

# LO Selection – The LATAM Bond Fund USD

## Syst. Hdg, (EUR) M

### Fact Sheet (marketing document)

Emerging Fixed Income • Fixed Income

30 April 2024

#### FUND FACTS

|                                |                         |
|--------------------------------|-------------------------|
| Domicile/Legal structure       | Luxembourg/SICAV        |
| Legal Status                   | UCITS                   |
| Fund inception date            | 2 October 2017          |
| SFDR Classification            | Article 6               |
| Currency of Fund               | USD                     |
| Currency of share class        | EUR Hedged              |
| Fund manager                   | J. De Azevedo           |
| Net assets (all classes)       | EUR 60.49 million       |
| Liquidity (sub./red.)          | daily, 15:00            |
| Swinging Single Pricing        | Yes                     |
| Min. investment                | USD 3'000 or equivalent |
| Entry/Exit fees                | 0% / 0%                 |
| Management fee                 | 0.70%                   |
| Distribution fee               | 0.00%                   |
| FROC                           | 0.17%                   |
| Ongoing charge (28 March 2024) | 0.87%                   |
| TER max (30 September 2023)    | 0.87%                   |

#### 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     | Class A      | Class D      |
|-----------|--------------|--------------|
| ISIN      | LU1676408260 | LU1676408344 |
| Bloomberg | LOUSEMA LX   | LOUSEMD LX   |
| NAV       | EUR 96.86    | EUR 70.85    |

#### FISCAL INFORMATION

|                                 |          |
|---------------------------------|----------|
| ES - Switchable                 | Yes      |
| Last dividend paid (27.11.2023) | EUR 3.88 |

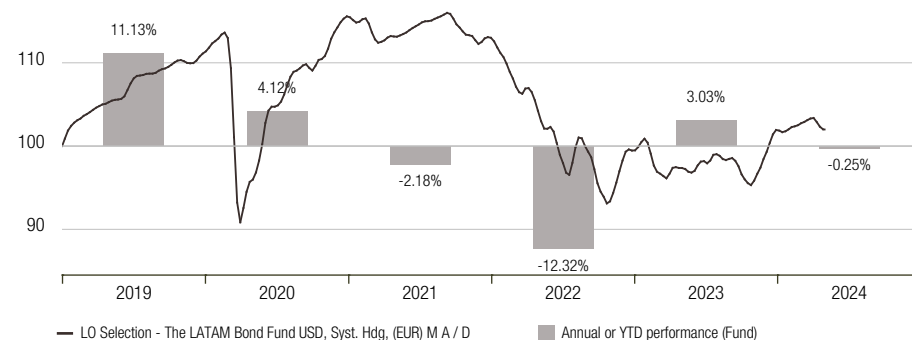
#### RATINGS

|                      |                     |
|----------------------|---------------------|
| Morningstar Category | EAA Fund Other Bond |
|----------------------|---------------------|

#### HIGHLIGHTS

LO Selection - The LATAM Bond Fund USD is an actively managed, diversified investment vehicle dedicated to bonds issued by Latin American entities. It invests mainly in USD denominated securities while retaining the possibility to be exposed up to 15% in Latin American local currency bonds on an opportunistic basis. The fund's investment approach is flexible and value-oriented, combining a mix of top-down and bottom-up analysis. The active process aims to match market returns over an investment cycle while limiting volatility and downside risk. The fund is not benchmark-driven, which allows the team to provide high diversification in terms of issuers and sectors, while maintaining a particular focus on liquidity and drawdown risk mitigation. Duration risk, sector, rating and country allocations are adjusted based on medium term and tactical views. The team applies an integrated and continuous risk-management process that pursues two aims: protecting clients' wealth and seizing opportunities. 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 EUR Dec 31, 2018 - Apr 30, 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 EUR          | Cumulative | Annualized |
|---------------------------------|------------|------------|
|                                 | Fund       | Fund       |
| YTD                             | -0.25%     | -          |
| YTQ                             | 1.28%      | -          |
| 1 month                         | -1.51%     | -          |
| 3 months                        | -0.31%     | -          |
| 1 year                          | 4.82%      | -          |
| 3 years                         | -9.79%     | -3.36%     |
| 5 years                         | -3.13%     | -0.63%     |
| Total return (since 02.10.2017) | -3.14%     | -0.48%     |

| STATISTICS 30.04.2019 - 30.04.2024 |         | Fund                    |        |
|------------------------------------|---------|-------------------------|--------|
| Annualised volatility              | 10.70%  | Yield to worst          | 7.77%  |
| Sharpe ratio                       | -0.12   | Yield to worst (hedged) | 6.19%  |
| Max. drawdown                      | -19.16% | Average coupon          | 5.76%  |
|                                    |         | Modified duration       | 4.93   |
|                                    |         | Average maturity        | 7.11   |
|                                    |         | Number of positions     | 65     |
|                                    |         | Average rating          | BB     |
|                                    |         | Non Government Bonds    | 99.47% |

