

# Cartesio *Income*

## Factsheet

NAV (Class I)  
**119.16**Assets  
**230m €**

## January 2025

The fund is up 1.2% in January and reaches a new all-time high. More of the same in the sense that the fund notched consecutive all-time highs during most of 2024. The reference index for the fund (Eurozone long Govt bonds) is flat in the month and is still 13% down from its all-time high towards the end of 2020; during this period, the fund is up 24%.

The credit portfolio (78% of the fund) continues to perform and contributes 62% of the total return in the month. YTM of the credit portfolio stands at 4.7% with a running yield of 5% and 3.9 years of duration. The fund keeps 15% exposure to equities which we continue to see as a floor going forward.

Since the American election, all the talk and prose has been about American exceptionalism, European decadence (aka museum) and the all-conquering American technological prowess and stock market returns. Since the election, we have also acknowledged American exceptionalism but have drawn a different, more nuanced conclusion. The valuation premium of American equities vs European equities is close to a three-sigma event, the flow and narrative towards America is one way and bubbly and last, but not least, we believe that it is during a crisis that new attitudes and solutions take shape.

### Investment objective

Cartesio Income replicates the investment strategy of Cartesio X. It seeks higher risk adjusted returns (Sharpe ratio) than Euro Government bonds (Bloomberg Series-E Euro Govt 7-10 Yr Bond Index).

Strong emphasis on capital protection.

### Investment strategy

Equity exposure is limited to a maximum of 40% of assets, the balance is invested in bonds and cash.

### Fund History

Cartesio X has an overall Five Star Morningstar rating. Since inception (March 2004) it has returned 3.9% p.a. against 3.2% p.a. total return for Long Term Euro Gov Bonds with a volatility

of 4.1% (index 5.2%). On a three and five year basis the fund has returned 16.9% and 22.4% respectively against total returns of -9.5% and -11.4% respectively for Long Term Eurozone Gov Bonds with 58% and 83% respectively of the volatility experienced by the index.

### Factors to consider

- The fund has a long bias (Equities & Bonds) but with a strong emphasis on capital protection over the medium term.
- The equity and bond components are actively managed with a significant tracking error vs the benchmark.
- Suitable for investors seeking to grow and protect their capital over the medium term with a low level of risk.

### Performance Chart\*\*



\*\*Chart relates to past data. Past performance does not guarantee future returns.

### PERFORMANCE

2025	1.2%
Since Inception (p.a.)*	3.9%

### RISK / RETURN

Volatility*	4.1%
Beta	0.26
Sharpe*	0.66

### ASSET ALLOCATION

Fixed Income	77.2%
Equity	14.1%
Cash	8.7%

FIXED INCOME METRICS	WEIGHT	YTC	Dur*
<b>Total</b>	<b>77.2%</b>	<b>4.6%</b>	<b>3.8</b>
<b>Investment Grade</b>	<b>49.1%</b>	<b>4.3%</b>	<b>4.1</b>
Senior	23.6%	3.7%	3.8
Hybrid	17.7%	4.5%	4.4
AT1/RT1	7.7%	5.8%	4.6
<b>Non-Investment Grade</b>	<b>28.1%</b>	<b>5.2%</b>	<b>3.3</b>
Senior	5.6%	4.8%	2.4
Hybrid	9.2%	4.7%	3.6
AT1/RT1	13.3%	5.7%	4.0

\*Modified Duration

### MAIN HOLDINGS

Abanca AT1 10.625	1.8%
Direct Line Hybrid 2027	1.7%
Terna Hibrido 2030	1.5%
Permanent TSB Senior 28	1.5%
VW Hybrid 3.748%	1.5%

### INVESTMENTS/DIVESTMENTS EQUITIES

Investments: E.ON  
Divestments: Logista

MARKET RETURNS	2025	Since 31/03/04
MSCI Euro Net Total Return	6.5%	6.7% p.a.
Sharpe		0.30
Euro Gov. Bond (7-10y)*	0.0%	3.2% p.a.
Sharpe		0.39
Euro Gov. Bond (<1y)*	0.2%	1.2% p.a.

\* Inception 31st March '04, Cartesio X until May '11

\*Euro Gov. Bond (7-10y): Bloomberg Series-E Euro Govt 7-10 Yr Bond Index

\*Euro Gov. Bond (<1y): EGB0 Index (ICE BofA Euro Treasury Bill Index)

HOLDINGS		
1	Abanca AT1 10.625	1.8%
2	Direct Line Hybrid 2027	1.7%
3	Terna Híbrido 2030	1.5%
4	Permanent TSB Senior 28	1.5%
5	VW Hybrid 3.748%	1.5%
6	BAT Hybrid	1.5%
7	Iren Hybrid PERP	1.5%
8	Unicaja AT1 2026	1.5%
9	EDF Híbrido 2028	1.5%
10	Alstom Hybrid	1.5%
11	Unicredit AT1 PERP	1.4%
12	CoCo Perpetual	1.4%
13	Enel Híbrido 2028	1.4%
14	Allianz Hybrid 2031	1.4%
15	Ibercaja AT1 9.125 2028	1.3%
16	Trafigura Senior 2026	1.3%
17	ENGIE Híbrido Perpetual	1.3%
18	Lenzing híbrido 2025	1.3%
19	Unibail Hybrid 7.25%	1.3%
20	Other (including: Equities)	63.8%
21	Cash	8.7%
Total		100%

