



## DJE - DIVIDENDE & SUBSTANZ LOOKS FOR UNDERVALUED AND DIVIDEND YIELDING TITLES



DR. JAN EHRHARDT

Distribution Share Class

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### Fund Manager: DJE Kapital AG

Responsible Dr. Jan Ehrhardt  
since inception

### Fund Facts

ISIN:	LU0828771344
WKN:	A1J4B6
Bloomberg:	DJEDIPA LX
Reuters:	A1J4B6X.DX
Asset Class:	Global Equity Funds
Minimum equity	51%
Partial exemption of income <sup>5</sup>	30%
Investment Company <sup>3</sup> :	DJE Investment S.A.
Fund Manager:	DJE Kapital AG
Type of Share:	payout <sup>3</sup>
Financial Year:	01/07 - 30/06
Launch Date:	04/01/2013
Fund currency:	EUR
Fund Size (23/04/2019):	1.17 Mrd. EUR
TER p.a. (30/06/2018) <sup>3</sup> :	1.84 %

### Reference Index of the fund<sup>3</sup>

■ 100% MSCI World EUR<sup>1</sup>

### Ratings & Awards<sup>4</sup> (23/04/2019)

Morningstar Rating Overall<sup>2</sup>: ★★

## DJE - DIVIDENDE & SUBSTANZ PA (EUR)

### INVESTMENT STRATEGY

The investment focus of DJE - Dividende & Substanz is on stocks that pay good dividends and have solid balance sheets. The fund is benchmark agnostic and invests internationally while pursuing an active value approach which focuses on companies' value-retention characteristics and fundamentals. In addition, it is also possible to invest in fixed and variable-rate securities. In the selection of individual stocks, companies are analysed using quantitative and qualitative criteria. These criteria do not focus solely on earnings figures, but also on a broad range of balance sheet indicators that are crucial for the selection of financially strong companies.

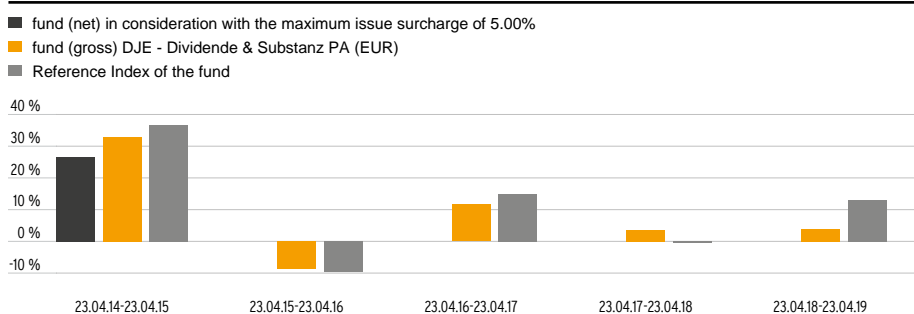
### PERFORMANCE IN PERCENT VS. REFERENCE INDEX SINCE INCEPTION (04/01/2013)



Data: Bloomberg, own illustration.

As at: 23/04/2019

### PERFORMANCE IN PERCENT VS. REFERENCE INDEX LAST 5 YEARS (23/04/2014)



Data: Bloomberg, own illustration. Calculated according to the BVI Bundesverband Investment und Asset Management e.V.) method, i.e. not taking into account the front end load.

As at: 23/04/2019

### PERFORMANCE VS. REFERENCE INDEX IN PERCENT

	1 Mo	YTD	1 Yr	3 Yrs	5 Yrs	SI
Fund	2.27%	12.91%	3.98%	20.15%	45.73%	58.70%
Reference Index	4.50%	18.59%	13.06%	29.34%	59.79%	85.93%

As at: 23/04/2019

The presented charts and tables concerning performance are based on our own calculations according to the gross performance (BVI) method and illustrate past development. Future results may vary both positively and negatively. The BVI method takes into account all costs incurred at the fund level (e.g. management fees), the net performance and the issue fee. Additional individual costs may be incurred at the customer level (e.g. custodian fees, commission and other charges). Model calculation (net): an investor wishes to purchase shares for Euro 1,000. With a maximum issue surcharge of 5.00%, he has to spend a one-off amount of Euro 50.00 when making the purchase. In addition, there may be custodian costs that reduce performance. The custodian costs are decided by your bank's price list and service charges. Information regarding past development is not a reliable indicator of future performance.

