

LO Selection – The Sovereign Bond Fund

Syst. Hdg, (USD) N

Fact Sheet (marketing document)

High Conviction • Fixed Income

31 March 2024

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	4 December 2009
SFDR Classification	Article 8
Currency of Fund	EUR
Currency of share class	USD Hedged
Fund manager	N. Hoogewijs, A. Kayisire
Net assets (all classes)	USD 725.09 million
Liquidity (sub./red.)	daily, 15:00
Min. investment	EUR 1 million or equivalent
Entry/Exit fees	0% / 0%
Management fee	0.35%
Distribution fee	0.00%
FROC	0.13%
Ongoing charge (28 March 2024)	0.48%
TER max (30 September 2023)	0.48%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

This summary risk indicator (SRI) is a guide to the level of risk of this product compared to other products. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

CODES

ISIN	LU0973388506
Bloomberg	LSVBUIA LX
NAV	USD 113.67

FISCAL INFORMATION

ES - Switchable	Yes
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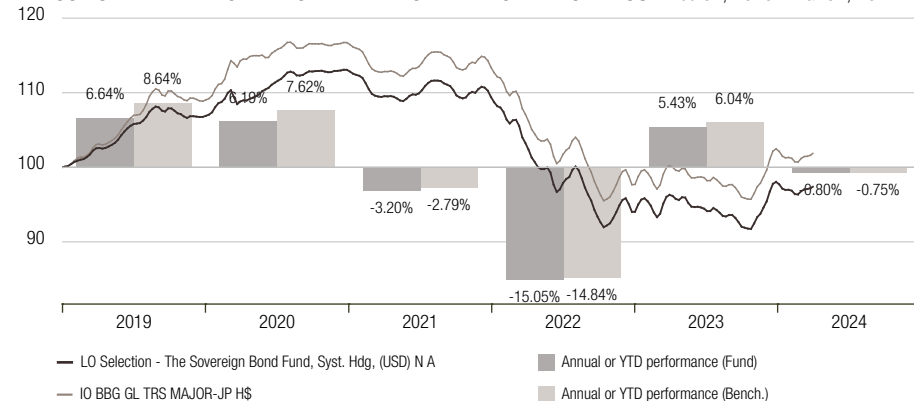
RATINGS

Morningstar Rating	★★★★★
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HIGHLIGHTS

LO Selection - The Sovereign Bond Fund is an actively managed long-only global sovereign bond fund. It offers a diversified exposure to the most liquid global sovereign bond universe. The fund aims to deliver a better risk-adjusted return than its benchmark. The portfolio applies an integrated and continuous risk-management process aimed at optimizing risk-adjusted return over a 12 month-time horizon. It combines the Lombard Odier investment strategy-a top-down, value-oriented approach-with a bottom-up issuer selection process that includes a proper country and currency allocation. Risk management is performed by fund managers at a portfolio level, alongside independent teams who manage investment risks and monitor operational risks.

NET CUMULATIVE PERFORMANCE AND ANNUAL PERFORMANCE IN USD Dec 31, 2018 - Mar 31, 2024



Past performance does not predict future returns. Performances are displayed net of all costs except any entry and exit fees. Please refer to the cost section. Performance is subject to taxation which depends on the personal situation of each investor and may change in the future. Returns may increase or decrease as a result of currency fluctuations.

NET PERFORMANCE IN USD	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	-0.80%	-0.75%	-	-
YTQ	-0.80%	-0.75%	-	-
1 month	0.91%	0.94%	-	-
3 months	-0.80%	-0.75%	-	-
1 year	1.46%	2.06%	-	-
3 years	-10.78%	-9.46%	-3.72%	-3.24%
5 years	-5.20%	-1.42%	-1.06%	-0.28%
10 years	11.02%	18.73%	1.05%	1.72%
Total return (since 08.10.2013)	13.67%	21.89%	1.23%	1.90%

STATISTICS 31.03.2019 - 31.03.2024	Fund	Bench.
Annualised volatility	5.77%	5.91%
Sharpe ratio	-0.57	-0.42
Max. drawdown	-19.02%	-18.19%
Correlation		0.979
Tracking error		1.20%

