



MARCH CARTERA CONSERVADORA FI

July-2019

MARCH A.M.
 **BancaMarch**

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Macroeconomic and Market Overview

The second quarter of 2019 has been once again influenced by the commercial tension between China and the United States. China's answer to the last measures adopted against Huawei has not been as soft as last scenarios: the constraint in "rare earth" mineral exports, where China produces the 70% of the world's total and that are used almost in every current technological applications since it a tool of additional pressure in comparison to other cutting options more conventional. The generated mood with regards to global markets as a result of this situation has been the trigger of the turmoil increase and strong correction episodes.

Within this increasing tension context it is very important to highlight the resilience of the global growth. The economic strength of emerging markets has permitted that the lesser potential growth of the developed economies does not affect the global data, that remains stable around the 3.50% throughout this year. We expect a more stable macro scenario throughout the second half of 2019, therefore, we will progressively increase, taking advantage of market movements, the exposure to global markets as a diversification instrument.

After a negative may, the global markets have recover field again, with indexes such as the S&P 500 that are back to historical maxima area. Other than the industrial sector, it is worth highlighting that consumption shows a more solid fundamentals: the solid continuous employment creation and salary raises progresses at a reasonable pace. In this context, we believe that the current data does not show indicators of an imminent recession: the published economic data and, specially, the early businesses confidence indicator forecasts that the economic deceleration moves forward.

Monthly Portfolio Commentary

The portfolio returned +1.13% in June with return standing at +4.78% YTD.

Investments in relative value funds and alternative strategies contributed a combined 0.18% to the portfolio, whilst the equity component added 0.61% and the fixed income component contributed 0.27%. The various strategies the fund invests in take on a range of currency risks, as some strategies are managed in currencies other than the Euro. To avoid additional portfolio volatility, we hedge against this risk to a large degree.

The good performance of the different markets has been reflected in our portfolio, where almost all the strategies have contributed return. Family Businesses is the main return contributor of the portfolio, after the increase of more than 4.5% during this month, although the strategy that has shown the best performance is Alger's Medium Cap American Companies, with a return of more than a 5% in the month. Among the absolute return strategies, Gaia Egerton with an increase of 3.6% and Nordea's Alpha 15 with an increase of 3.6% are those that show better performance, where the negative grade is Neuberger's Uncorrelated Strategy, which loses a -1.8%, almost exclusively due to the exchange rate.

In June we have carried out slight adjustments to the portfolio, maintaining the diversification by strategies of previous months. Within the fixed income portfolio we have carried out small partial sells taking advantage of the good performance of BNYM's Global Dynamic Bond and Jupiter's Dynamic Bond strategies. In the case of the equity portfolio we have decreased our investment in Europa Bolsa, March Global and Valores Iberian Equity whilst we have slightly increased our position in Alger's Medium Cap American Companies strategy. We have also increased to a 1.5% the weight in equity emerging markets. We have also slightly increased exposure to K2's Alternative Strategies.

