



Portfolio Manager Commentary and Performance

Market Update

February was a volatile month everywhere and, although it outperformed EMs, Latam was not the exception. After a strong January, profit taking impacted both equities and currencies across the board, ending February on negative territory, despite some recovery towards the end of the month.

Despite global flow trends, the region continues to show positive dynamics with Brazil's inflation continuously below expectations, activity data with positive surprises. As expected, the government decided to postpone the voting process on the much awaited Social Security reform while focusing on the intervention on Rio de Janeiro State and announcing measures to foster growth. In Argentina, inflation came in below expectations and the Central Bank left the interest rate unchanged. In Mexico, Banxico's inflation report does not discard a new interest rate hike, while consumer confidence remain subdued, despite retail sales growth continuing at healthy levels. Uncertainty remains on both NAFTA negotiations and upcoming Presidential Elections, as AMLO is still the only actual candidate. Mexico's 4Q17 earnings season is over and results have been mostly impacted by one offs while operating results have been mostly in line with expectations.

In this context, the MSCI Small Cap Latam index decreased by 2,27% in February, while our fund decreased by 1,54%. YTD, the fund accumulates a positive gap of 2% against its benchmark.

In terms of relative performance against our benchmark, our OW in Brazil had a positive impact, mainly explained by our OW in METALURGICA GERDAU and RANDON (+11,65% and 5,58%, respectively). Our lack of exposure in Colombia also had a positive impact, by avoiding names such as CLH and Corficol, which were 14,8% and 11,3% down during the month. Our UW in Mexico had a positive contribution, by avoiding names such as AZTECA (-19,4%) and FIBRA HOTEL (-7,2%), while our OW in BANBAJIO had a positive impact. In Chile, our OW in CAP had a positive contribution while our OW in Argentina had a negative impact, following the 10,5% correction on TGS and 8,4% in LOMA NEGRA.

Performance for Series I



Risk Metrics	
Volatility (Annual)	19,72%
Beta	1,1
Alpha	3,35%
Tracking Error (annual)	3,76%
Information Ratio	1,52

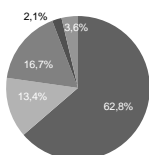
Returns	Feb'18	3M	YTD	LTM	3Y	Since Inception
SICAV EA Small Cap Latam I	-1,5%	15,5%	8,0%	27,3%	35,6%	-6,3%
MSCI EM Small Cap Latam	-2,3%	11,6%	6,0%	25,3%	29,0%	-22,4%

Note: Until 28 February 2015, performance data is for the EuroAmerica Small Cap LatAm D, which is a mutual fund offered in Chile; an identical strategy is employed in the Series I. Source: Bloomberg.

Portfolio Breakdown

Portfolio Statistics: Top 5 Country and Top 10 Holdings and Sector Distribution

COUNTRY BREAKDOWN



■ BRAZIL ■ CHILE ■ MEXICO ■ PERU ■ ARGENTINA

SECTOR	FEB'18	JAN'18	ISSUER	SECTOR	FUND
CONSUMER	31,7%	31,6%	MET GERDAU	STEEL	4,2%
CONS. STAPLES	6,3%	7,5%	USIMINAS	STEEL	4,1%
REAL ESTATE	10,1%	11,2%	MAGALUZA	CONSUMER	4,0%
INDUSTRIALS	14,3%	13,1%	VIA VAREJO	CONSUMER	3,9%
FINANCIALS	12,2%	11,7%	BRADSPAR	MINING	3,8%
MATERIALS	14,7%	13,8%	GOL	INDUSTRIAL	3,2%
UTILITIES	3,9%	4,0%	ESTACIO	EDUCATION	3,2%
HEALTHCARE	2,3%	2,4%	RANDON PART	INDUSTRIAL	2,9%
ENERGY	0,3%	0,3%	BANBAJIO	FINANCIAL	2,9%
IT	1,7%	1,9%	IGUATEMI	REAL ESTATE	2,7%
OTHERS	2,4%	2,5%	OTHERS		65,1%

EuroAmerica AM SICAV – Small Cap Latam Fund

February 28th, 2018

Fund Description

The EuroAmerica AM SICAV – Small Cap Latam Fund seeks to provide long-term capital growth by investing principally in equity securities issued by Latin American companies, and American Depositary Receipts of small capitalized Latin American companies. The Fund aims to achieve diversification in terms of sectors offering a core exposure to the Latin American stock markets and to companies listed on a stock Exchange outside the Latin American region, but which generate a significant part of their income in or from Latin America and/or which have their registered office in Latin America. The investment manager seeks to add value primarily through stock selection.

Investments may be denominated in USD or in Latin American currencies. Currency risks may be hedged entirely or partially against USD through the use of financial derivative instruments including currency forwards or futures.



Giovanna Musa and Ricardo Fernandez. Co-Portfolio Managers for the Latam Equity Strategies at EuroAmerica Investments.

Share Classes and Fees

Class	ISIN	Bloomberg Ticker	Min. Subscription Amount (USD)	Current TER
Class I	LU1061932403	EASSCLI LX	1,000,000	1.05%

Disclosure for Switzerland: The state of origin of the Fund is Luxembourg. This document may only be distributed in or from Switzerland to qualified investors within the meaning of Ar. 10 Para. 2, 3bis and 3ter CISA. The Representative in Switzerland is ACOLIN Fund Services AG, Stadelhoferstrasse 18, CH-8001 Zurich, whilst the Paying Agent is Neue Helvetische Bank AG, Seefeldstrasse 215, 8008 Zürich. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss representative.

The basic documents of the Fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge at the registered office of the Swiss Representative.

This mutual fund is managed by EuroAmerica Administradora General de Fondos. Find out about the essential characteristics of each mutual fund investment, which are contained in the rules of procedure and contract underwriting fees. Profitability or profit obtained in the past by this fund does not guarantee that it will be repeated in the future. The values of the shares of the mutual funds are variable.