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LeanVal
INVESTMENTS

NOVEMBER 2021

**QUARTERLY INDEX REBALANCING:
SOLACTIVE BERYLLS LEANVAL
AUTOMOBILITY LEADERS 100 INDEX**

ISIN: DE000SL0D0S2

PERFORMANCE OVERVIEW



PROFIT AND RISK

Return (USD)	AUTO100 Index	Morningstar Global Index	Active Return
October 2021	8.0%	4.8%	3.2%
Since inception (30.07.2021)	5.1%	3.2%	1.9%
Since beginning of the year (YTD)	21.9%	16.4%	5.5%
12 months	50.1%	35.9%	14.2%
Since index start (31.12.2018)	100.6%	70.5%	30.1%
Year 2019	20.9%	26.2%	-5.4%
Since back test start (31.12.2015)	124.9%	106.2%	18.8%

Key risk figures

Volatility (36 months)	19.5%	18.3%
Value-at-Risk (95%, 12 months)	-24.6%	-16.1%
Maximum Drawdown (36 months)	-38.8%	-34.4%

Pure-play automobility index generates attractive returns

Few things shape modern life as much as individual mobility. Be it as an expression of freedom and individuality, or as an economic driver. To reflect this, we have developed the **Solactive Berylls LeanVal Automobility Leaders 100 Index** – the AUTO100. It tracks the performance of the 100 most relevant publicly listed automobility players worldwide.

By design, the AUTO100 covers the industry's entire value chain – in addition to car manufacturers and suppliers, this means dealer groups, mobility service-, and infrastructure providers, too. Thereby, the index captures relevant developments of

the entire industry.

Over the past few months, these developments have largely been around vehicle delivery bottlenecks, especially due to shortage of semiconductor chips or side effects of the China real estate bubble. Nevertheless, the AUTO100's return of nearly 22% YTD beats the market by almost 6% (Morningstar Global index).

The first rebalancing of AUTO100 since its inception adjusted the weighting of North American firms in favor of Europe and China, mainly due to strong prices of US stocks. Automobile manufacturers (OEMs) continue to be the most important sector in the index.



PERFORMANCE OVERVIEW



Although the AUTO100 actively limits the weight of individual components to 2.5%, there are some stocks pushing the overall performance: Last quarter, these were **AVIS**, **Tata Motors** and **Tesla**.

Without this limitation, **Tesla** would have made up 21.3% of the index at the time of inception (July 2021). The strong performance would have pushed the stock's weight in the index to over 25% in the past three months. Tesla's stock price increase led to a stand alone-performance increase of 1.5% of the AUTO100.

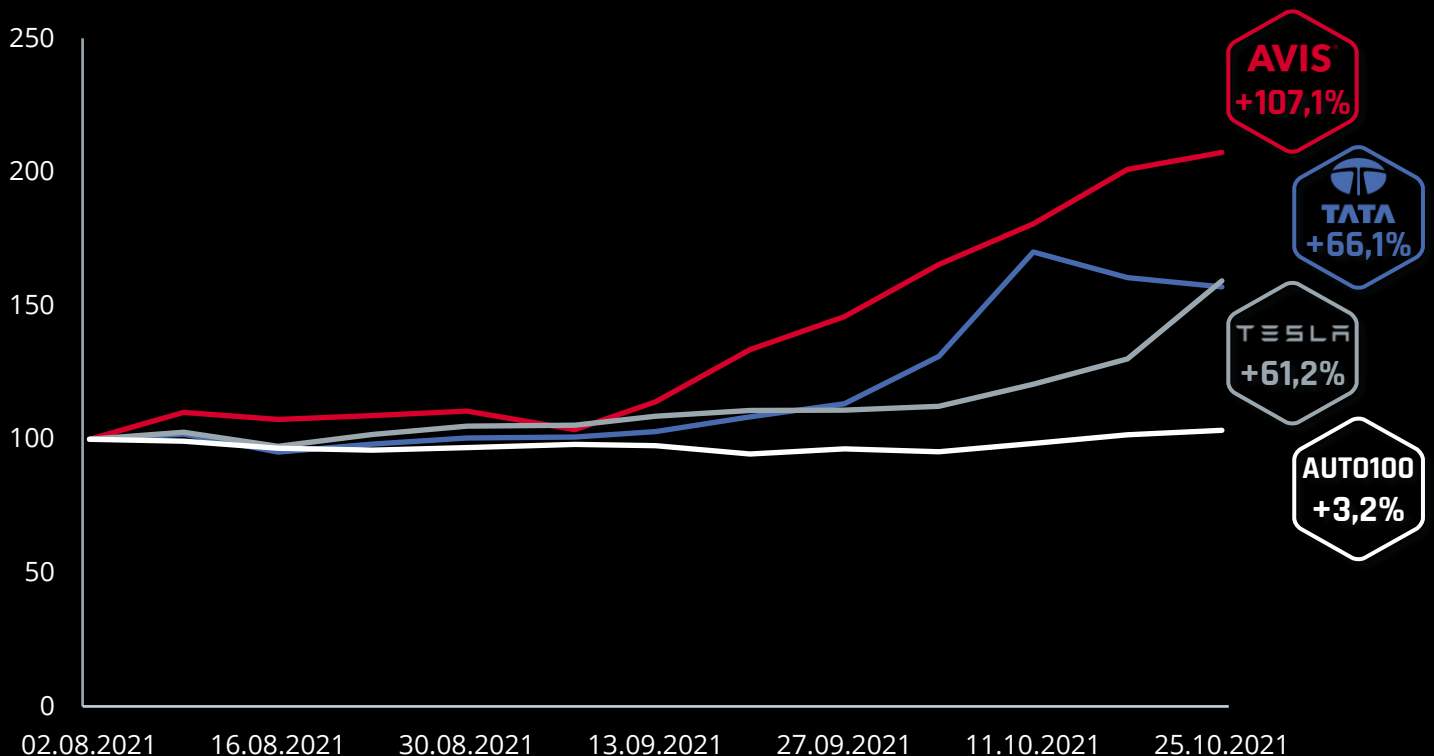
Another example of last quarters top performers is **Tata Motors**. The Indian company produces a wide range of different utility and passenger vehicles. They drove