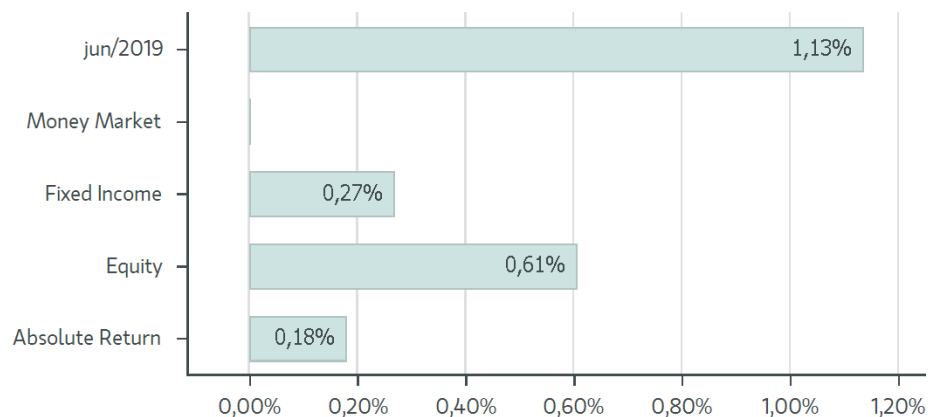
Development of your Portfolio



Monthly Return

	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	YTD
2019	2,44%	1,19%	0,36%	0,65%	-1,06%	1,13%							4,78%
2018	0,56%	-0,94%	-0,90%	0,78%	-0,09%	-0,62%	0,59%	-0,58%	-0,09%	-2,86%	-0,39%	-2,23%	-6,63%
2017	0,42%	0,84%	0,38%	0,63%	0,36%	-0,36%	0,13%	-0,10%	0,56%	0,72%	-0,38%	0,03%	3,28%
2016	-2,10%	0,03%	1,45%	0,34%	0,47%	-0,64%	1,23%	0,45%	-0,13%	-0,12%	-0,44%	0,93%	1,41%
2015	1,47%	1,54%	0,31%	-0,22%	0,20%	-1,45%	0,58%	-1,97%	-1,62%	2,33%	0,45%	-1,07%	0,45%
2014	0,05%	0,95%	0,38%	0,13%	0,98%	0,21%	-0,10%	0,27%	-0,67%	-0,15%	0,99%	-0,26%	2,80%

Monthly Return per Asset Class



The monthly contribution of each category is calculated as the 1-month return in EUR of each underlying fund weighted by category as at 30/06/2019.

Yearly Rolling Return



Rolling 12 month return

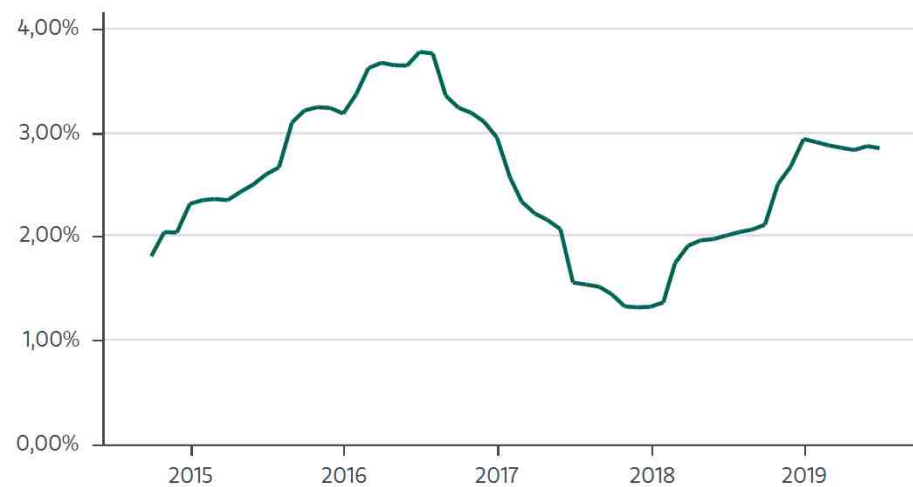
Return data as of 30/06/2019 net of fees.
 Fuente: March A.M.

Risk / Return Ratio

Return last month	1,13%
Return 3 months	0,71%
Return year to date	4,78%
Return 1 year	-0,96%
Return 3 year	2,98%
Volatility	2,85%
VaR at 99%	0,32%
Maximum Drawdown	-8,03%

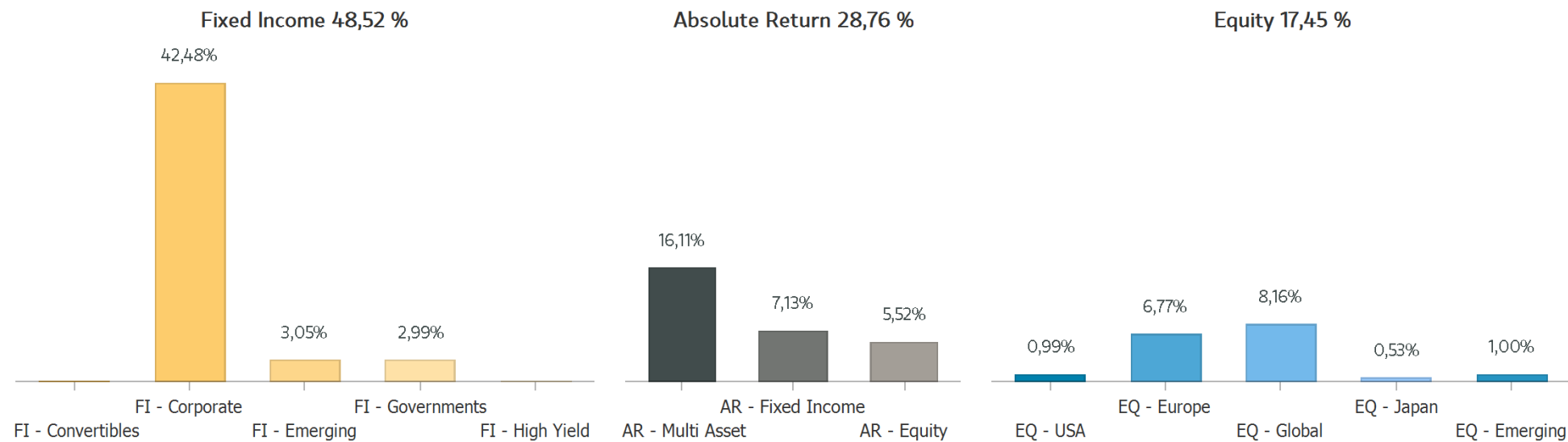
Data as of 30/06/2019 since 30/09/2013. Volatility and VaR calculated on a 12 month period with daily data.

