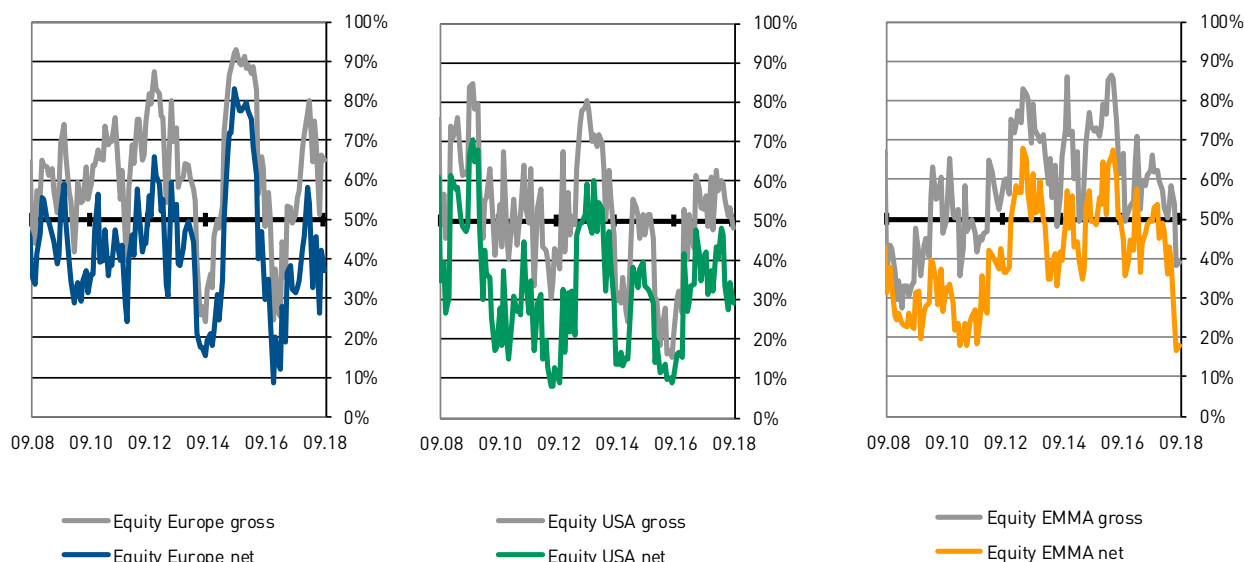


A. fundinfo outperformance index: How many funds within a peer group are ahead of benchmark?



Comment

Over a 12-month-rolling period, 37% of Europe managers and only 18% of emerging markets managers as well as 29% of US managers outperformed their benchmarks net of fees.

In September, the performance of active managers varied significantly compared to the previous month with respect to regions: while a majority of 53% of emerging markets managers outperformed their benchmarks, only 16% of Europe managers outperformed their respective indices net of fees. US managers performed in between; 34% outperformed their benchmarks.

In contrast to the previous month, in Europe as well as in the US, large caps significantly outperformed small caps in September. In Europe, value stocks clearly outperformed growth stocks; while, in the US, no overall significant difference in value vs. growth stocks could be observed over the same period. Sector-wise, particularly value sectors such as energy but also telecom and healthcare outperformed. On the other side of the spectrum, financials, technology and utilities have been the main underperformers.

Percentage of funds that have beaten their benchmark

net	Europe	USA	EmMa
2018	42%	24%	20%
1 month	16%	34%	53%
3 months	27%	22%	28%
12 months	37%	29%	18%

Bloomberg IFOPEUYN IFOPUSYN IFOPEMYN

gross	Europe	USA	EmMa
2018	66%	46%	41%
1 month	22%	41%	57%
3 months	38%	30%	38%
12 months	65%	48%	39%

IFOPEUYG IFOPUSYG IFOPEMYG

Methodology

The fundinfo outperformance indices show the percentage of actively managed funds that have exceeded their official benchmark index (MSCI Europe, S&P 500, MSCI Emerging Markets, including net dividends), reporting on a rolling 12-month basis. The gross values show the added value that fund managers have generated before administration and distribution costs; the net values show the added value provided to investors.

B. Manager meetings: Insights from our key meetings

Month	Manager / Fund	Conclusion
October	Shawn Reynolds VanEck Global Hard Assets	Reynolds expects increasing sector valuations in metals and mining. Dividend yields significantly increased in absolute and relative terms since the beginning of 2017. FCF yields are well above near-term averages and EV/EBITDAs are lowest since 2009.
September	Malte Heiningen Carmignac Long-Short European Equities	Regarding the current market environment, Heiningen is rather cautiously positioned. His net market exposure is around 10% with most net exposure to the health care sector.
September	Nick Sheridan Janus Henderson HF - Euroland	Sheridan is a value investor and looking for companies that are traded at a discount. He is currently overweight in industrials and materials and underweight in consumer staples and health care.

Analysts: Thomas Züttel, Matthias Weber, Pascal Probst, Michael Mahler and Marcus Stigler.

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