

Fund Factsheet / 31.07.2024

## Vontobel Fund II - Fixed Maturity Emerging Markets Bond 2026 N, USD

Marketing document for retail investors in: AT, CH, DE, ES, FR, GB, LI, LU

### Investment objective

This bond fund aims to achieve good investment returns over a fixed maturity of 5 years ending 30 October 2026, while respecting risk diversification.

### Key features

The fund invests primarily in hard-currency sovereign, quasi-sovereign, and corporate bonds of issuers of various credit qualities domiciled in emerging markets and/or doing business in or with emerging markets. The fund may also use derivative financial instruments.

### Approach

The compact and agile investment team of experienced emerging market specialists principally applies a hold-until-maturity strategy under strict risk control. Possible shifts in the portfolio may include the sale of bonds to cater for fund share redemptions and the replacement of outperforming and somewhat relative expensive bonds by more attractive ones. Moreover, if the team deems the default risk of any issuer of the bonds held in the fund to be elevated, they will aim to sell the respective paper prior to the credit event occurring and to replace it by an appropriate bond whose maturity matches the remaining time to maturity of the portfolio.

### Risk and reward profile



Portfolio management	Sergey Goncharov / Wouter Van Overfelt
Fund domicile, legal structure, SFDR	Luxembourg, UCITS, Art. 6
Currency of the fund / shareclass	USD / USD
Launch date fund / shareclass	09.11.2021 / 09.11.2021
Fund size	USD 490.82 mio
Net asset value (NAV) / share	USD 97.66
ISIN / WKN / VALOR	LU2365112197 / A3CZA4 / 112678820
Management fee	0.35%
Ongoing charges (incl. Mgmt. fee) as of 28.03.2024	0.53%
Maximum entry / switching / exit fee <sup>1)</sup>	5.00% / 1.00% / 0.30%
Swing pricing	Yes
Distribution policy	reinvesting

<sup>1)</sup> Refer to fund distributor for actual applicable fees, if any.  
No reference index is mentioned as the fund's objective is not linked to an index.

### Portfolio Characteristics

Volatility, annualized <sup>2)</sup>	3.13%
Sharpe ratio <sup>2)</sup>	1.64
Modified duration (years)	2.18
Average Rating	BBB-
Number of positions	107
Yield to maturity	7.09%
Yield to worst incl. ccy forwards	7.38%
Yield to maturity after hedging to EUR	5.72%
Yield to maturity after hedging to CHF	3.14%

<sup>2)</sup> calculated over 1 year

### Historical Performance (net return %)

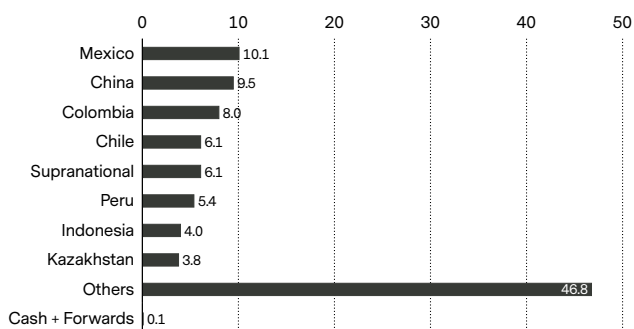


	1 m	year to date	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	3 yrs p.a.	5 yrs p.a.	since inception
Fund	1.4	6.6	7.9	-14.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-2.3

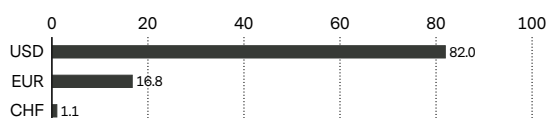
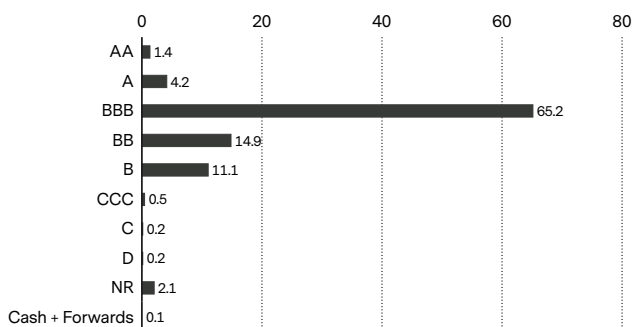
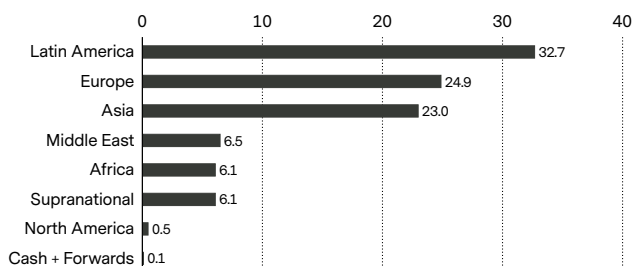
Past performance is not a guide to current or future performance. Performance data does not take account of the entry / exit commissions and costs incurred, and reflects gross distributions reinvested. Performance of a fund can rise or fall, i.e. as a result of currency fluctuations.

