

# **VECTOR**

Société d'Investissement à Capital Variable  
Annual Report and Audited Financial  
Statements as at  
December 31, 2018



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No notification pursuant to Sec. 310 of the German Capital Investment Code (Kapitalanlagegesetzbuch - KAGB) has been filed for the following Sub-Fund and the Shares of this Sub-Fund may not be marketed to investors in the Federal Republic of Germany :  
VECTOR - TOP MANAGERS MIXED



## DIRECTORS AND ADMINISTRATION

### REGISTERED OFFICE

20, boulevard Emmanuel Servais  
L - 2535 Luxembourg

### CHAIRMAN OF THE BOARD OF DIRECTORS

Mr Werner Smets  
Vector Asset Management S.A.  
370, route de Longwy  
L - 1940 Luxembourg

### BOARD OF DIRECTORS

Mr Thierry Vandeghinste  
Vector Asset Management S.A.  
370, route de Longwy  
L - 1940 Luxembourg

Mr Werner Smets  
Vector Asset Management S.A.  
370, route de Longwy  
L - 1940 Luxembourg

Mr Frits Carlsen  
Independent Director  
5, An Den Azengen  
Uebersyen L - 5380 Luxembourg

Mr Eric Grenouillet  
Orionis Management S.A.  
370, route de Longwy  
L - 1940 Luxembourg

Mr Stefan Duchateau  
Independent Director  
53, Steenhovenstraat  
3530 Houthalen - Belgium

### MANAGEMENT COMPANY

Vector Asset Management S.A.  
370, route de Longwy  
L - 1940 Luxembourg

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr Werner Smets, chairman  
Decennium Capital BVBA represented by  
Mr Thierry Vandeghinste, director  
Mr Jan Bonroy, director  
Mr Marc Sallet, director

### INVESTMENT ADVISOR

VECTOR CONSEIL S.A.  
1, rue Jean Piret  
L - 2350 Luxembourg

### DEPOSITARY BANK AND DOMICILIARY AGENT

Edmond de Rothschild (Europe)  
20, boulevard Emmanuel Servais  
L - 2535 Luxembourg

### ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT AND PAYING AGENT

Edmond de Rothschild Asset Management  
(Luxembourg)  
20, boulevard Emmanuel Servais  
L - 2535 Luxembourg

### APPROVED STATUTORY AUDITOR

BDO Audit  
Société anonyme  
1, rue Jean Piret  
L - 2350 Luxembourg

### LEGAL ADVISORS

ELVINGER, HOSS & PRUSSEN  
2, Place Winston Churchill  
BP 425  
L - 2014 Luxembourg

## GENERAL INFORMATION

### INFORMATION TO THE SHAREHOLDERS

Notices concerning the Fund are published in newspapers designated by the Board of Directors, and, if prescribed by law, are published in the Mémorial, the official gazette of Luxembourg, and are lodged with the Registrar of the Luxembourg District Court.

The current Articles of Incorporation of the Fund are lodged with the Registrar of the Luxembourg District Court, from whom copies may be obtained.

The latest price for each Class of shares can be obtained at the registered office of the Fund on each Valuation Day. Such prices may also be published in such other newspaper(s) as the Board may from time to time determine.

Audited reports in respect of the preceding financial year and unaudited semi-annual reports of the Fund will be made available at the registered office of the Fund in Luxembourg. The audited reports and semi-annual reports will provide information on each Sub-Fund and, on a consolidated basis, the Fund as a whole.

Some classes of shares of the Fund may be listed on the Luxembourg Stock Exchange. As at December 31, 2018, no active shares are listed.

Subscriptions cannot be received on the basis of financial reports. Subscriptions are valid only if made on the basis of the current prospectus, supplemented by the last annual report and the most recent semi-annual report if published thereafter.

The prospectus, the key investor information documents, the articles, the audited annual and unaudited semi-annual reports - each in paper form -, a list of the changes in the investment portfolio during financial period as well as the issue, conversion and redemption prices and any notices to Shareholders in Germany can also be obtained free of charge from the German Paying and Information Agent:

Marcard, Stein & Co AG  
Ballindamm 36  
20095 Hamburg  
Germany.

### NET ASSET VALUE PER SHARE

The day on which the Net Asset Value (hereafter the "NAV") of the shares is calculated (the "Valuation Day") by the Administrative Agent.

For VECTOR - NAVIGATOR and VECTOR - FLEXIBLE, the NAV is calculated daily, on each Business Day.

For VECTOR - TOP MANAGERS MIXED, the NAV is calculated weekly, with valuation day every last Business Day of the week.

Furthermore, at the end of each month, half-year and financial year, the NAV normally calculated as of the Valuation Day closest to the end of the relevant month, half-year or financial year will be replaced by a NAV calculated on the last calendar day of the period concerned.

Notwithstanding the valuation principles specified below, the NAV of the shares of each Sub-Fund at the end of any financial year, half-year or month will be calculated on the basis of the last available price at the end of the relevant financial year, half-year or month in question.

The NAV of shares of each Sub-Fund or Class in the Fund shall be expressed as a per share figure in such currency as the Board shall from time to time determine in respect of such Sub-Fund or Class and shall be determined in respect of any Valuation Day by dividing the net assets of the Fund corresponding to each Sub-Fund or Class by the number of shares of the relevant Sub-Fund or Class then outstanding and shall be rounded up or down to two decimal places.

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## REPORT ON THE ACTIVITIES

While 2018 started off with a disappointing first quarter, where rapid wage-growth and a looming trade-war had triggered panic selloffs, markets generally recovered well during the second quarter of the year, which brought some reassuring earnings and macro-economic news. Yet, these tailwinds did not persist during the second half of the year. On the contrary, Q1 losses were but a hint of what was to come, as during the final quarter of the year investors were confronted with a cocktail of rising interest rates, declining business confidence and numerous geopolitical risks. This combination proved to be too much for many investors to stomach, giving rise to a classic ‘risk-off’ trade.

In Euro-terms the MSCI All Countries Net Return ended the year on a 4.85% loss, which isn’t too bad considering the exceptional run stocks have had during the past decade. Yet, this covers a lot of dispersion between styles and regions. **US equities**, for instance, closed the year with a tiny 0.25% loss in Euro-terms, which is a lot better than **European companies** (-10.57%) that eventually ended up having a worse year than **Emerging Markets** (-10.27%)!

There also was a marked difference in how investment styles performed over the year. While the divergence between **value and growth** was exceptionally strong during the first half of the year, with the latter outperforming the former by about 7.0%, this partially reversed during the second half. A **Momentum** strategy worked pretty well throughout the entire year, ending 2018 on a mere 0.1% loss. Yet, due to the abysmal year-end, the **low volatility** investment style turned out to be the absolute winner, returning 4.7% over the year. On the other side of the spectrum, riskier **small caps** suffered the worst, losing 10.1%. Sadly, 2018 was not a great year for our funds. Our flagship, Vector Navigator, lost 11.01%. Our stock selection mainly suffered from our overweight in underperforming Emerging Markets, an inclination towards value and the dominance of value weighted indices compared to equally weighted indices. It is clear that the largest, least volatile companies drove the returns of the index in 2018. As the stock selection process in Navigator is equally weighted by default, this has been a serious headwind during the year.

The hedge in flexible was increased by about 10% during the year and now hovers around 50%, which is about 25% higher than the minimum coverage provided by the product. Yet, the gains from market timing were offset by stock selection, causing Vector Flexible to lose 8.17% during the year. While this is still better than the performance of the Morningstar Category, we had hoped for a better result.

Luxembourg, February 22, 2019





## REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Shareholders of VECTOR  
20, Boulevard Emmanuel Servais  
L-2535 Luxembourg

### Opinion

We have audited the financial statements of VECTOR and of each of its sub-funds (the "Fund"), which comprise the statement of net assets and the portfolio of investments as at 31 December 2018, and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of VECTOR and of each of its sub-funds as at 31 December 2018, and of the results of its their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under those Law and standards are further described in the « Responsibilities of "Réviseur d'Entreprises Agréé" for the Audit of the Financial Statements » section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Other information**

The board of directors of the Fund (the “Board of Directors”) is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of “*Réviseur d’Entreprises Agréé*” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

## **Responsibilities of the Board of Directors for the financial statements**

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

## **Responsibilities of the “*Réviseur d’Entreprises Agréé*” for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of “*Réviseur d’Entreprises Agréé*” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of "*Réviseur d'Entreprises Agréé*" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of "*Réviseur d'Entreprises Agréé*". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Luxembourg, 14 March 2019

BDO Audit  
*Cabinet de révision agréé*  
represented by



Patrick Terazzi

**COMBINED STATEMENT OF NET ASSETS**

December 31, 2018

(in EUR)

**ASSETS**

Portfolio:	(see notes)	
- Cost		310,884,699.11
- Net unrealised result		(26,460,729.11)
		<b>284,423,970.00</b>
Cash:	(see notes)	
- Cash at sight		6,076,643.24
- Cash at sight by the broker		806,133.68
Other assets:	(see notes)	
- Receivable on subscriptions		344,750.76
- Dividend receivable		306,911.50
- Receivable for investments sold		920,500.52
- Unrealised gain on futures		1,734,245.00
- Other		526,519.43
		<b>295,139,674.13</b>

**LIABILITIES**

Bank overdraft:	(see notes)	
- Cash at sight		348,427.61
Other liabilities:		
- Payable on redemptions		1,332,624.40
- Taxes and expenses payable		234,162.59
- Management fees payable	(see notes)	976,309.84
- Payable for investments purchased		920,500.52
- Management Company fees payable	(see notes)	121,270.24
- Other		523,966.85
		<b>4,457,262.05</b>

<b>NET ASSETS</b>		<b>290,682,412.08</b>
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**COMBINED STATEMENT OF OPERATIONS**

Year ended December 31, 2018

(in EUR)

**INCOME**

Income from investments:		
- Dividends, net		7,106,790.23
Bank interest, net		27,512.11
Other income		110,107.01
		<b>7,244,409.35</b>

**EXPENSES**

Bank interest, net		11,661.76
Fees:		
- Management fee	(see notes)	3,951,789.16
- Management Company fees	(see notes)	489,491.34
- Performance fee	(see notes)	450,253.04
- Custodian fee and safekeeping charges	(see notes)	495,581.18
Other expenses:		
- Subscription tax	(see notes)	147,598.15
- Transaction fees	(see notes)	1,215,034.35
- Administration and other expenses	(see notes)	359,555.99
		<b>7,120,964.97</b>

**NET OPERATING RESULT** **123,444.38**

Net realised result on:		
- Sales of investments	(see notes)	10,501,965.97
- Foreign exchange	(see notes)	415,222.82

**NET REALISED RESULT** **11,040,633.17**

Change in net unrealised appreciation/(depreciation) on:		
- Investments		(44,177,241.49)
- Futures		1,674,504.98

**NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS** **(31,462,103.34)**

**STATEMENT OF NET ASSETS**

December 31, 2018

(in EUR)

**ASSETS**

Portfolio:	(see notes)	
- Cost		198,727,779.66
- Net unrealised result		(21,395,935.60)
		<b>177,331,844.06</b>

Cash:	(see notes)	
- Cash at sight		3,784,295.51

Other assets:	(see notes)	
- Receivable on subscriptions		200,248.86
- Dividend receivable		217,717.83
- Receivable for investments sold		881,652.11
- Other		373,503.99
		<b>182,789,262.36</b>

**LIABILITIES**

Bank overdraft:	(see notes)	
- Cash at sight		247,168.66

Other liabilities:		
- Payable on redemptions		1,010,125.20
- Taxes and expenses payable		146,950.40
- Management fees payable	(see notes)	636,908.90
- Payable for investments purchased		581,211.76
- Management Company fees payable	(see notes)	75,335.42
- Other		371,693.23
		<b>3,069,393.57</b>

**NET ASSETS** **179,719,868.79**

Represented by:

59,692.834 Shares of category C1 - EUR - Capitalisation with a value of	EUR	1,879.50	per share
7,878.936 Shares of category C2 - EUR - Capitalisation with a value of	EUR	243.51	per share
1,925.389 Shares of category C3 - EUR - Capitalisation with a value of	EUR	3,199.60	per share
123,283.400 Shares of category F - EUR - Capitalisation with a value of	EUR	14.57	per share
33,894.380 Shares of category I1 - EUR - Capitalisation with a value of	EUR	1,502.48	per share
2,761.234 Shares of category I2 - EUR - Capitalisation with a value of	EUR	1,503.26	per share
1,211.502 Shares of category S - EUR - Capitalisation with a value of	EUR	500.30	per share
675.943 Shares of category P - EUR - Capitalisation with a value of	EUR	2,914.09	per share

The notes are an integral part of these financial statements.

