



## LIERDE Net Asset Value 30/06/2016: 83.87

### OBJECTIVE AND INVESTMENT STRATEGY

The objective of Lierde is to generate positive returns over the long term through equity investments in Europe.

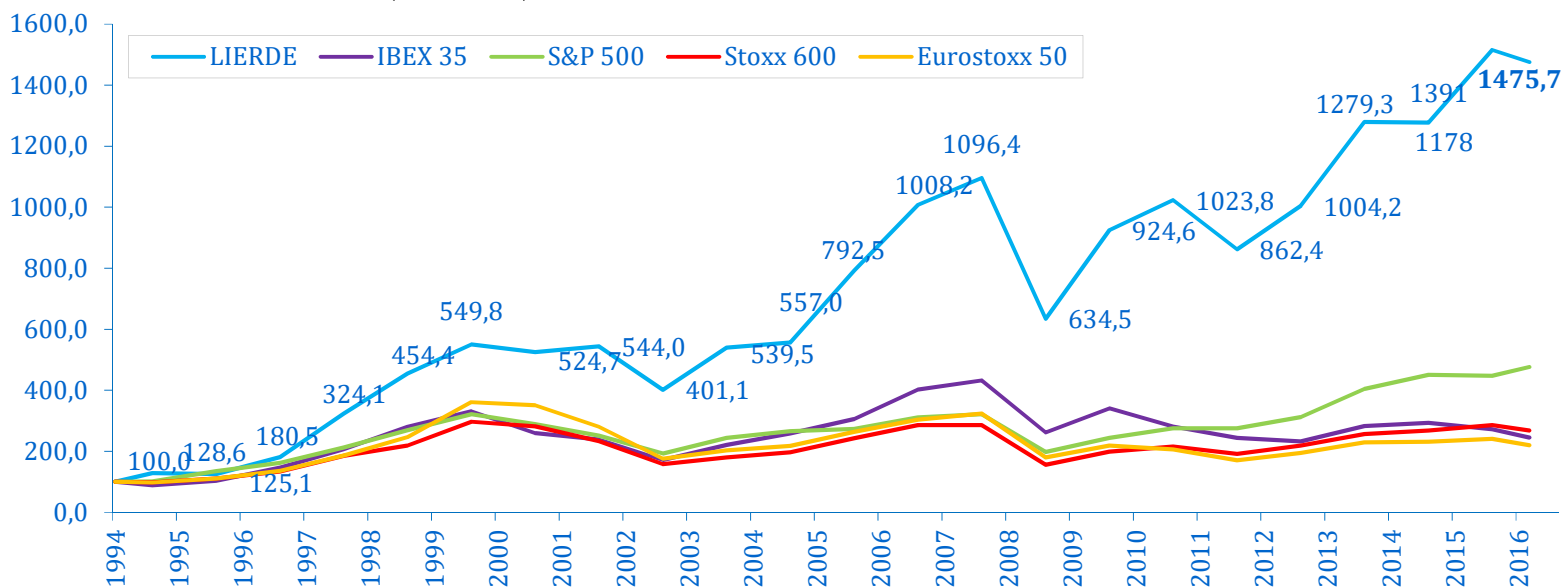
Investment decisions are based on fundamental analysis, analyzing the Return on Capital Employed (ROCE) of companies and its sustainability over time.

### RISK DATA

| FROM INCEPTION | LIERDE | STOXX 600 |
|----------------|--------|-----------|
| Alfa anual     | 5,17   |           |
| Beta           | 0,85   | 0,31      |
| Ratio Sharpe   | 0,83   |           |
| Volatilidad    | 18,2%  | 19,4%     |
| 12M            | LIERDE | STOXX 600 |
| Beta           | 0,73   |           |
| Volatilidad    | 19,6%  | 24,1%     |

