

### An opportunistic access to international corporate debt markets

Launched in April 2015, IVO Fixed income is a specialized UCITS Fund, investing in corporate bonds in which the manager has his strongest risk/return convictions, either because a revaluation on the price is expected or because there is attractive yield for a given amount of risk. Opportunistic exposure to different segments of corporate debt, ranging from Investment Grade to High Yield, and USD-denominated bonds to EUR-denominated bonds. The hedging instruments aim at reducing the currency risk to a maximum of 30% USD exposure. The approach "Good companies/Bad Country" enables us to combine Value and quality in our investments.

### Fund performance review

In June the fund appreciated by 1.5%, underperforming the JPM CEMBI HY + index (+2.0% in EUR) and the IBOXX Liquid High Yield index (+2.3% in EUR).

The Fed's accommodating message, which could lower its key rate by the end of the year, continues to support the international bond markets, which have just completed one of the best semesters in their history.

Regarding emerging markets, credit spreads on CEMBI HY + narrowed by 35 bps in June. The best performances are to be put to the credit of Turkey (-145 bps) as the economic situation is normalized and the opposition finally won the local elections in Istanbul, and Ukraine (-143 bps) while the new president reiterated his commitment to cooperate with the IMF and that a new program could be launched by the end of the year.

In Argentina, the political game continues and the surprise alliance of President Macri with the moderate peronist Pichetto, which expands the base of potential voters of the outgoing president for the November elections, has been well received by the markets.

In the Arabian Gulf, tensions between Iran and the United States have worsened following the destruction of an American drone by the Iranian military, with the result that oil prices slightly increased compared with the end of May, with moderate effects on the credit spreads of the oil services sector issuers.

While the fund IVO Fixed Income had finished the month of May outperforming against the indices in a bearish context, it presents this month a slightly lower performance, especially because of its lower duration.

Regarding strategy, we marginally increased our exposure to Brazil, the UAE and Turkey on idiosyncratic opportunities. In Argentina, we keep our exposure stable and continue our arbitrage to optimize the risk / return profile of the allocation. The credit spreads on high-yield issuers in emerging countries continue to oscillate around the symbolic 500 bps mark during the month (492 bps at the end of June vs. 527 bps at the end of May), in the high range of the 3 last years. This is a relatively attractive level on historical bases but it should be noted that this spread is partially offset by the recent decline in US sovereign rates that continues. This is why we are maintaining the fund's duration at a relatively conservative level for the time being and continue our opportunistic strategy, taking advantage of our geographic flexibility to capture opportunities when they arise, whether on macro stress or idiosyncratic themes. The fund's yield including cash is currently 6.5% in euros net of hedging, for a duration of 2.7 years.

In June, the best contributor to the fund's performance has been the 2021 bond of CGC, a hydrocarbon company in Argentina, which benefited from the credit spread reduction for all issuers in the country as well as obtaining a \$ 75 million bank loan that strengthened the company's liquidity and reassured its ability to obtain financing in adverse market conditions.

Regarding the main transactions of the month, we initiated a position on the 2022 bond recently issued by the financial services firm in Africa Bayport, which provides loans to individuals against payroll deduction, a moderately risky activity that allows them to display low non-performing loan levels while maintaining attractive profitability. The company also benefits from the support of strong shareholders with international investment funds with recognized experience in emerging countries (Swedish Kinnevik and English Helios in particular), which guarantee an adequate level of governance.

### MONTHLY PERFORMANCE

	Jan.	Fév.	Mar.	Avr.	Mai	Jui.	Jui.	Aoû.	Sep.	Oct.	Nov.	Déc.	YTD
2019	+2,6%	+1,8%	+0,6%	-0,1%	+0,4%	+1,5%	-	-	-	-	-	-	<b>+6,9%</b>
2018	+0,5%	-1,0%	+0,4%	+0,4%	-1,9%	-0,5%	+1,2%	-1,7%	+1,2%	+0,1%	-1,4%	-1,5%	<b>-4,2%</b>
2017	+2,1%	+1,8%	+0,7%	+1,4%	+0,5%	+0,4%	+0,8%	+1,1%	+0,9%	+0,1%	+0,2%	+0,3%	<b>+10,7%</b>
2016	-3,2%	+2,0%	+4,4%	+2,3%	+1,3%	+1,5%	+2,0%	+1,8%	+1,2%	+1,5%	+0,7%	+2,1%	<b>+19,4%</b>
2015	-	-	-	-	+2,9%	-2,1%	-2,8%	-3,2%	-5,2%	+3,9%	+1,5%	-4,3%	<b>-9,2%</b>

