



**Value Investing –
the king is dead, long live the king!**

Jens Moestrup Rasmussen, Sparinvest



Sparinvest



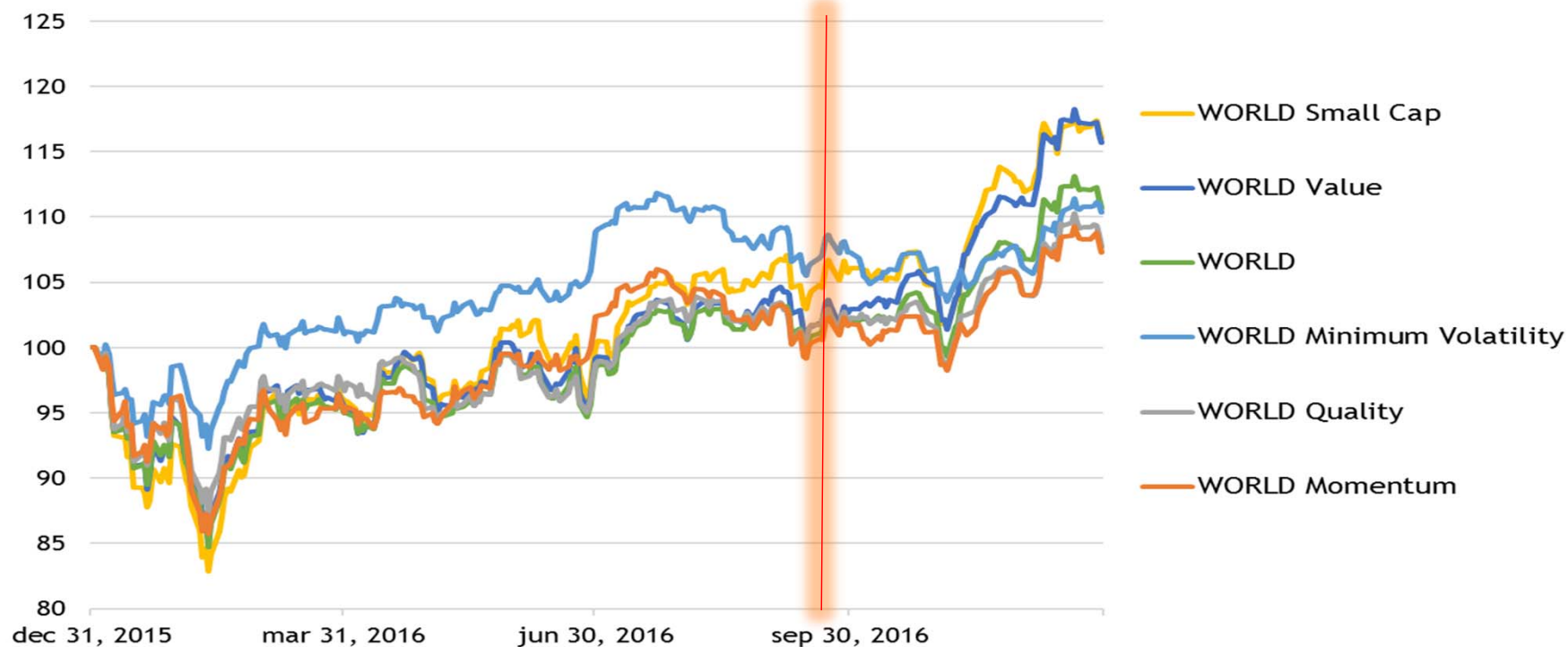
“The king is dead, long live the king”