	Fund
Yield to maturity	3.28%
Yield to maturity (hedged)	4.93%
Average coupon	1.87%
Modified duration	6.59
Average maturity	7.84
Number of positions	98
Average rating	AA
Non Government Bonds	0.00%

MONTHLY RETURNS

IN %	2019		2020		2021		2022		2023		2024	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January	1.1	1.2	2.1	2.7	-0.8	-0.9	-1.8	-1.8	2.5	2.6	-0.4	-0.5
February	0.0	0.1	1.0	1.7	-2.4	-2.4	-1.0	-1.2	-2.4	-2.3	-1.3	-1.2
March	1.6	2.1	-0.9	0.8	-0.5	-0.6	-3.0	-2.7	3.0	2.9	0.9	0.9
April	0.2	0.1	0.5	0.9	0.0	0.0	-3.3	-3.2	0.1	0.2		
May	1.5	1.7	1.0	-0.0	0.1	0.2	-0.7	-0.8	-1.0	-0.8		
June	1.2	1.6	0.7	0.4	0.5	0.6	-1.3	-1.3	-0.7	-0.5		
July	0.6	0.9	1.3	1.0	1.6	1.7	2.6	2.7	-0.1	-0.1		
August	1.8	2.8	-0.8	-1.2	-0.4	-0.4	-4.0	-3.8	-0.1	-0.1		
September	-0.4	-0.5	0.8	0.9	-1.3	-1.4	-3.7	-3.7	-2.2	-2.2		
October	-0.3	-0.2	-0.1	-0.1	-0.3	-0.1	-0.0	-0.3	-0.5	-0.5		
November	-0.5	-0.5	0.3	0.2	1.3	1.4	2.6	2.7	3.4	3.4		
December	-0.3	-0.7	0.2	0.2	-1.1	-1.0	-2.4	-2.3	3.5	3.7		
Year	6.6	8.6	6.2	7.6	-3.2	-2.8	-15.1	-14.8	5.4	6.0	-0.8	-0.8

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:

Counterparty risk: When a fund is backed by a guarantee from a third party, or where its investment exposure is obtained to a material degree through one or more contracts with a counterparty, there could be a material risk that the counterparty to the transactions will fail to honor its contractual obligations. This may result in a financial loss to the Fund.

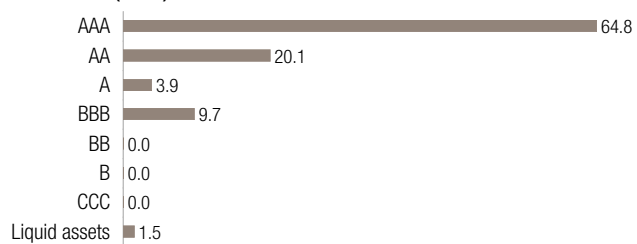
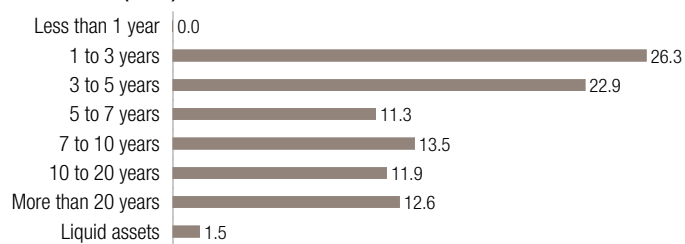
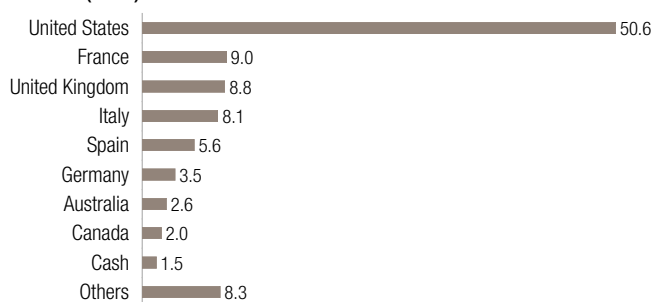
Liquidity risk: Where a significant level of investment is made in financial instruments that may under certain circumstances have a relatively low level of liquidity, there is a material risk that the fund will not be able to transact at advantageous times or prices. This could reduce the fund's returns.

