
MERCHBANC SICAV

Société d'Investissement à Capital Variable
Luxembourg

Annual report, including audited financial statements
for the year ended September 30, 2018

R.C.S. Luxembourg B-51646

No subscription can be received solely on the basis of this annual report including audited financial statements. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the Key Investor Information Documents ("KIID"), the latest annual report, including audited financial statements and the most recent semi-annual report, if published thereafter.

MERCHBANC SICAV

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MERCHBANC SICAV

Management and Administration

BOARD OF DIRECTORS OF THE COMPANY

Chairwoman

Mrs. Véronique GILLET
Independent Director, Luxembourg, Grand-Duchy of Luxembourg

Directors

Mrs. Céline MALPERTUIS
Independent Director, Geneva, Switzerland

Mrs. Sylvie RODRIGUES
Independent Director, Luxembourg, Grand-Duchy of Luxembourg

ADMINISTRATION

Registered Office

11/13, Boulevard de la Foire, L-1528 Luxembourg, Grand-Duchy of Luxembourg

Management Company

BIL Manage Invest S.A.
42, rue de la Vallée
L-2661 Luxembourg, Grand-Duchy of Luxembourg

Investment Manager and Global Distributor

Merchbolsa, Agencia de Valores S.A. (until August 31, 2018)
279, Diputacion, E-08007 Barcelona, Spain

Merchbanc S.G.I.I.C, S.A. (since August 31, 2018)
Serrano, 51 - 28006 Madrid, Spain

Depository and Principal Paying Agent, Central Administrative Agent, Registrar and Transfer Agent and Domiciliary Agent

RBC Investor Services Bank S.A.
14, Porte de France, L-4360 Esch-sur-Alzette, Grand-Duchy of Luxembourg

Cabinet de Révision Agréé

Deloitte Audit, *Société à responsabilité limitée*
560, rue de Neudorf, L-2220 Luxembourg, Grand-Duchy of Luxembourg

MERCHBANC SICAV

General Information

The Annual General Meeting of shareholders of MERCHBANC SICAV (the "Company") is held at the registered office of the Company or at such other place in Luxembourg on the last Wednesday of the month of January in each year at 3.00 p.m. Luxembourg time, or if any such day is not a bank business day in Luxembourg, on the next following bank business day in Luxembourg.

Notices of all general meetings are sent to each holder of registered shares by post at least eight days prior to the meeting at their addresses in the register of shareholders. Such notices include the agenda and specify the time and place of the meeting and the conditions of admission and refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities required for the meeting.

Annual reports, including audited financial statements are published within four months after the financial year-end and unaudited semi-annual reports are published within two months after the end of the relevant period. Such reports are made available at the registered office of the Company during normal business hours. The financial year of the Company starts on the first day of October in each year and ends on the last day of September of the following year.

The net asset values and the issue, conversion and sale prices of the shares in any sub-fund are made public and available at the registered office of the Company.

Under current legislation, shareholders are not subject to any capital gains, income, withholding, inheritance or other taxes in Luxembourg (except for shareholders domiciled, resident or having a permanent establishment in Luxembourg, or non-residents of Luxembourg who hold more than 10% of the Shares of the Company and who dispose of all or part of their holdings within 6 months from the date of acquisition or in some limited cases, some former residents of Luxembourg who hold more than 10% of the Shares of the Company).

Investors should consult their professional advisers on the possible tax or other consequences of buying, holding, converting, transferring or selling any of the shares under the laws of their countries of citizenship, residence or domicile.

A detailed statement of investments changes of each sub-fund is available free of charge upon request at the registered office of the Company.

MERCHBANC SICAV

Directors' Report to the shareholders for the year ended September 30, 2018

Introduction

As of September 30, 2018, the Net Assets of MERCHBANC SICAV were 115,243,142 Euro which represents an increase of 17.08% for the fiscal period September 30, 2017 to September 30, 2018.

The increase is due mainly to the subscriptions and to the performance of some of the sub-funds.

The information related to the composition of the portfolios in this report are disclosed based on the stock exchange markets where the companies are quoted and not incorporated.

Evolution of the sub-funds

MERCHBANC SICAV - Global in USD

As of September 30, 2018, the total net assets of the sub-fund are 8,649,083.94 USD and the net asset value per share is 26.731 USD. The performance of the sub-fund for the fiscal year period September 30, 2017 to September 30, 2018 has been 22.76%.

The composition of the portfolio of the sub-fund as of September 30, 2018 is as follows: 92.23% is invested in stocks quoted in regulated markets (75.21% in US stock markets, 8.80% in the Euro zone stock markets, 3.96% in Swiss stock markets, 3.60% in Japanese stock markets, 0.42% in the Swedish stocks markets and 0.25% in the British stocks markets); 3.91% is invested in options on shares; 6.31% is in cash and (2.45%) are accruals.

As of September 30, 2018, the exposure of the sub-fund in currencies different from USD is of 18.92%.

The stocks in the portfolio have been selected by the Investment Manager's team and are fairly diversified with a presence mainly in the sectors of healthcare, industry, financial services, consume, technology, leisure, building, commercial services and communications.

The top five companies are Portola Pharmaceuticals (9.39%), Tapestry Inc. (4.53%), Incyte (4.23%), Twitter (3.79%) and Gilead Sciences (3.42%). These stocks represent 25.36% of the net assets of the sub-fund.

MERCHBANC SICAV - Cube

As of September 30, 2018, the total net assets of the sub-fund are 16,205,871.64 Euro and the net asset value per share is 270.358 Euro. The performance of the sub-fund for the period September 30, 2017 to September 30, 2018 has been (1.51%).

The composition of the portfolio of the sub-fund as of September 30, 2018 is as follows: 88.40% is invested in stocks quoted in the United States of America stock markets; 7.51% is invested in options on shares; 4.70% is in cash and (0.61%) are accruals.

As of September 30, 2018, the exposure of the sub-fund in currencies different from Euro is of 98.94%.

The stocks in the portfolio have been selected by the Investment Manager's team and are fairly diversified with a presence mainly in the sectors of healthcare, technology, leisure, financial services, industry, distribution, communications, consume and energy.

The top five companies are Portola Pharmaceuticals (7.79%), Incyte Corp. (7.34%), Baidu.com (4.86%), Alphabet Serie C (3.17%) and Bank of America (3.13%). These stocks represent 26.29% of the net assets of the sub-fund.

MERCHBANC SICAV - Renta Fija Flexible

As of September 30, 2018, the total net assets of the sub-fund are 60,938,633.41 Euro and the net asset value per share is 10.512 Euro. The performance of the sub-fund for the period September 30, 2017 to September 30, 2018 has been (0.96%).

The composition of the portfolio of the sub-fund as at September 30, 2018 is as follows: 13.16% is invested in Government Securities; 80.92% invested in Corporate Bonds; 14.79% is in cash and (8.87%) accruals. The average rating of the securities is BBB+. The modified duration of the sub-fund is 1.87.

The exposure of the sub-fund in currencies different from Euro is of 2.29%.

MERCHBANC SICAV - Merch-Fontemar

As of September 30, 2018, the total net assets of the sub-fund are 3,046,082.89 Euro and the net asset value per share is 9.937 Euro. The performance of the sub-fund for the period September 30, 2017 to September 30, 2018 has been (2.33%).

The composition of the portfolio of the sub-fund as of September 30, 2018 is as follows: 44.03% is invested in Government Securities issued by the Kingdom of Spain; 24.74% is invested in stocks quoted in regulated stock markets (14.55% in US stock markets, 7.72% in Euro zone stock markets and 2.47% Swiss stock markets); 16.99% is invested in Corporate Bonds; 14.62% is in cash; and 0.39% accruals.

MERCHBANC SICAV

Directors' Report to the shareholders for the year ended September 30, 2018 (continued)

The exposure of the sub-fund in currencies different from Euro is of 12%.

The stocks in the portfolio have been selected by the Investment Manager's team and are fairly diversified with a presence mainly in the sectors of healthcare, financial services, industry, communications, distribution, consume, building, leisure, energy and technology.

The top five companies are Qualcomm (4.89%), Portola Pharmaceuticals (4.33%), Gilead Sciences (2.40%), Axa (1.92%) and Allianz (1.86%). These stocks represent 15.40% of the net assets of the sub-fund.

MERCHBANC SICAV - Merch-Universal

As of September 30, 2018, the total net assets of the sub-fund are 10,277,886.43 Euro and the net asset value per share is 11.444 Euro. The performance of the sub-fund for the period September 30, 2017 to September 30, 2018 has been 3.02%.

The composition of the portfolio of the sub-fund as of September 30, 2018 is as follows: 62.05% is invested in stocks quoted in regulated stock markets (43.41% in US stock markets, 11.34% in the Euro zone stock markets, 6.45% in the Swiss stock markets and 0.85% in the Japanese stock markets); 17.39% is invested in Government Securities; 6.84% is invested in Corporate Bonds; 14.18% is in cash; and accruals 0.46%.

The exposure of the sub-fund in currencies different from Euro is of 18.85%.

The stocks in the portfolio have been selected by the Investment Manager's team and are fairly diversified with presence mainly in the sectors of healthcare, financial services, communications, consume, leisure, technology, industry, distribution, building, commercial services and energy.

The top five companies are Qualcomm (7.76%), Portola Pharmaceuticals (7.41%), Axa (3.15%), Allianz (2.99%) and Bank of America (2.63%). These stocks represent 23.94% of the net assets of the sub-fund.

MERCHBANC SICAV - Merchfondo

As of September 30, 2018, the total net assets of the sub-fund are 15,653,585.09 Euro and the net asset value per share is 14.933 Euro. The performance of the sub-fund for the period September 30, 2017 to September 30, 2018 has been 22.30%.

The composition of the portfolio of the sub-fund as of September 30, 2018 is as follows: 90.02% is invested in stocks quoted in regulated markets (74.21% in US stock markets, 8.58% in euro zone stock markets, 3.67% in Swiss stock markets, 2.92% in Japanese stock markets, 0.40% in the Swedish stock markets and 0.24% in the British stocks markets); 3.85% is invested in options on shares; 8.54% is in cash and (2.41%) are accruals.

The stocks in the portfolio have been selected by the Investment Manager's team and are fairly diversified with presence mainly in the sectors of healthcare, industry, financial services, consume, technology, leisure, building, communications, commercial services and distribution.

The top five companies are Portola Pharmaceuticals (9.38%), Twitter (4.77%), Tapestry Inc. (4.40%), Incyte (4.24%) and Gilead Sciences (3.37%). These stocks represent 26.16% of the net assets of the sub-fund.