1 | 2 see also on page 4

3 | see also on ([www.dje.de/DE\\_en/fonds/fondswissen/glossar](http://www.dje.de/DE_en/fonds/fondswissen/glossar))

4 | sources on homepage ([www.dje.de/DE\\_en/page/14500](http://www.dje.de/DE_en/page/14500))

5 | The fiscal treatment depends on the personal circumstances of the respective client and can be subject of change in the future.



## DJE - DIVIDENDE & SUBSTANZ LOOKS FOR UNDERVALUED AND DIVIDEND YIELDING TITLES



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### Asset Allocation in percent of fund volume (29/03/2019)<sup>3</sup>

Stocks	96.19 %
Cash	3.81 %

### Top Countries in percent of fund volume (29/03/2019)

United States	32.22 %
Germany	17.08 %
Hong Kong	10.52 %
France	10.45 %
Switzerland	8.68 %

### Fund prices per 23/04/2019

Bid:	144.55 EUR
Offer:	151.78 EUR

### Fees<sup>3</sup>

Initial Charge:	5.00%
Management Fee p.a.:	1.32%
Custodian Fee p.a.:	0.10%
Advisory Fee p.a.:	0.35%

up to 10% of the increase in Fund assets in excess of 6% (Hurdle Rate), High Water Mark over preceding 5 years.

<sup>3</sup> | see also on ([www.dje.de/DE\\_en/fonds/fondswissen/glossar](http://www.dje.de/DE_en/fonds/fondswissen/glossar))

## DJE - DIVIDENDE & SUBSTANZ PA (EUR)

### TOP TEN SECTORS IN PERCENT OF FUND VOLUME (29/03/2019)

HEALTH CARE	10.95 %
FINANCIAL SERVICES	9.64 %
TRAVEL & LEISURE	8.30 %
PERSONAL & HOUSEHOLD GOODS	7.37 %
CHEMICALS	7.21 %
TECHNOLOGY	6.80 %
FOOD & BEVERAGE	6.46 %
INSURANCE	5.51 %
INDUSTRIAL GOODS & SERVICES	5.40 %
UTILITIES	4.06 %

### TOP HOLDINGS IN PERCENT OF FUND VOLUME (29/03/2019)

GREAT EAGLE HOLDINGS LTD	3.99 %
DANONE	3.82 %
BLACKROCK INC	2.89 %
ROCHE HOLDING AG-GENUSSSCHEIN	2.80 %
MERCK & CO. INC	2.32 %
LOREAL	2.22 %
LAS VEGAS SANDS CORP	2.21 %
ORSTED A/S	2.05 %
HANNOVER RUECKVERSICHERU-REG	2.00 %
ELI LILLY & CO	1.81 %

### RISK MEASURES<sup>3</sup>

Standard Deviation (2 years)	9.83%	Sharpe Ratio (2 years)	0.38
Tracking Error (2 years)	6.66%	Correlation (2 years)	0.73
Value at Risk (99% / 20 days)	-6.21%	Beta (2 years)	0.66
Maximum Drawdown (1 year)	-13.03%	Treynor Ratio (2 years)	5.64

As at: 23/04/2019

### MONTHLY COMMENTARY

In March the international equity markets continued their recovery although the upward momentum slowed compared to the two extremely strong previous months. The German stock market on the other hand was stagnating due to weakness in the automotive and financial sectors. The international stock markets were supported monetary. The European Central Bank announced a two-year programme for long-term interest-free refinancing loans (TLTRO). On the European bond markets this triggered a rally in government bonds. Yields on ten-year German government bonds fell below the 0% mark for the first time since 2016. The US Federal Reserve (Fed) announced its intention to reduce its balance sheet more slowly from May onwards and to discontinue the reduction from September. In addition it signaled that it is unlikely to raise key interest rates again this year. An agreement in the trade conflict had not yet been found but the markets continued to expect a positive result from the talks between the USA and China. In this market environment the DJE - Dividende & Substanz rose 1.61%. Its benchmark index MSCI World rose 2.48% in euro terms. During the month the fund benefited primarily from its investments in the household goods and food & beverage sector. Anyway titles of the credit and automotive sector had a negative impact. Viewing individual stocks the French food producer Danone and the consumer goods producer L'Oréal as well as the American asset manager Blackrock provided the strongest contribution to the overall result of the fund. However, the German Wacker-Chemie Group and the telecommunications company Veon had a negative impact on the fund's performance. During the month the fund management increased its exposure to the financial services, technology and household goods sectors. In return it reduced its holdings in the chemical, industrial and real estate sectors. Regionally, the fund management reduced its exposure to the UK, Germany and China (including Hong Kong) in favour of US equities. Because of these adjustments the fund's equity exposure fell from 98.5% to 96.2%. There were no currency hedges at the end of the month.