Currency Risk: the value of an investment may be affected favourably or unfavourably by fluctuations in exchange rates, notwithstanding any efforts made to hedge such fluctuations. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates also can be affected unpredictably by intervention (or the failure to intervene) by relevant governments or central banks, or by currency controls or political developments. Some currencies are not freely convertible currency.

Before taking any investment decision, please read the latest version of the prospectus, the articles of incorporation, the Key Information Documents (KIDs) and the latest annual report and semi-annual report. Please pay attention to the Appendix B "Risk Factors Annex" of the prospectus.

Incorporation of extra-financial risks into the investment decision process may result in underweighting of profitable investments from the sub-fund's investment universe and may also lead the management of the sub-fund to underweight investments that will continue to perform. Sustainability risks may lead to a significant deterioration in the financial profile, profitability or reputation of an underlying investment and may therefore have a significant impact on its market price or liquidity.

The Fund has been classified as a financial product subject to Article 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector (the "SFDR"). The Fund promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

CREDIT RATINGS (IN %)**MATURITIES (IN %)****COUNTRIES (IN %)****CURRENCIES (IN %)**

GLOSSARY

Credit Ratings: The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.

Risk and Reward Profile: This summary risk indicator (SRI) is a guide to the level of risk of this product compared to other products. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

Total Expense Ratio (TER): The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports). The Total Expense Ratio (TER) is calculated twice per year and is subject to change between calculation dates.

Volatility: A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.

Sharpe Ratio: A measure of risk-adjusted performance. The higher the ratio, the better riskadjusted performance has been.

Drawdown: A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.

Correlation: Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation

coefficient of 0 suggests there is no correlation.

Tracking Error: A measure of how closely an investment portfolio follows the index against which it is benchmarked.

Bond Floor: The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.

Delta: The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.

Premium: If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.

Yield to Maturity: The rate of return anticipated on a bond if it is held until the maturity date.

Coupon: The interest rate stated on a bond when it's issued.

Modified Duration: This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.

Average Duration: The average modified duration of the portfolio expressed in years.

Expected Loss: Annual average expected loss to the portfolio expressed in percent.

Attachment Point: The modelled probability of a negative portfolio return in any given year.

FROC (Fixed Rate of Operational Costs): It cover the Operational Costs directly incurred by the Company ("Direct Costs") and those resulting from the activities carried out by the Management Company on behalf of the Company ("Fund Servicing Costs").

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Investments are subject to a variety of risks. The investments mentioned in this document may carry risks that are difficult to quantify and integrate into an investment assessment. In general, products such as equities, bonds, forex, or money market instruments bear

risks, which are higher in the case of derivative, structured, and private equity products; these are aimed solely at investors who are able to understand their nature and characteristics and to bear their associated risks. On request, LOIM will be pleased to provide investors with more detailed information concerning risks associated with given instruments. The liquidity of an investment is subject to supply and demand. Some products may not have a well-established secondary market or in extreme market conditions may be difficult to value, resulting in price volatility and making it difficult to obtain a price to dispose of the asset. Where the Fund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income. All performance figures reflect the reinvestment of interest and dividends and do not take account the commissions and costs incurred on the issue and redemption of shares/units; performance figures are estimated and unaudited. Net performance shows the performance net of fees and expenses for the relevant fund/share class over the reference period. This document does not contain personalised recommendations or advice and is not intended to substitute any professional advice on investment in financial products. Neither this marketing communication nor this document nor any part of it shall form the basis of, or be relied on in connection with, any contract to purchase or subscription to the Fund. Not all costs are listed in this document and the investor is recommended to refer to the Offering documents for more information. The articles of association, the prospectus, the Key Information Document ("PRIIPS/KIDs"), and the subscription form are the only official Offering Documents of the Fund's shares (the "Offering Documents"). No party is authorised to provide information or make assurances that are not contained in the Offering Documents.

The articles of association, the prospectus, the Key Information Document ("PRIIPS/KIDs"), and the subscription form are the only official Offering Documents of the Fund's shares (the "Offering Documents"). No party is authorised to provide information or make assurances that are not contained in the Offering Documents.