Sparinvest Value Equities, stock picking strategies with a factor bias

NIMF, October 2017

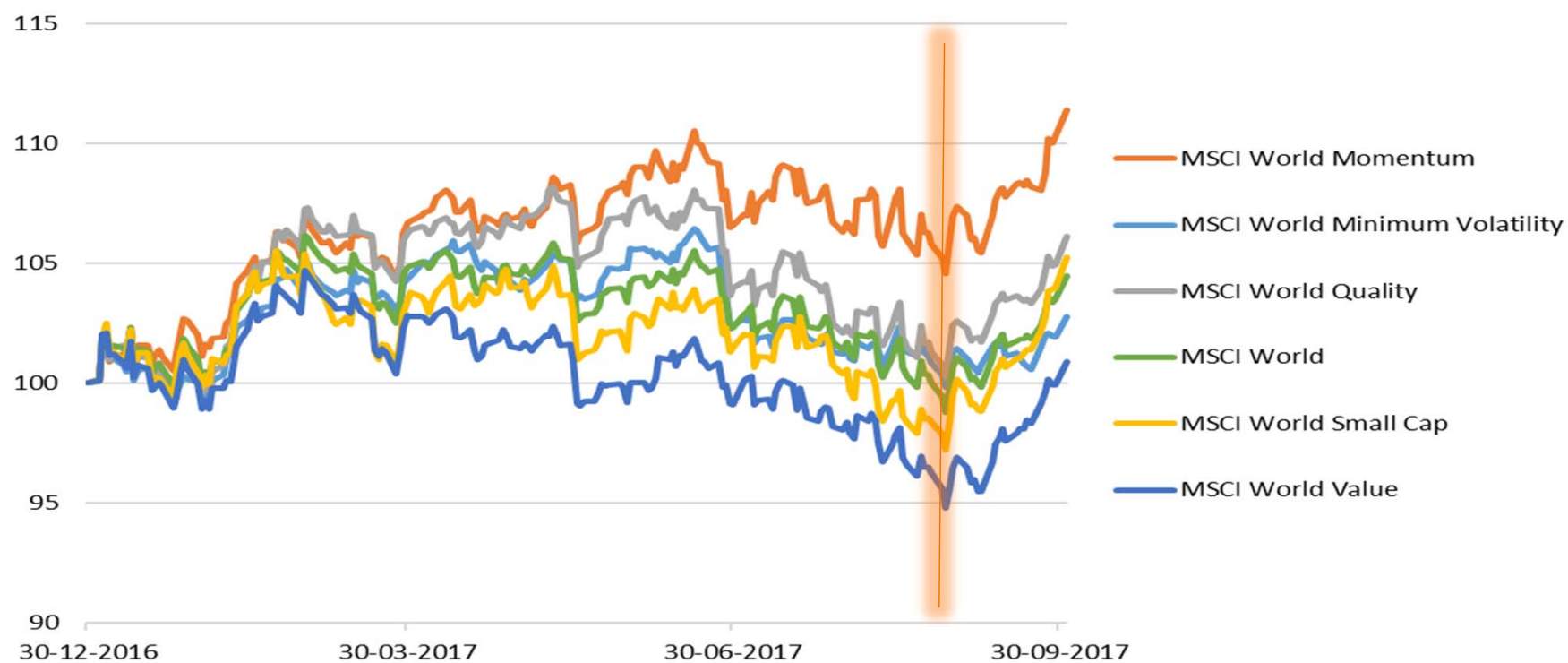


Since "The Forgotton King of Factors" at NIMF in 2016



Source: Bloomberg, MSCI World Index returns (eur/price)

And in 2017, still a pulse - new rebound?



Source: Bloomberg, MSCI World Index returns (eur/price)

NIMF, 2017

Watch out for interest rates

- Shorter duration value stocks are less sensitive to rising interest rates
- Return of inflation and rising rates are catalysts for a value rebound...