performance due to significant share price growth - following the sale of a 15% stake in their electric vehicle business for just under USD 1 billion. The implied value of this business of Tata Motors totals USD 6.6 billion, significantly more than anticipated by the market.

Other indices are determined largely by market capitalization and (recently) driven almost solely by the skyrocketing performance of Tesla. Those may have seen a short-term performance impact of up to 15%.

We are convinced that our domain-specific and fundamental approach to assessing the quality of a stock allows us to draw accurate market comparisons, thereby selecting high-class individual stocks.

TOP 3 PERFORMERS OF LAST QUARTER



REBALANCING RESULTS

MOST NOTABLE CHANGES (NON EXHAUSTIVE)



The most recent quarterly rebalancing replaced 11 constituents, or approx. 10% of the index. Harley Davidson and Schaeffler, for example, fell out of the index, while Brembo, Sixt and other suppliers are among the new additions.

Brembo is one of the leading manufacturers of braking systems and their components. According to their recently reported nine-month figures, Brembo doubled their operating result (EUR 224m) compared to

		SEGMENT
Dana Inc		Supplier
Gestamp Automocion SA		Supplier
Harley-Davidson Inc		OEM
Localiza Rent a Car SA		Mobility
O'Reilly Automotive Inc		Dealer
Schaeffler AG		Supplier
Vitesco Technologies		Supplier

		SEGMENT
Brembo SPA		Supplier
Guangzhou Automobile Group Company Limited		OEM
Infineon Technologies AG		Supplier
Ningbo Tuopu Group		Supplier
Pirelli & C SpA		Supplier
Sixt SE		Mobility
Xpeng		OEM

the previous year.

Also a new joiner, the semiconductor company **Infineon Technologies** is one of the 10 largest suppliers in this space (since their takeover of US-based Cypress Semiconductor Corporation in April 2020). Only recently – financial year ended in September – the company presented its figures for the 2020/2021, which show very strong development of turnover and earnings.



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LeanVal is an independent financial services provider for institutional and semi-institutional investors with offices in Frankfurt, Cologne and Munich. The range of services includes equity research, asset management and digital platforms for investment management.

As a provider of in-depth analyses, LeanVal Research GmbH has extensive expertise in the analysis, valuation and selection of stocks as well as in the design of equity strategies. The research universe currently includes the 600 largest listed companies in Europe and around 500 US stocks. The digital solution of LeanVal Research allows all client groups, with very high data quality and data depth, a well-founded individual analysis of the underlying equity universe as well as independent portfolio design according to individual and predefined investment strategies.

The asset management competence is bundled in Conservative Concept Portfolio Management AG (CCPM). Founded in 1991, the company offers investment solutions in special and mutual funds. The focus of daily business is on the development

and management of option-based volatility strategies, factor-based equity strategies and multi-asset solutions. The well-rounded product range is complemented with private debt products.

Further information at: www.leanval.investments

YOUR CONTACT PERSONS



PROF. DR. LAURENZ CZEMPIEL
Managing Partner
lc@leanval.investments



ARTUR KAMPIK, CFA
Managing Partner
ak@leanval.investments



PROF. DR. PETER SCHÖMIG, CFA
Managing Partner
ps@leanval.investments

T +49 69 9494 88 050 | info@leanval.investments



CONTACTS BERYLLS

The Berylls Group's services are fully dedicated to the automotive industry. From offices in Germany, China, the UK, South Korea, North America and Switzerland Berylls experts cover all current and future topics of the automotive ecosystem. Their expertise is combined in four specialized units – the Berylls Quartet.

Berylls Strategy Advisors – With its comprehensive know-how, the top management consultancy serves the entire automotive value chain – from strategic conception to improving operational performance.

Berylls Digital Ventures – The Digital Ventures team offers to build new business models for clients or develops and operates digital products for them – end-to-end. Berylls Digital Ventures invests in start-ups and builds white-label digital products that customers can integrate in their digital presence.

Berylls Equity Partners – In the Berylls Quartet, Equity Partners is an investment company backed by strong anchor investors that acquires companies in the mobility industry to improve them operationally and realign them strategically.

Berylls Mad Media – Mad Media's experts develop and implement data-driven marketing, integrated portfolio, and service design, all the way to holistic process and IT architectures.

Further information at: www.berylls.com

YOUR CONTACT PERSONS



DR. JAN BURGARD
CEO (Berylls Group)
jan.burgard@berylls.com



MALTE BROXTERMANN
Principal & Head of Digital Ventures
malte.broxtermann@berylls.com



ANDREAS OESINGHAUS
Consultant
andreas.oesinghaus@berylls.com



BJÖRN SIMON
Consultant
bjoern.simon@berylls.com

T +49 89 710 410 400 | info@berylls.com





INTERESTED?

LET'S DISCUSS.



THE
AUTO100
Index



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