The exposure of the sub-fund in currencies different from Euro is of 50.03%.

MERCHBANC SICAV - Fixed Income in USD

As of September 30, 2018, the total net assets of the sub-fund are 1,940,036.87 USD and the net asset value per share is 6.452 USD. The performance of the sub-fund for the period September 30, 2017 to September 30, 2018 has been (0.85%).

The composition of the portfolio of the sub-fund as at September 30, 2018 is as follows: 38.32% is invested in short-term United States of America Government securities (Treasury Bills and Treasury Notes); 36.58% is invested in Corporate Bonds; 9.43% is invested in convertible bonds; 15.88% is in cash and (0.21%) are accruals.

The Board of Directors of
MERCHBANC SICAV

December 7, 2018

The information stated in this report is historical and not necessarily indicative of future performance.

To the shareholders of
MERCHBANC SICAV
11/13, Boulevard de la Foire
L-1528 Luxembourg
Grand-Duchy of Luxembourg

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Report on the Audit of the financial statements

Opinion

We have audited the Financial Statements of MERCHBANC SICAV (the « Company ») and of each of its sub-funds, which comprise the Statement of Net Assets and the Statement of Investments as at September 30, 2018 and the Statement of Operations and Changes in Net Assets for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of MERCHBANC SICAV and of each of its sub-funds as at September 30, 2018, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under those Law and standards are further described in the “Responsibilities of the Réviseur d'Entreprises Agréé for the Audit of the Financial Statements” section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Company is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of *Réviseur d'Entreprises Agréé* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regards.

Responsibilities of the Board of Directors of the Company for the financial statements

The Board of Directors of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of *Réviseur d'Entreprises Agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Company.
- Conclude on the appropriateness of Board of Directors of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *Réviseur d'Entreprises Agréé* to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *Réviseur d'Entreprises Agréé*. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de Révision Agréé*


Laurent Fedrigo, *Réviseur d'Entreprises Agréé*
Partner

Luxembourg, December 17, 2018

MERCHBANC SICAV

STATEMENT OF NET ASSETS as at September 30, 2018

		MERCHBANC SICAV - Global in USD	MERCHBANC SICAV - Cube	MERCHBANC SICAV - Renta Fija Flexible	MERCHBANC SICAV - Merch-Fontemar	MERCHBANC SICAV - Merch-Universal
	Note	USD	EUR	EUR	EUR	EUR
ASSETS						
Investments in securities at market value	(2)	7,976,922	14,325,335	57,329,447	2,612,338	8,867,745
Options contracts purchased		338,165	1,216,762	0	0	0
Cash at banks		545,687	761,977	9,015,277	445,545	1,457,636
Interest and dividends receivable		6,671	2,746	659,853	6,073	14,266
Net unrealised profit on futures contracts	(7)	0	0	20,556	0	0
Other assets		3,154	405	0	0	2,026
TOTAL ASSETS		8,870,599	16,307,225	67,025,133	3,063,956	10,341,673
LIABILITIES						
Margin payable to broker	(2)	6,897	62,814	37,862	3,133	26,674
Amounts payable on redemptions		0	0	5,923,526	0	0
Net unrealised loss on futures contracts	(7)	0	0	0	1,550	5,361
Management fees	(3)	12,186	15,032	63,701	4,286	14,523
Performance fees payable	(3)	186,731	0	0	0	0
Taxes and expenses payable	(6)	15,701	23,507	57,570	8,798	17,112
Interest payable		0	0	3,841	106	117
TOTAL LIABILITIES		221,515	101,353	6,086,500	17,873	63,787
TOTAL NET ASSETS		8,649,084	16,205,872	60,938,633	3,046,083	10,277,886
Net asset value per share		26.731	270.358	10.512	9.937	11.444
Number of shares outstanding		323,561.831	59,942.282	5,797,276.441	306,545.882	898,097.877

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

STATEMENT OF NET ASSETS (continued) as at September 30, 2018

		MERCHBANC SICAV - Merchfondo	MERCHBANC SICAV - Fixed Income in USD	Combined
	Note	EUR	USD	EUR
ASSETS				
Investments in securities at market value	(2)	14,090,717	1,635,907	105,505,722
Options contracts purchased		601,882	0	2,109,927
Cash at banks		1,336,804	308,004	13,752,577
Interest and dividends receivable		11,688	6,515	705,984
Net unrealised profit on futures contracts	(7)	0	1,281	21,659
Other assets		6,185	0	11,333
TOTAL ASSETS		16,047,276	1,951,707	122,107,203
LIABILITIES				
Margin payable to broker	(2)	35,053	1,344	172,634
Amounts payable on redemptions		0	0	5,923,526
Net unrealised loss on futures contracts	(7)	11,370	0	18,281
Management fees	(3)	20,075	1,141	129,096
Performance fees payable	(3)	302,532	0	463,375
Taxes and expenses payable	(6)	24,661	9,185	153,084
Interest payable		0	0	4,064
TOTAL LIABILITIES		393,691	11,670	6,864,061
TOTAL NET ASSETS		15,653,585	1,940,037	115,243,142
Net asset value per share		14.933	6.452	
Number of shares outstanding		1,048,250.175	300,708.875	

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS for the year ended September 30, 2018

		MERCHBANC SICAV - Global in USD	MERCHBANC SICAV - Cube	MERCHBANC SICAV - Renta Fija Flexible	MERCHBANC SICAV - Merch-Fontemar
	Note	USD	EUR	EUR	EUR
NET ASSETS AT THE BEGINNING OF					
THE YEAR		8,080,199	16,020,086	48,219,641	2,224,742
INCOME					
Dividends, net	(2)	103,317	104,729	0	16,643
Interest on bonds, net	(2)	0	0	1,862,688	14,684
Bank interest, net	(2)	3,583	6,026	3,913	250
Other income		412	792	28	0
TOTAL INCOME		107,312	111,547	1,866,629	31,577
EXPENSES					
Management fees	(3)	137,233	164,699	709,262	41,835
Performance fees	(3)	186,731	0	0	0
Depositary bank fees		8,495	8,758	25,435	7,090
Domiciliation, administration, registrar and transfer agent fees		39,914	24,930	81,763	24,562
Audit fees, printing and publishing expenses		3,948	7,658	32,482	1,193
Directors fees		1,995	3,874	16,608	609
Subscription tax	(4)	4,291	8,117	35,742	1,354
Bank charges and correspondent fees	(9)	51,506	72,779	54,805	6,879
Bank interest		433	2,727	40,006	1,210
Other charges	(8)	4,300	7,821	12,944	726
TOTAL EXPENSES		438,846	301,363	1,009,047	85,458
NET LOSS FROM INVESTMENTS		(331,534)	(189,816)	857,582	(53,881)
Net realised profit/(loss) on sale of investments	(2)	1,301,119	2,007,092	(1,141,992)	58,178
Net realised profit/(loss) on sale of options contracts	(2)	1,261,754	(439,279)	21,200	0
Net realised profit/(loss) on futures contracts	(2)	0	0	(333,940)	(37,184)
Net realised profit/(loss) on foreign exchange	(2)	(4,442)	3,002	14,139	(2,244)
NET REALISED PROFIT/(LOSS)		2,226,897	1,380,999	(583,011)	(35,131)
Change in net unrealised (depreciation) on investments		(581,117)	(1,556,467)	(512,069)	(24,728)
Change in net unrealised appreciation/ (depreciation) on options contracts	(2)	34,801	(68,675)	0	0
Change in net unrealised appreciation/ (depreciation) on futures contracts	(2)	0	0	23,805	1,820
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS		1,680,581	(244,143)	(1,071,275)	(58,039)
EVOLUTION OF THE CAPITAL					
Subscriptions of shares		614,465	969,073	55,605,542	920,806
Redemption of shares		(1,726,161)	(539,144)	(41,815,275)	(41,426)
Currency translation	(2)	0	0	0	0
NET ASSETS AT THE END OF THE YEAR		8,649,084	16,205,872	60,938,633	3,046,083

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (continued) for the year ended September 30, 2018

		MERCHBANC SICAV - Merch-Universal	MERCHBANC SICAV - Merchfondo	MERCHBANC SICAV - Fixed Income in USD	Combined
	Note	EUR	EUR	USD	EUR
NET ASSETS AT THE BEGINNING OF					
THE YEAR		9,482,585	13,481,192	2,550,820	98,422,720
INCOME					
Dividends, net	(2)	107,669	180,520	0	498,554
Interest on bonds, net	(2)	18,001	0	35,814	1,926,222
Bank interest, net	(2)	3,276	6,206	1,076	23,684
Other income		70	0	0	1,245
TOTAL INCOME		129,016	186,726	36,890	2,449,705
EXPENSES					
Management fees	(3)	162,123	227,296	13,395	1,434,960
Performance fees	(3)	0	302,532	0	463,375
Depository bank fees		8,188	9,018	8,247	72,910
Domiciliation, administration, registrar and transfer agent fees		24,018	33,266	35,448	253,453
Audit fees, printing and publishing expenses		4,649	7,201	1,098	57,529
Directors fees		2,367	3,664	517	29,286
Subscription tax	(4)	5,078	7,814	1,081	62,732
Bank charges and correspondent fees	(9)	9,506	77,633	3,728	269,179
Bank interest		4,079	2,314	0	50,709
Other charges	(8)	1,992	7,437	792	35,306
TOTAL EXPENSES		222,000	678,175	64,306	2,729,439
NET LOSS FROM INVESTMENTS		(92,984)	(491,449)	(27,416)	(279,734)
Net realised profit/(loss) on sale of investments	(2)	802,843	1,631,216	37,274	4,510,180
Net realised profit/(loss) on sale of options contracts	(2)	0	2,281,157	0	2,949,907
Net realised profit/(loss) on futures contracts	(2)	(244,023)	(278,867)	12,063	(883,623)
Net realised profit/(loss) on foreign exchange	(2)	26,321	(44,004)	79	(6,544)
NET REALISED PROFIT/(LOSS)		492,157	3,098,053	22,000	6,290,186
Change in net unrealised (depreciation) on investments		(215,585)	(109,496)	(38,132)	(2,951,744)
Change in net unrealised appreciation/ (depreciation) on options contracts	(2)	0	47,710	0	9,011
Change in net unrealised appreciation/ (depreciation) on futures contracts	(2)	21,022	20,971	(1,672)	66,178
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS		297,594	3,057,238	(17,804)	3,413,631
EVOLUTION OF THE CAPITAL					
Subscriptions of shares		644,679	2,690,188	501,422	61,791,472
Redemption of shares		(146,972)	(3,575,033)	(1,094,401)	(48,547,379)
Currency translation	(2)	0	0	0	162,698
NET ASSETS AT THE END OF THE YEAR		10,277,886	15,653,585	1,940,037	115,243,142

