

GENERAL INFORMATION

Inception date: 22.01.2015
Net Assets: 10.313 k Eur
NAV: 11.295 Eur
ISIN: LU1159839387
Distributor
 Merchsolsa Agencia de Valores. S.A.
Depository
 RBC INVESTOR SERVICES BANK. S.A.
Auditor
 DELOITTE AUDIT. S.A.R.L.
Management Fee
 1.50% /net assets
Custodian Fee
 0.03% over Net Assets
Subscription Fee
 None
Redemption or Switch Fee
 None
Total expense ratio: 2.08%
 (Figure as of year 2018)
Minimum investment: none
Base currency: Euro
Subscription IBAN :
 ES73 0144 0001 38 0000052469
 Account name: Merchsolsa A.V.. S.A.

Cumulative Equities SICAV

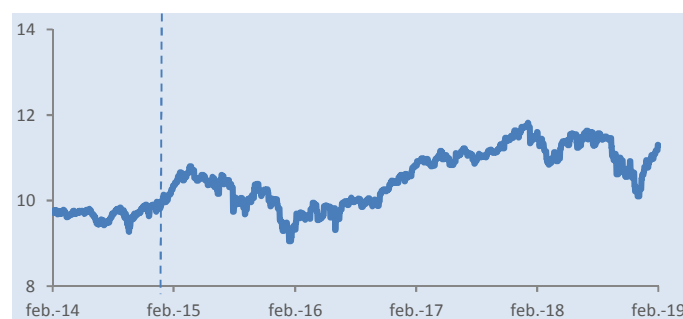
Invests in sovereign debt certificates issued by member states of the OECD and fixed income securities issued by private issuers. The minimum percentage of fixed income securities and liquidity tends to be approximately 40%. The investment policy seeks a long-term investment growth in Euros



COMMENTARY

After the bearish end of last year, the beginning of this year has been mostly positive for financial markets. The more moderate speech of the FED governor regarding potential interest rate hikes, and monetary policy resulted in increased investor confidence. Regarding the imminent Brexit outcome in Europe, albeit no scenario is to be neglected, markets seem to give a low probability to an exit without an agreement between the UK and the EU. We continue to see potential in the markets, as valuations remain below historical averages. The continued global economic growth could slow down; however, it will remain solid. Moreover, the growth of corporate results of companies in our portfolios are for the most part strong. All of this has resulted in positive monthly results. At the corporate level, Portola Pharmaceuticals has received a positive review by the European Medicines Agency for the therapeutic properties of its oral antidote. This will most likely result in its approval in the coming months. Regarding 10-year bonds, a reference for fixed income markets, they had a similar behavior in Europe and US, closing at yields of 0.1830% and 2.715% respectively. Equity exposure closed near the fund's maximum allowable level of 60%. The exposure to non-euro currencies remained mostly covered.

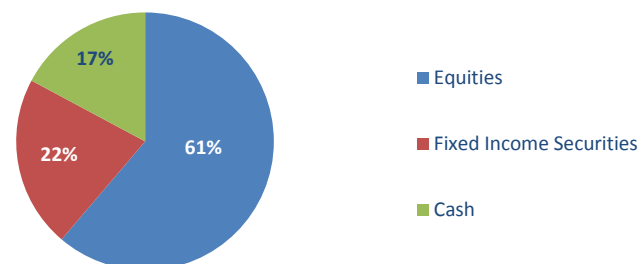
NAV evolution (last 5 years)



Source: Merchbank

(*) The fund's inception date is 22.01.15; therefore the data shown before that date about its NAV evolution and return correspond to Merch-Universal FI. The latest is managed by the same team, following the same philosophy and investment policy than MERCHBANC SICAV MERCH-UNIVERSAL.