### KEY FIGURES

	LU1165644672
Inception Date	April 24, 2015
NAV as of 28-06-19	122,86
Fund Net Assets	314,6M€
Overall Morningstar™ Rating *	★★★★★
Quantalys Rating*	★★★★★

### RETURN

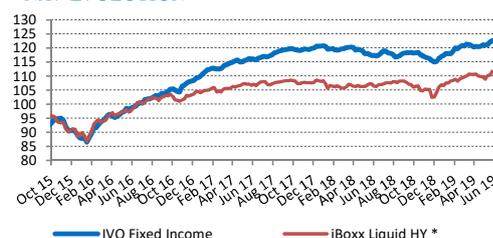
	Bonds part	Fund
Yield to maturity* (EUR)	10,2%	9,4%
Yield to worst* (EUR)	9,9%	9,2%
Adjusted yield** (EUR)	7,1%	6,5%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

### FUND PERFORMANCES & RISK

Performance MTD	+1,5%
Performance YTD	+6,9%
Annualized 3 years performance	+7,4%
Annualized 3 years volatility	+2,9%

### NAV EVOLUTION



Sources: IVO Capital Partners - Bloomberg  
Past performances does not guarantee future performances  
\*Hedging costs included : Bloomberg 1Y EURUSD Forward

### FUND CHARACTERISTICS

ISIN Code (R):	LU1165644672
Bloomberg Ticker:	Ivocapr LX Equity
Fund Currency:	EUR
Inception Date:	April 24, 2015
Managers:	Roland Vigne and Michael Israel
Structure:	Luxembourg Sicav
Fund Category:	Capitalisation UCITS
Liquidity:	Weekly - Valuation: Daily
Investment Horizon:	At least 3 years
Investment Manager:	IVO Capital Partners
Custodian:	Société Générale
Auditor:	Deloitte

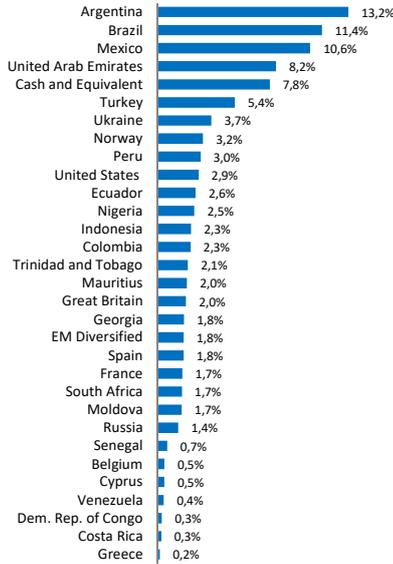
### OPERATING PROCEDURES

Minimum Investment:	5 000€
Annual Management Fee:	1,5%
Performance Fee:	15% above EURIBOR 3M + 200 BP
Subscription Fee:	up to 4%
High Water Mark:	Yes

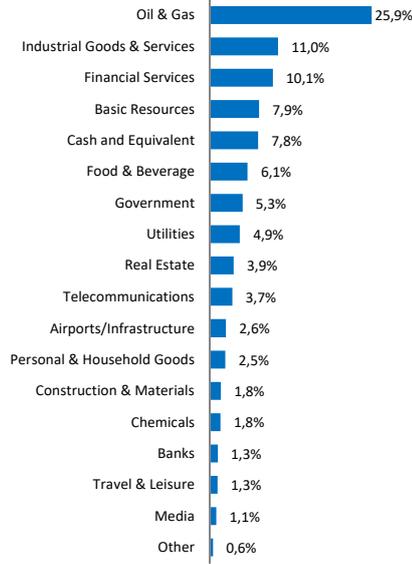
### BY PERIOD

1 month	+1,5%
3 months	+1,8%
6 months	+6,9%
12 months	+4,6%
3 years	+24,2%

### BREAKDOWN BY REGIONS



### BREAKDOWN BY SECTORS



### PORTFOLIO DATA

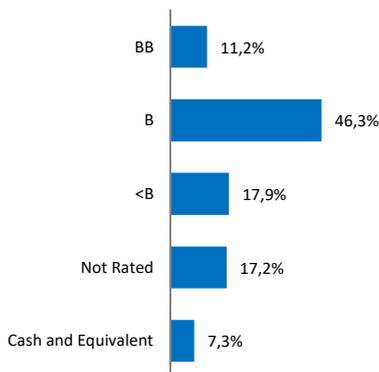
Yield to Maturity* (EUR)	9,4%
Yield to Worst* (EUR)	9,2%
Adjusted Yield** (EUR)	6,5%
USD Exposure	3,1%
Average Running Coupon	8,6%
Number of Issuers	67
Average Maturity	3,6
Average Duration	2,6
Adjusted Duration**	2,7
Average Rating	B+
Average Issued Amount	552
Average Percentage Holding	1,8%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

