

Asset Management / Fund Factsheet / 28.05.2021

## Vontobel Fund - Emerging Markets Corporate Bond I, USD

Morningstar Rating as of 30.04.2021 ★★★★★

Marketing document for institutional investors in:  
AT, CH, CL, DE, ES, FI, FR, GB, IT, LU, NL, NO, SE, SG (professional investors)

### Investment objective

This bond fund aims to generate the best possible investment returns over a full economic cycle, while respecting risk diversification.

### Key features

The fund invests across emerging markets mainly in corporate bonds of diverse qualities with different maturities in various hard currencies. In addition, the fund may have limited exposure to emerging market government bonds in local currencies. The fund uses derivative financial instruments, primarily for hedging purposes.

### Approach

The compact and agile investment team of experienced emerging market specialists focuses on spread optimization and event-driven investment opportunities for a given level of risk. Based on in-depth research and using a proprietary valuation model, the portfolio managers continuously compare the levels of remuneration potential available across issuer qualities, countries, interest rates, currencies and maturities within the investment universe to identify the most rewarding opportunities, which may be contrarian to mainstream views. To seize them, the team flexibly adapts the portfolio while keeping credit, interest rate and currency risks in check.

Portfolio management	Wouter Van Overfelt / Sergey Goncharov
Fund domicile, legal structure	Luxembourg, UCITS
Currency of the fund / shareclass	USD / USD
Launch date fund / shareclass	13.11.2015 / 13.11.2015
Net asset value (NAV) / share	USD 184.96
Ref. index	JPM CEMBI Broad Diversified
Fund size	USD 1,920.21 mio
ISIN / WKN / VALOR	LU1305089796 / A2DMCZ / 30034517
Management fee	0.55%
Ongoing charges (incl. Mgmt. fee) as of 28.02.2021	0.77%
Distribution policy	reinvesting
Maximum entry / switching / exit fee <sup>1)</sup>	5.00% / 1.00% / 0.30%

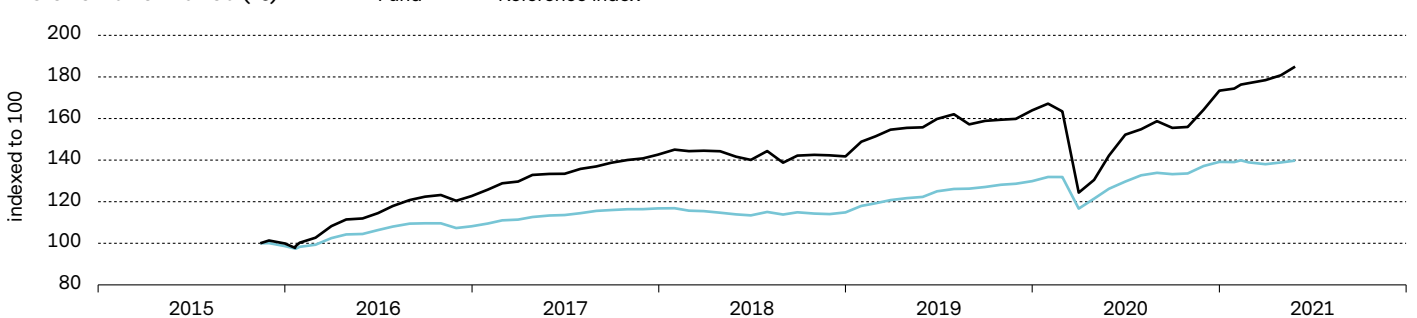
<sup>1)</sup> Refer to fund distributor for actual applicable fees, if any.

### Portfolio Characteristics

	Fund	Ref. index
Volatility, annualized <sup>2)</sup>	18.67%	n.a.
Sharpe ratio <sup>2)</sup>	0.42	
Information ratio <sup>2)</sup>	0.21	
Modified duration (years)	3.99	4.44
Average Rating	B+	BBB-
Number of positions	272	1,981
Yield to maturity	12.69%	3.77%
Yield to worst (YTW)	12.58%	3.34%
Active share (country, issuer, ISIN)	44%, 87%, 93%	
Average coupon	6.79%	4.80%
Tracking error, ex-post <sup>2)</sup>	10.67%	
Option-adjusted spread, OAS (basis points)	1148	250