Portfolio by asset class (%)



Source: Merchbank

RETURN Annualized Cumulative

	Annualized	Cumulative
YTD	11.82%	
12 months	-2.62%	
3 years (*)	6.62%	21.20%
5 years (*)	3.41%	18.27%
10 years (*)	6.26%	83.27%
Since inception	3.01%	12.95%

Source: Merchbank

Portfolio Characteristics

Number of securities	41
Turnover (average 2 years)	0.79
Net exposure to non-euro currencies	17.90%
Volatility (average 3 years)	9.34%
Var (average 3 years)	5.90%

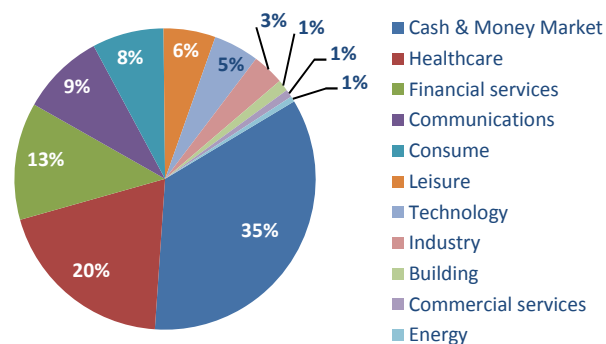
Source: Merchbank

Top ten equity holdings

QUALCOMM	Communications	7.69%	QCOM (USA, Nasdaq): It owns patented technology that allows them to charge royalties between 2-3% over nearly every mobile terminal using its chips. The sale of chips is also an important revenue line for Qualcomm.
PORTOLA PHARMACEUTICALS	Healthcare	6.50%	PTLA (USA, Nasdaq): Is a biotechnological company that develops products and new treatments for thrombosis and several hematological disorders. It recently had its second product approved.
AXA	Financial Services	2.89%	CS (Paris, Euronext): multinational specialized in the business of financial protection. It has been in the asset management field since 1983. It is one of the largest insurance groups in the world.
INCYTE	Healthcare	2.74%	INCY (USA, Nasdaq): Biopharmaceutical centered in the discovery, development, formulation, manufacture and marketing of its own therapeutic agents for the treatment of serious diseases without treatment, oncology most of all.
ALLIANZ	Financial Services	2.55%	AZ (Germany, Xetra): German financial services multinational based in Munich. It is one of the largest insurance companies, and financial services provider in the world.
BANK OF AMERICA	Financial Services	2.52%	BAC (USA, NYSE): is one of the world's largest financial institutions by total assets. It offers banking, investing, asset management and other financial and risk management products and services.
TWITTER	Leisure	2.46%	TWTR (USA, NYSE): is a platform for public self-expression and conversation in real time. Most of its revenue stream comes from the sale of advertising using data mining
ROCHE	Healthcare	2.42%	ROG (Switzerland): Currently is almost more a biotechnologic. It has become in the most important company for treatments against cancer (for example, it bought a company that is Genentech).
UNIVERSAL DISPLAY CORP.	Technology	1.91%	OLED (USA, Nasdaq): Universal Display Corp. is a developer and manufacturer of technology of organic light emitting diodes (OLED). It is also a provider of services for the lighting and visualizing industry. Its technology and phosphorescent materials own the licenses to supply companies such as Samsung, LG, Optronics CMEL, Pioneer, Panasonic, Idemitsu OLED lighting or Konica Minolta.
GILEAD SCIENCES	Healthcare	1.90%	GILD (USA, Nasdaq): a biotechnology company with international operations and twenty-plus innovative products, that centers on discovering, developing, and commercializing treatments for a range of conditions (e.g., hep C, HIV).
% TOTAL NET ASSETS		33.57%	

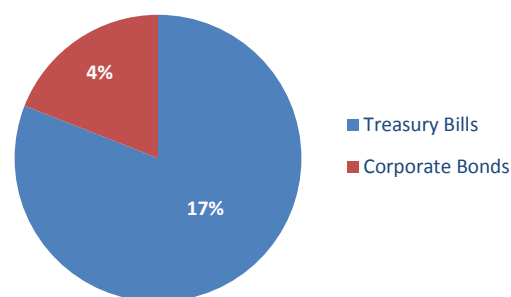
Source: Merchbank

Sector Breakdown of the equity portfolio



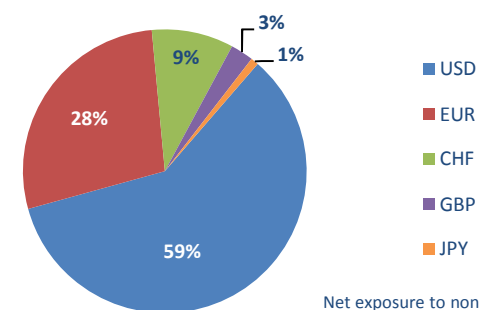
Source: Merchbank

Fixed income assets distribution



Source: Merchbank

Currency breakdown



Net exposure to non-euro currencies: 17.90%

Source: Merchbank