Vontobel

Vontobel Fund - Emerging Markets Corporate Bond AQN

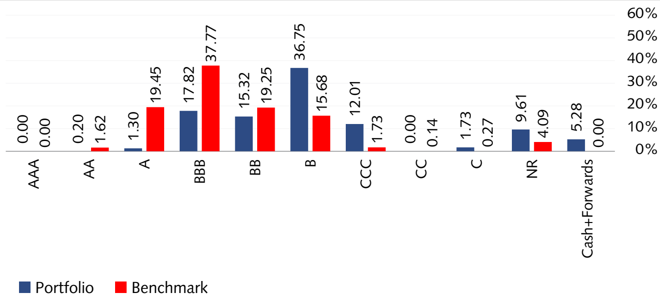
Approved for Wholesale/Retail investors in: CH

The Vontobel Fund - Emerging Markets Corporate Bond's investment policy aims to achieve the best-possible investment return in USD. It invests mainly in fixed and variable-rate securities denominated in hard currencies, including up to 25% of its assets in convertible bonds and warrants. It may also hold cash. The fund can use derivatives to achieve the investment objective and for hedging purposes. It mainly invests in securities issued by public and/or private borrowers domiciled in, having their business activity in or exposed to emerging markets.

Fund Data

Portfolio Manager	Wouter Van Overfelt / Sergey Goncharov
Portfolio Manager location	Zurich
Fund domicile	Luxembourg
Fund currency	USD
Share class currency	USD
Net asset value	108.46
Fund volume in mln	488.52 USD
Share class volume in mln	3.40 USD
Management fee	0.550%
Launch date	30/11/2018
Last distribution	2.01 / June
ISIN	LU1914926925

Rating Structure



Major bond positions

9.25% TCS Finance Open End FRN	2.9%
4.875% IENOVA 14.01.2048 Reg-S Senior	2.8%
6.375% Cometa Energia 24.04.2035 Reg-S Senior	2.7%
7.25% Ronesans Gayr 26.04.2023	2.5%
12% Aragvi Fin Intl 09.04.2024 Reg-S	2.4%
8% Eterna Capital 11.12.2022 Senior	2.1%
11% Andrade Gut 20.08.2021 Reg-S Senior	2.0%
8.875% CAR Inc 10.05.2022 FRN Reg-S Senior	1.9%
6.875% Trafigura Grp Open End FRN Reg-S Subordinated	1.7%
6.875% RiEn/UGEN/UENSA 01.02.2025 Reg-S Senior	1.6%

Performance of AQN Share (in USD and %)

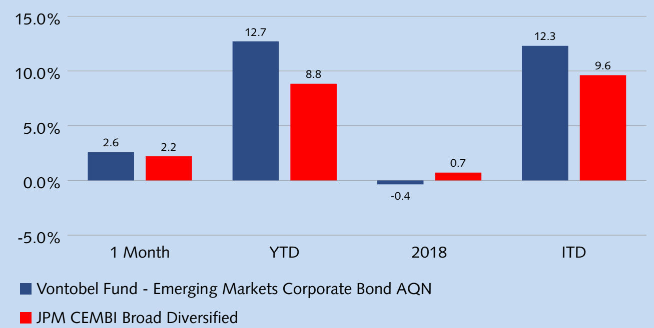
	1 mth.	YTD	2018	2017	2016	3 y. p.a.	5 y. p.a.	since inception
Fund	2.6	12.7	-0.4	n.a.	n.a.	n.a.	n.a.	12.3
Index	2.2	8.8	0.7	n.a.	n.a.	n.a.	n.a.	9.6

	07.14 – 06.15	07.15 – 06.16	07.16 – 06.17	07.17 – 06.18	07.18 – 06.19
Fund	n.a.	n.a.	n.a.	n.a.	n.a.

Benchmark: JPM CEMBI Broad Diversified

Source: Vontobel Asset Management AG. Past performance is not a guide to current or future performance. The performance data do not take account of the commissions and costs incurred on issue and redemption. The return of the fund can be a result of currency fluctuations rise or fall.

