

Asset Management

Monthly report January 2019



Profile

DoubleDividend Management B.V. (DoubleDividend) is an independent responsible investment specialist. Where asset management is concerned we put together a portfolio tailored to your needs, whilst taking into account the desired risk profile, the investment horizon and the desired sustainability profile of the portfolio. Primary use is made of funds managed by DoubleDividend. Clients include wealthy individuals, associations and foundations. DoubleDividend operates under the full supervision of the AFM and DNB.

Investment philosophy:

- ✓ Sustainability makes a positive contribution to the risk-return profile of an investment portfolio.
- ✓ Investment is a long-term practice.
- ✓ We invest with conviction and only in quality in order to achieve a resilient portfolio.
- ✓ We aim to achieve a realistic return, taking risks into account
- ✓ Risk refers to the permanent loss of capital in the long term and not short-term volatility.
- ✓ We engage with the client and also invest in the funds managed by DoubleDividend.

Performance

All investment profiles achieved positive returns in January. The global equity and real estate markets started the new year strongly after a difficult 2018. The bond markets also enjoyed a positive start of the year. Both interest rates and spreads fell over a broad front with higher bond prices as a result.

The most defensive profile lost substantially last year but recovered strongly in January with a return of 3.6%, mainly due to the higher bond prices. The most offensive profile benefited most from the euphoric mood on the stock markets and ended the month with a plus of 7.1%. All funds managed by DoubleDividend closed January with a positive return.

Market data*

Equities	Jan	2019
MSCI World	7.4%	7.4%
S&P 500	8.0%	8.0%
Euro Stoxx 600	6.4%	6.4%
Bonds		
Europe**	0.7%	0.7%
Real Estate		
EPRA Index	10.4%	10.4%
Interest rates		
10-yr Dutch	0.25%	
10-yr US	2.63%	
Currencies		
EUR/USD	-0.2%	-0.2%
Other (in USD)		
Gold	3.0%	3.0%
Oil (Brent)	15.0%	15.0%

*Total returns in euro's, the price changes of gold and oil are calculated in US dollars.

** Barclays European Aggregate Index

Tabel: netto returns risk profiles*

	2012	2013	2014	2015	2016	2017	2018	2019 till Jan	Average per year	Total
Defensive	8.8%	1.3%	7.4%	-1.3%	4.7%	2.8%	-4.4%	3.6%	3.2%	24.6%
Moderately defensive	10.1%	3.2%	10.0%	1.5%	5.4%	3.6%	-3.7%	4.8%	4.8%	39.7%
Neutral	12.2%	5.7%	11.1%	4.9%	6.4%	4.6%	-2.7%	5.3%	5.3%	37.7%
Offensive	13.9%	8.3%	14.8%	7.9%	7.3%	5.8%	-1.7%	6.0%	8.7%	80.8%
Very offensive	15.4%	9.6%	16.7%	10.1%	8.5%	6.4%	-1.1%	7.1%	10.2%	98.6%

* The returns are based on the tactical asset allocation, after all costs, and with invested capital up to EUR 1 million.

The value of your investments can fluctuate. Past performance is no guarantee for the future.

Tactical asset allocation

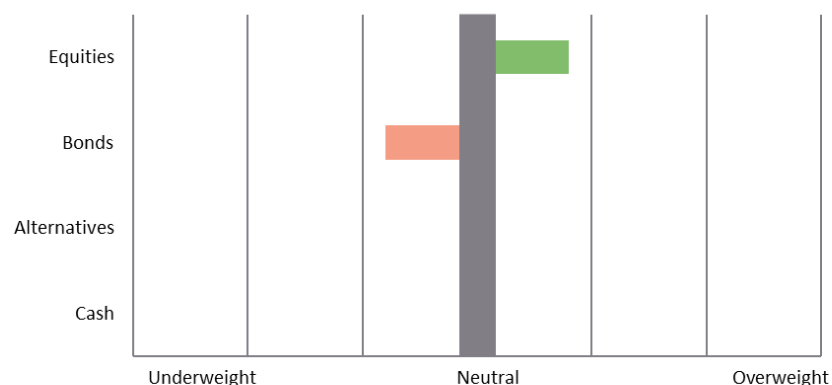
Each investment profile has a strategic allocation with bandwidths to equities, bonds and alternatives. The table below gives an overview of the five different standard investment profiles (without bandwidths). The classifications of risk profiles are motivated by the AFM (the Dutch Authority for the Financial Markets) and mainly based on historical risks and returns.

RISK PROFILES	defensive	moderate defensive	neutral	offensive	very offensive
Equities	10%	25%	40%	60%	80%
Bonds	85%	65%	45%	25%	10%
Alternatives	5%	10%	15%	15%	10%
Cash	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%

Source: DoubleDividend Management B.V.

We respond to the current market conditions by putting weights (within the bandwidths) to the various asset classes: equities, bonds and alternatives. We call this the tactical asset allocation. We have been slightly overweight stocks for some time at the expense of bonds. Although the uncertainties in the market have increased, the valuation of equities is attractive. Markets are difficult to predict in the short term, but the long term fundamental outlook is good. Given the current profitability of the companies, we believe equities are valued attractively. Real estate is also reasonably attractively valued in historical perspective. For bonds, the outlook is slightly less rosy due to low interest rates.

Tactical asset allocation



Team DoubleDividend