Volatility



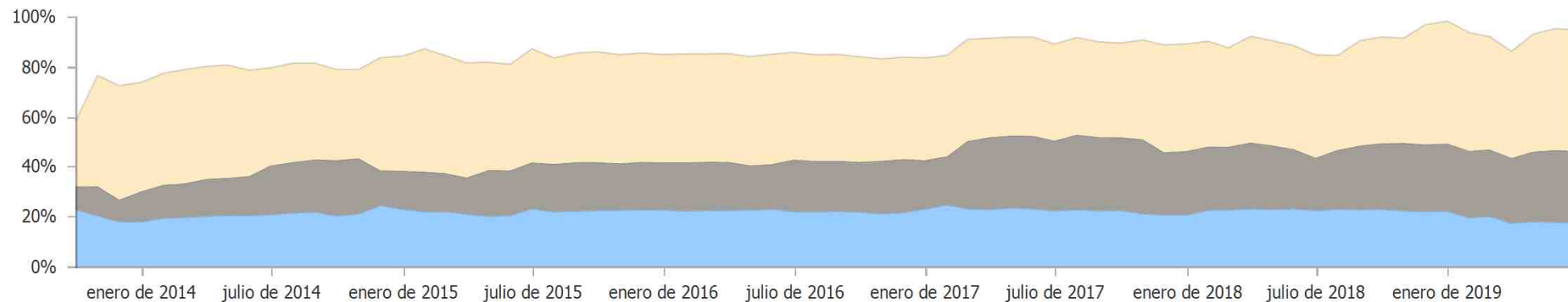
Rolling 12 month daily volatility

Subasset Class allocation



Portfolio data as of 30/06/2019

Change in Asset Allocation



Data as of 30/06/2019 since 30/09/2013 of the monthly asset class distribution.
 Source: March A.M.

