

GENERALI INVESTMENTS SICAV

EURO FUTURE LEADERS - AY

31 August 2021

Marketing communication



KEY DATA

MANAGEMENT COMPANY	Generali Investments Luxembourg S.A.
INVESTMENT MANAGER	Generali Investments Partners S.p.A Società di gestione del risparmio
FUND MANAGER	François GOBRON
BENCHMARK	100% MSCI EMU SMALL MID CAP (NR)
FUND TYPE	Sicav
DOMICILE	Luxembourg
SUB-FUND LAUNCH DATE	04/06/2007
SHARE CLASS LAUNCH DATE	04/06/2007
FIRST NAV DATE AFTER DORMANT PERIOD	No dormant period
CURRENCY	Euro
CUSTODIAN BANK	BNP Paribas Securities Services Luxembourg
ISIN	LU0300506226
BLOOMBERG CODE	GISMCEY LX
VALUATION	
AUM	310.52 M EUR
NAV PER SHARE	158.25 EUR
HIGHEST NAV OVER THE LAST 12 MONTHS	158.70 EUR
LOWEST NAV OVER THE LAST 12 MONTHS	106.49 EUR
FEES	
SUBSCRIPTION FEE	max. 5%
MANAGEMENT FEE	0.5000%
CONVERSION FEE	max. 5%
REDEMPTION FEE	max. 1%
PERFORMANCE FEE	n.a.
ONGOING CHARGES	0.6500%

CATEGORY AND RISK PROFILE

CATEGORY	Equity
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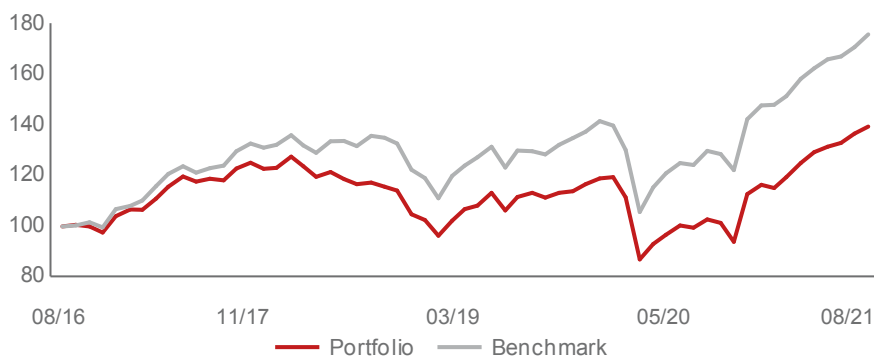
1	2	3	4	5	6	7
Lower risk			Higher risk			
Potentially lower rewards			Potentially higher rewards			

The risk and reward category shown is not guaranteed to remain unchanged and the categorisation of the sub fund may shift over time. For more information about risk, please see the KIID and Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The objective of the Fund is to outperform its Benchmark and to provide long-term capital appreciation investing in equities of companies, listed on stock exchanges of any participating member state of the Eurozone (qualifying as Regulated Markets), focusing on securities having a small and mid-sized capitalisation. The Fund shall mainly invest in equities and other participation rights issued by "Small & Mid Cap" companies, denominated in Euro. At least 75% of its net assets will be invested in Eurozone equities. The Fund may also invest on an ancillary basis in equity-linked securities of European issuer. The Fund may use financial instruments and derivatives for hedging purposes, for efficient portfolio management purposes and for investment purposes.

PERFORMANCE ANALYSIS AT 31 AUGUST 2021



	1M	YTD	1YR	3YR	5YR	3YR P.A.	5YR P.A.
Portfolio	2.02	19.69	35.57	20.44	39.23	6.39	6.84
Benchmark	2.93	18.92	35.29	30.17	75.45	9.18	11.89
Excess return	-0.90	0.77	0.28	-9.73	-36.22	-2.79	-5.05

	SI	SI P.A.	2020	2019	2018	2017	2016
Portfolio	98.76	4.94	-2.10	23.38	-21.73	18.25	9.04
Benchmark	43.31	2.56	4.36	27.34	-15.91	23.71	1.30
Excess return	55.44	2.38	-6.46	-3.96	-5.82	-5.46	7.74

	08/21-08/20	08/20-08/19	08/19-08/18	08/18-08/17	08/17-08/16
Portfolio	35.57	-7.68	-3.77	-2.14	18.14
Benchmark	35.29	1.09	-4.82	8.85	23.83
Excess return	0.28	-8.77	1.05	-11.00	-5.69

KEY FEATURES

- Exploits the strong potential of the large and diversified Small & Mid Cap universe
- Focuses on companies with a share price increase potential based on a DCF approach
- Follows a stock-picking approach based on bottom-up fundamental analysis
- Leverages on proven competences of an experienced, dedicated team

