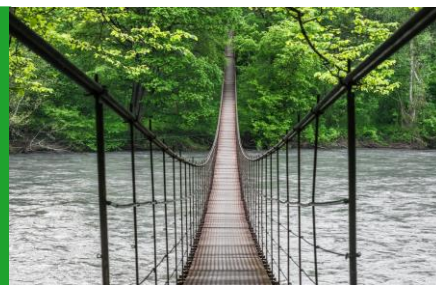


# DD Equity Fund

## Monthly report September 2019

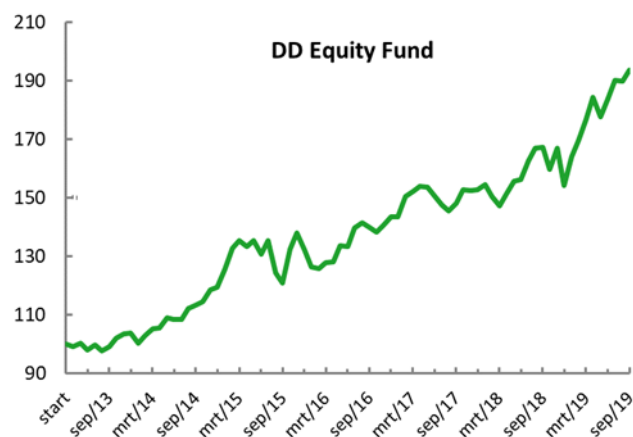


### Profile

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 2.10% over the month of September 2019, as a result of which the net asset value per participation increased to € 193.64. The return for 2019 comes to 25.5%. Since the fund was launched in April 2013, the return has been 93.6%.



\* 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	€ 58.8 mln
# shares outstanding	303,559
Net asset value*	€ 193.64
# of positions	49
Beta	0.87

#### Costs

Management fee	0.80%
Other costs**	0.25%

Up/ down Swing factor	0.25%
-----------------------	-------

#### 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
<b>2013</b>				-0.84	1.37	-2.53	1.95	-2.01	1.31	3.02	1.26	0.35	<b>3.79</b>
<b>2014</b>	-3.29	2.58	2.17	0.43	3.26	-0.58	0.09	3.37	1.00	1.09	3.60	0.70	<b>15.17</b>
<b>2015</b>	5.01	5.81	2.05	-1.59	1.47	-3.44	3.71	-8.30	-2.70	9.50	4.12	-4.06	<b>10.66</b>
<b>2016</b>	-4.52	-0.31	1.46	0.44	4.09	-0.07	4.79	1.18	-0.95	-1.25	1.58	2.03	<b>8.44</b>
<b>2017</b>	-0.06	4.86	1.16	1.13	-0.17	-1.75	-2.16	-1.42	1.83	3.12	-0.13	0.10	<b>6.49</b>
<b>2018</b>	1.10	-2.62	-2.16	2.92	2.79	0.41	3.97	2.78	0.10	-4.42	4.50	-7.59	<b>1.01</b>
<b>2019</b>	6.37	3.36	4.19	4.25	-3.62	3.53	3.45	-0.28	2.10				<b>25.50</b>

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

## Market Developments

The global stock markets had a strong month. The Eurostoxx 600 index increased by 3.7% and the US S&P 500 recorded a return of 1.9%. The list of uncertainties (trade tensions, economic growth, Brexit, Hong Kong, Middle East) is getting longer and longer, but equity markets continue to perform based on strong results and the hope for political solutions. Economic growth is clearly weakening, but in the short term a global recession is unlikely. Given the low interest rates and strong results, equities are still attractive under these circumstances. The stock market still offers plenty of opportunities, despite rising prices. Nevertheless, we continue to operate cautiously, and given the large number of uncertainties the risk of a broad correction is considerable.

## Biggest positive and negative contribution

The largest positive contribution in the last month came from ASML, which increased in value by 12.4%. Share prices of Unibail-Rodamco-Westfield and the recently acquired Levi Strauss also rose sharply in September. The largest negative contribution came from Alibaba, which was under pressure due to a possible ban on the listing of Chinese companies in the US. Payment companies PayPal, MasterCard and Visa also declined, but are still strongly up for the year.

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

Top 5 positive			Top 5 negative		
	Return	Contribution		Return	Contribution
ASML (Neth)	12.4%	0.4%	Alibaba (Chi)	-3.5%	-0.1%
Unibail-Rodamco (Fra)	12.3%	0.2%	Visa (US)	-3.9%	-0.1%
Levi Strauss (US)	13.8%	0.2%	eBay (US)	-2.3%	-0.1%
Siemens (Ger)	8.0%	0.2%	PayPal (US)	-4.0%	-0.1%
IBM (US)	8.4%	0.1%	Mastercard (US)	-2.5%	-0.1%

Source: DoubleDividend/Bloomberg

## Portfolio changes

We have done a large number of transactions over the past month. The positions in Adobe, Air Products, Alibaba, Alphabet, Baidu, Cerner, CSX, HDFC Bank, Henry Schein, Johnson & Johnson, Novo Nordisk and PayPal are expanded. We have taken some profit in ASML, Ahold, Air Liquide and Medtronic. The cash position at the end of September was approximately 12%.

