

### 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

The fund appreciated by +0.75% in November, outperforming the JPM CEMBI HY+ (+0.35% in EUR) and IBOXX Liquid High Yield (+0.1% in EUR) indexes. This outperformance is explained more by the idiosyncratic performance of our issuers than by our geographical exposure. In fact, our fund was rather penalized by its non-exposure to China, where credit spreads narrowed more than the average credit spread of emerging countries.

November was overall positive for the emerging bond market, as illustrated by the slight contraction in credit spreads (-14 bps on CEMBI HY+). The Fed lowered its reference rate at the end of October and reported a halt in its dovish policy, although futures markets in the United States persist in predicting another rate cut in 2020. This downward trend in interest rates in the United States and in emerging countries (notably Brazil, Turkey and Russia), where credit spreads remain attractive (CEMBI HY+ of 504 bps), remains a driving force behind the rise in emerging market bonds.

First of all, emerging markets benefited from a favorable development regarding the relations between China and the United States at the beginning of the month. Indeed, on November 7th, both sides accepted the idea that a possible trade agreement would include a diminution in customs tariffs. This future agreement, referred to as "phase 1" by President Trump, has yet to be implemented and ratified by both sides. This news notably contributed to a moderate tightening of Chinese credit spreads (-36 bps on average over November), and the S&P 500 reached its all-time high at the end of November. However, we believe that the uncertainty surrounding the trade war is far from over, as evidenced, for example, by Donald Trump's ratification on November 27th of the Hong Kong Human Rights and Democracy Act, which authorizes, among other things, the introduction of sanctions against Chinese and Hong Kong representatives in the event of human rights violations, which is obviously irritating Beijing.

In Argentina the presidential candidate Alberto Fernandez is about to formally take power on December 10. Although he has been quite critical of the International Monetary Fund in the past, Alberto Fernandez spoke on the phone with the new IMF Managing Director Kristalina Georgieva, which shows the goodwill of the elected candidate to negotiate. On December 6, Alberto Fernandez finally unveiled his ministerial cabinet, which is dominated more by traditional Peronists close to Alberto Fernandez than by Kirchnerists, and we will closely follow the first draft laws of this new administration, as well as the progress of the negotiations with the IMF and international creditors.

Lastly, the rest of Latin America is facing increasing agitation. Protest movements carry on in Chile, where demonstrators are asking for economic and social measures, and in Bolivia, where Evo Morales, who was legitimately elected president three times in the past, was forced to resign following irregularities linked to his fourth candidacy, and to request political asylum in Mexico. In Colombia, general dissatisfaction with President Duque's policies, whose unpopularity is estimated to be more than 70% according to the local press, has turned into demonstrations by hundreds of thousands of people protesting for more social justice and against the government's economic reforms. Finally, in Ecuador, the eleven days of demonstrations have resulted in a more favorable social environment following the agreement between the government and indigenous peoples to restore subsidies on gasoline. We believe that it is likely that the tax reform will result in a watered-down version, which would make it easier for Ecuador to obtain a new financing program from the IMF. We therefore took the opportunity to strengthen the fund's first position on Quito airport at prices that are among the lowest since the issue. Thus, we closely monitor the situations in these Latin American countries in order to seize opportunities as they arise and take advantage of a certain weakness in the price of quality issuers.

In November, the main contributors to our performance were the South African company Brait following a recapitalization plan, and the Mexican company Grupo Idesa, which benefited strongly from the issue of \$900 million of debt by Braskem Idesa (25% owned subsidiary). Regarding the main transactions, this month we have 7 new positions into the fund, including 5 in Latin America and 2 in Eastern Europe. We sold 5 positions, notably on issuers dealing above the par whose risk/return ratio was no longer attractive (Four Finance 2021, AlphaCredit 2022 and Arcelik 2023).

### 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%	+0,7%	-4,8%	+1,0%	+0,3%	+0,7%	-	<b>+4,5%</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>

### BY PERIOD

1 month	+0,7%
3 months	+2,0%
6 months	-0,8%
12 months	+2,9%
3 years	+13,0%

### KEY FIGURES

	LU1165644672
Inception Date	April 24, 2015
NAV as of 29-11-19	120,09
Fund Net Assets	419,7M€
Overall Morningstar™ Rating *	★★★★★
Quantalys Rating*	☆☆☆☆☆

### RETURN

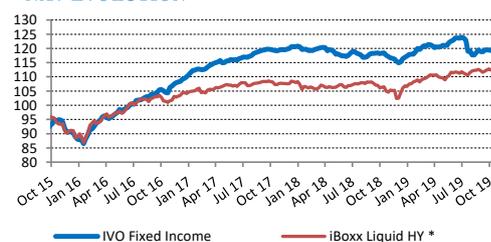
	Bonds part	Fund
Yield to maturity* (EUR)	12,4%	11,8%
Yield to worst* (EUR)	11,6%	11,0%
Adjusted yield** (EUR)	8,5%	8,0%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

### FUND PERFORMANCES & RISK

Performance MTD	+0,7%
Performance YTD	+4,5%
Annualized 3 years performance	+4,1%
Annualized 3 years volatility	+3,5%

### NAV EVOLUTION



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

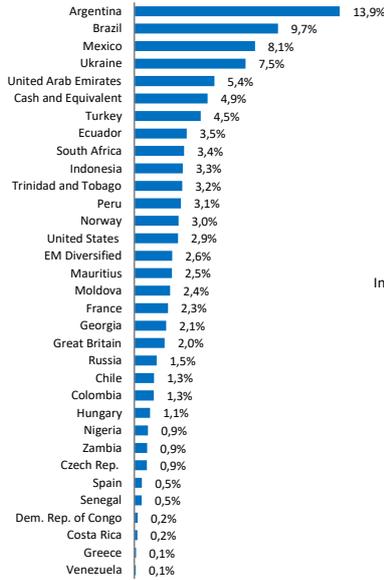
### FUND CHARACTERISTICS

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:	Daily - Valuation: Daily
Investment Horizon:	At least 3 years
Investment Manager:	IVO Capital Partners
Custodian:	Société Générale
Auditor:	Deloitte

