

**FACTSHEET**

**Performance Returns**

The RoboCap UCITS Fund USD Institutional Founder share class ended November with a NAV of 157.14, up 2.12% in the month. This brings the performance of the fund to -7.83% year to date and +57.14% since inception.

**Investment Objective & Strategy**

RoboCap is a thematic equity fund focusing on Robotics and Automation listed stocks. This fast-growing theme includes general automation, industrial robotics, healthcare robotics, 3D printing, drones, autonomous vehicles, key components, enabling software and artificial intelligence. A key aspect of the strategy is that we aim to primarily invest into 'pure-play' stocks which have at least 40% of sales coming from Robotics and Automation related end markets. The portfolio aims to hold 22-30 positions out of a target universe of 200 stocks. The investment selection is based on fundamental proprietary analysis in cooperation with leading robotics experts.

**Market Commentary**

November was yet another volatile month for most asset classes. The Fed announced that the policy rate is approaching neutral, indicating that the current tightening cycle may be nearing an end, dramatically reducing the chances of multiple rate-hikes in 2019. However most of the focus was on the G20 meeting at the end of the month, where Trump and Xi Jinping agreed on a truce on new trade tariffs until 30 March 2019, while they try and reach a new trade agreement between themselves.

The second half of the 3Q earnings season was generally good, especially among software names that continued to report solid results and more importantly strong 4Q 2018 guidance. Consumer Robotics and General Automation were other subthemes which had solid results on average. On the negative side, Semi-Conductor names surprised the market with reports of excess inventory in the distribution channels, confirming that the next few quarters are likely be weak as this is absorbed.

At the start of December, the market reeled at the news that the CFO of Huawei was arrested in Canada at the request of the U.S. Department of Justice for alleged violations of sanctions against Iran dating back to 2013. This appears to be unrelated to the U.S./China trade negotiations and more recent fears among Western countries about the security of Huawei related products in communications networks and their subsequent ban in these infrastructures. Although these last points are good news in general, this Huawei situation may still prove to be a sticking point in the ongoing trade talks.

As we look forward, we model a near-term slowdown in the U.S. and global economic growth in our assumptions, but we believe we should avoid a recession in 2019. Interest rates seem to have found a new equilibrium which should help in the pricing of all assets. Most indices and stocks in robotics are trading at valuations around their 10 years average, with Industrial Robotics and Key Components clearly below.

The trade war remains a major concern, but we see concrete steps towards an agreement. Our theme does not need strong economic growth, but more visibility on tariffs for the supply chain will be helpful in the short-term. We ended the month with 16% cash and spent 0.3% of the NAV in protection (2% out of the money puts on the S&P500) for 30% of the equity exposure. We remain cautiously positioned overall. Earnings growth this year is still expected to be low double digits, despite the poor stock market return as valuations multiples have come down by more than 25%.

We'd like to take this opportunity to wish you a happy festive season and a great 2019!

**RoboCap UCITS Fund Performance**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2016	-2.4%	+1.28%	+4.95%	-0.55%	+3.36%	-1.97%	+3.83%	+0.43%	+4.36%	-2.02%	+0.98%	+1.15%	+13.83%
2017	+6.92%	+1.66%	+4.53%	+3.99%	+5.69%	-1.29%	+4.48%	+3.02%	+5.32%	6.96%	+1.04%	-0.82%	+49.78%
2018	+7.52%	-3.45%	-3.66%	-2.68%	+1.97%	-0.54%	+1.17%	+3.62%	-1.07%	-11.84%	+2.12%		-7.83%

The performance figures quoted above represent the performance of the RoboCap UCITS Fund since launch on 4<sup>th</sup> January 2016. These performance figures refer to the past and past performance is not a reliable guide to future performance.

**THE MANAGER**



**Jonathan Cohen (CIO)** has over 14 years of investment experience in equities acquired at boutique asset management companies and banks like Goldman Sachs. He held the titles of CIO and Senior Portfolio manager during his last positions. Jonathan has a Masters in Management with a major in Finance from the University of St Gallen (HSG).

**Heenal Patel (Senior Analyst)** has over 16 years of experience in equity analysis in the industrials and automotive sectors. He began his career as UBS Global Asset management where he helped to run European industrial and automotive portfolios, before moving onto sell-side positions at DrKW and industrials at S&P Equity Research. He holds a degree in Economics and Finance from the University of Manchester.

