



# Augustus Capital AM

## LIERDE sicav

## May 2021

### OBJECTIVE AND INVESTMENT STRATEGY

LIERDE's objective is to generate value with 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.

Net Asset Value  
(31/05/21)

117.14 €/share

AUM  
(31/05/21)

EUR 154 Mn



### RISK INDICATOR

1 2 3 4 5 **6** 7

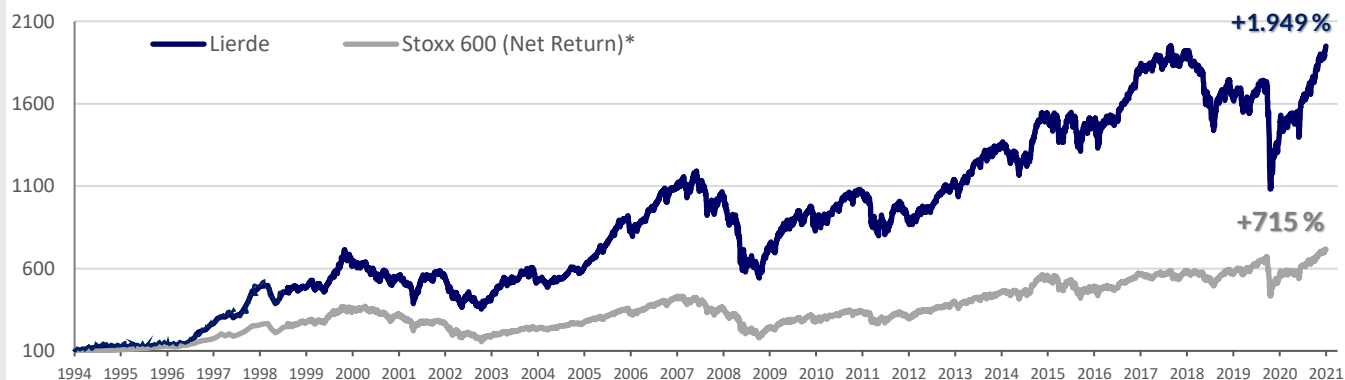
### TOTAL RETURNS

PERIOD	LIERDE	Stoxx 600 NR*
Month	3.7%	2.6%
YTD 2021	17.3%	13.5%
1 year	37.1%	30.4%
Since inception (1994)	1,849.0%	614.8%
Since inception (annual average)	13.9%	9.0%

### HISTORICAL RETURNS

YEAR	LIERDE	Stoxx 600 NR*	DIFFERENCE
1994	28.6%	-0.3%	28.8%
1995	-2.7%	17.2%	-19.9%
1996	44.3%	24.8%	19.5%
1997	79.5%	41.2%	38.3%
1998	40.2%	21.1%	19.1%
1999	21.0%	38.2%	-17.2%
2000	-4.6%	-3.8%	-0.7%
2001	3.7%	-15.6%	19.3%
2002	-26.3%	-30.4%	4.1%
2003	34.5%	15.9%	18.6%
2004	3.2%	12.2%	-9.0%
2005	42.3%	26.7%	15.6%
2006	27.2%	20.8%	6.4%
2007	8.7%	2.4%	6.4%
2008	-42.1%	-43.8%	1.6%
2009	45.7%	32.4%	13.3%
2010	10.7%	11.6%	-0.9%
2011	-15.8%	-8.6%	-7.2%
2012	16.4%	18.2%	-1.7%
2013	27.4%	20.8%	6.6%
2014	-0.1%	7.2%	-7.3%
2015	18.6%	6.8%	11.8%
2016	4.2%	1.7%	2.5%
2017	18.2%	10.6%	7.6%
2018	-20.8%	-10.8%	-10.0%
2019	16.3%	26.8%	-10.5%
2020	-3.3%	-2.0%	-1.3%
<b>Total Return</b>	<b>1,849.0%</b>	<b>614.8%</b>	<b>1,234.2%</b>
<b>Average</b>	<b>13.9%</b>	<b>9.0%</b>	<b>4.9%</b>

### NET ASSET VALUE EVOLUTION (base 100)



\*Stoxx 600 NR (Net Return). Dividends included.



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## TOP 10 POSITIONS

1	GLOBAL DOMINION	4.7%
2	THALES	3.8%
3	STRABAG	3.7%
4	VOLKSWAGEN	3.6%
5	GOOGLE	2.9%
6	DANIELI	2.8%
7	FRESENIUS	2.7%
8	NEURONES	2.7%
9	REALIA	2.6%
10	ECONOCOM	2.4%
<b>TOTAL TOP 10</b>		<b>31.9%</b>

## MONTHLY RETURN (5 best vs. the 5 worst)

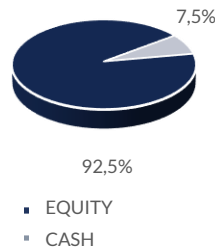
5 BEST		
1	RETELIT	+30.2%
2	ADIDAS	+17.4%
3	CIE	+17.0%
4	COATS	+14.6%
5	DANIELI	+14.1%
5 WORST		
1	S&TAG	-8.8%
2	ALIBABA	-8.8%
3	ROYAL SALMON	-8.6%
4	PROSUS	-5.9%
5	EZENTIS	-4.7%

## RISK DATA

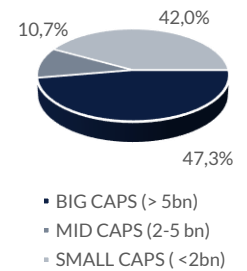
Since Inception	LIERDE	Stoxx 600 NR*
Annual Alpha	4.95	
Sharpe Ratio	0.59	
Beta	0.83	
Volatilidad	17.5%	18.9%
12 months	LIERDE	Stoxx 600 NR*
Beta	0.81	
Volatility	13.7%	15.0%

\*Stoxx 600 NR (Net Return). Dividends included.

