EUROPE PLUS

NOVEMBER 2017

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INVESTMENT PROCESS

Raymond James Asset Management International's European Equities management team uses an original investment process: multi category thematic investment. This consists in identifying global macroeconomic catalysts and exploiting these catalysts through 3 or 4 major investment themes.

Neither entirely sector-based nor entirely geographically-based, strategy is determined by economic analysis and approved by a Theme Selection Committee that meets every two months. This Committee is attended by academic economists and strategists, actuaries and geopolitical and industrial analysts.
Once the structural or economic themes have been identified, our portfolio managers select stocks that correspond to the chosen themes using fundamental company analysis.

GENERAL INFORMATION

Custodian	Société Générale
Cut off	Subscriptions/redemptions are centralized daily at 12.00 at Société Générale
ISIN (A share)	FR0010178665
ISIN (I share)	FR0010182352
ISIN (I Plus share)	FR0012870624
Classification AMF	EU member countries equities
Benchmark	Stoxx Europe 600 NR
NAV calculation	Daily
Management fees	
A share	2.316% of net assets
I share	0.96% of net assets
I Plus share	0.42% of net assets until 50M€, 0.36% from 50 to 100M€ and 0.30% beyond
Entry fees	2% max
Exit fees	None
NAV (A share)	313.98 €
NAV (I share)	150 323.58 €
NAV (I Plus share)	108 813.26 €
Inception date (A share)	June, 3 2005
Inception date (I share)	April, 11 2007
Inception date (I Plus share)	August, 4 2015
Net assets	116.16 M€

INVESTMENT OBJECTIVE

Outperform its benchmark, the Stoxx Europe 600 NR index. The fund is mainly invested in large cap stocks in Europe.

RISK EXPOSURE

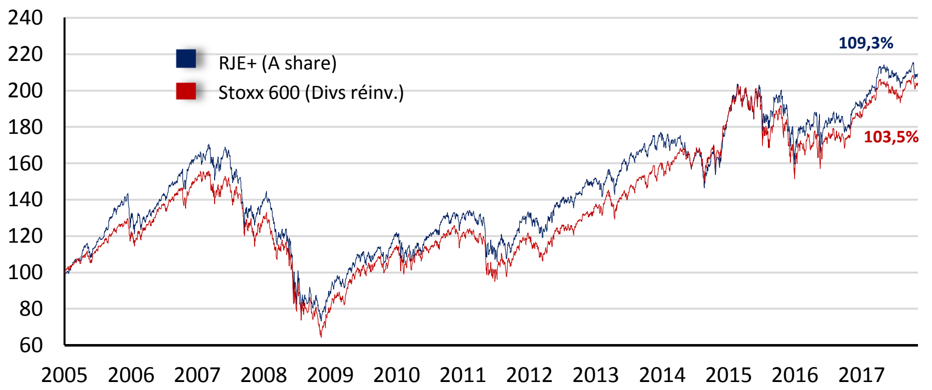
Low risk — High risk

1	2	3	4	5	**6**	7

MACROECONOMIC REVIEW

November ends on a subdued note on the European markets (Stoxx 50 -2.8%) and some emerging markets (-2.2% for China Shanghai) versus the US (+2.8% S&P 500) and Japanese markets (+3.2%).
Central banks' monetary and budgetary policies are still prominent and support the trends:
in the Euro zone, the economic environment remains well oriented, although the recent hike of the European currency (at 1.19 $) penalizes companies' earnings momentum, in an environment weakened by the difficulties to encounter a German coalition since mid-November by Ms. Merkel after her reelection.
In China, the authorities have taken special measures to reduce loans growth and to fight pollution, that have weighted on their respective markets as homes sales are down (by 6% in October) and moderated manufacturing investments.
In the US, the economic momentum (+3.3 % annualized GDP on 2nd estimation) confirms the next rate hike in December from the FED, whose next Chairman of the Board will be, as expected, M. J Powell, while the markets have anticipated the agreement on the tax reform.
Finally in Japan, Q3 GDP's growth at 0.3% yoy and the weakness of the currency against the dollar have attracted foreign investors and enabled Japanese investors to externalize their capital gains.
Meanwhile, bonds yield 'weakness continues, guided by the forex moves and the Central Banks monetary policy expectations.