Your Portfolio

Fund	Asset Class	Weight	Return				
			1 month	3 months	6 months	YTD	1 year
MUZIN-ENHANCEDYIELD ST EUR ACC	FI - Corporate	3,20%	0,85%	1,01%	3,40%	3,40%	2,44%
MARCH INTL-TORRENOVA LUX I EUR	FI - Corporate	6,82%	1,09%	0,94%	4,56%	4,56%	1,20%
ESPERIA FD CORP BOND E I	FI - Corporate	2,00%	0,92%	0,99%	3,09%	3,09%	2,20%
JUPITER JGF DY B FD I EUR A	FI - Corporate	3,05%	0,68%	2,45%	6,20%	6,20%	5,45%
EVLI SHORT CORP BOND IB EUR	FI - Corporate	3,21%	0,60%	1,15%	2,69%	2,69%	1,92%
CANDRIAM LONG SHORT CREDIT VCE	FI - Corporate	3,66%	0,17%	0,26%	0,61%	0,61%	0,29%
MARCH PREMIER RENTA FIJA CP C	FI - Corporate	6,50%	0,10%	0,20%	0,78%	0,78%	-0,20%
NORDEA LOW DUR EUR C-BI EUR	FI - Corporate	3,76%	0,56%	1,48%	2,58%	2,58%	2,01%
FONMARCH FI C	FI - Corporate	2,87%	0,50%	0,91%	2,15%	2,15%	1,01%
DEU FLOATING RATE NOTES-IC	FI - Corporate	3,70%	0,07%	0,21%	0,81%	0,81%	-0,05%
UBAM AB RET L VOL FX INC-IPE	FI - Corporate	3,71%	0,22%	0,18%	0,71%	0,71%	0,37%
THREADNEEDLE-GL E MKT ST-ZEH	FI - Emerging	2,03%	1,78%	1,59%	5,45%	5,45%	4,26%
EDR FUND-EMERG BONDS I EUR	FI - Emerging	1,02%	1,53%	0,18%	3,90%	3,90%	-2,15%
BNYM GL DYNAMIC BOND W USD	FI - Governments	2,99%	-0,11%	1,42%	6,28%	6,28%	9,28%
ALGER SMALL CAP FOCUS I USD	EQ - USA	0,99%	6,02%	7,69%	31,46%	31,46%	22,13%
MELCH EUR OPPOR FND-I1	EQ - Europe	1,07%	3,21%	1,63%	15,80%	15,80%	-0,91%
MARCH EUROPA C	EQ - Europe	0,98%	2,43%	-3,06%	8,73%	8,73%	-10,15%
MAN GLG PAN EU EQ GR IFCEUR	EQ - Europe	1,19%	3,45%	4,54%	25,79%	25,79%	-2,22%
THREADNEEDLE-PN EU SC O -IE	EQ - Europe	1,10%	3,39%	5,22%	20,10%	20,10%	-0,64%
MARCH INTL-VALORES IBERIAN I EUR	EQ - Europe	0,86%	2,52%	1,49%	11,33%	11,33%	-5,15%
HENDERSON HOR PAN EU AL I2 EUR	EQ - Europe	1,57%	2,46%	0,68%	3,17%	3,17%	-2,87%

Your Portfolio

Fund	Asset Class	Weight	Return				
			1 month	3 months	6 months	YTD	1 year
MARCH INTL-FAMILY BUSINESSES I EUR	EQ - Global	2,72%	4,64%	3,31%	14,96%	14,96%	1,65%
MORGAN ST INV F-GLB BRNDS-Z	EQ - Global	1,63%	3,04%	3,73%	21,33%	21,33%	17,47%
MARCH INTL-VINI CATENA I EUR	EQ - Global	2,31%	2,28%	-0,27%	9,39%	9,39%	-2,73%
MARCH GLOBAL C	EQ - Global	1,50%	3,72%	2,74%	16,89%	16,89%	-2,98%
ABERDEEN GL JPN SMLL COMP I2 EUR	EQ - Japan	0,53%	0,55%	0,61%	9,33%	9,33%	-8,12%
NORDEA 1 EMRG STARS I USD	EQ - Emerging	1,00%	6,24%	1,53%	17,05%	17,05%	4,07%
NB UNCORRELATED STRAT IUSDA	AR - Multi Asset	2,94%	-1,73%	-1,03%	2,96%	2,96%	3,68%
NORDEA 1 ALPHA 7 MA-BI EUR	AR - Multi Asset	3,04%	1,36%	-0,02%	3,66%	3,66%	2,33%
FRANKLIN K2 ALT ST-IPFAEH1	AR - Multi Asset	2,00%	1,49%	0,99%	4,50%	4,50%	0,00%
ESPERIA SYSTEMATIC DV I	AR - Multi Asset	2,00%	1,19%	-1,36%	0,58%	0,58%	-0,98%
BLACKSTONE DIVERS MSI EUR ACC	AR - Multi Asset	3,15%	0,96%	1,15%	4,98%	4,98%	4,04%
EDR START-S	AR - Multi Asset	2,97%	0,13%	0,18%	0,67%	0,67%	0,23%
BLACKROCK STR EMK FX DYN I2U	AR - Fixed Income	2,02%	1,00%	3,39%	10,86%	10,86%	7,90%
DNCA INVEST-ALPHA BONDS-IEUR	AR - Fixed Income	3,05%	0,31%	0,23%	1,52%	1,52%	0,83%
BLUEBAY GL SOV OPP IUSDCP	AR - Fixed Income	2,06%	0,64%	0,84%	3,51%	3,51%	0,00%
CANDRIAM RISK ARBITRAGE-I	AR - Equity	1,98%	-0,15%	-0,30%	0,12%	0,12%	0,00%
MERIAN GBL EQ ABRET I EUR AC	AR - Equity	1,92%	0,35%	-2,65%	-5,99%	-5,99%	-9,45%
SCHRODER GAIA EGERTON -C (EUR ACC)	AR - Equity	1,63%	3,38%	2,65%	14,87%	14,87%	2,59%

Return data in EUR.

