

Interview with Violette Grzywna,
Equities Manager



OUR VIEW

›Why invest in this fund?*

To invest in an asset class (high-dividend shares) that has outperformed the broad index over the long term; moreover, the market decline has allowed equities to deliver very attractive returns, while those of other asset classes have declined (OAT, credit).

›How is the portfolio positioned?

The portfolio is invested mainly in five sectors that are major providers of dividends:

o Telecoms (20%); Financials (20%); Energy (17%); Pharmacy (13%); Utilities (13%). We deliberately avoid being overweighted in financial shares, even though the yield might be very significant.

›Does the fund protect against market downturns?

Not completely, because all sectors are down, but since its inception it has fallen less than the benchmark index (MSCI Europe).

Performance¹ from 05/07 (date of portfolio investment) to 16/09: -13.7% against -15.8% for the MSCI Europe (net dividends reinvested).

›What is the outlook for the rest of the year?

In the event of a strong rally, the more defensive sectors (telecoms, utilities, pharmaceuticals) are likely to underperform and thus the fund would as well. But that's not our scenario: We expect a moderate -and particularly turbulent- rise. The fund should perform well in this context. Over a longer horizon, given the uncertainty about the direction of economic growth, we believe there is a real case to be made for high-yield shares.

* Before making any investment decision, please contact the sales department for an appropriate recommendation.

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