PERFORMANCES & STATISTICS AS OF 30 NOVEMBER 2017



	1 m	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	Inception
A share	-2,2%	**9,7%**	-0.2%	17.7%	-4.5%	19,3%	22,3%	-10,0%	15,6%	32,2%	-43,9%	2,5%	24,5%	**109,3%**
Stoxx 600	-2,2%	**7,0%**	-1.2%	6.1%	0.4%	17,3%	14,3%	-11,3%	8,6%	28,0%	-45,6%	-0,2%	17,8%	**43,1%**
Stoxx 600 TR	-2,0%	**9,8%**	1.7%	9.6%	0.7%	20,7%	18,1%	-8,6%	11,6%	32,4%	-43,7%	2,4%	20,8%	**103,5%**
I share	-2,1%	**11,0%**	1.1%	19.4%	-3.2%	20.9%	24.0%	-8.7%	17.1%	32.9%	-43.3%			**50,3%**
Stoxx 600	-2,2%	**7,0%**	-1.2%	6.8%	4.3%	17.3%	14.3%	-11.3%	8.6%	27.9%	-45.6%			**1,2%**
Stoxx 600 TR	-2,0%	**9,8%**	1.7%	9.6%	7.2%	20.7%	18.1%	-8.6%	11.6%	32.3%	-43.7%			**38,3%**
I+ share	-2,0%	**11,6%**	1.7%											**8,8%**
Stoxx 600	-2,2%	**7,0%**	-1.2%											**-3,0%**
Stoxx 600 TR	-2,0%	**9,8%**	1.7%											**3,1%**

MANAGEMENT REVIEW

European companies within Stoxx 600 have reported Q3 EPS growth of 7.6%, a slowdown vs. the two last quarters, as exporting companies have been penalized by the euro rally.
Following a management meeting, we have initiated **Nordea.** We appreciate the quality of its financial ratios and the balance sheet strength of this financial group operating on a resilient market, the Northern Europe. The company is fully involved in the evolution of its business model to digital, in partnership with the software provider Temenos, thus matching our "**Services based economy / Digitalisation**" theme. **Nordea's** dividend yield is over 6%.
We have sold **Ultra Electronics,** after its profit warning and the CEO surprise departure. The group has experienced a sharp deterioration of its UK H2 business environment, thus downgrading its growth forecast at -4% over the year, while the consensus was at 0/+1%. Moreover, Elior has weighted on the monthly performance: the group announced the arrival of Philippe Guillemot as CEO from Dec.5th and lowered its margin guidance for the ongoing year. We still believe its organic growth dynamic is strong and remain confident about the group, fully matching all our investment themes. We have bought £ forwards (6% of the NAV) to mitigate our underexposure to UK stocks (11.6% vs 25% in the index).Within the portfolio, we note the very strong Q3 releases of Ahold-Delhaize, Temenos, Tenaris and Bouygues.

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RAYMOND JAMES
ASSET MANAGEMENT INTERNATIONAL

EUROPE PLUS

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RISK INDICATORS

	1 year
1Y Volatility	8,9%
Stoxx 600 Volatility	8,6%
Beta	0,9
Sharpe Ratio	2,1
Tracking Error	3,2
Active share	88,8%

KEY RATIOS

Investment ratio	93,6%
PER 2018 RJE+ *	17,2
PER 2018 STOXX 600	14,9
Number of lines	40
Monthly perf (A share)	-2,2%
Monthly perf (I share)	-2,1%
Monthly perf (I+ share)	-2,0%

* ex. real estate

TOP FIVE POSITIONS

Name	% Net assets
TEMENOS GROUP AG-REG	3,4%
ASOS PLC	3,1%
ING GROEP NV	3,0%
BOUYGUES SA	3,0%
UNICREDIT SPA	2,9%

CONTRIBUTIONS TO MONTHLY PERFORMANCE

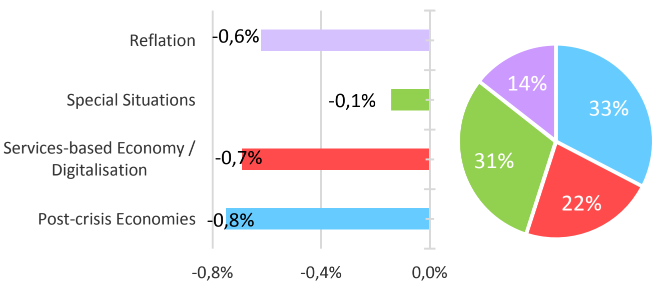
Best contribution	Perf/month	Contrib/month
Ahold-Delhaize	12,3%	0,29
Temenos Group	5,4%	0,16
Bouygues	5,5%	0,15
Asos	5,3%	0,15
Covestro	6,2%	0,15