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended December 31, 2018

(in EUR)

<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>	<b>193,734,241.89</b>
<b>INCOME</b>	
Income from investments:	
- Dividends, net	5,243,608.07
Bank interest, net	27,512.11
Other income	2,008.37
	<b>5,273,128.55</b>
<b>EXPENSES</b>	
Fees:	
- Management fee (see notes)	2,638,233.37
- Management Company fees (see notes)	312,178.60
- Performance fee (see notes)	432,880.43
- Custodian fee and safekeeping charges (see notes)	328,774.64
Other expenses:	
- Subscription tax (see notes)	101,820.24
- Transaction fees (see notes)	882,954.55
- Administration and other expenses (see notes)	228,478.03
	<b>4,925,319.86</b>
<b>NET OPERATING RESULT</b>	<b>347,808.69</b>
Net realised result on:	
- Sales of investments (see notes)	7,147,830.74
- Foreign exchange (see notes)	129,535.45
<b>NET REALISED RESULT</b>	<b>7,625,174.88</b>
Change in net unrealised appreciation/(depreciation) on:	
- Investments	(29,809,854.86)
<b>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>(22,184,679.98)</b>
<b>MOVEMENTS IN CAPITAL</b>	
Subscriptions of shares	50,153,837.61
Redemptions of shares	(41,983,530.73)
	<b>8,170,306.88</b>
<b>NET ASSETS AT THE END OF THE YEAR</b>	<b>179,719,868.79</b>

The notes are an integral part of these financial statements.

## STATISTICAL INFORMATION

Year ended December 31, 2018

### SHARES

	C1 - EUR - Capitalisation	C2 - EUR - Capitalisation	C3 - EUR - Capitalisation	F - EUR - Capitalisation	I1 - EUR - Capitalisation
Shares outstanding at the beginning of the year	61,644.973	5,505.542	2,080.308	123,283.400	23,758.228
Subscriptions of shares	9,340.141	3,514.394	10.081	0.000	15,920.772
Redemptions of shares	(11,292.280)	(1,141.000)	(165.000)	(0.000)	(5,784.620)
<b>Shares outstanding at the end of the year</b>	<b>59,692.834</b>	<b>7,878.936</b>	<b>1,925.389</b>	<b>123,283.400</b>	<b>33,894.380</b>

NET ASSET VALUE PER SHARE	EUR	EUR	EUR	EUR	EUR
Highest	2,213.07 08.14.18	286.73 08.14.18	3,767.46 08.14.18	17.15 08.14.18	1,764.10 08.14.18
Lowest	1,837.12 12.21.18	238.02 12.21.18	3,127.45 12.21.18	14.24 12.21.18	1,468.30 12.21.18
<b>At the end of the year</b>	<b>1,879.50</b>	<b>243.51</b>	<b>3,199.60</b>	<b>14.57</b>	<b>1,502.48</b>

The notes are an integral part of these financial statements.



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**STATISTICAL INFORMATION**

Year ended December 31, 2018

**SHARES**

	<b>I2 - EUR - Capitalisation</b>	<b>S - EUR - Capitalisation</b>	<b>P - EUR - Capitalisation</b>
Shares outstanding at the beginning of the year	6,276.234	1,183.046	473.895
Subscriptions of shares	1,145.000	63.806	265.248
Redemptions of shares	(4,660.000)	(35.350)	(63.200)
<b>Shares outstanding at the end of the year</b>	<b>2,761.234</b>	<b>1,211.502</b>	<b>675.943</b>

**NET ASSET VALUE PER SHARE**

	EUR	EUR	EUR
Highest	1,764.86 08.14.18	590.21 08.14.18	3,431.29 08.14.18
Lowest	1,469.05 12.21.18	489.08 12.21.18	2,848.38 12.21.18
<b>At the end of the year</b>	<b>1,503.26</b>	<b>500.30</b>	<b>2,914.09</b>

The notes are an integral part of these financial statements.

**CHANGES IN THE NUMBER OF SHARES,  
IN NET ASSETS AND  
IN NET ASSET VALUE PER SHARE**

Date	Share Class	Number of shares outstanding	Net Assets	Ccy	Net asset value per share
12.31.16	C1 - EUR - Capitalisation	54,369.670	99,769,592.32	EUR	1,835.02
	C2 - EUR - Capitalisation	22,418.499	5,322,679.17	EUR	237.42
	C3 - EUR - Capitalisation	2,208.308	6,889,754.14	EUR	3,119.92
	F - EUR - Capitalisation	123,283.400	1,744,890.89	EUR	14.15
	I1 - EUR - Capitalisation	17,412.753	25,158,656.19	EUR	1,444.84
	I2 - EUR - Capitalisation	9,221.234	13,317,510.30	EUR	1,444.22
	S - EUR - Capitalisation	867.483	425,091.71	EUR	490.03
	P - EUR - Capitalisation	4,968.265	14,066,005.38	EUR	2,831.17
12.31.17	C1 - EUR - Capitalisation	61,644.973	130,201,619.65	EUR	2,112.12
	C2 - EUR - Capitalisation	5,505.542	1,506,560.60	EUR	273.64
	C3 - EUR - Capitalisation	2,080.308	7,480,210.04	EUR	3,595.72
	F - EUR - Capitalisation	123,283.400	2,015,210.03	EUR	16.35
	I1 - EUR - Capitalisation	23,758.228	39,795,341.72	EUR	1,675.01
	I2 - EUR - Capitalisation	6,276.234	10,517,960.16	EUR	1,675.84
	S - EUR - Capitalisation	1,183.046	667,374.67	EUR	564.12
	P - EUR - Capitalisation	473.895	1,549,965.02	EUR	3,270.69
12.31.18	C1 - EUR - Capitalisation	59,692.834	112,192,697.21	EUR	1,879.50
	C2 - EUR - Capitalisation	7,878.936	1,918,636.32	EUR	243.51
	C3 - EUR - Capitalisation	1,925.389	6,160,474.06	EUR	3,199.60
	F - EUR - Capitalisation	123,283.400	1,795,670.11	EUR	14.57
	I1 - EUR - Capitalisation	33,894.380	50,925,681.33	EUR	1,502.48
	I2 - EUR - Capitalisation	2,761.234	4,150,842.74	EUR	1,503.26
	S - EUR - Capitalisation	1,211.502	606,109.78	EUR	500.30
	P - EUR - Capitalisation	675.943	1,969,757.24	EUR	2,914.09

Potential difference is due to roundings.

**STATEMENT OF INVESTMENTS IN SECURITIES  
AND OTHER NET ASSETS**

December 31, 2018

(in EUR)

Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
<b>TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>						
<b>EQUITIES</b>						
<b>AUSTRALIA</b>						
21,991	ARISTOCRAT LEISURE	AUD	438,074.89	21.840	295,775.80	0.16
227,003	ILUKA RESOURCES	AUD	1,081,857.24	7.620	1,065,254.21	0.59
28,375	MAGELLAN FINANCIAL GRP LTD	AUD	476,716.76	23.540	411,353.09	0.23
26,957	WESFARMERS	AUD	618,578.02	32.220	534,881.33	0.30
	<b>TOTAL AUSTRALIA</b>		<b>2,615,226.91</b>		<b>2,307,264.43</b>	<b>1.28</b>
<b>BERMUDA</b>						
567,506	CHINA RESOURCES GAS GROUP LTD	HKD	1,974,359.57	31.000	1,965,631.99	1.09
63,844	SIGNET JEWELERS LTD	USD	2,817,889.55	31.770	1,774,342.07	0.99
	<b>TOTAL BERMUDA</b>		<b>4,792,249.12</b>		<b>3,739,974.06</b>	<b>2.08</b>
<b>BRAZIL</b>						
354,692	ESTACIO PART	BRL	2,324,901.04	23.760	1,902,106.12	1.06
	<b>TOTAL BRAZIL</b>		<b>2,324,901.04</b>		<b>1,902,106.12</b>	<b>1.06</b>
<b>CANADA</b>						
74,485	EMPIRE -A- NON VOTING	CAD	1,175,127.04	28.830	1,375,398.12	0.77
184,440	HUSKY ENERGY	CAD	2,259,092.25	14.110	1,666,843.59	0.92
89,382	QUEBECOR -B- SUBORD.VOTING	CAD	1,565,450.36	28.740	1,645,325.37	0.92
31,213	TFI INTERNATIONAL INC REGISTERED	CAD	967,654.86	35.300	705,702.85	0.39
	<b>TOTAL CANADA</b>		<b>5,967,324.51</b>		<b>5,393,269.93</b>	<b>3.00</b>
<b>CAYMAN ISLANDS</b>						
1,064,075	CHINA RESOURCES CEMENT	HKD	1,008,722.45	7.050	838,167.67	0.47
297,941	WANT WANT CHINA	HKD	206,912.82	5.480	182,423.33	0.10
851,260	YUZHOU PROPERTIES CO LTD	HKD	449,136.33	3.230	307,209.26	0.17
	<b>TOTAL CAYMAN ISLANDS</b>		<b>1,664,771.60</b>		<b>1,327,800.26</b>	<b>0.74</b>
<b>CHINA</b>						
283,753	AGILE PROPERTY HOLDING LTD	HKD	329,225.56	9.210	291,991.46	0.16
1,418,766	CHINA CITIC BANK CORPORATION -H-	HKD	773,938.95	4.760	754,549.05	0.42
993,136	CHINA PETROLEUM AND CHEMICAL -H-	HKD	807,656.37	5.590	620,283.71	0.35
266,019	CNOOC LTD -RC-	HKD	309,456.21	12.100	359,639.32	0.20
532,037	GUANGZHOU R&F PROPERTIES COMPANY LTD -H-	HKD	723,119.59	11.840	703,823.07	0.39
3,546,916	MAANSHAN IRON STEEL CO LTD -H-	HKD	1,664,174.08	3.450	1,367,223.87	0.76
	<b>TOTAL CHINA</b>		<b>4,607,570.76</b>		<b>4,097,510.48</b>	<b>2.28</b>
<b>DENMARK</b>						
10,641	COLOPLAST -B-	DKK	951,732.87	605.000	862,672.68	0.48
40,435	NOVO NORDISK	DKK	1,638,432.12	297.900	1,614,153.27	0.90
	<b>TOTAL DENMARK</b>		<b>2,590,164.99</b>		<b>2,476,825.95</b>	<b>1.38</b>
<b>FRANCE</b>						
21,281	ARKEMA SA	EUR	2,192,999.37	74.960	1,595,260.74	0.89
19,863	CAPGEMINI SE	EUR	2,132,342.64	86.800	1,724,084.72	0.96

The notes are an integral part of these financial statements.

Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
19,153	ESSILORLUXOTTICA SA	EUR	2,138,710.07	110.450	2,115,486.85	1.18
35,469	TOTAL SA	EUR	1,829,166.16	46.180	1,637,965.61	0.91
	<b>TOTAL FRANCE</b>		<b>8,293,218.24</b>		<b>7,072,797.92</b>	<b>3.94</b>
	<b>GERMANY</b>					
12,414	HOCHTIEF AG	EUR	1,744,179.06	117.700	1,461,151.87	0.81
33,341	HUGO BOSS AG	EUR	2,421,914.41	53.920	1,797,747.06	1.00
7,094	MUENCHENER RUECKVERSICHERUNGS AG REG SHS	EUR	1,284,024.22	190.550	1,351,729.52	0.75
14,188	SAP AG	EUR	1,274,705.41	86.930	1,233,333.48	0.69
	<b>TOTAL GERMANY</b>		<b>6,724,823.10</b>		<b>5,843,961.93</b>	<b>3.25</b>
	<b>HONG KONG</b>					
425,630	CHINA RESOURCES POWER HOLDINGS -RC-	HKD	720,998.57	15.060	716,187.53	0.40
141,877	SWIRE PACIFIC LTD SIE A	HKD	1,317,391.01	82.700	1,310,949.73	0.73
	<b>TOTAL HONG KONG</b>		<b>2,038,389.58</b>		<b>2,027,137.26</b>	<b>1.13</b>
	<b>INDONESIA</b>					
2,837,532	PERUSAHAAN GAS NEGA -B-	IDR	377,800.19	2,120.000	365,943.95	0.20
851,260	UNITED TRACTORS	IDR	1,511,232.25	27,350.000	1,416,306.65	0.79
	<b>TOTAL INDONESIA</b>		<b>1,889,032.44</b>		<b>1,782,250.60</b>	<b>0.99</b>
	<b>IRELAND</b>					
12,769	ALLERGAN	USD	1,726,507.91	133.660	1,492,971.74	0.83
312,129	BANK OF IRELAND - REGISTERED	EUR	1,676,218.35	4.860	1,516,944.85	0.84
886,729	GREENCORE GROUP PLC	GBP	1,916,986.47	1.782	1,760,515.72	0.98
10,641	JAZZ PHARMACEUTICALS PLC	USD	1,564,610.12	123.960	1,153,852.91	0.64
85,126	SMURFIT KAPPA PLC	EUR	2,735,371.47	23.260	1,980,030.15	1.11
	<b>TOTAL IRELAND</b>		<b>9,619,694.32</b>		<b>7,904,315.37</b>	<b>4.40</b>
	<b>ITALY</b>					
170,252	ENI SPA	EUR	2,716,271.50	13.748	2,340,623.77	1.30
468,193	PRADA SPA	HKD	1,467,772.91	25.800	1,349,628.29	0.75
	<b>TOTAL ITALY</b>		<b>4,184,044.41</b>		<b>3,690,252.06</b>	<b>2.05</b>
	<b>JAPAN</b>					
134,783	ADVANTEST CORP	JPY	2,604,878.41	2,244.000	2,411,504.51	1.34
37,597	DAINIPPON SCREEN MFG CO LTD	JPY	2,756,633.86	4,605.000	1,380,438.71	0.77
170,252	DMG MORI COMPANY LTD	JPY	1,981,788.22	1,241.000	1,684,591.67	0.94
14,188	HITACHI LTD	JPY	410,710.95	2,935.500	332,065.46	0.18
7,094	HOYA CORP	JPY	347,736.45	6,615.000	374,146.32	0.21
75,195	IHI CORP	JPY	2,024,809.91	3,030.000	1,816,603.39	1.01
34,050	SCSK CORP	JPY	1,118,137.37	3,890.000	1,056,093.73	0.59
177,346	SEGA SAMMY HOLDINGS INC	JPY	2,117,220.14	1,536.000	2,171,915.13	1.21
426	UNITED URBAN INVESTMENT CORP	JPY	582,461.97	170,200.000	577,593.68	0.32
780,321	YAHOO JAPAN CORP	JPY	1,888,243.02	274.000	1,704,727.14	0.95
	<b>TOTAL JAPAN</b>		<b>15,832,620.30</b>		<b>13,509,679.74</b>	<b>7.52</b>
	<b>JERSEY</b>					
113,501	PETROFAC LTD	GBP	835,301.19	4.770	603,198.92	0.34
	<b>TOTAL JERSEY</b>		<b>835,301.19</b>		<b>603,198.92</b>	<b>0.34</b>
	<b>MEXICO</b>					
425,630	GRUPO FINANCIERO BANORTE -O-	MXN	1,904,362.60	95.780	1,810,820.85	1.01
	<b>TOTAL MEXICO</b>		<b>1,904,362.60</b>		<b>1,810,820.85</b>	<b>1.01</b>
	<b>NORWAY</b>					
56,751	MOWI ASA	NOK	1,101,082.43	182.700	1,047,439.69	0.58
	<b>TOTAL NORWAY</b>		<b>1,101,082.43</b>		<b>1,047,439.69</b>	<b>0.58</b>

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Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
<b>PANAMA</b>						
117,048	MCDERMOTT INTERNATIONAL INC	USD	1,267,329.34	6.540	669,636.81	0.37
	<b>TOTAL PANAMA</b>		<b>1,267,329.34</b>		<b>669,636.81</b>	<b>0.37</b>
<b>SOUTH KOREA</b>						
170,252	DOOSAN INFRACORE	KRW	1,170,973.68	7,590.000	1,013,081.25	0.56
4,966	KOREA KUMHO PETROCHEMICAL	KRW	412,219.42	87,300.000	339,862.73	0.19
35,469	SK HYNIX INC	KRW	2,093,929.73	60,500.000	1,682,351.10	0.94
	<b>TOTAL SOUTH KOREA</b>		<b>3,677,122.83</b>		<b>3,035,295.08</b>	<b>1.69</b>
<b>SWITZERLAND</b>						
9,931	ROCHE HOLDING AG GENUSSSCHEIN	CHF	1,815,912.40	243.400	2,145,082.88	1.20
5,320	SONOVA HOLDING NAM-AKT	CHF	732,621.47	160.600	758,232.28	0.42
7,449	THE SWATCH GROUP	CHF	2,638,244.63	286.700	1,895,014.15	1.05
	<b>TOTAL SWITZERLAND</b>		<b>5,186,778.50</b>		<b>4,798,329.31</b>	<b>2.67</b>
<b>TAIWAN</b>						
49,657	SILICON MOTION INC ADR REPR.4SHS	USD	1,564,112.30	34.500	1,498,631.17	0.83
	<b>TOTAL TAIWAN</b>		<b>1,564,112.30</b>		<b>1,498,631.17</b>	<b>0.83</b>
<b>THE NETHERLANDS</b>						
31,922	KONINKLIJKE AHOLD NV	EUR	629,850.64	22.075	704,683.45	0.39
25,538	LYONDELLBASELL -A-	USD	2,400,280.41	83.160	1,857,781.38	1.04
	<b>TOTAL THE NETHERLANDS</b>		<b>3,030,131.05</b>		<b>2,562,464.83</b>	<b>1.43</b>
<b>TURKEY</b>						
99,314	BIM BIRLESIK MAGAZALAR	TRY	1,266,117.42	87.000	1,420,760.89	0.79
99,314	TUPRAS TURKIYE PETROL RAFINELERI	TRY	1,964,638.94	116.700	1,905,779.26	1.06
	<b>TOTAL TURKEY</b>		<b>3,230,756.36</b>		<b>3,326,540.15</b>	<b>1.85</b>
<b>UNITED KINGDOM</b>						
81,579	BOVIS HOMES GROUP	GBP	1,051,657.00	8.618	783,297.11	0.44
159,611	BRITVIC PLC	GBP	1,426,009.25	7.995	1,421,749.81	0.79
70,938	COMPASS GROUP	GBP	1,222,341.20	16.500	1,304,085.72	0.73
42,563	IMPERIAL BRANDS - REGISTERED	GBP	1,294,042.08	23.770	1,127,204.28	0.63
49,657	INTL CONS AIRLINES GROUP	GBP	358,228.48	6.180	341,923.06	0.19
283,753	MICHAEL PAGE INTERNATIONAL PLC	GBP	1,761,337.92	4.508	1,425,168.10	0.78
425,630	MONEYSUPERMARKET	GBP	1,403,738.07	2.755	1,306,456.78	0.73
	<b>TOTAL UNITED KINGDOM</b>		<b>8,517,354.00</b>		<b>7,709,884.86</b>	<b>4.29</b>
<b>UNITED STATES OF AMERICA</b>						
5,675	ALEXION PHARMACEUTICALS	USD	574,247.83	97.360	483,334.93	0.27
42,563	AMDOCS LTD	USD	2,525,779.23	58.580	2,181,113.39	1.21
12,060	AMGEN INC	USD	1,871,889.46	194.670	2,053,645.96	1.14
14,188	AVNET INC	USD	563,524.86	36.100	448,037.98	0.25
39,725	BEST BUY CO	USD	2,073,967.38	52.960	1,840,405.95	1.02
29,085	BRINKER INTL	USD	1,166,185.85	43.980	1,118,965.53	0.62
49,657	BRISTOL-MYERS SQUIBB CO	USD	2,418,537.94	51.980	2,257,937.63	1.26
9,789	BROADCOM - REGISTERED SHS	USD	1,989,508.32	254.280	2,177,553.90	1.21
42,563	BRUNSWICK CORP.	USD	2,401,343.64	46.450	1,729,476.21	0.96
21,281	CELGENE CORP	USD	1,301,373.05	64.090	1,193,133.81	0.66
10,995	CIGNA --- REGISTERED SHS	USD	1,779,131.10	189.920	1,826,753.82	1.02
39,725	COCA-COLA CO	USD	1,516,858.40	47.350	1,645,453.58	0.92
32,632	COGNIZANT TECHNOLOGY SOLUTIONS -A-	USD	1,836,864.13	63.480	1,812,059.17	1.01
31,213	CVS HEALTH CORPORATION	USD	2,101,713.04	65.520	1,788,974.67	1.00
78,032	DICK'S SPORTING GOOD INC	USD	2,432,499.37	31.200	2,129,731.75	1.19
53,913	DOMTAR CORP	USD	2,298,525.95	35.130	1,656,797.26	0.92
28,375	ENCOMPASS HLTH	USD	1,418,724.25	61.700	1,531,520.38	0.85
23,410	EVERCORE-A RG REGISTERED SHS -A	USD	2,202,077.32	71.560	1,465,419.27	0.82
24,119	FASTENAL CO	USD	1,078,022.56	52.290	1,103,253.17	0.61
46,110	FOOT LOCKER INC	USD	2,044,769.65	53.200	2,145,866.08	1.19
21,281	GILEAD SCIENCES INC	USD	1,223,784.82	62.550	1,164,464.34	0.65

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Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
60,298	HARTFORD FINANCIAL SERVICES GROUP INC	USD	2,496,879.69	44.450	2,344,597.60	1.30
120,595	HOST HOTELS & RESORTS - SHS	USD	2,003,114.37	16.670	1,758,580.07	0.98
18,444	IBM CORP	USD	1,959,219.17	113.670	1,833,989.45	1.02
88,673	INTERPUBLIC GROUP OF COMPANIES INC	USD	1,758,485.23	20.630	1,600,246.42	0.89
4,256	INTUIT	USD	516,192.78	196.850	732,933.03	0.41
12,769	JOHNSON AND JOHNSON	USD	1,496,213.65	129.050	1,441,478.40	0.80
16,316	JONES LANG LASALLE INC	USD	1,903,591.91	126.600	1,806,921.01	1.01
19,863	JPMORGAN CHASE CO	USD	1,915,060.19	97.620	1,696,189.85	0.94
25,538	KLA-TENCOR CORP	USD	2,115,804.43	89.490	1,999,192.59	1.11
56,751	LAZARD -A-	USD	2,392,668.40	36.910	1,832,363.61	1.02
8,867	LOCKHEED MARTIN - REGISTERED	USD	2,271,927.85	261.840	2,031,064.10	1.13
28,375	MERCK AND CO	USD	1,508,009.35	76.410	1,896,652.71	1.06
24,119	MICROSOFT CORP	USD	2,053,677.65	101.570	2,142,999.13	1.19
14,188	NETAPP	USD	812,098.67	59.670	740,565.81	0.41
15,606	OCCIDENTAL PETROLEUM CORP	USD	1,120,219.66	61.380	837,967.53	0.47
53,204	ORACLE CORP	USD	2,240,679.30	45.150	2,101,341.52	1.17
31,922	PAYCHEX INC	USD	1,916,557.98	65.150	1,819,301.01	1.01
74,485	PEBBLEBROOK - SHS OF BENEFIT INTEREST	USD	2,216,572.11	28.310	1,844,619.49	1.03
12,769	PEPSICO INC	USD	1,254,506.35	110.480	1,234,052.95	0.69
21,991	PHILLIPS 66	USD	1,906,797.00	86.150	1,657,275.08	0.92
14,188	RALPH LAUREN -A-	USD	1,277,788.48	103.460	1,284,044.56	0.71
11,350	RAYTHEON CO	USD	1,982,121.32	153.350	1,522,584.44	0.85
9,931	SEAGATE TECHNOLOGY PLC	USD	487,586.08	38.590	335,258.99	0.19
20,572	SKYWORKS SOLUTIONS INC	USD	1,575,127.83	67.020	1,206,090.91	0.67
13,478	STRYKER CORP	USD	2,007,474.56	156.750	1,848,156.63	1.03
49,657	TAPESTRY REG	USD	1,944,002.10	33.750	1,466,052.23	0.82
18,444	TEXAS INSTRUMENTS INC	USD	1,575,023.79	94.500	1,524,694.32	0.85
21,991	TJX COS INC	USD	656,584.97	44.740	860,667.29	0.48
12,769	UNIVERSAL HEALTH SERVICES INC	USD	1,396,619.31	116.560	1,301,966.08	0.72
21,281	VALERO ENERGY	USD	2,090,539.36	74.970	1,395,681.72	0.78
28,375	VF REGISTERED	USD	1,847,481.82	71.340	1,770,804.92	0.99
42,563	W R GRACE AND COMPANY (W.ISS)	USD	2,648,762.95	64.910	2,416,798.73	1.33
26,602	WALGREENS BOOTS ALLIANCE INC	USD	1,428,191.74	68.330	1,590,084.90	0.88
35,469	WILLIAMS-SONOMA	USD	1,674,509.54	50.450	1,565,340.42	0.87
	<b>TOTAL UNITED STATES OF AMERICA</b>		<b>95,269,417.74</b>		<b>87,194,456.28</b>	<b>48.51</b>
	<b>TOTAL EQUITIES</b>		<b>198,727,779.66</b>		<b>177,331,844.06</b>	<b>98.67</b>
	<b>TOTAL TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>		<b>198,727,779.66</b>		<b>177,331,844.06</b>	<b>98.67</b>
	<b>TOTAL INVESTMENTS IN SECURITIES</b>		<b>198,727,779.66</b>		<b>177,331,844.06</b>	<b>98.67</b>
	Cash/(bank overdraft)				3,537,126.85	1.97
	Other assets and liabilities				(1,149,102.12)	(0.64)
	<b>TOTAL NET ASSETS</b>				<b>179,719,868.79</b>	<b>100.00</b>

The notes are an integral part of these financial statements.