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

CHANGES IN THE NUMBER OF SHARES for the year ended September 30, 2018

	MERCHBANC SICAV - Global in USD	MERCHBANC SICAV - Cube	MERCHBANC SICAV - Renta Fija Flexible	MERCHBANC SICAV - Merch-Fontemar	MERCHBANC SICAV - Merch-Universal
Registered Shares					
Number of shares outstanding at the beginning of the year	371,080.523	58,361.629	4,542,998.981	218,660.928	853,702.169
Number of shares issued	23,422.463	3,502.733	5,212,693.649	91,972.426	57,432.052
Number of shares redeemed	(70,941.155)	(1,922.080)	(3,958,416.189)	(4,087.472)	(13,036.344)
Number of shares outstanding at the end of the year	323,561.831	59,942.282	5,797,276.441	306,545.882	898,097.877

STATISTICS

	MERCHBANC SICAV - Global in USD USD	MERCHBANC SICAV - Cube EUR	MERCHBANC SICAV - Renta Fija Flexible EUR	MERCHBANC SICAV - Merch-Fontemar EUR	MERCHBANC SICAV - Merch-Universal EUR
Total Net Asset Value					
September 30, 2018	8,649,084	16,205,872	60,938,633	3,046,083	10,277,886
September 30, 2017	8,080,199	16,020,086	48,219,641	2,224,742	9,482,585
September 30, 2016	6,907,753	10,185,470	18,227,338	2,844,076	9,533,663
NAV per share at the end of the year					
September 30, 2018	26.731	270.358	10.512	9.937	11.444
September 30, 2017	21.775	274.497	10.614	10.174	11.108
September 30, 2016	16.536	175.246	10.089	9.883	10.007

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

CHANGES IN THE NUMBER OF SHARES (continued) for the year ended September 30, 2018

	MERCHBANC SICAV - Merchfondo	MERCHBANC SICAV - Fixed Income in USD
Registered Shares		
Number of shares outstanding at the beginning of the year	1,104,073.619	391,989.975
Number of shares issued	197,882.675	77,138.332
Number of shares redeemed	(253,706.119)	(168,419.432)
Number of shares outstanding at the end of the year	1,048,250.175	300,708.875

STATISTICS (continued)

	MERCHBANC SICAV - Merchfondo EUR	MERCHBANC SICAV - Fixed Income in USD USD
Total Net Asset Value		
September 30, 2018	15,653,585	1,940,037
September 30, 2017	13,481,192	2,550,820
September 30, 2016	10,028,857	3,456,396
NAV per share at the end of the year		
September 30, 2018	14.933	6.452
September 30, 2017	12.210	6.507
September 30, 2016	9.542	6.556

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Global in USD

STATEMENT OF INVESTMENTS

as at September 30, 2018

(expressed in USD)

Description	Face Value	Currency	Cost	Market value	% net assets
Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market					
Shares					
Canada					
NUTRIEN LTD	3,696	USD	152,526	213,259	2.47
			152,526	213,259	2.47
Cayman Islands					
JD. COM INC /ADR	1,900	USD	49,216	49,571	0.57
			49,216	49,571	0.57
France					
AIR LIQUIDE	1,000	EUR	111,218	131,535	1.52
AXA	8,000	EUR	196,277	215,008	2.49
ESSILOR INTERNATIONAL	416	EUR	47,155	61,553	0.71
			354,650	408,096	4.72
Germany					
BMW-BAYER. MOTORENWERKE	450	EUR	41,738	40,598	0.47
			41,738	40,598	0.47
Great Britain					
RENISHAW PLC	350	GBP	24,504	21,642	0.25
			24,504	21,642	0.25
Israel					
CHECK POINT SOFTWARE TECHNO	1,201	USD	58,406	141,322	1.63
			58,406	141,322	1.63
Japan					
CANON INC.	4,000	JPY	122,608	127,085	1.47
FANUC CORP. — SHS	500	JPY	87,724	94,257	1.09
HONDA MOTOR CO. LTD	1,000	JPY	33,810	30,266	0.35
TORAY INDUSTRIES INC.	3,800	JPY	33,279	28,544	0.33
TOYOTA MOTOR CORP.	500	JPY	28,823	31,221	0.36
			306,244	311,373	3.60
Spain					
ACERINOX SA	8,000	EUR	89,300	114,423	1.32
BCO BILBAO VIZ. ARGENTARIA /NAM.	31,000	EUR	237,512	197,582	2.29
			326,812	312,005	3.61
Sweden					
ASSA ABLOY AB	1,800	SEK	36,119	36,180	0.42
			36,119	36,180	0.42
Switzerland					
CIE FINANCIERE RICHEMONT SA	1,017	CHF	60,086	82,898	0.96
GARMIN	3,040	USD	139,189	212,952	2.46
LINDT & SPRUENGLI /PARTIZ	6	CHF	29,507	42,060	0.49
NESTLE /ACT NOM	1,050	CHF	77,294	87,535	1.01

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Global in USD

STATEMENT OF INVESTMENTS (continued)

as at September 30, 2018

(expressed in USD)

Description	Face Value	Currency	Cost	Market value	% net assets
Switzerland (continued)					
ROCHE HOLDING AG /GENUSSSCHEIN	535	CHF	127,900	129,600	1.50
			433,976	555,045	6.42
United States of America					
AERIE PHARMACEUTICALS INC	3,500	USD	188,299	215,425	2.49
ALBEMARLE CORP	1,750	USD	177,082	174,615	2.02
BANK OF AMERICA CORP.	7,800	USD	188,939	229,788	2.66
BRISTOL MYERS SQUIBB CO.	1,570	USD	59,767	97,466	1.13
CITIGROUP INC.	2,280	USD	93,489	163,567	1.89
COGNEX CORP	4,000	USD	192,847	223,280	2.58
CORNING INC.	6,285	USD	95,142	221,861	2.57
CUMMINS INC.	1,550	USD	205,593	226,408	2.62
EQUIFAX INC	200	USD	21,941	26,114	0.30
FREEMPORT MCMORA. COPPER & GOLD	15,300	USD	206,318	212,976	2.46
GILEAD SCIENCES INC.	3,835	USD	327,097	296,100	3.42
INCYTE CORP.	5,300	USD	567,303	366,124	4.23
INTUITIVE SURGICAL INC.	230	USD	65,755	132,020	1.53
JPMORGAN CHASE & CO.	1,114	USD	61,062	125,704	1.45
L BRANDS INC	9,200	USD	337,774	278,760	3.22
MERCK	2,400	USD	106,555	170,256	1.97
MICRON TECHNOLOGY INC	2,300	USD	116,546	104,029	1.20
MORGAN STANLEY	1,848	USD	32,889	86,061	1.00
NETAPP INC.	1,585	USD	61,761	136,136	1.58
NOVAVAX INC	70,000	USD	109,268	131,600	1.52
PORTOLA PHARMACEUTICALS INC.	30,500	USD	1,099,145	812,215	9.39
TABLEAU SOFTWARE INC.	320	USD	18,777	35,757	0.41
TAPESTRY INC	7,800	USD	328,466	392,106	4.53
TOLL BROTHERS	5,400	USD	177,245	178,362	2.06
TWITTER INC	11,500	USD	308,190	327,290	3.79
ULTRAGENYX PHARMACEUTICAL INC	2,100	USD	97,991	160,314	1.85
UNIVERSAL DISPLAY CORP.	1,950	USD	204,976	229,905	2.66
VEEVA SYSTEMS INC	400	USD	22,089	43,548	0.50
WALT DISNEY	770	USD	78,715	90,044	1.04
			5,551,021	5,887,831	68.07
Total - Shares			7,335,212	7,976,922	92.23
Total - Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market			7,335,212	7,976,922	92.23
Options contracts					
United States of America					
CALL APPLIED MATERIALS INC 19/10/18 38	200	USD	32,730	29,400	0.34
CALL MICRON TECHNOLOGY INC 16/11/18 42	155	USD	62,416	69,750	0.81
CALL MICRON TECHNOLOGY INC 19/10/18 42	155	USD	51,672	57,350	0.66
CALL QUALCOMM INC. 16/11/18 68	165	USD	92,750	86,625	1.00
CALL TWITTER INC 16/11/18 28	240	USD	68,240	62,640	0.72
CALL TWITTER INC 19/10/18 28	240	USD	59,640	32,400	0.38
			367,448	338,165	3.91
Total - Options contracts			367,448	338,165	3.91
TOTAL INVESTMENT PORTFOLIO			7,702,660	8,315,087	96.14

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Global in USD

Investment Breakdowns as at September 30, 2018

(expressed as a percentage of net assets)

Geographic breakdown	%	Economic breakdown	%
United States of America	71.98	Pharmaceuticals and cosmetics	20.57
Switzerland	6.42	Electronic semiconductor	9.97
France	4.72	Biotechnology	9.17
Spain	3.61	Banks and financial institutions	8.29
Japan	3.60	Internet software	7.43
Canada	2.47	Holding and finance companies	6.78
Israel	1.63	Textile	4.53
Cayman Islands	0.57	Chemicals	3.87
Germany	0.47	Retail	3.79
Sweden	0.42	News transmission	3.57
Great Britain	0.25	Mechanics, machinery	3.04
	96.14	Insurance	2.49
		Agriculture and fishing	2.47
		Precious metals	2.46
		Office equipment, computers	1.58
		Food and distilleries	1.50
		Mines, heavy industries	1.32
		Automobile industry	1.18
		Electronics and electrical equipment	1.09
		Graphic art, publishing	1.04
			96.14

