

# LSF – GEB Global Euro Bond Fund

## Absolute Return Bond Fund (EUR)

### FACTSHEET May 2019

#### FUND FACTS

Domicile	Luxembourg / SICAV
Fund Type	UCITS V
Launch Date	29/11/2013
Investment Approach	
Switch Date	28/02/2018
Fund Currency	EUR
Share Class Currencies	EUR / CHF
Advisor	YSMA
AUM (all classes) Mio	32.43 €
Liquidity	Daily
Management Fees	1.00%
Performance Fees	0%
TER	1.26%
Strategy	Absolute Return Bond Fund (EUR)

#### RISK PROFILE

1	2	3	4	5	6
Low					High

#### CODES

	Class A2
ISIN	LU0986347978
Bloomberg	UBSPBA2 LX
Telekurs	226.41.146
Share Class	Institutional
Reference Currency	EUR
NAV per Share	94.54
Monthly Variation	-1.71%
Performance Ytd	4.59%

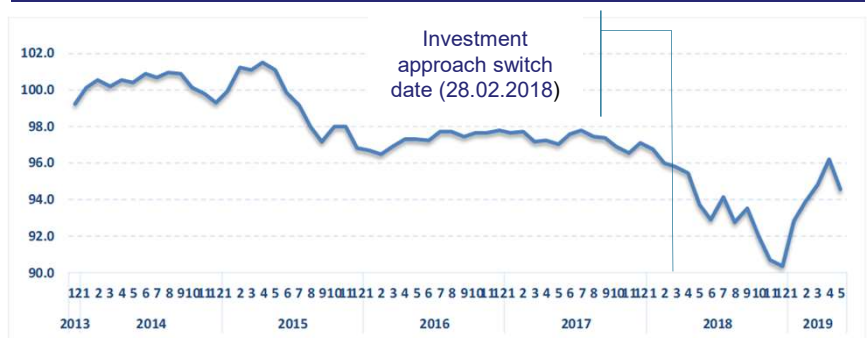
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#### OPERATIONAL APPROACH

LSF - GEB Global Euro Bond Fund - Fund's objective is to achieve income and capital growth. The investment objective of the Sub-fund is to invest its assets mainly in a diversified portfolio of bonds (including high-yield bonds) denominated in Euro and other debt instruments issued by countries or companies. The Sub-fund will seek opportunities, depending on market conditions, by investing extensively into sub-investment grade bonds. The Sub-fund intends to systematically hedge foreign currency exposure. The investments are predominantly (min 90%) in Euros. There are no geographic or sectoral restrictions.

#### PERFORMANCE



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	
2013													-0.80%	-0.80%
2014	0.91%	0.44%	-0.32%	0.29%	-0.13%	0.53%	-0.25%	0.31%	-0.12%	-0.75%	-0.30%	-0.49%	0.10%	
2015	0.62%	1.30%	-0.11%	0.36%	-0.39%	-1.24%	-0.65%	-1.20%	-0.82%	0.84%	0.00%	-1.17%	-2.47%	
2016	-0.19%	-0.20%	0.39%	0.47%	-0.02%	-0.03%	0.48%	-0.01%	-0.31%	0.24%	-0.04%	0.14%	0.94%	
2017	-0.09%	0.02%	-0.53%	0.07%	-0.20%	0.55%	0.24%	-0.38%	-0.07%	-0.49%	-0.32%	0.53%	-0.69%	
2018	-0.34%	-0.78%	-0.21%	-0.37%	-1.81%	-0.91%	1.39%	-1.45%	0.80%	-1.65%	-1.43%	-0.32%	-6.90%	
2019	2.74%	1.08%	1.05%	1.39%	-1.71%								4.59%	

#### STATISTICAL DATA

##### Performance

Total Return 1Month(s)	-17%
Total Return MTD	-17%
Total Return QTD	-0.34%
Total Return YTD	4.59%
Total Return 3 Month(s)	0.7%
Total Return 6 Month(s)	4.26%
Total Return 1Year(s)	0.86%
Total Return 2 Year(s)	-2.59%
Total Return 3 Year(s)	-2.84%