The Swedish company Thule and Dentsply Sirona from the US have been added to the portfolio. With these two additions, the number of positions in the portfolio is 49.

Dentsply Sirona is the global market leader in the production and distribution of professional dental equipment. The American company supplies to dentists, dental hygienists, orthodontists and hospitals. The products include treatment units, instruments, X-ray equipment and implants. Dentsply Sirona, a merger of Sirona and Dentsply, has been around for more than 130 years and is active in a strong growth market with good margins that is less regulated than traditional healthcare market. Especially

in emerging markets such as China and India, dental care is still in its infancy. The aging population also offers opportunities for growth for the company.

With a market capitalization of around € 2 billion, Swedish Thule is a somewhat smaller company in our portfolio. Thule is best known as a manufacturer of bicycle carriers, ski carriers and roof boxes for cars. The company has a leading global market position and is following the trend of a healthy, more active lifestyle. Sustainability is an important part of the strategy and culture of the company. Thule started early on making both products and production more sustainable. Thule speaks of eco-design. This means that the design of the products takes into account the use of materials, the lifespan of the product and the possibility of repair and recycling. Approximately 94% of the energy used in production and distribution comes from sustainable sources.

**Table: top 10 Holdings in portfolio per month end**

Company & weight in portfolio			
Alphabet (US)	2.9%	Microsoft (US)	2.6%
Medtronic (US)	2.9%	SAP (Ger)	2.6%
eBay (US)	2.9%	Danone (Fra)	2.5%
Johnson & Johnson (US)	2.8%	Alibaba (Chi)	2.5%
Henkel (Ger)	2.7%	Mastercard (US)	2.3%

Source: DoubleDividend

### Team DoubleDividend

## Appendix: portfolio characteristics

**Table: Performance DDEF\***

	Sep 2019	2019	from start (April 2013)
Share price	1.55%	21.88%	77.10%
Currency	0.59%	2.97%	11.93%
Dividend	0.04%	1.53%	14.37%
Other	-0.08%	-0.88%	-9.76%
<b>Total Return</b>	<b>2.10%</b>	<b>25.50%</b>	<b>93.64%</b>

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

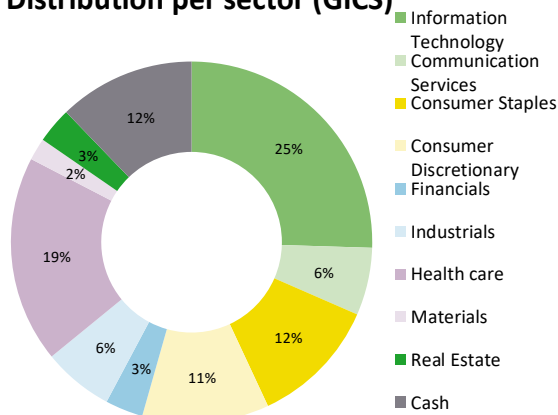
Source: DoubleDividend

**Table: Characteristics portfolio DDEF per month end**

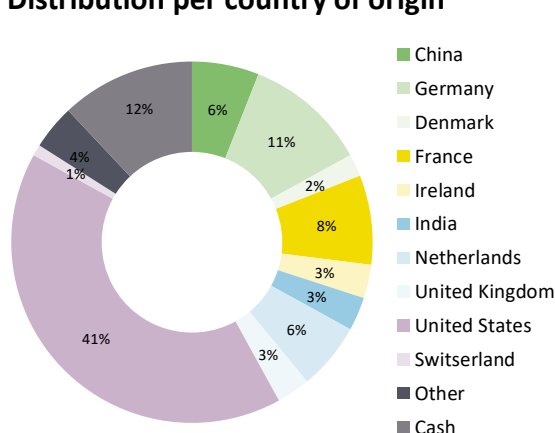
Valuation		Risk	
P/E-ratio	22.3	Bèta (raw)	0.87
P/E-ratio (est)	17.7	Debt/EBITDA	3.1
EV/EBITDA (est)	13.8	VAR (Monte Carlo, 95%, 1 yr)	17.6%
Dividend yield	2.3%	Standard deviation	11.6%
Price/ cashflow (est)	13.8	Tracking error (vs MSCI world)	3.9%

Source: DoubleDividend/Bloomberg

**Distribution per sector (GICS)**



**Distribution per country of origin**



**Distribution based on revenues**