Performance (in %) AQN

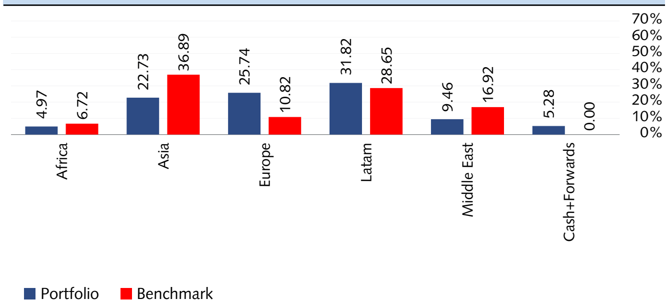


Key Data

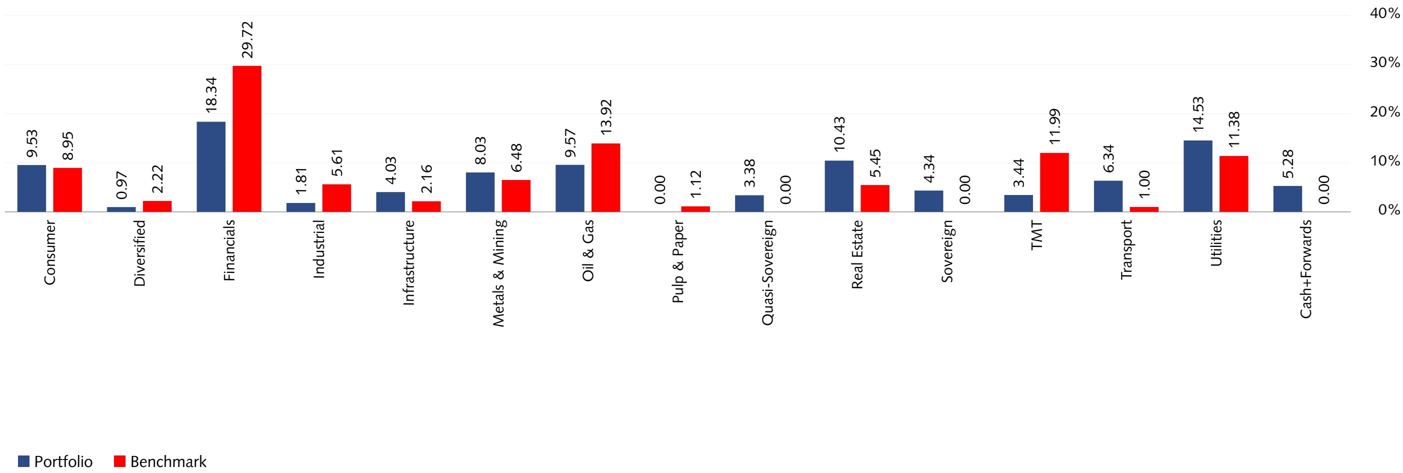
	Portfolio	Benchmark
Yield to Maturity (YTM)	10.0	5.0
Modified Duration	3.6	4.5
Volatility*	n.a.	n.a.
Average Rating	BB-	BBB-
# of Positions	142	1,441
Active Share (country, issuer, ISIN)	43% / 86% / 92%	

* Figures will be published 12 months after launch date

Regional Exposure



Portfolio Structure



Opportunities

+ Broad diversification across numerous securities
+ Possible extra returns through single security analysis and active management
+ Gains on invested capital possible
+ Use of derivatives for hedging purposes may increase subfund's performance and enhance returns
+ Bond investments offer interest income and capital gains opportunities on declining market yields
+ Investments in foreign currencies might generate currency gains
+ Gains through participating in the growth potential of emerging markets are possible

Risks

- Limited participation in the potential of single securities
- Success of single security analysis and active management cannot be guaranteed
- It cannot be guaranteed that the investor will recover the capital invested
- Derivatives entail risks relating to liquidity, leverage and credit fluctuations, illiquidity and volatility
- Interest rates may vary, bonds suffer price declines on rising interest rates
- Investments in foreign currencies are subject to currency fluctuations
- Investments in emerging markets may be affected by political developments, currency fluctuations, illiquidity and volatility

