



## ABOUT OAKTREE

Founded in 1995, Oaktree is a leading global investment management firm focused on alternative markets. Oaktree manages \$156 billion of assets in contrarian, value-oriented, risk-controlled investment strategies. Oaktree's mission is to deliver superior investment results with risk under control and to conduct our business with the highest integrity.

## FUND OVERVIEW

**Fund Base Currency**  
USD

**Total Net Assets (in millions)**  
324.55

**SICAV Strategy Inception Date**  
1 December 2003

**Domicile**  
Luxembourg

**Legal Structure**  
SICAV

**Morningstar Category**  
EAA Fund Convertible Bond - Global, CHF Hedged

**Benchmark Name**  
Refinitiv CV Gl. Focus (TR) (CHF-Hgd)<sup>3</sup>

## FUND MANAGERS

**Jean-Pierre Latrille**  
28 Years of Experience

**Petar Raketic**  
16 Years of Experience

**Andrew Watts**  
34 Years of Experience

## SHARE CLASS FACTS

**Unit Class**  
Category Eh CHF acc(capital growth)

**Unit Class Currency**  
CHF

**Share Class Inception Date**  
12 February 2014

**ISIN Number**  
LU0931237860

**Bloomberg Ticker**  
OAKHCEB LX

**Valor Number**  
21363583

**WKN Number**  
A1XEAT

**Net Asset Value**  
127.88

**Minimum Investment**  
0

**Redemptions**  
Daily

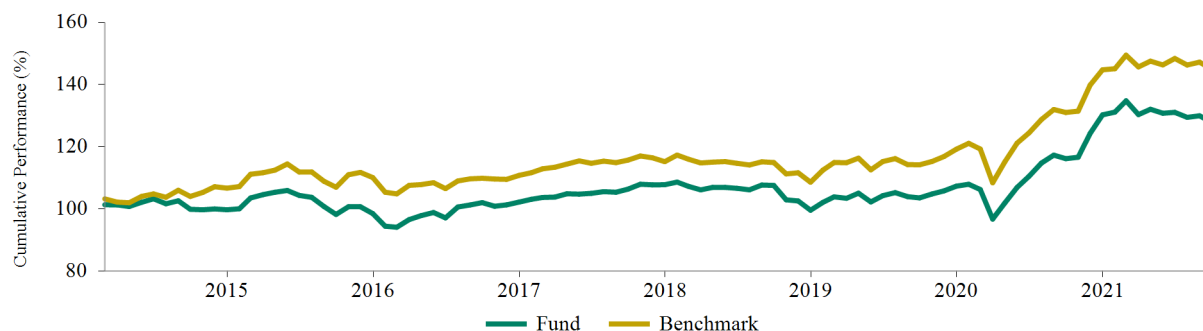
**Base Management Fee p.a.**  
0.60%

## INVESTMENT OBJECTIVE

The fund aims to provide equity-type returns with less-than-commensurate risk and to outperform its benchmark over a full market cycle. The fund targets balanced convertibles that are expected to provide both meaningful downside protection if equities weaken and upside participation if the underlying shares appreciate. We focus on securities issued in the United States, Europe and Asia.

PORTFOLIO COMMENTARY<sup>1</sup>

Global equity markets fell in September. Stocks struggled in an environment of steadily-rising interest rates, putting notable pressure on growth-oriented stocks (the NASDAQ was down 5.3%). Outside of the United States, Chinese equities sold off on the Evergrande debt crisis and ongoing regulatory concerns, which spilled over into other markets as investors worried about the potential slowdown in global growth. We have no exposure to Evergrande or any other high-yielding property developers in China. Against this backdrop, convertible bonds limited losses to roughly 44% of the equity market decline, which is what we hope for in this type of environment. Global new issuance of convertibles was robust during the month, with \$14.4 billion coming to market across 25 new deals. This brought year-to-date issuance to \$124.0 billion. The issuance was well-diversified in September, with all regions and many industries seeing healthy volumes. The most active industries during the month were media, materials and technology. New issue pricing has become more issuer-friendly than in 2020, and we continue to evaluate each deal on a case-by-case basis. The Fund generated a negative return in September, but outperformed equities. By region, the United States detracted the most from our absolute performance, followed by Europe. Our holdings in Japan had a positive effect. By sector, information technology (IT services and software), consumer discretionary (internet and catalog retail) and health care (biotechnology) negatively impacted our absolute results. Consumer staples had a slight positive effect. The Fund performed in line with its benchmark in September. By region, security selection within the United States detracted from our relative results, as did our holdings in Europe. Security selection in Japan had a slight positive effect, though our underweight allocation there hurt us. At the sector level, security selection among industrials (airlines) and consumer discretionary (media) detracted the most from our relative performance. Consumer staples had a positive impact.

