

# MWM SICAV - Bond Opportunities A - Acc

Monthly summary report | as at 31 July 2020



## Investment Objective

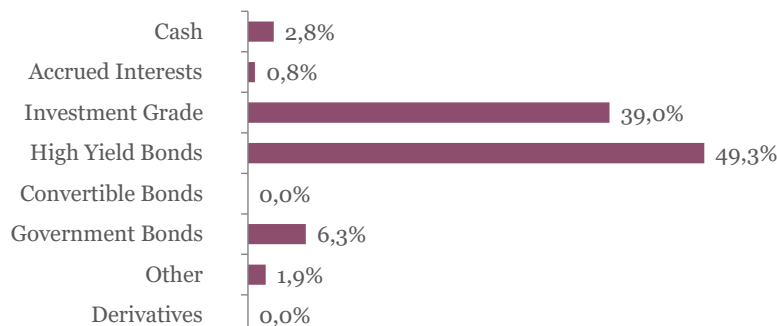
The fund seeks to achieve capital appreciation over the medium term by investing in a diversified portfolio of fixed income securities (investment-grade corporate bonds, government bonds, high yield and emerging market debt as well as convertible bonds). The main focus is put on bottom-up selection.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

Latest Update		Performance	1M	3M	YTD	2019	2018	2017	5Y
NAV per share	110,20	Bond Opportunities A	0,77%	4,59%	-4,35%	6,82%	-5,13%	4,63%	2,89%
2020 year-to-date return as at end of July 2020	-4,35%								

## Fund key facts

Inception date	25 November 2013
ISIN code	LU0927887504
Asset class	Bonds in EUR
Total fund assets	€ 108 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	1,03%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

## Asset Allocation



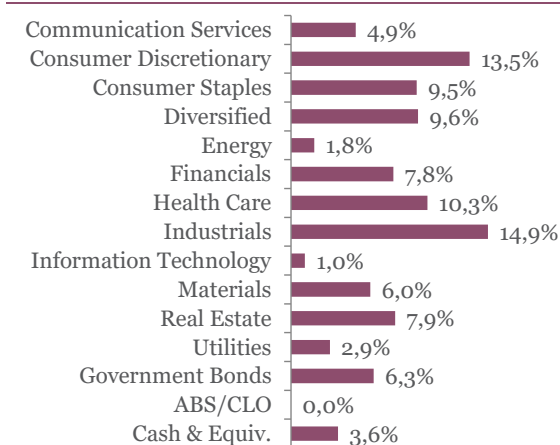
## Currency breakdown

	EUR	USD	JPY
Exposure	90,2%	5,0%	4,8%

## Top 10 bond holdings

	YTM	Rating	Weight
US TREASURY N/B : T o 1/8 06/30/22	0,1%	AA+	3,2%
BTPS : BTPS 2 1/2 11/15/25	0,5%	BBB-	3,1%
BANQ FED CRD MUT : BFCM 1 5/8 11/15/2	1,2%	BBB+	2,4%
ISS GLOBAL A/S : ISSDC 1 1/2 08/31/27	1,1%	BBB	2,4%
SEB SA : SKFP 1 3/8 06/16/25	1,2%	NR	2,3%
WHIRLPOOL EMEA : WHR o 1/2 02/20/28	1,2%	BBB	2,2%
AB INBEV SA/NV : ABIBB 1 1/8 07/01/27	0,4%	BBB+	2,0%
GRAND CITY PROP : GYCGR 1 1/2 02/22/2	0,8%	BBB+	1,9%
FEDEX CORP : FDX 1 5/8 01/11/27	1,0%	BBB	1,9%
SIG COMBIBLOC PU : SIGCBL 2 1/8 06/18/	1,6%	BB	1,9%

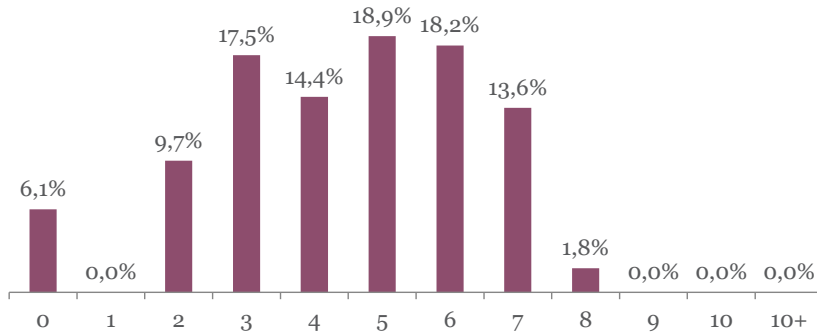
## Sector breakdown



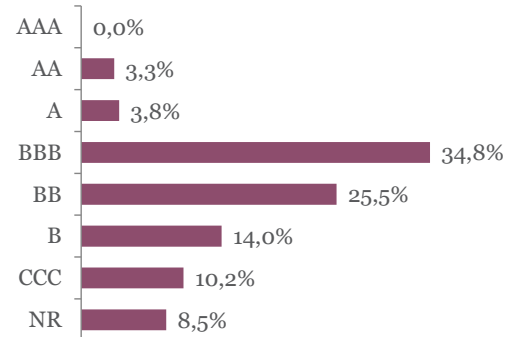
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## Duration breakdown



## Rating breakdown



## Top funds holdings

ISHARES EURO HY	High Yield Bonds	9,6%
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## Market Review

Fixed income markets posted positive returns in July. The 10Y Bund declined to a 3-month low of -0.54% (-9 bps). In the wake of a potential second wave of coronavirus, investors' attention turned towards safety assets. The 10Y US Treasury shifted similarly and reached an all-time low of 0.52%. A move supported by the Fed that extended most of its emergency lending programs until the end of the year. Peripheral bonds also posted strong performance. Spread tightened to lowest levels since February, as the ECB maintained the pace of monetary easing. The Italian spread vs bund declined by 21 bps to 153 bps. Despite economic uncertainties and weak equity performance, corporate bonds posted positive returns (IG +1,52%, HY +1,51%). In addition to positive yield effect, spreads tightened (Bloomberg Barclays indexes: IG -21 bps, HY -37 bps) as investors bought on prolonged quantitative easing programs.

## Portfolio Performance

The fund gained 0,77% in July. Both investment grade and high yield bonds contributed positively. Most bonds traded higher, especially Loxam, ISS, EDF Perp, Sanef, AB InBev, Sotheby's, Iqvia, Spie, Eurofins and Dometic. On the contrary, Mohawk, Casino, Kernel and Santander Perp declined. Foreign currencies (USD and JPY) performed negatively. The EUR currency was strong after European countries reached an agreement on a stimulus deal. During July, we reduced USD and JPY exposure due to the strong EUR performance. We lowered EMD, including Stillwater and Kernel after strong recent returns. We also sold Mohawk following fraud allegations. Additionally, we bought robust IG (Merck, Siemens, Linde) and HY (Spie, Rexel, Dometic) names. We were active on the primary market (Inwit, Parts Europe).

## Market Outlook

The situation remains in balance with, on the one hand, uncertainties around the coronavirus pandemic and, on the other hand, boundless monetary and fiscal support. As a consequence, we maintain a balanced mix of investment grade and high yield bonds, with a moderate duration.

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\* Performance has been calculated since inception on the 25th of November 2013 of Expert Investor Sicav Midas Bond Opportunities Fund which merged into Midas Sicav Bond Opportunities Fund on the 1st of August 2016.