Important legal information:

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This document is for information purposes only and does not constitute an offer, solicitation or recommendation to buy or sell shares of the fund/fund units or any investment instruments, to effect any transactions or to conclude any legal act of any kind whatsoever. Subscriptions of shares of the fund should in any event be made solely on the basis of the fund's current sales prospectus (the “Sales Prospectus”), the Key Investor Information Document («KIID»), its articles of incorporation and the most recent annual and semi-annual report of the fund and after seeking the advice of an independent finance, legal, accounting and tax specialist.Furthermore and before entering into an agreement in respect of an investment referred to in this document, you should consult your own professional and/or investment advisers as to its suitability for you.

In particular, we wish to draw your attention to the following risks: Investments in the securities of emerging- market countries may exhibit considerable price volatility and – in addition to the unpredictable social, political and economic environment – may also be subject to general operating and regulatory conditions that differ from the standards commonly found in industrialised countries. The currencies of emerging-market countries may exhibit wider fluctuations.Investments in derivatives are often exposed to the risks associated with the underlying markets or financial instruments, as well as issuer risks. Derivatives tend to carry more risk than direct investments. Investment universe may involve investments in countries where the local capital markets may not yet qualify as recognised capital markets.Money market investments are associated with risks of a money market, such as interest rate fluctuations, inflation risk and economic instability.

Past performance is not a reliable indicator of current or future performance. Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up due to changes in rates of exchange between currencies. The value of the money invested in the fund can increase or decrease and there is no guarantee that all or part of your invested capital can be redeemed.

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Glossary

Benchmark
An index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance fees.

Beta
A measure of sensitivity - given as the average percentage change in the price of a fund when the market (benchmark) rises or falls by 1%. A value over (under) 1 means that on average the fund exhibits more (less) volatility than the benchmark. The figure is calculated on a 3-yearly basis.

Duration (Modified Duration)
Duration is an indication of how much a bond's price could be affected by a change in interest rates.

Effective Duration
Is a measure of the potential impact on a bond or portfolio price of a 1% change in interest rates across all maturities.

Hedging
Where a Class of Shares is described as hedged ("Hedged Share Class"), the intention is to hedge the Net Asset Value in the Reference Currency of the Sub/Fund into the Currency of the Hedged Share Class.

Information ratio
The information ratio (IR) is a ratio of portfolio returns above the returns of a benchmark to the volatility of those returns

Jensen's Alpha
Yield indicator. If the average return on a security or portfolio is larger than its expected return, the alpha is positive. If the average return is smaller than expected, the alpha is negative.

Management Fee
Is a fee which covers all costs relating to possible services rendered in connection with investment management and distribution. Please refer to the fund's prospectus for a complete description.

NAV
The Net Asset Value (NAV) represents the value per share. It is calculated by dividing the total net asset value of the fund (the value of the fund's assets less its liabilities) by the number of shares outstanding.

Performance Fee
The payment made to an Investment Manager if certain performance levels are achieved (often over and above any levels set out in the investment objective) within a set time period. Please refer to the fund's prospectus for a complete description.

Reference Index
The difference to benchmark is that the reference index is not used for calculation of performance fees.

Sharpe Ratio
The Sharpe ratio indicates the additional reward per unit of risk compared to a risk/free investment. It reveals how much performance was achieved at what level of risk.

TER
The fees and incidental costs charged on the management of collective investment schemes are to be disclosed using the internationally recognized Total Expense Ratio (TER). This ratio expresses the sum of all fees and incidental costs charged on an ongoing basis to the collective investment scheme's assets (operating expenses) taken retrospec-tively as a percentage of the net assets

Tracking error
Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

Volatility
Volatility (or risk or standard deviation) is an indicator of the range of fluctuation of the annualized performance of a fund over a certain period.

Weighted Average Coupon (WAC)
The coupon is the annual interest rate paid by a bond issuer on the face value of the bond.

Yield to Maturity
The rate of return anticipated on a bond if it is held until the maturity date.

Yield to Worst
The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions are used by the issuer.