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Cube

STATEMENT OF INVESTMENTS

as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market					
Shares					
Belgium					
GALAPAGOS NV /SADR	2,000	USD	173,234	193,686	1.19
			173,234	193,686	1.19
Bermuda					
LAZARD LTD CL. A	7,500	USD	277,215	310,931	1.92
			277,215	310,931	1.92
Canada					
BARRICK GOLD CORP.	10,000	USD	143,250	95,439	0.59
BLACKBERRY LTD SHS	20,000	USD	204,293	196,046	1.21
			347,543	291,485	1.80
Cayman Islands					
ALIBABA GROUP HOLDING LTD /ADR	2,000	USD	300,288	283,836	1.75
BAIDU INC. -A- /ADR	4,000	USD	452,863	787,906	4.86
CTRIP. COM INTERNATION. LTD /SADR	4,000	USD	163,773	128,068	0.79
NETEASE INC/ADR	750	USD	174,619	147,455	0.91
SINA CORPORATION	2,000	USD	179,858	119,695	0.74
			1,271,401	1,466,960	9.05
Curacao					
SCHLUMBERGER LTD	3,000	USD	220,571	157,423	0.97
			220,571	157,423	0.97
France					
CELLECTIS SA /SADR	4,000	USD	98,997	97,231	0.60
			98,997	97,231	0.60
Israel					
CHECK POINT SOFTWARE TECHNO	4,000	USD	305,370	405,427	2.50
			305,370	405,427	2.50
Switzerland					
GARMIN	3,000	USD	126,829	181,015	1.12
			126,829	181,015	1.12
United States of America					
AKAMAI TECHNOLOGIES INC.	3,000	USD	104,384	189,026	1.17
ALBEMARLE CORP	2,000	USD	214,356	171,894	1.06
ALNYLAM PHARMACEUTICALS INC.	2,500	USD	149,037	188,466	1.16
ALPHABET INC. -C-	500	USD	234,157	514,006	3.17
AMERICAN EXPRESS CO.	3,000	USD	159,213	275,180	1.70
APPLIED OPTOELECTRONICS INC.	13,750	USD	582,570	292,067	1.80
BANK OF AMERICA CORP.	20,000	USD	331,579	507,515	3.13
BLUEBIRD BIO INC.	3,000	USD	359,676	377,277	2.33
BOOKING HOLDINGS INC	100	USD	167,533	170,895	1.05
BROADCOM INC	1,500	USD	297,296	318,786	1.97
CELGENE CORP.	1,500	USD	117,334	115,625	0.71

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Cube

STATEMENT OF INVESTMENTS (continued) as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
United States of America (continued)					
CHILDREN S PLACE INC	2,000	USD	240,263	220,165	1.36
CLOVIS ONCOLOGY INC. SHS	2,000	USD	130,181	50,596	0.31
COGNEX CORP	7,000	USD	329,690	336,569	2.08
CORNING INC.	10,000	USD	125,666	304,061	1.88
EBAY INC.	6,000	USD	190,205	170,653	1.05
FIRST SOLAR INC.	1,000	USD	44,689	41,707	0.26
INCYTE CORP.	20,000	USD	1,225,915	1,190,060	7.34
INTEL CORP.	10,000	USD	327,723	407,339	2.51
INTERCEPT PHARM -SHS-	3,000	USD	232,603	326,526	2.02
IPG PHOTONICS CORP	1,000	USD	180,326	134,433	0.83
L BRANDS INC	5,000	USD	163,884	130,497	0.81
PALO ALTO NETWORKS INC.	2,500	USD	305,856	485,077	2.99
PAYPAL HOLDINGS INC.	6,000	USD	162,420	453,973	2.80
PORTOLA PHARMACEUTICALS INC.	55,000	USD	1,659,089	1,261,596	7.79
PUMA BIOTECH	3,500	USD	173,600	138,227	0.85
QUALCOMM INC.	7,500	USD	360,470	465,330	2.87
TAPESTRY INC	5,000	USD	189,487	216,504	1.34
THE TRADE DESK INC	3,500	USD	158,299	454,959	2.81
UNIVERSAL DISPLAY CORP.	4,000	USD	430,559	406,219	2.51
VEEVA SYSTEMS INC	4,000	USD	200,564	375,107	2.31
WALT DISNEY	3,000	USD	265,663	302,184	1.86
			9,814,287	10,992,519	67.83
Total - Shares			12,635,447	14,096,677	86.98
Total - Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market			12,635,447	14,096,677	86.98
Other transferable securities					
Shares					
Cayman Islands					
TENCENT HLDG /ADR	6,500	USD	277,112	228,658	1.41
			277,112	228,658	1.41
Total - Shares			277,112	228,658	1.41
Total - Other transferable securities			277,112	228,658	1.41
Options contracts					
Cayman Islands					
CALL JD. COM INC /ADR 19/10/18 25	400	USD	123,364	58,228	0.36
CALL SINA CORPORATION 19/10/18 60	200	USD	95,823	137,818	0.85
CALL WEIBO CORP /SADR -A- 19/10/18 60	100	USD	83,700	110,255	0.68
CALL WEIBO CORP /SADR -A- 19/10/18 65	100	USD	104,685	73,216	0.45
			407,572	379,517	2.34
United States of America					
CALL ALBEMARLE CORP 19/10/18 95	200	USD	160,652	96,473	0.59
CALL APPLIED MATERIALS INC 16/11/18 35	200	USD	69,770	74,077	0.46
CALL GILEAD SCIENCES INC. 19/10/18 68	700	USD	427,527	455,230	2.81
CALL MICRON TECHNOLOGY INC 19/10/18 40	300	USD	162,738	140,833	0.87

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Cube

STATEMENT OF INVESTMENTS (continued) as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
United States of America (continued)					
CALL WESTERN DIGITAL CORP. 19/10/18 55	200	USD	78,031	70,632	0.44
			898,718	837,245	5.17
Total - Options contracts			1,306,290	1,216,762	7.51
TOTAL INVESTMENT PORTFOLIO			14,218,849	15,542,097	95.90

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Cube

Investment Breakdowns as at September 30, 2018

(expressed as a percentage of net assets)

Geographic breakdown	%	Economic breakdown	%
United States of America	73.00	Internet software	23.44
Cayman Islands	12.80	Pharmaceuticals and cosmetics	15.65
Israel	2.50	Biotechnology	11.46
Bermuda	1.92	Electronic semiconductor	9.52
Canada	1.80	Holding and finance companies	6.89
Belgium	1.19	Banks and financial institutions	4.83
Switzerland	1.12	News transmission	4.75
Curacao	0.97	Retail	3.58
France	0.60	Graphic art, publishing	3.27
	95.90	Electronics and electrical equipment	3.01
		Office equipment, computers	2.41
		Other services	1.75
		Chemicals	1.65
		Textile	1.34
		Petrol	0.97
		Leisure	0.79
		Precious metals	0.59
			95.90

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Renta Fija Flexible

STATEMENT OF INVESTMENTS

as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market					
Bonds					
Brazil					
BNDES 3.625% 14-21.01.19	400,000	EUR	404,602	402,856	0.66
			404,602	402,856	0.66
Colombia					
COLOMB TEL 5.375% 12-27.09.22	700,000	USD	607,539	602,731	0.99
			607,539	602,731	0.99
France					
AIR FRANCE 3.75% 16-12.10.22	400,000	EUR	433,400	412,936	0.68
ORANGE 5.875% 14-PERP	250,000	GBP	307,182	301,440	0.49
RCI BQ FRN 18-12.03.25	700,000	EUR	698,125	688,170	1.13
			1,438,707	1,402,546	2.30
Germany					
BAYER AG FRN 14-01.07.74	400,000	EUR	422,596	409,148	0.67
DAIMLER FRN 17-03.07.24 REGS	1,000,000	EUR	996,300	995,520	1.63
VW BK FRN 18-08.12.21	2,000,000	EUR	2,003,480	2,007,840	3.30
			3,422,376	3,412,508	5.60
Great Britain					
AVIVA 6.125% 13-05.07.43	500,000	EUR	591,000	582,805	0.96
BABCOCK INT 1.75% 14-06.10.22	200,000	EUR	207,100	205,904	0.34
BARCLAYS 2% 17-07.02.28	400,000	EUR	384,800	382,864	0.63
FRESNILLO 5.5% 13-13.11.23	500,000	USD	428,831	442,026	0.72
ROYAL BK SCOT 5.5% 04-PERP	700,000	EUR	709,300	706,755	1.16
SANTAN U FRN 18-27.03.24 REGS	1,000,000	EUR	1,001,500	989,960	1.62
			3,322,531	3,310,314	5.43
Ireland					
BK OF I 1.375% 18-29.08.23	500,000	EUR	499,040	497,485	0.82
FGA CAP IE 2.625% 14-17.04.19	500,000	EUR	509,845	506,905	0.83
SMURFIT 2.375% 17-01.02.24 REGS	200,000	EUR	205,400	208,032	0.34
			1,214,285	1,212,422	1.99
Italy					
ACEA FRN 18-08.02.23	300,000	EUR	300,000	291,441	0.48
TELECOM IT 2.875% 18-28.01.26	1,500,000	EUR	1,502,527	1,492,830	2.45
			1,802,527	1,784,271	2.93
Luxembourg					
GESTAMP FDG 3.5% 16-31.12.23	200,000	EUR	207,924	205,670	0.34
			207,924	205,670	0.34
Portugal					
BCP 4.5% 17-07.12.27	400,000	EUR	399,114	392,316	0.65