**GEOGRAPHICAL CLASSIFICATION  
OF THE INVESTMENTS IN SECURITIES**  
December 31, 2018  
(in %)

<b>COUNTRIES</b>	<b>% of net assets</b>
United States of America	48.51
Japan	7.52
Ireland	4.40
United Kingdom	4.29
France	3.94
Germany	3.25
Canada	3.00
Switzerland	2.67
China	2.28
Bermuda	2.08
Italy	2.05
Turkey	1.85
South Korea	1.69
The Netherlands	1.43
Denmark	1.38
Australia	1.28
Hong Kong	1.13
Brazil	1.06
Mexico	1.01
Indonesia	0.99
Taiwan	0.83
Cayman Islands	0.74
Norway	0.58
Panama	0.37
Jersey	0.34
<b>TOTAL INVESTMENTS IN SECURITIES</b>	<b>98.67</b>
Other assets/(liabilities) and liquid assets	1.33
<b>NET ASSETS</b>	<b>100.00</b>

**ECONOMIC CLASSIFICATION  
OF THE INVESTMENTS IN SECURITIES**  
December 31, 2018  
(in %)

<b>ECONOMIC SECTORS</b>	<b>% of net assets</b>
Pharmaceutical and cosmetics industry	10.80
Internet and software services	9.92
Oil	7.82
Electronics and semiconductors	7.15
Retail trade	6.13
Mechanical engineering and industrial equipment	5.17
Holding and finance companies	5.09
Textiles and clothing industry	4.27
Foodstuffs and non-alcoholic drinks	4.27
Real estate	4.06
Banks and other credit institutions	4.03
Chemicals	3.45
Office supplies and computers	2.83
Insurance	2.82
Biotechnology	2.72
Healthcare, education & social services	2.63
Aeronautical and astronomical industry	2.17
Paper and timber	2.03
Building and building materials	1.72
Hotels, restaurants and leisure	1.35
Clock and watchmaking industry	1.05
Data transmission	0.92
Graphic industry and publishing houses	0.89
Road vehicles	0.79
Miscellaneous services	0.78
Mining industry	0.76
Tobacco and alcohol	0.63
Non-ferrous metals	0.59
Agriculture and fishing	0.58
Energy and water supply	0.40
Transportation	0.39
Miscellaneous consumer goods	0.30
Electrotechnical and electronic industry	0.16
<b>TOTAL INVESTMENTS IN SECURITIES</b>	<b>98.67</b>
Other assets/(liabilities) and liquid assets	1.33
<b>NET ASSETS</b>	<b>100.00</b>



## STATEMENT OF NET ASSETS

December 31, 2018

(in EUR)

### ASSETS

Portfolio:	(see notes)	
- Cost		81,413,904.01
- Net unrealised result		(8,765,390.77)
		<b>72,648,513.24</b>
Cash:	(see notes)	
- Cash at sight		1,550,664.44
- Cash at sight by the broker		806,133.68
Other assets:	(see notes)	
- Receivable on subscriptions		144,501.90
- Dividend receivable		89,193.67
- Receivable for investments sold		38,848.41
- Unrealised gain on futures		1,734,245.00
- Other		153,015.44
		<b>77,165,115.78</b>

### LIABILITIES

Bank overdraft:	(see notes)	
- Cash at sight		101,258.95
Other liabilities:		
- Payable on redemptions		52,765.00
- Taxes and expenses payable		64,549.57
- Management fees payable	(see notes)	271,271.90
- Payable for investments purchased		339,288.76
- Management Company fees payable	(see notes)	29,652.84
- Other		152,273.62
		<b>1,011,060.64</b>

### NET ASSETS

**76,154,055.14**

Represented by:

29,569.544 Shares of category C1 - EUR - Capitalisation with a value of	EUR	1,617.84	per share
977.000 Shares of category C3 - EUR - Capitalisation with a value of	EUR	162.95	per share
26,060.780 Shares of category C4 - EUR - Capitalisation with a value of	EUR	323.61	per share
281,847.535 Shares of category F - EUR - Capitalisation with a value of	EUR	12.94	per share
9,957.955 Shares of category I1 - EUR - Capitalisation with a value of	EUR	1,336.00	per share
21.866 Shares of category S - EUR - Capitalisation with a value of	EUR	486.49	per share
2,088.431 Shares of category P - EUR - Capitalisation with a value of	EUR	1,322.50	per share

The notes are an integral part of these financial statements.

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**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**

Year ended December 31, 2018

(in EUR)

<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>		<b>59,259,726.55</b>
<b>INCOME</b>		
Income from investments:		
- Dividends, net		1,812,935.30
Other income		787.55
		<b>1,813,722.85</b>
<b>EXPENSES</b>		
Bank interest, net		9,809.43
Fees:		
- Management fee	(see notes)	1,036,164.75
- Management Company fees	(see notes)	111,031.51
- Performance fee	(see notes)	17,372.61
- Custodian fee and safekeeping charges	(see notes)	116,246.40
Other expenses:		
- Subscription tax	(see notes)	37,787.09
- Transaction fees	(see notes)	331,714.80
- Administration and other expenses	(see notes)	89,582.97
		<b>1,749,709.56</b>
<b>NET OPERATING RESULT</b>		<b>64,013.29</b>
Net realised result on:		
- Sales of investments	(see notes)	2,490,431.49
- Foreign exchange		285,893.21
<b>NET REALISED RESULT</b>		<b>2,840,337.99</b>
Change in net unrealised appreciation/(depreciation) on:		
- Investments		(11,253,547.25)
- Futures		1,674,504.98
<b>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>(6,738,704.28)</b>
<b>MOVEMENTS IN CAPITAL</b>		
Subscriptions of shares		37,241,071.15
Redemptions of shares		(13,608,038.28)
		<b>23,633,032.87</b>
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>76,154,055.14</b>

The notes are an integral part of these financial statements.

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**STATISTICAL INFORMATION**

Year ended December 31, 2018

**SHARES**

	<b>C1 - EUR - Capitalisation</b>	<b>C3 - EUR - Capitalisation</b>	<b>C4 - EUR - Capitalisation</b>	<b>F - EUR - Capitalisation</b>	<b>I1 - EUR - Capitalisation</b>
Shares outstanding at the beginning of the year	23,587.657	937.000	23,107.743	281,847.535	2,582.273
Subscriptions of shares	12,903.196	40.000	3,504.000	0.000	7,702.002
Redemptions of shares	(6,921.309)	(0.000)	(550.963)	(0.000)	(326.320)
<b>Shares outstanding at the end of the year</b>	<b>29,569.544</b>	<b>977.000</b>	<b>26,060.780</b>	<b>281,847.535</b>	<b>9,957.955</b>

<b>NET ASSET VALUE PER SHARE</b>	EUR	EUR	EUR	EUR	EUR
Highest	1,814.37 01.26.18	182.74 01.26.18	362.92 01.26.18	14.51 01.26.18	1,491.62 01.26.18
Lowest	1,584.47 12.21.18	159.59 12.21.18	316.94 12.21.18	12.67 12.21.18	1,308.18 12.21.18
<b>At the end of the year</b>	<b>1,617.84</b>	<b>162.95</b>	<b>323.61</b>	<b>12.94</b>	<b>1,336.00</b>

The notes are an integral part of these financial statements.

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**STATISTICAL INFORMATION**

Year ended December 31, 2018

**SHARES**

	<b>S - EUR - Capitalisation</b>	<b>P - EUR - Capitalisation</b>
Shares outstanding at the beginning of the year	42.798	1,153.799
Subscriptions of shares	0.000	1,546.532
Redemptions of shares	(20.932)	(611.900)
<b>Shares outstanding at the end of the year</b>	<b>21.866</b>	<b>2,088.431</b>

**NET ASSET VALUE PER SHARE**

	EUR	EUR
Highest	548.09 01.26.18	1,483.17 01.26.18
Lowest	476.52 12.21.18	1,295.23 12.21.18
<b>At the end of the year</b>	<b>486.49</b>	<b>1,322.50</b>

The notes are an integral part of these financial statements.

**CHANGES IN THE NUMBER OF SHARES,  
IN NET ASSETS AND  
IN NET ASSET VALUE PER SHARE**

Date	Share Class	Number of shares outstanding	Net Assets	Ccy	Net asset value per share
12.31.16	C1 - EUR - Capitalisation	12,668.047	19,854,289.90	EUR	1,567.27
	C3 - EUR - Capitalisation	637.000	100,554.52	EUR	157.86
	C4 - EUR - Capitalisation	20,554.122	6,443,426.35	EUR	313.49
	F - EUR - Capitalisation	281,847.535	3,531,865.04	EUR	12.53
	I1 - EUR - Capitalisation	1,787.083	2,285,059.56	EUR	1,278.65
	S - EUR - Capitalisation	616.935	293,512.93	EUR	475.76
	P - EUR - Capitalisation	139.676	178,970.42	EUR	1,281.33
12.31.17	C1 - EUR - Capitalisation	23,587.657	41,557,015.34	EUR	1,761.81
	C3 - EUR - Capitalisation	937.000	166,271.44	EUR	177.45
	C4 - EUR - Capitalisation	23,107.743	8,143,335.01	EUR	352.41
	F - EUR - Capitalisation	281,847.535	3,970,403.28	EUR	14.09
	I1 - EUR - Capitalisation	2,582.273	3,738,205.19	EUR	1,447.64
	S - EUR - Capitalisation	42.798	22,785.55	EUR	532.40
	P - EUR - Capitalisation	1,153.799	1,661,710.74	EUR	1,440.21
12.31.18	C1 - EUR - Capitalisation	29,569.544	47,838,781.59	EUR	1,617.84
	C3 - EUR - Capitalisation	977.000	159,204.28	EUR	162.95
	C4 - EUR - Capitalisation	26,060.780	8,433,614.98	EUR	323.61
	F - EUR - Capitalisation	281,847.535	3,646,011.21	EUR	12.94
	I1 - EUR - Capitalisation	9,957.955	13,303,849.07	EUR	1,336.00
	S - EUR - Capitalisation	21.866	10,637.50	EUR	486.49
	P - EUR - Capitalisation	2,088.431	2,761,956.51	EUR	1,322.50

Potential difference is due to roundings.

