

Fund Fact Sheet

28/02/2022

Asset Class

US Government Bonds

Fund Characteristics

AUM	\$ 137,4 mn
Launch date	16/09/1988
Oldest share class (B)	LU0093570926
Turnover (2021) *	14%
Reference currency	USD
Legal structure	SICAV, UCITS
Domicile	Luxembourg
European Passport	Yes
Countries of registration	AT, BE, CH, DE, DK, ES, FI, FR, GB, IT, LU, NL, NO, SE, SG, PT

Fund Manager

In 2001, after an initial series of experiences at financial institutions including BNY Mellon and Brown Brothers Harriman, **Jean-Philippe Donge** joined BLI – Banque de Luxembourg Investments as a corporate bond financial analyst.

Winner of a number of awards for his fund management, Jean-Philippe is currently in charge of bond market management and research. Emerging markets account for a significant proportion of the management methodology. His many years of experience, from sovereign debt to impact investing, have given Jean-Philippe an in-depth knowledge of the different categories of assets associated with these markets. This expertise is backed by a dedicated research team and the generation of convictions to feed into the construction of bond portfolios. In addition to microfinance and impact investing in general, the team and the methodology established by Jean-Philippe are also designed to provide an optimum response to sustainable development objectives. Jean-Philippe has an Engineering degree from the Université Catholique de Louvain. At present, he is responsible for the bond fund range of BL SICAV.

Management Company

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Dealing & Administrator Details

European Fund Administration (EFA)	
Tel	+352 48 48 80 582
Fax	+352 48 65 61 8002
Dealing frequency	daily**
Cut-off time	12:00 CET
Front-load fee	max. 5%
Redemption fee	none
NAV calculation	daily**
NAV publication	www.fundinfo.com

* min (purchases, sales) / average of net assets

** Luxembourg banking business day

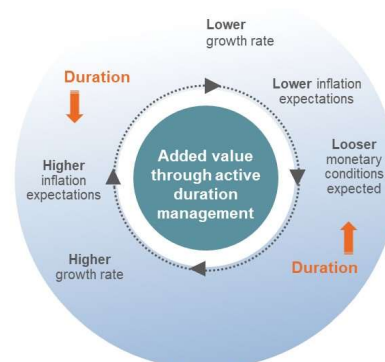
Investment Objective

BL-Bond Dollar seeks capital protection by investing in US Treasuries and US TIPS, while providing a greater return than a money market investment in US Dollars.

Strategy

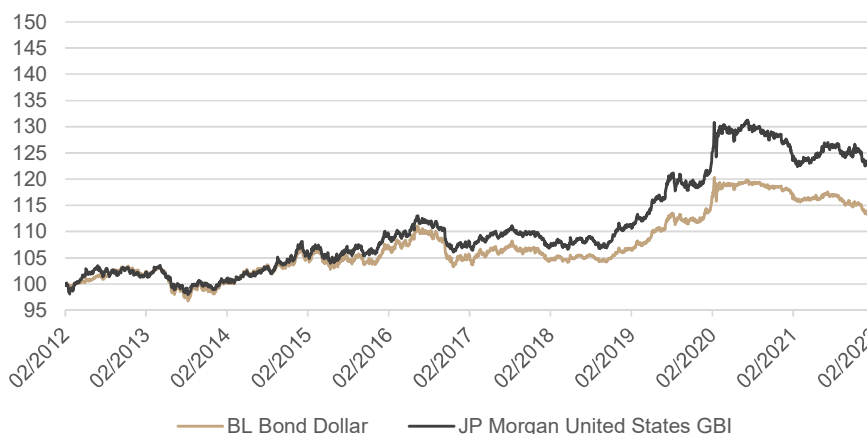
The fund's investment strategy draws on macroeconomic factors such as inflation expectations and central bank monetary policy to define the portfolio's duration and positioning on the yield curve. The fund manager adheres to the concept of natural rate of interest to assess market yield levels: In equilibrium, the fair value yield of an issuer-risk-free bond is defined by the sum of the corresponding economy's potential growth, inflation expectations and the relevant maturity premium.

If market yields exceed the derived fair value yield, the portfolio's duration will be above market duration. On the contrary, if market yields are below fair value yield, the portfolio's duration will be below market duration. Yield curve positioning is defined using relative value considerations.



Key Facts

- US Treasury only strategy
- Added value through active duration management
- Positioning on the yield curve using relative value considerations
- Opportunistic addition of US TIPS depending on inflation expectations
- Possibility to hedge duration using treasury futures



Performance	YTD	2021	2020	2019	2018	2017
Fund (B shares)	-1,8%	-2,9%	6,0%	5,2%	-0,5%	2,3%
JPM USA GBI	-2,4%	-2,6%	8,4%	7,1%	0,8%	2,5%

Performance	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Fund (B shares)	-0,4%	-2,1%	-3,3%	-3,1%	6,1%	7,6%	13,1%
JPM USA GBI	-0,7%	-3,0%	-3,2%	-1,5%	10,3%	13,3%	22,3%

		1 year	3 years	5 years	10 years
Annualised Performance**	Fund (B shares)	-3,1%	2,0%	1,5%	1,2%
	JPM USA GBI	-1,5%	3,3%	2,5%	2,0%
Annualised Volatility**	Fund (B shares)	2,2%	3,4%	3,1%	3,4%
	JPM USA GBI	3,4%	5,0%	4,2%	4,0%

The market index (JP Morgan United States GBI) is shown in the performance chart as well as in the performance tables above for performance measurement purposes only and it should under no circumstances be considered as an indication of a specific investment style or strategy.