Portfolio investment in funds as at 30/06/2019. The remainder is invested in money market and fixed income instruments with a duration of less than 1 year.

Source: March A.M. and Bloomberg

Portfolio Movements

Movement	Date	Commentary
Buy	Jun-2019	Increase of a 1.5% of the weight in equity emerging markets
Sell	Jun-2019	Reduction of the investment in Europa Bolsa, March Global and Valores Iberian Equity
Sell	Jun-2019	Partial sell, due to its good performance, of BNYM's Global Dynamic Bond strategy
Sell	Jun-2019	Partial sell, due to its good performance, of Jupiter's Dynamic Bond strategy
Sell	Jun-2019	Total sell of the strategy Valores Iberian Equity
Buy	Jun-2019	Buy of K2's Alternative Strategies
Buy	Apr-2019	Franklin Templeton K2 Alternative Strategy
Switch	Apr-2019	Candriam L/S Credit
Buy	Mar-2019	Nordea Alpha 7
Sell	Mar-2019	Nordea Alpha 15
Buy	Mar-2019	Candriam Risk Arbitrage
Buy	Mar-2019	DNCA Alpha Bonds
Sell	Mar-2019	Jupiter Convertible Bond
Sell	Mar-2019	DWS Kaldemorgen
Sell	Mar-2019	M&G Dynamic Allocation
Sell	Mar-2019	DWS Alpha Renten

Fund Details

ISIN	ES0123541007
Launch Date	30/12/2006
Change of Investment Policy	21/12/2018
Management and Performance Fee	0,70 % + 9 % Success
Depository Fee	0,10%
Minimum Investment	N/A
Asstes under Management (mn)	32,84 €
NAV and Liquidity	Daily
Portfolio Manager	Santiago Montero Ruiz
Custodian	BANCA MARCH, S.A.

Risk Profile



← Potentially lower reward

Potentially higher reward →

← Lower risk

Higher Risk →

The indicator is based on the available history of the returns of the Fund. The risk category shown is not guaranteed and may change over the time.