| HISTORICAL RETURNS  |                |               |                |
|---------------------|----------------|---------------|----------------|
| YEAR                | LIERDE         | STOXX 600     | Difference     |
| 1994                | 28,55%         | -2,12%        | 30,67%         |
| 1995                | -2,67%         | 13,30%        | -15,97%        |
| 1996                | 44,30%         | 20,90%        | 23,39%         |
| 1997                | 79,50%         | 37,64%        | 41,86%         |
| 1998                | 40,22%         | 18,41%        | 21,81%         |
| 1999                | 20,98%         | 35,92%        | -14,94%        |
| 2000                | -4,56%         | -5,19%        | 0,63%          |
| 2001                | 3,68%          | -16,97%       | 20,65%         |
| 2002                | -26,26%        | -32,47%       | 6,21%          |
| 2003                | 34,50%         | 13,68%        | 20,82%         |
| 2004                | 3,24%          | 9,51%         | -6,27%         |
| 2005                | 42,28%         | 23,46%        | 18,81%         |
| 2006                | 27,22%         | 17,81%        | 9,40%          |
| 2007                | 8,75%          | -0,17%        | 8,92%          |
| 2008                | -42,13%        | -45,60%       | 3,47%          |
| 2009                | 45,72%         | 27,99%        | 17,73%         |
| 2010                | 10,72%         | 8,63%         | 2,09%          |
| 2011                | -15,76%        | -11,34%       | -4,42%         |
| 2012                | 16,44%         | 14,37%        | 2,07%          |
| 2013                | 27,39%         | 17,37%        | 10,02%         |
| 2014                | -0,12%         | 4,35%         | -4,47%         |
| 2015                | 18,63%         | 6,79%         | 11,84%         |
| 2016                | -7,93%         | -9,82%        | 1,89%          |
| <b>Total return</b> | <b>1295,5%</b> | <b>158,2%</b> | <b>1137,3%</b> |
| <b>Average</b>      | <b>15,9%</b>   | <b>6,7%</b>   | <b>9,1%</b>    |

### TOTAL RETURN (base 100)





## LIERDE Net Asset Value 30/06/2016: 83.87

### MONTH IN REVIEW

In June LIERDE dropped -7.3% vs. -6.5% Eurostoxx 50, -5.1% Stoxx 600 and -9.6% Ibex 35. YTD, Lierde's performance is better than that of the indices: -7.9% vs -12.3% Eurostoxx 50, -9.8% Stoxx 600 and -14.5% Ibex 35. The NAV of LIERDE at the end of the month was 83.87, it was invested 88.4% in equities and 11.6% in cash and the Beta of the portfolio was 0.73. The volatility of Lierde in the last twelve months was 19.6% vs. 24.1% Stoxx 600, 26.1% Eurostoxx 50 and 28.2% Ibex 35.

Undoubtedly, the most important event of the month was the BREXIT referendum the 24th. That day, most indices, including the Eurostoxx 50 and Ibex 35, suffered the biggest fall in 25 years. During the following days, the excessive negativism together with the capitulation by investors, caused that the indices recovered part of the fall. From our point of view the BREXIT will not trigger another crisis as in 2008-2009; however, the ultimate consequences will not be irrelevant. Last macro data still does not include the effect of the vote over investment decisions and consumption of the different agents. The first ECB estimates point to slower growth for the Euro zone at around 0.5%, which, in our view, seems a very light and manageable correction. However, we are going to be cautious during the coming months until the real effects over the economy arise. It would be normal in the short-term that markets did not rise above the levels seen before the BREXIT; only the Spanish case could be the exception because less political uncertainty, a new government and lower debt rates would reverse the underperformance of our market during the last weeks. In this sense, we believe that we are well positioned having around 20% of the portfolio in Spanish companies.

Regarding the financial markets, defensive names had a better performance than that of cyclical ones (300-400 basis points on average). Traditionally defensive sectors such as consumer staples, utilities, pharma and oil performed much better than the industrial, financial, autos, and retail sectors. By size, small companies clearly suffered much more compared to large companies. Greater uncertainty and volatility makes that the smaller and less liquid companies performed worse than blue chips in this environment. To date, our exposure to small companies (50.9%) was a drag on the portfolio performance due to its big fall and lower last recovery. Bond yields continued to decline in core countries and in the periphery; which denoted lack of confidence in the growth of the global economy on the negative side, but also greater integration and irreversibility of the Euro in the periphery on the positive side.

