



# Flossbach von Storch - Global Convertible Bond - R

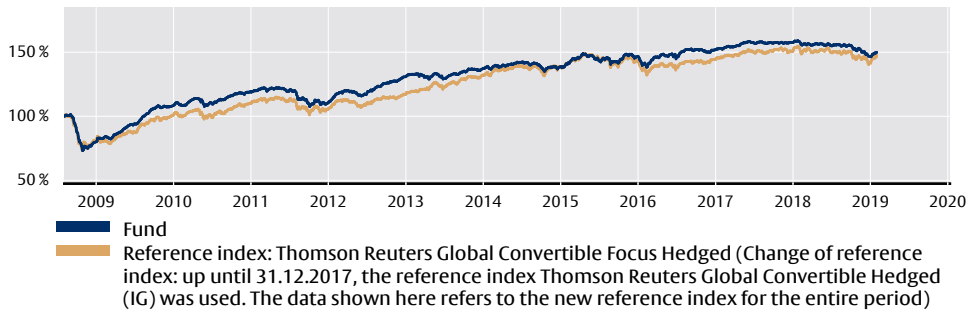
Flossbach von Storch investment sub-fund under Luxembourg law (mutual fund) and authorised for distribution in Portugal.

## INVESTMENT STRATEGY

The objective of the investment policy of the Flossbach von Storch - Global Convertible Bond sub-fund is to achieve reasonable growth while taking account of investment risk. The sub-fund invests predominantly in international convertible bonds and comparable securities. In addition to interest income from bonds, the result should be mainly determined by the profit potential from conversion rights into shares. An investment may involve a mixture of shares, bonds, investment funds and certificates, with the exception of certificates on hedge funds and certificates on hedge fund indices. However, no more than 10% of the sub-fund's assets may be invested in other investment funds. The subfund can utilise financial instruments whose value is dependent on the future prices of other assets ("derivatives") for hedging purposes or to increase its assets.

For detailed information on the objectives and investment policy, please refer to the most recent sales prospectus and the Key Investor Information Document (KIID).

## PERFORMANCE IN EUR SINCE 4 AUGUST 2008 (In %)



## ACCUMULATED PERFORMANCE IN EUR (IN %)

|              | 2014    | 2015    | 2016    | 2017    | 2018    | YTD 2019 |
|--------------|---------|---------|---------|---------|---------|----------|
| <b>Funds</b> | +0.98 % | +5.91 % | +3.39 % | +3.84 % | -7.06 % | +2.36 %  |

Source: Depository and SIX Financial Information, status: 31.01.19

## EXPLANATORY NOTES REGARDING PERFORMANCE

**Past performance is not a reliable indicator of future performance.** Performance is calculated based on the net asset value (NAV). The subscription fee, as well as other fees, are not taken into account and therefore have a negative effect on the performance of the investment. Example calculation (subscription fee included): An investor wishes to buy shares with capital of €1,000. Based on a maximum subscription fee of 5%, €50 will be deducted from their investment as a one off initial charge. In addition, custody fees may be applied.

**Please refer to the cost details presented in this document to determine the maximum subscription fee for the share class of the sub-fund.**

The reference index is merely informative. It does not constitute any obligation to track the index or achieve the same performance for the fund manager.

**CATEGORY: BONDS AND CONVERTIBLES**  
Data as per 31 January 2019

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## FUND DETAILS

|                                    |   |
|------------------------------------|---|
| ISIN                               | LU0366179009  |
| Bloomberg code                     | FVSWDAP LX  |
| Domicile                           | Luxembourg  |
| Share class                        | R   |
| Fund currency                      | EUR   |
| Launch date                        | 4 August 2008   |
| Financial year end                 | 30 September  |
| Income utilisation                 | Distribution  |
| Authorised for distribution        | AT, CH, DE, LU, PT  |
| Fund type                          | UCITS / FCP   |
| Fund assets                        | 457.53 million EUR  |
| Redemption price                   | 137.26 EUR  |
| Minimum initial investment         | none  |
| Minimum subsequent investment      | none  |
| Costs <sup>1</sup>                 |   |
| Ongoing charges                    | 1.49 %  |
| which includes a management fee of | 1.38 % p.a.   |
| Performance fee                    | none  |
| Redemption fee                     | 0.00 %  |
| Exchange commission                | up to 3.00 %<br>(based on the unit value of the units to be purchased for the benefit of the relevant intermediary) |
| Subscription fee                   | up to 5.00 %  |

## MANAGEMENT COMPANY

Flossbach von Storch Invest S.A.  
6, Avenue Marie-Thérèse  
2132 Luxembourg, Luxembourg  
www.fvsinvest.lu

## DEPOSITARY

DZ PRIVATBANK S.A.  
4, rue Thomas Edison, 1445 Strassen, Luxembourg

<sup>1</sup> In addition to the management fee, the fund is charged further costs such as transfer agent fees, transaction costs, and various other charges. Further information about ongoing and one-off costs can be found in the key investor information document (KIID), the sales prospectus, and the most recent annual report.