**Major positions (%)**

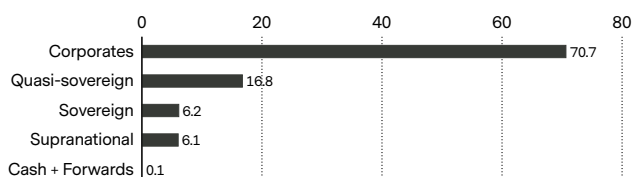
3.875% Colombia 25.04.2027 Senior	3.4
5% BOAD 27.07.2027 Reg-S Senior	3.0
4.375% Banco Bogota 03.08.2027 Reg-S Senior	2.2
6.5% PEMEX 13.03.2027 Senior	2.2
2.75% PEMEX 21.04.2027 Reg-S Senior	2.1
4.375% Africa Finance 17.04.2026 Reg-S Senior	2.0
7.75% Israel Electric 15.12.2027 Reg-S Senior	1.7
7.5% OTP Bank 25.05.2027 FRN Senior	1.7
3.375% VEON Holdings 25.11.2027 Reg-S Senior	1.7
6.375% Krakatau Posco 11.06.2027 Senior	1.7
<b>Total</b>	<b>21.7</b>

**Geographical breakdown (%)**

The fund may enter into interest rate derivatives, that may impact the risk and return profile of the fund. Such investments are not shown in the chart.

**Currency breakdown, before hedging (%)****Contribution to modified duration (years), by maturity****Credit ratings breakdown (%)****Regional exposure (%)**

The fund may enter into interest rate derivatives, that may impact the risk and return profile of the fund. Such investments are not shown in the chart.

**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.
- High-yield bonds (non-investment-grade bonds/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated bonds.
- 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](https://www.vontobel.com/SFDR).

**Glossary**

**Derivative** is a financial security whose price is determined based on an underlying benchmark or asset such as stocks, bonds, commodities, currencies, interest rates, or market indexes. Examples are futures, options and credit default swaps. **Distribution policy** of a fund defines the dividend distribution for its share classes to investors. Accumulating share classes reinvest the income received from the fund holdings back into the fund and do not distribute to shareholders. Distributing shares typically make cash payments to shareholders on a periodic basis. **Duration**, or Macaulay Duration, indicates the number of years an investor would need to maintain a position in the bond until the present value of the bond's cash flows equals the amount paid for the bond. The longer the duration, the more a bond's price will be affected by changes in interest rates. Duration may also be used to compare the risk of debt securities with different maturities and yields. **Environmental, social and governance (ESG)** criteria are a set of metrics or ratings that are used to screen potential investments for issues that might affect the financial performance and/or have a material impact on environment and society. ESG metrics reported in this document are for informative purposes and may not be part of the fund's investment process. **Forward**, or forward contract, is an agreement between two parties to buy or sell an asset at a specified price on a future date, and is often used for hedging purposes or commodities trading, where a forward contract can be customized to an amount, delivery date, and commodity type (e.g. food, metals, oil or natural gas).

