

MIDAS - Bond Opportunities B - Acc

Monthly summary report | as at 31 January 2017

Investment Objective

The fund seeks to achieve capital appreciation over the medium term by investing in a diversified portfolio of Euro-denominated fixed income securities (investment-grade corporate bonds, government bonds, high yield and emerging market debt as well as convertible bonds). The main focus is put on bottom-up selection. Interest rate as well as credit risks are managed actively.

Latest Update

NAV per share	125,49
2017 year-to-date return as at 31 January 2017	0,30%

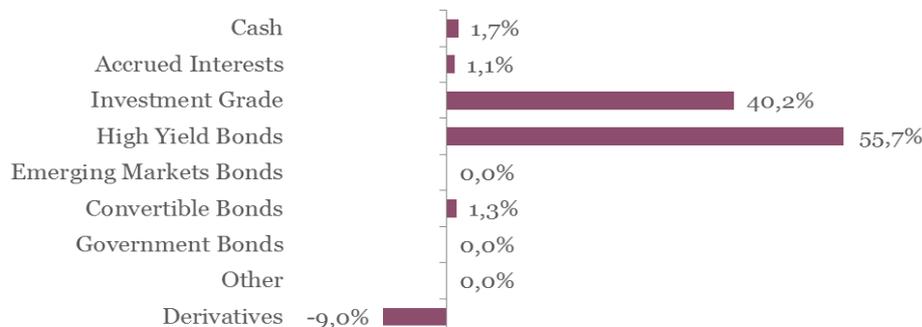
Performance

	1M	YTD	2016	2015	2014	3Y	5Y
Midas Bond Opp.	0,30%	0,30%	4,11%	0,01%	4,30%	8,15%	27,57%

Fund key facts

Inception date *	17 September 2010
ISIN code	LU0541880133
Asset class	Bonds in EUR
Total fund assets	€ 161 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0,75%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

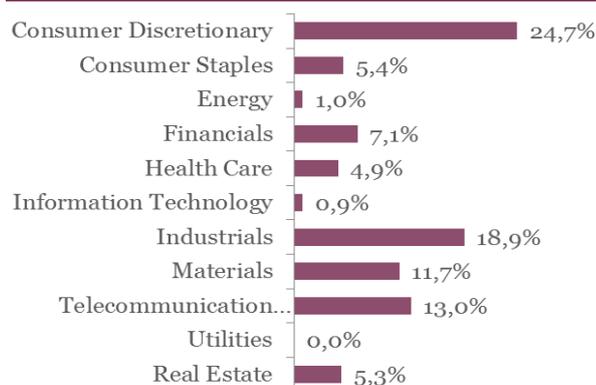
Asset Allocation



Top 10 bond holdings

	YTM	Rating	Weight
BISOHO SAS : SMCPPF 5 7/8 05/01/23	3,4%	B	2,7%
THOMAS COOK FINA : TCGLN 6 3/4 06/15/	4,1%	B	2,6%
ILIAD : ILDFP 2 1/8 12/05/22	1,4%	NR	2,6%
ALTICE LX : ATCNA 7 1/4 05/15/22	2,9%	B	2,0%
HP PELZER : PELHOL 7 1/2 07/15/21	0,9%	B+	2,0%
BOMBARDIER INC : BBDBCN 6 1/8 05/15/2	4,6%	B-	2,0%
WIND ACQ : WINDIM 7 04/23/21	2,9%	B	1,9%
INEOS GROUP HOLD : INEGRP 5 3/8 08/01	4,8%	B-	1,9%
BUNGE FINANCE EU : BG 1.85 06/16/23	1,4%	BBB	1,9%
EUROFINS SCIEN : ERFFP 2 1/4 01/27/22	1,9%	NR	1,9%

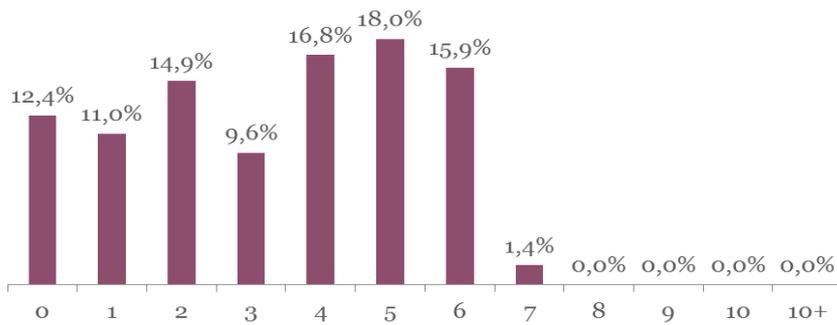
Sector breakdown



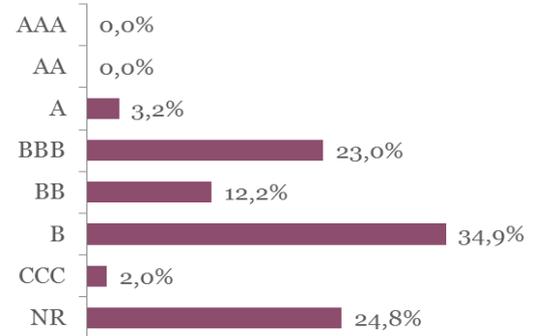
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Duration breakdown



Rating breakdown



Top funds holdings

Threadneedle European High Yield	High Yield Bonds	3,1%
M Convertibles	Convertible Bonds	1,3%

Market Review

The beginning of the year was marked by the inauguration of Donald Trump and his first acts. Overall, the macro economic data has continued to be strong in the US, but improvements were also notable in Europe and Japan as investments picked up and domestic demand remained strong. We have also seen a positive set of numbers coming out of China as industrial output picked up and domestic demand stayed robust.

Fixed Income markets continued to be choppy as interest rates remained under pressure. German government bonds extended their drop as interest rates moved from 0.2% to 0.43%. However, most notable moves were seen in France and Italy where political risks are most profound. In France, the latest developments surrounding the upcoming election have pushed 10-year rates to 1% creating a spread versus German bonds last seen three years ago. In Italy, bad loans issues, high indebtedness as well as uncertainty surrounding potential elections have propelled interest rates to 2.25%.

High Yield Bonds outperformed with the iBoxx High Yield Index gaining 0.57% while Investment Grade bonds suffered in parallel with Government Bonds losing 0.84%.

Portfolio Performance

The Fund has gained 0.3% in January despite rising interest rates. Our High Yield bonds has been the main contributor to the positive performance. Furthermore, we have significantly reduced our duration profile with hedging position, bringing it down to 2.7.

Market Outlook

Trump's supposedly supportive economic policies are expected to have a positive effect on growth and inflation leading us to remain prudent on duration. Furthermore, recent strong macroeconomic data and first corporate earnings releases have created a positive environment for financial markets. As such we keep a positive stance on corporate credit and mainly the High Yield part of the market with overall low duration.

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* Performance has been calculated since inception on the 17th of September 2010 of Expert Investor Sicav Midas Bond Opportunities Fund which merged into Midas Sicav Bond Opportunities Fund on the 1st of August 2016.