

### 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 +0.3% in October, in line with the IBOX Liquid High Yield (+0.3% in EUR) and underperforming the JPM CEMBI HY+ Index (+1.1% en EUR), mainly because of the overweight of our energy allocation, and our lower duration compared to the index.

October was relatively lively in the emerging countries, the major event being the agreement in principle reached by the United States and China on the "phase 1" of a future trade agreement, well received by the markets. Emerging bond markets had a positive performance in October, mainly due to the contraction in credit spreads over the period (an average of -23 bps on the CEMBI HY+, at 517 bps), following positive developments regarding the China-US trade conflict and the easing of US monetary policy. US sovereign yields remained relatively stable. Performance was fairly consistent, with credit spreads shrinking by an average of 20 to 40bp for the main regions, Argentinean and Mexican issuers were the best-performer this month.

The context of decline in US rates even though level of credit spreads remains relatively high (more than 500 bps for CEMBI HY +) keeps on supporting corporate bonds in emerging market. The primary market has also been very active since September. In particular, there are several opportunities on first-time issuers as well as in Eastern Europe where we see more and more euro denominated bond issues, often offering attractive spreads compared to similar bond issues denominated in dollars.

In Argentina, the Peronist candidate Alberto Fernandez won the elections, and he will have the burden of negotiating the restructuring of the sovereign debt. The end of the uncertainty linked to the election is a positive news in itself, as well as the score achieved by the center-right in the legislative by-election, which should allow him to maintain a relative majority in the Chamber of Deputies and therefore constitute a real counter-power. The composition of Fernandez's Cabinet and the progress in the restructuring negotiations with creditors, including the IMF seeking to involve other international bondholders in the effort, will be closely followed in the coming weeks. An organized and quick debt restructuring would have a positive impact on the corporate credit spreads. We still find these spreads attractive despite the compression of the last two months (at 1221 bp for CEMBI HY Argentina). In Turkey, President Erdogan launched a new military operation against Syrian Kurdistan, but the country in the end did not suffer economic sanctions thanks to the armistice concluded two weeks after the beginning of hostilities. Therefore, there were no investment opportunities in terms of spreads on Turkish companies following these episodes. Many popular demonstrations took place around the globe, mainly for economic reasons, especially in Chile, Ecuador, Lebanon and Iraq, resulting in some volatility, mainly on the sovereign side for the weakest economies, including Lebanon and to a lesser extent Ecuador, on which we could slightly increase our position.

The main contributors to this month's performance were our Argentinean bonds which continue to recover their August's decrease as well as the 2022 bond of the Peruvian company Ajecorp, 1st position of the fund, carrying on its deleveraging path. Regarding the main transactions, we added 8 new positions to the fund this month (6 in Latin America including 2 in Argentina, 1 in Eastern Europe and 1 in the Middle East) and we sold two positions on which we took our profits.

### 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%	-	-	<b>+3,7%</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 31-10-19	119,25
Fund Net Assets	411,9M€
Overall Morningstar™ Rating *	★★★★★
Quantalys Rating*	☆☆☆☆☆

### RETURN

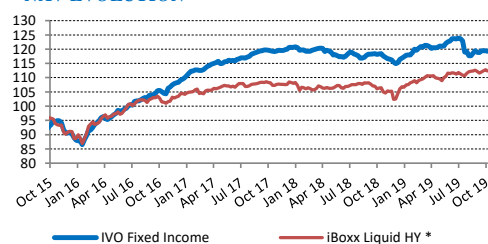
	Bonds part	Fund
Yield to maturity* (EUR)	12,3%	11,3%
Yield to worst* (EUR)	11,7%	10,8%
Adjusted yield** (EUR)	8,5%	7,8%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

### FUND PERFORMANCES & RISK

Performance MTD	+0,3%
Performance YTD	+3,7%
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