**Future**, or futures contract, is a legal agreement to buy or sell a particular commodity asset, currency or security at a predetermined price at a future point in time. They are standardized contracts in terms of quality and quantity which facilitates trading on a futures exchange. **Hedged share class** is type of share class that hedges currency risks. It protects investors against unwanted currency exchange (FX) fluctuations, which may be larger than underlying investment returns. To achieve this, the share class must cover hedging costs, resulting in a higher total cost to investors. **Hedging** describes the steps taken to offset the risk of a loss or unwanted gain, for example by hedging the risk of foreign currency exposure, an investor can benefit from holding a diverse range of global companies without being exposed to global foreign exchange movements. **ISIN** (International Securities Identification Number) is a unique code that identifies a specific financial security. It is assigned by a country's respective national numbering agency (NNA). **Management fee** is a fee which covers the costs charged to a fund relating to portfolio management services and, if applicable, to distribution services. **Maturity** indicates the length of time until the initial investment amount of a bond is due to be repaid. "Average maturity" is calculated on a bond portfolio by weighting each bond's residual maturity by its relative size. **Modified duration** is an adjusted version of Macaulay Duration and measures the percentage change in a bond price as a result of a change in yield. It is used to measure the sensitivity of a bonds cash flows to a change in interest rates and is more commonly used than Macaulay Duration. **Net Asset Value (NAV) / share** also known as the share price of a fund, represents the value per share of the fund. It is calculated by dividing the fund's assets less its liabilities by the number of shares outstanding. For most funds it is calculated and reported daily. **Number of positions** shows the number of single investments/securities in the portfolio of the fund. **Ongoing charges** expresses the sum of the costs of running a fund on an ongoing basis, like the 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. If the available data is insufficient, for example, for newly launched funds, ongoing charges may be estimated using data from funds with similar characteristics. **Option** is a derivative, financial instrument whose price derives from the value of underlying securities, like stocks. Call/put options give buyers the right (but not the obligation) to buy/sell an underlying asset at an agreed price and date. **Rating**, or credit rating, assesses a bond issuer's ability to repay on time all its debt (interest and principal). High ratings, like AAA or Aaa, indicate low risk (i.e., low probability of default), while ratings such as BBB- or Baa3 indicate a higher risk. **Share class** is a compartment of a fund with a distinct client type, distribution policy, fee structure, currency, minimum investment, or other characteristics. The characteristics of each share class are described in the fund prospectus. **Sharpe ratio** measures excess return per unit of risk. The ratio is the average return earned in excess of the risk-free rate per unit of volatility. A portfolio with a higher Sharpe ratio is considered superior relative to its peers. **SRRI** is a value based on a sub fund's volatility, providing a gauge of the overall risk and reward profile of the sub fund. **Swing pricing** is an industry standard mechanism to protect long term investors in a fund against trading costs occurring when investors enter or exit the fund. This is achieved by adjusting the NAV upwards or downwards respectively so that the additional trading costs caused by subscriptions or redemptions are borne by investors trading in the fund. Full details of the Swing Pricing mechanism are given in the fund prospectus. **VALOR** is an identification number issued by SIX Financial Information and assigned to financial instruments in Switzerland. **Volatility** measures the fluctuation of a fund's performance over a certain period. It is most commonly expressed using the annualized standard deviation. The higher the volatility, the riskier a fund tends to be. **WKN** (or Wertpapierkennnummer) is an identification code of securities registered in Germany, issued by its Institute for Issuance and Administration of Securities. **Yield to maturity** (YTM) measures the return of the fund if all the bonds in the portfolio of the fund were held to maturity. The ratio is expressed as an annual return in percent. **Yield to maturity after hedging to another currency** provides the yield to maturity in the denominated currency, after adjusting for the hedging costs of all assets denominated in other currencies. **Yield to worst incl. ccy forwards** provides the yield to worst in the fund base currency, including currency forwards.

### Important information

This marketing document was produced by one or more companies of the Vontobel Group (collectively "Vontobel") for retail clients for distribution in AT, CH, DE, ES, FR, GB, LI, LU.

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 ("K(I)ID"), 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. 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.

For products with the ESG SFDR Category Art. 6, the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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 representative in **Switzerland**: Vontobel Fonds Services AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, 8022 Zurich, from the authorized 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 ("K(I)ID"). These documents may also be downloaded from our website at [vontobel.com/am](http://vontobel.com/am). A summary of investors rights (including information on representative actions for the protection of the collective interests of consumers under EU Directive 2020/1828) is available in English under the following link: [www.vontobel.com/vamsa-investor-information](http://www.vontobel.com/vamsa-investor-information). Vontobel may decide to terminate the arrangements made for the purpose of marketing its collective investment schemes in accordance with Article 93a of Directive 2009/65/EC. 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 European facilities agent for **Germany**: PwC Société coopérative - GFD, 2, Rue Gerhard Mercator B.P. 1443, L-1014 Luxembourg, Email: [lu\\_pwc.gfd.facsvs@pwc.com](mailto:lu_pwc.gfd.facsvs@pwc.com), <https://gfdplatform.pwc.lu/facilities-agent/view/vf-de>, the information agent in **Liechtenstein**: LLB Fund Services AG, Äulestrasse 80, FL-9490 Vaduz, the facilities agent in **Austria**: Erste Bank der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna. The KID is available in French. The fund is authorized to the commercialization in **France**. Refer for more information on the funds to the KID. In **Spain**, funds authorized for distribution are recorded in the register of foreign collective investment companies maintained by the Spanish CNMV (under number 1900). The KID can be obtained in Spanish from Vontobel Asset Management S.A., Sucursal en España, Paseo de la Castellana, 91, Planta 5, 28046 Madrid. The fund authorised for distribution in the **United Kingdom** and entered into the UK's temporary marketing permissions regime can be viewed in the FCA register under the Scheme Reference Number 837679. 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 S.A., London Branch, which has its registered office at 3rd Floor, 70 Conduit Street, London W1S 2GF and is authorized 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 S.A., London Branch, on request. The KIID can be obtained in English from Vontobel Asset Management S.A., London Branch, 3rd Floor, 70 Conduit Street, London W1S 2GF or downloaded from our website [vontobel.com/am](http://vontobel.com/am).

All data contained herein, including fund information, is obtained from or calculated by Vontobel. All data is as at the date of the document unless stated otherwise. Although 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.

Vontobel Asset Management S.A.  
18, rue Erasme, L-1468 Luxembourg  
Luxembourg

[luxembourg@vontobel.com](mailto:luxembourg@vontobel.com)  
[www.vontobel.com/am](http://www.vontobel.com/am)