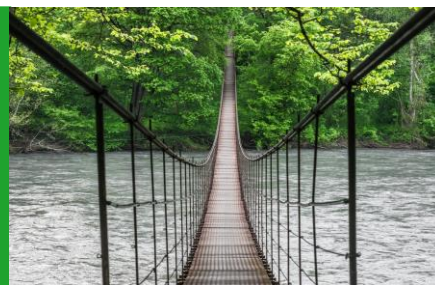


DD Equity Fund

Monthly report July 2019

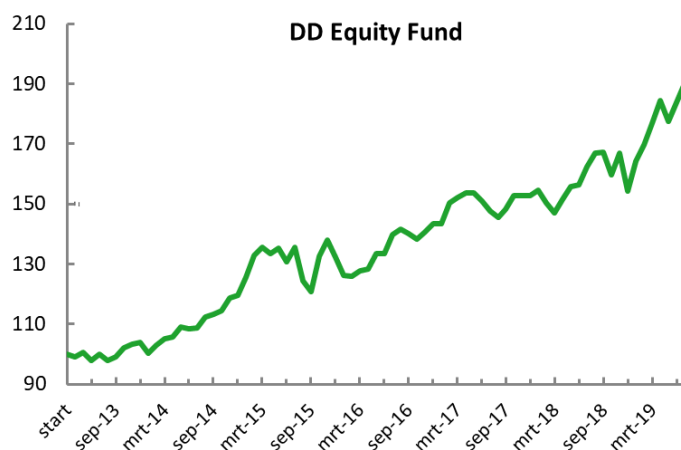


Profile

DD Equity Fund (DDEF) invests in a globally diversified portfolio of high-quality companies that are at the forefront of sustainability. At DDEF, the analysis on sustainability and financial aspects is fully integrated. The fund aims for a net return of 8%* per year in the long term and has no benchmark. DDEF is managed by an independent partnership with the conviction that sustainability makes a positive contribution to the return and risk profile of an investment portfolio. The partners of DoubleDividend also invest in the fund themselves. The fund is listed on Euronext Amsterdam and can be traded on a daily basis.

Return*

DD Equity Fund achieved a return of 3.45% over the month of July 2019, as a result of which the net asset value per participation increased to € 190.21. The return for 2019 comes to 23.27%. Since the fund was launched in April 2013, the return has been 90.2%.



* The value of your investment may fluctuate. Results achieved in the past do not provide any guarantees for the future.

Fund information

Key facts

Fund size	€ 53.8 mln
# shares outstanding	283,010
Net asset value*	€ 190.21
# of positions	46
Beta	0.88

Costs

Management fee	0.80%
Other costs**	0.25%

Up/ down Swing factor	0.25%
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Other

Start date	April 2013
Manager	DoubleDividend Management B.V.
Status	Open-end, daily
Exchange	Euronext Amsterdam
ISIN	NL0010511002
Benchmark	None
Currency	Euro

Risk monitor



* per share
** estimated

Table: monthly returns in % (net of costs and fees) *

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2013				-0.84	1.37	-2.53	1.95	-2.01	1.31	3.02	1.26	0.35	3.79
2014	-3.29	2.58	2.17	0.43	3.26	-0.58	0.09	3.37	1.00	1.09	3.60	0.70	15.17
2015	5.01	5.81	2.05	-1.59	1.47	-3.44	3.71	-8.30	-2.70	9.50	4.12	-4.06	10.66
2016	-4.52	-0.31	1.46	0.44	4.09	-0.07	4.79	1.18	-0.95	-1.25	1.58	2.03	8.44
2017	-0.06	4.86	1.16	1.13	-0.17	-1.75	-2.16	-1.42	1.83	3.12	-0.13	0.10	6.49
2018	1.10	-2.62	-2.16	2.92	2.79	0.41	3.97	2.78	0.10	-4.42	4.50	-7.59	1.01
2019	6.37	3.36	4.19	4.25	-3.62	3.53	3.45						23.27

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Market Developments

The rise of global stock markets continued in July. The US S&P 500 index increased by 1.4% and the European Eurostoxx 600 increased by 0.3%. The MSCI world rose 2.8% in measured in euros thanks to the appreciation of the dollar against the euro. The DD Equity Fund performed even a bit better with a result of almost 3.5%.

Biggest positive and negative contribution

The largest positive contribution last month came from the optical chain GrandVision, which increased by 33% in value. GrandVision's major shareholder, Hal Trust from the Netherlands, has reached an agreement with EssilorLuxottica (also in portfolio) on the sale of its over 75% interest in GrandVision at a price of 28 euros per share. When EssilorLuxottica buys the interest of Hal Trust, it must make an offer for all remaining outstanding shares of GrandVision. GrandVision was trading at a price of around 20 euros per share before the takeover talks leaked, so at a price of 28 euros the takeover generates a nice premium. After the news of the acquisition, we sold our entire position in GrandVision. The share was still trading around 5% under the takeover bid, but completion will take another 1 to 2 years and the regulators must also give their consent. We have therefore decided to take profit.

Alphabet and ASML also made a significant positive contribution to the result after the publication of strong half-year figures. Fintech company Worldpay, which is taken over by FIS (Fidelity National Information Service), also made a positive contribution to the result. The largest negative contribution came from SAP, which published slightly disappointing figures.