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Renta Fija Flexible

STATEMENT OF INVESTMENTS (continued) as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
Portugal (continued)					
MOTA-ENGIL 4% 18-04.01.23	300,000	EUR	300,780	300,300	0.49
PORTUGAL 2.125% 18-17.10.28	1,000,000	EUR	1,036,200	1,022,440	1.68
			1,736,094	1,715,056	2.82
Spain					
ABERTIS 1.375% 16-20.05.26	500,000	EUR	474,900	469,695	0.77
ACCIONA SA 5.55% 14-29.04.24	200,000	EUR	228,000	226,010	0.37
AMADEUS IT FRN 18-18.03.22	700,000	EUR	700,000	701,624	1.15
BANCO BILBA 7% (FTF) 14-PERP	600,000	EUR	619,500	610,614	1.00
BANCO CRED 7.75% 17-07.06.27	800,000	EUR	785,550	771,424	1.27
BANESTO 5.5% 04 -ERP.	1,500,000	EUR	1,513,610	1,519,875	2.49
BANKIA 4% 14-22.05.24	3,000,000	EUR	3,112,300	3,056,190	5.02
BANKIA 6% 17-PERP	600,000	EUR	610,050	606,840	1.00
BBVA 3.5% 17-10.02.27	500,000	EUR	519,250	523,295	0.86
BBVASM 3.5% 14-11.04.24	3,000,000	EUR	3,088,210	3,041,280	4.99
BCO SAB 0.875% 17-05.03.23	1,000,000	EUR	979,000	977,220	1.60
BPE FIN 2% 15-03.02.20	1,000,000	EUR	1,043,140	1,025,290	1.68
CAIXABANK 5% 13-14.11.23	2,000,000	EUR	2,059,880	2,011,480	3.30
GEN DE VAL 4.9% 10-17.03.20	2,000,000	EUR	2,192,200	2,132,680	3.50
GRIFOLS 3.2% 17-01.05.25	400,000	EUR	400,800	404,888	0.67
GRUPO 3.375% 18-30.04.26	300,000	EUR	300,300	282,492	0.46
HIPERCOR 3.875% 15-19.01.22	200,000	EUR	213,700	207,384	0.34
IBERCAJA BC 7% 18-PERP	400,000	EUR	400,800	400,616	0.66
INDRA SISTE 3% 18-19.04.24	300,000	EUR	295,971	300,906	0.49
LIBERBANK 6.875% 17-14.03.27	1,000,000	EUR	1,064,461	1,096,170	1.80
NH HOTELES 3.75% 16-01.10.23	200,000	EUR	211,586	208,964	0.34
			20,813,208	20,574,937	33.76
The Netherlands					
BAYER CAP FRN 18-26.06.22 REGS	300,000	EUR	300,000	300,924	0.49
DEUT TEL IF FRN 18-01.12.22	2,000,000	EUR	2,000,000	1,996,260	3.28
DUFY ONE 2.5% 17-15.10.24 REGS	200,000	EUR	202,524	199,488	0.33
EDP FIN BV 1.625% 18-26.01.26	1,000,000	EUR	996,022	986,750	1.62
FERRARI 0.25% 17-16.01.21 REGS	400,000	EUR	397,520	396,232	0.65
GAS NAT FEN 3.375% 15-29.12.49	400,000	EUR	402,808	398,044	0.65
LEASEPLAN FRN 18-25.01.21	1,000,000	EUR	1,005,470	1,002,810	1.64
RABOBK 3.75% 10-09.11.20	1,000,000	EUR	1,090,900	1,071,610	1.76
REPSM 3.875% 15-PERP	600,000	EUR	633,100	631,764	1.04
SYNGENTA 1.875% 14-02.11.21	400,000	EUR	411,948	411,720	0.68
TELEFONICA 5.875% 14 -PERP	600,000	EUR	659,392	661,254	1.08
TELEFONICA 8.25% 00-15.09.30	313,000	USD	366,934	345,612	0.57
VW INTL FIN 2.7% 17-PERP	1,000,000	EUR	1,019,926	994,570	1.63
VW INTL FIN FRN 18-PERP	300,000	EUR	302,850	298,278	0.49
			9,789,394	9,695,316	15.91
United States of America					
BAFC FRN 17-04.05.23 REGS	1,000,000	EUR	1,006,815	1,005,680	1.65
CITIGROUP I FRN 18-21.03.23	1,000,000	EUR	1,000,000	999,460	1.64
FORD MC FRN 17-01.12.21	1,000,000	EUR	997,310	979,670	1.61
GENERAL MOTORS FRN 17-10.05.21	500,000	EUR	497,450	501,710	0.82
GS FRN 17-09.09.22	1,000,000	EUR	1,000,100	1,002,180	1.65

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Renta Fija Flexible

STATEMENT OF INVESTMENTS (continued) as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
United States of America (continued)					
MOR ST FRN 17-08.11.22	500,000	EUR	502,115	501,880	0.82
			5,003,790	4,990,580	8.19
Total - Bonds			49,762,977	49,309,207	80.92
Treasury Bills					
Spain					
SPAIN 0% 18-12.07.19 TB	6,000,000	EUR	6,021,370	6,014,880	9.87
SPAIN 0% 18-16.08.19 TB	2,000,000	EUR	2,007,535	2,005,360	3.29
			8,028,905	8,020,240	13.16
Total - Treasury Bills			8,028,905	8,020,240	13.16
Total - Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market			57,791,882	57,329,447	94.08
TOTAL INVESTMENT PORTFOLIO			57,791,882	57,329,447	94.08

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Renta Fija Flexible

Investment Breakdowns as at September 30, 2018

(expressed as a percentage of net assets)

Geographic breakdown	%	Economic breakdown	%
Spain	46.92	Banks and financial institutions	40.22
The Netherlands	15.91	Holding and finance companies	18.71
United States of America	8.19	States, provinces and municipalities	18.34
Germany	5.60	News transmission	5.59
Great Britain	5.43	Automobile industry	2.28
Italy	2.93	Internet software	1.65
Portugal	2.82	Transportation	1.45
France	2.30	Insurance	0.96
Ireland	1.99	Construction, building material	0.86
Colombia	0.99	Non-ferrous metals	0.72
Brazil	0.66	Biotechnology	0.67
Luxembourg	0.34	Chemicals	0.67
	94.08	Public services	0.48
		Other services	0.46
		Consumer goods	0.34
		Leisure	0.34
		Mechanics, machinery	0.34
			94.08

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merch-Fontemar

STATEMENT OF INVESTMENTS

as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market					
Bonds					
Great Britain					
TESCO 3.375% 11-02.11.18	100,000	EUR	105,300	100,268	3.29
			105,300	100,268	3.29
United States of America					
AM EXPRESS 2.2% 17-30.10.20	95,000	USD	79,433	80,018	2.63
BECTON DICK 3.125% 11-08.11.21	20,000	USD	16,886	16,937	0.56
ELEC ARTS 3.7% 16-01.03.21	10,000	USD	8,215	8,677	0.28
FREEMPORT MC 3.1% 13-15.03.20	90,000	USD	72,495	76,682	2.52
GILEAD SC 2.55% 15-01.09.20	65,000	USD	52,889	55,368	1.82
LAB CORP 2.625% 15-01.02.20	80,000	USD	65,176	68,353	2.24
SHERWIN WIL 2.25% 17-15.05.20	50,000	USD	41,926	42,387	1.39
TOLL 4% 13-31.12.18	80,000	USD	76,304	68,799	2.26
			413,324	417,221	13.70
Total - Bonds			518,624	517,489	16.99
Shares					
France					
AIR LIQUIDE	405	EUR	38,879	45,887	1.51
AXA	2,530	EUR	55,683	58,569	1.92
SANOFI-AVENTIS	220	EUR	17,801	16,843	0.55
TOTAL SA	600	EUR	26,935	33,504	1.10
			139,298	154,803	5.08
Germany					
ALLIANZ SE /NAM. VINKULIERT	295	EUR	47,676	56,640	1.86
			47,676	56,640	1.86
Spain					
BCO BILBAO VIZ. ARGENTARIA /NAM.	2,788	EUR	20,696	15,306	0.50
			20,696	15,306	0.50
Switzerland					
CIE FINANCIERE RICHEMONT SA	380	CHF	28,183	26,680	0.88
NESTLE /ACT NOM	500	CHF	33,368	35,904	1.18
ROCHE HOLDING AG /GENUSSSCHEIN	60	CHF	14,863	12,520	0.41
			76,414	75,104	2.47
The Netherlands					
UNILEVER CERT. OF SHS	180	EUR	6,475	8,634	0.28
			6,475	8,634	0.28
United States of America					
BANK OF AMERICA CORP.	1,650	USD	28,956	41,870	1.38
GILEAD SCIENCES INC.	1,100	USD	96,509	73,157	2.40
MERCK	230	USD	12,277	14,054	0.46
PORTOLA PHARMACEUTICALS INC.	5,750	USD	194,903	131,894	4.33
QUALCOMM INC.	2,400	USD	121,857	148,906	4.89

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merch-Fontemar

STATEMENT OF INVESTMENTS (continued)

as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
United States of America (continued)					
WALT DISNEY	330	USD	28,017	33,240	1.09
			482,519	443,121	14.55
Total - Shares			773,078	753,608	24.74
Treasury Bills					
Spain					
SPAIN 0% 17-07.12.18 TB	170,000	EUR	170,425	170,123	5.59
SPAIN 0% 17-12.10.18 TB	250,000	EUR	250,700	250,030	8.21
SPAIN 0% 17-16.11.18 TB	300,000	EUR	300,750	300,147	9.85
SPAIN 0% 18-08.03.19 TB	120,000	EUR	120,269	120,218	3.95
SPAIN 0% 18-15.02.19 TB	300,000	EUR	300,690	300,453	9.86
SPAIN 0% 18-18.01.19 TB	200,000	EUR	200,470	200,270	6.57
			1,343,304	1,341,241	44.03
Total - Treasury Bills			1,343,304	1,341,241	44.03
Total - Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market			2,635,006	2,612,338	85.76
TOTAL INVESTMENT PORTFOLIO			2,635,006	2,612,338	85.76

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merch-Fontemar

Investment Breakdowns as at September 30, 2018

(expressed as a percentage of net assets)

Geographic breakdown	%	Economic breakdown	%
Spain	44.53	States, provinces and municipalities	44.03
United States of America	28.25	Pharmaceuticals and cosmetics	8.55
France	5.08	News transmission	4.89
Great Britain	3.29	Banks and financial institutions	4.51
Switzerland	2.47	Biotechnology	4.22
Germany	1.86	Insurance	3.78
The Netherlands	0.28	Construction, building material	3.65
	85.76	Retail	3.29
		Precious metals	2.52
		Chemicals	1.51
		Food and distilleries	1.18
		Petrol	1.10
		Graphic art, publishing	1.09
		Holding and finance companies	0.88
		Consumer goods	0.28
		Internet software	0.28
			85.76

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merch-Universal

STATEMENT OF INVESTMENTS

as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market					
Bonds					
Great Britain					
TESCO 3.375% 11-02.11.18	290,000	EUR	306,240	290,777	2.83
			306,240	290,777	2.83
The Netherlands					
FERRARI 0.25% 17-16.01.21 REGS	140,000	EUR	139,160	138,681	1.35
			139,160	138,681	1.35
United States of America					
AM EXPRESS 2.2% 17-30.10.20	325,000	USD	271,743	273,745	2.66
			271,743	273,745	2.66
Total - Bonds			717,143	703,203	6.84
Shares					
France					
AIR LIQUIDE	1,320	EUR	119,269	149,556	1.46
AXA	14,000	EUR	291,000	324,100	3.15
SANOFI-AVENTIS	2,106	EUR	167,502	161,236	1.57
TOTAL SA	1,236	EUR	55,258	69,018	0.67
			633,029	703,910	6.85
Germany					
ALLIANZ SE /NAM. VINKULIERT	1,600	EUR	242,646	307,200	2.99
BMW-BAYER. MOTORENWERKE	495	EUR	47,687	38,466	0.37
			290,333	345,666	3.36
Japan					
CANON INC.	3,200	JPY	94,647	87,573	0.85
			94,647	87,573	0.85
Spain					
BCO BILBAO VIZ. ARGENTARIA /NAM.	21,100	EUR	146,858	115,839	1.13
			146,858	115,839	1.13
Switzerland					
CIE FINANCIERE RICHEMONT SA	2,143	CHF	159,189	150,463	1.47
LINDT & SPRUENGLI /PARTIZ	24	CHF	114,927	144,917	1.41
NESTLE /ACT NOM	1,902	CHF	126,206	136,580	1.33
ROCHE HOLDING AG /GENUSSSCHEIN	1,104	CHF	272,781	230,361	2.24
			673,103	662,321	6.45
United States of America					
AERIE PHARMACEUTICALS INC	1,060	USD	51,445	56,198	0.55
ALPHABET INC. -C-	140	USD	62,801	143,922	1.40
APPLIED MATERIALS INC.	2,600	USD	86,518	86,558	0.84
BANK OF AMERICA CORP.	10,650	USD	160,123	270,252	2.63
CITIGROUP INC.	1,420	USD	44,358	87,748	0.85

