



## ISATIS Flexible Bond

A dynamic long-only bond management

### Fund strategy

The fund objective is to participate in the development of international bond markets. The fund may invest in developed and emerging markets, including in local currencies. The management style is pragmatic with high convictions, with regional, segment or sector bias. The fund may invest in government bonds, investment grade or high-yield rated debts. The fund may have up to 20% out of its reference currency on developed markets and 10% on emerging ones. The performance objective is to outperform global bonds over the long term.

AuM : EUR 28.6 million

NAV EUR: 10'174.13

NAV CHF: 10'036.64

NAV USD: 10'907.57

- Management company:  
Fuchs Asset Management SA
- Asset Manager:  
Fuchs & Associés Finance SA
- Advisor:  
Heravest SA

Minimum investment  
100'000 EUR/USD/CHF

Launch date  
24.06.2015 (transferred into  
ISATIS on 11.07.2017)

Daily NAV

Management fees  
0.6%

Performance fees  
10% above 1-month Euribor  
(HWM)

Share classes

I - EUR : LU1560706704

I - CHF : LU1560707009

I - USD : LU1560706886

### Fund ratio

Yield to worst 2.77%  
Average maturity 6.1a  
Average duration 4.5  
Average spread 126bp  
Rating A+  
# holdings 44

### Split by ratings

AAA 27.6%  
AA 14.0%  
A 14.2%  
BBB 28.8%  
BB 15.4%  
B 0.0%

### Top 5

T2.25 2027 10.1%  
UKT4.25 2027 5.5%  
TIPS0.125 2024 5.4%  
OAT1.0 2027 5.1%  
T2.25 2027 5.1%

### Comments

Data through February confirmed that we remain in a fragile economic growth environment. It is still too early to call a global rebound, as the rays of light in the global economic cycle in January did not brighten in February. Euro area manufacturing PMI was dreadful although the services PMI rebounded in February, suggesting a stabilization of the domestic euro area environment. In both the US and China, manufacturing PMIs fell back slightly in February compared with January.

Most recently, trade talks have shown positive signs. US President Trump has delayed the introduction of tariffs on Chinese goods planned for March 1st. On the Brexit front, uncertainties remain even if an exit without a deal looks unlikely.

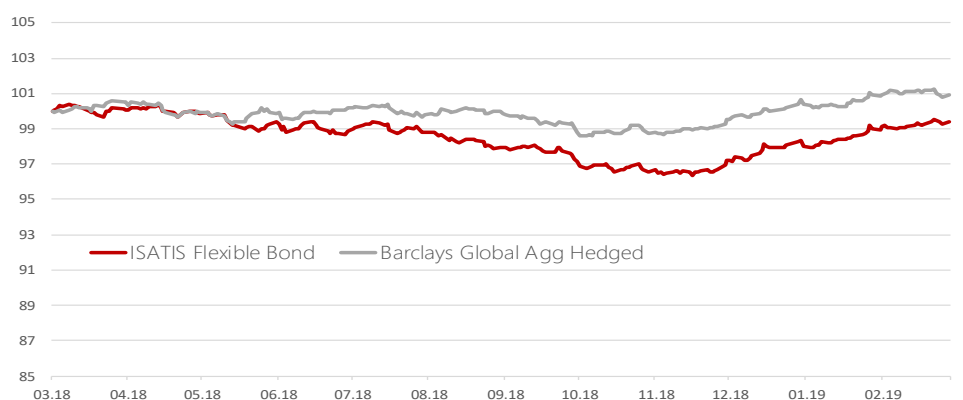
The two main central banks, the Fed and the ECB, are both awaiting further data. The Fed wants to see higher inflation and market-based inflation expectations, before announcing another hike. Importantly, the Fed has turned cooler on its balance sheet normalization and could announce an end to its reduction by mid-year. The ECB's near-term inflation outlook is looking challenged, as growth has lost momentum. While the ECB flagged downside risks to its growth forecast in January, some indicators have shown signs of stabilization.

Markets have digested those comments as a strong support to all fixed income assets. Yields have decreased close to year-to-date lows, US break-even have rebounded and spreads (credit, EM, high yield) continue to tighten.

We have, as announced, increased our exposure to the High Yield and Emerging segments, at the expense of the peripheral bonds.

In February, the fund is up by +0.19% vs. -0.12% for the Bloomberg Barclays Global Aggregate hedged in EUR, bringing the total year-to-date performance to +1.35% and the outperformance to +0.58%.

