

### 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 0.7% in March, in underperformance vs JPM CEMBI HY + index (+ 0.9% in EUR) and the IBOXX Liquid High Yield index (+ 0.8% in EUR).

Time passes by and the message sent by the US Federal Bank becomes more and more accommodating. The Fed has revised its expectations of growth and inflation downwards and most governors now think that there will be no increase in key rates in 2019 and only one in 2020. The "quantitative tightening" should end next September. In addition, statements by some members also suggest that the Fed could let inflation rise above its target of 2%, which has been very rarely achieved over the last decade, in order to support economic growth. All these developments contribute to a loosening of approximately 30 bps in the American sovereign's returns over the entire curve during the second half of the month. The decline in US sovereign rates favored the whole dollar bond markets, especially emerging country corporate bond issues, which ended the month up despite a slight increase in credit spreads (+14 bps to 479 bps in average for credit spreads on the CEMBI HY + index). Performance vary from one country to another. Credit spreads on Chinese issuers continue their contraction, helped in particular by progress in the negotiations of a trade agreement with the United States and encouraging macroeconomic publications (the manufacturing PMI returns above 50). In contrast, Turkish issuers faced high volatility as a result of renewed Central Bank intervention in foreign exchange markets as local elections are approaching with a risk for the ruling party. In this context, the fund ended the quarter with a similar performance to CEMBI HY (+ 5% vs. + 5.1%), despite its significantly shorter duration in a lowering yields environment, mainly thanks to solid individual performances of several lines of the portfolio.

The politico-economic environment is still favorable to emerging countries. The Fed's paradigm shift since December, if it is now already largely valued, should continue to provide support to dollar bond markets and risky assets in general. Regarding international trade, an agreement between China and the United States to settle their dispute seems imminent, although there are still a few discords regarding the implementation of the measures at stake. Still concerning China, the recent encouraging macroeconomic indicators suggest that the stimulus measures put in place last summer by the government (lower taxes, revival of infrastructure programs and of bank credit) are beginning to pay off. However, we remain cautious about Chinese issuers given their high level of debt, which could be further increased with the government's stimulus package (although measures should remain less aggressive than in 2008 or 2016). The current levels of credit spreads, still relatively attractive compared to what we experienced in 2017-2018, allow us to find interesting opportunities in various regions, including Ecuador, Turkey and Peru. We keep on taking profits in Brazil.

This month's main performance contributor was Borr Drilling convertible bond, a Norwegian offshore drilling company, which took the opportunity of a recovery in the jack-up market to sign 3 new contracts in a single month in Mexico, in Malaysia and Qatar. Regarding the main transactions, we initiated a position on the new amortizing bond issue of the Quito airport in Ecuador which offers a coupon of 12% in dollars for a duration of less than 6 years. This is the archetype of a bond affected by the sovereign ceiling (investment grade according to the Moody's grid but finally noted B2 which is one notch above the country's rating, the maximum allowed according to the methodology used). We also took advantage of attractive valuations in Turkey to initiate a position on the 2023 Rönenans bond, a moderately indebted commercial real estate company (debt-to-asset ratio of 44%) that pursues a prudent financial policy and whose one of the main shareholders is the Singapore sovereign wealth fund.

### MONTHLY PERFORMANCES

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

### KEY FIGURES

	LU1165637460
Inception Date	April 24, 2015
NAV as of 29-03-19	122,34
Fund Net Assets	264,6M€
Overall Morningstar™ Rating *	★★★★★
Quantalys Rating*	★★★★★

### RETURN

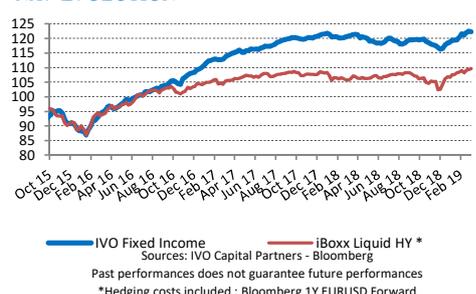
	Bonds part	Fund
Yield to maturity* (EUR)	10,4%	9,9%
Yield to worst* (EUR)	10,2%	9,7%
Adjusted yield** (EUR)	7,7%	7,3%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

### FUND PERFORMANCES & RISK

Performance MTD	+0,7%
Performance YTD	+5,2%
Annualized 3 years performance	+8,8%
Fund volatility 1 year	+3,1%