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merch-Universal

STATEMENT OF INVESTMENTS (continued) as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
United States of America (continued)					
CUMMINS INC.	860	USD	103,765	108,205	1.05
FREEMPORT MCMORA. COPPER & GOLD	7,980	USD	74,856	95,682	0.93
GILEAD SCIENCES INC.	3,400	USD	278,836	226,120	2.20
INCYTE CORP.	3,700	USD	311,809	220,161	2.14
INTUITIVE SURGICAL INC.	330	USD	65,110	163,159	1.59
MERCK	2,231	USD	114,388	136,326	1.33
NETAPP INC.	2,210	USD	70,825	163,501	1.59
PEPSICO INC.	1,141	USD	95,782	109,879	1.07
PORTOLA PHARMACEUTICALS INC.	33,200	USD	1,127,799	761,545	7.41
QUALCOMM INC.	12,850	USD	628,887	797,266	7.76
TABLEAU SOFTWARE INC.	1,350	USD	50,380	129,936	1.26
TAPESTRY INC	4,261	USD	124,673	184,504	1.80
TOLL BROTHERS	4,000	USD	118,833	113,803	1.11
TWITTER INC.	8,500	USD	235,290	208,372	2.03
UNIVERSAL DISPLAY CORP.	2,080	USD	174,298	211,234	2.05
WALT DISNEY	1,860	USD	152,926	187,354	1.82
			4,133,702	4,461,725	43.41
Total - Shares			5,971,672	6,377,034	62.05
Treasury Bills					
Spain					
SPAIN 0% 18-08.03.19 TB	300,000	EUR	300,672	300,546	2.92
SPAIN 0% 18-15.02.19	400,000	EUR	400,920	400,604	3.90
SPAIN 0% 18-18.01.19 TB	400,000	EUR	400,960	400,540	3.90
			1,102,552	1,101,690	10.72
United States of America					
USA 0% 18-20.12.18 TB	800,000	USD	700,214	685,818	6.67
			700,214	685,818	6.67
Total - Treasury Bills			1,802,766	1,787,508	17.39
Total - Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market			8,491,581	8,867,745	86.28
TOTAL INVESTMENT PORTFOLIO			8,491,581	8,867,745	86.28

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merch-Universal

Investment Breakdowns as at September 30, 2018

(expressed as a percentage of net assets)

Geographic breakdown	%	Economic breakdown	%
United States of America	52.74	States, provinces and municipalities	17.39
Spain	11.85	Pharmaceuticals and cosmetics	14.69
France	6.85	News transmission	7.76
Switzerland	6.45	Banks and financial institutions	7.27
Germany	3.36	Insurance	6.14
Great Britain	2.83	Internet software	4.69
The Netherlands	1.35	Biotechnology	4.34
Japan	0.85	Food and distilleries	3.81
	86.28	Electronic semiconductor	3.74
		Retail	2.83
		Holding and finance companies	2.58
		Graphic art, publishing	1.82
		Textile	1.80
		Automobile industry	1.72
		Office equipment, computers	1.59
		Chemicals	1.46
		Mechanics, machinery	1.05
		Precious metals	0.93
		Petrol	0.67
			86.28

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merchfondo

STATEMENT OF INVESTMENTS

as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market					
Shares					
Canada					
NUTRIEN LTD	7,800	USD	287,990	387,665	2.48
			287,990	387,665	2.48
Cayman Islands					
JD.COM INC /ADR	4,000	USD	88,672	89,892	0.58
			88,672	89,892	0.58
France					
AIR LIQUIDE	2,070	EUR	200,869	234,531	1.50
AXA	16,730	EUR	356,238	387,299	2.47
ESSILOR INTERNATIONAL	800	EUR	81,828	101,960	0.65
			638,935	723,790	4.62
Germany					
BMW-BAYER. MOTORENWERKE	800	EUR	63,545	62,168	0.40
			63,545	62,168	0.40
Great Britain					
RENISHAW PLC	700	GBP	42,147	37,283	0.24
			42,147	37,283	0.24
Israel					
CHECK POINT SOFTWARE TECHNO	2,400	USD	160,883	243,256	1.55
			160,883	243,256	1.55
Japan					
CANON INC.	5,200	JPY	143,102	142,306	0.91
FANUC CORP. — SHS	1,100	JPY	172,895	178,618	1.14
HONDA MOTOR CO. LTD	1,600	JPY	42,878	41,712	0.27
TORAY INDUSTRIES INC.	7,900	JPY	61,863	51,115	0.33
TOYOTA MOTOR CORP.	800	JPY	42,029	43,028	0.27
			462,767	456,779	2.92
Spain					
ACERINOX SA	16,300	EUR	185,051	200,816	1.28
BCO BILBAO VIZ. ARGENTARIA /NAM.	65,000	EUR	456,419	356,850	2.28
			641,470	557,666	3.56
Sweden					
ASSA ABLOY AB	3,600	SEK	61,259	62,329	0.40
			61,259	62,329	0.40
Switzerland					
CIE FINANCIERE RICHEMONT SA	1,850	CHF	146,721	129,891	0.83
GARMIN	6,500	USD	270,528	392,200	2.50
LINDT & SPRUENGLI /PARTIZ	10	CHF	46,243	60,382	0.39
NESTLE /ACT NOM	2,070	CHF	133,301	148,644	0.95

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merchfondo

STATEMENT OF INVESTMENTS (continued) as at September 30, 2018

(expressed in EUR)

Description	Face Value	Currency	Cost	Market value	% net assets
Switzerland (continued)					
ROCHE HOLDING AG /GENUSSSCHEIN	1,128	CHF	234,619	235,369	1.50
			831,412	966,486	6.17
United States of America					
AERIE PHARMACEUTICALS INC	7,500	USD	348,060	397,627	2.54
ALBEMARLE CORP	3,650	USD	307,247	313,706	2.00
BANK OF AMERICA CORP.	15,920	USD	335,078	403,982	2.58
BRISTOL MYERS SQUIBB CO.	3,200	USD	173,526	171,115	1.09
CITIGROUP INC.	4,700	USD	198,492	290,433	1.86
COGNEX CORP	8,000	USD	323,135	384,650	2.46
CORNING INC.	12,800	USD	242,897	389,198	2.49
CUMMINS INC.	3,300	USD	375,165	415,204	2.65
EQUIFAX INC	400	USD	37,115	44,987	0.29
FREEPORT MCMORA. COPPER & GOLD	32,000	USD	362,492	383,686	2.45
GILEAD SCIENCES INC.	7,930	USD	628,265	527,392	3.37
INCYTE CORP.	11,150	USD	1,038,606	663,458	4.24
INTUITIVE SURGICAL INC.	493	USD	122,267	243,750	1.56
JPMORGAN CHASE & CO.	2,444	USD	137,686	237,548	1.52
L BRANDS INC	19,500	USD	612,530	508,937	3.25
MERCK	4,700	USD	240,426	287,194	1.83
MICRON TECHNOLOGY INC	6,500	USD	281,548	253,237	1.62
MORGAN STANLEY	1,504	USD	44,770	60,331	0.39
NETAPP INC.	3,220	USD	107,627	238,224	1.52
NOVAVAX INC	145,000	USD	191,128	234,808	1.50
PORTOLA PHARMACEUTICALS INC.	64,000	USD	1,990,859	1,468,039	9.38
TABLEAU SOFTWARE INC.	700	USD	45,133	67,374	0.43
TAPESTRY INC	15,900	USD	553,103	688,482	4.40
TOLL BROTHERS	11,500	USD	360,589	327,185	2.09
TWITTER INC	23,500	USD	547,120	576,088	3.68
ULTRAGENYX PHARMACEUTICAL INC	4,100	USD	158,978	269,602	1.72
UNIVERSAL DISPLAY CORP.	4,000	USD	348,140	406,219	2.59
VEEVA SYSTEMS INC	850	USD	38,910	79,710	0.51
WALT DISNEY	1,700	USD	144,340	171,237	1.09
			10,295,232	10,503,403	67.10
Total - Shares			13,574,312	14,090,717	90.02
Total - Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market			13,574,312	14,090,717	90.02
Options contracts					
United States of America					
CALL APPLIED MATERIALS INC 19/10/18 38	415	USD	58,764	52,548	0.34
CALL MICRON TECHNOLOGY INC 16/11/18 42	325	USD	111,482	125,974	0.80
CALL MICRON TECHNOLOGY INC 19/10/18 42	325	USD	93,687	103,579	0.66
CALL QUALCOMM INC. 16/11/18 68	330	USD	159,234	149,231	0.95
CALL TWITTER INC 16/11/18 28	500	USD	123,368	112,408	0.72
CALL TWITTER INC 19/10/18 28	500	USD	110,807	58,142	0.37
			657,342	601,882	3.84
Total - Options contracts			657,342	601,882	3.84
TOTAL INVESTMENT PORTFOLIO			14,231,654	14,692,599	93.86

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Merchfondo

Investment Breakdowns as at September 30, 2018

(expressed as a percentage of net assets)

Geographic breakdown	%	Economic breakdown	%
United States of America	70.94	Pharmaceuticals and cosmetics	20.27
Switzerland	6.17	Electronic semiconductor	9.62
France	4.62	Biotechnology	9.11
Spain	3.56	Banks and financial institutions	8.24
Japan	2.92	Internet software	7.26
Canada	2.48	Holding and finance companies	6.10
Israel	1.55	Textile	4.40
Cayman Islands	0.58	Chemicals	3.83
Germany	0.40	Retail	3.83
Sweden	0.40	News transmission	3.44
Great Britain	0.24	Mechanics, machinery	3.05
	93.86	Agriculture and fishing	2.48
		Insurance	2.47
		Precious metals	2.45
		Office equipment, computers	1.52
		Food and distilleries	1.34
		Mines, heavy industries	1.28
		Electronics and electrical equipment	1.14
		Graphic art, publishing	1.09
		Automobile industry	0.94
			93.86

