



## Portfolio Commentary

Arabesque Prime returned -1.27% for the month, compared to -0.56% for the MSCI All Country World Index.

The strongest sub-strategies in July were 'Dividend Growth' and 'GARP'. 'High Dividend Yield' and 'Growth' were the weakest performers over the month. On a sector level, Finance and Electronic Technology had the highest positive contribution, while Retail Trade and Health Technology were the weakest. On a relative basis, the fund's sector allocation contribution was negative over the month, mainly due to the underweight of Financials, and the overweight of Industrials and Consumer Cyclical. The fund's selection effects also fell out negative over the month, mainly in the Technology and Basic Materials sectors.

The fund has returned +24.93% 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	01.08.2017
Currency	EUR
Bid/Ask Price	123.68/123.68
Distribution Date	24.03.2017
Distribution Amount	0.40

## Conditions

Minimum Investment	EUR 50,000
Management Fees	0.32% p.a.
Performance Fees	None
Other 3rd Party Fees	0.27% p.a.
Profit	Distributing
TER*	0.98%

## Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014											2.45%	1.41%	3.89%
2015	6.47%	6.70%	3.14%	-2.28%	1.46%	-3.88%	1.67%	-7.21%	-2.51%	7.68%	4.80%	-4.82%	10.31%
2016	-5.74%	-1.24%	1.95%	-0.99%	4.68%	-0.84%	4.21%	-0.41%	-0.51%	-0.84%	4.95%	2.23%	7.13%
2017	-0.52%	3.75%	1.55%	1.59%	-1.29%	-1.93%	-1.27%						1.76%

## Risk Indicators

	Return (p.a.)	Last 12 Months	Volatility (p.a.)	Sharpe Ratio	Max Drawdown
Fund	8.43%	7.26%	12.42%	0.69	-22.79%
Index	9.42%	11.03%	12.00%	0.80	-23.17%

## Awards



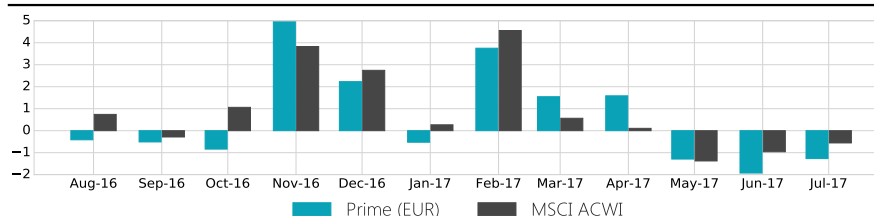
## Performance since Inception

(Source: Union Investment Financial Services and MSCI)



## Last 12m Performance (%)

(Source: Union Investment Financial Services and MSCI)



## General Information

ISIN	LU1023698662	Inception Date	04.11.2014
WKN	A1XCPN	Management Company	IPConcept (Luxemburg) S.A.
Bloomberg	ARAPMAV LX	Custodian Bank	DZ Privatbank S.A.
Fund Structure	SICAV	Fiscal Year	01.01. - 31.12.
Investment Focus	Sustainable, Global Equities	Long Term	MSCI AC World Index NR
		Benchmark	



## 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

Daito Trust Construction	1.9%	Dollarama Inc.	1.1%
Big Lots, Inc.	1.8%	Foot Locker, Inc.	1.0%
KLA-Tencor Corporation	1.7%	Wolseley Plc	1.0%
Texas Instruments	1.5%	NVIDIA Corporation	1.0%
Best Buy Co., Inc.	1.2%	Sysco Corporation	0.9%

## Market Capitalization

% of Total Equities

Large Cap (> \$15bn)	30.9%
Mid Cap (\$2.5bn – \$15bn)	52.6%
Small Cap (< \$2.5bn)	16.5%



## Country Allocation

% of Total Assets

United States	46.4%	Sweden	2.5%
Japan	11.6%	Germany	2.4%
United Kingdom	8.8%	Italy	2.3%
Australia	3.2%	Switzerland	2.2%
Canada	2.7%	France	1.9%

## Sectors

% of Total Assets

### Top Overweighted

Producer Manufacturing	10.1%	Benchmark	5.0%
Distribution Services	3.9%	Benchmark	0.9%
Consumer Durables	5.5%	Benchmark	3.3%
Electronic Technology	11.3%	Benchmark	9.2%
Process Industries	4.7%	Benchmark	3.6%

### Top Underweighted

Financials	8.8%	Benchmark	21.7%
Energy Minerals	0.8%	Benchmark	5.1%
Health Technology	5.4%	Benchmark	9.5%
Communications	1.5%	Benchmark	4.0%
Consumer Non-Durables	5.9%	Benchmark	8.2%

Fund Benchmark

Source: Union Investment Financial Services, Factset



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