

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 depreciated by 0.1% in April, in underperformance vs the JPM CEMBI HY + index (+ 0.9% in EUR) and the IBOXX Liquid High Yield index (+ 0.8% in EUR).

In line with previous months, April was positive for financial markets around the world, despite the comeback of volatility at the end of the month in Argentina and then in the first couple days of May on most asset classes as a result of renewed trade tensions between China and the United States. Over the period under review (March 29th to May 3rd), US sovereign yields are slightly up (+10 bps for the 5-year rate, at 2.33%) for both fundamental reasons (rebound in US manufacturing output in March) and technical (high level of offer following the first multi-tranche bond issue of Saudi Aramco for \$ 12 billion which has been added to the traditional auctions of the US Treasury). Regarding the emerging corporate bond market, on average credit spreads contracted more sharply than US rates loosened (-17bps for CEMBI HY +, at 462bps). That being said, the gap between each country is important. The CEMBI HY + Russia achieved the best performance of the month (-54 bps, at 409 bps), helped by the significant appreciation of oil prices. In contrast, Argentina's CEMBI HY + posted the worst performance among emerging countries, while the economic recession and runaway inflation are raising fears of a return to populism in November's general elections, despite the ambitious reform policy put in place by President Macri since 2015. Overexposure of the fund to Argentina explains the underperformance of the month.

Regarding the strategy, we keep on diversifying our geographic exposure with the integration of a new issuer in Georgia for instance. We took some of our profits in Brazil and Ukraine. Our Brazilian exposure is expected to stabilize at the current level after the reduction in the last couple months. In Argentina, we are waiting for a continued volatility - downward as well as upward - in the pre-election period, the idea is to take advantage of sales movements to arbitrate between our different positions to optimize our risk / return profile for this pocket by lowering our exposure to our bonds that have withstood the most to find strong issuers with risk / return profiles that have become more attractive. We expect to have more political visibility or more attractive valuations to take the opportunity to strengthen our position. More generally, we are currently facing a number of attractive opportunities in the primary market, which remains relatively open, especially for prime issuers of high quality but not well known by investors. We expect several depreciations in May, which should offer us enough flexibility to invest in case of opportunity, on macro stress or on idiosyncratic themes. The current yield-to-worst of the fund including cash is 6.6% in euros, for a duration of 2.7.

This month's main performance contributor was the second biggest position of the fund, a bond issued by the Peruvian drink producer Ajecorp, following the strong annual result and the confirmation from the management that Thailand and Indonesian subsidiaries were sold, which should help to reduce the company's leverage. Regarding the main transactions, we initiated a position on the first issuance of the Georgian telecom operator Silknet, which bought one of its competitors last year and should be able to decrease its leverage thanks to an increase in EBITDA and free cash flow generation.

MONTHLY PERFORMANCES

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2019	+2,6%	+1,8%	+0,7%	-0,1%	-	-	-	-	-	-	-	-	+5,1%
2018	+0,6%	-1,0%	+0,5%	+0,4%	-1,8%	-0,5%	+1,3%	-1,6%	+1,2%	+0,1%	-1,3%	-1,5%	-3,7%
2017	+2,2%	+1,8%	+0,8%	+1,4%	+0,5%	+0,5%	+0,8%	+1,2%	+0,9%	+0,2%	+0,3%	+0,4%	+11,4%
2016	-3,2%	+2,0%	+4,4%	+2,4%	+1,4%	+1,6%	+1,5%	+1,6%	+1,2%	+1,6%	+0,7%	+2,1%	+19,0%
2015	-	-	-	-	+2,9%	-2,4%	-2,7%	-3,1%	-4,9%	+4,0%	+1,5%	-4,2%	-8,9%

KEY FIGURES

	LU1165637460
Inception Date	April 24, 2015
NAV as of 03-05-19	122,25
Fund Net Assets	288,4M€
Overall Morningstar™ Rating *	★★★★★
Quantalys Rating*	★★★★★

RETURN

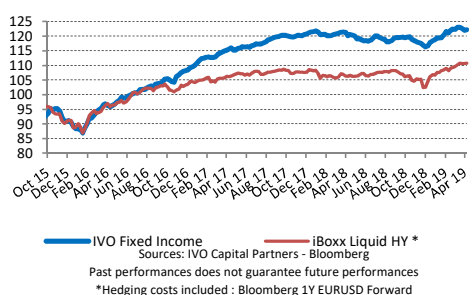
	Bonds part	Fund
Yield to maturity* (EUR)	11,1%	9,8%
Yield to worst* (EUR)	11,0%	9,7%
Adjusted yield** (EUR)	7,5%	6,6%

*hedging costs included : Bloomberg 1Y EURUSD Forward

FUND PERFORMANCES & RISK

Performance MTD	-0,1%
Performance YTD	+5,1%
Annualized 3 years performance	+8,2%
Fund volatility 1 year	+3,2%

NAV EVOLUTION



FUND CHARACTERISTICS

ISIN Code (I):	LU1165637460
Bloomberg Ticker:	IVOCAP1 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

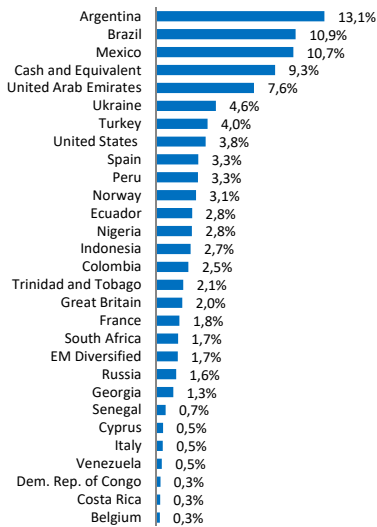
OPERATING PROCEDURES

Minimum Investment:	500 000€
Annual Management Fee:	1%
Performance Fee:	15% above EURIBOR 3M + 400bps
Subscription Fee:	up to 4%
High Water Mark:	Yes