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Fixed Income in USD

STATEMENT OF INVESTMENTS

as at September 30, 2018

(expressed in USD)

Description	Face Value	Currency	Cost	Market value	% net assets
Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market					
Bonds					
United States of America					
AM EXPRESS 2.2% 17-30.10.20	80,000	USD	78,232	78,229	4.03
BAFC 2.625% 15-19.10.20	90,000	USD	89,100	88,874	4.58
BECTON DICK 3.125% 11-08.11.21	70,000	USD	69,650	68,819	3.55
ELEC ARTS 3.7% 16-01.03.21	85,000	USD	86,360	85,629	4.41
FREEMPORT MC 3.1% 13-15.03.20	95,000	USD	94,574	93,970	4.84
JNPR 3.125% 16-26.02.19	50,000	USD	50,940	49,996	2.58
LAB CORP 2.625% 15-01.02.20	70,000	USD	69,773	69,435	3.58
TOLL 4% 13-31.12.18	175,000	USD	182,787	174,722	9.01
USA 1.5% 17-15.05.20 /TBO	100,000	USD	97,984	97,977	5.05
USA 1.5% 17-15.06.20 /TBO	100,000	USD	97,930	97,855	5.04
			917,330	905,506	46.67
Total - Bonds			917,330	905,506	46.67
Convertible Bonds					
United States of America					
TWITTER 1% 14-15.09.21 /CV	200,000	USD	181,000	182,874	9.43
			181,000	182,874	9.43
Total - Convertible Bonds			181,000	182,874	9.43
Treasury Bills					
United States of America					
USA 0% 18-17.01.19 TB	200,000	USD	198,488	198,689	10.24
USA 0% 18-20.12.18 TB	150,000	USD	148,929	149,287	7.69
USA 0% 18-23.11.18 TB	100,000	USD	99,294	99,690	5.14
USA 0% 18-25.10.18 TB	100,000	USD	99,320	99,861	5.15
			546,031	547,527	28.22
Total - Treasury Bills			546,031	547,527	28.22
Total - Transferable securities and money market instruments listed on an official stock exchange listing or dealt in on another regulated market			1,644,361	1,635,907	84.32
TOTAL INVESTMENT PORTFOLIO			1,644,361	1,635,907	84.32

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

MERCHBANC SICAV - Fixed Income in USD

Investment Breakdowns as at September 30, 2018

(expressed as a percentage of net assets)

Geographic breakdown	%	Economic breakdown	%
United States of America	84.32	States, provinces and municipalities	38.31
	84.32	Internet software	13.84
		Construction, building material	9.01
		Banks and financial institutions	8.61
		Pharmaceuticals and cosmetics	7.13
		Precious metals	4.84
		Office equipment, computers	2.58
			84.32

The accompanying notes form an integral part of these financial statements.

MERCHBANC SICAV

Notes to the financial statements as at September 30, 2018

NOTE 1 - GENERAL

MERCHBANC SICAV (the “Company”) is an open-ended investment company with variable capital, incorporated in the Grand Duchy of Luxembourg as a “société anonyme” pursuant to the law of August 10, 1915 as amended and qualifies as a “Société d’Investissement à Capital Variable” (“SICAV”) pursuant to part I of the Law of December 17, 2010 relating to undertakings for collective investment in transferable securities as amended.

On July 1, 2016 the Company appointed BIL Manage Invest S.A. as Management Company.

BIL Manage Invest S.A. is a public limited company (*société anonyme*). It was incorporated in Luxembourg on June 28, 2013. Its registered office is at 42, rue de la Vallée, L-2661 Luxembourg, in the Grand Duchy of Luxembourg. Its share capital amounted to Euro eight hundred thousand (EUR 800,000) as at December 31, 2017.

BIL Manage Invest S.A. is approved by the CSSF, as a UCITS management company subject to the chapter 15 of the Law of 2010 and as alternative investment fund manager within the meaning of article 1(46) of the law of July 12, 2013 on alternative investment fund managers as amended.

The Company was incorporated in Luxembourg on July 14, 1995 for an unlimited period, with an initial capital of USD 45,000. The latest amendments to the Articles of Incorporation of the Company were made on July 9, 2015. The restated Articles of Incorporation were published in the “Mémorial C, Recueil des Sociétés et Associations” of Luxembourg. The Company is registered with the “Registre de Commerce et des Sociétés”, Luxembourg, under number B-51646.

The capital of the Company is represented by Shares of no par value and shall at any time be equal to the total net assets of the Company.

The Articles of Incorporation of the Company are on file with the “Registre de Commerce et des Sociétés” of Luxembourg, where they may be consulted and where copies may be obtained upon payment of the relevant costs.

As of September 30, 2018, the Company had seven active sub-funds:

- MERCHBANC SICAV - Global in USD (expressed in USD)
- MERCHBANC SICAV - Cube (expressed in EUR)
- MERCHBANC SICAV - Renta Fija Flexible (expressed in EUR)
- MERCHBANC SICAV - Merch-Fontemar (expressed in EUR)
- MERCHBANC SICAV - Merch-Universal (expressed in EUR)
- MERCHBANC SICAV - Merchfondo (expressed in EUR)
- MERCHBANC SICAV - Fixed Income in USD (expressed in USD)

The Articles of Incorporation of the Company allow the Board of Directors of the Company to create additional sub-funds.

The Company’s objective is to provide subscribers with a variety of sub-funds investing in a wide range of transferable securities and money market instruments on a worldwide basis and featuring a diverse array of investment objectives, including capital growth and income, while retaining the administrative advantages of one single corporate entity.

Shareholders may convert shares of any sub-fund into shares of any other existing sub-fund in accordance with the conditions set out in the prospectus.

Statement of changes in investments is available free of charge upon request at the registered office of the Company.

Notes to the financial statements as at September 30, 2018 (continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company are presented in accordance with Luxembourg rules and regulatory requirements relating to Undertakings for Collective Investment in Transferable Securities. They are presented in accordance with generally accepted accounting policies in Luxembourg.

a) Valuation of investment securities

1 - The value of securities, money market instruments and/or financial derivative instruments which are quoted or dealt in on any stock exchange or dealt in on another regulated market shall be in respect of each security, the last known price, and if such securities are dealt in on several markets, on the basis of the latest known price on the stock exchange which is normally the principle market for such security.

The prices used for the valuation are the ones as at September 28, 2018 for all sub-funds.

2 - In the event that any of the securities held in any portfolio on the relevant valuation day are not quoted or dealt in on a stock exchange or another regulated market or, for any of the securities, no price quotation is available, or if the price as determined pursuant to above paragraph 1 - is not in the opinion of the Board of Directors of the Company representative of the fair market value of the relevant securities, the value of such securities is determined based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the Company.

b) Income

Dividends are accounted for on the ex-dividend date. Interest income is recorded on an accrual basis. Discounts on zero coupon bonds are accounted as adjustments to interest income.

c) Net realised profit / (loss) on sale of investments

The net realised profit / (loss) on sale of investments is calculated on the basis of the average cost of the securities sold.

d) Foreign exchange translation of each sub-fund

The combined Statement of Net Assets and combined Statement of Operations and Changes in Net Assets is the sum of the Statement of Net Assets and Statement of Operations and Changes in Net Assets of each sub-fund converted and expressed in EUR at the exchange rates applicable as at September 30, 2018, based on the last information available as at September 28, 2018.

Income and expenses in currencies other than EUR are translated into EUR at exchange rates prevailing at the transaction date.

All assets valued in a currency other than the base currency of the sub-fund are converted to the base currency at the exchange rates prevailing as at September 30, 2018, based on the last information available as at September 28, 2018.

Exchange rates used as at September 30, 2018, based on the last information available as at September 28, 2018.

1 EUR = 1.139414 CHF

1 EUR = 0.890709 GBP

1 EUR = 131.912945 JPY

1 EUR = 10.318547 SEK

1 EUR = 1.160950 USD

e) Currency translation

This amount is explained by the difference between the exchange rate applied as at September 30, 2017 and the one applied as at September 30, 2018 for the calculation of the Net Assets at the beginning of the year of the sub-funds expressed in currencies other than EUR.

f) Cost of investment securities of each sub-fund

Cost of investment securities expressed in currencies other than the sub-fund's currency is translated into the sub-fund's currency at the exchange rate applicable at the purchase date.

g) Valuation of futures contracts

The valuation of futures contracts admitted to an official listing or any other organised market is based on the last known price. Futures contracts that are not listed or traded on a stock exchange or any other organised market are valued at their probable market value estimated conservatively and in good faith by the Board of Directors of the Company. The futures contracts open as at September 30, 2018 are detailed in note 7.

MERCHBANC SICAV

Notes to the financial statements as at September 30, 2018 (continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The margin calls are disclosed under "Margin payable to broker" in the Statement of Net Assets.

Net realised profit/(loss) and change in net unrealised appreciation/(depreciation) are recorded in the Statement of Operations and Changes in Net Assets.

h) Valuation of options contracts

Valuation of options contracts traded on a regulated market are valued at the last bid price on the valuation date. Net realised profit/(loss) and change in net unrealised appreciation/(depreciation) are recorded in the Statement of Operations and Changes in Net Assets. The options contracts are disclosed in the Statement of Investments.

NOTE 3 - MANAGEMENT FEES AND PERFORMANCE FEES

As remuneration for its services, the Investment Manager receives from the Company a monthly fee at the following annual rates applicable on the average net assets of each sub-fund :

- 1.50% for MERCHBANC SICAV - Global in USD
- 0.90% for MERCHBANC SICAV - Cube
- 0.90% for MERCHBANC SICAV - Renta Fija Flexible
- 1.50% for MERCHBANC SICAV - Merch-Fontemar
- 1.50% for MERCHBANC SICAV - Merch-Universal
- 1.35% for MERCHBANC SICAV - Merchfondo
- 0.50% for MERCHBANC SICAV - Fixed Income in USD

The Company also pays to the Investment Manager an additional performance fee at the following rates on the increase in the total net assets of the concerned sub-funds calculated over a 12 month-period corresponding in practice to the financial year:

- Maximum 10% for MERCHBANC SICAV - Global in USD
- Maximum 9% for MERCHBANC SICAV - Merchfondo
- No performance fee for MERCHBANC SICAV - Cube, MERCHBANC SICAV - Renta Fija Flexible, MERCHBANC SICAV - Merch-Fontemar, MERCHBANC SICAV - Merch-Universal and MERCHBANC SICAV - Fixed Income in USD

This calculation, in respect of the sub-funds, is based on the total net asset figures before deduction of the accrued performance fee and is adjusted for any proceeds received on subscriptions and/or for any amount paid on redemptions.