##### Period Analysis

	Up	Down
Number	16	25
Percentage	39%	61%
Average	0.72%	-0.55%
Standard Dev.	0.69%	0.59%
Max Sequence	4	6
Avg Sequence	1	2

##### Best vs Worst

	Perf.	Date
1st Best	2.74%	31-01-19
2nd Best	139%	30-04-19
3rd Best	139%	31-07-18
1st Worst	-181%	31-05-18
2nd Worst	-171%	31-05-19
3rd Worst	-165%	31-10-18

##### Statistics (1 Year)

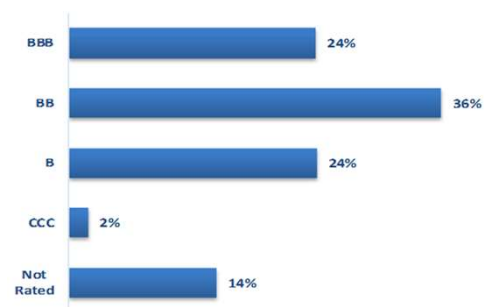
Standard Deviation 1Year(s)	3.43%
Semivariance 1Year(s)	3.65%
Sharpe Ratio vs Risk Free 1 Year(s)	0.22

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**PORTFOLIO ASSET ALLOCATION**

**Rating**



**Top 5 Positions**

#	ISIN	Description	Sector	Country risk	Market Value (%)
1	XS1210362239	AABAR 103/27/22	Financial	AE	4.4
2	USQ0102FAD70	ADAABB 4.45 12/15/22	Consumer, Non-cyclical	AU	2.2
3	NL0000116150	AEGON Float PERP	Financial	NL	14
4	DE000A19W2L5	AMSSW 0 03/05/25	Technology	AT	18
5	XS1715303340	ARGENT 3% 01/15/23	Government	AR	12
<b>TOP 5 POSITIONS</b>					<b>10.9</b>

**MONTHLY COMMENT**

**Market Comment**

The fall in bond yields around the globe is another sign of fundamental changes in the global economy. Monetary policy activism is currently not the reason, why the ten-year US government bond yield fall to 2.17 percent (at the beginning of the month around 2.5%) and the ten-year German government bond yield hit a new historic low of -0.22 percent.

In Washington, the Fed will continue to reduce its bond holdings by the autumn, while the European Central Bank will no longer top up its bond holdings. In a world where inflation remains low despite long-term economic growth, higher yields are unlikely anyway.

Geopolitical uncertainty, expressed in concerns about a slowdown in economic growth, is driving up the demand for high-quality bonds for security reasons. The participants in the capital markets should not be surprised, if the yields sink even further: If you are looking for safe-haven investments in an uncertain world, you do not look at the price.

**Fund Development**

Year to date, the volume of LSF Global Euro Bond Fund has hardly changed. Fund assets now total Euro 33.5 million. In the April investment month, we sold the Louis Dreyfus Bond and used the selloff in Turkey to increase this exposure. The investments have continued to develop positively and did offset the losses of last year.

**Performance Analysis**

The fund's performance since the beginning of the year adds up at 4.6%; the investment month May was negative. The mentioned yield reduction in the risk-free rate, in May has not been priced in our bonds. As a result, the credit risk premiums of our portfolio have further widened in the reporting month. The positive performance drivers this year were the investments in Technology (Dell, AMS and WDC), while the exposure towards Argentina, Buenos Aires and Turkey has been negative contributors.

The key data of the fund remains very attractive: Yield to maturity after hedging costs 4.5; Duration 4.92 and the average coupons 4.69.

**Outlook**

The flight into government bonds at any price has not yet fueled the prices of lower-rated bonds. The spreads have swelled accordingly, and the yields of these bonds have gained significantly in attractiveness. This will revert in our opinion going forward.

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