Rothschild & Co
Asset Management

Fund Update : R-co Conviction Equity Value Euro — September 2026

Anthony Bailly
Head of European Equity

Vincent Iméneuraët
European Equities Portfolio Manager

Against a backdrop of heightened geopolitical tensions in the Middle East and renewed international trade friction, the markets nevertheless continued to rise in August. Resilient global growth, improving economic indicators in Europe, and a favorable earnings season on both sides of the Atlantic helped offset concerns about persistently high energy prices and ongoing inflationary pressures. These pressures, in fact, led the new chair of the U.S. Federal Reserve to adopt a more restrictive tone at the Jackson Hole symposium. Despite a turbulent geopolitical and trade environment, as well as continued rises in sovereign yields, the MSCI World Index rose by +1.7%, the S&P 500 by +1.8%, and the Euro Stoxx 50 by +0.9%. In the eurozone, sector performance was influenced by both the macroeconomic environment and the earnings season. Market volatility boosted financial services (+5.8%), while the media sector rose by +5.0%, driven by Publicis's excellent operating results (+9.0%)[1]. Conversely, food retail fell by -4.7%, weighed down by Ahold Delhaize's weak performance in the United States, while rising interest rates continued to weigh on the real estate sector (-7.1%)[1].

In the Eurozone, the Growth style10 rose by +1.6% compared with +0.4% for the Value style[11], driven in particular by the rebound in stocks exposed to the artificial intelligence value chain at the beginning of the month.[1] The valuation premium of the Growth style relative to the Value style thus increased, rising from 62% to 65%[1]. Nevertheless, we continue to view this premium as excessively high given the shift in the interest rate environment observed since 2022. In a context marked by significant investment needs and high government deficits, we believe that interest rates are likely to remain high for an extended period. Consequently, the normalization of valuation spreads

between Growth and Value styles that began in late 2022 is expected to continue, providing fundamental support for the Value style.

The R-co Conviction Equity Value Euro fund rose by +1.0% over the month. While the allocation effect had a negative impact—particularly due to the outperformance of the Growth style—stock selection more than offset this headwind. As in July, our positioning in "contrarian AI" stocks remained a key driver of performance, led notably by SAP (+21.1%) and Publicis (+9.0%)[1]. More broadly, earnings season proved solid for all companies in the portfolio, contributing positively to stock selection. This strong performance helped offset concerns stemming from the electoral outlook in France, which weighed on Société Générale (-10.6%)[1]. In this regard, we note that, despite the French market's underperformance and attractive valuation levels, our exposure to France has remained neutral for over a year. In terms of portfolio adjustments, we reduced our position in ArcelorMittal, believing that a continued rise in steel prices—necessary to sustain the stock's exceptional performance since the start of the year (+65%)[1]—would now be less certain. We also took partial profits on certain "contrarian AI" stocks following their strong summer rally. These portfolio adjustments have allowed us to strengthen several positions whose recent performance has been somewhat disappointing, despite their continued strong fundamentals and attractive valuations—such as Ryanair, KPN, and Orange.

Despite the recent resurgence of tensions, our baseline scenario remains that of a generally stable geopolitical environment in the run-up to the U.S. midterm elections, as well as energy price pressures that do not undermine the strong resilience of the eurozone economy. Although it still faces major political and geopolitical challenges, the European economy's recovery appears to be gradually taking shape, as evidenced by improving leading indicators and the strong earnings momentum observed during the most recent earnings season. For the second half of 2026, the portfolio thus remains positioned to benefit from a gradual recovery in the European industrial cycle, which is receiving growing support from the investment plans underway in the region.

Annualised performance as of 31/08/2026
in %

	3 years	5 years	10 years
R-co Conviction Equity Value Euro C EUR	13,92	9,40	8,06
Euro Stoxx ® NR	16,81	10,17	10,06
Relative Difference	-2,90	-0,77	-2,00

Source: Rothschild & Co Asset Management, 31/08/2026.
Past performance is not a reliable indicator of future performance.

