

## International market developments and explanation of returns

Equity market sentiment remained positive in January with several stock market indices (such as the S&P500) reaching record highs. The optimism stemmed from the same drivers that pushed equity markets up in late 2023: a 'soft landing' of the economy and the rally of the 'Magnificent Seven' stocks, with only Tesla and Apple lagging behind in January. In the US, macroeconomic figures were above expectations, with a solid rise in new jobs, stronger wage growth and a unemployment rate that held steady at 3.7%. GDP growth for the fourth quarter was also significantly better than expected at 3.3% year-on-year. As a result of these robust figures, the Fed announced that it would not cut interest rates yet in the short term. In Europe, the ECB left interest rates unchanged, indicating that it will start watching how inflation develops before taking new interest rate steps. The composite purchasing managers' index (PMI) rose 0.3 points in January to its highest level since July. This suggests that activity in Europe is not deteriorating further. China's economy grew 5.2% year-on-year in the fourth quarter, which was in line with expectations. Nevertheless, Chinese equities were once again heavily under pressure (-9% for MSCI China). Technology and communication services were the best-performing sectors globally. Materials and real estate were the least performing sectors. The OBAM fund achieved a return of 2.4%, which was 0.1% better than the benchmark index. Nvidia, ASML and Sony contributed the most to the return, while Infineon, HDFC Bank and Enphase were the biggest negative contributors last month.

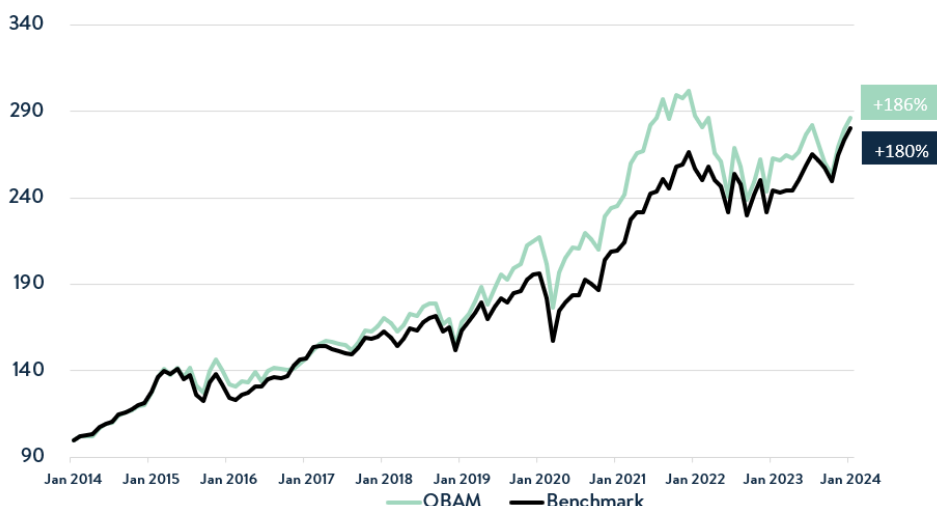
## Performance <sup>1)</sup>

	This year	1 month	3 months	1 year	3 years*	5 years*	10 years*	SI***
OBAM**	2.4%	2.4%	13.1%	9.0%	6.7%	11.3%	11.1%	8.2%
MSCI AC WORLD NR	2.3%	2.3%	12.0%	14.7%	10.1%	11.4%	10.8%	7.2%
Excess performance	0.1%	0.1%	1.0%	-5.7%	-3.4%	-0.1%	0.2%	1.0%

\* Annualized result in % \*\* OBAM's result after costs \*\*\* since 29-12-1989

Source: OBAM Investment Management

## NAV indexed at 100, including dividend and after costs <sup>1)</sup>



1) The performance presented applies to both share classes of the fund. For share class X, data for the reference period is not yet available. Therefore, the results presented for class X before 1 July 2022 are based on the results of class C shares

## Key information

Fund name	OBAM N.V.
Currency	EUR
Date of incorporation	01-11-1936
Asset class	Global equity
Benchmark	MSCI AC World NR
ESG classification	Art. 8 SFDR
Fiscal classification	Fiscal Investment Institution
Management company	OBAM Investment Management B.V.

