

INVESTMENT OBJECTIVE

The Sub-Fund seeks to outperform the 80% FTSE MTS Global + 20% EURO STOXX 50 Net Return composite index calculated with dividends reinvested, over the recommended investment period (3 years).

PORTFOLIO MANAGERS COMMENTS

Lockdown for citizens across most countries worldwide made April 2020 the worst month for the economy since the Second World War. We are now embarking on an uncertain recovery built on a necessarily gradual approach to lifting lockdown.

In the euro area, the markets staged a robust recovery, with high yield credit and equities leading the way with respectively +6.2% and +5.3%, followed by investment grade credit (+3.7%). Enthusiastic intervention from the central banks, which forked out huge amounts and propped up banks as pass on provide state support, is the reason behind this relative optimism. Sovereign yields in core countries (Germany, France) have moved little, but showings for peripherals - with Italy leading the pack - are rising. Once again the ECB is on hand in the market to make massive bond purchases from States that need support in order to keep a lid on the cost of their debt. Debt is set to surge sharply - particularly as a percentage of GDP - following the responses to the virus.

All of Eurose's components recovered this month, with a YTD drop at end-April of -13.8%.

After substantial bond redemptions in Italy this month, we were able to buy corporate debt with very good ratings, in particular the Airbus convertible with a one-year maturity and yield of 1.8%. We also continued adding to holdings in a selected and measured way on credit in general, in particular via high-quality primary issues, such as Toyota 2024 and Capgemini 2026, as well as hybrids from Accor and Unibail, major leaders that will get through the crisis and could even come out stronger in the medium term.

On the equity portion, Ceconomy definitively exited the portfolio, while we slightly ramped up on the banking sector to 2.9% of the fund, as we added BNP Paribas to our selection. The sector's valuation is short of figures during the 2008 crisis, while fundamentals are much better now, with strong support from regulators and the central banks. We also reduced Carrefour, Royal Dutch Shell and Vinci, to the benefit of Bouygues and Total.

Over the days ahead we will be moving into the most tricky phase in managing the crisis. We feel it is timely to remain cautious, particularly after the major market rebound. Equities account for 25% of the portfolio, with investment refocused on very solid companies, mostly with low valuations. Gradual economic normalization will lead to a rerating. Continued very attractive yield for the bond portfolio at 3.1%, along with a short maturity timeframe, make Eurose's patrimonial approach all the more attractive.

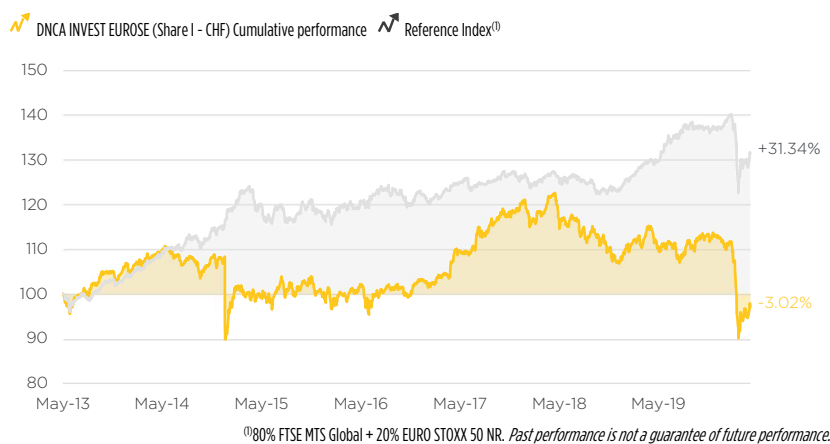
Text completed on 05/04/2020.

Jean-Charles MERIAUX - Philippe CHAMPIGNEULLE - Damien LANTERNIER - Romain GRANDIS - Adrien LE CLAINCHE - Baptiste PLANCHARD

PERFORMANCE AND VOLATILITY

	Share I - CHF	Reference Index [®]
YTD performance	-13.80%	-3.83%
2019 performance	4.75%	10.77%
Annualised performance 5 years	-0.67%	1.63%
Volatility 1 year	13.29%	8.90%
Volatility 3 years	9.89%	5.84%
Volatility 5 years	9.17%	5.61%

PERFORMANCE SINCE 29/05/2013



BREAKDOWN BY ASSETS

Fixed rate bonds	29,9%
Equities	25,6%
Floating-rate bonds	16,0%
Inflation-linked bonds	9,9%
Convertible bonds	4,9%
UCITS	4,2%
Participative and perpetual	3,4%
Cash and equivalents	6,2%

MAIN CHARACTERISTICS

NAV	CHF96.98	Net assets	€3,412M
Average yield	3.14%	Average modified duration	1.59
Average maturity (years)	2.55	Bonds and related	64.0%

Modified duration: The modified duration of a bond measures the change in its percentage value induced by a change in the interest rate.

