



## Portfolio Commentary

Arabesque Prime returned +3.20% for the month (until 27 April), compared to +1.71% for the MSCI All Country World Index.

The strongest sub-strategies in April were 'Dividend Growth' (+3.7%) and 'High Dividend Yield' (+3.3%). 'GARP' (+2.4%) and 'Value' (+2.6%) were the weakest performers over the month. On a sector level, Retail Trade and Process Industries had the highest positive contribution, while Communications and Health Services were the weakest. On a relative basis, the fund's sector allocation contribution was positive over the month, mainly due to the underweight of Energy and overweight of Consumer Cyclical and Industrials stocks. The fund's selection effects fell out positive over the month, with the strongest effects in the Industrials, Healthcare, and Consumer Defensive sectors.

The fund has returned +13.69% since inception.

## Sustainable and Quantitative

Arabesque follows a quantitative investment approach that integrates sustainability data with financial analysis.

Arabesque Prime is a global equity fund that uniquely combines sustainability information with a sophisticated fundamental stock selection process. The fund's sustainable equity universe consists of approximately 3,000 individual stocks that passed a rules-based screening process. The portfolio of approximately 250 – 300 stocks identifies companies with stable cash flows and strong growth prospects.

In addition, the estimates of equity analysts are analyzed to select stocks that have a high likelihood of reporting future earnings surprises.

## Prices

Date	28.04.2017
Currency	USD
Bid/Ask Price	112.41/112.41
Distribution Date	March 24th 2017
Distribution Amount	USD 0.4000

## Conditions

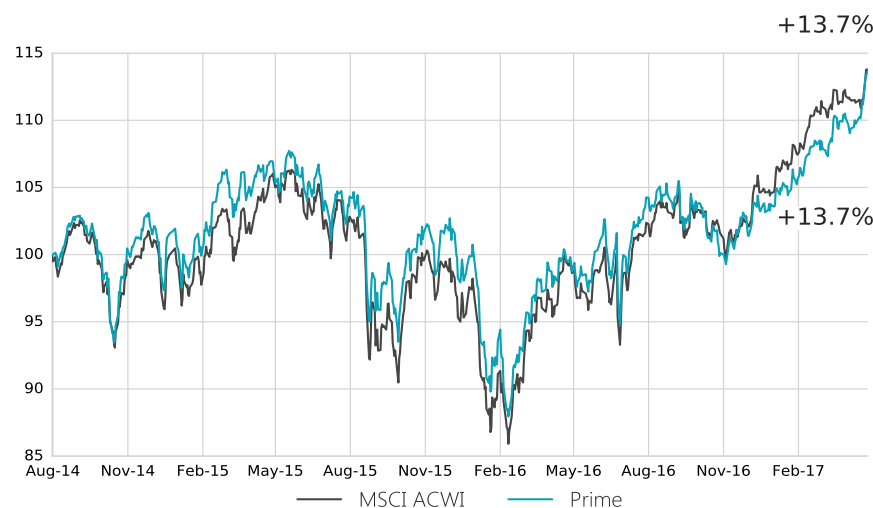
Minimum Investment	USD 50,000
Management Fees	0.32% p.a.
Performance Fees	None
Other 3rd Party Fees	0.27% p.a.
Profit	Distributing
TER*	0.82%

## General Information

ISIN	LU1023699801
WKN	A1XCPP
Bloomberg	ARAPMUS LX
Fund Structure	SICAV
Investment Focus	Sustainable, Global Equities
Index	MSCI AC World Index NR
Inception Date	01.08.2014
Management Company	IPConcept (Luxemburg) S.A.
Custodian Bank	DZ Privatbank S.A.
Fiscal Year	01.01. - 31.12.

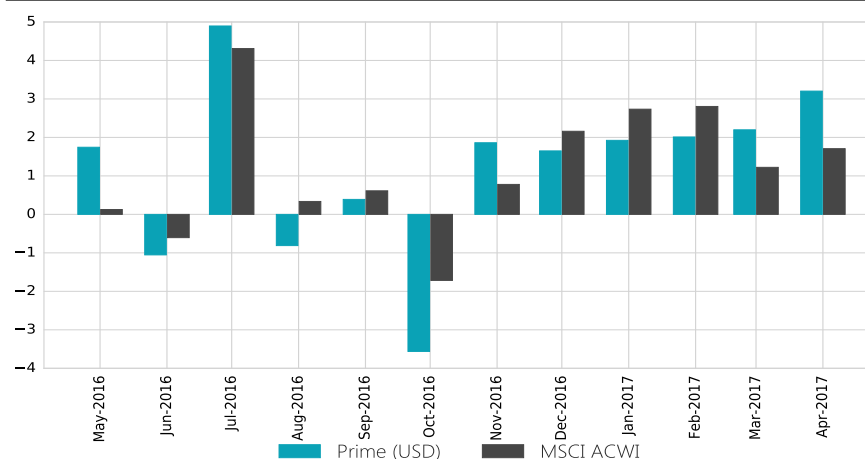
## Performance since Inception

(Source: Union Investment Financial Services and MSCI)



