

VARENNE VALEUR P-USD

MONTHLY REPORT (P-USD) - JANUARY 2021



NAV 112.23 \$
Net assets 1 003.98 M€

INVESTMENT OBJECTIVE

The Fund's objective is to target above average returns in a fund that mixes a concentrated long and short equity portfolio (long biased) with an overlay of merger arbitrage (long/short pairs or longs) and opportunistic tail risk hedging.

MONTHLY RETURNS

Years	January	February	March	April	May	June	July	August	Sept.	October	Nov.	Dec.	Yearly perf.
2021	-1.76%												-1.76%
2020						-1.07%	-1.01%	3.11%	0.15%	-0.02%	10.01%	2.71%	14.24%

TOP 5 HOLDINGS (Equity)

ALPHABET	United States	5.98%
PANDORA A/S	Denmark	5.51%
LAM RESEARCH	United States	5.33%
KLA CORP	United States	5.25%
ESSILORLUXOTTICA	France	4.62%

NUMBER OF HOLDINGS PER FRAMEWORK

	Lines	Exposures delta adjusted	Exposures notional
Long Equity	20	69.39%	116.77%
Short Equity	1	0.58%	0.58%
Merger Arbitrage	12	17.71%	17.71%
Tail Risk Hedging	3	-	81.38%

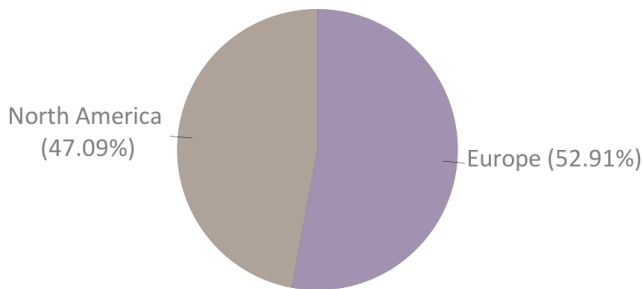
EXPOSURE BY CAPITALIZATION (Equity)

> EUR 3bn	81.12%
EUR 500m - 3bn	17.27%
< EUR 500m	1.61%

CURRENCY EXPOSURE (excluding tail risk hedging)

Top 10 (%)	USD	EUR	DKK	GBP	NOK	CAD
Exposure	37.44	17.07	10.08	4.83	4.55	3.27
Hedging	35.23	-	-	4.83	-	1.63
Net exposure	2.21	17.07	10.08	-	4.55	1.64

GEOGRAPHIC BREAKDOWN (Equity)



TOP 10 SECTORS (GICS sub-ind, Equity)

Apparel, Accessories & Luxury Goods	21.64%
Semiconductor Equipment	17.78%
Interactive Media & Services	10.05%
Packaged Foods & Meats	9.53%
Pharmaceuticals	7.68%
General Merchandise Stores	6.68%
Airlines	4.99%
Footwear	4.66%
Apparel Retail	4.59%
Restaurants	4.37%

MONTHLY RETURN ATTRIBUTION PER FRAMEWORK

Long - Equity	-1.59%
Short - Equity	0.01%
Merger Arbitrage	-0.12%
Tail Risk Hedging	-0.02%

TOP 5 CONTRIBUTORS

PANDORA A/S	Long - Equity	-0.78%
RYANAIR	Long - Equity	-0.64%
KLA CORP	Long - Equity	0.49%
SX7E MAR21	Long - Equity	-0.47%
ESSILORLUXOTTICA	Long - Equity	-0.42%

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CUMULATIVE AND ANNUALIZED RETURNS

	CUMULATIVE		ANNUALIZED
	Year to date	Since inception	Since inception
VARENNE VALEUR	-1.76%	12.23%	21.10%

ANNUALIZED VOLATILITY

	Since inception
VARENNE VALEUR	12.47%

MONTHLY COMMENTARY

Contribution: the fund's performance was mostly driven by the Long – Equity strategy which contributed negatively -1.59%. The main positive contributors to its performance were KLA Corp (+0.49%), Greggs (+0.34%) and Alphabet (+0.25%). The main negative contributors were Pandora (-0.78%), Ryanair (-0.64%) and SX7E call options (-0.47%).

Long Equity: no major changes were made to the portfolio.

Short Equity: no major changes were made to the portfolio.

Merger Arbitrage: we opened new positions on RSA Insurance Group (GB), RealPage (US), Navistar International (US) and Acacia Communications (US). The takeover bids for Buzzi Unicem (IT), IMA (IT) and Tiffany (US) were successfully completed.

Tail Risk Hedging: the portfolio is hedged against economic and financial risks through CDS on subordinated financial debt and the 7-15% tranche of the North America CDX Investment Grade index, Eurostoxx 50 put options contingent on the EURUSD, SP500 and Eurostoxx 50 volatility knock-out put options, and Eurostoxx 50 price knock-out put options.

TERMS AND CONDITIONS

Fund status	UCITS / Unit Trust	Investment manager	Varenne Capital Partners
Benchmark	None	Custodian	CACEIS BANK
Initial NAV	100 \$	End of year	Last trading day of December
NAV frequency	Daily	Subscribers concerned	All subscribers
Term investment	5 years	Subscriptions/Redemptions	Daily before 11am
Currency	Dollar	Subscription fee	Up to 2%, fully paid to distributors when applicable
Fund inception	31/01/2003 (A-EUR)	Redemption fee	None
Class inception	23/06/2020	Management fee	1.200% of Net Assets
AMF approval	GP-06 000004	Performance fee**	14.95 of the Fund's performance. Hurdle Rate: Average TEC 5 annual yield calculated over the 12 most recent months
ISIN	FR0013247061		
Bloomberg	VARVALS FP Equity		
VALOR	36256235		

* Risk indicator scored on a scale of 1 (lower risk) to 7 (higher risk). Category 1 does not mean "risk-free". This indicator may change over time.

** In the interest of its shareholders, the relevant threshold for calculating performance fees for this share class in 2021 will be the maximum of CNO TEC 5 and 3.20%

Data sources: Varenne Capital Partners

Past performances do not guarantee future returns. Please consult the fund's prospectus prior to making any investments. Data included in this document relates exclusively to the P-USD unit of FCP VARENNE VALEUR. Data for other units differ. This document has been published solely for information purposes and does not therefore constitute, whether in full or in part, investment advice, or an offer, personalised recommendation or a solicitation to subscribe to, or redeem units, equities or other shares in the investment products presented.

The prospectus and the Key Investor Information Documents for Switzerland, the Fund rules, the annual and semi-annual reports in French, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The last units prices can be found on www.fundinfo.com. For the units of the Funds distributed to non-qualified investors in and from Switzerland and for the units of the Funds distributed to qualified investors in Switzerland, the place of performance is Geneva. The past performance is no indication of current or future performance, and it does not take account of the commissions and costs incurred on the issue and redemption of units.

VARENNE CAPITAL PARTNERS

French joint stock company – Registered with the Trade and Companies Register of Paris under number B 445 000 136

42, avenue Montaigne – 75008 PARIS – Tél.: +33 (0) 1 70 38 81 22

mail : contact@varennecapital.com / www.varennecapital.com