VALUATION DATA	
<b>Bonds</b>	
Portfolio YTC	4.6%
Running Yield	5.3%
Portfolio Duration	3.8 years
Fund Duration	2.9 years
<b>Equity</b>	
P/E	10.4x
Div Yield	5.3%

MAIN HOLDINGS EQUITIES		
1	Merlin Properties	1.0%
2	BAT	0.8%
3	AXA	0.7%
4	Heidelberg	0.7%
5	Acerinox	0.7%
6	Repsol	0.6%
7	BMPS	0.6%
8	Carrefour	0.6%
9	Total Energies	0.6%
10	Michelin	0.6%

RISK ADJUSTED RETURNS PARETURN CARTESIO INCOME*						
	Returns		Volatility		Relative	
	Fund	Index	Fund	Index	Volatility	M2
2004**	8.3%	5.5%	2.8%	3.4%	81.2%	9.9%
2005	5.8%	6.0%	4.0%	3.5%	113.2%	5.3%
2006	9.0%	-1.0%	2.2%	3.5%	62.7%	12.7%
2007	2.1%	1.8%	3.0%	3.7%	81.1%	1.6%
2008	-2.2%	10.8%	3.1%	6.1%	49.9%	-8.9%
2009	8.5%	4.7%	1.5%	5.1%	30.3%	25.0%
2010	2.1%	-0.3%	2.8%	4.7%	60.0%	3.0%
2011	0.9%	2.2%	4.4%	6.3%	70.6%	1.3%
2012	9.8%	14.9%	3.6%	4.8%	74.4%	12.7%
2013	8.9%	2.9%	2.9%	4.2%	70.6%	12.3%
2014	4.7%	16.9%	3.3%	3.4%	95.6%	4.9%
2015	1.3%	2.1%	4.0%	5.3%	76.6%	1.6%
2016	1.6%	3.5%	4.1%	4.0%	100.8%	1.6%
2017	3.9%	1.3%	1.4%	3.7%	36.9%	11.3%
2018	-3.7%	1.4%	1.8%	3.0%	59.6%	-6.0%
2019	4.3%	6.7%	2.7%	3.8%	70.7%	6.2%
2020	-3.5%	4.5%	9.9%	5.0%	198.8%	-2.0%
2021	4.9%	-2.9%	4.2%	3.7%	111.9%	4.3%
2022	-3.4%	-19.4%	6.8%	10.2%	66.9%	-4.7%
2023	10.2%	8.9%	4.7%	8.8%	53.8%	16.4%
2024	8.4%	1.8%	2.7%	5.5%	48.5%	13.4%
Q1	2.2%	-0.7%	2.1%	5.7%	37.1%	4.6%
Q2	1.2%	-1.4%	2.7%	6.5%	40.7%	1.6%
Q3	3.8%	4.6%	2.8%	4.6%	60.9%	5.6%
Q4	1.2%	-0.6%	2.4%	4.6%	52.0%	1.6%
2025	1.2%	0.0%	2.8%	5.0%	55.8%	1.9%
Q1 (jan)	1.2%	0.0%	2.8%	5.0%	55.8%	1.9%
Total	121.7%	93.4%	4.1%	5.2%	78.0%	

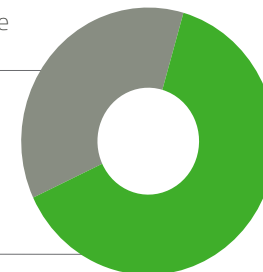
## BOND RATING DISTRIBUTION OF THE PORTFOLIO

Non-Investment Grade

36%

Investment Grade

64%



## Name

Cartesio Income (Replicates Cartesio X)

## ISIN

LU1966822873 (Class I)  
LU1966822956 (Class R)  
LU1966823095 (Class Z)

## Bloomberg

CARTINI LX / CARTINR LX /  
CARTINZ LX

## Inception Date

13/01/20

## Type

SICAV (UCITS III)

## Benchmark

Bloomberg Euro Gov Bond  
Index 7-10 yr – Risk Adjusted

## NAV frequency

Daily (Euros)

## Fund Management

Waystone Management Co.

## Company

Cartesio SGIC, S.A.

## Custodian

BNP Paribas



MORNINGSTAR ★★★★★ 3 years  
MORNINGSTAR ★★★★★ 5 years  
MORNINGSTAR ★★★★★ 10 years  
MORNINGSTAR ★★★★★ Overall

- 4 Lipper Leader Total Return
- 4 Lipper Leader Consistent Return
- 5 Lipper Leader Preservation
- 5 Lipper Leader Expense

## Auditor

Deloitte

## Transfer Agent &amp; Fund

Administrator

BNP Securities Services

## Fund Management Fee

1.0% – Class I & Class R  
0.65% + 7.5% performance fee –  
Class Z

\*All ratings apply to Cartesio X