## Last 12m Performance (%)

(Source: Union Investment Financial Services and MSCI)



## Performance Statistics

Period	1 Month	YTD	12 Months	2016	Since Inception
Fund	3.20%	9.67%	15.15%	4.02%	13.69%
Index	1.71%	8.73%	15.30%	7.86%	13.71%
Difference	1.49%	0.94%	-0.15%	-3.84%	-0.02%

## Risk Indicators

	Volatility (p.a.)	Return (p.a.)	Sharpe Ratio
Fund	10.80%	4.78%	0.39
Index	11.32%	4.78%	0.37

## Awards



Investment Excellence Award 2015

Investment Excellence Award 2016



## Investment Process

- The Arabesque sustainable equity universe has approximately 3,000 stocks screened via a multi-stage selection process based on Arabesque S-Ray™
- Arabesque S-Ray™ is designed to streamline vast amounts of ESG data, and can be used in three unique ways to evaluate companies: (1) GC Score: an assessment of each company based on the normative principles of the United Nations Global Compact. (2) ESG Score: a sector specific analysis of each company's performance on material ESG issues. (3) Preferences Filter: an optional process to examine business involvements against individual investor values.
- From the Arabesque sustainable equity universe, a quantitative investment model selects equities that have stable cashflows and growth, with high likelihood of reporting future earnings surprises.
- The fund does not use derivatives, leverage nor shorting.

## Opportunities

- Potential of high risk-adjusted returns.
- Exposure to stocks that have been screened for their Environmental and Social impact as well as their Governance practices.

## Risks

- Exposure to market-related price fluctuations and losses.
- Exchange rate risks in the equity and cash holdings.
- The value of the fund shares may fall below the price at which the investor acquired the shares.

## About Arabesque

- Arabesque was founded in June 2013 and is authorised and regulated by the Financial Conduct Authority (FCA).
- The majority of Arabesque is owned by its founders and employees.
- Arabesque Management and Advisory Boards are composed by global leaders in the field of sustainable investing and quantitative finance.
- By combining sophisticated and systematic investment processes with values of the UN Global Compact and the Principles of Responsible Investment (PRI), Arabesque aims to make sustainable investing financially attractive.

## Top-10-Holdings

% of Total Assets

Big Lots Inc.	1.8%	Dollarama Inc.	1.2%
Daito Trust Construction Co. Ltd.	1.6%	Cie Generale des Etablissements	1.2%
Nvidia Corporation	1.3%	Texas Instruments Inc.	1.2%
Valmet Oyj	1.3%	Husqvarna AB	1.1%
KLA-Tencor Corporation	1.3%	Itochu Techno-Solutions Corporation	1.0%

## Market Capitalization

% of Total Equities

Large Cap (> \$15bn)	30.6%
Mid Cap (\$2.5bn – \$15bn)	55.0%
Small Cap (< \$2.5bn)	14.4%



## Country Allocation

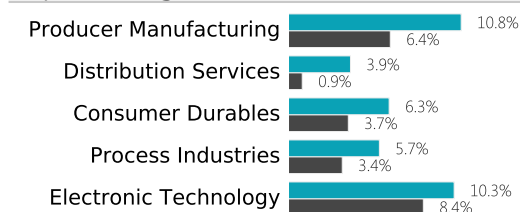
% of Total Assets

United States	47.3%	Sweden	2.5%
Japan	9.9%	Finland	2.3%
United Kingdom	8.9%	France	2.2%
Australia	2.9%	Germany	2.0%
Canada	2.5%	Italy	1.8%

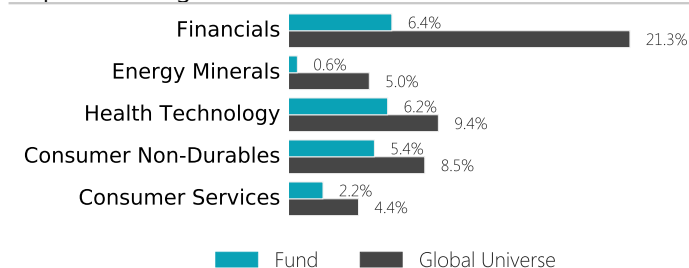
## Sectors

% of Total Assets

### Top Overweighted



### Top Underweighted



Fund Global Universe

Source: Union Investment Financial Services, Factset



## Disclaimer:

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