Annex

Description of the invested funds	
ABERDEEN GL JPN SMLL COMP I2 EUR	Strategy investing in Japanese small caps operating substantially in the Japanese market. The fund's portfolio is concentrated on 30 to 40 high-conviction stocks over a long-term investment horizon. Stock picking is based on fundamental analysis.
ALGER SMALL CAP FOCUS I USD	US equity fund managed by Alger, an asset manager founded in 1964 and one of the pioneers of growth-style management. The fund manager, supported by her team of analysts, invests primarily in small caps with robust growth potential, using a strategy that seeks to generate returns by identifying companies undergoing a positive change in dynamics, which are in the early stages of their cash generation potential and which enjoy a strong competitive edge and high financial quality. With an investment horizon of over three years, which means low portfolio turnover and therefore lower costs, the fund seeks to double the initial investment made in any given name.
BLACKROCK STR EMK FX DYN I2U	Actively managed and not constrained by a benchmark, this fund invests mainly in bonds issued by emerging market governments, public agencies and corporates, both in local and hard currencies (USD, EUR).
BLACKSTONE DIVERS MSI EUR ACC	Multi-strategy fund with an investment philosophy that stems from the management team's top-down view, which is based on a range of macro scenarios and implemented through various management teams, enhancing the fund's inherent diversification.
BLUEBAY GL SOV OPP IUSDCP	The Bluebay team, a specialised fixed income manager, directly manages this macro global strategy by investing in a portfolio of interest rates, currencies and sovereign debt in developed and emerging markets at a global scale. The strategy moves top-down macroeconomic visions into a selection of individual assets by implementing a combination of relative value directional tactics and tactical positioning, with a strong emphasis on liquidity. The global scope of the strategy and its broad guidelines provide the flexibility to direct the exposure in an opportunistic way to different assets and instruments and permits minimising the risk of slumps during market stress periods.
BNYM GL DYNAMIC BOND W USD	The fund aims to outperform inflation +2% over 5 years through an active management of fixed income investments, including sovereign debt and credit. It can invest in both high-rated issuances and HY. The fund actively manages duration, yield curve positioning and currency exposure, and seeks to generate returns through various strategies.
CANDRIAM LONG SHORT CREDIT VCE	Absolute return strategy which seeks to harness investment opportunities in the credit markets, using arbitrage and directional strategies (both on purchases and sales) on corporate bonds and credit derivatives. It covers a broad investment universe of high grade and high yield assets, and is geographically diversified across Europe, North America and Japan.
CANDRIAM RISK ARBITRAGE- I	Event Driven strategy (restructuring or merger processes, liquidations or bankruptcies that can cause inefficiencies in the share prices) which present a low correlation with the market, not depending exclusively on the behavior of it. The team invests in officially announced events, which limits the risk of the operation, mainly in the European and North American markets. Its objective is to outperform Eonia in an investment horizon of 18 months, with a low volatility less than 5%.
DEU FLOATING RATE NOTES- IC	Global fixed-income strategy that invests in EUR floating bonds with investment grade rating to take advantage of the possible rates hike and the curves normalisation in Europe. We deem it as an alternative to liquidity, with a return-risk profile higher, but maintains a very low volatility and with no rates risk.
EDR FUND-EMERG BONDS I EUR	The fund aims to beat the returns offered by all emerging countries' fixed income markets through a high conviction, discretionary management. Unconstrained by region, the fund can invest in Latin America, Africa, the Middle East, Asia and Eastern Europe, mainly in bonds and money market instruments, with no constraints in terms of rating. In extreme market conditions, the fund can hedge all or some of its positions using derivatives.

Annex

Description of the invested funds	
EDR START-S	Multi-strategy fund with a low risk profile in which the management team's global outlook is implemented by bringing together the top investment bets of Rothschild's own teams in accordance with the risk budgets allocated to each of them.
ESPERIA FD CORP BOND E I	The fund offers exposure to the eurozone credit market, investing in both sovereign and corporate debt in accordance with the principle of risk diversification. Issuers must be rated at least BBB- or equivalent. Exposure to convertible bonds may not exceed 10% of the fund's assets.
ESPERIA SYSTEMATIC DV I	Systematic investment strategy targeting a broad range of uncorrelated equity and fixed income assets which seeks capital appreciation over the medium term, responding flexibly to market trends. The portfolio is constructed via a similar risk allocation for each of the components of the portfolio.
EVLI SHORT CORP BOND IB EUR	This fund invests in European short-maturity corporate bonds and is sector and rating unconstrained. The team selects issuers based on its own credit research, coupling the analysis of the issuers' fundamentals with its own in-house valuations. The fund has historically had significant exposure to the Nordic markets.
FONMARCH FI C	Actively managed Euro-denominated bond fund with a duration range of 1 to 4 years. The fund seeks to identify the best opportunities in the fixed income universe - sovereign debt, credit and money market instruments - with very low currency risk (only 5% of the portfolio can be held in currencies other than EUR).
FRANKLIN K2 ALT ST-IPFAEH1	Absolute return strategy that by means of the compound in different type of assets seeks to moderate the volatility, decreasing the asymetrics drops risks and obtaining yields adjusted by risk that are reasonable. The investment is carried out through four main strategies (relative value in equity, arbitrage in fixed income, corporate events and macroeconomic approach).
HENDERSON HOR PAN EU AL I2 EUR	The investment goal is to generate long-term capital appreciation mainly by taking positions in European equities. At least two thirds of the fund's total assets are to be invested in equities and equity equivalents (excluding convertible bonds) of companies domiciled in Europe (including the UK) or which generate the bulk of their revenues through operations in the region.
JUPITER JGF DY B FD I EUR A	The fund will invest mainly in high-yielding assets, including investment grade bonds, sovereign debt and convertible bonds. The fund's managers can use derivatives, but only for hedging purposes. Investments are identified based on a combination of macroeconomic analysis and careful asset selection. The fund's main strategy is to seek intrinsic value opportunities and risk-return asymmetries in bonds.
MAN GLG PAN EU EQ GR IFCEUR	Long-term European equity strategy focused on 30-40 companies of any capitalization that focuses its investment on two main themes: consolidated leaders within their sectors and those with great growth potential that can become the winners of the future. The management is done without considering the benchmark, highlighting the search to create a portfolio of scalable companies, fundamentally selected and of high conviction. The core of the process of selecting companies is the multiple preservation of capital, mainly looking for companies in which a reduction of estimates is unlikely more than those that will improve their estimates and in which profits and cash flows play a role. determinant.
MARCH EUROPA C	The fund invests in European companies trading on European markets, regardless of market cap. Asset selection focuses on quality companies with compelling valuations, strong fundamentals and features that set them apart from the competition; essentially, good investment opportunities. The fund does not track an index, but its performance is measured against the DJ Stoxx 50.