Table: top 5 positive and negative contribution to result (in €)

Top 5 positive	Return		Contribution		Top 5 negative	Return		Contribution	
GrandVision (Neth)	32.9%	0.7%	SAP (Ger)	-7.5%	-0.2%				
Alphabet (US)	15.1%	0.4%	Siemens (Ger)	-5.4%	-0.1%				
ASML (Neth)	10.4%	0.3%	Johnson & Johnson (US)	-4.4%	-0.1%				
Worldpay (US)	12.6%	0.3%	Unibail (Fra)	-4.3%	-0.1%				
Medtronic (US)	7.6%	0.2%	Thermo Fisher (US)	-3.3%	-0.1%				

Source: DoubleDividend/Bloomberg

Portfolio changes

Last month we added 2 new positions to the portfolio. Levi Strauss & Co and HDFC Bank from India. The positions in Visa, Mastercard, Cerner and Adidas have been reduced due to the increased share prices (average increase 45% this year). The position in GrandVision has been sold completely. The number of shares in portfolio is now 46 and the cash position has risen to 12.6%.

Levi Strauss & Co was founded in San Francisco in 1853 by Levi Strauss, a German migrant, but was not listed on the stock exchange until March this year. The company, best known for its jeans, has been on our radar ever since. Due to Levi's policy on sustainability, the strong brand position and a long history

of stable and high profitability, the company fits well with our investment philosophy. Last month, the company published slightly disappointing quarterly figures, which created an attractive entry point for us.

The second new addition to the portfolio is the HDFC Bank from India. The Bank is a spin-off from the Housing Development Finance Corporation (HDFC), the largest mortgage bank in India. HDFC bank is seen as the best in class bank in India due to stable profitability, quality of the collateral and a strong management team. As a result, the HDFC Bank is expected to be able to fully benefit from the strong growth of the Indian economy. In recent years, the bank's profit has grown by 15-20% per year. A comparable growth in earnings per share is expected for the coming years. HDFC is at the forefront of the digitalization of its services and, above all, has a strong position and a large office network in small towns and rural areas. With this, the bank makes an important contribution to the development of rural areas in India. Access to the financial system, or financial inclusion, is according to the World Bank and the UN an important weapon in the fight against poverty. The development of rural areas is an important pillar under the strategy of the HDFC Bank, 53% of the bank's offices are in rural areas. In addition to microfinance, the bank also has a product range that is specifically aimed at rural areas such as tractor loans, and a "milk-for-money" program for small farmers.

Table: top 10 Holdings in portfolio per month end

Company & weight in portfolio			
Medtronic (US)	3.3%	SAP (Ger)	3.0%
eBay (US)	3.3%	Alphabet (US)	2.9%
Henkel (Ger)	3.1%	Microsoft (US)	2.8%
ASML (Neth)	3.1%	Johnson & Johnson (US)	2.7%
Danone (Fra)	3.0%	Mastercard (US)	2.5%

Source: DoubleDividend

Team DoubleDividend

Appendix: portfolio characteristics

Table: Performance DDEF*

	Juli 2019	2019	from start (April 2013)
Share price	2.31%	21.17%	76.00%
Currency	1.08%	1.50%	9.67%
Dividend	0.14%	1.28%	13.99%
Other	-0.08%	-0.68%	-9.46%
Total Return	3.45%	23.37%	90.21%

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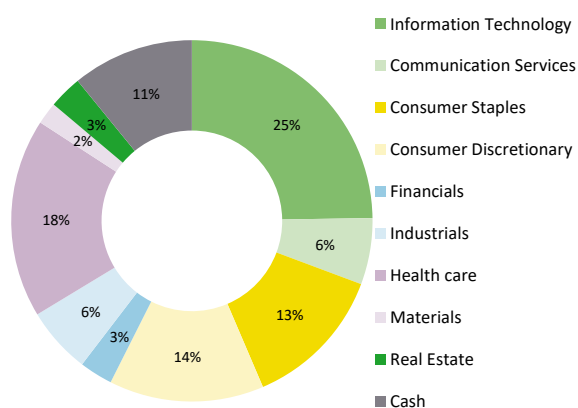
Source: DoubleDividend

Table: Characteristics portfolio DDEF per month end

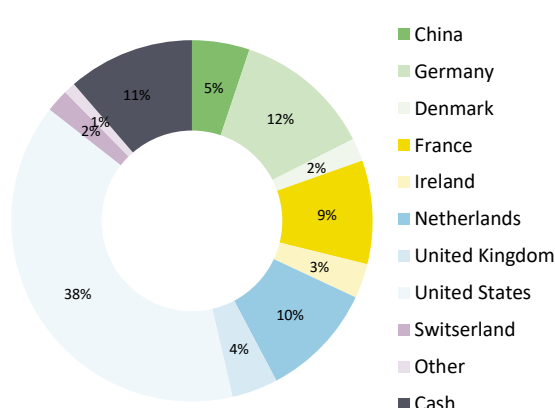
Valuation		Risk	
P/E-ratio	21.9	Bèta (raw)	0.88
P/E-ratio (est)	17.8	Debt/EBITDA	3.1
EV/EBITDA (est)	14.0	VAR (Monte Carlo, 95%, 1 yr)	17.2%
Dividend yield	2.0%	Standard deviation	11.5%
Price/ cashflow (est)	13.7	Tracking error (vs MSCI world)	3.9%

Source: DoubleDividend/Bloomberg

Distribution per sector (GICS)



Distribution per country of origin



Distribution based on revenues

