MIDAS - Bond Opportunities I - Acc

Monthly summary report | as a 31 March 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	101.48
2017 year-to-date return as at 31 March 2017	1.05%

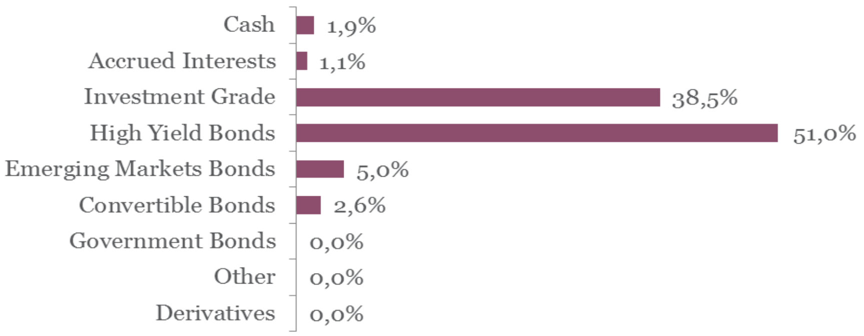
Performance

	1M	YTD	3M	2016	2015	3Y	5Y
Midas Bond Opp.	-0.04%	1.05%	1.05%				

Fund key facts

Inception date	31 August 2016
ISIN code	LU1452411033
Asset class	Bonds in EUR
Total fund assets	€ 155 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	0.50%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

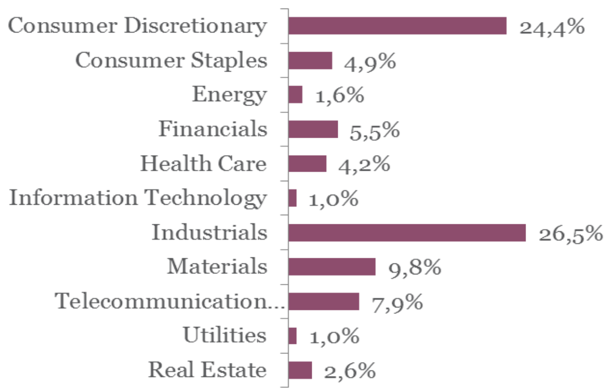
Asset Allocation



Top 10 bond holdings

	YTM	Rating	Weight
BISOHO SAS : SMCPFP 5 7/8 05/01/23	3.4%	B	2.8%
THOMAS COOK FINA : TCGLN 6 3/4 06/15/	2.7%	B	2.7%
ILIAD : ILDFP 2 1/8 12/05/22	1.2%	NR	2.7%
ITV PLC : ITVLN 2 1/8 09/21/22	1.3%	BBB-	2.7%
EUROFINS SCIEN : ERFFP 2 1/4 01/27/22	1.7%	NR	2.6%
ATF NETHERLANDS : ALATPF 2 1/8 03/13/	1.8%	BBB	2.6%
AMER INTL GROUP : AIG 1 1/2 06/08/23	1.2%	BBB+	2.6%
TELECOM ITALIA : TITIM 2 1/2 07/19/23	2.2%	BBB-	2.6%
BOLLORE SA : BOLFP 2 01/25/22	1.9%	NR	2.6%
BUREAU VERITAS : BVIFP 1 1/4 09/07/23	1.2%	NR	2.6%

Sector breakdown

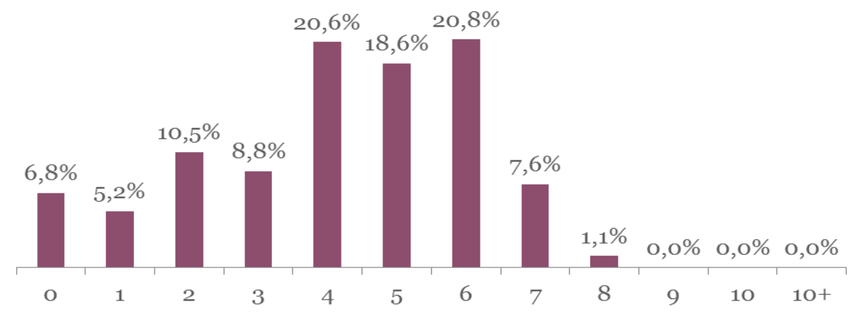


Midas Wealth Management S.A. 26A, Boulevard Royal L-2449 Luxembourg
Tel +352 2629 4641 Fax +352 2629 4640 www.midas-wealth-management.com

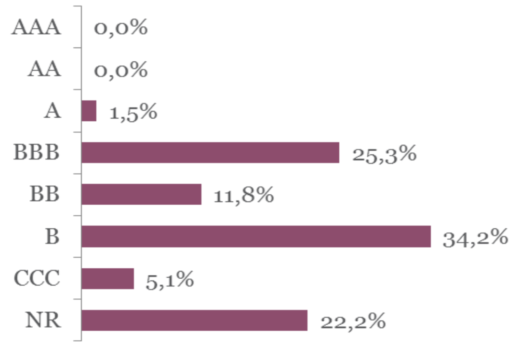
MIDAS - Bond Opportunities I - Acc

Monthly summary report | as a 31 March 2017

Duration breakdown



Rating breakdown



Top funds holdings

Ashmore Emerging Markets Short Duration	Emerging Markets Bonds	5.0%
MM Convertible Europe	Convertible Bonds	2.6%

Market Review

The first quarter is behind us and we can fairly state that the trend initiated after the Trump election is still very much alive. While some panic was felt after the failed health care reform and Trump's credibility getting beaten down, investors kept faith in the Trumponomics's reflation trade. The American economy is expanding and as expected, the Federal Reserve has raised interest rates. In Europe, strong macro-economic data has eclipsed political risks. The fixed income market was particularly sensitive as interest rates increased for all countries and across the yield curve. The market went as far as to start speculating on the ECB's exit strategy from the highly loose monetary policy. Consequently, the Citi Euro Investment Grade Bond index lost 0.52% in March. Even High Yield bonds corrected in March with the iBoxx High Yield index losing 0.18%.

Portfolio Performance

The Fund was down 0.04% during the month. All segments of the fixed income market were hit by a rise in interest rates, but we have managed to limit the impact thanks to our duration hedges and bottom up bond picking. During the month, as interest rates rose, we have decided to cut our duration hedges and to bring the duration to 4. At the same time we have increased Investment Grade Corporate bonds from 36% to 39% by reducing High Yield and Emerging Market debt to get a more balanced risk profile.

Market Outlook

So what can we expect in the second quarter? While there is still a lot of unknowns surrounding Trump's future policy success, one thing is sure: markets will remain highly sensitive to that topic. The European political scene will also be active with the upcoming French presidential elections. Bottom line is, the second quarter will be loaded in events and markets could get wobbly. We acknowledge this and have already slightly reduced the risk profile of the portfolio. However, given the strong macro-economic background and further cycle synchronization across the globe we remain overall constructive on High Yield Corporate Credit and see any Q2 correction as an opportunity to increase exposure again.

Midas Wealth Management S.A. 26A, Boulevard Royal L-2449 Luxembourg
Tel +352 2629 4641 Fax +352 2629 4640 www.midas-wealth-management.com