## Share Class Classic (C)

NAV price	EUR 117.76
ISIN-code	NL0006294035
Dividend 2022	EUR 1.55

## Share Class X

NAV price	EUR 117.76
ISIN-code	NL0015000X31
Dividend 2022	EUR 1.55

## Fund facts

Fund size	EUR 919 million
Number of positions	43

## Contact details

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## Portfolio strategy and positioning

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January saw mainly sales in the OBAM portfolio. On the one hand, this was because of strong price returns that had limited the upside potential. This was the case with Intuitive Surgical, ASML, Applied Materials, Sony and S&P Global.

On the other hand, it was because we saw the outlook deteriorating. This was the case at CVS Health and LVMH. CVS Health is struggling with higher costs as there is increasing demand for care in the US from elderly people who are in government programmes for which CVS provides health insurance. There is also increasing competition putting pressure on margins. We do not see this situation changing soon for CVS and this will continue to weigh on earnings growth for now. We sold LVMH as demand for luxury goods is waning, with growth for the coming years seeming to become very dependent on Chinese consumers. We have our doubts about this which led us to see insufficient upside potential in the stock.

The OBAM fund focusses on companies with strong business models, high sustainability standards, robust profitability and favourable growth prospects at an attractive valuation. In our view, the most attractive stocks for the portfolio are in information technology, consumer staples and healthcare. The fund is underweight in banking, energy, real estate and utilities, among others.

## Top 10 Holdings

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Microsoft Corp.	5.7%
Amazon.com, Inc.	5.0%
NVIDIA Corp.	4.8%
ASML Holding N.V.	4.3%
ASR Nederland N.V.	4.1%
Nestle SA	3.8%
Infineon Technologies AG	3.7%
Koninklijke Ahold Delhaize N.V.	3.5%
Alphabet Inc. Class C	3.3%
Sony Group Corp.	3.1%

## Risk indicators\*

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Volatility fund	16.2%
Volatility benchmark	13.3%
Information ratio	-0.74
Ex-post Tracking Error	4.6%
Beta	1.18
Alpha	-5.3%

\*3-year period based on monthly data

Market capitalization	OBAM
Large caps (larger than EUR 10 bn)	85.5%
Mid caps (EUR 2.5 bn – EUR 10 bn)	6.0%
Small caps (less than EUR 2.5 bn)	2.3%
Cash	6.3%
Total	100.0%