Regarding the portfolio, in June we sold our small position in Banco Popular because we did not like the surprising capital increase. Besides, we subscribed the takeover bid launched by the management team of the IT Italian company, Engineering, together with two private equity funds. We also changed the position in CIE Automotive, very tight valuation according to our models, by its subsidiary Global Dominion, in which we see greater potential. We have said many times that we see strong growth in companies related to Automatization, Digitalization of processes and Industry 4.0. Finally, we sold the position in the Swiss company Novartis in order to increase weight in its competitor Roche since we consider that the latter is better positioned to growth in the medium term.

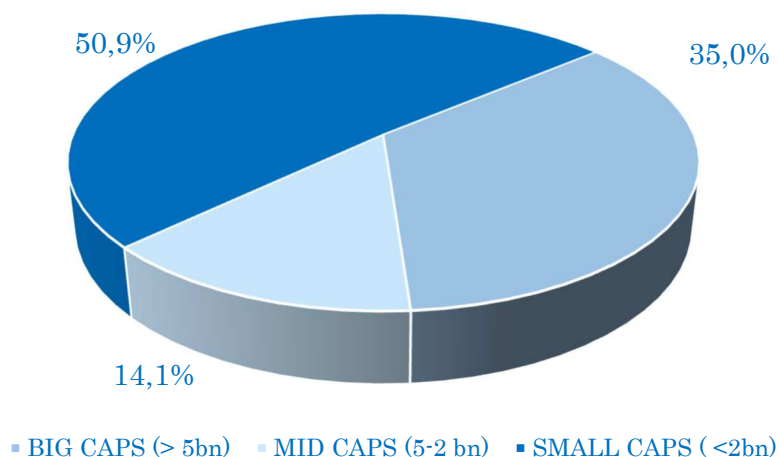


## LIERDE Net Asset Value 30/06/2016: 83.87

### TOP 10

|                     |              |
|---------------------|--------------|
| REALIA              | 4,92%        |
| CANCOM              | 4,24%        |
| S&T                 | 3,45%        |
| LAR ESPAÑA          | 3,14%        |
| MERLIN PROPERTIES   | 2,60%        |
| ROCHE               | 2,53%        |
| AURELIUS            | 2,51%        |
| ECONOCOM            | 2,35%        |
| CARREFOUR           | 2,34%        |
| VINCI               | 2,29%        |
| <b>TOTAL TOP 10</b> | <b>30,4%</b> |

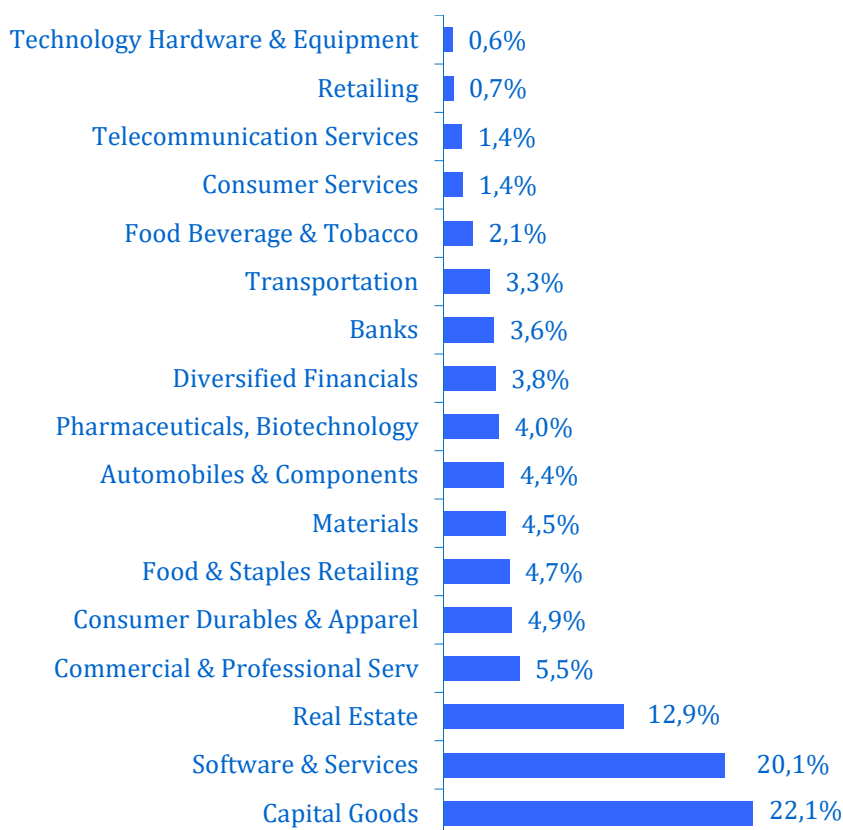
### DISTRIBUTION BY MARKET CAP.



