

LO Funds – Ultra Low Duration (EUR) S

Fact Sheet (marketing document)

Cash Strategies • Fixed Income

30 April 2021

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	9 May 2017
SFDR Classification	Article 8
Currency of Fund	EUR
Currency of share class	EUR
Fund manager	D. Callahan, F. Helly
Net assets (all classes)	EUR 507.28 million
Liquidity (sub./red.)	Daily, 14:00
Min. investment	EUR 20'000'000
Management fee	0.00%
Distribution fee	0%
FROC	0.06%
TER max (30 September 2020)	0.06%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

CODES

	Class A
ISIN	LU1230567015
Bloomberg	LOULESA LX
NAV	EUR 10.04

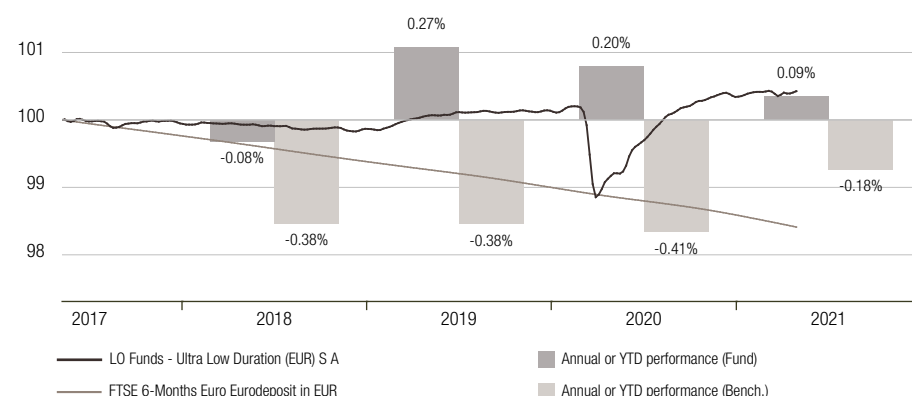
RATINGS

Morningstar Rating	★★★★★
Morningstar Category	EAA Fund EUR Ultra Short-Term Bond

HIGHLIGHTS

LO Funds - Ultra Low Duration (EUR) is an actively managed fixed income portfolio which launched in May 2017. The strategy invests mainly in: bonds denominated in any currency; public and private issuers (with a minimum rating of BBB-); securitised products such as asset-back securities, residential mortgage backed securities and commercial mortgage backed securities (with a minimum rating of BBB-); money market instruments; and financial derivative instruments such as interest rate swaps, futures on rates and FX forwards. Currency risk is systematically hedged against the EUR. The strategy adopts a conservative investment approach and strict risk controls, with the aim of providing investors with regular income, a high level of liquidity and returns in line with the FTSE 6 Month Euro Eurodeposit in EUR terms index. The strategy has a maximum duration of one year and a maximum credit spread duration of two years. It is restricted from investing in securities with a maturity of more than three years and amortising securitised products with a weighted average life over one year. Risk management is performed by fund managers; in addition, automated, pre-trade compliance checks are performed, and independent teams oversee investment risks and operational risks.

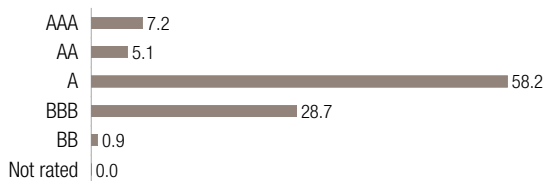
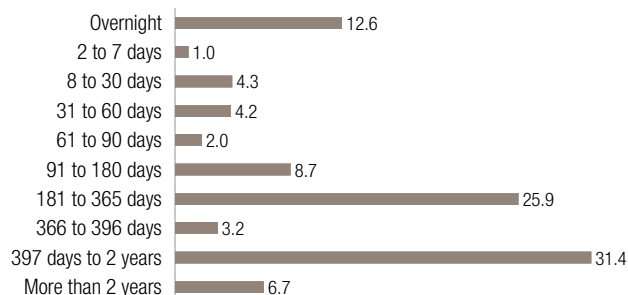
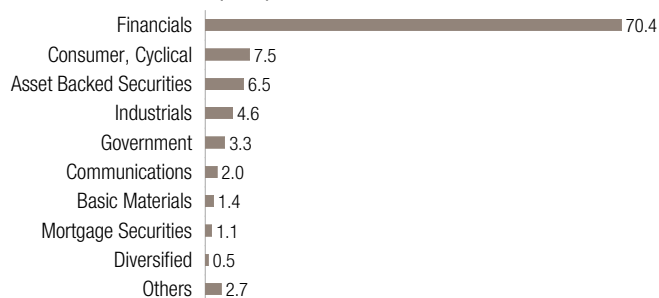
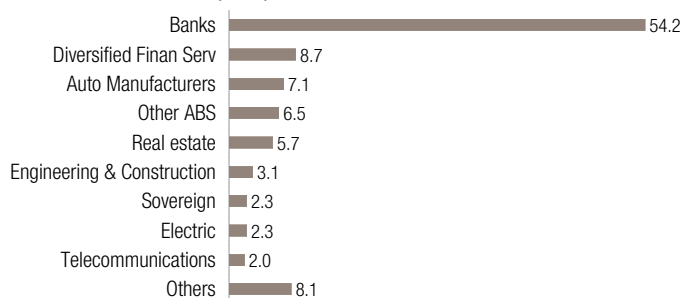
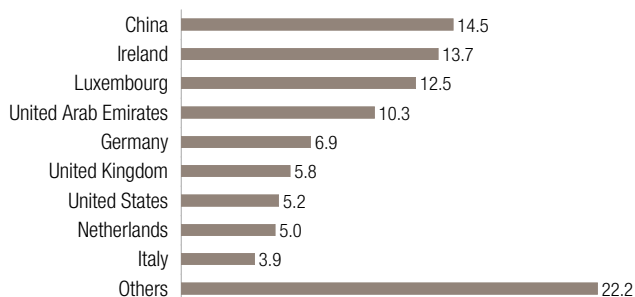
NET PERFORMANCE AND ANNUAL PERFORMANCE IN EUR May 9, 2017 - Apr 30, 2021



