



# WORLD WINNERS

February-17

Monthly Factsheet

Share Class A

**World Winner invests in about fifty international market-leading companies with a contrarian investment approach.**

## FUND MANAGER'S COMMENTARY

Following an excellent January, World Winners underperformed its benchmark index over February, while still delivering 6.6% growth since the start of the year.

This underperformance factors in the underexposure to US stocks. Once again, despite the positive outlook for US economic growth, we can find very few attractive investments there considering valuation levels that we believe are too high. However, we are significantly overexposed to Europe, Japan and China. In this last region, which is loathed by international investors, we are finding companies with the most obvious undervaluations.

They include Yingde Gases (China, industrial gases, €1.4bn), which is currently subject to a public takeover bid by a Chinese private equity fund and one of this sector's two US giants, rivalling the European champions Air Liquide and Linde. We have built our knowledge of this industrial gas business over more than 20 years. It has various features that we like: growing sector, generating recurrent free cash flow, dominated by a small number of firms.

By monitoring the European and American leaders over the long term, we have been able to identify Yingde Gases in line with our approach.

This national champion for industrial gases, with a 13% market share, was trading at the start of the year with valuation ratios nearly two times lower than its rivals. We hold 1% of World Winners' assets in this company, whose valuation (je rajouterais "we find") is still attractive.

This latest takeover bid (which is the fourth seen by World Winners since it was created) provides confirmation, by industrial operators, of the quality of our stock picking, as well as their undervaluation. It is also the third takeover bid for a Chinese company held in our portfolio, which confirms not only that companies in this region are undervalued, but also that our method is working in international markets. Since the fund's launch, our investments in China have been the main contributors to our performance. Of course, this would not have been the case if our exposure to China was based on securities from the Chinese index, because the index's performance has been disastrous. Here, we are showing that our stock picking approach is still relevant!

We would like to reaffirm our optimism and above all thank you for your confidence and trust: your World Winners fund has just passed the 100 million euro milestone.

Thierry Flecchia

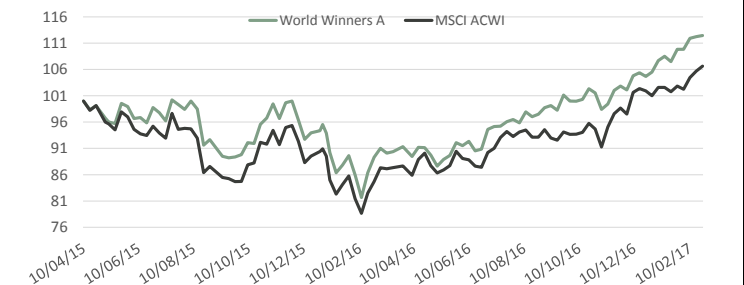
Arnaud de Grainville

## PERFORMANCE IN EUROS

24/02/2017	World Winners - A	MSCI ACWI
Since Inception *	12,5%	6,6%
2015 *	-4,5%	-9,1%
2016	10,4%	11,1%
2017	6,6%	5,6%
Month	2,4%	3,7%

\* On 10/04/2015

## PERFORMANCE SINCE INCEPTION



Past performance is no guarantee of future performance.

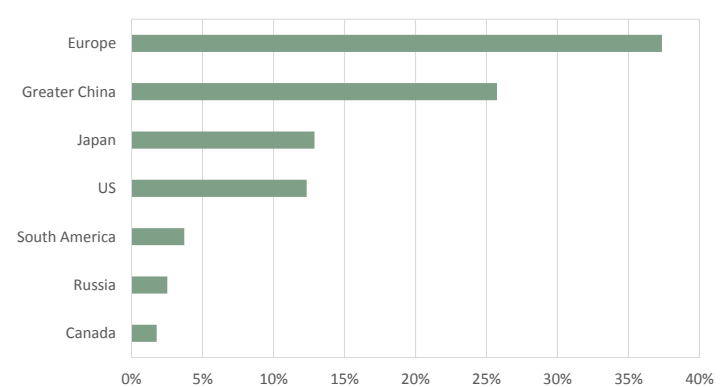
## TOP HOLDINGS

G4S PLC	6,5%
LAFARGEHOLCIM LTD-REG	3,5%
AP MOELLER-MAERSK A/S-B	3,4%
STERIS CORP	3,4%
TELECOM ITALIA SPA	3,4%

## TOP SECTOR

Industrials	24,9%
Materials	21,3%
Consumer Staples	16,0%
Consumer Discretionary	15,8%
Information Technology	7,3%

## GEOGRAPHICAL DISTRIBUTION



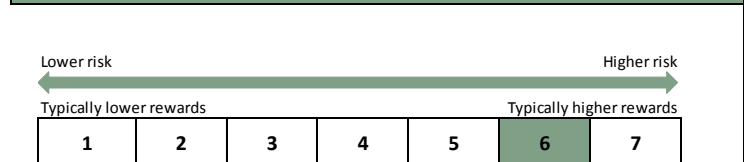
## MARKET CAP (In billion euros)

> 10	27%
5-10	27%
< 5	42%
MEDIAN MARKET CAP (BN EUR)	5,7

## STATISTICS

EQUITY EXPOSURE	96%
CASH	4%
NUMBER OF HOLDINGS	42
ACTIVE SHARE	97%
MEDIAN PRICE EARNING	19,1

## RISK PROFILE



## FUND FACTS AND TERMS

Launch date	10 April 2015
Isin	LU1132346872
Bloomberg Ticker	PREWWAE
Fund size	98,2 Millions
Currency	EUR
Nav calculated	112,46 EUR
Benchmark	MSCI World AC Total return net Euros
Custodian	Credit Suisse Luxembourg
Nav Calculation	Weekly
Cut-Off	Thursday 3 p.m
Fund structure	UCITS 5
Management Fees	1,80%

The representative of the Fund in Switzerland is Hugo Fund Services SA, 6 cours de Rive, 1204 Geneva. The distribution of Shares in Switzerland must exclusively be made to qualified investors. The place of performance for Shares in the Fund distributed in Switzerland is at registered office of the Representative.

Non contractual document. For further information, please refer to the Prospectus and the KIID - available in the management company headquarters or on our website [www.preval.lu](http://www.preval.lu)

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