**STATEMENT OF INVESTMENTS IN SECURITIES  
AND OTHER NET ASSETS**

December 31, 2018

(in EUR)

Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
<b>TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>						
<b>EQUITIES</b>						
<b>AUSTRALIA</b>						
9,009	ARISTOCRAT LEISURE	AUD	179,468.56	21.840	121,172.10	0.16
92,997	ILUKA RESOURCES	AUD	443,210.42	7.620	436,408.56	0.57
11,625	MAGELLAN FINANCIAL GRP LTD	AUD	195,299.18	23.540	168,521.28	0.22
11,043	WESFARMERS	AUD	253,416.26	32.220	219,127.78	0.29
	<b>TOTAL AUSTRALIA</b>		<b>1,071,394.42</b>		<b>945,229.72</b>	<b>1.24</b>
<b>BERMUDA</b>						
232,494	CHINA RESOURCES GAS GROUP LTD	HKD	808,846.76	31.000	805,271.29	1.06
26,156	SIGNET JEWELERS LTD	USD	1,154,420.33	31.770	726,904.49	0.95
	<b>TOTAL BERMUDA</b>		<b>1,963,267.09</b>		<b>1,532,175.78</b>	<b>2.01</b>
<b>BRAZIL</b>						
145,308	ESTACIO PART	BRL	952,455.01	23.760	779,246.29	1.02
	<b>TOTAL BRAZIL</b>		<b>952,455.01</b>		<b>779,246.29</b>	<b>1.02</b>
<b>CANADA</b>						
30,515	EMPIRE -A- NON VOTING	CAD	481,420.76	28.830	563,466.93	0.74
75,560	HUSKY ENERGY	CAD	925,494.76	14.110	682,864.99	0.89
36,618	QUEBECOR -B- SUBORD.VOTING	CAD	641,326.67	28.740	674,049.51	0.89
12,787	TFI INTERNATIONAL INC REGISTERED	CAD	396,424.49	35.300	289,109.17	0.38
	<b>TOTAL CANADA</b>		<b>2,444,666.68</b>		<b>2,209,490.60</b>	<b>2.90</b>
<b>CAYMAN ISLANDS</b>						
435,925	CHINA RESOURCES CEMENT	HKD	413,248.88	7.050	343,376.77	0.44
122,059	WANT WANT CHINA	HKD	84,767.11	5.480	74,734.37	0.10
348,740	YUZHOU PROPERTIES CO LTD	HKD	184,000.15	3.230	125,856.11	0.17
	<b>TOTAL CAYMAN ISLANDS</b>		<b>682,016.14</b>		<b>543,967.25</b>	<b>0.71</b>
<b>CHINA</b>						
116,247	AGILE PROPERTY HOLDING LTD	HKD	134,875.65	9.210	119,621.75	0.16
581,234	CHINA CITIC BANK CORPORATION -H-	HKD	317,063.83	4.760	309,120.27	0.41
406,864	CHINA PETROLEUM AND CHEMICAL -H-	HKD	330,877.03	5.590	254,115.04	0.33
108,981	CNOOC LTD -RC-	HKD	126,776.63	12.100	147,335.42	0.19
217,963	GUANGZHOU R&F PROPERTIES COMPANY LTD -H-	HKD	296,244.39	11.840	288,339.07	0.38
1,453,084	MAANSHAN IRON STEEL CO LTD -H-	HKD	681,771.36	3.450	560,118.13	0.73
	<b>TOTAL CHINA</b>		<b>1,887,608.89</b>		<b>1,678,649.68</b>	<b>2.20</b>
<b>DENMARK</b>						
4,359	COLOPLAST -B-	DKK	389,901.65	605.000	353,415.87	0.46
16,565	NOVO NORDISK	DKK	671,225.51	297.900	661,279.06	0.87
	<b>TOTAL DENMARK</b>		<b>1,061,127.16</b>		<b>1,014,694.93</b>	<b>1.33</b>
<b>FRANCE</b>						
8,719	ARKEMA SA	EUR	898,418.13	74.960	653,539.26	0.86
8,137	CAPGEMINI SE	EUR	873,568.56	86.800	706,315.28	0.93

The notes are an integral part of these financial statements.

Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
7,847	ESSILORLUXOTTICA SA	EUR	876,177.13	110.450	866,663.15	1.13
14,531	TOTAL SA	EUR	749,364.57	46.180	671,034.39	0.88
	<b>TOTAL FRANCE</b>		<b>3,397,528.39</b>		<b>2,897,552.08</b>	<b>3.80</b>
	<b>GERMANY</b>					
5,086	HOCHTIEF AG	EUR	714,547.44	117.700	598,598.13	0.79
13,659	HUGO BOSS AG	EUR	992,199.01	53.920	736,492.94	0.96
2,906	MUENCHENER RUECKVERSICHERUNGS AG REG SHS	EUR	526,033.28	190.550	553,770.48	0.73
5,812	SAP AG	EUR	522,215.59	86.930	505,266.52	0.66
	<b>TOTAL GERMANY</b>		<b>2,754,995.32</b>		<b>2,394,128.07</b>	<b>3.14</b>
	<b>HONG KONG</b>					
174,370	CHINA RESOURCES POWER HOLDINGS -RC-	HKD	295,375.45	15.060	293,404.49	0.39
58,123	SWIRE PACIFIC LTD SIE A	HKD	539,702.83	82.700	537,063.99	0.70
	<b>TOTAL HONG KONG</b>		<b>835,078.28</b>		<b>830,468.48</b>	<b>1.09</b>
	<b>INDONESIA</b>					
1,162,468	PERUSAHAAN GAS NEGA -B-	IDR	154,775.48	2,120.000	149,918.27	0.20
348,740	UNITED TRACTORS	IDR	619,114.84	27,350.000	580,226.15	0.76
	<b>TOTAL INDONESIA</b>		<b>773,890.32</b>		<b>730,144.42</b>	<b>0.96</b>
	<b>IRELAND</b>					
5,231	ALLERGAN	USD	707,308.00	133.660	611,633.95	0.80
127,871	BANK OF IRELAND - REGISTERED	EUR	686,705.61	4.860	621,455.15	0.82
363,271	GREENCORE GROUP PLC	GBP	785,342.41	1.782	721,240.17	0.95
4,359	JAZZ PHARMACEUTICALS PLC	USD	640,982.44	123.960	472,705.28	0.62
34,874	SMURFIT KAPPA PLC	EUR	1,120,614.70	23.260	811,169.85	1.07
	<b>TOTAL IRELAND</b>		<b>3,940,953.16</b>		<b>3,238,204.40</b>	<b>4.26</b>
	<b>ITALY</b>					
69,748	ENI SPA	EUR	1,112,789.90	13.748	958,896.23	1.26
191,807	PRADA SPA	HKD	601,310.61	25.800	552,909.66	0.73
	<b>TOTAL ITALY</b>		<b>1,714,100.51</b>		<b>1,511,805.89</b>	<b>1.99</b>
	<b>JAPAN</b>					
55,217	ADVANTEST CORP	JPY	1,067,154.89	2,244.000	987,934.34	1.30
15,403	DAINIPPON SCREEN MFG CO LTD	JPY	1,129,325.37	4,605.000	565,531.93	0.74
69,748	DMG MORI COMPANY LTD	JPY	811,890.10	1,241.000	690,135.95	0.91
5,812	HITACHI LTD	JPY	168,258.22	2,935.500	136,039.09	0.18
2,906	HOYA CORP	JPY	142,459.10	6,615.000	153,278.58	0.20
30,805	IHI CORP	JPY	829,515.03	3,030.000	744,217.91	0.98
13,950	SCSK CORP	JPY	458,073.49	3,890.000	432,655.73	0.57
72,654	SEGA SAMMY HOLDINGS INC	JPY	867,373.23	1,536.000	889,780.43	1.17
174	UNITED URBAN INVESTMENT CORP	JPY	238,620.40	170,200.000	236,625.98	0.31
319,679	YAHOO JAPAN CORP	JPY	773,566.92	274.000	698,384.95	0.92
	<b>TOTAL JAPAN</b>		<b>6,486,236.75</b>		<b>5,534,584.89</b>	<b>7.28</b>
	<b>JERSEY</b>					
46,499	PETROFAC LTD	GBP	342,202.44	4.770	247,115.83	0.32
	<b>TOTAL JERSEY</b>		<b>342,202.44</b>		<b>247,115.83</b>	<b>0.32</b>
	<b>MEXICO</b>					
174,370	GRUPO FINANCIERO BANORTE -O-	MXN	780,170.72	95.780	741,848.95	0.97
	<b>TOTAL MEXICO</b>		<b>780,170.72</b>		<b>741,848.95</b>	<b>0.97</b>
	<b>NORWAY</b>					
23,249	MOWI ASA	NOK	451,086.51	182.700	429,110.38	0.56
	<b>TOTAL NORWAY</b>		<b>451,086.51</b>		<b>429,110.38</b>	<b>0.56</b>

The notes are an integral part of these financial statements.

Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
<b>PANAMA</b>						
47,952	MCDERMOTT INTERNATIONAL INC	USD	519,193.79	6.540	274,333.80	0.36
	<b>TOTAL PANAMA</b>		<b>519,193.79</b>		<b>274,333.80</b>	<b>0.36</b>
<b>SOUTH KOREA</b>						
69,748	DOOSAN INFRACORE	KRW	479,719.24	7,590.000	415,034.57	0.54
2,034	KOREA KUMHO PETROCHEMICAL	KRW	168,876.20	87,300.000	139,233.44	0.18
14,531	SK HYNIX INC	KRW	857,831.72	60,500.000	689,218.04	0.91
	<b>TOTAL SOUTH KOREA</b>		<b>1,506,427.16</b>		<b>1,243,486.05</b>	<b>1.63</b>
<b>SWITZERLAND</b>						
4,069	ROCHE HOLDING AG GENUSSSCHEIN	CHF	743,934.84	243.400	878,787.92	1.15
2,180	SONOVA HOLDING NAM-AKT	CHF	300,137.07	160.600	310,629.20	0.41
3,051	THE SWATCH GROUP	CHF	1,080,824.21	286.700	776,340.89	1.02
	<b>TOTAL SWITZERLAND</b>		<b>2,124,896.12</b>		<b>1,965,758.01</b>	<b>2.58</b>
<b>TAIWAN</b>						
20,343	SILICON MOTION INC ADR REPR.4SHS	USD	640,778.50	34.500	613,952.48	0.81
	<b>TOTAL TAIWAN</b>		<b>640,778.50</b>		<b>613,952.48</b>	<b>0.81</b>
<b>THE NETHERLANDS</b>						
13,078	KONINKLIJKE AHOLD NV	EUR	258,034.38	22.075	288,691.55	0.38
10,462	LYONDELLBASELL -A-	USD	983,336.09	83.160	761,087.53	1.00
	<b>TOTAL THE NETHERLANDS</b>		<b>1,241,370.47</b>		<b>1,049,779.08</b>	<b>1.38</b>
<b>TURKEY</b>						
40,686	BIM BIRLESIK MAGAZALAR	TRY	518,697.30	87.000	582,050.94	0.76
40,686	TUPRAS TURKIYE PETROL RAFINELERI	TRY	804,864.46	116.700	780,751.09	1.03
	<b>TOTAL TURKEY</b>		<b>1,323,561.76</b>		<b>1,362,802.03</b>	<b>1.79</b>
<b>UNITED KINGDOM</b>						
33,421	BOVIS HOMES GROUP	GBP	430,838.11	8.618	320,897.64	0.42
65,389	BRITVIC PLC	GBP	584,201.07	7.995	582,456.08	0.76
29,062	COMPASS GROUP	GBP	500,763.25	16.500	534,251.98	0.70
17,437	IMPERIAL BRANDS - REGISTERED	GBP	530,137.35	23.770	461,787.98	0.61
20,343	INTL CONS AIRLINES GROUP	GBP	146,757.43	6.180	140,077.50	0.18
116,247	MICHAEL PAGE INTERNATIONAL PLC	GBP	721,577.01	4.508	583,856.47	0.78
174,370	MONEYSUPERMARKET	GBP	575,077.10	2.755	535,223.35	0.70
	<b>TOTAL UNITED KINGDOM</b>		<b>3,489,351.32</b>		<b>3,158,551.00</b>	<b>4.15</b>
<b>UNITED STATES OF AMERICA</b>						
2,325	ALEXION PHARMACEUTICALS	USD	235,255.27	97.360	198,010.48	0.26
17,437	AMDOCS LTD	USD	1,034,749.89	58.580	893,548.73	1.18
4,940	AMGEN INC	USD	766,867.27	194.670	841,328.45	1.10
5,812	AVNET INC	USD	230,862.34	36.100	183,550.18	0.24
16,275	BEST BUY CO	USD	849,653.64	52.960	753,969.24	0.99
11,915	BRINKER INTL	USD	477,757.78	43.980	458,412.77	0.60
20,343	BRISTOL-MYERS SQUIBB CO	USD	990,815.76	51.980	925,021.74	1.22
4,011	BROADCOM - REGISTERED SHS	USD	815,052.83	254.280	892,090.50	1.18
17,437	BRUNSWICK CORP.	USD	983,771.68	46.450	708,524.05	0.93
8,719	CELGENE CORP	USD	533,140.67	64.090	488,797.70	0.64
4,505	CIGNA --- REGISTERED SHS	USD	728,866.44	189.920	748,376.30	0.98
16,275	COCA-COLA CO	USD	621,419.74	47.350	674,102.03	0.89
13,368	COGNIZANT TECHNOLOGY SOLUTIONS -A-	USD	752,518.25	63.480	742,356.26	0.97
12,787	CVS HEALTH CORPORATION	USD	861,020.36	65.520	732,899.10	0.96
31,968	DICK'S SPORTING GOOD INC	USD	996,535.41	31.200	872,498.93	1.15
22,087	DOMTAR CORP	USD	941,649.78	35.130	678,749.26	0.89
11,625	ENCOMPASS HLTH	USD	581,216.58	61.700	627,426.39	0.82
9,590	EVERCORE-A RG REGISTERED SHS -A	USD	902,137.14	71.560	600,346.38	0.79
9,881	FASTENAL CO	USD	441,639.44	52.290	451,975.80	0.59
18,890	FOOT LOCKER INC	USD	837,692.04	53.200	879,108.77	1.15
8,719	GILEAD SCIENCES INC	USD	501,354.67	62.550	477,052.52	0.63

The notes are an integral part of these financial statements.



Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
24,702	HARTFORD FINANCIAL SERVICES GROUP INC	USD	1,022,910.46	44.450	960,524.21	1.27
49,405	HOST HOTELS & RESORTS - SHS	USD	820,626.89	16.670	720,447.18	0.95
7,556	IBM CORP	USD	802,644.11	113.670	751,340.56	0.99
36,327	INTERPUBLIC GROUP OF COMPANIES INC	USD	720,408.33	20.630	655,581.77	0.86
1,744	INTUIT	USD	211,471.54	196.850	300,264.71	0.39
5,231	JOHNSON AND JOHNSON	USD	612,962.08	129.050	590,538.40	0.78
6,684	JONES LANG LASALLE INC	USD	779,854.98	126.600	740,251.28	0.97
8,137	JPMORGAN CHASE CO	USD	784,553.25	97.620	694,887.44	0.91
10,462	KLA-TENCOR CORP	USD	866,793.26	89.490	819,020.24	1.08
23,249	LAZARD -A-	USD	980,217.64	36.910	750,674.49	0.99
3,633	LOCKHEED MARTIN - REGISTERED	USD	930,753.19	261.840	832,077.22	1.09
11,625	MERCK AND CO	USD	617,794.49	76.410	777,012.16	1.02
9,881	MICROSOFT CORP	USD	841,341.44	101.570	877,934.26	1.15
5,812	NETAPP	USD	332,696.94	59.670	303,391.68	0.40
6,394	OCCIDENTAL PETROLEUM CORP	USD	458,926.56	61.380	343,294.77	0.45
21,796	ORACLE CORP	USD	917,951.43	45.150	860,868.16	1.13
13,078	PAYCHEX INC	USD	785,166.86	65.150	745,323.06	0.98
30,515	PEBBLEBROOK - SHS OF BENEFIT INTEREST	USD	908,075.30	28.310	755,695.43	0.99
5,231	PEPSICO INC	USD	513,940.52	110.480	505,561.27	0.66
9,009	PHILLIPS 66	USD	781,168.03	86.150	678,945.01	0.89
5,812	RALPH LAUREN -A-	USD	523,478.65	103.460	526,041.61	0.69
4,650	RAYTHEON CO	USD	812,026.56	153.350	623,765.56	0.82
4,069	SEAGATE TECHNOLOGY PLC	USD	199,752.08	38.590	137,347.40	0.18
8,428	SKYWORKS SOLUTIONS INC	USD	645,291.29	67.020	494,105.91	0.65
5,522	STRYKER CORP	USD	822,413.16	156.750	757,144.51	0.99
20,343	TAPESTRY REG	USD	796,410.05	33.750	600,605.69	0.79
7,556	TEXAS INSTRUMENTS INC	USD	645,248.67	94.500	624,629.92	0.82
9,009	TJX COS INC	USD	268,986.78	44.740	352,594.31	0.46
5,231	UNIVERSAL HEALTH SERVICES INC	USD	572,160.73	116.560	533,383.61	0.70
8,719	VALERO ENERGY	USD	856,442.78	74.970	571,776.62	0.75
11,625	VF REGISTERED	USD	756,868.05	71.340	725,455.41	0.95
17,437	W R GRACE AND COMPANY (W.ISS)	USD	1,085,133.31	64.910	990,103.25	1.31
10,898	WALGREENS BOOTS ALLIANCE INC	USD	585,095.17	68.330	651,418.84	0.86
14,531	WILLIAMS-SONOMA	USD	686,005.54	50.450	641,281.63	0.84
	<b>TOTAL UNITED STATES OF AMERICA</b>		<b>39,029,547.10</b>		<b>35,721,433.15</b>	<b>46.92</b>
	<b>TOTAL EQUITIES</b>		<b>81,413,904.01</b>		<b>72,648,513.24</b>	<b>95.40</b>
	<b>TOTAL TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>		<b>81,413,904.01</b>		<b>72,648,513.24</b>	<b>95.40</b>
	<b>TOTAL INVESTMENTS IN SECURITIES</b>		<b>81,413,904.01</b>		<b>72,648,513.24</b>	<b>95.40</b>
	Cash/(bank overdraft)				2,255,539.17	2.96
	Other assets and liabilities				1,250,002.73	1.64
	<b>TOTAL NET ASSETS</b>				<b>76,154,055.14</b>	<b>100.00</b>

The notes are an integral part of these financial statements.

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**GEOGRAPHICAL CLASSIFICATION  
OF THE INVESTMENTS IN SECURITIES**  
December 31, 2018  
(in %)

<b>COUNTRIES</b>	<b>% of net assets</b>
United States of America	46.92
Japan	7.28
Ireland	4.26
United Kingdom	4.15
France	3.80
Germany	3.14
Canada	2.90
Switzerland	2.58
China	2.20
Bermuda	2.01
Italy	1.99
Turkey	1.79
South Korea	1.63
The Netherlands	1.38
Denmark	1.33
Australia	1.24
Hong Kong	1.09
Brazil	1.02
Mexico	0.97
Indonesia	0.96
Taiwan	0.81
Cayman Islands	0.71
Norway	0.56
Panama	0.36
Jersey	0.32
<b>TOTAL INVESTMENTS IN SECURITIES</b>	<b>95.40</b>
Other assets/(liabilities) and liquid assets	4.60
<b>NET ASSETS</b>	<b>100.00</b>

**ECONOMIC CLASSIFICATION  
OF THE INVESTMENTS IN SECURITIES**  
December 31, 2018  
(in %)

<b>ECONOMIC SECTORS</b>	<b>% of net assets</b>
Pharmaceutical and cosmetics industry	10.41
Internet and software services	9.58
Oil	7.55
Electronics and semiconductors	6.93
Retail trade	5.92
Mechanical engineering and industrial equipment	5.01
Holding and finance companies	4.92
Textiles and clothing industry	4.12
Foodstuffs and non-alcoholic drinks	4.12
Real estate	3.93
Banks and other credit institutions	3.90
Chemicals	3.35
Office supplies and computers	2.75
Insurance	2.74
Biotechnology	2.63
Healthcare, education & social services	2.54
Aeronautical and astronomical industry	2.09
Paper and timber	1.96
Building and building materials	1.65
Hotels, restaurants and leisure	1.30
Clock and watchmaking industry	1.02
Data transmission	0.89
Graphic industry and publishing houses	0.86
Miscellaneous services	0.78
Road vehicles	0.76
Mining industry	0.73
Tobacco and alcohol	0.61
Non-ferrous metals	0.57
Agriculture and fishing	0.56
Energy and water supply	0.39
Transportation	0.38
Miscellaneous consumer goods	0.29
Electrotechnical and electronic industry	0.16
<b>TOTAL INVESTMENTS IN SECURITIES</b>	<b>95.40</b>
Other assets/(liabilities) and liquid assets	4.60
<b>NET ASSETS</b>	<b>100.00</b>

**STATEMENT OF NET ASSETS**December 31, 2018  
(in EUR)**ASSETS**

Portfolio:	(see notes)	
- Cost		30,743,015.44
- Net unrealised result		3,700,597.26
		<b>34,443,612.70</b>
Cash:	(see notes)	
- Cash at sight		741,683.29
		<b>35,185,295.99</b>

**LIABILITIES**

Other liabilities:		
- Payable on redemptions		269,734.20
- Taxes and expenses payable		22,662.62
- Management fees payable	(see notes)	68,129.04
- Management Company fees payable	(see notes)	16,281.98
		<b>376,807.84</b>

**NET ASSETS****34,808,488.15**

Represented by:

421.487 Shares of category A - EUR - Capitalisation with a value of	EUR	568.80	per share
24,990.182 Shares of category I - EUR - Capitalisation with a value of	EUR	1,179.28	per share
936.822 Shares of category I - EUR - Distribution with a value of	EUR	5,442.16	per share

The notes are an integral part of these financial statements.

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**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**

Year ended December 31, 2018

(in EUR)

<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>		<b>38,124,681.81</b>
<b>INCOME</b>		
Income from investments:		
- Dividends, net		50,246.86
Other income		107,311.09
		<b>157,557.95</b>
<b>EXPENSES</b>		
Bank interest, net		1,852.33
Fees:		
- Management fee	(see notes)	277,391.04
- Management Company fees	(see notes)	66,281.23
- Custodian fee and safekeeping charges	(see notes)	50,560.14
Other expenses:		
- Subscription tax	(see notes)	7,990.82
- Transaction fees	(see notes)	365.00
- Administration and other expenses	(see notes)	41,494.99
		<b>445,935.55</b>
<b>NET OPERATING RESULT</b>		<b>(288,377.60)</b>
Net realised result on:		
- Sales of investments	(see notes)	863,703.74
- Foreign exchange	(see notes)	(205.84)
<b>NET REALISED RESULT</b>		<b>575,120.30</b>
Change in net unrealised appreciation/(depreciation) on:		
- Investments		(3,113,839.38)
<b>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>(2,538,719.08)</b>
<b>MOVEMENTS IN CAPITAL</b>		
Subscriptions of shares		1,237,419.04
Redemptions of shares		(1,864,682.10)
		<b>(627,263.06)</b>
<b>DIVIDEND PAID</b>		<b>(150,211.52)</b>
<b>NET ASSETS AT THE END OF THE YEAR</b>		<b>34,808,488.15</b>

The notes are an integral part of these financial statements.

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**STATISTICAL INFORMATION**

Year ended December 31, 2018

**SHARES**

	<b>A - EUR - Capitalisation</b>	<b>I - EUR - Capitalisation</b>	<b>I - EUR - Distribution</b>
Shares outstanding at the beginning of the year	484.847	25,215.182	990.822
Subscriptions of shares	16.990	643.000	74.000
Redemptions of shares	(80.350)	(868.000)	(128.000)
<b>Shares outstanding at the end of the year</b>	<b>421.487</b>	<b>24,990.182</b>	<b>936.822</b>

<b>NET ASSET VALUE PER SHARE</b>	EUR	EUR	EUR
Highest	619.50	1,278.81	6,063.59
	01.12.18	01.12.18	01.12.18
Lowest	566.73	1,174.84	5,421.66
	12.21.18	12.21.18	12.21.18
<b>At the end of the year</b>	<b>568.80</b>	<b>1,179.28</b>	<b>5,442.16</b>

The notes are an integral part of these financial statements.

**CHANGES IN THE NUMBER OF SHARES,  
IN NET ASSETS AND  
IN NET ASSET VALUE PER SHARE**

Date	Share Class	Number of shares outstanding	Net Assets	Ccy	Net asset value per share
12.31.16	A - EUR - Capitalisation	355.496	212,154.46	EUR	596.78
	I - EUR - Capitalisation	26,995.415	33,101,602.43	EUR	1,226.19
	I - EUR - Distribution	1,048.022	6,220,999.59	EUR	5,935.94
12.31.17	A - EUR - Capitalisation	484.847	297,063.71	EUR	612.70
	I - EUR - Capitalisation	25,215.182	31,886,563.27	EUR	1,264.58
	I - EUR - Distribution	990.822	5,941,054.83	EUR	5,996.09
12.31.18	A - EUR - Capitalisation	421.487	239,743.25	EUR	568.80
	I - EUR - Capitalisation	24,990.182	29,470,409.86	EUR	1,179.28
	I - EUR - Distribution	936.822	5,098,335.04	EUR	5,442.16

Potential difference is due to roundings.

