

Asset Management / Fund Factsheet / 28.02.2022

# Vontobel Fund - Credit Opportunities HI (hedged), EUR

Marketing document for institutional investors in: CH, DE, ES, FR, IT, LU

## Investment objective

This bond fund aims to generate positive investment returns over a full economic cycle, while respecting risk diversification.

## Key features

The fund invests across both developed and emerging markets mainly in corporate bonds of diverse qualities with different maturities with a pure focus on exploiting their yield spreads over government bonds. The fund uses derivative financial instruments for hedging purposes.

## Approach

The investment team's seasoned specialists continuously assess market conditions and future developments based on macro-economic, technical and valuation analyses. Accordingly, they allocate credit risks striving to capture profitable market evolutions and keep the fund's vulnerability to unfavorable markets low. Based on in-depth analysis at issuer level, they select those securities and instruments within the investment universe whose yield and/or hedging values or performance potential convince them the most. The team flexibly adapts the portfolio to seize attractive opportunities whenever they occur.

## Risk and reward profile



Portfolio management	Ludovic Colin
Fund domicile, legal structure	Luxembourg, UCITS
Currency of the fund / shareclass	USD / EUR
Launch date fund / shareclass	30.06.2015 / 22.12.2021
Fund size	USD 52.06 mio
Net asset value (NAV) / share	EUR 91.45
ISIN / WKN / VALOR	LU2416422751 / A3C8Y7 / 115057119
Management fee	0.70%
Ongoing charges (incl. Mgmt. fee) as of 22.12.2021	1.02%
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>	n.a.
Modified duration (years)	3.40
Yield to maturity	14.88%
Average maturity (years)	8.52
Average coupon	6.56%

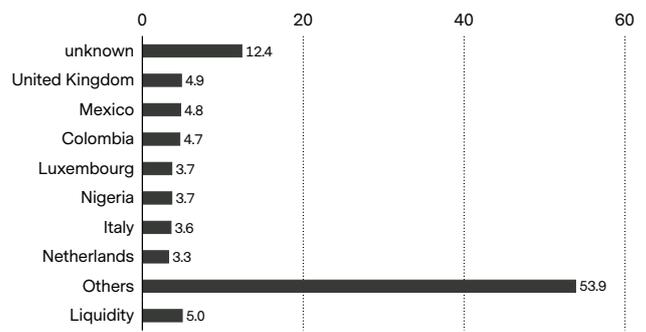
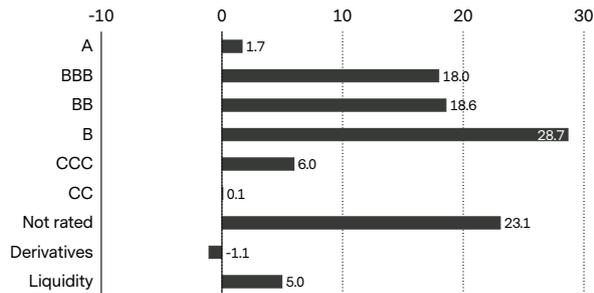
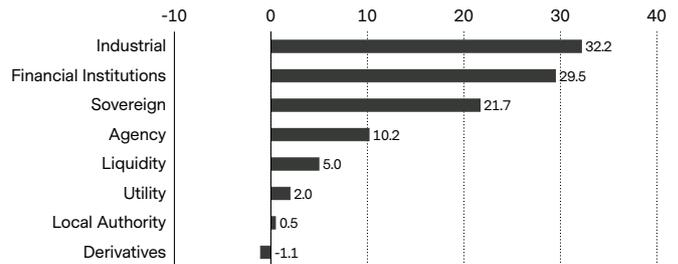
<sup>2)</sup> According to the EU's Markets in Financial Instruments Directive (MiFID) and its implementation in national law, performance-related information may only be shown to retail clients if it covers a period of at least 12 months.

## Historical Performance (%)

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**Major positions (%)**

Mitsubishi Ufj Investor 3.971% 12/15/2050	1.9
Tunisian Republic 3.28% 08/09/2027	1.9
Cpi Property Group Sa 5.8%	1.9
Hkn Energy Iii Ltd 12% 05/26/2025	1.9
Stora Enso Oyj 7.25% 04/15/2036	1.8
Waldorf Production Uk 9.75% 10/01/2024	1.8
Poinsettia Finance Ltd 6.625% 06/17/2031	1.8
Aareal Bank Ag 6.641%	1.8
Cb Rencap(Ren Consumer) 10% 12/13/2024	1.7
Fideicomiso Pa Pacifico 8.25% 01/15/2035	1.7
<b>Total</b>	<b>18.2</b>

**Geographical breakdown (%)****Credit ratings breakdown (%)****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.
- Investment universe may involve investments in countries where the local stock exchanges may not yet qualify as recognised stock exchanges.
- 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](http://Vontobel.com/SFDR).

**Glossary**

**Coupon** is a payment to holders of bonds on a pre-defined basis, normally with a specific periodicity and percentage. Average Coupon for a bond fund is calculated as capital-weighted average of the coupon rates of all bonds in a portfolio. **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. **ESG** Environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments. **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. **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 bond's 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. **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. **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.

## Important information

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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 («KIID»), 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.

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The investments underlying this Sub-Fund 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.

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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)