


Auris Investment Fund

Auris Institutional Evolution Europe Fund Unit I

REPORT
JUNE 2018

EUROPEAN EQUITIES MULTICAPS

UCITS EUROPEAN UNION EQUITIES

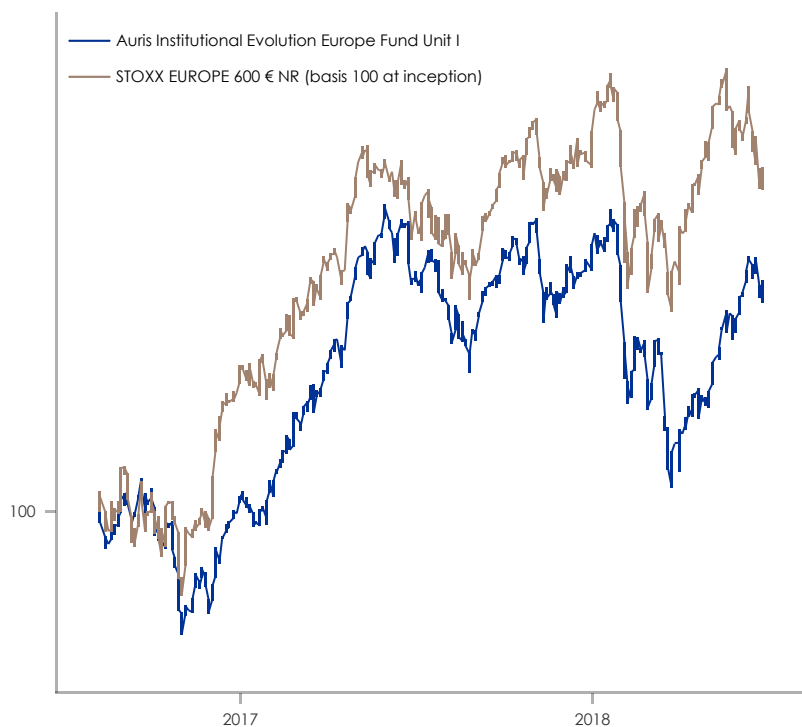
ISIN Code	FR0013157344
Bloomberg	NA
Launch Date	10/08/2016
Minimum investment	10M€
Subscriptions / Redemptions	Daily Cut off, 11.00 am Paris Time
Pierre Fournier : 3 years : th / 5 years : th /	
Reference Index	DJ STOXX 600 € NRt (dividends reinvested)
Subscription Fees	5% (maximum sales commission)
Management Fees (max)	1.25% (tx. incl.) + 20.00% (tx. incl.) of the outperformance above the DJ STOXX EUROPE 600 NRt (if performance > 0)
Redemption fees	None
Sources	Internals
Fund managers	Pierre Fournier Alexis Arquié
Custodian	CIC
Statutory auditor	Deloitte & Associés
Legal status	UCITS
Domicile	France
Countries of distribution	France
NAV / Assets	€111,085.50 / €24M
Mean/Median capitalization	€23 380M / €6 867M
Nb of holdings	47
Net equity exposure	90.62%

OBJECTIVES

- The fund's investment universe is the European Community's equities.
- The objective is to outperform its reference index over a period exceeding 5 years, with volatility below its index and a source of alpha derived primarily from stock picking.

PERFORMANCES

	Monthly	YTD
Auris Institutional Evolution Europe Fund Unit I	2.20%	-0.87%
Reference Index	-0.63%	-0.35%



	Cumulative performance (%)				Annualized performance (%)		
	1 year	3 years	5 years	Since Inception	3 years	5 years	Since Inception
Auris Institutional Evolution Europe Fund Unit I	-0.09%	NA	NA	11.09%	NA	NA	5.74%
Reference Index	2.94%	NA	NA	16.49%	NA	NA	8.43%

KEY FIGURES / PERFORMANCE INDICATORS

	Auris Institutional Evolution Europe Fund	Reference index
Volatility 3 years	10.15%	10.90%
Nb positive months	13	13
Nb negative months	10	10
Max. monthly gain	4.39%	5.75%
Max. monthly loss	-4.40%	-3.81%
Average weekly perf. (with positive index)	0.79%	1.05%
Average weekly perf. (with negative index)	-0.80%	-1.04%

The fund is exposed to the following risks : risk of capital loss, equity risk, liquidity risk, risk linked to investing in equities in emerging markets, interest rate risk, credit risk, risks related to the use of speculative (high-yield) securities, exchange rate risk, counterparty risk, risk associated with the use of derivatives and risk associated with the subordination of certain debt securities.

For the investors residing outside the Eurozone, the return may increase or decrease as a result of currency fluctuations.