Investors are also invited to consult the performance chart disclosed in the key investor information document of the sub-fund.

Current Portfolio

28/02/2022

Summary Statistics

Average Yield to Maturity	1,6%
Modified Duration (before hedging)	5,0
Modified Duration (after hedging)	no hedging
Average Maturity	5,0 years
Weight of Top 10 Holdings	72,6%
Number of holdings	14

Top Holdings

US Treasuries 2,625% 15-2-2029	7,7%
US T-Notes 2,25% 15-11-2024	7,5%
US 1,875% 15-02-32	7,3%
US 1,75% 15-11-29	7,3%
US 1,5% 31-10-24	7,3%
US 1,625% 30-11-26	7,3%
US 1,125% 28-02-25	7,2%
US 0,125% 15-02-24	7,1%
US 0,5% 31-03-25	7,0%
US Treasuries 2,875% 15-8-2028	7,0%

New Investments in February

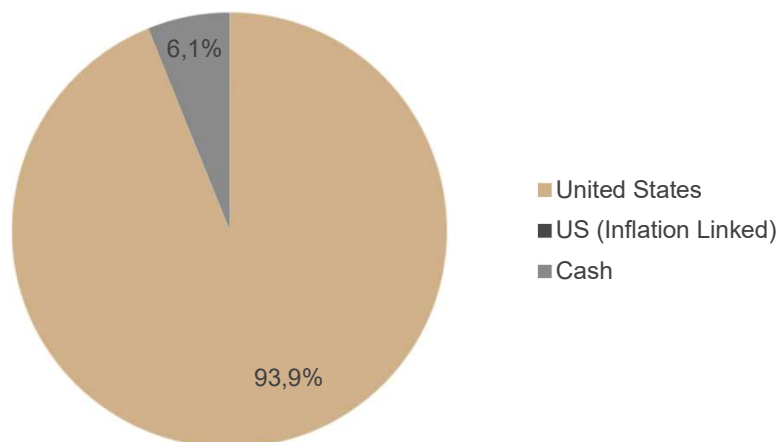
US 2,375% 15-02-42	5,9%
US 1,875% 15-02-32	7,3%

Investments sold in February

US T-Notes 2% 15-08-2025	5,3%
US T-Notes 2,75% 15-11-2023	

Maturity Breakdown

Cash	6,1%
<1 Years	0,0%
1-3 Years	29,0%
3-5 Years	22,8%
5-7 Years	21,6%
7-10 Years	14,6%
>10 Years	5,9%



Investor Type	Clean Share	Eligibility Restrictions	Share class	Currency	Currency Hedging	Income	Mgmt fee	On-going Charges	SRRI	ISIN	Bloomberg Ticker
Retail	No	No	A	USD	No	Dis	0,60%	0,82%	3	LU0093570843	BLM4708 LX
Retail	No	No	B	USD	No	Cap	0,60%	0,82%	3	LU0093570926	BLM4707 LX
Institutional	No	Yes	BI	USD	No	Cap	0,30%	0,48%	3	LU0495661315	BLBODBI LX

Management Report

28/02/2022

In the fourth quarter of 2021, US Treasury debt was up and down. It ended the quarter almost unchanged with near-zero performance. The benchmark 10-year US note ended December 2021 with a yield to maturity of 1.51%, compared to 1.48% at the end of September. The US economy is dynamic, despite the appearance of the new omicron variant, as reflected in various US statistics. Unemployment fell to 4.72% in November, with more than 200,000 jobs created in that month alone. Inflation rose to 4.9% for data excluding energy and food products and to 6.8% overall. A number of indicators such as orders for durable goods, confidence indicators and GDP are up and sometimes above expected levels.

This pace of activity and its potential consequences on inflation led the Federal Reserve to announce it would accelerate tapering its asset purchase programme. It could introduce the first increase to its key interest rate as early as the first quarter of 2022. We therefore believe it is important to maintain a defensive stance on BL Bond Dollar's modified duration. This is around 3.96 for an average yield of 1.2%.

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The prospectus, the articles of incorporation, the annual and semi-annual reports of BL as well as the key investor information document (KIID) of the sub-fund are available on www.bli.lu or upon request from BLI. The KIIDs are available in French, English and in any other official language of registration of BL.

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Specific Information for Switzerland:

Legal documentation of the fund may be obtained, free of charge, at the offices of the Swiss representative, CACEIS (Switzerland) S.A., 7-9, Chemin de Précossy, CH-1260 Nyon, Switzerland, in accordance with the provisions of the Swiss Collective Investment Schemes Act of 23 June 2006 ("CISA").

The SICAV has appointed Banque CIC (Suisse) SA, Marktplatz 13, CH-4001 Bâle, Switzerland to act as paying agent for Switzerland.

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The present document may be distributed to French professional investors.