### 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

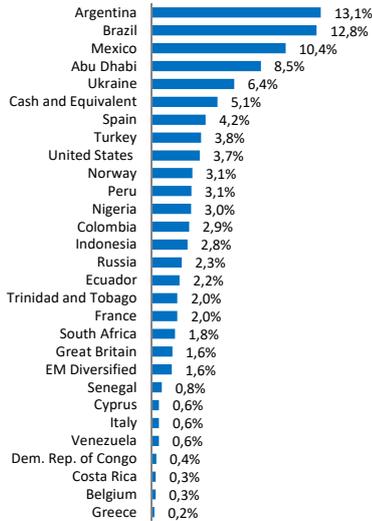
### OPERATING PROCEDURES

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

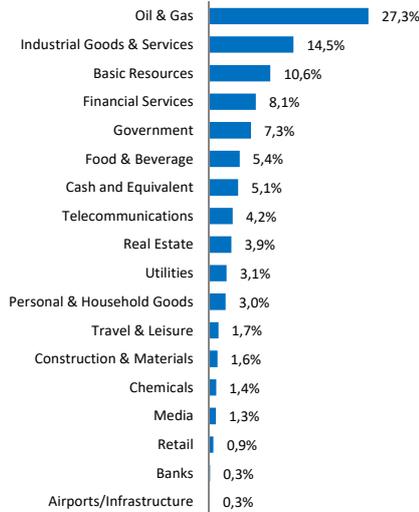
### BY PERIOD

1 month	+0,7%
3 months	+5,2%
6 months	+3,6%
12 months	+1,3%
3 years	+29,2%

### BREAKDOWN BY REGIONS



### BREAKDOWN BY SECTORS



### PORTFOLIO DATA

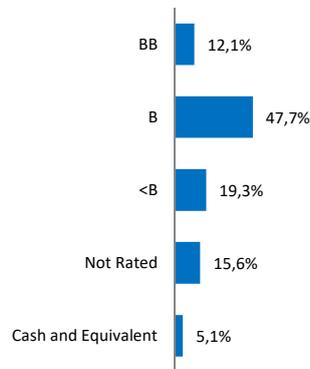
Yield to Maturity* (EUR)	9,9%
Yield to Worst* (EUR)	9,7%
Adjusted Yield** (EUR)	7,3%
USD Exposure	1,3%
Average Running Coupon	8,6%
Weighted average buying price	92
Number of Issuers	68
Average maturity	3,5
Average duration	2,8
Adjusted duration**	2,9
Average rating	B+
Average issued amount	543
Average percentage holding	1,5%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

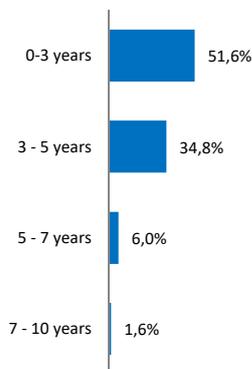
### BONDS METRICS (Weighted Average)

Revenue (\$ millions)	1 987
EBITDA (\$ millions)	403
Leverage	3,1

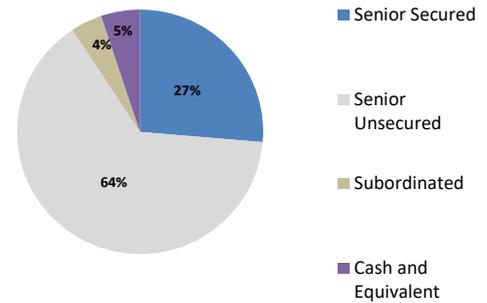
### BREAKDOWN BY RATING



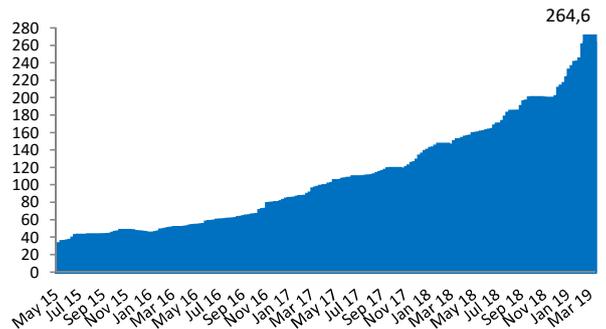
### BREAKDOWN BY DURATION



### SENIORITY RANK DISTRIBUTION



### NET ASSETS EVOLUTION (€ millions)



### 10 MAIN ISSUERS

ISSUER	COUNTRY	SECTOR	WEIGHT
ANDRADE GUTIER INT SA 2021	\$ Brazil	Industrial	3,9%
PROVINCIA DE BUENOS AIRE 2020	€ Argentina	Government	3,1%
AJECORP BV 2022	\$ Peru	Industrial	3,1%
REPUBLIC OF ARGENTINA 2033	€ Argentina	Government	3,0%
SERVICIOS CORP JAVER SAP 2021	\$ Mexico	Consumer Goods	2,8%
DTEK FINANCE PLC 2024	\$ Ukraine	Basic Resources	2,5%
RONESANS GAYRIMENKUL YAT 20	\$ Turkey	Real Estate	2,4%
COMPANIA GENERAL COMBUST 2	\$ Argentina	Oil & Gas	2,3%
CONSTELLATION OIL SA 2024	\$ Brazil	Oil & Gas	2,2%
INTL AIRPORT FINANCE SA 2033	\$ Ecuador	Infrastructures	2,2%

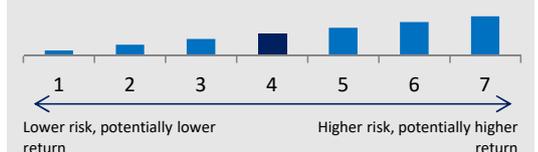
10 largest positions

27,3%

### 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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