



# WORLD WINNERS

August-16

Monthly Factsheet

Share Class A

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

## FUND MANAGER'S COMMENTARY

Over the month, the index remained virtually stable, while your fund progressed +1.1%.

This apparent stability conceals some marked differences and above all strong levels of sectoral rotation. "Defensive" sectors (consumer goods, health, etc.) underperformed significantly over the period.

We have already shared our concerns about these sectors with you in view of their valuations and we are confirming our position.

Considering the macroeconomic uncertainties and the low-rate environment, investors have fled to stocks that are called - unduly in our opinion - defensive, offering strong visibility over their results and returns. These "herd" flows have driven up their valuations to excessively high levels. Illustrating this, the highest-yielding US equities are 85% more expensive than their historical averages!

These flows and this trend may continue for some time, but let's remember that in 2013, after it was announced that the FED might raise its rates, these securities saw a major underperformance. What will happen when rates rise again (which will happen without any doubt, only the timing is uncertain)?

With our cautious approach, we have continued to avoid these companies that are too consensual to be undervalued. We are maintaining our selective approach, looking for companies that are able to grow in this zero-rate, weak-growth environment.

We are seeing the benefits of this. The market has recognised a certain number of reports by companies from your portfolio with strong rises. For instance, G4S, the global market leader for physical security, has climbed over 20% since reporting its results and above all the first positive impacts of its new management team's restructuring drive. Despite this progress, its share is trading with very reasonable multiples, offering strong potential for further growth. This example clearly illustrates our contrarian management method: buying leading companies that are growing, with very recurrent revenues and strong free cash flow levels, when they are ignored by the market and a catalyst is put in place. These "contrarian" investments offer opportunities for major gains.

Like us, following 35 years of a "bond bull market", you can rest assured that the equities market, with liquid, growing assets that are undervalued and unbelievably unpopular with investors, will be taking up the torch.

Thierry Flecchia

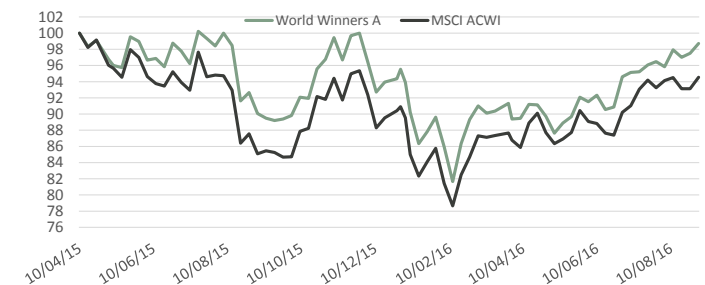
Arnaud de Grainville

## PERFORMANCE IN EUROS

26/08/2016	World Winners - A	MSCI ACWI
Since Inception *	-2,5%	-6,9%
2015 *	-4,5%	-9,1%
2016	2,1%	2,4%
Month	1,1%	-0,1%

\* On 10/04/2015

## PERFORMANCE SINCE INCEPTION



Past performance is no guarantee of future performance.

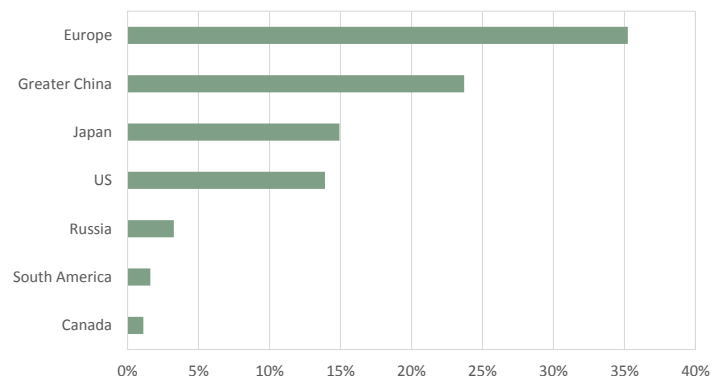
## TOP HOLDINGS

G4S PLC	5,9%	Consumer, Non-cyclical	40,0%
STERIS CORP	4,0%	Industrial	26,8%
LAFARGEHOLCIM LTD-REG	4,0%	Communications	7,5%
TELECOM ITALIA SPA	3,9%	Basic Materials	7,5%
MORINAGA & CO LTD	3,6%	Consumer, Cyclical	7,4%

## TOP SECTOR

Consumer, Non-cyclical	40,0%
Industrial	26,8%
Communications	7,5%
Basic Materials	7,5%
Consumer, Cyclical	7,4%

## GEOGRAPHICAL DISTRIBUTION



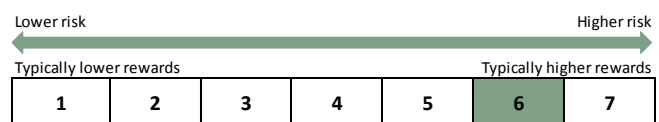
## MARKET CAP (In billion euros)

> 10	35%
5-10	20%
< 5	39%
MEDIAN MARKET CAP (BN EUR)	5,6

## STATISTICS

EQUITY EXPOSURE	94%
CASH	6%
NUMBER OF HOLDINGS	39
ACTIVE SHARE	96%
MEDIAN PRICE EARNING	16,7

## RISK PROFILE



## FUND FACTS AND TERMS

Launch date	10 April 2015
Isin	LU1132346872
Bloomberg Ticker	PREWWAE
Fund size	75 Millions
Currency	EUR
Nav calculated	98,72 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 4
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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