Distribution Share Class

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**Target group****The fund is suitable for investors**

- + with a medium to long-term investment horizon
- + who seek to focus their equity investments on stocks that pay dividends
- + who wish to reduce risk compared to a direct investment

**The fund is not suitable for investors**

- with a short-term investment horizon
- who seek safe returns
- who are not prepared to accept increased volatility

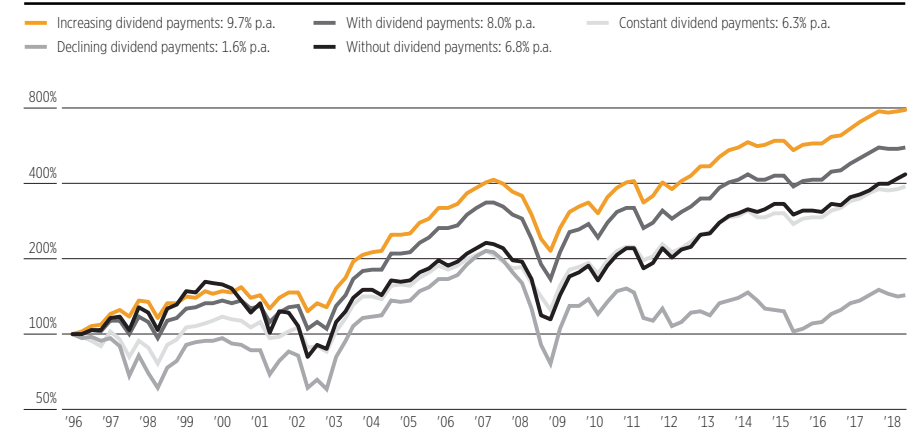
**Risk class (SRRI 1-7)<sup>3</sup>**

← low risk lower rewards                      high risk higher rewards →

1	2	3	4	5	6	7
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**DJE - DIVIDENDE & SUBSTANZ PA (EUR)****INVESTMENT APPROACH**

The particular importance of dividend payments is often underestimated. In the long run, dividends offer the highest contribution to the overall performance of an equity investment as reinvested dividends achieve a considerable compound interest-effect. Therefore the DJE- Dividende & Substanz prefers equities with high yields. Anyway, the possibility of obtaining the highest possible yield is not decisively, but the achievement of sustainable and in the best case increasing yields (see graphic). This is supported by a low distribution quota. Empirical analyses proofed especially in a difficult market environment that high-yield titles offer much more stability than titles with a low dividend, as the dividend is able to soften temporarily losses. The calculation is easy and clear: good substance, excellent balance structure as well as a high dividend return in combination with the highest possible secured profit situation increases the chances to achieve a sustainable investment success.

**PERFORMANCE\* OF SHARES WITH A DIFFERENT DIVIDEND POLICY FROM THE MSCI WORLD EUR**

As at: 30/09/2018

**OPPORTUNITIES AND RISKS****Opportunities**

- + Participation in the growth opportunities of the global stock markets unconstrained of benchmark index parameters
- + Attractive level of global dividend-paying securities
- + Experienced fund manager following an investment approach based on fundamental, monetary and market-technical (FMM) analysis, which has a proven track record of over 45 years

**Risks**

- Equity prices may exhibit relatively strong fluctuations depending on market conditions
- Currency risks resulting from a high proportion of foreign investments
- Issuer country and credit risks
- Proven investment approach to date is no guarantee of future investment success

<sup>3</sup> | see also on KIID <https://www.dje.de/de-de/documents/LU0828771344/KIID/inline>

## DJE - DIVIDENDE & SUBSTANZ LOOKS FOR UNDERVALUED AND DIVIDEND YIELDING TITLES



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### DJE Kapital AG

The DJE Kapital AG has more than 45 years experience in wealth management and is one of the leading bank independent wealth and asset managers in German-speaking Europe. Our investment strategy is based on a three-dimensional approach, the FMM methodology. It takes three views on the stock exchange and financial markets: fundamental, monetary and market-technical.

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## DJE - DIVIDENDE & SUBSTANZ PA (EUR)

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The tax treatment depends on the individual circumstances of the investor and may be subject to change. Please see the prospectus for more detailed tax information.

In connection with brokering fund units, the Dr. Jens Ehrhardt Group and its distribution partners may receive reimbursements from costs charged to the funds by the investment companies in accordance with the respective prospectuses.

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