**STATEMENT OF INVESTMENTS IN SECURITIES  
AND OTHER NET ASSETS**

December 31, 2018

(in EUR)

Quantity	Description	Ccy	Cost	Value per security	Market value (see notes)	% of net assets
<b>INVESTMENT FUNDS</b>						
<b>OPEN-ENDED INVESTMENT FUNDS</b>						
<b>FRANCE</b>						
2,100	ECHQUIER ARTY 3 DEC CAP	EUR	2,560,280.66	1,485.800	3,120,180.00	8.96
19	ODDO PROACTIF EUR CI EUR	EUR	2,432,615.07	151,570.260	2,879,834.94	8.27
2,750	TIKEH INC INCA-P- 4 DECIMALES	EUR	1,602,150.00	606.290	1,667,297.50	4.79
2,500	VARENNE GLOBAL FCP I	EUR	3,082,250.00	1,130.100	2,825,250.00	8.12
	<b>TOTAL FRANCE</b>		<b>9,677,295.73</b>		<b>10,492,562.44</b>	<b>30.14</b>
<b>GERMANY</b>						
200	ACATIS GANE VALUE EVENT FDS UI -B-	EUR	2,574,578.80	16,626.740	3,325,348.00	9.55
	<b>TOTAL GERMANY</b>		<b>2,574,578.80</b>		<b>3,325,348.00</b>	<b>9.55</b>
<b>LUXEMBOURG</b>						
200,000	ABERDEEN AS PAC MA E 2 EUR CAP	EUR	2,062,955.78	12.342	2,468,320.00	7.09
72,000	BLACKROCK GF GL ALLOC-D2-EUR-FD	EUR	2,296,639.24	49.520	3,565,440.00	10.25
18,379	BLUE GLOBAL -EUR- CAP	EUR	3,221,102.14	161.560	2,969,309.95	8.53
28,843	FVS MUL OPP II -I- DIS	EUR	3,077,192.78	131.070	3,780,516.10	10.87
292,485	MG LUX DYNAMIC ALLOCATION FD CC	EUR	2,510,112.00	8.811	2,577,086.74	7.40
200,000	NORDEA 1 SICAV STABLE RET -BI-	EUR	3,400,000.00	17.220	3,444,000.00	9.89
	<b>TOTAL LUXEMBOURG</b>		<b>16,568,001.94</b>		<b>18,804,672.79</b>	<b>54.03</b>
<b>UNITED KINGDOM</b>						
35,000	MCINROY & WOOD BAL-PERS-GBP	GBP	1,923,138.97	46.699	1,821,029.47	5.23
	<b>TOTAL UNITED KINGDOM</b>		<b>1,923,138.97</b>		<b>1,821,029.47</b>	<b>5.23</b>
	<b>TOTAL OPEN-ENDED INVESTMENT FUNDS</b>		<b>30,743,015.44</b>		<b>34,443,612.70</b>	<b>98.95</b>
	<b>TOTAL INVESTMENT FUNDS</b>		<b>30,743,015.44</b>		<b>34,443,612.70</b>	<b>98.95</b>
	<b>TOTAL INVESTMENTS IN SECURITIES</b>		<b>30,743,015.44</b>		<b>34,443,612.70</b>	<b>98.95</b>
	Cash/(bank overdraft)				741,683.29	2.13
	Other assets and liabilities				(376,807.84)	(1.08)
	<b>TOTAL NET ASSETS</b>				<b>34,808,488.15</b>	<b>100.00</b>

The notes are an integral part of these financial statements.



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**GEOGRAPHICAL CLASSIFICATION  
OF THE INVESTMENTS IN SECURITIES**

December 31, 2018

(in %)

<b>COUNTRIES</b>	<b>% of net assets</b>
Luxembourg	54.03
France	30.14
Germany	9.55
United Kingdom	5.23
<b>TOTAL INVESTMENTS IN SECURITIES</b>	<b>98.95</b>
Other assets/(liabilities) and liquid assets	1.05
<b>NET ASSETS</b>	<b>100.00</b>

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**ECONOMIC CLASSIFICATION  
OF THE INVESTMENTS IN SECURITIES**  
December 31, 2018  
(in %)

<b>ECONOMIC SECTORS</b>	<b>% of net assets</b>
Investment funds	98.95
<b>TOTAL INVESTMENTS IN SECURITIES</b>	<b>98.95</b>
Other assets/(liabilities) and liquid assets	1.05
<b>NET ASSETS</b>	<b>100.00</b>

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

### GENERAL

VECTOR (the “Fund”) is a limited liability company organised as a société d’investissement à capital variable incorporated in Luxembourg on July 8, 2002 for an unlimited duration. The Fund is subject to the provisions of the Law of 1915 and of Part I of the Law of December 17, 2010 and is compliant with the Directive 2009/65/EC of the European Parliament and of the Council of July 13, 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS).

The Fund qualifies as an undertaking for collective investment in transferable securities under article 1(2) of the Directive.

The initial version of Articles were published in the Mémorial on July 30, 2002. The last amendments to the Articles were published in the Mémorial on December 10, 2015. The consolidated Articles have been deposited with the Registre de Commerce et des Sociétés of Luxembourg, where they are available for inspection.

The Fund is registered at the Luxembourg Register of Commerce under the number B 88.004.

As at December 31, 2018, the following Sub-Funds are available to investors:

- VECTOR - NAVIGATOR
- VECTOR - FLEXIBLE
- VECTOR - TOP MANAGERS MIXED.

The Board of Directors of the Fund may, at any time, decide to create additional Sub-Funds or issue additional classes of shares.

Indeed, in order to meet the specific needs of the shareholders, the Board of Directors of the Fund may further decide to issue within each Sub-Fund two or more classes of shares the assets which will be commonly invested pursuant to the specific investment policy of the Sub-Fund concerned, although a separate sale and redemption mechanism, fee structure, distribution policy, hedging policy and any other characteristic may be applicable to a particular class of shares within each Sub-Fund.

To ensure effective management, the Management Company is authorised to manage all or part of the assets of one or more Sub-Funds with other Sub-Funds in the Fund (pooling technique) or to co-manage all or part of the assets, except for a cash reserve, if necessary,

of one or more Sub-Funds of the Fund with assets of other Luxembourg undertakings for collective investment or of one or more sub-funds of other Luxembourg undertakings for collective investment (hereinafter called “Party(ies) to co-managed assets”) for which the Fund’s Depositary Bank was appointed as depositary bank. These assets will be managed in accordance with the respective investment policy of the Parties to co-managed assets, each of which pursuing identical or comparable objectives. Parties to co-managed assets will only participate in co-managed assets as stipulated in their respective prospectus and in accordance with their respective investment restrictions.

Each Party to co-managed assets will participate in co-managed assets in proportion to the assets contributed thereto by it. Assets will be allocated to each Party to co-managed assets in proportion to its contribution to co-managed assets. The entitlements of each Party to co-managed assets apply to each line of investment in the aforesaid co-managed assets.

The aforementioned co-managed assets will be formed by the transfer of cash or, if necessary, other assets from each Party to co-managed assets. Thereafter, the Management Company may regularly make subsequent transfers to co-managed assets. The assets can also be transferred back to a Party to co-managed assets for an amount not exceeding the participation of the said Party to co-managed assets.

Dividends, interest and other distributions deriving from income generated by co-managed assets will accrue to the Parties to co-managed assets in proportion to their respective investments. Such income may be kept by the Party to co-managed assets or reinvested in the co-managed assets.

All charges and expenses incurred in respect of co-managed assets will be applied to these assets. Such charges and expenses will be allocated to each Party to co-managed assets in proportion to its respective entitlement in the co-managed assets.

In the case of infringement to investment restrictions affecting a Sub-Fund of the Fund, when such a Sub-Fund takes part in co-management and even though the Management Company has complied with the investment restrictions applicable to the co-managed assets in question, the Management Company shall, or the Board shall ask the Management Company to, reduce the investment in question proportionally to the participation of the Sub-Fund concerned in the co-managed assets or, if necessary, reduce its participation in the co-managed assets so that investment restrictions for the Sub-Fund are observed.

## GENERAL (continued)

When the Fund is liquidated or when the Board or the Management Company decides - without prior notice - to withdraw the participation of the Fund or a Sub-Fund from co-managed assets, the co-managed assets will be allocated to Parties to co-managed assets proportionally to their respective participation in the co-managed assets.

Investors must be aware of the fact that such co-managed assets are employed solely to ensure effective management, and provided that all Parties to co-managed assets have the same depositary bank. Co-managed assets are not distinct legal entities and are not directly accessible to investors. However, the assets and liabilities of each Sub-Fund will be constantly separated and identifiable.

As at December 31, 2018 this pooling technique is implemented and concerns the 2 following Sub-Funds: VECTOR - NAVIGATOR and VECTOR - FLEXIBLE.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a) Valuation of other assets

The value of any cash on hand or on deposit, bills and demand notes and account receivable, prepaid expenses and dividends and interests declared or accrued but not yet received, is deemed to be the face value unless it appears unlikely that this value will be received; in this case the value is determined by deducting an amount that the Board considers adequate to reflect the true value of these assets.

### b) Valuation of the investments in securities of each Sub-Fund

The valuation of any transferable security and/or money market instrument admitted to trading on an official stock exchange or on any other Regulated Market that operates regularly, is recognised and open to the public, is based on the last available price in Luxembourg on the Valuation Day and, if this transferable security or instrument is traded on several markets, on the basis of the last available price of the principal market of this transferable security or instrument; if the last available price is not representative, the valuation is based on the probable realisation value estimated by the Board with prudence and in good faith.

Non-listed transferable securities or those not traded on a stock exchange or on any other Regulated Market operating regularly, recognised and open to the public are valued on the basis of the probable realisation value estimated by the Board with prudence and in good faith.

Units of undertakings for collective investment are valued on the basis of their last available NAV.

### c) Net realised gain or loss on sales of investments of each Sub-Fund

Realised gains or losses on sales of investments are calculated on the basis of average cost of the investments sold.

### d) Conversion of foreign currencies of each Sub-Fund

The accounting records and the financial statements of each Sub-Fund are expressed in euros (EUR). Bank accounts, other net assets and market value of the investments in securities expressed in currencies other than EUR are converted into EUR at the exchange rates prevailing on the date of the statement of net assets.

Income and expenses in currencies other than EUR are converted into EUR at the rate of exchange prevailing at payment date.

### e) Cost of investments in securities of each Sub-Fund

Cost of investments in securities in currencies other than EUR is converted into EUR at the exchange rate applicable at purchase date.

### f) Valuation of forward foreign exchange contracts

Forward foreign exchange contracts on currencies are valued at the forward rate applicable at the statement of net assets date for the remaining period until maturity.

Gains or losses resulting from forward foreign exchange contracts are recognised in the statement of operations and changes in net assets.

### g) Valuation of futures and options

Futures and options are be valued on the basis of the previous day's closing price on the relevant market. The prices used shall be the liquidation prices on futures markets .

In the financial statements, the options quantities include the size of the contract.

### h) Valuation of swap contracts

Swaps are be valued at fair value based on the last known closing price of the underlying value.

### i) Formation expenses

Formation expenses are amortised on a straight line basis over a period of 5 years.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### j) Combined statements

The combined statements of the Fund are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of each Sub-Fund.

### EXCHANGE RATES AS AT DECEMBER 31, 2018

1	EUR	=	1.6138	AUD
			4.4306	BRL
			1.5613	CAD
			1.1269	CHF
			7.4625	DKK
			0.8976	GBP
			8.9502	HKD
			16,438.4976	IDR
			125.4207	JPY
			1,275.5268	KRW
			22.5129	MXN
			9.8988	NOK
			6.08145	TRY
			1.1432	USD

### COMMISSIONS ON ISSUE, CONVERSION AND REPURCHASE OF THE FUND'S SHARES

For all subscriptions during the year, the shares of each Sub-Fund of the Fund are issued at the NAV per share plus an entry fee as follows:

#### Sub-Fund NAVIGATOR:

1.00% max. for Classes C1 - EUR - Capitalisation, I2 - EUR - Capitalisation and P - EUR - Capitalisation  
3.00% max. for Classes C2 - EUR - Capitalisation, C3 - EUR - Capitalisation and S - EUR - Capitalisation  
0.75% max. for Class I1 - EUR - Capitalisation  
No entry fees for Class F - EUR - Capitalisation

#### Sub-Fund FLEXIBLE:

1.00% max. for Classes C1 - EUR - Capitalisation and P - EUR - Capitalisation  
3.00% max. for Classes C3 - EUR - Capitalisation and S - EUR - Capitalisation  
2.00% max. for Classes C4 - EUR - Capitalisation and I1 - EUR - Capitalisation  
No entry fees for Class F - EUR - Capitalisation

#### Sub-Fund TOP MANAGERS MIXED:

2.00% max. for Classes A - EUR - Capitalisation, I - EUR - Capitalisation and I - EUR - Distribution.