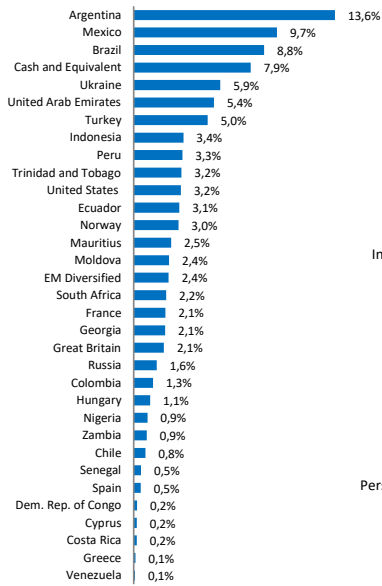
### OPERATING PROCEDURES

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

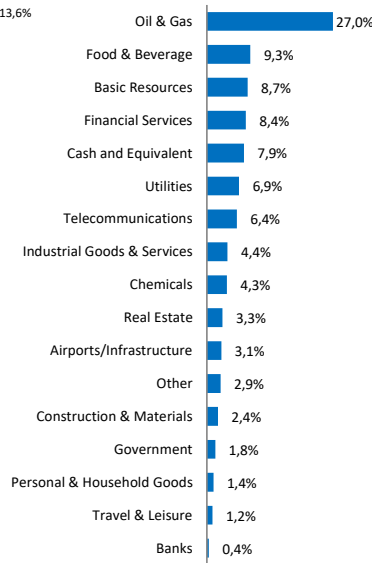
### BY PERIOD

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

### BREAKDOWN BY REGIONS



### BREAKDOWN BY SECTORS



### PORTFOLIO DATA

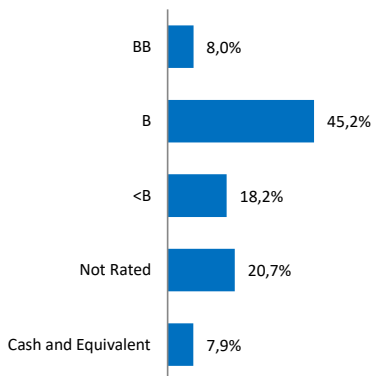
Yield to Maturity* (EUR)	11,3%
Yield to Worst* (EUR)	10,8%
Adjusted Yield** (EUR)	7,8%
USD Exposure	2,0%
Average Running Coupon	8,9%
Number of Issuers	75
Average Maturity	4,0
Average Duration	2,9
Adjusted Duration**	3,0
Average Rating	B+
Average Issued Amount (\$ million)	489
Average Percentage Holding	2,3%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

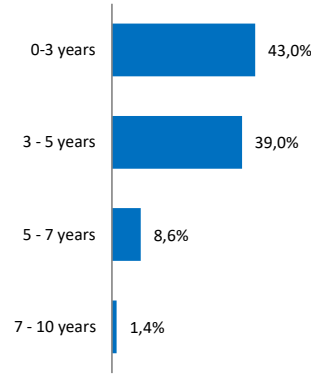
### BONDS METRICS (Weighted Average)

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

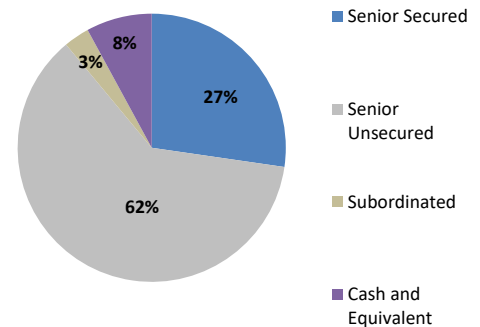
### BREAKDOWN BY RATING



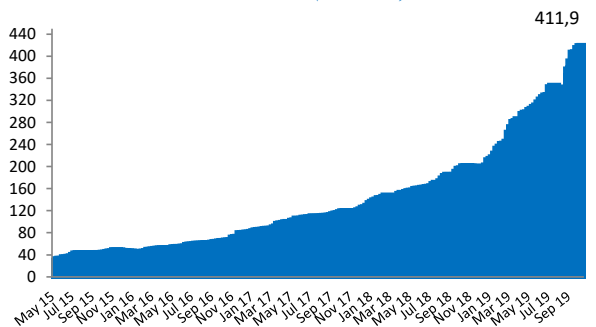
### BREAKDOWN BY DURATION



### SENIORITY RANK DISTRIBUTION



### NET ASSETS EVOLUTION (€ millions)



### 10 MAIN ISSUERS

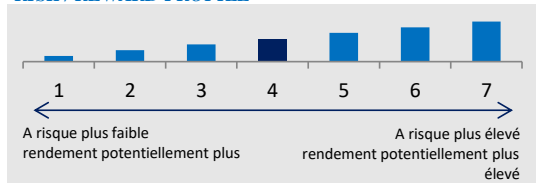
ISSUER	COUNTRY	SECTOR	WEIGHT
AJECORP BV 2022	\$ Peru	Food & Beverage	3,3%
INTL AIRPORT FINANCE SA 2033	\$ Ecuador	Infrastructures	3,1%
ANDRADE GUTIER INT SA 2021	\$ Brazil	Industrial	2,6%
BAYPORT MANAGEMENT 2022	\$ Mauritius	Financial Services	2,5%
SHELF DRILL HOLD LTD 2025	\$ U.A.E.	Oil & Gas	2,5%
KONDOR FINANCE PLC (NAK) 2024	€ Ukraine	Oil & Gas	2,5%
AES ARGENTINA GENERACION 2024	\$ Argentina	Utilities	2,5%
ARAGVI FINANCE INTL 2024	\$ Moldova	Food & Beverage	2,4%
INTERCEMENT FIN OP BV 2024	\$ EM Diversified	Materials	2,4%
RONESANS GAYRIMENKUL YAT 2023	\$ Turkey	Real Estate	2,3%

**10 largest positions** 26,1%

### 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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