Source: Bloomberg data, MSCI

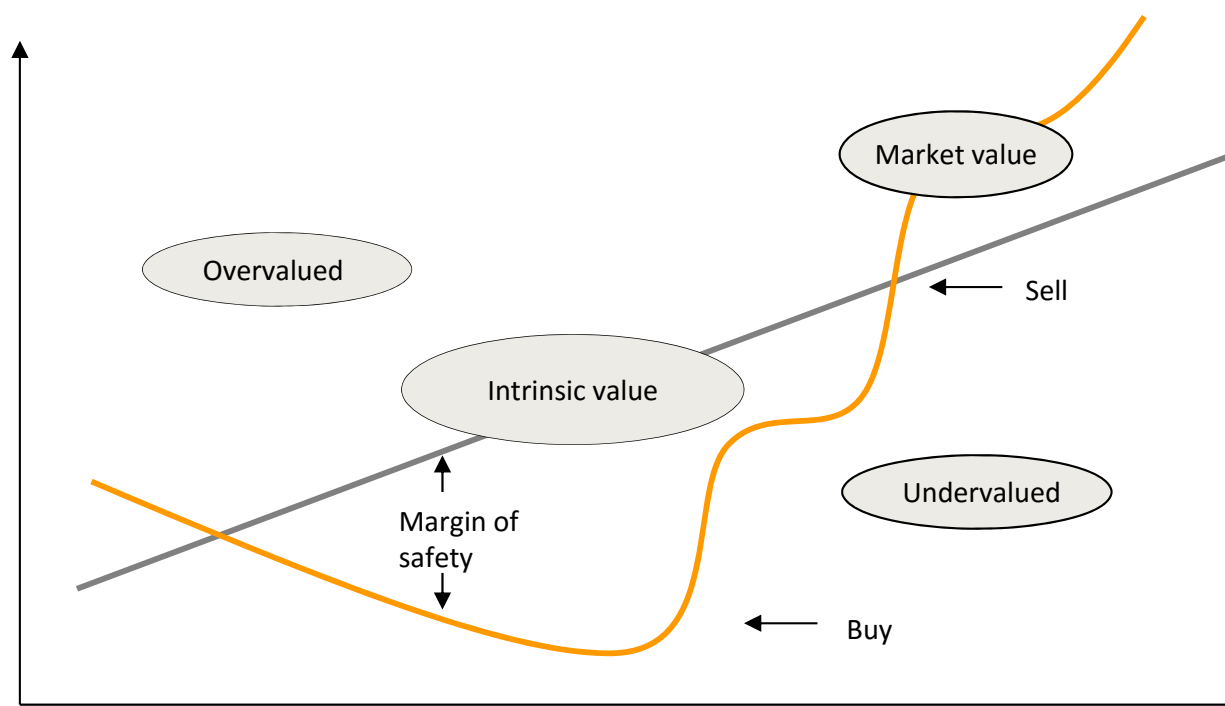
Value is about more than low valuation and factors

- Academic value \neq Graham value
- Link between price and quality
- We end up with a value bias

