

Vontobel Fund - Bond Global Aggregate

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Approved for institutional investors in: CH, DE, ES, FI, FR, IT, LU, NL, NO, SE, SG (professional investors).

Approach

The Vontobel Fund - Bond Global Aggregate is an active, high conviction, flexible global bond product applying global macro strategies to global rates, spreads, and FX. It applies a top-down approach to detect market-value dislocations and bottom-up research to optimize instrument selection. It uses a risk allocation approach in order to maintain low correlations with other asset classes.

Objective

The fund aims to outperform its benchmark over a rolling three-year investment cycle, while achieving a positive absolute performance over the same cycle.

Characteristics

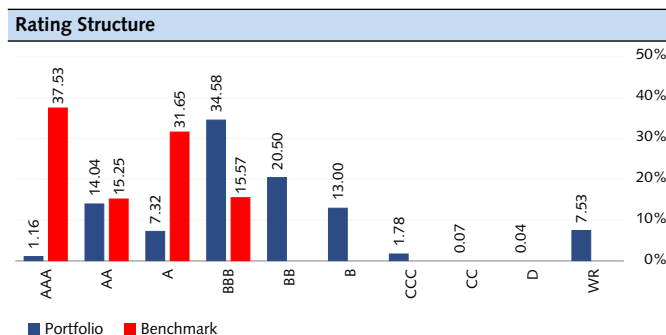
Fund duration is always positive and typically 0-8 years. It can hold a maximum of 40% in non-OECD countries, up to 20% in asset-backed securities, 25% in high-yield corporate bonds, and 15% in convertible bonds. The fund may also hold cash and use derivatives for hedging to efficiently manage the portfolio. The fund invests mainly in liquid instruments. Turnover of the portfolio can be elevated.

Management team

Agile and experienced portfolio manager team with a strong >60-year cumulative track record in global investing, supported by award-winning credit and emerging-market specialists from the Vontobel Fixed Income boutique.



Key Data		
	Portfolio	Benchmark
Yield to Maturity (YTM)	4.7	1.0
Modified Duration	4.5	7.2
Average Rating	BBB	AA-
# of Positions	188	25,701
Active Share (country, issuer, ISIN)	57% / 86% / 89%	



Average Rating: BBB / Corporate HY: 20.2%

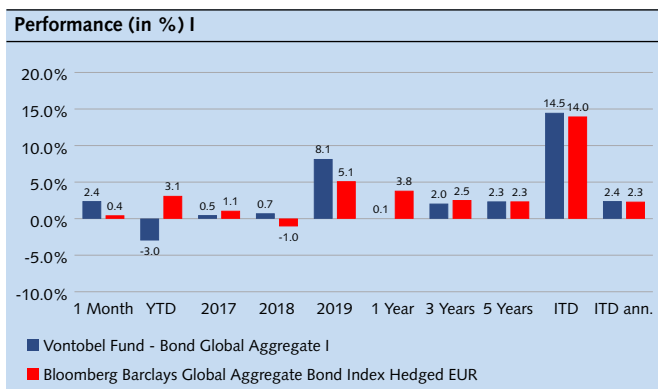
Fund Data	
Portfolio Manager	Hervé Hanoune \ Ludovic Colin
Portfolio Manager location	Zurich
Fund domicile	Luxembourg
Benchmark	Bloomberg Barclays Global Aggregate Bond Index Hedged EUR
Fund currency	EUR
Share class currency	EUR
Swinging Single Pricing	Yes
Net asset value	114.46
Fund volume in mln	645.44 EUR
Management fee	0.400%
Performance fee	20.000%
Launch date	03/10/2014
ISIN	LU1112751067
Tracking error*	10.07%
Sharpe ratio*	0.22
Information ratio*	negative
Jensen's Alpha*	-3.43%
Beta*	2.01

* 3 years annualized

Net Performance of I Share (in EUR and %)								
	1 mth.	YTD	2019	2018	2017	3 y. p.a.	5 y. p.a.	since inception
Fund	2.4	-3.0	8.1	0.7	0.5	2.0	2.3	14.5
Index	0.4	3.1	5.1	-1.0	1.1	2.5	2.3	14.0
	07.15 – 06.16	07.16 – 06.17	07.17 – 06.18	07.18 – 06.19	07.19 – 06.20			
Fund	4.0	1.6	0.1	6.1	0.1			
Index	6.5	-2.2	-0.7	4.6	3.8			

Benchmark: Bloomberg Barclays Global Aggregate Bond Index Hedged EUR

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.



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
- + Investment universe is diversified across global bond markets

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.
- Investment universe may involve investments in countries where the local capital markets may not yet qualify as recognised capital markets

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 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. Investment universe may involve investments in countries where the local capital markets may not yet qualify as recognised capital markets.

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 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.