Worst contribution		
Elior Group	-24,1%	-0,70
Ultra Electronics PLC	-33,4%	-0,65
Burberry Group PLC	-10,6%	-0,31
Societe Générale	-12,7%	-0,30
Cie Financière Richemont	-8,9%	-0,23

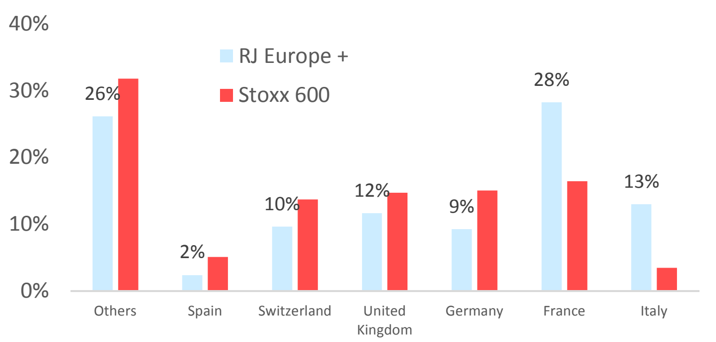
BREAKDOWN BY MARKET CAPS

Over €5 Md	80,3%
From €1 to €5 Md	19,7%
Less then 1€ Md	0,0%
Average capitalisation (Bn€)	31,1
Median capitalisation (Bn€)	15,1

THEMES CONTRIBUTION AND ALLOCATION



COUNTRY BREAKDOWN (on total invested)



CARBON FOOTPRINT 2016 (as per of January, 1 2017)

→ Portfolio CO2 emissions RJE+ : 8312 tonnes

*Scope 1 and 2**

→ Which means a 2.6% (YoY) decrease since 2010 (reference year)

→ Carbon intensity (tonne CO2eq / € mln) :

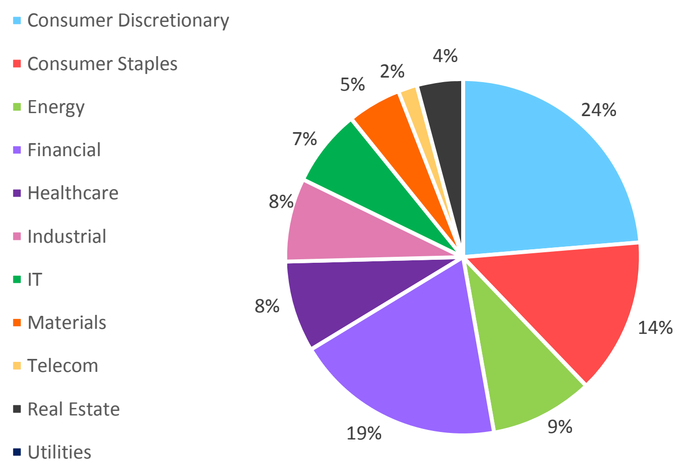
	sales	market value
RJE+	57.2	114.5
Stoxx 600	235.1	516.7

The improvement in performance is mainly due to the stock picking (43%)

**Addition of direct and indirect emissions.*

Calculated by Grizzly Responsible Investment

INDUSTRY BREAKDOWN (on total invested)



NOTICE / WARNING

The figures given relate to previous years. The Fund's performances and the indexes are calculated with dividends and coupons reinvested net of fees. **Past performance is not a reliable indicator of future performance. It is not consistent over time.** This document is a non-contractual document, and is for the private use of the addressee alone, circulated for information purposes and cannot under any circumstance be interpreted as an offer to sell or soliciting an offer to buy the stocks mentioned in it. It is the property of Raymond James Asset Management International (RJAMI). Reproduction or distribution is strictly prohibited without the prior authorisation of RJAMI.