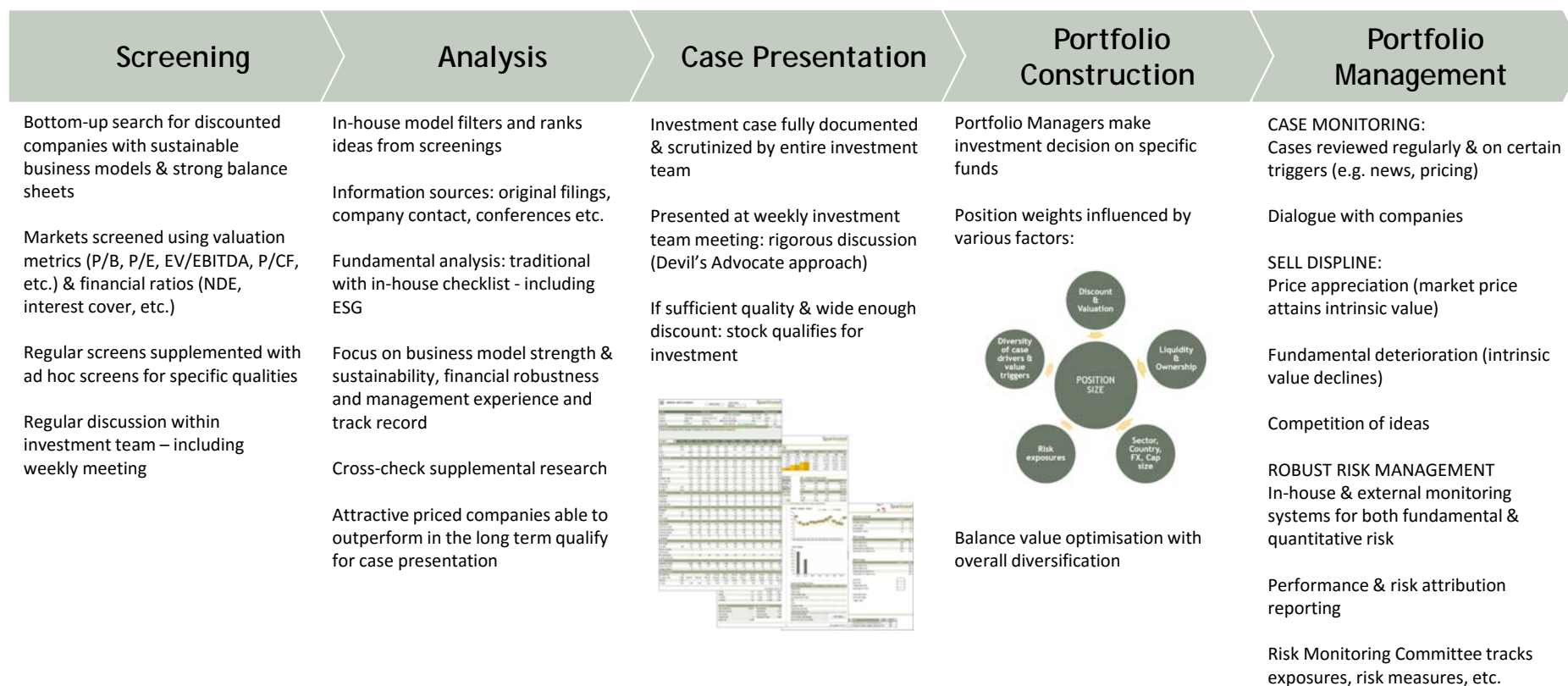


Stock picking matters

- Value bias is a good starting point but stock picking matters



It requires a disciplined process



Experienced team with high degree of continuity



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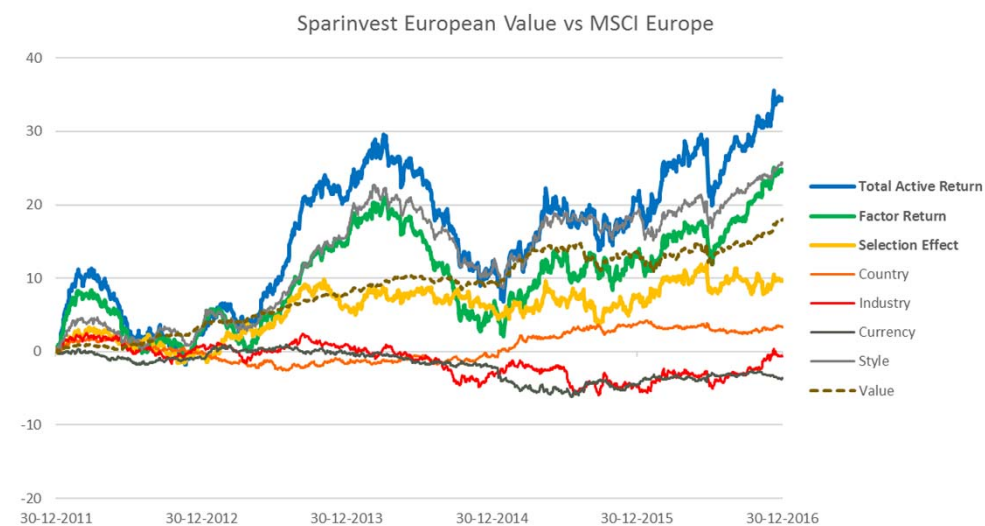
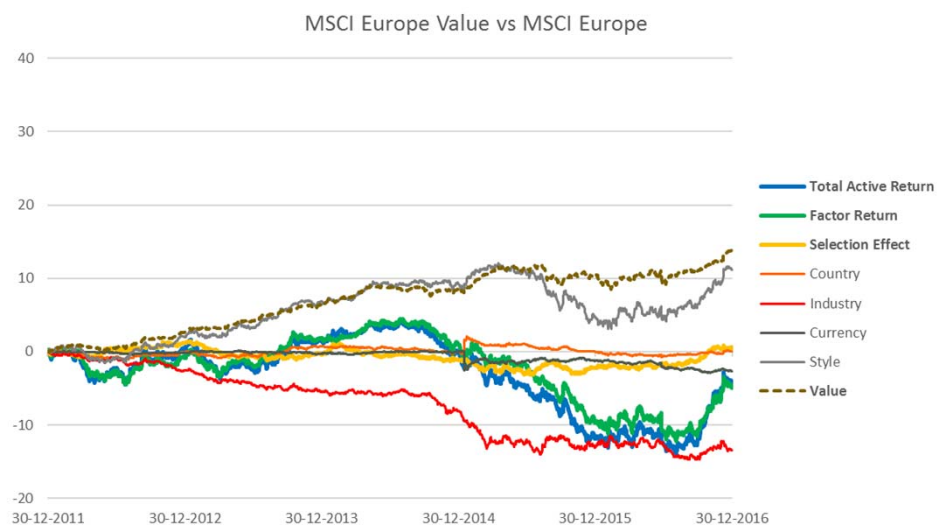


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Robust Risk Management adds to returns

- Active or Passive? Managing risks is essential to long term returns
- Active managers can give value beta - with selection on top!



Source: PORT, Bloomberg Risk Model (Regional), Sparinvest European Value

Why Sparinvest Value?

- Transparent products: active stock selection + value factor exposure
- Systematic and disciplined process with robust risk management
- Experienced team with high degree of continuity
- Established track record of competitive long term returns

Sparinvest Value Aktier