<sup>2)</sup> calculated over 3 years

### Historic Performance (%)



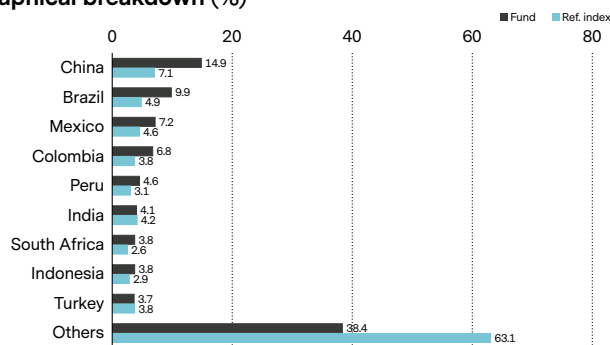
	06.20 - 05.21	06.19 - 05.20	06.18 - 05.19	06.17 - 05.18	06.16 - 05.17	1 m	year to date	2020	2019	2018	3 yrs p.a.	5 yrs p.a.	since inception
Fund	30.1	-8.7	10.0	6.2	19.1	2.3	6.7	5.8	15.6	-0.6	9.3	10.6	85.0
Ref. index	10.7	3.2	7.4	0.5	8.5	0.6	0.4	7.1	13.1	-1.6	7.1	6.0	39.8

Past Performance is not a guide to current or future performance. Performance data do not take account of the entry / exit commissions and costs incurred, and reflect gross distributions reinvested. Performance of a fund can rise or fall, i.a. as a result of currency fluctuations.

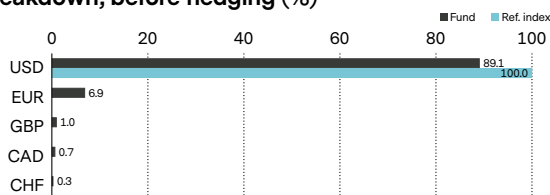
### Major positions (%)

6.375% Hunt Oil Peru 01.06.2028 Reg-S Senior	1.9
8.875% Credivalores 27.02.2025 Reg-S Senior	1.6
6.25% Bco Brasil Cayman Open End FRN Reg-S Junior Subordinated	1.6
10.5% Petra Dmnds US 08.03.2026 Senior	1.5
7% DTEK Finl 31.12.2027 Reg-S	1.4
7% Tullow Oil 01.03.2025 Reg-S Senior	1.2
9.5% Andrade Gut 30.12.2024 Reg-S Senior	1.2
8% Eterna Capital 11.12.2022 Senior	1.2
5.625% Petroperu 19.06.2047 Reg-S Senior	1.1
8.25% Fidei Pacifico 15.01.2035 Reg-S Senior	1.1
<b>Total</b>	<b>13.8</b>

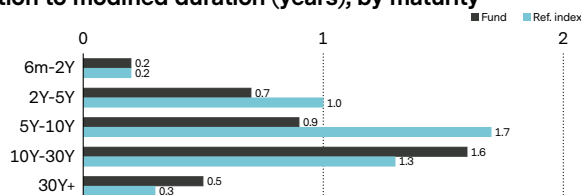
### Geographical breakdown (%)



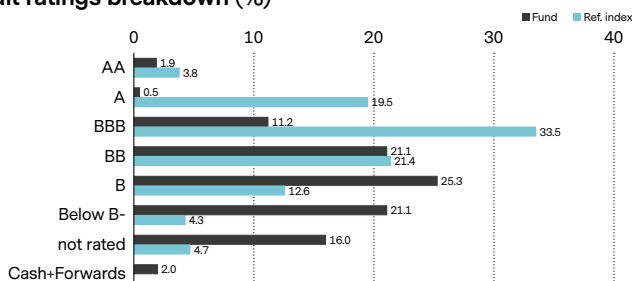
### Currency breakdown, before hedging (%)



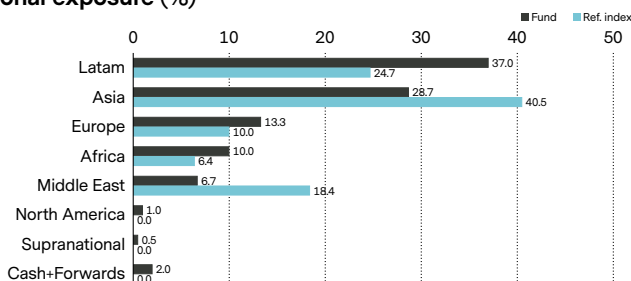
### Contribution to modified duration (years), by maturity



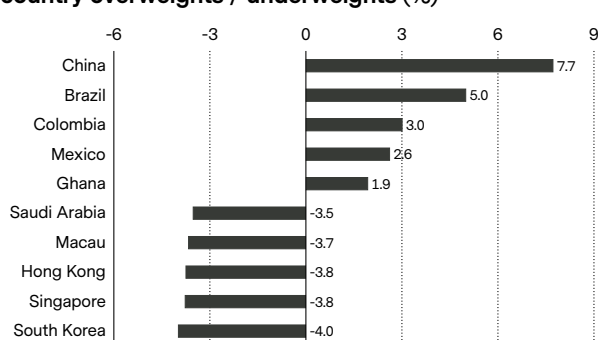
### Credit ratings breakdown (%)