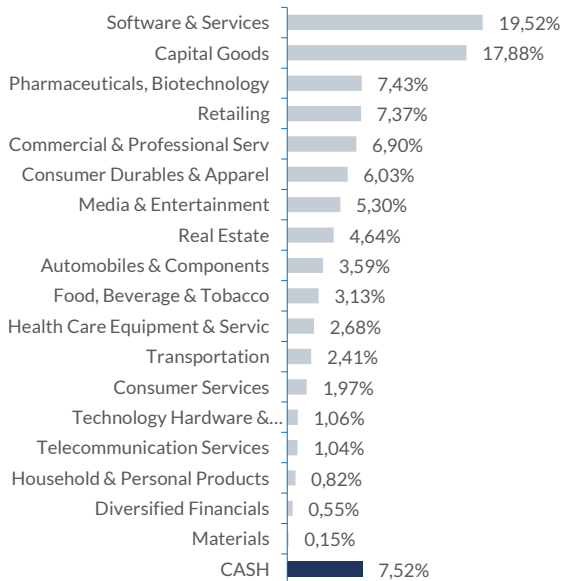
## DISTRIBUTION BY ASSET CLASS



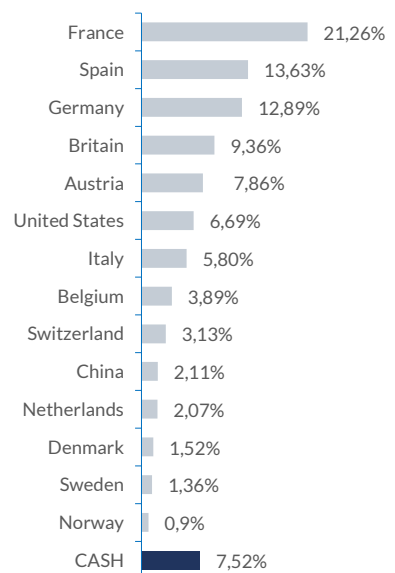
## DISTRIBUTION BY MARKET CAP.



## SECTOR DISTRIBUTION



## COUNTRY DISTRIBUTION





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## GENERAL INFORMATION

<b>Inception Date</b>	1994
<b>CNMV N° of Registration</b>	2467
<b>Settlement</b>	Daily. Settlement d + 1
<b>Fees</b>	<ul style="list-style-type: none"><li>• Management fee 1.40% annual</li><li>• Depository fee 0.125% annual</li></ul>
<b>Asset Manager</b>	Augustus Capital, A.M.
<b>Depository Institution</b>	Banco de Sabadell, S.A.
<b>Auditor</b>	Deloitte, S.L.
<b>Currency</b>	EUR
<b>ISIN Code</b>	ES0158457038
<b>Bloomberg Ticker</b>	LIE SM Equity

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## MONTHLY REVIEW

We closed May with new historical maximums for the European stock market (Stoxx600) and for LIERDE sicav as well; whilst the American stock market (S&P 500) stays in the high zone, but without reaching new annual historical records.

LIERDE reaches a maximum monthly closing level with a NAV of 117.14 euros/share. At this level, all investors are making money. Having reached this point, we believe it is important to make a reflection on stock investing in general and LIERDE in particular. In the last 20 years we have been through three major economic crisis: (1) the dot-com bubble in 2000 (2) the Great Recession of 2008 (3) and the 2011 European debt crisis. In these three crisis, the economic situation was catastrophic, especially in 2008 with the financial system collapse and in 2011 when it appeared that the Eurozone was going to break up and the Southern countries like Spain were going to be expelled. Nevertheless, good companies survive and once they overcome economic crisis, they keep growing and generating value for the shareholders. Looking back on 27 years of Lierde's history, we realize that the worst that could happen, is to be stagnated for a medium to long-term period under water, until we can bring our heads out and breath again. Therefore, when investing, it is crucial to consider a 3/4 years investment time horizon and invest in quality companies that can survive difficult times.

Regarding LIERDE's portfolio, we have started to position in the American company **Salesforce**, biggest CRM (Customer Relationship Management) corporation in the world. Salesforce offers different cloud platforms to its users with the purpose of customer interaction with a more personalized experience. The company's main competitive advantage is the high substitution costs because once a company integrates the Salesforce platforms, it would be very complicated to get rid of them and change them. Company sales have grown 30% annually for the past 15 years and EBIT has done it at a 40% annual rate, with growth estimates above 20% till 2025.

On the sell side, we have sold our full stake in **Adidas** (although we bought it a few weeks ago), after reaching our target price again; due to the fact that sales have normalized in China because the cotton conflict we commented two months ago has settled down. Finally, we have almost sold our full stake in the German company **STO SE**, engaged in the facade insulation systems, after increasing +40% in the year and reaching our target price.

Additionally, in **Retelit**, IT and infrastructure italian company, we received a public tender offer from its main shareholder, the private equity firm Asterion, with an +11% premium above market price and +30% above our buy price. The stock trades 6% over the bid price (2.85 euros/share). This could force Asterion to increase the offer price so the takeover bid can become successful.