- A stock picking strategy with a factor bias running since 1997

Return gross of fees - DKK - date: 30-09-2017

Trailing returns

	Fund	Bmk1	Bmk2
YTD	2,35%	3,59%	-0,01%
1 month	5,24%	2,88%	3,66%
3 months	1,70%	1,24%	0,89%
1 year	15,21%	12,26%	12,21%
3 years ann.	10,65%	10,08%	8,44%
5 years ann.	14,02%	12,85%	12,05%
10 years ann.	4,66%	6,14%	4,90%
Since launch *	10,65%	5,37%	5,30%

Bmk1: MSCI World

Bmk2: MSCI World Value

NavDate	Name	Period return	Annualised return
31-12-1999	Value aktier		
31-12-2009	Value aktier	125%	8,43%
17-10-2017	Value aktier	133%	11,48%
31-12-1999	MSCI World (DKK)		
31-12-2009	MSCI World (DKK)	-32%	-3,73%
17-10-2017	MSCI World (DKK)	149%	12,40%
31-12-1999	MSCI World Value (DKK)		
31-12-2009	MSCI World Value (DKK)	-17%	-1,80%
17-10-2017	MSCI World Value (DKK)	130%	11,30%
31-12-1999	MSCI World Growth (DKK)		
31-12-2009	MSCI World Growth (DKK)	-46%	-5,89%
17-10-2017	MSCI World Growth (DKK)	168%	13,46%

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