Annex

Description of the invested funds	
MARCH GLOBAL C	An actively managed, stock picking global equities fund based on our value investing model which aims to identify good companies with upside potential over the long term. We focus on picking quality names with attractive valuations, strong fundamentals and features which sets them apart from the competition (added value, distinctive attributes etc.); essentially, good investment opportunities.
MARCH INTL-FAMILY BUSINESSES I EUR	This fund invests in family-owned companies listed worldwide. The intrinsic value of family-owned companies (long-term approach, loyalty, motivation, low leverage ratios, etc.) mean they tend to outperform during economic downturns, a characteristic we are keen to harness for our fund. Grupo March's experience as a family-owned company with a long, successful investment track record backs up this theory.
MARCH INTL-TORRENOVA LUX I EUR	The fund follows a traditional global asset allocation absolute return strategy and targets a return of eurozone inflation +2% with volatility below 6%. The management model is flexible (equity exposure can range from 10% to 40%) and global (unconstrained by region, sector or financial instrument). The risk level depends on the degree of exposure to equities, which is defined over a medium to long-term investment horizon.
MARCH INTL-VALORES IBERIAN I EUR	The fund invests in Spanish and Portuguese companies. We focus on picking quality names with attractive valuations, strong fundamentals and features that set them apart from the competition (added value, distinctive attributes etc.); essentially, good investment opportunities. The fund is benchmark agnostic. The portfolio weights in terms of sectors and regions depend on the assets selected by the manager, never on the composition of the index.
MARCH INTL-VINI CATENA I EUR	This is the first fund to invest in listed companies operating in the wine sector value chain globally. Having limited the investment universe to companies related to the wine sector value chain, we then focus on picking quality names with attractive valuations, strong fundamentals and features that set them apart from the competition (added value, distinctive attributes, etc.); essentially, good investment opportunities. The fund is benchmark agnostic.
MARCH PREMIER RENTA FIJA CP C	Conservative fund investing in short-dated eurozone fixed income instruments with an average duration of under 6 months. The fund's management focuses on identifying the best opportunities in the euro denominated bond universe with broad diversification in terms of asset type: treasury bills and bonds, term deposits, commercial paper, mortgage-covered bonds, bank-guaranteed debt and credit.
MELCH EUR OPPOR FND-I1	European equity strategy of high conviction ideas, with a portfolio concentrated without restrictions in geographical or sectoral terms, within the universe of companies with a market capitalisation of more than 200 million euros. The management philosophy focuses on high quality companies, which have competitive advantages and with proven and solid management, avoiding those with high exposure to the economic cycle or with business models little transparent and clear.
MERIAN GBL EQ ABRET I EUR AC	The fund targets capital appreciation with very strict risk control, investing in equities which show a low correlation to both the equity and fixed income markets.
MORGAN ST INV F-GLB BRNDS-Z	Global equity fund which invests in quality companies with strong, sustainable returns on invested capital and no leveraging, which offer stable growth and are highly profitable over the long term. It seeks companies whose management teams are focused on maintaining these growth levels and reinvest a substantial amount of the company's capital. It also looks for companies with a dominant market position which protect the strength of their brand and have pricing power. Finally, the fund invests in companies which remunerate shareholders but also reinvest in innovation and advertising and avoid acquisition-based (inorganic) growth.

