



# WORLD WINNERS

March-21

Monthly factsheet

A Share Class

Preval Funds SICAV - World Winners is invested in a selection of 30 to 50 market-leading international companies with a contrarian investment approach.

Countries available for sale: FR CH BE LU SP NL DE

## INVESTMENT PHILOSOPHY

- Stock-picking based on fundamental analysis (Private Equity approach)
- Focused approach on longstanding knowledge of leading high-quality companies (a reduced selection of approx. 700 companies), undervalued by the market (growth either underestimated or restructuring of a company having undergone a fall in earnings), in order to minimize risk
- Seeking returns over a 3 to 5 year horizon: unconstrained and benchmark agnostic approach
- Build a high-conviction but diversified portfolio (30 to 50 holdings)

## FUND MANAGER'S COMMENTARY

Dear Investors,

Governments and central banks throughout the world are continuing to support their economies, while differences in recovery are appearing from one country to another.

European economies have been hit by a new surge of Covid-19 cases and the measures taken to combat a "third wave".

In March, the ECB increased its bond purchases to counter a potential rise in yields. In the United States, fiscal policy looks likely to be more aggressive than in the rest of the world, given the \$1.9 trillion stimulus plan and the \$3 trillion infrastructure plan. The Fed is anticipating a 2.2% increase in core inflation this year and a 6.5% rise in GDP. It is maintaining its current monetary policy, while reassuring investors that inflation is under control.

Investor optimism about economic recovery in the United States and inflationary expectations have pushed bond yields up to their highest in 14 months. In this context, growth stocks extended the correction they initiated at the start of the year, prompting outperformance in cyclicals and value stocks (MSCI World Value Index EUR up 8.8%, vs MSCI World Growth Index EUR up 3.7%).

In March, your World Winners fund posted an uptick of 0.9%, vs the MSCI World's 6% advance. Performance since the start of the year stands at 8.1%, in line with the benchmark index, even though some Chinese companies in the portfolio retreated during the month as a result of negative newsflow. There were rumours that Chinese companies would be delisted in the United States and that the government would adopt stricter regulations on data processing at technology companies, and investors blanched at the sudden liquidation of the Archegos hedge fund. As a result, certain significant positions in your fund experienced declines: Baidu (Internet - China) and JD.com (e-commerce and logistics platform - China) declined by 20.8% and 7.24%, respectively during the month. These stock-market variations do not reflect a deterioration in the companies' fundamentals, however.

Their 2020 results and their outlook for the future remain very encouraging, so we have taken advantage of the price declines to add to our positions, at prices we consider very attractive. In the good news category, Shandong Weigao (medical equipment - China), At Home (home furnishings - USA) and AP Moeller Maersk (shipping - Denmark) published favourable earnings reports and appreciated by 18.7%, 17.6% and 14%, respectively, during the month of March. With interest rates very low and considerable liquidity being injected into the economy, we stand firm in our belief in the potential of our portfolio companies to create value and in stock-picking and in general.

We thank you for the trust you have placed in us.

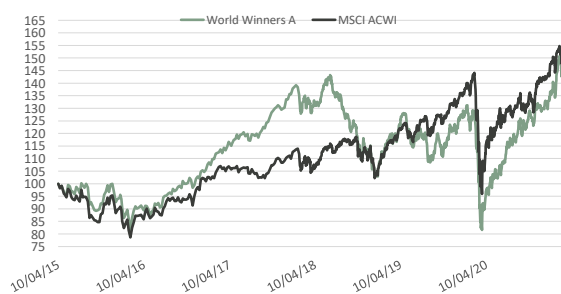
Thierry Flechia and the management team

## PERFORMANCE IN EUROS\*

31/03/2021	World Winners - A	MSCI ACWI
Since inception **	43,8%	56,7%
2017	28,5%	8,9%
2018	-22,9%	-4,8%
2019	20,7%	28,9%
2020	5,4%	6,7%
2021	8,1%	8,9%
Month	0,9%	6,0%

\*\* On 10/04/2015

## PERFORMANCE SINCE INCEPTION\*



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

## TOP 10 HOLDINGS

WEIBO (CHINA, Media & Entertainment)	6,5%
JD.COM INC-ADR (CHINA, Retailing)	6,1%
BAIDU INC - SPON ADR (CHINA, Media & Entertainment)	5,3%
SUZANO SA (BRAZIL, Materials)	4,7%
XPO LOGISTICS INC (UNITED STATES, Transportation)	3,9%
TWITTER INC (UNITED STATES, Media & Entertainment)	3,5%
TRIP.COM (CHINA, Retailing)	3,1%
SALESFORCE.COM INC (UNITED STATES, Software & Services)	3,1%
AP MOELLER-MAERSK A/S-B (DENMARK, Transportation)	3,1%
MAGNIT PJSC-SPON GDR REGS (RUSSIA, Food & Staples Retailing)	3,0%

## FUND FACTS AND TERMS

Launch date	10 avril 2015
Isin	LU1132346872
Bloomberg Ticker	PREWWAE LX
Fund size (EUR)	161,1 Millions
Currency	EUR
Nav calculated	143,80 EUR
Benchmark	MSCI World AC Total return net Euros
Custodian	Crédit Suisse Luxembourg
Nav Calculation	Daily
Cut-Off	3pm
Fund structure	UCITS 5