### Regional exposure (%)

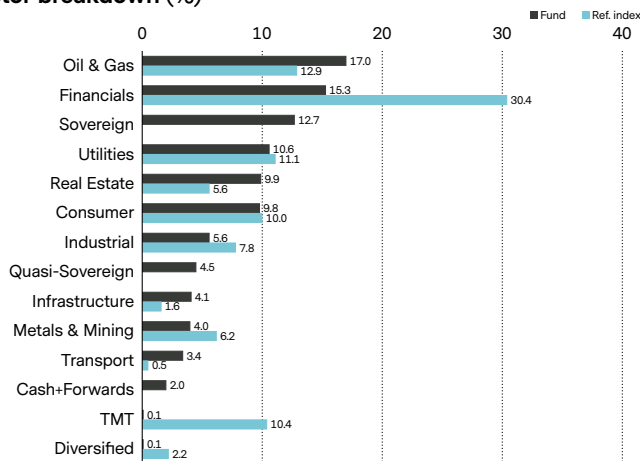


### Major country overweights / underweights (%)



Values reflect the country exposure of the fund relative to the Reference index.

### Sector breakdown (%)



### Risks

- Limited participation in the potential of single securities.
- Investments in foreign currencies are subject to currency fluctuations.
- 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 emerging markets may be affected by political developments, currency fluctuations, illiquidity and volatility.
- The Sub-Fund's investments may be subject to Sustainability Risks. Information on how sustainability risks are managed in this Sub-Fund may be obtained from [Vontobel.com/SFDR](http://Vontobel.com/SFDR).

### 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. **Index:** Is a characteristic portfolio considered representative of a particular market or a portion of it, and serves as a performance measurement for such a market. An index, or combination thereof, used as reference for performance comparison, is then called "reference index". **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. **Ongoing charges:** Expresses the sum of the costs of running a fund on an ongoing basis, like management fee and various legal and operating costs. It is calculated retroactively over a period of 12 months as a percentage of the fund assets. When insufficient data is available, Ongoing Charges may be estimated using data of funds with similar characteristics. **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. **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. **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 (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.

## Important information

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This document is directed only at recipients who are qualified investors as defined by Switzerland's Collective Investment Schemes Act («CISA»).

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. The investments underlying this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities. 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.

Interested parties may obtain the above-mentioned documents free of charge from the authorised distribution agencies and from the offices of the fund at 11-13 Boulevard de la Foire, L-1528 Luxembourg. Refer for more information on the fund to the latest prospectus, annual and semi-annual reports as well as the key investor information documents («KIID»). These documents may also be downloaded from our website at [vontobel.com/am](http://vontobel.com/am), the representative in Switzerland: Vontobel Fonds Services AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in Germany: the paying agent in Germany: LBBW Landesbank Baden-Württemberg, Große Bleiche 54-56, 55116 Mainz, the paying agent in Austria Erste Bank der oesterreichischen Sparkassen AG, Graben 21, A-1010 Vienna. The KIID is available in Finnish. The KIID is available in Swedish. The KIID is available in Norwegian. The Fund and its subfunds are included in the register of Netherland's Authority for the Financial Markets as mentioned in article 1:107 of the Financial Markets Supervision Act ("Wet op het financieel toezicht"). The KIID is available in French. Refer for more information on the funds to the Document d'Information Clé pour l'Investisseur (DICI). Refer for more information regarding subscriptions in Italy to the Modulo di Sottoscrizione. For any further information: Vontobel Asset Management S.A., Milan Branch, Piazza degli Affari 3, 20123 Milano, telefono: 0263673444, e-mail [clientelatore@vontobel.it](mailto:clientelatore@vontobel.it). In Spain, funds authorised for distribution are recorded in the register of foreign collective investment companies maintained by the Spanish CNMV (under number 280). 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Details about the extent of regulation by the FCA are available from Vontobel Asset Management SA, London Branch, on request. The KIID can be obtained in English from Vontobel Asset Management SA, London Branch, 3rd Floor, 70 Conduit Street, London W1S 2GF or downloaded from our website [vontobel.com/am](http://vontobel.com/am). The fund and its subfunds are not available to retail investors in Singapore. Selected sub-funds of the fund are currently recognized as restricted schemes by the Monetary Authority of Singapore. These sub-funds may only be offered to certain prescribed persons on certain conditions as provided in the "Securities and Futures Act", Chapter 289 of Singapore. The fund is not authorised by the Securities and Futures Commission of Hong Kong. It may only be offered to those investors qualifying as professional investors under the Securities and Futures Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. 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