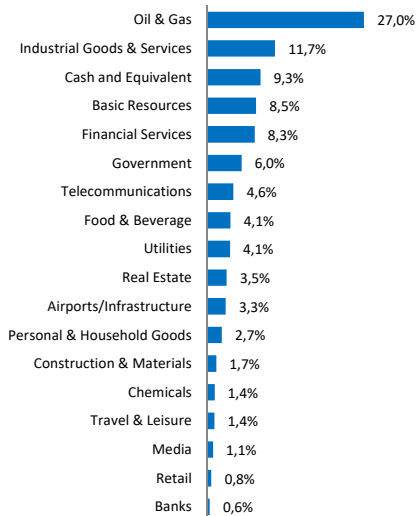
BY PERIOD

1 month	-0,1%
3 months	+2,4%
6 months	+2,2%
12 months	+0,8%
3 years	+27,1%

BREAKDOWN BY REGIONS



BREAKDOWN BY SECTORS



PORTFOLIO DATA

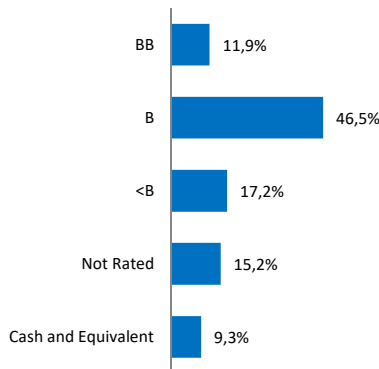
Yield to Maturity* (EUR)	9,8%
Yield to Worst* (EUR)	9,7%
Adjusted Yield** (EUR)	6,6%
USD Exposure	1,7%
Average Running Coupon	8,4%
Weighted average buying price	91
Number of Issuers	71
Average maturity	3,5
Average duration	2,6
Adjusted duration**	2,7
Average rating	B+
Average issued amount	566
Average percentage holding	1,6%

*hedging costs included : Bloomberg 1Y EURUSD Forward

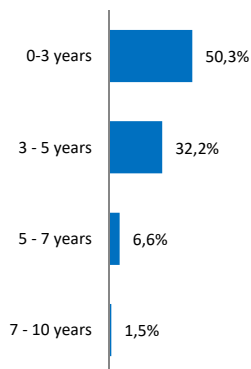
BONDS METRICS (Weighted Average)

Revenue (\$ millions)	3 123
EBITDA (\$ millions)	702
Leverage	3,1

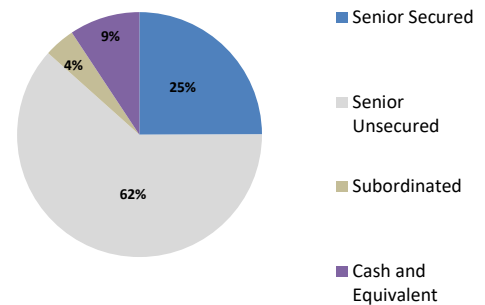
BREAKDOWN BY RATING



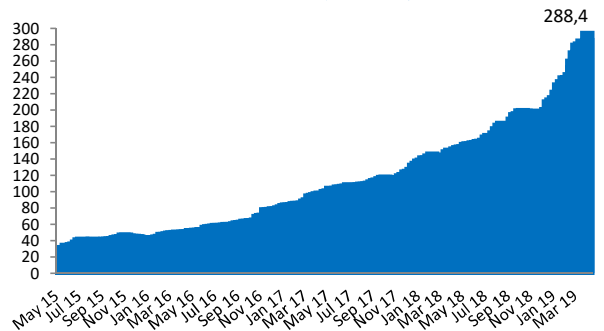
BREAKDOWN BY DURATION



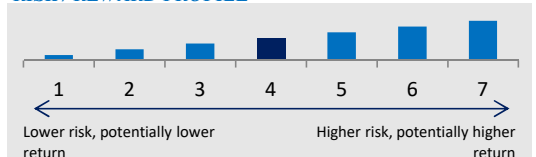
SENIORITY RANK DISTRIBUTION



NET ASSETS EVOLUTION (€ millions)



RISK / REWARD PROFILE



The lowest category does not mean risk-free

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10 MAIN ISSUERS	COUNTRY	SECTOR	WEIGHT
ANDRADE GUTIER INT SA 2021	\$ Brazil	Industrial	3,6%
AJECORP BV 2022	\$ Peru	Industrial	3,3%
REPUBLIC OF ARGENTINA 2033	€ Argentina	Government	2,8%
INTL AIRPORT FINANCE SA 2033	\$ Ecuador	Infrastructures	2,8%
SERVICIOS CORP JAVER SAP 2021	\$ Mexico	Consumer Goods	2,5%
CONSTELLATION OIL SA 2024	\$ Brazil	Oil & Gas	2,4%
RONESANS GAYRIMENKUL YAT 20	\$ Turkey	Real Estate	2,4%
DTEK FINANCE PLC 2024	\$ Ukraine	Basic Resources	2,2%
ALPHA HOLDING SA 2022	\$ Mexico	Financial Services	2,1%
PROVINCIA DE BUENOS AIRES 2020	€ Argentina	Government	2,1%

10 largest positions **26,2%**

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".