Rothschild & Co
Asset Management



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



Anthony Bailly
Head of European Equity



Vincent Iméneuraët
European Equities Portfolio Manager

October was marked by renewed risk aversion, driven by the protracted conflict in Iran, a resurgence in inflationary pressures as energy prices rose, and growing concerns over the financing of artificial intelligence infrastructure. Global equities nevertheless remained resilient, with the MSCI World gaining 1.0% in euro terms, supported notably by the S&P 500 (+0.8%)[1]. However, this overall resilience masked significant disparities: the Nasdaq fell 5.0%, while Asian markets also came under pressure, including the KOSPI (-13.4%)[1], which has particularly high exposure to the AI theme. In Europe, the Euro Stoxx declined 1.5%[9], weighed down by inflationary pressures and fiscal concerns, particularly in France. These market moves were accompanied by a significant sector rotation, with technology (-5.7%), basic resources (-8.9%) and banks (-11.4%) among the main laggards. More defensive sectors, by contrast, significantly outperformed, notably media (+12.6%), healthcare (+11.4%) and food & beverage (+11.3%)[1].

In terms of investment style, Value[2] outperformed Growth[3] by almost 200 basis points over the month, declining by just 0.6% compared with a 2.6% fall for Growth[11]. Despite the marked underperformance of the banking sector, this gap was largely driven by the sharp correction in several large AI-related Growth stocks, including ASML (-11.4%), Infineon (-15.0%) and Schneider Electric (-18.7%). The valuation premium of Growth over Value consequently narrowed slightly, from 63% to 62%[1], but in our view remains high by historical standards. This premium appears all the more demanding given the significant shift in the interest-rate environment since 2022, which is likely to remain less supportive of long-duration assets for some time. The gradual normalisation of this premium

therefore continues to provide structural support for the Value style.

R-co Conviction Equity Value Euro outperformed both the broader market and the Value index in October, gaining 2.0%[4], with the outperformance entirely driven by stock selection. Beyond the correction in Growth stocks most exposed to AI, earnings season proved particularly favourable for several of our high-conviction holdings. Companies whose business models had been heavily challenged by the rise of artificial intelligence rebounded strongly, including Wolters Kluwer (+28%), Capgemini (+22%) and SAP (+13%). The more cautious positioning adopted after the summer also paid off, supported by strong performances from Munich Re (+13%), E.ON (+12%) and Sanofi (+9.8%)[1]. Finally, the reduction in our exposure to the banking sector, which began in September, helped cushion the portfolio from the sector's sharp decline.

In terms of portfolio activity, we did not initiate or exit any positions in October, unlike the previous month. However, we took advantage of the strong rebound in companies that had previously been affected by AI-related concerns to take some profits. At the same time, in line with our investment process and with our view of a reacceleration in the European economy remaining intact, we added to selected cyclical and financial positions that had come under pressure during the month, notably UniCredit and ArcelorMittal.

Despite persistent political and geopolitical uncertainty, signs of renewed momentum in the European economy are gradually becoming more tangible, as illustrated by the improvement in German manufacturing indicators. The resilience of corporate earnings reinforces our conviction that a new industrial cycle is beginning to take shape, supported by the ramp-up of investment plans across the region. A gradual improvement in political visibility as the upcoming elections unfold could also help strengthen confidence and provide greater clarity on the economic outlook. An easing of geopolitical tensions in the Middle East could provide an additional tailwind for economic activity, particularly in Europe. **Our positioning, however, remains primarily underpinned by the gradual recovery in the European economy and the expected acceleration in investment across the region.**

Annualised performance as of 30/10/2026
in %

	3 years	5 years	10 years
R-co Conviction Equity Value Euro C EUR	15,31	8,41	7,53
Euro Stoxx ® NR	17,95	9,21	9,53
Relative Difference	-2,64	-0,80	-2,00

Source: Rothschild & Co Asset Management, 30/10/2026.
Past performance is not a reliable indicator of future performance.

Ulteriori informazioni sui fondi

R-co Conviction Equity Value Euro

Consulta questo documento sul nostro sito web

[1] Source: Bloomberg, 30/10/2026.
[2] A Value strategy involves investing in companies considered undervalued by the market at a given point in time, meaning that their market valuation is below what would be justified by their earnings and the value of their assets. Value investors typically select stocks with low price-to-book ratios or high dividend yields.
[3] Investors following a Growth style focus primarily on companies' earnings growth potential, seeking businesses whose revenue and earnings are expected to grow faster than their sector or the broader market average.
[4] Source: Rothschild & Co Asset Management, 30/10/2026.

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.

Informazioni sulla divisione Asset Management di Rothschild & Co

Come divisione specializzata nella gestione patrimoniale del gruppo Rothschild & Co, offriamo servizi di gestione personalizzati a un'ampia clientela di investitori istituzionali, intermediari finanziari e distributori. Il nostro sviluppo si basa su una gamma di fondi aperti che beneficiano della nostra esperienza di lungo periodo nella gestione attiva e di convinzione, nonché nella gestione delegata. Con sede a Parigi e uffici in 10 paesi europei, gestiamo oltre 50 miliardi di euro e impieghiamo quasi 200 persone(1).
Ulteriori informazioni su : www.am.eu.rothschildandco.com

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

France

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

Belgio – Paesi Bassi – Lussemburgo

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

Svizzera

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

Italia

Passaggio Centrale 3
20 123 Milano
+39 02 7244 31

Germania – Austria

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

Spagna

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