| MONTHLY RETURNS<br>IN % | 2019<br>Fund | 2020<br>Fund | 2021<br>Fund | 2022<br>Fund | 2023<br>Fund | 2024<br>Fund |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| January                 | 2.9          | 1.5          | -0.7         | -2.3         | 1.5          | 0.1          |
| February                | 1.0          | -1.3         | -0.8         | -2.4         | -4.0         | 0.3          |
| March                   | 0.7          | -17.0        | -1.2         | -0.5         | 0.3          | 0.9          |
| April                   | 0.7          | 3.7          | 0.5          | -3.1         | 0.3          | -1.5         |
| May                     | 0.3          | 6.1          | 0.6          | -1.2         | -0.2         |              |
| June                    | 2.1          | 2.9          | 0.9          | -4.8         | 0.9          |              |
| July                    | 0.7          | 3.1          | 0.2          | 1.7          | 1.3          |              |
| August                  | 0.3          | 1.3          | 0.7          | 0.1          | -0.5         |              |
| September               | 0.6          | -0.5         | -0.9         | -5.6         | -2.0         |              |
| October                 | 0.8          | 1.2          | -1.3         | -0.4         | -1.8         |              |
| November                | -0.4         | 3.5          | -1.4         | 4.7          | 4.2          |              |
| December                | 1.0          | 1.6          | 1.3          | 1.2          | 3.2          |              |
| <b>Year</b>             | <b>11.1</b>  | <b>4.1</b>   | <b>-2.2</b>  | <b>-12.3</b> | <b>3.0</b>   | <b>-0.3</b>  |

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.

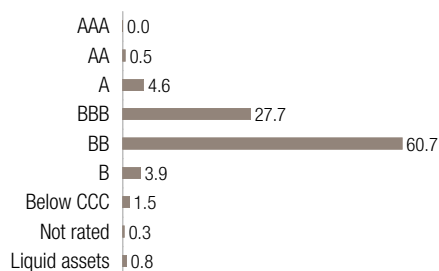
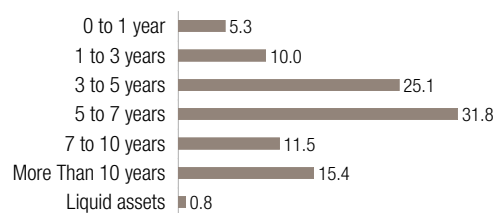
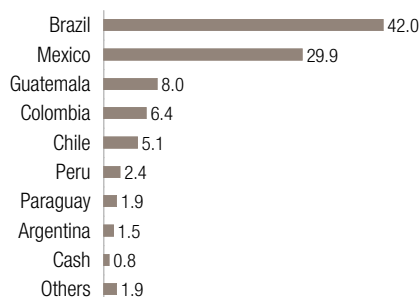
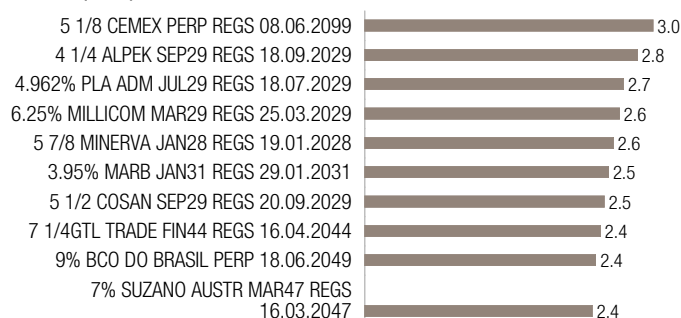
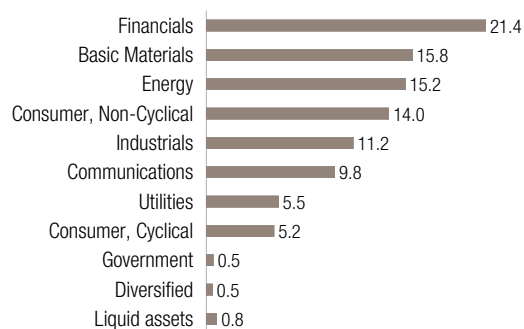
**Liquidity risk:** Where a significant level of investment is made in financial instruments that may under certain circumstances have a relatively low level of liquidity, there is a material risk that the fund will not be able to transact at advantageous times or prices. This could reduce the fund's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

**Emerging market risk:** Significant investment in emerging markets may expose to difficulties when buying and selling investments. Emerging markets are also more likely to experience political uncertainty and investments held in these countries may not have the same protection as those held in more developed countries.

