

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

(Isin : LU0730697348)

31 October 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 : “ Only in the darkness can you see the stars. ” - Martin Luther King, Jr.

Macro & Politics: “ Waiting for pivot ”

The general mood improved during the month of October as many pundits anticipate a less hawkish stance from central banks. Hopes of a weaker cycle and a cooling inflation are nevertheless persistently discarded by stubbornly resilient global indicators. Recent US GDP rebound, persistent strong labour markets and strong quarterly earnings continue to feed inflation expectations. Interest rate hikes, are so far, not taming inflation, we're paying dearly the recent permissive and indulgent policies and now face a risk of an overshoot in hikes. Powell was forced once again to temper any hopes of pivot by claiming that the fight against inflation was his priority, might it be at the cost of a recession. The Fed's put is definitively gone, and market volatility should prevail.

The forthcoming days will add some uncertainty as US midterm elections will probably turn over the representative house in favor of the Republicans. Biden's major spending programs will have to be put on hold.

Markets & Investment decisions: “ Quarterly earnings beat expectations ”

Equity markets rebounded strongly on the back of solid earnings. Both turnover and profits were better than expected for 2/3 of reporting companies. The only exception being tech stocks as major bluechips such as Meta, Amazon and Microsoft came short of market consensus. Consumption holds well as labor market remains strong. Dow Jones showed double digit gains, S&P 500 was up 8% and Nasdaq + 4%. Eurostoxx 50 also had a very strong month with a rebound of +9%. Despite these strong monthly figures, most markets remain in deep negative territory YTD: Nasdaq -29%; S&P 500 -18% and Eurostoxx 50 -15%. The Aulien Fund had a disappointing month only regaining 0.3% and down 10% YTD.

The major culprit being the Bond market with the Barclays Pan European Bond index flat for the month and down a whopping 17% YTD. Bond yields and spreads are pricing and anticipating defaults that are not occurring. We feel there are now interesting opportunities in cash flow strong entities and have continued to gradually increase our exposure to higher yielding corporate bonds such as Unilever, Holcim, Nestlé and L'Oréal. It is also comforting to get a yield on short term savings (even if it doesn't fully compensate for current inflation pressure). Monthly deposit can reach 4 % in USD and GBP and 2% in EUR. Further, we feel that current Equity valuations offer interesting entry points. Many high-quality stocks are now trading much cheaper levels and exaggerated premiums have faded away. As negative sentiment prevails, we maintain a constructive stance by taking some new positions. We have recently purchased some shares in Geberit, Meta and BNP. On the other hand, we continue to cut positions where companies are unable to deliver healthy earnings (we sold recently Sedana despite the clear potential of their products).

Some of our current investment ideas include Danske Bank (still trading at a large discount despite a probable settlement with US authorities) Microsoft (valuation down to attractive levels) and Aker BP (we believe oil prices will remain high as long as no clear alternatives are on the table).

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:

Investor B	1.3%
ABB	1.1%
Petroleo Brasileiro—Petrobras ADR	1.1%

Bonds:

Netflix Inc 3.625% 15.05.27	1.8%
BNP Paribas 1.125% 22.11.23	1.5%
Piaggio & C. 3.625% 30.04.25	1.5%

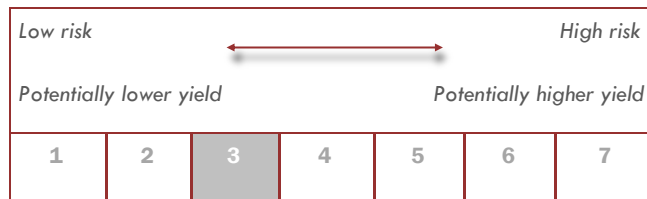
Funds:

Quantex Global Value Eur I Dist	3.0%
Prosper Stars & Stripes USD I Cap	2.8%

Others:

UBS Irl Fund Select Money Market EUR	8.3%
ZKB Gold ETF AA (USD) Dist	5.2%

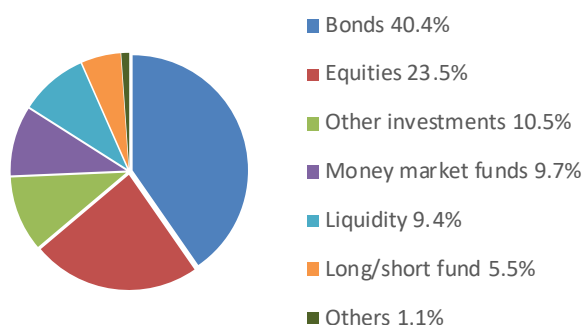
Profil risk & yield



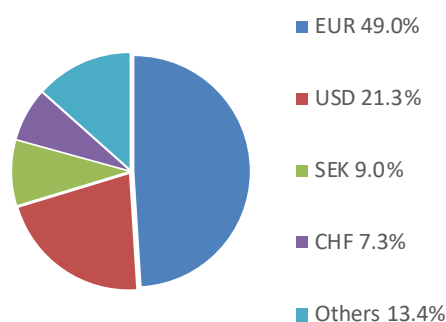
Time to liquidate (CSSF circular 19/733)

- 97.3% of the total assets composing the portfolio of the fund can be liquidated in less than 7 days during normal market conditions
- 97,19% 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 28.10.22 : EUR 107.83

AUM (m EUR): 31.9

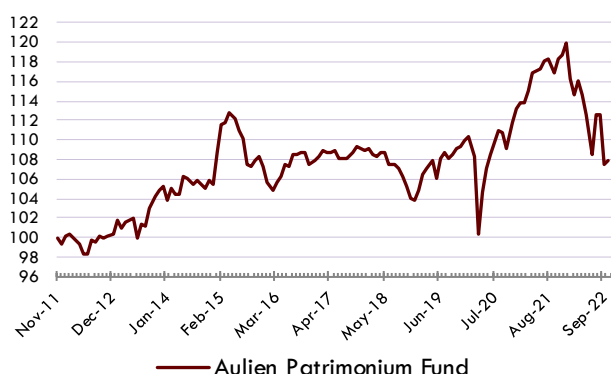
Performance (in EUR)

	1 m	3 m	6 m	YTD
Aulien Patrimonium	+0.3%	-4.3%	-5.9%	-10.1%

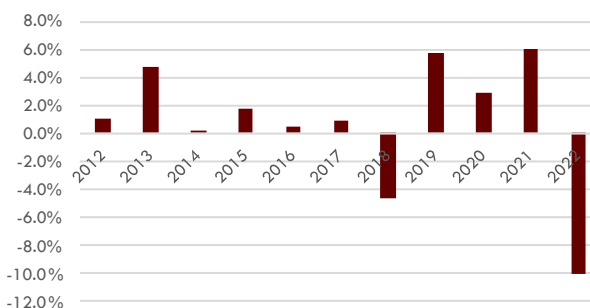
Calendar year performance

	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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