

## MANAGER COMMENT

### Market Overview

The US-China trade dispute put downside pressure on soybean, corn and wheat prices, which all sustained double-digit declines during the month. At the same time, Brazil will benefit as the soybean premium (versus the US soybean price quoted at the Chicago Board of Trade) is at its highest level in six years, though some logistical issues remain. In this environment, one would expect fertilizer prices to retrace. However, this has not happened due to multiple factors. The spring application season has been delayed, Iran is facing export restrictions on its nitrogen production, several ammonia plants are in maintenance mode (also curtailing production of by-product food-grade CO<sub>2</sub> for the beer industry), China continues to limit nitrogen exports and potash producers are seeing a healthy backlog of orders.

### Performance

The fund (F share) finished the sixth month of the year in positive territory, with a gain of 1.23%.

### What worked?

- Symrise was very positive at the Deutsche Bank Consumer Conference, claiming that organic growth in the second quarter (Q2) will surpass Q1 levels thanks to the substantial positive sales contribution from its new plants. The company also stressed it is the winner of the Citral plant outage at BASF that had created havoc among peers.
- Maple Leaf worked out well during the month, as China applied an import restriction on US pork (benefiting Canadian pork processors), while the company continues to implement its strategy of increasing exposure to antibiotic-free meat by acquiring two poultry plants from Cericola Farms.

### What hurt?

- Big agricultural equipment companies were weak during the month due to trade worries, as China is an important export market.

### Strategy & Outlook

We exited our position in Socfinaf, the plantation company active on the African continent. We reinforced our investments in Yara, Bega Cheese, Sao Martinho (continued good results despite low sugar prices), Sipef and Corbion.

As said previously, a diversified approach across the whole value chain and a focus on sustainability, in line with the United Nations' Sustainability Goals, will remain core elements of the process of the fund.

(\*) Morningstar Rating Overall

(\*\*) Sustainability label awarded by the Luxembourg Finance Labelling Agency.

DPAM is signatory of the United Nations Principles for Responsible Investment (UN PRI).

Please read the important information at the end of this document.

## DPAM Invest B Equities Sustainable Food Trends - A

Institutional Factsheet | 30 June 2018

### OVERVIEW

Asset Class	Equities
Category	Agri-food
Strategy	Active Strategy
Fund Of	DPAM Invest B
Legal Structure	SICAV
Domicile	Belgium
Reference Currency	EUR
Liquidity	Daily
Sub-fund launch	13.12.2007
First NAV date	17.12.2007
Countries notified for public sale	AT, BE, CH, DE, ES, FR, IT, LU
ISIN	BE0947763737
Exit Fee	0%
Management Fee	1.50%
Ongoing charges	1.82%
Minimum investment	1 share
NAV (Distribution)	131.96
Last gross dividend (23.03.2018)	EUR 1.00
Assets (all classes)	mn EUR 58.89
Number of positions	36

### PERFORMANCES (%)

1 month	1.16
YTD	3.31
1 year	10.70
3 years annualised	3.20
5 years annualised	7.83
10 years annualised	2.57

### PORTFOLIO CHARACTERISTICS

Gross dividend yield (%)	1.80
--------------------------	------

### INVESTMENT UNIVERSE

The fund mainly invests (without any geographical restriction) in shares and/or other equity securities of companies involved in the production-distribution chain of the agri-foodstuffs sector and other related sectors (such as forestry).

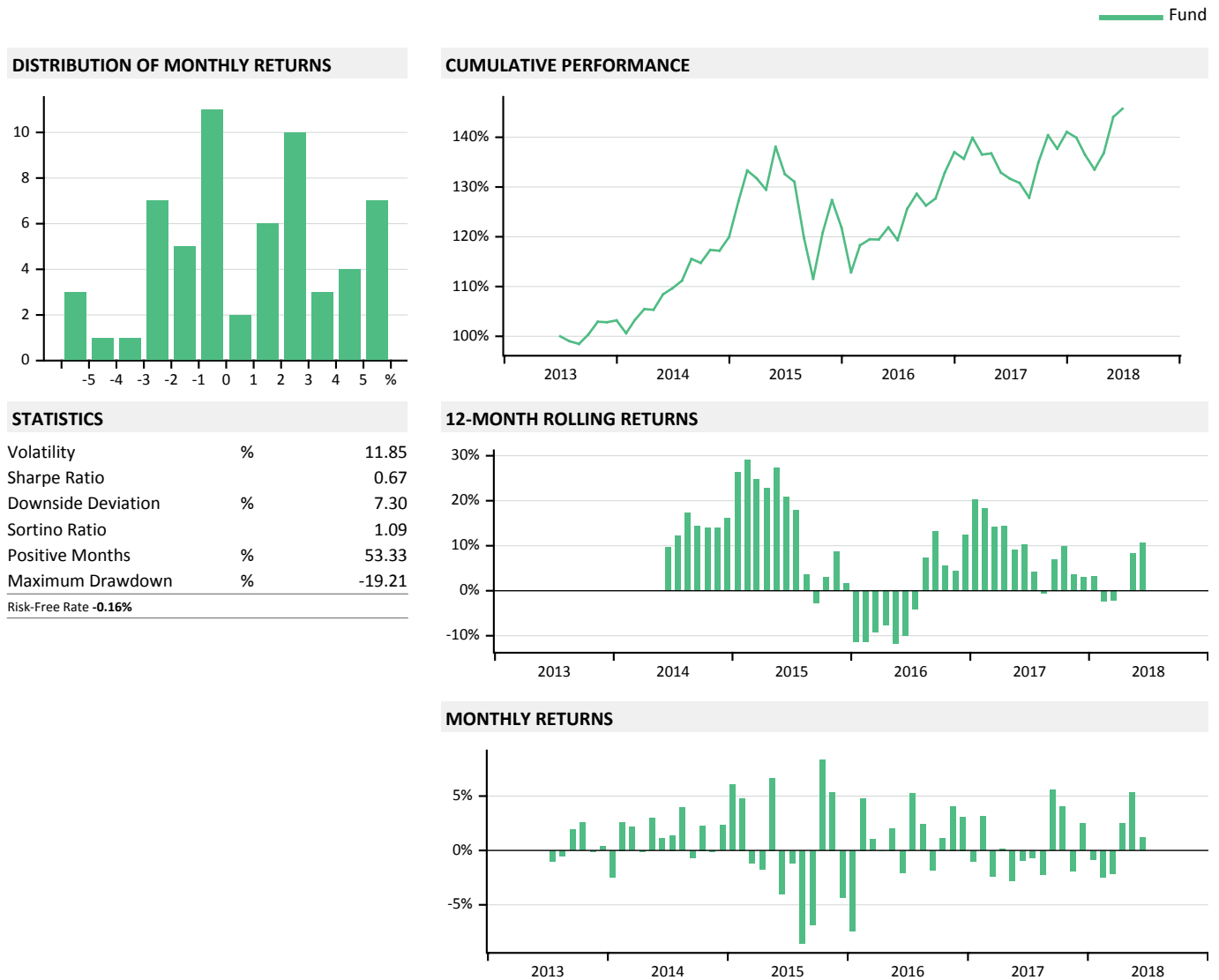
### BREAKDOWNS (%)

