



# Flossbach von Storch - Bond Opportunities - 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 sub-fund can utilise financial instruments whose value is dependent on the future prices of other assets ("derivatives") for hedging purposes or to increase its assets. The sub-fund is actively managed. The fund manager determines, regularly reviews and, if necessary, adjusts the composition of the portfolio exclusively in accordance with the criteria specified in the investment policy. The performance of the sub-fund is compared against the index as reference. The fund manager is not bound at any time to the index in his investment decision and portfolio composition. Therefore, the performance of the sub-fund may differ significantly from the indicated reference index. 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	2019	YTD 2020
<b>Funds</b>	+4.27 %	-3.00 %	+11.74 %	+6.94 %

Source: Depositary and SIX Financial Information, status: 31.07.20

## 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 2020

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## FUND DETAILS

ISIN	LU1481583711
Bloomberg code	FVSBDR 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, BE, CH, DE, ES, IT, LI, LU, PT
Fund type	UCITS / FCP
Fund assets	3.71 billion EUR
Redemption price	120.38 EUR
Minimum initial investment	none
Minimum subsequent investment	none
Costs <sup>1</sup>	
Ongoing charges	1.04 %
which includes a management fee of	0.93 % 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 distributor)
Subscription fee	up to 3.00 %

## MANAGEMENT COMPANY

Flossbach von Storch Invest S.A.

2, rue Jean Monnet  
2180 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 GUARANTORS (IN %)

1. Republic of Germany	6.83 %
2. Japan	3.34 %
3. Pfandbriefzentrale der schweizerischen Kantonalbanken	3.20 %
4. Danaher Corp.	2.00 %
5. Netflix Inc.	1.97 %
6. Pfandbriefbank schweizerischer Hypothekarinstitute AG	1.95 %
7. British American Tobacco PLC	1.94 %
8. MSCI Inc.	1.93 %
9. Philip Morris International In	1.88 %
10. Porsche Automobil Holding SE	1.82 %
<b>Total</b>	<b>26.86 %</b>

Source: Depository and Flossbach von Storch, status: 31.07.20

The portfolio currently contains 162 securities.

## CREDIT RATING FOR BONDS (IN %)

AAA	20.52 %
AA	9.78 %
A	24.04 %
BBB	33.24 %
BB	10.80 %
NR	1.62 %

Source: Depository and Flossbach von Storch, status: 31.07.20

A simplified ratings scorecard is used when determining the rating. Trends (+/-) are not taken into account in this process. Convertibles are not considered.

## KEY FUND FIGURES

average return	1.21 %
Duration	5.51 years

Source: Depository and Flossbach von Storch, status: 31.07.20

## MONTHLY COMMENTARY

An end to the global Coronavirus pandemic is not in sight. Even if the economic signals recently seemed more positive, the major economies reported partly disastrous growth figures for the second quarter. In the USA, Germany and France, gross domestic product fell by a double-digit percentage compared with the previous quarter. Yields on 10-year German government bonds and US Treasuries continued to fall; at the same time, risk premiums on corporate bonds fell, both for securities with good credit ratings and for issuers with weaker ratings. Both effects led to a positive price development for bonds, especially for corporate bonds. Our focus on long-term corporate bonds and individual ideas (such as inflation-protected Italian government bonds) paid off in this environment, and the Fund price continued to rise. However, the risk-return profiles of individual positions have become less attractive in view of the price gains. We therefore decided to reduce duration and credit risks towards the end of the reporting period also by using options that had become more attractive again and to build up liquidity. This provides us with sufficient flexibility to react to market changes and take advantage of opportunities. We purchased Japanese government bonds with maturities of 20 and 30 years and, following the addition of Swiss mortgage bonds last month, we again slightly increased the diversification within the Fund.

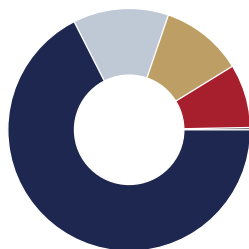
## TOP 10 SECTORS (IN %)\*

1. Consumer Staples	17.47 %
2. Consumer Discretionary	15.95 %
3. Health Care	12.74 %
4. Real Estate	11.16 %
5. Communication Services	10.96 %
6. Financials	9.18 %
7. Information Technology	9.00 %
8. Industrials	6.88 %
9. Energy	4.60 %
10. Materials	2.06 %
<b>Total</b>	<b>100.00 %</b>

Source: Depository and Flossbach von Storch, status: 31.07.20

\* refer to corporate bonds

## ASSET ALLOCATION (IN %)



Source: Depository and Flossbach von Storch, status: 31.07.20

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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: 30.06.20

## FUND MANAGER



Frank Lipowski

- » Portfolio Manager and Analyst at Flossbach von Storch since 2009
- » Portfolio management and execution desk at Partners Group AG, Switzerland (2007 - 2008)
- » Portfolio management trainee at Lupus alpha Asset Management GmbH, Frankfurt (2003 - 2007)
- » Obtained a degree in Business Administration at the Frankfurt School of Finance & Management and the University of Colorado (2003 - 2007)





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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).

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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.

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## CONTACTS FOR INVESTORS

### Paying agent in Portugal

BEST - Banco Electrónico de Serviço Total, SA  
Praça Marquês de Pombal, 3A - 3º  
1250-161 Lissabon  
Portugal