Weitere Infos zu den Fonds

R-co Conviction Equity Value Euro

Sehen Sie sich dieses Dokument auf unserer Website an

(1) Source: Bloomberg, 31 August 2026.
(2) Forward guidance: communication through which a central bank indicates how it expects its monetary policy to evolve in the future.
(3) Source: Rothschild & Co Asset Management, 31 August 2026.
(4) Contract Development and Manufacturing Organization (CDMO): an outsourcing company that supports pharmaceutical laboratories in the design, development and industrial production of medicines.
(5) Hyperscalers: large companies specialising in cloud computing and data centres.
(6) Credit spread: the yield difference between a bond and a maturity-equivalent borrowing considered "risk-free".
(7) High Yield bonds are issued by companies or governments with high credit risk. Their credit rating is below BBB- on the Standard & Poor's scale.
(8) Investment Grade securities are debt instruments issued by companies or governments rated between AAA and BBB- on the Standard & Poor's scale.
(9) A Credit Default Swap (CDS) is a derivative used to hedge against the risk of non-payment on debt issued by a government or company. This hedge is applied to the portfolio's crossover segment, namely securities rated between BB and BBB on the Standard & Poor's scale.
(10) Investors favouring a 'growth' style focus primarily on the potential for growth in companies' profits, hoping that growth in turnover and earnings will exceed that of their sector or the market average.
(11) A 'value' strategy refers to a situation where the investor seeks out companies that are undervalued by the market at a given point in time, that is to say, whose market capitalisation is lower than it should be in view of the company's results and the value of its assets. 'Value' investors select shares with low price-to-book ratios or high dividend yields

R-co Conviction Equity Value Euro 5/7

The synthetic risk indicator shows the level of risk of this product compared with others. It indicates the probability that this product will incur losses in the event of market movements or our inability to pay you. The risk indicator assumes that you hold the product for 5 years. The real risk may be very different if you opt to exit before maturity, and you may get less in return. We have classified this product in risk class 5 out of 7, which is between medium and high risk and mainly reflects its positioning on the Eurozone equity market. In other words, the potential losses linked to the product's future results are between medium and high, and if the situation were to deteriorate on the markets, it is likely that our ability to pay you would be affected. As this product does not provide protection against market hazards or a capital guarantee, you could lose all or part of your investment.

Geographical and sector allocations and distributions are not fixed and may change over time, within the limits of the SICAV prospectus. The figures quoted relate to past months. Past performance is not a reliable indicator of future performance and is not constant over time. Performance calculated in euros and net of reinvested dividends. The information contained in this document does not constitute investment advice, tax advice, a recommendation or investment advice from Rothschild & Co Asset Management. Investing in units or shares of any mutual fund is not without risk. Before investing, it is essential to carefully read the PRIIPS KIID and the mutual fund prospectus, particularly the section on risks. Each investor must also ascertain the jurisdictions in which the units or shares of the UCI are registered. The full PRIIPS KIID/prospectus is available on our website: www.am.eu.rothschildandco.com. The risk scale ranges from 1 (lowest risk) to 7 (highest risk); the lowest category does not mean a “risk-free” investment. The risk category associated with this fund is not guaranteed and may change over time.

Advertising communication. The information, comments and analyses in this document are provided for information purposes only and should not be construed as an investment or tax advice, or as an investment recommendation from Rothschild & Co Asset Management Europe. The information/opinions/data mentioned in this document considered legitimate and correct on the day of publication, in accordance with the economic and financial environment in place at that date, are subject to change at any time. Although this document has been prepared with the greatest care from sources that Rothschild & Co Asset Management believed to be reliable and in good faith, no representation or warranty, express or implied, is made as to information accuracy or completeness, which are indicative only and are subject to change without notice. Rothschild & Co Asset Management Europe has not independently verified the information contained in this document and cannot be held responsible for any errors, omissions or interpretations of the information contained in this document. This analysis is only valid at the time of writing of this report.

Furthermore, given the subjective nature of certain analyses, we draw your attention to the fact that any information, projections, estimates, anticipations, assumptions and/or opinions are not necessarily put into practice by the management teams of Rothschild & Co Asset Management , or its affiliates, who act according to their own convictions. Certain forward-looking statements are prepared on the basis of certain assumptions, which are likely to differ either partially or totally from reality. Any hypothetical estimates are, by their nature, speculative and it is possible that some, if not all, of the assumptions relating to these hypothetical illustrations may not materialise or may differ significativement from current determinations. The information does not presume the suitability of the UCI presented to the profile and experience of each individual investor. Rothschild & Co Asset Management Europe shall not be liable for any decision taken on the basis of or inspired by the information containe. R-co Conviction Equity Value Euro is a sub-fund of the open-ended investment company governed by French law “R-Co”, whose registered office is at 29, avenue de Messine – 75008 Paris, registered under number 844 443 390 in the Paris Trade and Companies Register (RCS PARIS).