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## TOP 10 HOLDINGS (IN %)

|     |   |         |
|-----|---|---------|
| 1.  | 1,750% DP WORLD 19.06.2024              | 2.73 %  |
| 2.  | 0,375% ORANGE 27.06.2021                | 2.66 %  |
| 3.  | 1,875% BRENNTAG 02.12.2022              | 2.66 %  |
| 4.  | 0,050% ADIDAS 12.09.2023                | 2.53 %  |
| 5.  | 0,000% RAG-STIFTUNG 02.10.2024          | 2.22 %  |
| 6.  | 0,750% PALO ALTO NETWORKS 01.07.2023    | 2.19 %  |
| 7.  | 7,500% WELLS FARGO 15.12.2049           | 1.98 %  |
| 8.  | 2,625% REMGRO MEDICLINIC 22.03.2021     | 1.96 %  |
| 9.  | 1,000% NUANCE COMMUNICATIONS 15.12.2035 | 1.91 %  |
| 10. | 0,250% TELENOR 20.09.2019               | 1.87 %  |
|     |   | 22.71 % |

Source: Depository and Flossbach von Storch, status: 31.01.19

## TOP REGIONS CONVERTIBLES (IN %)

|    |               |         |
|----|---------------|---------|
| 1. | Europe        | 56.81 % |
| 2. | North America | 23.68 % |
| 3. | Latin America | 5.08 %  |
| 4. | Japan         | 5.05 %  |
| 5. | Asia ex Japan | 3.59 %  |
| 6. | Middle East   | 3.37 %  |
| 7. | Africa        | 2.42 %  |

Source: Depository and Flossbach von Storch, status: 31.01.19

## MONTHLY COMMENTARY

Following a weak investment year in 2018, the MSCI World and US S&P 500 equity indices rose more than 7% in January and the Euro Stoxx 50 gained more than 5%. After the decreases recorded in 2018, equity prices are more attractive relative to corporate earnings. Corporate bond prices rose again in January following a significant decrease in risk premiums (narrower spreads). Due to weak economic data, significant interest-rate increases by the European Central Bank (ECB) appear unlikely in the foreseeable future – and even US Federal Reserve Chairman Jerome Powell wants to be “patient” in this respect. In the press conference following the January interest-rate decision, his statements were even more cautious than they had been in December. The Thomson Reuters Global Focus Hedged Convertible Bond Index (Euro) rose 3.6% in this environment. Similar to the performance of stock markets, US convertible bonds rose considerably more (6.7% based on the Thomson Reuters US Focus Hedged Convertible Bond Index) than their counterparts in Europe (1.8% based on the Thomson Reuters Europe Focus Hedged Convertible Bond Index). Different equity sensitivities – 64% in the USA and only 28% in Europe – is an important reason for the large difference in regional performance. With respect to sectors, the technology sector recorded the largest gains. Due to the fund's overweight position in Europe, its share price could not quite match the performance of the global indices. The delta of the fund rose somewhat versus the previous month, as we began selectively shifting investment from defensive to balanced structures.

## KEY FUND FIGURES CONVERTIBLES

|                |            |
|----------------|------------|
| average delta  | 33.71 %    |
| average return | 1.62 %     |
| Duration       | 3.90 years |

Source: Depository and Flossbach von Storch, status: 31.01.19

The portfolio currently contains 85 securities.

## MORE FUNDS DATA

|      |        |
|------|--------|
| Cash | 4.45 % |
|------|--------|

Source: Depository and Flossbach von Storch, status: 31.01.19

## TOP 10 SECTORS CONVERTIBLES (IN %)

|     |                                  |         |
|-----|----------------------------------|---------|
| 1.  | Materials                        | 15.21 % |
| 2.  | Capital Goods                    | 10.62 % |
| 3.  | Telecommunication Services       | 7.35 %  |
| 4.  | Technology Hardware & Equipment  | 7.00 %  |
| 5.  | Retailing                        | 6.46 %  |
| 6.  | Consumer Durables & Apparel      | 6.39 %  |
| 7.  | Transportation                   | 6.29 %  |
| 8.  | Health Care Equipment & Services | 5.96 %  |
| 9.  | Software & Services              | 5.41 %  |
| 10. | Media & Entertainment            | 4.81 %  |