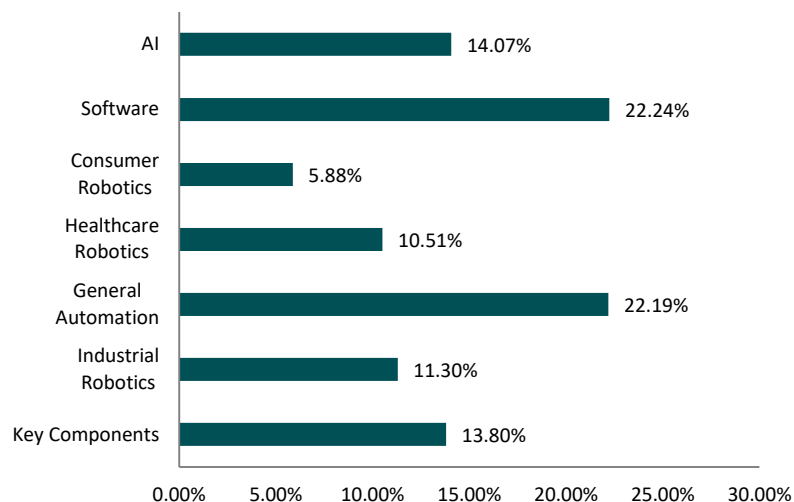
**Hiroshi Kamide (Equity Analyst)** has 23 years experience, of which 16 years investment experience in TMT and Japanese equities. He worked at Cazenove, KBC Securities Japan, JPMorgan Securities Tokyo and more recently Daiwa Securities in London. He graduated from Aston University with a BSc Hons in Human Psychology and became a qualified accountant (ICAEW) at KPMG in London.

**FUND FACTS**

Structure	UCITS Fund
Domicile	Ireland
Distribution	UK, France, Belgium, Luxembourg, Spain, Germany, Hong Kong, Switzerland and Ireland
Liquidity	Daily
Fund AUM	\$148m
Strategy AUM	\$184m
Inception	4 <sup>th</sup> January, 2016
Share Class	<b>Institutional Founder</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%
Perf. Fee	10.00%
ISIN Codes	EUR: IE00BYZB6N09/USD: IE00BYZB6R47 CHF: IE00BYZB6Q30/GBP: IE00BYZB6P23
Share Class	<b>Institutional A Pooled/Institutional B Pooled</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.25%/1.50%
Perf. Fee	12.50%/15.00%
ISIN Codes	EUR: IE00BYZB6855/IE00BYZB6D01 USD: IE00BYZB6C93/IE00BYZB6H49 CHF: IE00BYZB6B86/IE00BYZB6G32 GBP: IE00BYZB6962/IE00BYZB6F25
Share Class	<b>Institutional C Pooled</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	15%
ISIN Codes	EUR: IE00BYZB6J62/USD: IE00BYZB6M91 CHF: IE00BYZB6L84/GBP: IE00BYZB6K77

**Composition of Fund (as of 30/112018)**

**Holdings By Sub-Theme (% of Equity Holdings)**



**Top 5 Holdings (alphabetical)**

Honeywell International  
Intuitive Surgical  
Nice LTD  
Nidec  
Rockwell Automation

**Key Fund Metrics**

Med. Weighted Fwd P/E 12M	22.58x
Median Dividend Yield	0.96%
No. of Holdings	29
Volatility	11.71%
Sharpe Ratio (annualized)	+1.31

**Holdings by Market Cap (% of Equity Holdings)**

Large Cap (>\$10bn)	51.8%
Mid Cap	36.6%
Small Cap (<\$2bn)	11.6%

**Holdings By Currency (% of Equity Holdings) \***

USD	49.79%
JPY	28.78%
EUR	8.75%
Other	12.68%

\*90-100% hedged

**Contact Details**

Investor Contact	Management Company	Investment Manager	Investment Adviser
<b>ML Capital Ltd</b>	<b>MLC Management Ltd</b>	<b>Sturgeon Ventures LLP</b>	<b>RoboCap LLP</b>
Park House, 116 Park Street London, W1K 6AF T: +44 20 3709 4510 info@mlcapital.com	23 St. Stephen's Green Dublin 2, Ireland T: +353 1 533 7020 info@mlcapital.com	Linstead House, 9 Disraeli Road London, SW15 2DR, UK T: +44 203 167 4625 hello@sturgeonventures.com	10 Brick Street Mayfair, London, W1J 7HQ, UK T: +44 203 457 1220 info@robocapfund.com

**Disclaimer**

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