RISK AND REWARD PROFILE



PERFORMANCE (%)

Year	january	february	march	april	may	june	july	august	september	october	november	december	Annual
2015	-11.42%	5.63%	-1.52%	0.83%	-1.27%	-1.06%	3.60%	-0.47%	-1.33%	3.15%	0.63%	-2.29%	3.94%
2016	0.39%	-3.94%	2.40%	0.84%	1.45%	-4.17%	1.93%	1.68%	-0.07%	0.03%	-0.69%	2.16%	2.66%
2017	-1.46%	1.10%	2.16%	2.44%	1.77%	-0.44%	4.23%	0.34%	1.89%	2.12%	0.16%	0.05%	15.19%
2018	-0.12%	-1.55%	1.50%	3.11%	-5.48%	0.22%	1.31%	-4.03%	1.41%	-1.61%	-1.89%	-2.30%	-9.35%
2019	2.91%	1.23%	-1.20%	4.17%	-4.99%	1.12%	-0.14%	-1.07%	1.47%	1.14%	1.00%	-0.71%	4.75%
2020	-2.36%	-2.54%	-11.03%	1.83%	-	-	-	-	-	-	-	-	-13.80%

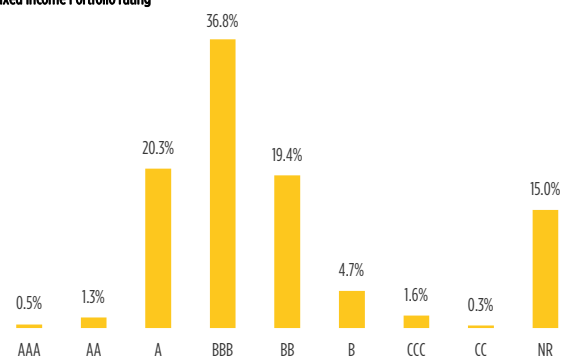
Past performance is not a guarantee of future performance.
RISK ANALYSIS

	Share I - CHF	Index ⁽¹⁾
Number of positive months	46	53
Number of negative months	37	30
Worst performance 1 month	-11.42%	-5.24%
Best performance 1 month	5.63%	3.06%
Worst performance 1 quarter	-15.94%	-5.50%
Best performance 1 quarter	6.46%	6.90%

⁽¹⁾80% FTSE MTS Global + 20% EURO STOXX 50 NR
 Datas calculated since inception

	1 year	3 years	5 years
Tracking Error ⁽²⁾	6.54%	4.89%	4.68%
Information Ratio	-1.51	-0.93	-0.50
Sharpe Ratio	-0.77	-0.30	-0.08

⁽²⁾Tracking error is a measure of the risk, with which the performance of a fund is diverging from its index.

Fixed Income Portfolio rating


These data are provided for guidance purposes only. The management company does not systematically and automatically use ratings issued by credit rating agencies and carry out its own credit analysis.

BREAKDOWN BY ASSET CLASS. BONDS

	Weight	Maturity (yrs)	Duration	Modified duration	Yield
Fixed rate bonds	29.91%	2.42	2.31	2.22	3.90%
Floating-rate bonds	15.99%	2.19	0.28	0.27	1.57%
Inflation-linked bonds	9.85%	4.43	2.11	2.10	0.81%
Convertible bonds	4.88%	1.37	1.23	1.11	5.95%
Participative and perpetual	3.35%	1.74	1.46	1.42	6.53%
Total	63.98%	2.55	1.64	1.59	3.14%

MAIN HOLDINGS

	Bonds	Convertible bonds	Equities
Fixed Rate	ORANO SA 3.25% 2020 CASINO GUICHARD PERRACHON SA 5.98% 2021 OTE PLC 3.5% 2020	AMERICA MOVIL SAB DE CV 0% 2020 CV TELECOM ITALIA SPAMILANO 1.13% 2022 CV HANIEL FINANCE DEUTSCHLAND GMBH 0% 2020 CV	SANOFI ORANGE STMICROELECTRONICS
Floating-rate	REPUBLIC OF ITALY GOVERNMENT INTERNATIONAL BOND 2020 FRN SOCIETE GENERALE SA 2023 FRN BANCO BILBAO VIZCAYA ARGENTARIA SA 2023 FRN		
Inflation-linked	ITALY I/L 2024 SPAIN I/L 2024 ITALY I/L 2023		