



# Flossbach von Storch - Global Convertible Bond - RT

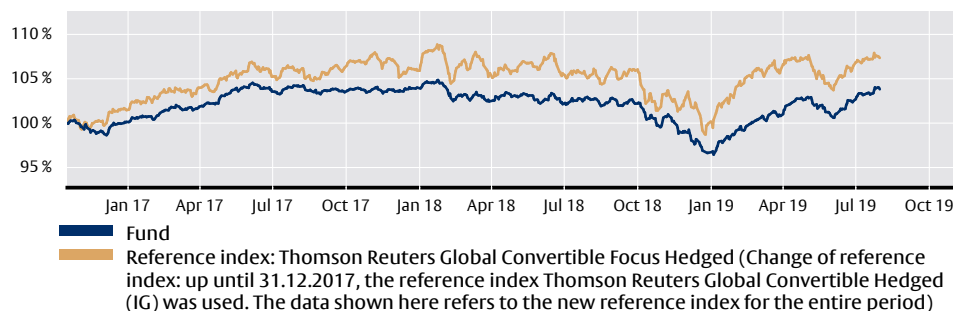
Flossbach von Storch investment sub-fund under Luxembourg law (mutual fund) and authorised for distribution in Portugal.

## 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 17 OCTOBER 2016 (In %)



## ACCUMULATED PERFORMANCE IN EUR (IN %)

	2017	2018	YTD 2019
Funds	+3.85 %	-7.07 %	+7.42 %

Source: Depositary and SIX Financial Information, status: 31.07.19

## 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 July 2019

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## FUND DETAILS

ISIN	LU1481584107
Bloomberg code	FVSGCRT LX
Domicile	Luxembourg
Share class	RT
Fund currency	EUR
Launch date	17 October 2016
Financial year end	30 September
Income utilisation	Accumulating
Authorised for distribution	AT, CH, DE, IT, LU, PT
Fund type	UCITS / FCP
Fund assets	446.73 million EUR
Redemption price	103.82 EUR
Minimum initial investment	none
Minimum subsequent investment	none
Costs <sup>1</sup>	
Ongoing charges	1.50 %
which includes a management fee of	1.38 % p.a.
Performance fee	none
Redemption fee	0.00 %
Exchange commission	up to 3.00 %
(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	2.97 %
2.	1,875% BRENTAG 02.12.2022	2.92 %
3.	2,125% LIBERTY MEDIA 31.03.2048	2.88 %
4.	0,000% RAG-STIFTUNG 02.10.2024	2.72 %
5.	0,750% PALO ALTO NETWORKS 01.07.2023	2.67 %
6.	0,000% SONY 30.09.2022	2.67 %
7.	0,600% DEUTSCHE WOHNEN 05.01.2026	2.34 %
8.	0,500% CELLNEX TELECOM 05.07.2028	2.21 %
9.	0,000% AIRBUS GROUP 14.06.2021	2.21 %
10.	0,500% TOTAL 02.12.2022	2.12 %
		25.71 %

Source: Depositary and Flossbach von Storch, status: 31.07.19

## TOP REGIONS CONVERTIBLES (IN %)

1.	Europe	55.34 %
2.	North America	22.43 %
3.	Japan	8.06 %
4.	Asia ex Japan	3.65 %
5.	Middle East	3.55 %
6.	Other	3.14 %
7.	Africa	2.35 %
8.	Latin America	1.48 %

Source: Depositary and Flossbach von Storch, status: 31.07.19

## MONTHLY COMMENTARY

The corporate reporting season that began in July paled almost into insignificance on the capital markets. Instead, the focus of the market participants was almost exclusively on the adjustments of the major central banks, whose monetary policies are becoming even more expansive. For example, for the first time since the financial crisis, the US Federal Reserve (Fed) lowered its already low key interest rates on the last day of July – by 0.25 percentage points to 2.0 to 2.25 per cent. The Fed thus bowed to pressure from the markets and politics, but did not wish to fully comply with their expectations. The European Central Bank (ECB) proved creative. The EU's inflation target, which is actually defined in its treaties as "below, but close to, two per cent", is now being reinterpreted by the ECB. It now seems to be "symmetrical", with an inflation rate of one per cent being ultimately as desirable or undesirable as that of three per cent. German government bonds (Bunds) with a maturity of up to 23 years had a negative yield and those with 10-year maturities fell below -0.4 per cent – the lowest they have ever been. The euro lost around 2.6 per cent against the US dollar in July. The MSCI World index rose by around 2.8 per cent (in euros). Convertible bonds gained 0.46 per cent in this environment, based on the Thomson Reuters Global Focus Index. Despite its defensive positioning, the Fund's unit price increased more sharply. The Fund benefited from the selection of securities and declining yield levels of government and corporate bonds. The Fund took advantage of this through, amongst other means, the synthetic convertible bonds, whereby corporate bonds are combined with forward transactions (call options). Purchases were made, amongst others, in convertible bonds from Fortive and Sainsbury. In addition, the Fund participated in the new issue from Khazanah Nasional, the Malaysian state fund. By comparison, holdings in Vinci, Carrefour and Polyus were sold.

## KEY FUND FIGURES CONVERTIBLES

average delta	31.18 %
average return	0.03 %
Duration	4.63 years

Source: Depositary and Flossbach von Storch, status: 31.07.19

The portfolio currently contains 70 securities.

## MORE FUNDS DATA

Cash	7.40 %
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Source: Depositary and Flossbach von Storch, status: 31.07.19

## TOP 10 SECTORS CONVERTIBLES (IN %)

1.	Materials	13.75 %
2.	Capital Goods	11.21 %
3.	Transportation	7.44 %
4.	Health Care Equipment & Services	7.43 %
5.	Telecommunication Services	7.04 %
6.	Banks	6.54 %
7.	Software & Services	5.85 %
8.	Media & Entertainment	5.50 %
9.	Real Estate	5.23 %
10.	Semiconductors & Semiconductor Equipment	5.02 %

Source: Depositary and Flossbach von Storch, status: 31.07.19

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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>

The Morningstar Rating shown here is based on a so-called "Track Record Extension". This extension of the performance history implies that a back-calculation has taken place. The performance which is given dates back to before the launch of these sub-funds. The simulated performance corresponds to the methodology which is set out in the relevant Morningstar Extended Performance Methodology Paper. For more information please go to:  
<http://www.morningstar.co.uk/uk/glossary/126106/track-record-extension.aspx>

status: 30.06.19

## FUND MANAGER



### Thorsten Vetter

- » Senior Portfolio Manager at Flossbach von Storch since 2000
- » 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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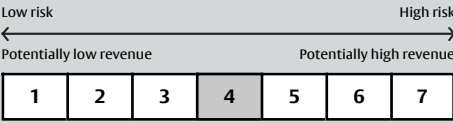
INVESTOR PROFILE

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



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 medium fluctuation, therefore the profit potential and loss exposure may be 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  
Portugal