

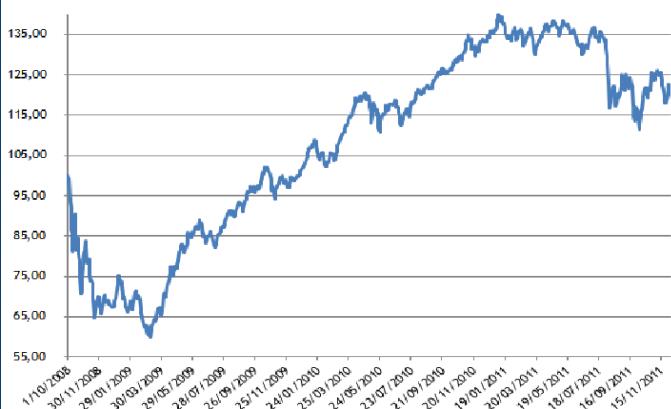


# Value Square Fund Equity World

Monthly Fact Sheet November 2011

For more information about this rating : [www.morningstar.be](http://www.morningstar.be)

## NAV evolution



## Returns per year ending 31/12



## Annualised return per 30/11/2011

	1 year	3 years	5 years	10 years	Since start
C-class	-6,23 %	20,63 %			6,65 %
I-class	-6,16 %	20,71 %			6,72 %

Past results are not indicative of future returns. The above mentioned returns do not take into account possible entry and exit fees and taxes.

## NAV

Class	Start	31/12/2008	31/12/2009	31/12/2010	30/11/2011
C	100	69,63	103,22	136,15	122,60
I		/	103,25	136,34	122,85

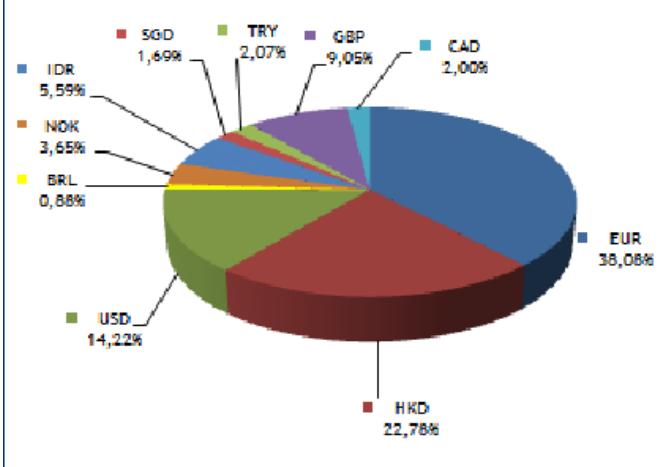
## 5 Important Positions

Jardine Strategic	5,63 %
Caisse Rég. Crédit Agricole	5,24 %
First Pacific	4,96 %
Anglo-Eastern Plantations	3,57 %
Asian Citrus	3,50 %

## Basic Facts and Figures

Compartment of	Value Square Fund— UCITS under Belgian law
Risk(scale BEAMA):	0 - 1 - 2 - 3 - 4 - 5 - 6
Start date:	1/10/2008
Currency:	EUR
ISIN-code C-shares:	BE0948331591
ISIN-code I-shares	BE0948332607 (only for institutional investors)
Size of the fund:	91,05 million EUR
Investment horizon:	minimum 5 years is recommended
Entry fee:	maximum 3% (negotiable)
Exit fee:	0,5 % for benefit of fund
Taxation:	Exit not subject to Ecofin/Belgian tax ICB
Stock exchange duty:	0% entry, 0,5% exit (max. 750 €)
Management fee:	1 % on annual basis
Performance fee:	10 % on the excess return above 6% /year
Subscription/Redemption:	Daily before 11 A.M.
Settlement date:	Trade date + 3 working days (in Belgium)
Distributors:	Value Square, Binck Bank, ...
Financial agent:	RBC Dexia Investor Services, Brussels
Share px publication:	De Tijd, De Standaard
Authorised in:	Belgium, the Netherlands

## Currency



# Value Square Fund Equity World

Prospectus and (simplified) prospectus, as well as the most recent (semi-)annual reports can be obtained without costs at Value Square, Derbystraat 319, 9051 Gent, Tel.: +32 9 241 57 57, [info@value-square.be](mailto:info@value-square.be)

## Investment Strategy

The assets of this fund are predominantly invested in shares of listed companies with no geographical limitation and in any securities giving access to the capital of these companies. The shares are selected on the basis of fundamental analysis and a bottom-up approach with the emphasis on the principles of value investing. The aim of the fund is to achieve as high a return as possible in absolute terms rather than the improvement of stock market indices and simultaneously limit risks. In circumstances where the manager estimates the downward risks higher than the potential return, the portion invested in shares can be reduced in favour of investments in liquidities and money market instruments. The fund will at all times invest at least 50% in shares. **Volatility can be high, due to the composition of the portfolio.**

## Comments by the Portfolio Managers: Patrick Millecam and Nic Van Broekhoven

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November was another nervous and volatile month for worldwide equity markets. The optimism that was created in October about the EFSF (European Financial Stability Fund) firepower of 1000 billion euro quickly disappeared. Investors are now fretting about the future of Europe and its common currency the Euro. The EFSF looks like an empty shell without any real significance. The euro declined by 3,5% during the month versus the US Dollar. The euro also declined versus a basket of other currencies, which was generally beneficial for the fund since we are only 38% invested in euro denominated equities.

Germany continues to resist any further buying of sovereign bonds by the ECB. Angela Merkel is correct in pushing Italy, Spain, Portugal, Greece and Belgium to implement structural reforms, especially in the labor market. The euro will only survive if the European Union can morph into a fiscal union and if budgetary rules are actually enforced. Merkel has correctly warned that this adjustment would last 10 years or more. The decisions which will be taken in the following weeks are of crucial importance to the future of Europe and its governance. Let's hope reaching a good agreement won't last as long as the time Belgium needs to form a government (540 days!). Many CEO's we meet are openly critical of the indecision of Europe's politicians. On our travels in Asia over the past month we were bombarded by questions of Asian CEO's what we thought was going to happen to Europe and its common currency.

Early November we visited companies in China and Singapore. Asia's economic power continues to impress yet stock markets were also punished severely since the beginning of the year. Several of our Asian investments were hammered over the last month, including our stakes in Xingda and 361 Degrees. First Pacific continues to impress and its holding discount is shrinking slowly. We received the cash of Harbin Electric and re-invested it in other Asia-centric companies. Our focus in these investments is to find companies that can benefit from the growing Asian middle class that is projected to surpass 1 billion people by 2015. Most Asian countries have lower debt and greater foreign exchange reserves versus their Western peers, in case of an economic slowdown they will be in a better position to stimulate their economies if necessary.

In early November the fund received a 4-star rating from Morningstar for our performance over the past 3 years. Our category changed again to "Worldwide Flex-Cap" as we invest in both small- and large cap equities. The compound annual return for Value Square Fund Equity World over the last 3 years is 20.63%, which places our fund nr. 1 in our Morningstar category.