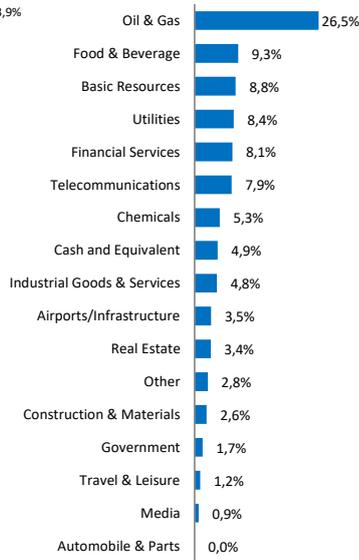
### OPERATING PROCEDURES

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

### BREAKDOWN BY REGIONS



### BREAKDOWN BY SECTORS



### PORTFOLIO DATA

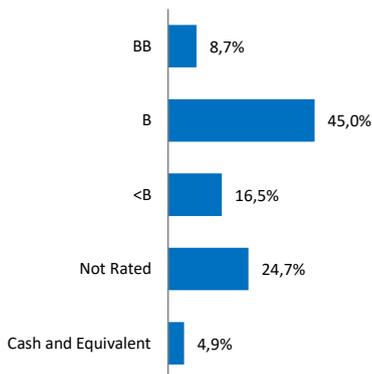
Yield to Maturity* (EUR)	11,8%
Yield to Worst* (EUR)	11,0%
Adjusted Yield** (EUR)	8,0%
USD Exposure	2,7%
Average Running Coupon	9,7%
Number of Issuers	74
Average Maturity	4,2
Average Duration	3,1
Adjusted Duration**	3,1
Average Rating	B+
Average Issued Amount (\$ million)	496
Average Percentage Holding	2,3%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

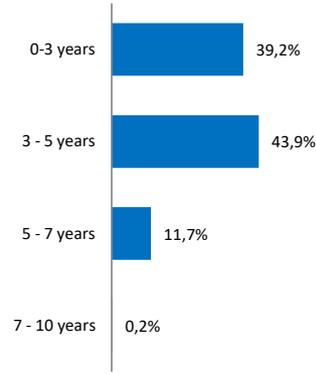
### BONDS METRICS (Weighted Average)

Revenue (\$ billions)	3,8
EBITDA (\$ billions)	0,9
Leverage	2,9x

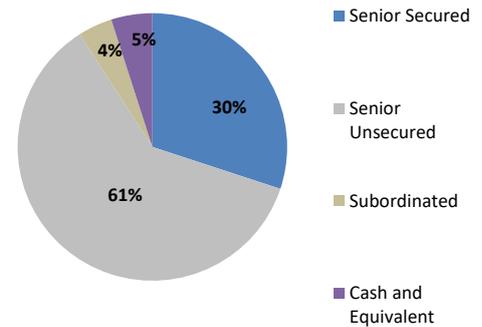
### BREAKDOWN BY RATING



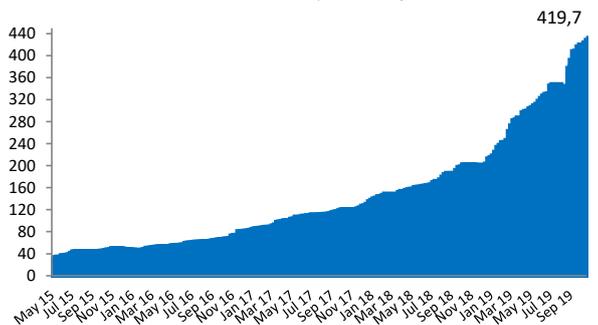
### BREAKDOWN BY DURATION



### SENIORITY RANK DISTRIBUTION



### NET ASSETS EVOLUTION (€ millions)



### 10 MAIN ISSUERS

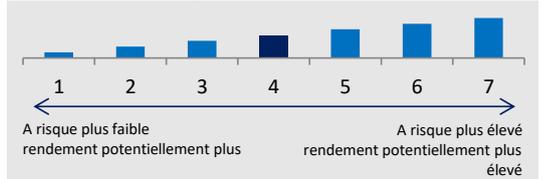
ISSUER	COUNTRY	SECTOR	WEIGHT
INTL AIRPORT FINANCE SA 2033	\$ Ecuador	Infrastructures	3,5%
AJECORP BV 2022	\$ Peru	Food & Beverage	3,1%
ANDRADE GUTIER INT SA 2021	\$ Brazil	Industrial	2,9%
SHELF DRILL HOLD LTD 2025	\$ U.A.E.	Oil & Gas	2,6%
INTERCEMENT FIN OP BV 2024	\$ EM Diversified	Materials	2,6%
BAYPORT MANAGEMENT 2022	\$ Mauritius	Financial Services	2,5%
BRAIT SE 2020	€ South Africa	Financial Services	2,5%
AES ARGENTINA GENERACION 2024	\$ Argentina	Utilities	2,5%
KONDOR FINANCE PLC (NAK) 2024	€ Ukraine	Oil & Gas	2,4%
ARAGVI FINANCE INTL 2024	\$ Moldova	Food & Beverage	2,4%

**10 largest positions** **27,0%**

### 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".

### RISK / REWARD PROFILE



The lowest category does not mean risk-free

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