

MIDAS - Bond Opportunities B - Acc

Monthly summary report | as at 31 May 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	128.98
2017 year-to-date return as at 31 May 2017	3.09%

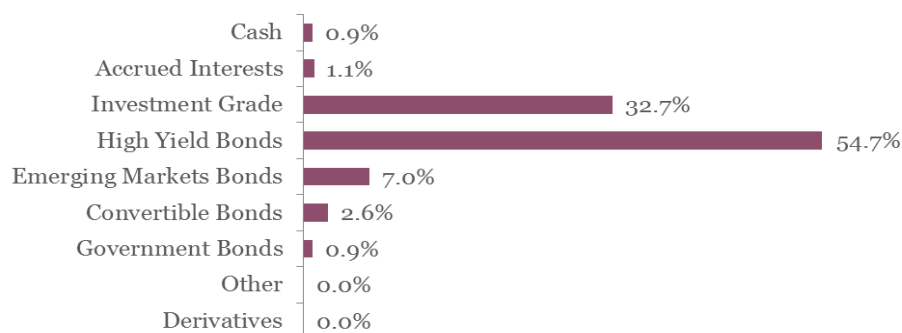
Performance

	1M	YTD	2016	2015	2014	3Y	5Y
Midas Bond Opp.	0.91%	3.09%	4.11%	0.01%	4.30%	6.75%	28.34%

Fund key facts

Inception date *	17 September 2010
ISIN code	LU0541880133
Asset class	Bonds in EUR
Total fund assets	€ 155 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0.75%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

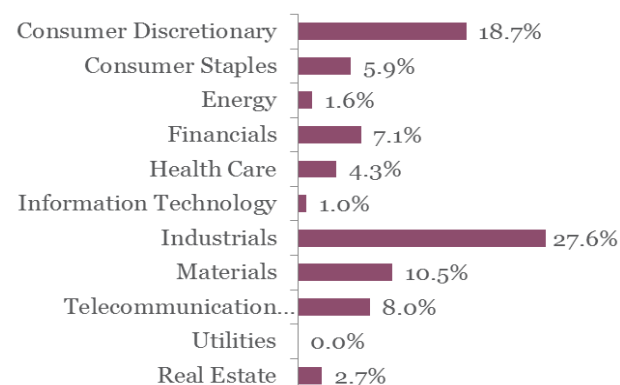
Asset Allocation



Top 10 bond holdings

	YTM	Rating	Weight
BISOHO SAS : SMCPPF 5 7/8 05/01/23	2.3%	B	2.8%
TELECOM ITALIA : TITIM 2 1/2 07/19/23	1.6%	BBB-	2.7%
ILIAD : ILDFP 2 1/8 12/05/22	1.2%	NR	2.7%
ITV PLC : ITVLN 2 1/8 09/21/22	1.2%	BBB-	2.7%
ATF NETHERLANDS : ALATPF 2 1/8 03/13/	1.4%	BBB	2.7%
EUROFINS SCIEN : ERFFP 2 1/4 01/27/22	1.4%	NR	2.7%
AMER INTL GROUP : AIG 1 1/2 06/08/23	1.1%	BBB+	2.6%
BOLLORE SA : BOLFP 2 01/25/22	1.7%	NR	2.6%
BUREAU VERITAS : BVIFP 1 1/4 09/07/23	1.2%	NR	2.6%
ALTICE LX : ATCNA 6 1/4 02/15/25	3.5%	B	2.1%

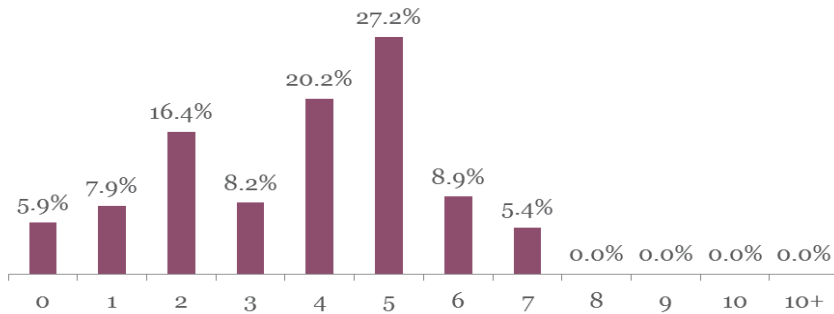
Sector breakdown



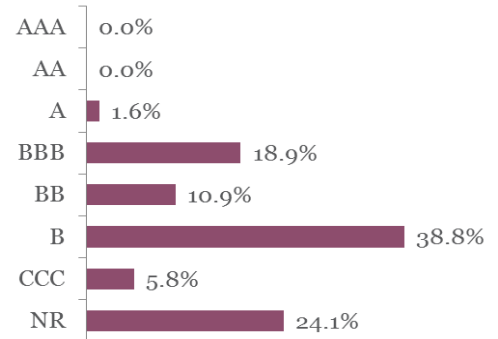
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Duration breakdown



Rating breakdown



Top funds holdings

Ashmore Emerging Markets Short Duration	Emerging Markets Bonds	7.0%
MM Convertible Europe	Convertible Bonds	2.6%

Market Review

Despite slowing momentum in the USA and some emerging markets, global growth remained solid overall. European data confirmed the continuous improvement of its economic environment. Political risks in Europe diminished strongly as well after the French presidential elections gave victory to Mr. Macron, discarding the possibility of an extremist Europe-sceptic government. Risk appetite was strong with High Yield bonds performing well (+0.78% for the iBoxx High Yield Index). Investment Grade bonds performed also positively as credit spreads narrowed across the board (+0.42% for the iBoxx Corporate Index). Spreads between the periphery and the core continued to contract.

Portfolio Performance

The Fund gained 0.91% in May. Performance was driven by further spread compression both in Investment Grade and High Yield bonds on the one hand, and solid corporate earnings of most of our holdings on the other hand. During the month, we have reduced Investment Grade bonds by 4% in favor of higher yielding short duration Emerging Market bonds. The duration profile stood at 3.6 at the end of the month.

Market Outlook

Despite some weakness in the first quarter coming from the US, the global macro-economic environment remains healthy. Recent corporate earnings across the globe were reassuring in all developed countries. As we expect the first quarter weakness in the US to be just temporary we intend to maintain our high yield exposure at elevated levels.

Recently, inflation numbers were lower than estimated in both the euro-zone and in the US, so it will be interesting to hear whether Mr. Draghi will take into account improving economic conditions and will start changing his tone in one of the next ECB meetings. As there is a risk of rates moving higher, we continue to keep duration in check.

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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.