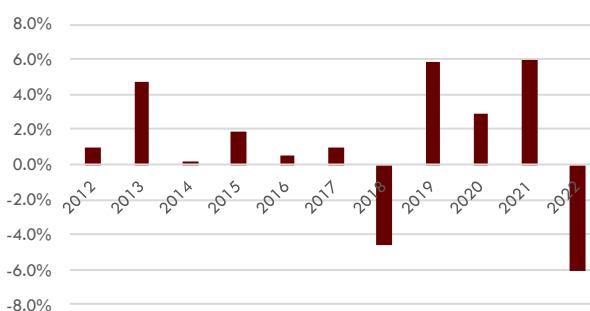
Calendar year performance

	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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