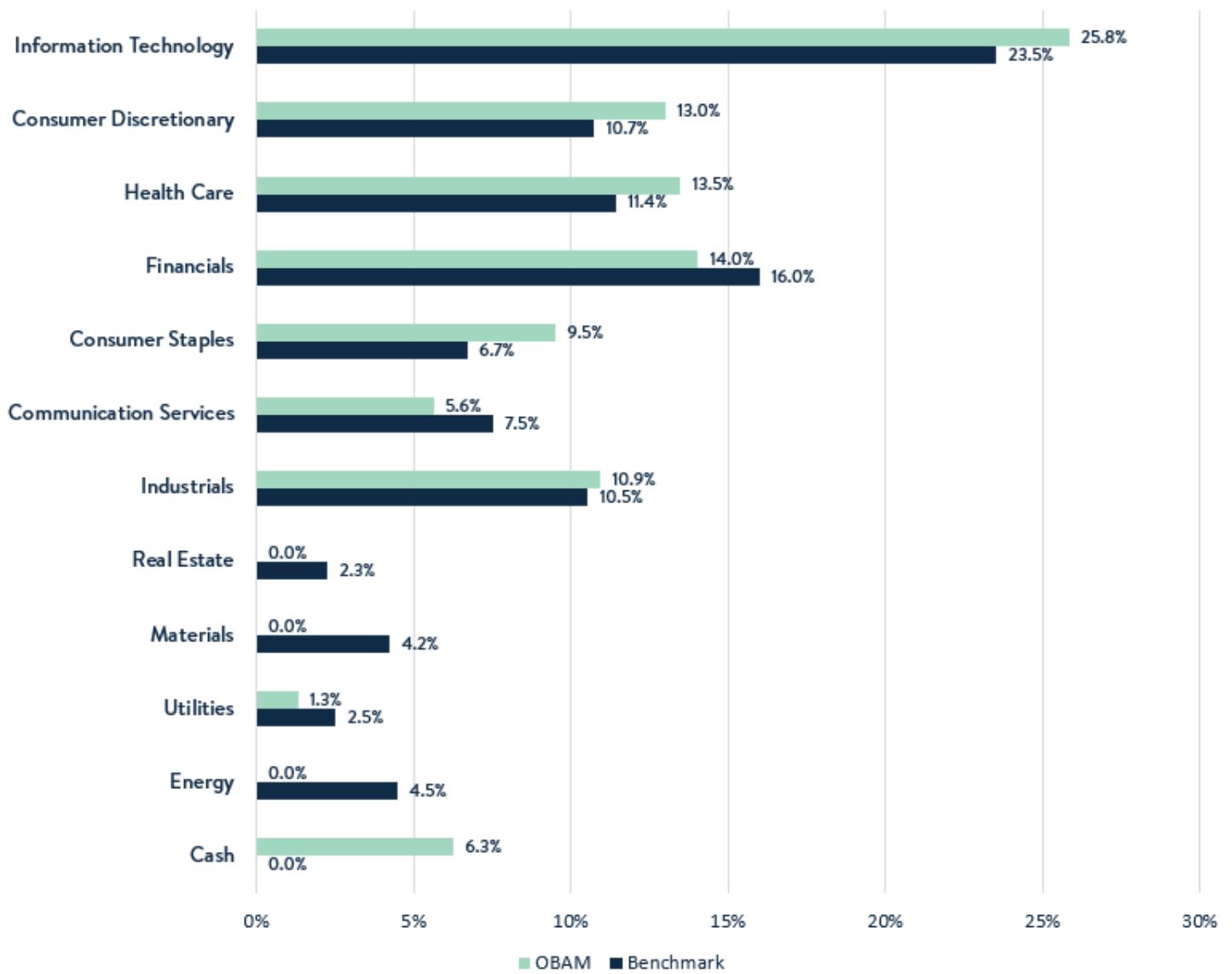
## Outlook

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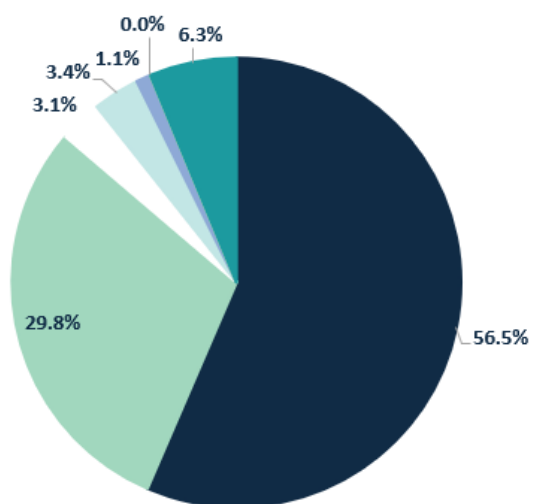
Equity markets will continue to be dominated by inflation developments and the related (interest rate) policies of central banks in the coming period. Will central banks cut short-term interest rates in 2024 or not? There will be further focus on the negative economic effects of previous interest rate hikes. This need not be immediately bad for equity markets if it also means that interest rate and inflation expectations come down further. As long as we do not end up in deeper economic and/or corporate earnings recession. For now, the chances of this scenario seem limited. After a very long period of ultra-low capital market interest rates, it is expected that the effects of the sharp and rapid interest rate hikes will increasingly emerge for various business models. Many debts will also have to be refinanced at significantly higher interest rates in the coming period, and this could also cause some mishaps for highly funded companies. Rising (government) debt remains an issue anyway, as it takes on more extreme forms in both Europe and the US that require intervention at some point. A key positive driver for equity markets is the developments around artificial intelligence (AI). Its effects will start to be seen in more and more industries. For several companies, this will allow revenue growth to accelerate, while for others it will be a form of cost savings. Furthermore, various geopolitical tensions will also persist in 2024. The wars in Ukraine and Israel, the tensions between China and Taiwan and the continuing conflict over trade and access to high technology between the US and China. Also, a lot of countries will hold elections this year, which could also cause turbulence in equity markets.

