



FUND MANAGER'S COMMENTARY

Since our last report (data as of 22/02), the fund has declined by 1.2%.

After correcting sharply in the fourth quarter of 2018, financial markets – both equities and corporate bonds – showed renewed optimism in the first quarter of 2019. With a global economic slowdown and weakened financial markets at the end of last year, the US Federal Reserve said it would be more patient in its monetary tightening policy. Similarly, the Trump administration has softened its tone somewhat on Sino-American trade negotiations. Nevertheless, the outcome of those negotiations remains uncertain.

During the month, US equity markets outperformed Japan, Europe and emerging markets in euro terms.

Gold mines, as well as Konecranes, Valmet and Entertainment One, performed well during the month of March. Conversely, the fund was impacted by underperformance from one of its principal positions, G4S, which has declined by around 14% since the last reporting date. Although G4S published unexciting 2018 results, the group is working actively on divestment/spin-off options for its cash management division, and has already received offers from competitors and private equity funds attracted by the group's worldwide market shares and its cash generation. Following this transaction, which should be finalised this year, the group will be able to focus on the security business and pay down a very large proportion of its debt. Such a transaction could also lead to the distribution of a large, exceptional dividend or a significant share buyback. In addition, once the restructuring and refocusing are complete, this world leader's valuation should receive a boost. Lastly, the fixed-income component of the portfolio, weighted towards emerging markets (HSBC Brazil Bonds and Franklin Templeton Global Total Return), was down slightly during the period.

A favourable turn in global economic growth indicators could hasten the return of investor confidence. Nevertheless, we remind investors that in an environment with structurally low interest rates, capital appreciation can come only from exposure to assets whose price – and not their value – is by nature more volatile. For this reason, we remain confident about the portfolio's upside potential, at a time when the market is not uniformly optimistic.

INVESTMENT PHILOSOPHY

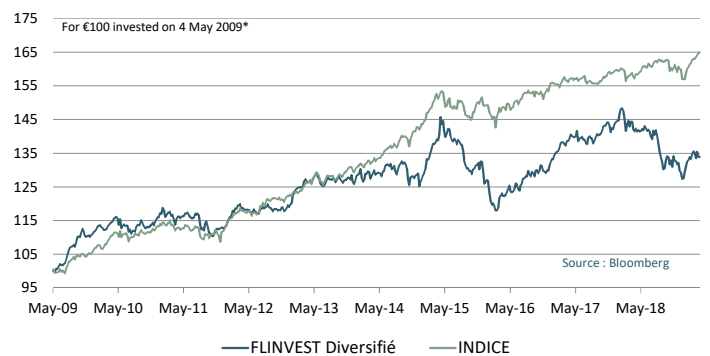
•The Flinvest Diversifié fund is a Fonds commun de placement (unincorporated mutual fund) invested in money markets and bonds (via UCITS) and equities (via UCITS or directly). Its exposure to equities can vary from 0% to 50%.

• Assets are managed according to Preval's contrarian management principles which aim to optimise the risk/return profile of the portfolio. They are actively managed with an opportunistic approach to asset classes, geographical regions and instruments based on market developments and the management team's forecasts.

PERFORMANCES*

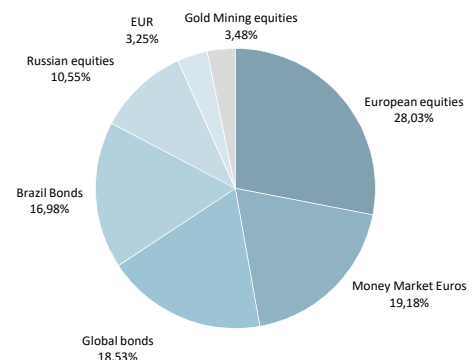
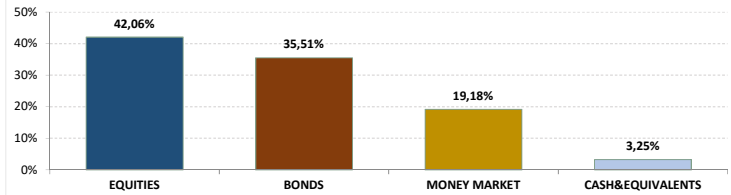
Data as of:	MONTH	2019	2018	Since inception (04/05/2009)
March-19				
Flinvest Diversifié	-1,2%	5,0%	-11,9%	33,9%
Indice Composite*	1,2%	5,0%	-1,5%	64,9%

(30% MSCI WOLRD en euros + 30% Euro MTS + 40% EONIA)
Source bloomberg



*Past Performance is not Indicative of future results. Performance is not constant over time.

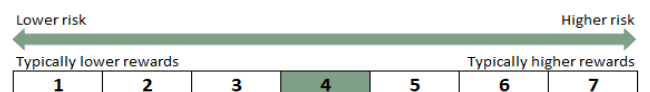
ASSET ALLOCATION



FUND FACTS AND TERMS

Launch date	4 mai 2009
Isin	FR0010732792
Bloomberg Ticker	FLDIVER FP
Fund size (EUR)	10 616 590,02 €
Currency	EUR
Nav calculated	1 338,72 €
Benchmark	30% MSCI WOLRD en euros + 30% Euro MTS + 40% EONIA
Custodian	RBC
Valorisation	Weekly
Cut-Off	Thursday 12 p.m
Fund structure	UCITS 5

RISK PROFILE



MANAGEMENT FEE AND PERFORMANCE FEE

Management fee	1,40%
Performance Fee	10% of any excess return if the NAV outperforms the benchmark and achieves a positive performance.

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This document is not a contractual element. Subscriptions can only be made after reading the regulatory documents of the fund (Prospectus, DICI), available upon request from PREVAL.