The performance fee is calculated at the end of each financial year (last day of September) and is payable yearly at the beginning of the subsequent financial year.

The performance will be measured independently of the positive or negative performance of the previous financial year, any negative performance for a financial year will not carry over into the following years.

In consideration for its Management Company Services, the Management Company is entitled since July 1, 2016 to receive out of the assets of each sub-fund an annual fee for an amount of up to 0.09% of the aggregate Net Asset Value of the sub-funds.

Irrespective of the sub-fund's Net Asset Value, the Management Company is entitled to an annual minimum fee amounting to EUR 65,000 up to eight sub-funds and to an additional EUR 10,000 for each additional sub-fund launched afterwards.

NOTE 4 - SUBSCRIPTION TAX

Under current law and practice, the Company is not liable to any Luxembourg income tax, nor are dividends paid by the Company liable to any Luxembourg withholding tax. The Company is, however, liable in Luxembourg to a subscription tax of 0.05% per annum of its net assets, such tax being payable quarterly and calculated on the basis of the net assets of all its sub-funds at the end of the relevant quarter.

No subscription tax is payable on the assets held by the Company in other UCITS already subject to that tax in Luxembourg.

NOTE 5 - CENTRAL ADMINISTRATION, DEPOSITARY AND REGISTRAR AND TRANSFER AGENT

The Company will pay to the Depositary, the Central Administration Agent and the Registrar and Transfer Agent annual fees which will amount to a minimum percentage of 0.023% of the net asset value depending on the total net assets of the Company with a minimum fee of EUR 28,200, - at the Company level. These fees are payable on a monthly basis and do not include any transaction related fees and costs of sub-custodians or similar agents. The Depositary, the Central Administration Agent as well as the Registrar and Transfer Agent are also entitled to be reimbursed of reasonable disbursements and out of pocket expenses that are not included in the above mentioned fees.

MERCHBANC SICAV

Notes to the financial statements as at September 30, 2018 (continued)

NOTE 6 - TAXES AND EXPENSES PAYABLE

	MERCHBANC SICAV - Global in USD	MERCHBANC SICAV - Cube	MERCHBANC SICAV - Renta Fija Flexible	MERCHBANC SICAV - Merch-Fontemar
	USD	EUR	EUR	EUR
Subscription tax (Note 4)	1,088	2,016	7,622	381
Depository bank fees, domiciliation, administration and registrar and transfer agent fees	5,691	6,134	16,112	5,249
Audit fees, printing and publishing expenses	5,462	9,200	21,811	1,845
Director Fees	3,109	5,472	11,992	1,322
Other expenses	351	685	33	1
	15,701	23,507	57,570	8,798

	MERCHBANC SICAV - Merch-Universal	MERCHBANC SICAV - Merchfondo	MERCHBANC SICAV - Fixed Income in USD
	EUR	EUR	USD
Subscription tax (Note 4)	1,286	1,954	243
Depository bank fees, domiciliation, administration and registrar and transfer agent fees	4,650	8,260	5,472
Audit fees, printing and publishing expenses	6,495	8,678	1,900
Director Fees	4,675	5,109	1,557
Other expenses	6	660	13
	17,112	24,661	9,185

NOTE 7 - FUTURES CONTRACTS

As at September 30, 2018, counterparty for the outstanding futures contracts is Altura Markets S.V. S.A.

As at September 30, 2018, the Company has the following outstanding futures contracts:

Quantity	Description		Maturity date	Commitment in EUR	Net unrealised profit / (loss)
MERCHBANC SICAV - Renta Fija Flexible					
8	EUR/USD SPOT - CROSS RATES	PURCHASE	17/12/2018	1,006,245	(3,144) EUR
(30)	EURO BOBL	SALE	06/12/2018	(3,921,000)	23,700 EUR
				(2,914,755)	20,556 EUR
MERCHBANC SICAV - Merch-Fontemar					
6	EUR/USD SPOT - CROSS RATES	PURCHASE	17/12/2018	754,684	(1,550) EUR
				754,684	(1,550) EUR

MERCHBANC SICAV

Notes to the financial statements as at September 30, 2018 (continued)

NOTE 7 - FUTURES CONTRACTS (continued)

Quantity	Description		Maturity date	Commitment in EUR	Net unrealised profit / (loss)
MERCHBANC SICAV - Merch-Universal					
5	EUR/CHF SPOT CROSS	PURCHASE	17/12/2018	623,073	4,717 EUR
39	EUR/USD SPOT - CROSS RATES	PURCHASE	17/12/2018	4,905,444	(10,078) EUR
				5,528,517	(5,361) EUR

Quantity	Description		Maturity date	Commitment in EUR	Net unrealised (loss)
MERCHBANC SICAV - Merchfondo					
44	EUR/USD SPOT - CROSS RATES	PURCHASE	17/12/2018	5,534,347	(11,370) EUR
				5,534,347	(11,370) EUR

Quantity	Description		Maturity date	Commitment in USD	Net unrealised profit
MERCHBANC SICAV - Fixed Income in USD					
(2)	10Y TREASURY NOTES USA	SALE	19/12/2018	(237,563)	1,281 USD
				(237,563)	1,281 USD

NOTE 8 - OTHER CHARGES

	MERCHBANC SICAV - Global in USD USD	MERCHBANC SICAV - Cube EUR	MERCHBANC SICAV - Renta Fija Flexible EUR	MERCHBANC SICAV - Merch-Fontemar EUR
CSSF fees	1,025	1,862	8,843	255
Other expenses	756	1,256	378	346
Insurance fees	389	754	3,697	112
Legal fees	2,130	3,949	26	13
	4,300	7,821	12,944	726

	MERCHBANC SICAV - Merch-Universal EUR	MERCHBANC SICAV - Merchfondo EUR	MERCHBANC SICAV - Fixed Income in USD USD
CSSF fees	1,154	1,847	258
Other expenses	350	1,005	415
Insurance fees	458	712	101
Legal fees	30	3,873	18
	1,992	7,437	792

MERCHBANC SICAV

Notes to the financial statements as at September 30, 2018 (continued)

NOTE 9 - TRANSACTION COSTS

For the year ended September 30, 2018, the following sub-funds of the Company incurred transaction costs relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets as follows:

- MERCHBANC SICAV - Global in USD	6,862 USD
- MERCHBANC SICAV - Cube	8,641 EUR
- MERCHBANC SICAV - Renta Fija Flexible	2,003 EUR
- MERCHBANC SICAV - Merch-Fontemar	459 EUR
- MERCHBANC SICAV - Merch-Universal	2,603 EUR
- MERCHBANC SICAV - Merchfondo	12,257 EUR
- MERCHBANC SICAV - Fixed Income in USD	0 USD

These transaction costs are composed of brokerage costs and are included in cost of securities.

For bonds, transaction costs are included in the spread.

The transaction amounts included under the heading "Bank charges and correspondent fees" in the "Statement of Operations and Changes in Net Assets" are composed of contractual transaction costs and are not included in the table above.

Unaudited Information

INFORMATION CONCERNING THE REMUNERATION POLICY

European Directive 2014/91/EU amending Directive 2009/65/EC on undertakings for collective investment in transferable securities, which is applicable to MERCHBANC SICAV, came into force on March 18, 2016. It is implemented in national law under the Luxembourg Law of December 17, 2010, as amended. Due to these new regulations, the Company is required to publish information relating to the remuneration of identified employees within the meaning of the Law in the annual report including audited financial reports.

The remuneration policy of the current Management Company, BIL Manage Invest S.A., may be obtained upon request and free of charge at the registered office.

BIL Manage Invest S.A. has paid the following amounts to its staff. The financial year of the Management Company ending on December 31 each year, the remuneration below covers the period from January 1, 2018 to September 30, 2018:

Total gross amount of the fixed remunerations paid (excluding the payments or benefits that may be deemed to form part of a general and non-discretionary policy and having no incentive effect on risk management): EUR 969,605.

Total gross amount of the variable remunerations paid: EUR 214,300.

Number of beneficiaries: 19

Aggregate amount of the remunerations, is broken down between the senior management and the members of staff of the Management Company whose activities have a significant impact on the risk profile of the Company.

The systems of BIL Manage Invest S.A. do not allow such amounts to be identified per UCITS managed. The figures below therefore show the aggregate amount of the remunerations at the overall level of BIL Manage Invest S.A..

Aggregate amount of the remunerations of the senior management: EUR 671,107.

Aggregate amount of the remunerations of the members of staff of BIL Manage Invest S.A. whose activities have a significant impact on the risk profile of the UCITS of which it is the management company (excluding the senior management): EUR 512,799.

INFORMATION CONCERNING THE TRANSPARENCY OF SECURITIES FINANCING TRANSACTIONS AND OF REUSE OF CASH COLLATERAL (EU REGULATION 2015/2365 HEREAFTER “SFTR”)

At the date of these financial statements, the Company did not engage in transactions which are the subject of the SFTR regulation. No corresponding transactions were carried out during the year.

GLOBAL EXPOSURE

The Company uses the commitment approach to calculate aggregate risk of all the sub-funds of the Company.

MERCHBANC SICAV

Unaudited Information (continued)

INFORMATION OF SPANISH REPRESENTATIVES

Until August 31, 2018 Merchbolsa markets the Company on a private offering basis by the sales teams to each investor. The sales teams are based in its offices of Barcelona, Madrid, Valencia and Zaragoza. Since August 31, 2018, these activities have been transferred to Merchbanc S.G.I.I.C, S.A. Relevant information of the sub-funds is also available in Merchbanc Financial Group's website: www.merchbanc.es.

MERCHBANC SICAV is also distributed in Spain and Luxembourg through two Fund Platforms: Banco Inversis, S.A. and Allfunds Bank, S.A. and Allfunds Bank International, S.A. Both platforms distribute the sub-funds: MERCHBANC SICAV - Global in USD, MERCHBANC SICAV - Renta Fija Flexible, MERCHBANC SICAV - Merch-Fontemar, MERCHBANC SICAV - Merch-Universal, MERCHBANC SICAV - Merchfondo, and MERCHBANC SICAV - Fixed Income in USD.

Both sub-distributors are financial regulated entities supervised by the Comisión Nacional del Mercado de Valores (CNMV) and by Banco de España (Central Bank of Spain), and comply with AML/CFT, KYC, FATCA and CRS regulations as well as with any law and regulation that may be imposed by the CNMV as well as by the CSSF.