Annex

Description of the invested funds

MUZIN-ENHANCEDYIELD ST EUR ACC	The fund aims to preserve capital and generate attractive returns that outperform the yields offered by short-term government bonds by investing in a diversified portfolio comprised mainly of short-term corporate bonds. These bonds are issued predominantly in USD and European currencies and traded on official markets. The portfolio's average rating is investment grade, but it can invest up to 40% in high yield.
NB UNCORRELATED STRAT IUSDA	Absolute return strategy with profitability objective to obtain an extra 5% on liquidity with a volatility of around 7%. In addition, this objective is achieved with a zero to medium term correlation with both variable income and credit markets or with interest rates. The team has four managers and nine analysts, who are in charge of coordinating and supervising the strategic weightings, allocations and reimbursements in the different management teams in which they invest and compliance with the guidelines, the latter also supervised by the independent risk management function.
NORDEA 1 EMRG STARS I USD	The investment strategy is based on the conviction that emerging market companies which comply with environmental, social and corporate governance (ESG) international standards offer high growth potential and additional returns. At least two thirds of the portfolio is invested in companies which operate in these countries.
NORDEA LOW DUR EUR C-BI EUR	Fixed income strategy which invests in the covered bond market. These fixed income instruments offer dual protection (via the issuer and via the underlying collateral) and enjoy special treatment under European Union regulations, which affords it a similar level to sovereign debt. Portfolio duration is also kept to one year to minimise the impact of possible rate hikes. The team's investment philosophy is based on the conviction that covered bond markets are inefficient and so active management can add value. These inefficiencies include new issuers which pay a premium to attract investors and the impact of rating-based methodologies, which exclude certain issuers. The investment team is able to exploit these inefficiencies thanks to its more than 18 years' experience managing this asset class.
SCHRODER GAIA EGERTON - C (EUR ACC)	The strategy targets capital appreciation by investing in equities or equivalent instruments from all global markets, including EM, either directly or through derivative financial instruments. The funds invests in a selected portfolio of assets with the best future growth potential. It may also invest in assets unrelated to equities. Prudent liquidity levels will be held when deemed appropriate. The liquidity position can be significant and even account for 100% of the fund's assets under exceptional circumstances.
THREADNEEDLE-GL E MKT ST-ZEH	The fund takes an active management approach to harness market inefficiencies through a combination of macro and micro insights and appropriate risk allocation, investing in both hard and local currency-denominated sovereign debt and credit, and keeping portfolio duration low. The technical factors taken into account when investing in bond issuances are the size and volume of the transaction, as well as how representative it is of the investment universe and the positioning on the rate curve.
THREADNEEDLE-PN EU SC O -IE	European equity strategy investing in small caps, managed by Threadneedle Columbia. The team believes the market underweights companies' purchasing power and uses this as a critical factor in selecting assets for its portfolio; the identification of various themes in relation to this factor provides for a diversified portfolio with strong upside potential. Portfolio construction is based on a long-term view which focuses particularly on both fundamental research and the strategic market outlook.

Annex

Description of the invested funds

UBAM AB RET L VOL FX INC-IPE	Balanced-profile fixed income strategy of profitability-risk throughout macroeconomic and market cycles, using a top-down allocation process in all global fixed income markets. The fund is designed to potentially benefit from a rising interest rate environment and the investment target is to provide investors with positive returns even at hiking interest rates. The exposure in terms of assets, without constrains due to Benchmark and with bias to the search for liquidity, allows a proactive allocation to the most attractive market segments. Asset allocation and portfolio construction are closely controlled by the risk, to minimise the decrease and mitigate volatility.
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Fund description drafted internally by March A.M.

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Please remember that past performance does not guarantee future performance. The value of investments and the income from them can go down as well as up.

The prospectuses of these funds are available on www.march-am.com, www.bancamarch.es as well as on the web page of the Comisión Nacional del Mercado de Valores (C.N.M.V.).

March Patrimonio Defensivo, F.I., registered in the C.N.M.V. on 20/10/2004 with number 3.026.

March Cartera Conservadora, F.I., registered in the C.N.M.V. on 08/10/2007 with number 3.905.

March Cartera Moderada, F.I., registered in the C.N.M.V. on 08/10/2007 with number 3.909.

March Cartera Decidida, F.I., registered in the C.N.M.V. on 18/10/2013 with number 4.660.

For more information or if you have any queries, please contact your Banca March representative or March Asset Management, thank you.

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