



### Marc RENAUD

Mandarine Gestion  
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European Equity Manager  
Mandate Europe Full Invested

pioneers of « value » investing in France for European equities. Starting in 1988 at CCF (now HSBC), he joined Regeval (Fimagest Group) in 1992 and co-founded CCR actions in 1997, where he created and managed the flagship fund Centrale Valeur until his departure in October 2007. Marc is a graduate of Essec Business School, Paris, and holds a Master's Degree in Political Science from Aix-en-Provence.

**M**arc Renaud, founder of Mandarin Gestion, is a European equity fund manager with a professional experience of more than 20 years in equity management. He is one of the

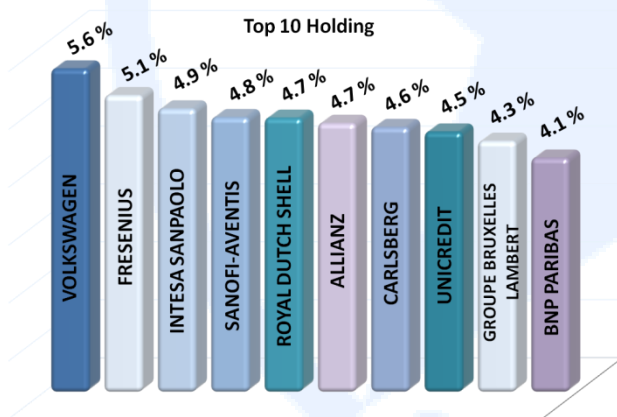
#### ★ Is the market doing a little better?

**Y**es. The atmosphere is easing because the two spectres of a double dip recession and a banking crisis are disappearing or at least fading.

#### ★ Is the banking crisis over?

**Y**es. The banking crisis was a year and a half ago. Of course, there are banks facing major difficulties and there will be tax, regulatory and equity constraints in the future. However, the market has already priced this into its valuations. And as in all crises, there will be winners.

#### ★ What are your principal convictions at present?



Swedbank etc.

When BNP Paribas trades at less than its book value, the market is implying that the bank will destroy value over the coming years. This will not be the case.

However, as I believe that the entire market is trading at low valuations (if you believe like me in an inevitable "mean reversion"), there is no need to be monomaniacal.

There are also inexpensive defensive (Carlsberg, Fresenius, Metro, the oil companies etc.) and cyclical (APMoeller Maersk, Volkswagen, Saint-Gobain etc.) shares.

**T**he banking shares, but only the best quality ones: Santander, BNP Paribas, Intesa,

#### ★ Your fund rebounded in September - October.

**Y**es, albeit after a difficult month in August, when we took advantage of market fears by reinforcing the portfolio's beta through cyclical and financial shares.

The paradox is that the fund rebounded without a strong gain in the banking sector, my principal bullish conviction at present.