



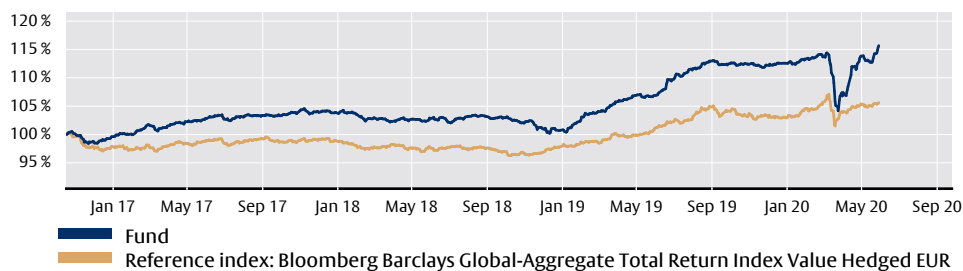
# Flossbach von Storch - Bond Opportunities - RT

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
Funds	+4.27 %	-3.00 %	+11.74 %	+2.75 %

Source: Depositary and SIX Financial Information, status: 31.05.20

## 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 May 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	2.88 billion EUR
Redemption price	115.67 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	4.37 %
2. Italian Republic	3.43 %
3. Philip Morris International In	2.54 %
4. Porsche Automobil Holding SE	2.41 %
5. Booking Holdings Inc.	2.30 %
6. MSCI Inc.	2.27 %
7. Microsoft Corp.	2.26 %
8. British American Tobacco PLC	2.13 %
9. Altria Group Inc.	2.05 %
10. Netflix Inc.	2.04 %
Total	25.80 %

Source: Depository and Flossbach von Storch, status: 31.05.20

The portfolio currently contains 155 securities.

## TOP 10 SECTORS (IN %)\*

1. Food, Beverage & Tobacco	15.82 %
2. Automobiles & Components	11.32 %
3. Diversified Financials	9.19 %
4. Software & Services	8.63 %
5. Real Estate	7.80 %
6. Health Care Equipment & Services	6.30 %
7. Materials	5.50 %
8. Pharmaceuticals, Biotechnology & Life Sciences	5.49 %
9. Consumer Durables & Apparel	4.77 %
10. Telecommunication Services	4.70 %
Total	79.52 %

Source: Depository and Flossbach von Storch, status: 31.05.20

\* refer to corporate bonds

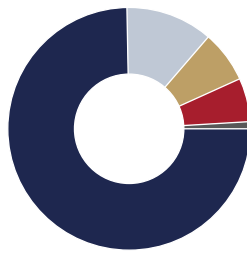
## CREDIT RATING FOR BONDS (IN %)

AAA	16.46 %
AA	7.61 %
A	21.82 %
BBB	39.69 %
BB	12.24 %
NR	2.18 %

Source: Depository and Flossbach von Storch, status: 31.05.20

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

## ASSET ALLOCATION (IN %)



- 74.70 % Corporate bonds
- 11.61 % Government bonds
- 6.92 % Covered Bonds
- 5.81 % Cash
- 0.95 % Other (incl. derivatives)

Source: Depository and Flossbach von Storch, status: 31.05.20

## KEY FUND FIGURES

average return	1.85 %
Duration	5.00 years

Source: Depository and Flossbach von Storch, status: 31.05.20

## MONTHLY COMMENTARY

The number of Coronavirus infections in Western Europe has been declining. In addition, there are hopes that a vaccine will soon be available and that the economy will recover supported by a flood of money from central banks and governments. In our opinion, the market is taking a very positive view of the situation – possibly too positive. This is because the real economy looks bleak and the distortions are only gradually becoming visible in the balance sheets. On the bond market, optimism led to falling credit spreads for corporate bonds from mid-May onwards. Due to our less optimistic view of the market, we only invested moderately in riskier bonds. However, our more offensive approach to credit duration – i.e. our focus on longer-dated bonds of high-quality borrowers – ensured that we were nevertheless able to benefit from falling risk premiums. The narrowing of credit spreads was naturally less pronounced in absolute terms, but the leverage of duration ensured a positive performance. The slight rise in interest rates hardly affected the Fund price at all due to our hedging via various futures contracts (government bond futures). The overall duration, taking into account these derivatives, remained mostly below five years in May. In the course of the month, we reduced the portfolio of eurozone corporate bonds and increased the proportion of securities denominated in US dollars. In addition, we took advantage of new US issues (especially in the first half of the month), while selectively taking profits on eurozone securities. We ensured that the Fund had sufficient liquidity to maintain our flexibility in these challenging times. The tactical build-up of a position in Italian government bonds in April had a positive effect. To this end, we mainly used futures, which we sold successively in May or switched in part to inflation-protected Italian government bonds. At the end of the month we reduced this position significantly.

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## AWARDS

Morningstar Rating™ overall\*: ★★★★★

\* Morningstar Rating™ overall: © (2020) Morningstar Inc. All rights reserved. The information contained herein: (1) is protected by copyright for Morningstar and / or its content providers; (2) may not be copied or distributed, and (3) is not guaranteed with regard to its accuracy, completeness, or timeliness. Neither Morningstar nor its content providers are liable for any damages or losses that may result from the use of this information. Ratings refer to the previous month.

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: 30.04.20

## 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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## OPPORTUNITIES

- + Participate in global bond market growth.
- + Income can be generated from regular interest payments.
- + Active interest rate, currency and risk management (e.g. from the use of derivatives).

## RISKS

- 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.
- Investing in bonds may entail price risks, especially in case of rising interest rates on the capital markets.
- 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).

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
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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.

The information contained and opinions expressed in this document reflect the views of Flossbach von Storch at the time of publication and are subject to change without prior notice. Forward-looking statements reflect the judgement and future expectations of Flossbach von Storch. Actual performance and results may, however, differ materially from such expectations. All information has been compiled with care. However, no guarantee is given as to the accuracy and completeness of information and no liability is accepted. The value of any investment can fall as well as rise and you may not recoup the amount you invested. In connection with the brokerage of fund units/shares, Flossbach von Storch and/or its distribution partners may receive reimbursements from costs charged to the fund by the management company in accordance with the relevant sales prospectus. The tax treatment of the investment depends on the investor's personal circumstances and may be subject to change. For more information please consult your professional tax adviser.

**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  
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Portugal