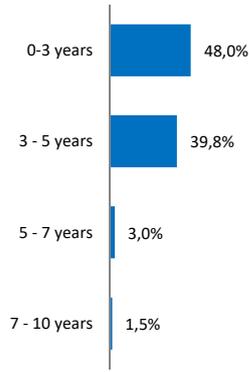
### BONDS METRICS (Weighted Average)

Revenue (\$ millions)	2 824
EBITDA (\$ millions)	630
Leverage	2,8

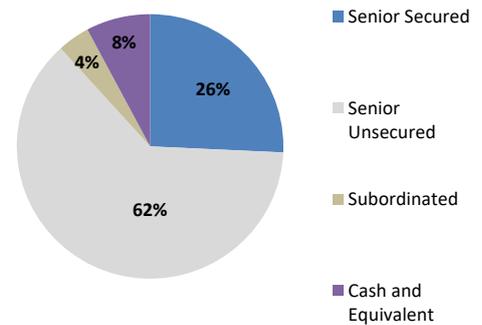
### BREAKDOWN BY RATING



### BREAKDOWN BY DURATION



### SENIORITY RANK DISTRIBUTION



### 10 MAIN ISSUERS

	COUNTRY	SECTOR	WEIGHT
ANDRADE GUTIER INT SA 2021	\$ Brazil	Industrial	3,5%
AJECORP BV 2022	\$ Peru	Industrial	3,0%
REPUBLIC OF ARGENTINA 2033	€ Argentina	Government	2,7%
INTL AIRPORT FINANCE SA 2033	\$ Ecuador	Infrastructures	2,6%
SHELF DRILL HOLD LTD 2025	\$ U. A. E.	Oil & Gas	2,5%
RONESANS GAYRIMENKUL YAT 2023	\$ Turkey	Real Estate	2,5%
CONSTELLATION OIL SA 2024	\$ Brazil	Oil & Gas	2,5%
SERVICIOS CORP JAVER SAP 2021	\$ Mexico	Consumer Goods	2,4%
DTEK FINANCE PLC 2024	\$ Ukraine	Basic Resources	2,4%
AES ARGENTINA GENERACION 2024	\$ Argentina	Utilities	2,2%

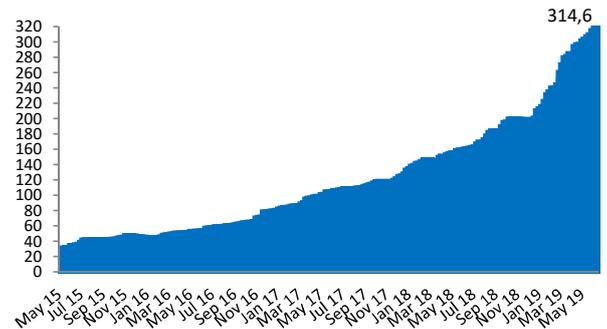
### 10 largest positions

26,4%

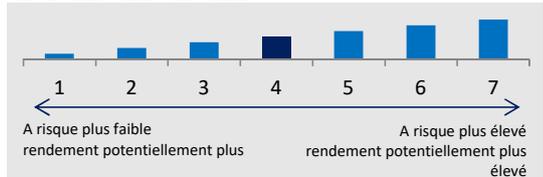
### RISK INFORMATION

- Past performance is not a guide to current and future performance.
- The value of your investments and any income from them may fall or rise and you may not get back the full amount you invested.
- The value of debt securities may change significantly depending on the economic and interest rate conditions, as well as the credit worthiness of the issuer. These risks are typically higher in emerging market and below investment grade debt securities.
- In addition, emerging markets may be subject to increased risks, including less developed custody and settlement practices, higher volatility and lower liquidity than non emerging market securities.
- Movements in currency exchange rates can adversely affect the return of your investment. The currency hedging that may be used to minimise the effect of currency fluctuations may not always be successful. Investors may have exposure to currencies other than the currency of their Share Class.
- Find further detailed risk information in the Prospectus' Appendix "facteur de risque".

### NET ASSETS EVOLUTION (€ millions)



### RISK / REWARD PROFILE



The lowest category does not mean risk-free

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