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.

This product is not a financial product subject to Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector (the "SFDR"). The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

**CREDIT RATINGS (IN %)****MATURITIES (IN %)****COUNTRIES (IN %)****CURRENCIES (IN %)****TOP 10 (IN %)****SECTORS (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 risk-adjusted 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 covers 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").

**Swinging Single Pricing (SSP):** SSP is an adjustment to the NAV per share in consideration of subscription and redemption activity on a dealing day. For more information, please refer to Section 15.1 "Net Asset Value Determination" of the Sub-Fund Prospectus, which can be found at [www.loim.com](http://www.loim.com).

## DISCLAIMER

**This document is the property of LOIM, is provided for information purposes only and is addressed for the recipient exclusively for its personal use.** It may not be reproduced (in whole or in part), transmitted, modified, or used for any other purpose without the prior written permission of LOIM. It is not intended for distribution, publication, or used for any other purpose without the prior written permission of LOIM. The contents of this document have not been reviewed by any regulatory authority in any jurisdictions and does not constitute an offer or a recommendation to subscribe for any securities or other financial instruments or products described herein. It contains opinions of LOIM, as at the date of issue. These opinions and information contained herein in this document does not take into account all the specific circumstances of the addressee. Therefore, no representation is made that the investment strategies presented in this document are suitable or appropriate to the individual circumstances of any investors. Tax treatment depends on the individual circumstance of the investor and may be subject to change in the future. LOIM does not provide tax advice. Consequently, you must verify the above and all information provided in this document with the legal documents issued for the Fund or otherwise review it with your external tax advisors. The information and analysis contained herein are based on sources believed to be reliable. While LOIM uses its best efforts to ensure that the content is created in good faith, with greatest care and with accuracy, it does not guarantee the timeliness, validity, reliability or completeness of the information contained in this document, neither does it warrant that the information is free from errors and omission nor does it accept any liability for any loss or damage resulting from its use. All information and opinions as well as the prices indicated may change without notice. Particular contents of third parties are marked as such. LOIM assumes no liability for any indirect, incidental or consequential damages that are caused by or in connection with the use of such content. The Source of the data has been mentioned wherever it was available. Unless otherwise stated, the data is prepared by LOIM. An investment in the Fund is not suitable for all investors. The ownership of any investment decision(s) shall exclusively vest with the investor. Investment must be done after analysing all possible risk factors and by exercising of independent discretion. The investor must particularly ensure the suitability of an investment as regards with his/her financial situation, risk profile and investment objectives investing. **There can be no assurance that the Fund's investment objective will be achieved or that there will be a return on capital. Past or estimated performance is not necessarily indicative of future results and no assurance can be made that profits will be achieved, or that substantial losses will not be incurred.** The investor bears the risk of losses in connection with any investment. The information contained in this document does not constitute any form of advice on any investment or related consequences of making any particular investment decision in any particular investment decision in any Fund. Each investor shall make his/her own appraisal of risk, goals, liquidity, taxes and other financial merit of his/her investment decisions. Views, opinions and estimates may change without notice and are based on a number of assumptions which may or may not eventuate or prove to be accurate. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and/or current market conditions and are not an exact indicator. What you will get will vary depending on how the market performs and how long you keep the investment/product.

**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](http://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>. A 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 6 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"), and therefore it has neither a sustainable objective nor environmental or social characteristics.

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 [Regulatory Disclosures - Asset Management - Lombard Odier](#).

**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.

**Not for US Person:** The Fund has not been registered pursuant to the 1933 United States Securities Act. This document is not intended for any "U.S. Person" as defined in Regulation S of the Act, as amended or pursuant to the 1940 United States Investment Company Act as amended and will not be registered pursuant to the 1940 United States Investment Company Act as amended, or pursuant to other US federal laws. Therefore, the shares will not be publicly offered or sold in the United States. Neither this document nor any copy thereof may be sent, taken into, or distributed in the United States of

America, any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a United States Person. For this purpose, the term "United States Person" shall mean any citizen, national or resident of the United States of America, partnership organized or existing in any state, territory or possession of the United States of America, a corporation organized under the laws of the United States or of any state, territory or possession thereof, or any estate or trust that is subject to United States Federal income tax regardless of the source of its income.

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).

**Data Protection:** You may be receiving this Communication because you have provided us your contact details. If this is the case, note that we may process your personal data for direct marketing purposes. For more information on Lombard Odier's data protection policy, please refer to [www.lombardodier.com/privacy-policy](http://www.lombardodier.com/privacy-policy) ©2024 Lombard Odier IM. All rights reserved.