Past performance is not a guide to future performance and may be misleading. The performances are shown net of fees and expenses over the relevant period. All performance figures reflect the reinvestment of dividends and do not take into account the commissions and costs incurred on the issue and redemption of shares/parts. Please see the important information at the end of this document. Investing in the fund/sub-fund involves risks including the possible loss of capital. Please read the KIIDs and the prospectus to find out about these risks. Legal information concerning the fund/sub-fund are available on the website: www.generali-investment.com

FUND MANAGER'S COMMENTS

Market activity

Eurozone mid caps rose by a further 2.9% (total return) in August, while large caps (MSCI Emu) gained 2.5%, bringing the respective gains of these two asset classes to +19.4% and +20.3% over the first 8 months of the year.

Investors were fairly cautious about the continuation of economic growth and favoured stocks with visible growth prospects. Thus, cyclical sectors generally declined: Aurubis (raw materials): -15%, MTU Aero Engines (aeronautical equipment): -8%, Lufthansa: -11%, while technology (Aixtron: +18%), digital (Hellofresh: +15%), health (Diasorin: +13%, Eurofins Scientific: +19%) remained in demand.

Portfolio activity

In August, the fund slightly underperformed its benchmark. We benefited from the announcement of the takeover of Zooplus by the US private equity firm Hellman&Friedman, and also from the significant rise in some of our convictions: Hellofresh, ASMi, Faurecia, Bolloré and Almirall. On the other hand, we were penalised by the decline in certain stocks that are particularly sensitive to the "reopening" of the economies: Technogym, MTU, Hugo Boss, Moncler, Icade and Sodexo.

During the month, we reduced our holdings in Indra and Peugeot Invest, after their shares had risen sharply in recent months. We also strengthened certain holdings, notably Ubisoft and Eiffage. Finally, we initiated positions in Verallia, Norma, Trigano, Flatexdegiro and Chargeurs. We believe that these well-managed companies have both significant growth prospects and very reasonable valuations.

Outlook

GIS Euro Future Leaders invests mainly in mid-sized Eurozone stocks with a solid track record, visible growth prospects and attractive valuations based on discounted free cash flows.

We currently favour defensive stocks with high visibility (Gerresheimer, Bureau Veritas, Thales, Sopra, Grifols, Nexi), but also some quality stocks heavily penalised by the health crisis and offering a very attractive valuation in a medium-term perspective (Sodexo, Eiffage, Faurecia, Orpea)

HOLDINGS & TRANSACTIONS

TOP 10 EQUITY

HOLDING	SECTOR	GROSS %
IPSOS (IPS FP)	Communication Services	4.42%
ALTEN SA (ATE FP)	Information Technology	3.01%
CAPGEMINI SE (CAP FP)	Information Technology	2.02%
VEOLIA ENVIRONNEMENT (VIE FP)	Utilities	1.96%
EIFFAGE (FGR FP)	Industrials	1.87%
SPIE SA (SPIE FP)	Industrials	1.75%
ALSTOM (ALO FP)	Industrials	1.68%
SOPRA STERIA GROUP (SOP FP)	Information Technology	1.67%
ASM INTERNATIONAL NV (ASM NA)	Information Technology	1.64%
STELLANTIS NV (STLA FP)	Consumer Discretionary	1.53%
Total Top 10 (%)		21.54%
Total Top 20 (%)		35.54%

TOP 3 SALES OVER THE LAST MONTH

INDRA SISTEMAS SA (IDR SQ)
PEUGEOT INVEST (PEUG FP)

TOP 3 PURCHASES OVER THE LAST MONTH

FLATEXDEGIRO AG (FTK GY)
AIXTRON SE (AIXA GY)
NORMA GROUP SE (NOEJ GY)

RATIOS

PERFORMANCE AND RISK ANALYSIS - SYNTHESIS

	1YR	3YR	5YR	SI
Standard Deviation Ptf	17.50	22.77	18.88	19.44
Standard Deviation Bmk	14.90	22.27	18.49	20.76
Tracking Error	5.03	4.54	4.10	5.05
Alpha	-0.08	-0.05	-0.09	-0.02
Beta	1.13	1.00	1.00	0.97
R-squared	0.93	0.96	0.95	0.95
Information Ratio	0.01	-0.62	-1.23	0.46
Sharpe Ratio	1.74	0.29	0.38	0.44
Treynor Ratio	31.11	6.25	5.74	6.34
Sortino Ratio	3.05	0.40	0.52	0.64