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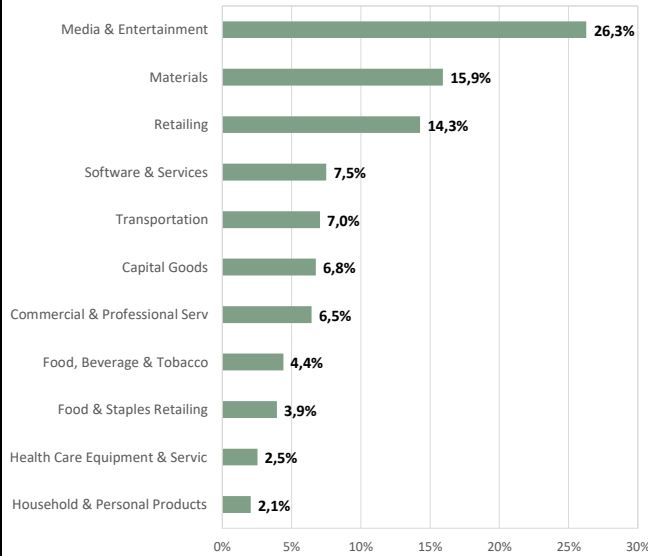
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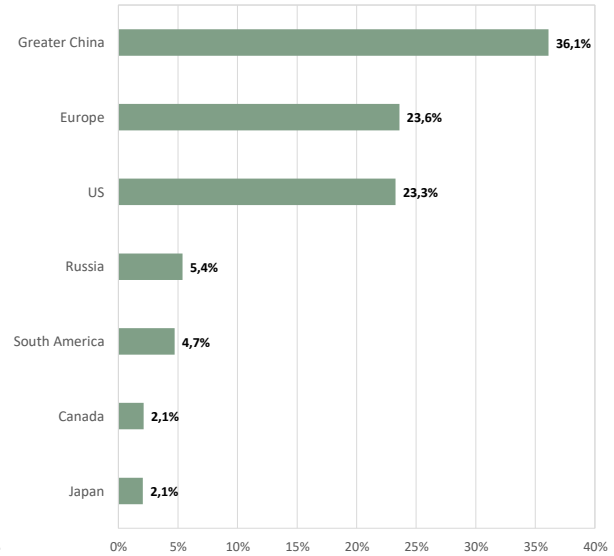
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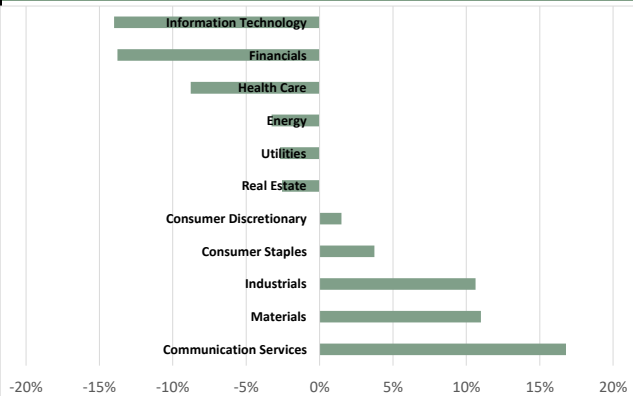
## SECTOR EXPOSURE



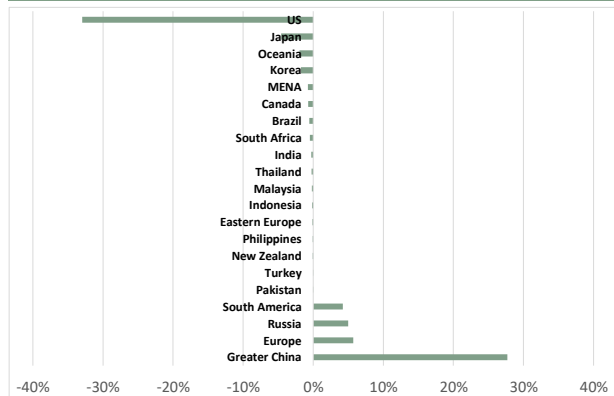
## GEOGRAPHIC EXPOSURE



## RELATIVE SECTOR EXPOSURE



## RELATIVE GEOGRAPHIC EXPOSURE



## PORTFOLIO CONCENTRATION

Top 10 holdings	42,4%
Top 20 holdings	66,4%
Top 30 holdings	85,9%
Total	97%

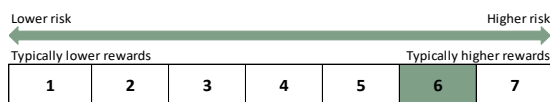
## MARKET CAP (in billion euros)

> 10	55%
5-10	26%
< 5	16%
Median Market Cap (BN EUR)	10,3

## STATISTICS

Equity exposure	97%
Cash	3%
Number of holdings	39
Active Share	97%
Median Price Earnings	20,6

## RISK PROFILE



## MANAGEMENT FEE AND PERFORMANCE FEE

Management fee	1,80%
Performance Fee	20% of any excess return if the NAV outperforms the benchmark and achieves a positive performance topping the relevant High Water Mark

\*Past Performance is not indicative of future results. Performance is not constant over time. World Winners fund primarily invests in equities and presents a risk of losing capital.

The representative of the Fund in Switzerland is ACOLIN Fund Services AG, Geneva Branch, 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.

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