

# Vontobel Fund - TwentyFour Strategic Income Fund HG (hedged)

Approved for institutional investors in: AT, CH, CL, DE, ES, GB, IT, LU, SG (professional investors).

## Investment objective

This bond fund aims to achieve an attractive level of income and capital growth over a full economic cycle, while respecting risk diversification.

## Key features

The fund invests worldwide in a variety of government bonds, supranational bonds, investment-grade and high-yield corporate bonds, emerging market bonds, contingent convertible bonds, and asset-backed securities, denominated in various currencies. At the point of purchase, exchange rate risks against the fund currency are fully hedged. The fund can use derivative financial instruments for hedging purposes.

## Approach

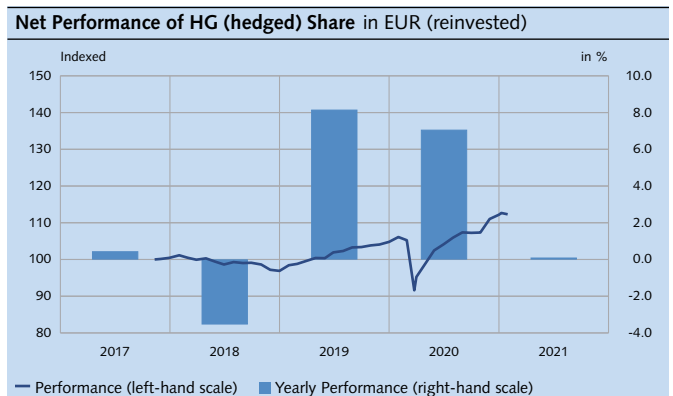
The experienced investment team takes a high-conviction approach to finding the best relative-value opportunities available in the investment universe, based on rigorous macro-economic and technical analyses combined with detailed credit analysis. Striving to benefit throughout the credit cycle from both rising and declining rate environments, the team flexibly allocates interest-rate and credit risks in line with their continuous assessment of market conditions and future developments. They also use interest-rate and credit derivatives to either optimize or reduce exposures.



Fund Data	
Investment manager	TwentyFour Asset Management LLP
Fund domicile	Luxembourg
Fund name / domicile	Vontobel Fund / Luxembourg
Share class currency	EUR
Net asset value	112.30
Fund volume in mln	4,071.88 GBP
Share class volume in mln	462.36 EUR
Management fee	0.450%
TER (per 31/08/2020)	0.61%
Launch date	10/11/2017
ISIN	LU1717117623
Valor	39078855

Net Performance of HG (hedged) Share (in EUR and %)									
	1 mth.	YTD	2020	2019	2018	3 y. p.a.	5 y. p.a.	since inception	
Fund	0.1	0.1	7.1	8.2	-3.5	3.6	n.a.	12.3	
	02.16 – 01.17		02.17 – 01.18		02.18 – 01.19		02.19 – 01.20		02.20 – 01.21
Fund	n.a.		n.a.		-2.7		7.8		5.8

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. 29/01/2021



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. 29/01/2021

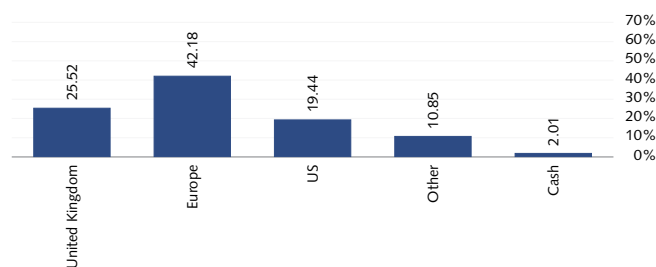
Key Data	
Volatility*	7.25%
Sharpe ratio*	0.55
Interest rate duration (years)	4.06
Credit duration (years)	4.27
Yield to worst in GBP**	3.74%
Estimated yield to worst in EUR***	3.14%
Average Rating	BBB-
Number of holdings	384

\* 1 year

\*\* Based on expected maturity.

\*\*\* The yield is converted into share class currency from the portfolio's base currency by adjusting for the estimated monthly cost of hedging the portfolio over 1 year, by calculating the difference between the current two currency 1 month base rates.

Source: TwentyFour Asset Management LLP, 29/01/2021

**Regional Exposure**

Calculated on a direct exposure

Source: TwentyFour Asset Management LLP, 29/01/2021

**Opportunities**

- + Broad diversification across numerous securities
- + Investments in foreign currencies might generate currency gains
- + 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
- + Benefits of investing in liquid money markets instruments which offer less interest rate sensitivity than longer-term bonds are possible

**Top 10 Holdings**

0.125% United States Treasury Notes 2022	9.0%
0.9% Republic of Italy Government International Bond 2031	5.0%
0.75% Hellenic Republic Government Bond 2031	2.2%
6.875% Coventry Building Society Perp	1.5%
6.875% Rothesay Life PLC Perp	1.2%
7.375% Pension Insurance Corp PLC Perp	1.1%
0.375% United States Treasury Notes 2022	1.0%
5.75% Nationwide Building Society Perp	0.9%
3.829% Towd Point Mortgage Funding 2019 - Granite4 PLC 2051	0.8%
5.875% Nationwide Building Society Perp	0.8%

Source: TwentyFour Asset Management LLP, 29/01/2021

**Risks**

- Limited participation in 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.
- Money market investments are associated with risks of a money market, such as interest rate fluctuations, inflation risk and economic instability.