The above description fee maybe charged by the Fund on behalf of the relevant class of shares and are payable to the Management Company, the distributors of the

Fund's shares on any agent active in the placement of the Fund's shares.

The shares of the Fund are redeemed at the NAV per share. A redemption fee of up to 0.25% for Classes C1 - EUR - Capitalisation, C2 - EUR - Capitalisation, C3 - EUR - Capitalisation, C4 - EUR - Capitalisation, P - EUR - Capitalisation, A - EUR - Capitalisation and S - EUR - Capitalisation, may be charged in favor of the divested Class. The percentage of the redemption fee shall be the same for a same Class and for all redemption requests received on the same Valuation Day.

No redemption fees are charged for classes F - EUR - Capitalisation, I1 - EUR - Capitalisation and I2 - EUR - Capitalisation.

The shares of each Sub-Fund can be converted into shares of the same Class of any other Sub-Fund without charge.

### MANAGEMENT AND ADVISORY FEE

The Board is responsible for the management and control including the determination of investment policy of the Sub-Funds.

#### Management Company

Pursuant to a management company agreement dated as of June 1, 2008, the Board of Directors has appointed Vector Asset Management S.A. as Management Company of the Fund for an unlimited period. The Management Company is responsible, on a day-to-day basis and under the supervision of the Board, for the provision of administration, investment management and marketing services in respect of all the Sub-Funds.

The Management Company fee is an effective rate of 0.15% p.a., for VECTOR - NAVIGATOR and VECTOR - FLEXIBLE and 0.18% p.a. for VECTOR - TOP MANAGERS MIXED, calculated as an average percentage of the NAV per quarter of the Sub-Fund and payable quarterly.

The Management Company performs itself the investment management functions for the whole Sub-Funds of the Fund but has delegated the central administration functions to Edmond de Rothschild (Europe).

The Management Company will ensure that the Fund complies with the investment restrictions and the investment policies.

The Management Company will be remunerated partly directly by the Fund, partly through Vector Conseil S.A. for its functions.

## MANAGEMENT AND ADVISORY FEE (continued)

### Investment Advisor

Pursuant to an agreement initially signed as of July 15, 2003 and amended for the last time on November 15, 2010, the Fund has appointed Vector Conseil S.A., 1 rue Jean Piret, L-2350 Luxembourg, Grand Duchy of Luxembourg to advise the Board on the management of the assets of the Sub-Funds NAVIGATOR, FLEXIBLE and TOP MANAGERS MIXED.

Vector Conseil S.A. and Vector Asset Management S.A. will each receive part of the investment management and performance fees paid by the Fund, as agreed by mutual agreement.

The Management and Advisory Fee are fixed as follows:

- an effective rate of 1.50% p.a. for Classes C1 - EUR - Capitalisation, C2 - EUR - Capitalisation, C3 - EUR - Capitalisation, C4 - EUR - Capitalisation, F EUR - Capitalisation and P - EUR - Capitalisation ;
- an effective rate of 0.75% p.a. for Classes I - EUR - Capitalisation, I - EUR - Distribution, I1 - EUR - Capitalisation and I2 - EUR - Capitalisation;
- an effective rate of 2.00% p.a. for Class S - EUR - Capitalisation.
- an effective rate of 1.20% for Class A - EUR - Capitalisation.

## CUSTODIAN FEES AND CENTRAL ADMINISTRATION FEES

Pursuant the following agreements "Depositary Bank Agreement" and "Central Administration Agreement" signed with effective date June 1, 2008 and considering the last amendment made as of September 16, 2017 with effective date as from June 1, 2016, the commission of the Depositary Bank and the Central Administration is the following: an effective rate of 0.14% p.a on the total net assets up to 100 M°EUR; 0.12% on the total net assets over 100 M°EUR with a minimum of 70 000 p.a. The annual fee is applied per tranche and is payable on a quarterly basis.

## PERFORMANCE FEE

For VECTOR - NAVIGATOR

The performance fee per share for each Class, determined on each Valuation Day, is equal to 20% of the out-performance of the Class in question in relation to a benchmark index (the last Bloomberg price on each Valuation Day).

This calculation is based on the evolution of the NAV per share of the relevant Class (before deduction of the performance fee on the Valuation Day) compared to the first NAV which was calculated after the launch date of the relevant Class (the "Initial NAV").

A performance fee is acquired at each NAV calculation when the relative outperformance is greater than the Reference Outperformance (High Watermark), as defined below, even if the NAV as of the relevant Valuation Day is less than the Initial NAV of the relevant Class.

The Reference Outperformance represents the best outperformance of the relevant Class compared to the benchmark index after the Initial NAV of this Class.

The performance fee per share is equal to 20% of the difference between the outperformance on the relevant Valuation Day and the Reference Outperformance multiplied by the NAV as of the relevant Valuation Day.

This performance fee is payable within 15 Business Days after each quarter end.

Investors should note that each Class may have to bear a performance fee even where the NAV has decreased (but only when the decrease was smaller than that of the relevant benchmark index).

Following a written resolution of the Board of directors dated on July 1, 2017, it has been agreed to decrease the performance fee effectively charged to the class C1 in the sub-fund Vector Navigator from 20% of the performance of the class compared to the MSCI World index to 15%. The reduction becomes effective as at August 28, 2017.

For VECTOR - FLEXIBLE  
Classes C1 - EUR - Capitalisation, C3 - EUR - Capitalisation and C4 - EUR - Capitalisation:

The performance fee per share for each Class, determined on each Valuation Day, is equal to 15% of the out-performance of the Class in question in relation to an annual return of 5%.

This calculation is based on the evolution of the NAV per share of the relevant Class (before deduction of the performance fee on the Valuation Day) compared to the first NAV which was calculated after the launch date of the relevant Class (the "Initial NAV").

### **PERFORMANCE FEE (continued)**

A performance fee is acquired at each NAV calculation when the relative outperformance is greater than the Reference Outperformance (as defined hereinafter).

The Reference Outperformance (High Watermark) represents the best outperformance of the relevant Class compared to an annual return of 5% after the Initial NAV of this Class. The performance fee per share is equal to 15% of the difference between the outperformance on the relevant Valuation Day and the Reference Outperformance multiplied by the NAV as of the relevant Valuation Day.

This performance fee is payable within 15 Business Days after each quarter end.

For Classes F - EUR - Capitalisation, I1 - EUR - Capitalisation, P - EUR - Capitalisation and S - EUR - Capitalisation:

The performance fee per share for each Class, determined on each Valuation Day, is equal to 20% of the out-performance of the Class in question in relation to a benchmark index (the last Bloomberg price on each Valuation Day).

This calculation is based on the evolution of the NAV per share of the relevant Class (before deduction of the performance fee on the Valuation Day) compared to the first NAV which was calculated after the launch date of the relevant Class (the "Initial NAV").

A performance fee is acquired at each NAV calculation when the relative outperformance is greater than the Reference Outperformance (High Watermark), as defined below, even if the NAV as of the relevant Valuation Day is less than the Initial NAV of the relevant Class.

The Reference Outperformance represents the best outperformance of the relevant Class compared to the benchmark index after the Initial NAV of this Class. The performance fee per share is equal to 20% of the difference between the outperformance on the relevant Valuation Day and the Reference Outperformance multiplied by the NAV as of the relevant Valuation Day.

This performance fee is payable within 15 Business Days after each quarter end.

Investors should note that each Class may have to bear a performance fee even where the NAV has decreased (but only when the decrease was smaller than that of the relevant benchmark index).

No performance fee for the Sub-Fund VECTOR - TOP MANAGERS MIXED.

### **TRANSACTION FEES**

The amount of transaction fees is included in the statement of operations and changes in net assets of each Sub-Fund.

The transaction costs are composed of broken fees incurred by the Fund and of fees relating to liquidation of transactions paid to the Depository.

### **COLLATERAL HELD AT BROKERS**

The total amount of cash collateral as at December 31, 2018 is disclosed in the Statement of net assets of the Sub-Fund VECTOR - FLEXIBLE as "cash at sight by broker".

### **SUBSCRIPTION TAX**

Under current law and practice, the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax. However, the Fund is liable in Luxembourg to a subscription tax ("taxe d'abonnement") of 0.05 per cent per annum of its net assets, such tax being payable quarterly and calculated on the total net assets of the Fund at the end of the relevant quarter. The rate of the annual subscription tax is reduced to 0.01 per cent per annum in respect of Classes of shares which are only sold to and held by Institutional Investors.

Pursuant to article 175(a) of the amended law of December 17, 2010, the net assets invested in UCI's already subject to the "taxe d'abonnement" are exempt of this tax.

### **DIVIDEND**

During the year, the Fund distributed the following dividend per share with Ex-dividend date as at June 8, 2018 and payment date as at June 1, 2018.  
VECTOR - TOP MANAGERS MIXED Class I - EUR - Distribution: EUR 160.

### **DELEGATION**

Edmond de Rothschild Asset Management (Luxembourg) and Edmond de Rothschild (Europe) may delegate all or part of their functions and duties to a sub-contractor which, having regard to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question.

**CHANGES IN THE INVESTMENT  
PORTFOLIO**

A copy of the changes in the investment portfolio for the period ended December 31, 2018 is available free of charge at the registered office of the Fund.

**TRANSACTION FEES**

A copy of the changes in the investment portfolio for the year ended December 31, 2018 is available free of charge at the registered office of the Fund.

**GLOBAL EXPOSURE CALCULATION  
METHOD**

The Management Company uses the commitment approach in order to monitor and measure the global exposure for all Sub-Funds.

**SUBSEQUENT EVENT**

There was no material element subsequent to the closing.



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**FUTURES**

As at December 31, 2018, the following futures contract(s) was (were) outstanding :

**VECTOR - FLEXIBLE**

Sale / Purchase	Quantity	Contract(s)	Size	Price as at 12.31.18	Commitment EUR	Unrealised result EUR	Brokers
<b>FUTURES ON INDEX</b>							
Sale	1,350	MSCI WORLD EUR 03/19	100	240.00 EUR	32,400,000.00	1,734,245.00 <b>1,734,245.00</b>	JP Morgan Londres

The unrealised gain/(loss) result on the outstanding futures contract(s) as at December 31, 2018 for VECTOR - FLEXIBLE is included in the statement of net assets of the Sub-Fund.

## **OTHER INFORMATION (unaudited appendix)**

### **UCITS V**

The purpose of this Remuneration Policy Statement is to provide investors with details of the Vector Asset Management (“VAM”)’s Remuneration Policy in accordance with Directive 2009/65/EU which applies to any UCITS Funds under its management.

A paper copy of the Vector Asset Management (hereafter VAM) Remuneration Policy is available free of charge upon request.

#### **PURPOSE AND SCOPE OF THE REMUNERATION POLICY**

The Remuneration Policy of VAM has been designed to align the personal objectives of staff with the long term interests of VAM and the funds under its management. It aims at mitigating incentives practices which may encourage employees to take unnecessary risk.

The Policy applies to all staff which includes Board of Directors, members of control functions, risk takers, and any employee with remuneration which takes them into the same bracket as risk takers whose activities have a material impact on the risk profiles of VAM or the funds it manages.

#### **DESCRIPTION OF THE STRUCTURE OF REMUNERATION**

The remuneration includes only a fixed component. There is no variable remuneration component within VAM.

Fixed remuneration: Fixed remuneration is defined as base salary plus material company provided benefits which may include company cars and company pension contributions.

Award process for remuneration: Responsibility for the remuneration process at VAM rests with the Board of Directors.

#### **SECURITIES FINANCING TRANSACTIONS AND OF REUSE REGULATION (“SFTR”)**

The Fund does not use any instruments falling into the scope of SFTR directive.