Source: Depository and Flossbach von Storch, status: 31.01.19

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## AWARDS

Morningstar Rating™ overall\*: ★★★★★

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For more information on Morningstar's ratings, please visit:  
<http://www.morningstar.co.uk/uk/help/Methodology.aspx>

status: 31.12.18

## FUND MANAGER



### Thorsten Vetter

- » Senior Portfolio Manager at Flossbach von Storch since 2005 (from 2000 to 2005 Portfolio Manager and Analyst)
- » Portfolio Manager and Analyst at Krombacher Brewery in Krombach (1997 – 2000)
- » Studied Business Management at Justus-Liebig University in Giessen (1992 – 1997)



### Carolin Emrich

- » Portfolio Manager & Analyst at Flossbach von Storch since 2012
- » Trainee at HSBC Global Asset Management (2010 – 2012)
- » Bachelor and Master of Finance from the European Business School, Oestrich-Winkel, with study periods at AIT Bangkok and EAE in Barcelona (2005 – 2010)



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## OPPORTUNITIES

- + Investing in funds can deliver an attractive result at a lower level of risk compared to a direct investment in equities.
- + Income can be generated from regular interest payments.
- + Convertible bonds can increase in value when equity markets rise.
- + Derivatives can be used to increase potential yields.
- + Investing in assets denominated in a foreign currency can have a positive impact on unit values as a result of exchange rate movements.

## RISKS

- Investing in convertible bonds may entail price risks, especially in the case of rising interest rates on the capital markets.
- Convertible bonds can decline in value when equity markets fall.
- Country, credit and issuer liquidity risk. Also potential exchange rate risks. If securities are illiquid (i.e. thinly traded), there is a risk that it may either not be possible to sell the assets at all or only by accepting a significant discount on the sale price.
- Where used, derivatives can have a greater negative impact on the fund value than would be the case if the assets were acquired directly. This can affect the fund's risk profile and volatility (tendency for the price to fluctuate).
- The straight concentration on special markets can have a negative impact because of the dependent performance of these selected markets.
- Investing in assets denominated in a foreign currency can have a negative impact on unit values as a result of exchange rate movements.

Please read the Prospectus and particularly the RISK WARNINGS section and the specific annex of the subfund to understand the risks and benefits of this product.

The Risk and Return profil of this sub-fund is included on page 3 of this factsheet.

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## INVESTOR PROFILE

### CONSERVATIVE:

The fund is appropriate for conservative investors. Due to the composition of the net sub-fund assets, there is a moderate degree of risk but also a moderate degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

### INVESTMENT HORIZONT:

Medium-term: 3 to 5 years

## RISK/RETURN PROFILE



|   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

The historical data used for calculating the synthetic indicator is not a reliable indication of the future risk and reward profile of the share class. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment. This share class has been placed in the aforementioned risk class because its unit price is subject to little to medium fluctuation, therefore the profit potential and loss exposure may be low to moderate. Because of the calculation model used, all risks may not be taken into consideration when placing the share class in a risk class. Detailed information can be found in the section entitled "Risks" of the prospectus.



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## LEGAL NOTICE

**One of the purposes of this document is to serve as advertising material.**

The information contained in this document pertains to a sub-fund of Flossbach von Storch, a collective investment scheme registered with the Portuguese National Stock Market (Commission Comissão do Mercado de Valores Mobiliários) (CMVM).

This document does not constitute an offer to sell, purchase or subscribe to securities or other assets. The information and estimates contained herein do not constitute investment advice or any other form of recommendation. Detailed information about the fund(s) can be found in the sales prospectus as well as in the articles of association, management regulations or contract conditions, in conjunction with the latest respective audited annual report and semi-annual report, if the latter is published later than the most recent annual report. These documents form the sole binding basis for any purchase. The said documents and the Key Investor Information are available free of charge in English and Portuguese from the respective management company or the custodian/depositary or from agents in those countries where the funds have been licensed for distribution.

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**The units/shares issued by this fund may only be offered for purchase or sold in jurisdictions in which such offer or sale is permitted. Accordingly, the units/shares of this fund may not be offered for purchase or sold neither within the USA nor to or for the account of US citizens or US persons domiciled in the USA. Additionally, the units/shares issued by this fund may not be offered for purchase or sold to "US-Persons" and/ or entities, which are owned by one or more "US-Persons" based on the definitions set out in the "Foreign Account Tax Compliance Act (FATCA)". This document and the information contained herein may not be distributed in the USA. The distribution and publication of this document as well as the offer or sale of the fund's units/shares may also be subject to restrictions in other jurisdictions.**

The latest net asset value (NAV) of the fund can be obtained from the management company's website.

**Past performance is not a reliable indicator of future performance.**

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## CONTACTS FOR INVESTORS

### Paying agent in Portugal

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Praça Marquês de Pombal, 3A - 3º  
1250-161 Lissabon  
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