Sub-sectors		Countries	
Food Technology	23.7	United States	24.6
Fertilizers	19.8	Netherlands	12.2
Meat	8.6	Canada	10.8
Farm Equipment	5.5	Norway	9.3
Fish	5.1	United Kingdom	7.7
B2C Food	5.0	Ireland	5.7
Animal Health	4.9	Germany	5.1
Agrichemicals & Seeds	4.8	Australia	3.7
Palm Oil	3.9	France	2.8
B2B Food	3.9	Sweden	2.8
Processing	3.3	Brazil	2.7
Food Testing	2.8	Denmark	2.7
		Other	7.0
		Cash	3.0
Top 10		Currencies	
CF Industries Holdings	4.5	Euro	30.6
Nutrien Ltd.	4.4	US Dollar	24.7
Yara International	4.2	Canadian dollar	10.8
Koninklijke DSM	4.0	Norwegian krone	9.4
Mosaic	3.9	Pound sterling	7.7
Kerry Group	3.8	Australian dollar	3.7
Symrise	3.2	Swedish krona	2.8
Maple Leaf Foods	3.1	Danish krona	2.7
Zoetis A	3.1	Brazilian real	2.7
Koninklijke Wessanen	3.1	Japanese yen	2.5
		Israeli shekel	2.4

## DPAM Invest B Equities Sustainable Food Trends - A

Institutional Factsheet | 30 June 2018

Reference Currency EUR | Observation Period - 5 years



	2014	2015	2016	2017	2018
	Fund	Fund	Fund	Fund	Fund
January	-2.50	6.08	-7.38	-0.98	-0.82
February	2.61	4.80	4.80	3.12	-2.45
March	2.15	-1.21	1.01	-2.42	-2.19
April	-0.12	-1.71	-0.02	0.17	2.47
May	2.95	6.66	2.03	-2.82	5.31
June	1.11	-3.98	-2.10	-0.94	1.16
July	1.39	-1.16	5.25	-0.65	
August	3.94	-8.58	2.43	-2.26	
September	-0.70	-6.89	-1.84	5.57	
October	2.28	8.34	1.13	4.03	
November	-0.13	5.37	4.08	-1.94	
December	2.34	-4.32	3.09	2.47	
<b>Year</b>	<b>16.21</b>	<b>1.60</b>	<b>12.43</b>	<b>2.97</b>	<b>3.31</b>

**IMPORTANT INFORMATION - FOR AUTHORIZED USE ONLY**

The information contained in this document and attachments (hereafter the 'documents') is provided for pure information purposes only.

Present documents do not constitute investment advice nor do they form part of an offer or solicitation for the purchase of shares, bonds or mutual funds, or an invitation to buy or sell the products or instruments referred to herein.

Applications to invest in any fund referred to in these documents can only validly be made on the basis of the Key Investor Information Document (KIID), the prospectus and the latest available annual and semi-annual reports. These documents can be obtained free of charge at Degroof Petercam Asset Management sa, the financial service provider or on the website [funds.degroofpetercam.com](https://funds.degroofpetercam.com).

All opinions and financial estimates herein reflect a situation at the date of issuance of the documents and are subject to change without notice. Indeed, past performances are not necessarily a guide to future performances and may not be repeated.

Degroof Petercam Asset Management sa ("DPAM") whose registered seat is established Rue Guimard, 18, 1040 Brussels and who is the author of the present document, has made its best efforts in the preparation of this document and is acting in the best interests of its clients, without carrying any obligation to achieve any result or performance whatsoever. The information is based on sources which DPAM believes are reliable. However, DPAM does not guarantee that the information is accurate and complete.

Present documents may not be duplicated, in whole or in part, or distributed to other persons without prior written consent of DPAM. These documents may not be distributed to private investors and their use is exclusively restricted to institutional investors.