### EUR share class performance (net)



		Jan	Fev	Mar	Avr	Mai	Juin	Juil	Aout	Sept	Oct	Nov	Dec	YtD
2015		-	-	-	-	-	-1.0%	0.0%	-1.5%	-3.2%	2.1%	1.2%	-2.0%	-4.4%
2016	ISATIS Flexibel Bond	-1.7%	-1.2%	2.3%	1.3%	-0.2%	-0.7%	1.6%	1.1%	-0.8%	1.2%	-1.6%	1.2%	2.6%
	Global Aggregate	1.4%	0.9%	0.7%	0.1%	0.3%	1.8%	0.5%	-0.2%	-0.1%	-1.1%	-1.8%	0.1%	2.4%
2017	ISATIS Flexibel Bond	0.8%	0.3%	1.0%	1.5%	0.7%	0.3%	0.6%	0.0%	-0.1%	0.8%	-0.2%	0.3%	6.2%
	Global Aggregate	-0.5%	0.8%	-0.2%	0.5%	0.4%	-0.4%	0.2%	0.7%	-0.6%	0.3%	0.0%	0.0%	1.1%
2018	ISATIS Flexibel Bond	-0.3%	-1.1%	-0.1%	-0.2%	-0.8%	-0.4%	0.4%	-1.2%	-0.2%	-1.1%	0.0%	1.4%	-3.6%
	Global Aggregate	-0.9%	-0.4%	0.6%	-0.6%	0.1%	-0.1%	-0.2%	0.1%	-0.6%	-0.4%	0.2%	1.1%	-1.1%
2019	ISATIS Flexibel Bond	1.2%	0.2%											1.3%
	Global Aggregate	0.8%	-0.1%											0.7%

Before July 11th 2017 incorporated in the IGNI SICAV (shaded area) —Incorporated into the ISATIS SICAV as of July 11th 2017.

Reference index:

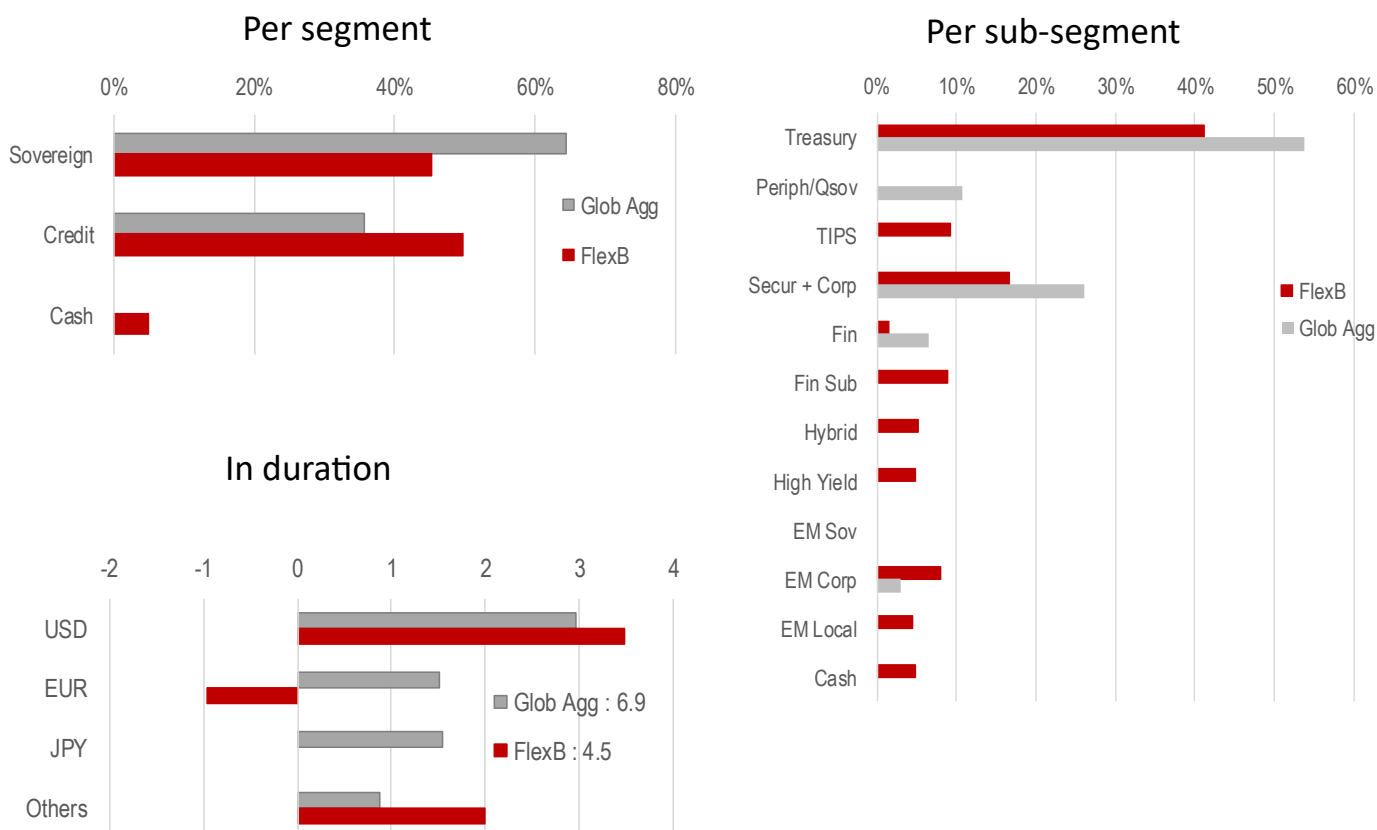
Before December 31st, 2015, « absolute return » approach without benchmark. Since December 31st, 2015, high conviction relative management, benchmark Barclays Global Aggregate hedged in EUR.



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### Allocation



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