

Data as of December 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	32.58 €
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	98.88
Monthly Variation	1.10%
Performance YtD	9.39%

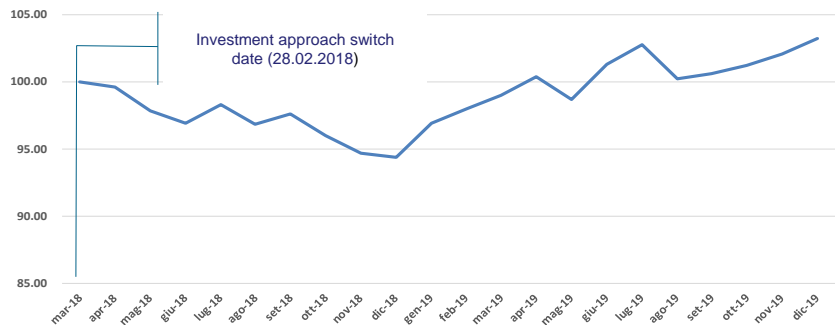
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OPERATIONAL APPROACH

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
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%	2.63%	1.49%	-2.47%	0.37%	0.63%	0.80%	1.10%	9.39%

STATISTICAL DATA

Performance

Total Return 1 Month(s)	1.10%
Total Return MTD	1.10%
Total Return QTD	2.56%
Total Return YTD	9.39%
Total Return 3 Month(s)	2.56%
Total Return 6 Month(s)	19.1%
Total Return 1 Year(s)	9.39%
Total Return 2 Year(s)	184%
Total Return 3 Year(s)	1.15%

Statistics (1 Year)

Standard Deviation 1 Year(s)	4.07%
Semivariance 1 Year(s)	4.67%
Sharpe Ratio vs Risk Free 1 Year(s)	2.41

Period Analysis

	Up	Down
Number	11	12
Percentage	48%	52%
Average	13.1%	-1.12%
Standard Dev.	0.76%	0.73%
Max Sequence	4	6
Avg Sequence	2	2

Best vs Worst

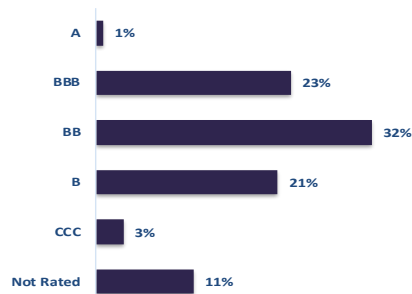
	Perf.	Date
1st Best	2.74%	31.01.19
2nd Best	2.63%	28.06.19
3rd Best	1.49%	31.07.19
1st Worst	-2.47%	30.08.19
2nd Worst	-1.81%	31.05.18
3rd Worst	-1.71%	31.05.19

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PORTFOLIO ASSET ALLOCATION

Rating



Top 5 Positions

#	ISIN	Description	Market Value (%)
1	US71647NAY58	PETBRA 5.999 01/27/28	4.9
2	XS1739839998	UCGIM 5 % PERP	4.1
3	IT0005240830	BTPS 2.2 06/01/27	3.4
4	XS1497606365	TITIM 3 09/30/25	3.4
5	XS0229567440	GE 4 1/8 09/19/35	3.2
TOP 5 POSITIONS			18.9

MONTHLY COMMENT

Market Comment

The end of a year, the end of a decade - a good time to reflect on the past and plan the future.

The Fed's interest rate cut in October was the third since July, and recent measures to resume bond purchases have reduced funding pressure in the repo market. The European Central Bank (ECB) has also eased its monetary policy by lowering the deposit rate by 10 basis points (bps) in September and resuming quantitative easing this month.

Depending on the investments in which you have invested in the past ten years, you may be quite satisfied with the development of your portfolio. From 2010 to 2019, financial assets consistently generated extraordinary income. Since the end of 2009, global bonds have generated 49% returns, Asian stocks 74%, European stocks 102% and the US market 245%. This was the most successful decade since the 1980s for stocks in industrialized countries. Bonds were characterized by steady returns and low default rates. Investors should stay invested. Yields are expected to be lower in the period from 2020 to 2029 than in the previous decade. However, we believe that selected investments will continue to pay off for investors.

The yield on 10-year US Treasury bills rose slightly to 1.88% in December. Over the same period, the 10-year Bund yield rose to -0.23%. Current interest rates are still close to historical lows.

Given loose monetary policy, low global yields and sluggish global growth (but not a recession), US dollar EM bonds offer an attractive carry of more than 3% against US Treasuries.

Fund Development

Fund assets are currently EUR 32.5 million compared to EUR 30.2 million at the end of November.

During the month, we bought bonds from the aviation company ASG and participated in the new issues Edison. We increased the position in the automotive supplier Adient and the Glencore investment company Oilflow.

Performance Analysis

The fund outperformed its benchmark in a positive month for bond markets. The fund gained 1.10% in December. During this period, the benchmark fell 0.35%. The fund outperformed its benchmark by more than 1.4%. Year to date the fund has a performance of 9.4% versus 6.4% of the benchmark. This year so far, the fund outperformed the benchmark by around 3%.

High yield bonds made the best contribution to performance in the month. At country level, investments in Argentina, Israel and United Kingdom were the top performers in December. In contrast, we recorded slightly negative performance contributions for bonds from Germany, Colombia and Ireland. Argentina, Transocean and the bond from Buenos Aires made the highest contribution to returns in the month under review. The worst performer was the investment in Wirecard.

Outlook

The credit risk premiums for the bonds in the fund remain at a high level. They are currently below the start of the year, while the yield on maturity is only marginally lower. The portfolio is very attractive compared to other fixed-income investments, also to other asset classes, and continues to offer reasonable returns for the risk taken.

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