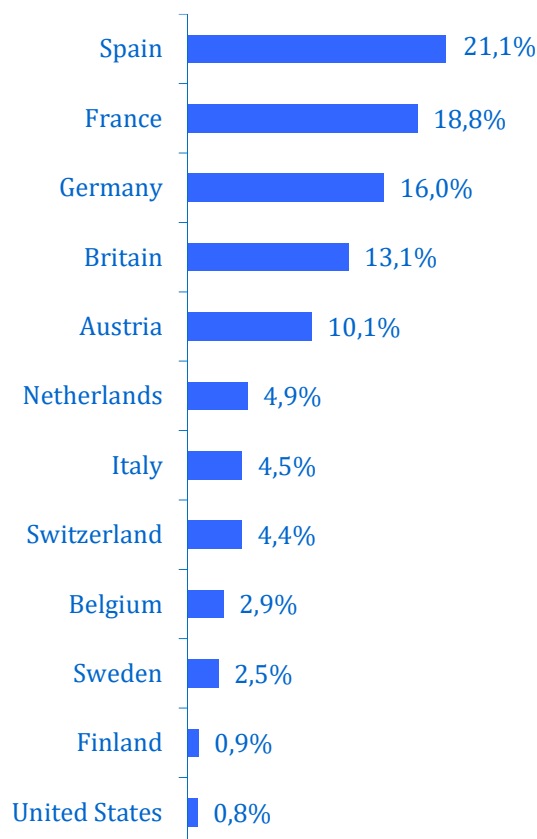
### DISTRIBUTION BY ASSET

|        |       |
|--------|-------|
| Equity | 88.4% |
| Cash   | 11.6% |

### EXPOSURE BY SECTOR



### EXPOSURE BY COUNTRY





## **LIERDE** Net Asset Value 30/06/2016: 83.87

### GENERAL INFORMATION

|                           |  |
|---------------------------|--|
| Inception date            | 1994   |
| Assets under management * | EUR 181.4 Mn.  |
| CNMV n° of registration   | 2467   |
| Liquidity                 | Daily liquidation d + 2                                    |
| Fees                      | Management fee 1.40% annual - Depositary fee 0.125% annual |
| Asset manager             | Urquijo Gestión / Mercados y Gestión de Valores            |
| Custodian institution     | Banco de Sabadell  |
| Administrator             | Banco de Sabadell  |
| Auditor                   | Deloitte   |
| Currency                  | EUR  |
| ISIN code                 | ES0158457038   |
| Bloomberg ticker          | LIE SM Equity  |

\*Updated June 30, 2016

### DISCLAIMER

This document is purely informative and does not constitute a recommendation to invest in the products mentioned herein. The opinions are valid at the time of writing and may be modified at any time and without notice. The information has been obtained from reliable sources, but it does not constitute a commitment.

Past returns do not guarantee future returns.