Value of investments is variable and can go down as well as up.

NET PERFORMANCE IN EUR	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	0.09%	-0.18%	-	-
1 month	0.05%	-0.05%	-	-
3 months	0.03%	-0.14%	-	-
1 year	1.22%	-0.45%	-	-
3 years	0.49%	-1.23%	0.16%	-0.41%
Total return (since 09.05.2017)	0.43%	-1.59%	0.11%	-0.40%

STATISTICS 09.05.2017 - 30.04.2021	Fund	Bench.	Fund
Annualised volatility	0.71%	0.02%	0.62
Sharpe ratio	0.80	3.35	1.09
Max. drawdown	-1.28%	-1.59%	0.49%
Correlation		0.118	94
Tracking error		0.70%	82.10%
Modified duration			A
Credit Spread Duration			
Book Yield			
Number of positions			
Non Government Bonds			
Average Rating Fitch			

CREDIT RATINGS FITCH (IN %)**MATURITIES (IN %)****PORTFOLIO BREAKDOWN (IN %)****CORPORATE SECTORS (IN %)****COUNTRIES (IN %)****MONTHLY RETURNS IN %**

	2017		2018		2019		2020		2021	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January			-0.02	-0.03	-0.01	-0.03	0.06	-0.04	0.06	-0.05
February			0.02	-0.03	0.07	-0.03	-0.02	-0.03	0.01	-0.04
March			-0.00	-0.03	0.07	-0.03	-1.25	-0.04	-0.03	-0.05
April			-0.01	-0.03	0.05	-0.03	0.31	-0.03	0.05	-0.05
May	-0.01	-0.02	-0.03	-0.03	0.01	-0.03	0.14	-0.03		
June	-0.02	-0.03	-0.01	-0.03	0.05	-0.03	0.32	-0.03		
July	0.00	-0.03	0.00	-0.03	-0.00	-0.03	0.25	-0.03		
August	-0.09	-0.03	-0.06	-0.03	0.01	-0.03	0.16	-0.03		
September	0.07	-0.03	0.02	-0.03	-0.00	-0.03	0.12	-0.03		
October	0.06	-0.03	0.02	-0.03	0.03	-0.04	0.08	-0.04		
November	-0.03	-0.03	-0.06	-0.03	-0.02	-0.04	0.10	-0.04		
December	-0.03	-0.03	0.04	-0.03	0.01	-0.04	-0.05	-0.04		
Year	-0.05	-0.24	-0.08	-0.38	0.27	-0.38	0.20	-0.41	0.09	-0.18

PARTICULAR RISKS

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

- **Credit risk:** A significant level of investment in debt securities or risky securities implies that the risk of, or actual, default may have a material impact on performance. The likelihood of this depends on the credit-worthiness of the issuers.
- **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.

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 indicator (SRRI) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRRI 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

This could reduce the fund's returns.

- Risks linked to the use of derivatives and financial techniques: Derivatives and other financial techniques used substantially to obtain, increase or reduce exposure to assets may be difficult to value, may generate leverage, and may not yield the anticipated results. All of this could be detrimental to fund performance.

For more details about risk, see appendix B "Risk Factors" of the prospectus.

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): The Operational Costs cover expenses 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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Spain. Supervisory Authority: Comisión Nacional del Mercado de Valores (CNMV). Representative: Allfunds Bank S.A. C/Nuria, 57 Madrid.

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trust that is subject to United States Federal income tax regardless of the source of its income.

Source of the figures: Unless otherwise stated, figures are prepared by LOIM.

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