HISTORICAL PERFORMANCE (NET)<sup>2</sup>CUMULATIVE AND ANNUALISED PERFORMANCE (%)<sup>2</sup>

	1 Month	3 Months	YTD	1 Year	3 Years (p.a)	5 Years (p.a)	Since Inception (p.a)
Fund (Net)	(1.62)	(2.45)	(1.84)	10.05	5.92	4.61	3.27
Benchmark	(1.52)	(2.31)	0.15	10.64	8.03	5.69	4.98

ANNUAL PERFORMANCE (%)<sup>2</sup>

	2021	2020	2019	2018	2017	2016
Fund (Net)	(1.84)	21.35	7.77	(7.61)	5.48	3.74
Benchmark	0.15	21.41	9.77	(5.74)	3.99	0.63

## PORTFOLIO CHARACTERISTICS

		Portfolio	Benchmark
Fund Characteristics	Number of Holdings	170	286
	Effective Duration	2.34	2.28
	Years to Maturity/Put	4.24	3.74
	Call Protection (years)	4.27	4.05
	Median Conversion Premium	32.49%	34.00%
	Weighted Average Market Cap (billions)	31.18	30.44
	Delta	53.27%	47.39%
	Average Credit Rating (Moody's/S&P)	Ba2/BB	Ba2/BB
Yields	Current Yield	0.56%	0.56%
	Yield to Maturity/Put	(1.93)%	(1.61)%
Risk Analysis	Annualized Volatility (1 year/3 year)	9.15%/10.11%	8.27%/10.04%



## OAKTREE GLOBAL CONVERTIBLE BOND FUND - CLASS EH CHF ACC

A SUBFUND OF OAKTREE (LUX.) FUNDS

FACTSHEET | SEPTEMBER 2021

## SECTOR DIVERSIFICATION

	% of Fund
Information Technology	34.54
Consumer Discretionary	13.75
Health Care	13.05
Communication Services	11.22
Industrials	8.10
Financials	5.27
Materials	4.79
Utilities	4.56
Real Estate	3.21
Consumer Staples	1.51

## GEOGRAPHIC DIVERSIFICATION

	% of Fund	Fund vs Benchmark (%)
United States	52.98	7.17
France	8.51	(0.90)
Germany	7.65	1.55
China	5.13	(3.14)
Italy	3.59	0.87
Japan	3.48	(1.78)
Spain	2.42	(0.03)
Israel	2.34	0.87
Taiwan	1.62	(0.07)
Other	12.28	(2.76)

## CREDIT QUALITY

	% of Fund	Fund vs Benchmark (%)
Aa/AA	0.84	0.03
A/A	4.17	(4.70)
Baa/BBB	21.42	0.53
Ba/BB	36.76	6.21
B/B	33.32	1.27
Less Than B/B	3.49	(1.44)

## TOP 10 ISSUERS

	Industry	% of Fund
DISH Network Corp	Media	2.71
Electricite de France SA	Electric Utilities	1.96
Square Inc	IT Services	1.54
JPMorgan Chase & Co	Banks	1.49
Liberty Broadband Corp	Media	1.48
Splunk Inc	Software	1.42
Ford Motor Co	Automobiles	1.34
Akamai Technologies Inc	IT Services	1.33
DexCom Inc	Health Care Equipment & Supplies	1.26
Meituan	Internet & Direct Marketing Retail	1.25
		15.77