Risk and reward profile **1 2 3 4 5 6 7**

Auris Institutional Evolution Europe Fund Unit I

AURIS
INVESTMENT MANAGERS

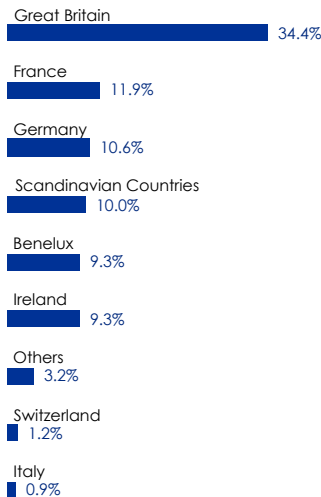
EUROPEAN EQUITIES MULTICAPS

HISTORICAL PERFORMANCE % (NET OF FEES)

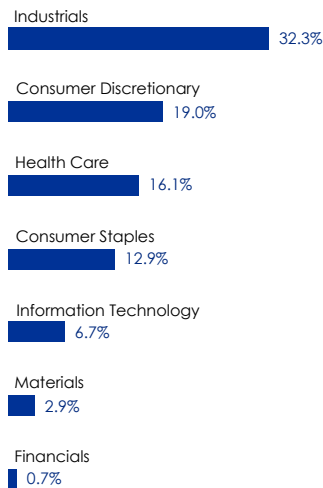
	jan.	feb.	mar.	apr.	may	june	july	aug.	sept.	oct.	nov.	dec.	Annual/YTD
2016 Fund								-0.33%	0.80%	-3.51%	-0.55%	3.63%	-0.09%
Reference index								0.06%	-0.11%	-1.03%	1.05%	5.75%	5.71%
2017 Fund	-0.53%	4.39%	2.90%	3.30%	2.79%	-1.91%	-0.90%	-1.44%	2.51%	2.27%	-2.99%	1.47%	12.17%
Reference index	-0.31%	3.05%	3.32%	1.98%	1.45%	-2.53%	-0.35%	-0.79%	3.90%	1.91%	-2.02%	0.72%	10.58%
2018 Fund	0.33%	-4.40%	-3.93%	1.87%	3.33%	2.20%							-0.87%
Reference index	1.66%	-3.81%	-1.99%	4.49%	0.13%	-0.63%							-0.35%

*Reference index STOXX EUROPE 600 € NR

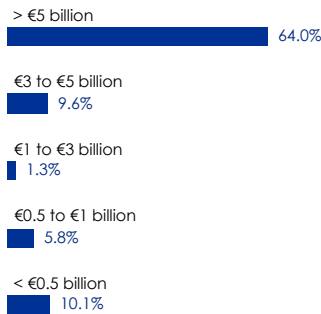
COUNTRY BREAKDOWN



INDUSTRY BREAKDOWN



BREAKDOWN BY MARKET CAPITALIZATION



TOP HOLDINGS

RYANAIR HOLDINGS
GVC HLDGS
MICRO FOCUS INTERNATIONAL
BAT
FRESENIUS

RISK INDICATORS (3 YEARS)

Sharpe Ratio 0.50
Beta 0.81
Jensen's Alpha NA

MANAGER'S COMMENTARY

In June, the fund rises 2 % in a downward market (-0.63 %), impacted by fears on the macroeconomic and political (Italy) levels, and by Mr Trump's statements, which could lead to a cooling of global trade relationships. In that context, the fund benefits from its absence of the automotive and mining sectors (respectively down -9.33 % and -3.84 %), but also from the good behavior of companies in acquisitive mode such as **Teleperformance** (France, call centers, €8bn) and **Gym Group** (England, £400m).

After analyzing several listed competitors in Europe, Gym Group, the English co-leader of gym clubs with Pure Gym, appeared to us as the best risk/reward investment in the sector, enjoying the boom of the low cost model (£16/mois) on which it is positioned. This true mass market industry (approx. 6,000 members per club) is extremely profitable (payback period of 3-4 years for a new club, and medium term ROCE of 30 %) and takes advantage of a very low penetration rate of indoor sports in England : less than 14% of British people practise indoor sports versus 20 % on average for the developed world.

On this market growing by 4 % annually, Gym Group is targeting more than 250 clubs on the medium term vs 150 currently. Thus, the growth potential is high, and should bring the expected yearly EPS growth to more than 25 % during the years to come. All the more since on the long term the group could expand abroad, most likely through an acquisition, allowing it to replicate its business model in new territories. Given the faultless performance of the management in terms of external growth, we are very confident that their next deal will be value enhancing.

The market decrease was an opportunity to revisit numerous investment cases, particularly in the industrial sector, which was heavily impacted. While some cases are being investigated, a number of them still look too pricey in light of the cycle. We will keep being opportunistic in such a hesitant market, at the dawn of the first semester financial releases.

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AURIS INVESTMENT MANAGERS is a trade name for the fund management activity of AURIS GESTION.

Additional Information for Switzerland : The prospectus and the Key Investor Information Documents for Switzerland, the fund contract, the annual and semi-annual report, in French, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The last unit prices can be found on www.fundinfo.com. For the units of the Funds distributed to non-qualified investors in and from Switzerland and for the units of the Funds distributed to qualified investors in Switzerland, the place of performance is Geneva.