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## Sectorverdeling

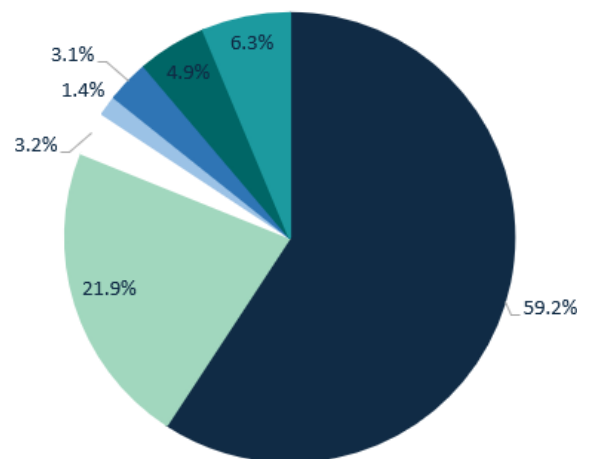


## Geographical allocation



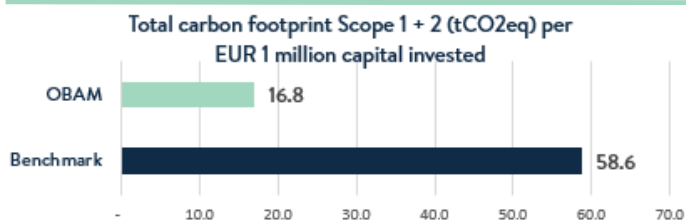
■ North America   
 ■ Europe   
 ■ Japan  
■ Asia excl Japan   
 ■ Latin America   
 ■ Africa & Middle East  
■ Cash

## Currency allocation

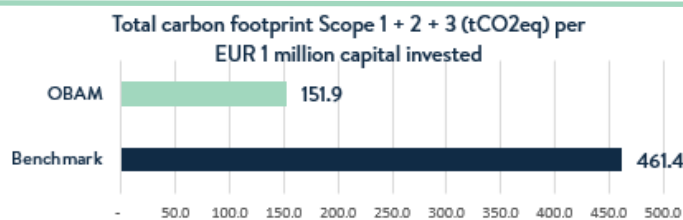


■ USD   
 ■ EUR   
 ■ GBP   
 ■ DKK   
 ■ JPY   
 ■ Other   
 ■ Cash

## Sustainability characteristics



Source: Morningstar Sustainability PAI Portfolio Report December 2023



Source: Morningstar Sustainability PAI Portfolio Report December 2023

### Morningstar ESG-rating



Four Globe Sustainability Rating

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Signatory of:



**MSCI**

ESG RATINGS



CCC B BB BBB A **AA** AAA

Source: MSCI October 2023

MSCI ESG LLC's ("MSCI ESG") Fund Metrics products (the "Information") provide environmental, social and governance data with respect to underlying securities within more than 35,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG is a Registered Investment Advisor under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.

## Composition of costs

### Costs charged annually:

Management fee	0.50%
Service fee	0.16%
Performance fee	0%
Expected transaction costs	0.21%

The costs presented apply to both share classes of the fund. Charges are factored into the daily determination of the fund's net asset value (NAV). For a further explanation of charges, please refer to the Key Information Document (KID) and prospectus, which can be found on our website; [www.obam.nl](http://www.obam.nl)

### One-off costs upon entry or exit:

Current / Max. Entry charge	0.25% / 0.30%
Current / Max. Exit charge	0.25% / 0.30%

### Entry and exit fees

Entry and exit fees are the mark-ups and mark-downs on the fund's net asset value that may be charged when entering and exiting the fund. These fees accrue to the fund and serve to offset transaction costs incurred for the purpose of protecting incumbent investors in the fund.

### Disclaimer

OBAM N.V. is an UCITS managed by OBAM Investment Management B.V. Both entities are registered with the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten).

This is a marketing communication. Please consult the prospectus and the Key Information Document (KID) before making an investment decision. The prospectus and the KID are available in Dutch and in English and can be obtained via OBAM Investment Management B.V. (Schiphol Boulevard 313, 1118 BJ Schiphol) and via [www.obam.nl](http://www.obam.nl).

The value of the investment may fluctuate. Past performance is no guarantee for future returns. Consider all characteristics and objectives of the fund before making any investment decision. Please note that OBAM Investment Management B.V. may decide to terminate the distribution of the fund.

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