

BlueOrchard UCITS - Emerging Markets SDG Impact Bond Fund Class I Shares

Investor Update as of 28 February 2019

FEBRUARY HIGHLIGHTS

Emerging Market credit spreads tightened in February with JPM EMBI spreads reducing from 378 in January to 361 bps. Credits are benefiting from an economic environment which is neither strong enough to argue for higher rates nor weak enough to lead to a repricing of debt in view of higher default probabilities. The more stable rate and risk appetite environment is making carry trade strategies more attractive and is benefiting Emerging Market bonds in general. Nevertheless, there have been a number of idiosyncratic risks affecting the market, including the Eskom bailout in South Africa, the Petroleos Mexicanos bailout in Mexico, the political situation in Thailand and the military tensions between Pakistan and India. All these events created dispersion, advocating for a strong focus on active country selection.

PERFORMANCE

Net Asset Value (NAV) in USD				212,1	55,551
	CHF	USD	EUR	GBP	SEK
Share Value (Class I Shares)	100.09	100.69	-	-	-
Monthly return	0.41%	0.69%	-	-	-
Return on investment YTD	1.33%	0.69%	-	-	-
Since inception (annualized)	0.25%	9.38%	-	-	-
Since inception (total return)	0.09%	0.69%	-	-	-
Inception date Class I	Oct 18	Jan 19	_	_	_

MONTHLY PERFORMANCE

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19
CHF share class*	0.91%	0.41%										
USD share class	-	0.69%										

^{*} Hedged against USD

ANNUAL PERFORMANCE 1)

	2018*	2019*	2020	2021	2022	2023	2024	2025	2026	2027	2028
CHF share class*	-1.22%	1.33%									
CHF LIBOR 6 months	-0.13%	-0.10%									
USD share class*	-	0.69%									
USD LIBOR 6 months	_	0.21%									

^{*} YTD as of 28 February 2019.

FUND FACTS

Average exposure per issuer	1.71%
Portfolio weighted interest duration (years)	1.71
Portfolio weighted credit duration (years)	3.07
Yield*	3.62%
Number of countries	21
Number of issuers	61
Number of positions	79
Cash & equivalent	6.80%

^{*}Does not include share class hedging costs

FUND STATISTICS 1)

Annualized return	9.38%
Average monthly return	0.69%
Best month (Feb 2019)	0.69%
Worst month (Feb 2019)	0.69%
Volatility	na
Sharpe Ratio	na
Correlation with MSCI World	na
Correlation with JPM EMBI Global	na

Luxembourg UCITS SICAV

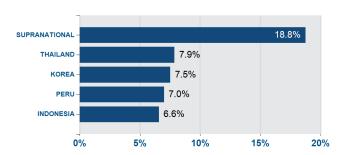
¹⁾ Since fund inception



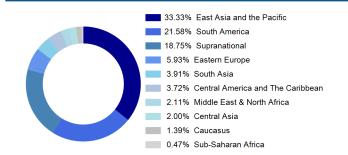
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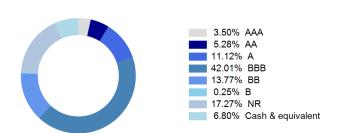
TOP 5 COUNTRIES (AS % OF TOTAL ASSETS)



EXPOSURE BY REGION (AS % OF TOTAL ASSETS)



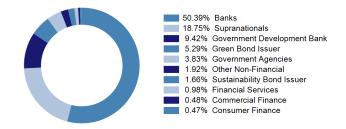
RATING (AS % OF TOTAL ASSETS)



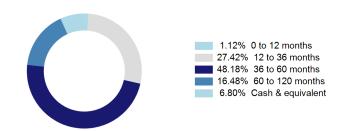
TOP 5 HOLDINGS (AS % OF TOTAL ASSETS)

AFRICAN EXPORT-IMPORT BANK	Supranational	3.63%
AFRICAN DEVELOPMENT BANK	Supranational	3.50%
PKO BNK POLSKI (PKO FIN)	Poland	3.43%
BANK RAKYAT INDONESIA	Indonesia	3.33%
PERUSAHAAN PENERBIT SBSN	Indonesia	3.25%

EXPOSURE BY SECTOR (AS % OF TOTAL ASSETS)



EXPOSURE BY MATURITY (AS % OF TOTAL ASSETS)



PORTFOLIO HIGHLIGHT

The Korean Small and Medium Business Corporation (SBC) is a South Korean bank exclusively focusing on the financing and development of local SMEs. SBC supports Korean SMEs through customized services which enhance their competitiveness. It focuses specifically on businesses which are creating job opportunities and supporting youth entrepreneurship. Through its activities, the bank is contributing to SDG 1 (no poverty), SDG 8 (decent work and economic growth) and SDG 10 (reduced inequalities).

CONTRIBUTION TO THE SDGs*











For additional information, please contact:

BlueOrchard Finance Ltd. Business Development:

investor@blueorchard.com



+41 44 441 55 51

^{*}Sustainable Development Goals of the United Nations