Access to documents in country of registrations:

The PRIIPS/KIDs are available in one of the official languages of your country and a Prospectus is available in English, French, and Italian. The PRIIPS/KIDs and the Prospectus together with the Articles of Incorporation and the last annual and semi-annual financial report are available on www.loim.com or can be requested free of charge at the registered office of the Fund or of the Management Company, from the distributors of the Fund or from the local representatives as mentioned below. These Offering Documents are provided for information and illustration and is not a contractually binding document or an information required by any legislative provisions and is not sufficient to take an investment decision.

Please refer to the prospectus and the PRIIPS/KIDs before making any final investment decisions. Before making an investment in the Fund, an investor should read the entire Offering Documents, and in particular the risk factors pertaining to an investment in the Fund, consider carefully the suitability of such investment to his/her particular circumstances and, where necessary, obtain independent professional advice in respect of **risks**, as well as any **legal, regulatory, credit, tax, and accounting consequences**.

LOIM recognises that conflicts of interest may exist as a consequence of the distribution of the Fund issued or managed by entities within the Lombard Odier Group. LOIM has a

Conflict of Interests policy to identify and manage such conflicts of interest and a copy of this policy is available on <https://am.lombardodier.com/home/asset-management-regulatory-disc.html>.

Summary of investor's rights relating to regarding complaints and litigation is available in English on <https://am.lombardodier.com/home/asset-management-regulatory-disc.html>.

This Fund is classified as Article 8 under the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on Sustainability-Related Disclosures in the Financial Services Sector ("SFDR"). A Summary of the sustainable website product disclosure is available in English in the "Sustainability-related Disclosure" section of the website fund page on www.loim.com. Methodological limits: Assessment of sustainability risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed. A Summary of the sustainable website entity level disclosure is available in English in the "Regulatory and voluntary" section of the website fund page on www.loim.com.

Limitation on Sale The shares issued for this Fund may only be publicly offered or sold in countries in which such a public offer or sale is permitted. Therefore, unless the Management Company or representatives of the Management Company have filed an application with the local supervisory authorities and permission has been granted by the local supervisory authorities, and as long as no such application has been filed or no such permission granted by the supervisory authorities, this Fund does not represent an offer to buy investment shares.

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The Fund is currently notified for marketing into a number of jurisdictions. The Management Company may decide to terminate the arrangements made for the marketing of the Fund at any time using the process contained in Article 93a of the UCITS Directive.

The **Sub-Fund** is **registered in the following jurisdictions** and it is represented by the following Representatives:

Spain. Representative: All funds Bank, S.A.U. C/de los Padres Dominicos, 7, 28050,

Madrid, Supervisory Authority: Comisión Nacional del Mercado de Valores (CNMV).

Important information on benchmarks Any benchmarks/indices cited herein are provided for information purposes only. No benchmark/index is directly comparable to the investment objectives, strategy or universe of a fund. The performance of a benchmark shall not be indicative of past or future performance of any fund. It should not be assumed that the relevant fund will invest in any specific securities that comprise any index, nor should it be understood to mean that there is a correlation between such fund's returns and any index returns. LOIM does not provide accounting, tax or legal advice. Bloomberg: "BLOOMBERG®" and the Bloomberg indices listed herein (the "Indices") are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the Indices (collectively, "Bloomberg") and have been licensed for use for certain purposes by the distributor hereof (the "Licensee"). Bloomberg is not affiliated with Licensee, and Bloomberg does not approve, endorse, review, or recommend the financial products named herein (the "Products"). Bloomberg does not guarantee the timeliness, accuracy, or completeness of any data or information relating to the Products.

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Category: https://www.morningstar.com/content/dam/marketing/shared/research/methodology/771945_Morningstar_Rating_for_Funds_Methodology.pdf and

<http://www.morningstar.com> Morningstar stars: The star rating is based on risk-adjusted performance. A fund must have a record of more than three years. Star ratings are graded on a curve: the top 10% of funds receive five stars, the next 22.5% receive four stars, the middle 35% receive three stars, the next 22.5% receive two stars and the bottom 10% get one star. A rating alone is an insufficient basis for an investment decision. A rating is drawn for illustration purposes only and is subject to change. It is not a recommendation to invest in the Fund. It does not predict future performance of the Fund. There is no guarantee that the investment objective of the Fund will be reached. For details regarding the star rating

method: https://www.morningstar.com/content/dam/marketing/shared/research/methodology/771945_Morningstar_Rating_for_Funds_Methodology.pdf and

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