The UCIs presented above are organised according to French law and regulated by the French financial markets authority (AMF). Any investment is always subject to risk. Before any investment, please imperatively read the key investor information document (PRIIPs KID) and prospectus of the UCIs carefully, especially its section relating to risks. Each investor must also ensure the jurisdictions in which the UCI is registered. The PRIIPs KID, the full prospectus as well as the net asset value (NAV) /net inventory value (NIV) are available on our website: am.eu.rothschildandco.com. The information presented is not intended to be disseminated and does not constitute in any way an invitation for US nationals or their agents. The units or shares of the UCIs presented in this document are not and will not be registered in the United States pursuant to the U.S. Securities Act of 1933 as amended (“Securities Act 1933”) or admitted under any law of the United States. These units or shares may neither be offered, sold in or transferred to the United States (including in its territories and possessions), nor directly or indirectly benefit to a “US Person” (within the meaning of Regulation S of the Securities Act of 1933) and equivalent persons (as referred to in the US “HIRE” Act of 18 March 2010 and in the FATCA provisions).

Figures provided relate to previous years. Past performance is not a reliable indicator of future performance and is not constant over time. The value of investments and the income derived from them may vary both upwards and downwards, and is not guaranteed. The value of investments and the income derived from them may vary both upwards and downwards, and is not guaranteed. It is therefore possible that you may not recover the amount originally invested. Exchange rates variation may increase or decrease the value of the investments and the resulting income when the reference currency of the UCI is different from the currency of your country of residence. UCIs whose investment policy is aimed more specifically at specialised markets or sectors (such as emerging markets) are generally more volatile than common and diversified allocation funds. For a volatile mutual fund, the fluctuations may be particularly large, and the value of the investment may therefore fall sharply. The performances presented do not take into account any fees and commissions received on the subscription and redemption of units or shares of the UCI herein. The portfolios, products or securities presented are subject to market fluctuations and no guarantee can be given as to their future development. The tax treatment depends on the individual situation of each investor and may be subject to change.

No part of this document may be reproduced, in whole or in part, without the prior written permission of Rothschild & Co Asset Management , under pain of legal proceedings.

Rothschild & Co Asset Management, organized under the laws of France, registered with the Trade and Companies Register of Paris RCS Paris 824 540 173. A management company licensed by the Autorité des Marchés Financiers under N° GP 17000014, having its registered office 29, avenue de Messine, 75008 Paris, France.

Über den Geschäftsbereich Asset Management von Rothschild & Co

Rothschild & Co Asset Management, eine Tochter der Rothschild & Co Gruppe, ist ein unabhängiger Asset Manager, der institutionellen und semi-institutionellen Investoren Investmentlösungen im UCITs Fondsmantel sowie in Spezialmandaten anbietet. Neben einem aktiv gemanagten High-Conviction Ansatz bieten wir unseren Kunden Zugang zu selektiv ausgewählten Investmentlösungen über unsere OpenArchitecture Plattform. Unser Hauptsitz liegt in Paris mit Büros in 10 weiteren europäischen Ländern. Rothschild & Co Asset Management verfügt über ca 200 Mitarbeiter und mehr als 50 Mrd. Euro verwaltetem Vermögen[1].
Für weitere Informationen: www.am.eu.rothschildandco.com

(1) Quelle: Rothschild & Co Asset Management, 31/07/2026.

France

29, Avenue de Messine
75008 Paris
+33 1 40 74 40 74

Belgien – Niederlande – Luxemburg

Rue de la Régence 52
1000 Bruxelles
+32 2 627 77 30

Schweiz

Rothschild & Co Bank AG
Rue de la Corraterie 6
1204 Genève
+41 22 818 59 00

Italien

Passaggio Centrale 3
20 123 Milano
+39 02 7244 31

Deutschland – Österreich

Börsenstraße 2 - 4
Frankfurt am Main 60313
+49 69 299 8840

Spanien

Paseo de la Castellana 40 bis
28046 Madrid
+39 02 7244 31