**Important legal information:**

This marketing document is produced for institutional investors for distribution: CH.

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.

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 riskier, higher-yielding bonds are generally considered to be more speculative in nature. These bonds carry a higher credit risk and their prices are more volatile than bonds with superior credit ratings. There is also a greater risk of losing the original investment and the associated income payments. 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. The structure of ABS/MBS and the pools backing them might be intransparent which exposes the subfund to additional credit and prepayment risks (extension or contraction risks) depending on which tranche of ABS/MBS is purchased by the subfund. 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. 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 [clientrelation@vontobel.it](mailto:clientrelation@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). The KIID can be obtained in Spanish from Vontobel Asset Management S.A., Spain Branch, Paseo de la Castellana, 95, Planta 18, E-28046 Madrid or electronically from [atencionalcliente@vontobel.es](mailto:atencionalcliente@vontobel.es). The funds authorised for distribution in the United Kingdom and entered into the FCA's temporary marketing permissions regime can be viewed in the FCA register under the Scheme Reference Number 466625. The fund is authorised as a UCITS scheme (or is a sub fund of a UCITS scheme) in a European Economic Area (EEA) country, and the scheme is expected to remain authorised as a UCITS while it is in the temporary marketing permissions regime. This information was approved by Vontobel Asset Management SA, London Branch, which has its registered office at 3rd Floor, 70 Conduit Street, London W1S 2GF and is authorised by the Commission de Surveillance du Secteur Financier (CSSF) and subject to limited regulation by the Financial Conduct Authority (FCA). 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. You are advised to exercise caution and if you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This information was approved by Vontobel Asset Management Asia Pacific Ltd., which has its registered office at 1901 Gloucester Tower, The Landmark 15 Queen's Road Central, Hong Kong. In Chile the funds may not be publicly offered, neither as an entity of Vontobel or under registration with the Chilean supervisory authority ("Superintendencia de Valores y Seguros") in accordance with the Securiteis Act no. 18.045. The offer of the instruments mentioned in this presentation is subject to General Rule No. 336 issued by the Superintendence of Securities and Insurance of Chile (Superintendencia de Valores y Seguros) ("SVS"). The subject matter of this offer are securities not registered with the Securities Registry (Registro de Valores) of the SVS, nor with the Foreign Securities Registry (Registro de Valores Extranjeros) of the SVS; therefore, such securities are not subject to the supervision of the SVS. Since the securities are not registered in Chile, there is no obligation of the issuer to make publicly available information about the securities in Chile. The securities shall not be subject to public offering in Chile unless registered with the relevant securities registry of the SVS. Please note that certain sub-funds are exclusively available to qualified investors. This communication is for information of institutional investors only (qualified as such by the laws of the Republic of Peru) and does neither constitute an offer of financial services nor a recommendation or offer to purchase or sell shares in any financial instrument. The shares of the fund have not been and will not be registered with the Securities Market Public Register ("Registro Público del Mercado de Valores") kept by the Peruvian Superintendence for the Securities Market ("Superintendencia del Mercado de Valores", SMV).

Although Vontobel Asset Management AG ("Vontobel") believes that the information provided in this document is based on reliable sources, it cannot assume responsibility for the quality, correctness, timeliness or completeness of the information contained in this document. Except as permitted under applicable copyright laws, none of this information may be reproduced, adapted, uploaded to a third party, linked to, framed, performed in public, distributed or transmitted in any form by any process without the specific written consent of Vontobel. To the maximum extent permitted by law, Vontobel

will not be liable in any way for any loss or damage suffered by you through use or access to this information, or Vontobel's failure to provide this information. Our liability for negligence, breach of contract or contravention of any law as a result of our failure to provide this information or any part of it, or for any problems with this information, which cannot be lawfully excluded, is limited, at our option and to the maximum extent permitted by law, to resupplying this information or any part of it to you, or to paying for the resupply of this information or any part of it to you. Neither this document nor any copy of it may be distributed in any jurisdiction where its distribution may be restricted by law. Persons who receive this document should make themselves aware of and adhere to any such restrictions. In particular, this document must not be distributed or handed over to US persons and must not be distributed in the USA.

© 2021 Morningstar. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee for future results.

TwentyFour is not acting as advisor or fiduciary. Accordingly you must independently determine, with your own advisors, the appropriateness for you of the securities before investing. TwentyFour accepts no liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein.

TwentyFour does not guarantee the accuracy or completeness of information which is contained in this document and which is stated to have been obtained from or is based upon trade and statistical services or other third party sources. Any data on past performance contained herein is no indication as to future performance or that TwentyFour will achieve comparable results or that TwentyFour will be able to implement its investment strategy or achieve its investment objectives. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any modelling or back-testing. All data are given as at the date hereof and are subject to change.

TwentyFour, its affiliates and the individuals associated therewith may (in various capacities) have positions or deal in securities (or related derivatives) identical or similar to those described herein.

TwentyFour Asset Management LLP is registered in England No. OC335015, and is authorised and regulated in the UK by the Financial Conduct Authority, FRN No. 481888. Registered Office: The Monument Building, 11 Monument Street, London, EC3R 8AF. Copyright TwentyFour Asset Management LLP, 2017 (all rights reserved). This document is confidential, and no part of it may be reproduced, distributed or transmitted without the prior written permission of TwentyFour.

Vontobel Asset Management AG  
Telefon +41 58 283 71 50  
vontobel.com/am

## 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 retrospectively 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.

---