## MATURITY/ PUTS DISTRIBUTION

	% of Fund	Fund vs Benchmark (%)
0 - 1 Year	1.69	(5.19)
1 - 3 Years	21.30	(5.66)
3 - 5 Years	55.12	9.46
5 - 7 Years	21.17	2.07
7 - 10 Years	0.30	(0.01)
More Than 10 Years	0.42	(0.67)

## PRICE DISTRIBUTION (PAR WEIGHTED)

	% of Fund	Fund vs Benchmark (%)
0-70	0.05	0.05
70-90	2.14	(3.81)
90-120	85.01	4.36
120-150	12.66	(0.75)
Over 150	0.14	0.14

## ENDNOTES

*Note: Historical performance indications and financial market scenarios are no guarantee for current or future performance.*

- <sup>1</sup> References to fund and index performance are stated on a gross basis, before management fees and any expenses. Net performance of the Fund, after management fees and expenses are available on this factsheet. Convertibles market data is based on the ICE BofA Global Convertibles Chartbook.
- <sup>2</sup> Performance indications do not consider commissions levied at subscription and/or redemption but do include the impact of swing pricing procedures implemented by the fund administrator. The fund administrator will implement swing pricing when contributions or redemptions exceed a defined threshold, and this may impact performance as reported at month end.
- <sup>3</sup> The benchmark changed from ICE BofA Global 300 Convertible (TR) (USD-Hgd) to Refinitiv CV Gl. Focus (TR) (USD-Hgd) (09/21) effective as of 1.09.2021.

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In addition, there can be no assurance that the Fund or the Sub-fund, as applicable, will achieve any stated investment objective. An investment in the Fund is speculative and involves a high degree of risk. There can be no assurance that the securities and obligations purchased by the Fund or the Sub-fund will in fact increase in value, or that the Fund or the Sub-fund will not incur significant losses.

A potential investor considering an investment in the Fund should read the relevant Prospectus which contains a more complete description of the Fund's and the Sub-fund's investment practices, restrictions, terms and conditions, risks and other factors relevant to a decision to invest. All information contained herein is subject to and qualified in its entirety by the relevant Prospectus. No person has been authorized to make any statement concerning the Fund or the Sub-fund other than as set forth in the relevant Prospectus, and any such statements, if made, may not be relied upon.

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The Prospectuses, the Articles, the *Key Investor Information Document* and/or the annual and additional reports relating to the Fund and/or the Sub-fund, as applicable, may be obtained free of charge from *FundRock Management Company S.A.*, 33, rue de Gasperich, L-5826 Hesperange.

The Sub-fund is actively managed. While the Sub-fund has a reference benchmark, it is actively managed by implementing Oaktree's investment philosophy and process. Oaktree is aware of the benchmark's composition and characteristics but has an ample degree of freedom to deviate from it.

Investment principal on bonds can be eroded depending on sale price or market price. In addition, there are bonds in some sub-funds of the Oaktree (Lux.) Funds in which investment principal can be eroded due to changes in redemption amounts. Care is required when investing in such instruments. Oaktree (Lux.) Funds is domiciled in Luxembourg. The representative in Switzerland is ACOLIN Fund Services, Leutschenbachstrasse 50, CH-8050 Zürich. The paying agent in Switzerland is NPB Neue Privat Bank AG, Limmatquai 1 / am Bellevue, P.O. Box, CH-8024 Zurich. Subscriptions are only valid on the basis of the current sales prospectus, the bylaws and/or contractual terms and conditions and the most recent annual report (or semi-annual report, if more recent). The prospectus, the Key Investor Information Document (KIID), bylaws and/or the contractual terms and conditions and the annual and semi-annual reports are available free of charge from the representative in Switzerland. In respect of the units offered in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. Copyright © 2020 Oaktree Capital Management, L.P.<sup>TM</sup> and/or its affiliates. All rights reserved.