NUMBER OF STOCKS

	FUND	BENCHMARK
Number of Positions (ex derivatives)	129	571
Out of Benchmark positions	13	-
Active Share	54.52	-
Number of derivative positions	6	-
Equity Derivatives	6	-
Total number of positions	135	571

DRAWDOWN

	SINCE INCEPTION
Maximum drawdown (%)	-55.6
Peak to trough drawdown (dates)	Jul 07 - Mar 09
Length (in days)	602
Recovery Period (in days)	1,463
Worst Month	March 2020
Lowest Return	-21.9
Best Month	November 2020
Highest Return	20.1

FINANCIAL RATIO - EQUITY

	FUND	BENCHMARK
P/Book value	-	1.78
P/E Ratio (current)	-	25.46
Dividend Yield (%) (current)	-	1.92
Average Market Cap (in M€)	9,713	4,282
Median Market Cap (in M€)	7,821	2,449

BREAKDOWNS

■ Fund ■ Benchmark ■ Relative

COUNTRY	NET	RELATIVE
France	45.3% 23.9%	21.4%
Germany	16.3% 24.0%	-7.7%
Italy	8.7% 10.5%	-1.8%
Netherlands	8.6% 13.1%	-4.6%
Spain	6.5% 5.8%	0.7%
Luxembourg	3.3% 2.9%	0.4%
Belgium	3.2% 5.6%	-2.4%
Others	4.1% 14.1%	-10.0%
Cash	4.0%	

SECTOR	NET	RELATIVE
Industrials	25.2% 22.9%	2.3%
Information Technology	12.2% 8.6%	3.6%
Financials	11.2% 12.3%	-1.1%
Consumer Discretionary	11.2% 13.5%	-2.3%
Health Care	8.6% 7.5%	1.1%
Communication Services	7.7% 5.3%	2.4%
Materials	7.7% 10.0%	-2.3%
Others	12.3% 20.0%	-7.7%
Cash	4.0%	

CURRENCY	NET	RELATIVE
EUR	99.7% 99.6%	0.1%
CHF	0.3%	0.3%
USD	0.0% 0.4%	-0.4%
GBP	0.0%	0.0%

MARKET CAP	NET	RELATIVE
5-30 bn	55.9% 68.3%	-12.4%
Under 5 bn	36.6% 29.4%	7.2%
Over 30 bn	3.5% 2.4%	1.2%
Cash	4.0%	

DEALING DETAILS

CUT OFF TIME	T at 1 pm (T being the dealing day)
SETTLEMENT	T+3
VALUATION	Daily
NAV CALCULATION	Day +1
NAV PUBLICATION	Day +1

Important Information

The sub-fund is part of Generali Investments SICAV (an investment company qualifying as a "société d'investissement à capital variable" with multiple sub-funds under the laws of the Grand Duchy of Luxembourg) managed by Generali Investments Luxembourg S.A. who appointed Generali Investments Partners S.p.A. Società di gestione del risparmio as investment manager. The information contained in this document is only for general information on products and services provided by Generali Investments Partners S.p.A. Società di gestione del risparmio. It shall under no circumstance constitute an offer, recommendation or solicitation to subscribe units/shares of undertakings for collective investment in transferable securities or application for an offer of investments services. It is not linked to or it is not intended to be the foundation of any contract or commitment. It shall not be considered as an explicit or implicit recommendation of investment strategy or as investment advice. Before subscribing an offer of investment services, each potential client shall be given every document provided by the regulations in force from time to time, documents to be carefully read by the client before making any investment choice. Generali Investments Partners S.p.A. Società di gestione del risparmio, periodically updating the contents of this document, relieves itself from any responsibility concerning mistakes or omissions and shall not be considered responsible in case of possible damages or losses related to the improper use of the information herein provided. Past performance is not a guarantee of future performance and the sub-fund presents a risk of loss of capital. No assurance is released with regard to the approximate correspondence of the future performances with the ones above mentioned. Before adopting any investment decision the client shall carefully read, if applicable, the subscription form, and the offering documentation (including the KIID, the prospectus, the fund regulation or by-laws as the case may be), which must be delivered before subscribing the investment. The offering documentation is available at any time, free of charge and in the relevant languages on our website (www.generali-investments.com), on Generali Investments Luxembourg S.A. (Management Company of Generali Investments SICAV) website (www.generali-investments.lu), and by distributors. An hardcopy of the offering documentation may also be requested to the Management Company, free of charge. Generali Investments is a commercial brand of Generali Investments Partners S.p.A. Società di gestione del risparmio, Generali Insurance Asset Management S.p.A. Società di gestione del risparmio, Generali Investments Luxembourg S.A. and Generali Investments Holding S.p.A.. Generali Investments is part of the Generali Group which was established in 1831 in Trieste as Assicurazioni Generali Austro-Italiche.

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