



IVO SHORT DURATION (EUR) - UCITS

FACTSHEET - FEBRUARY 2021

An opportunistic access to international corporate debt markets

Created in December 2019, the IVO Fixed Income Short Duration fund is a corporate bond fund in hard currencies whose issuers are headquartered or have their main activity in emerging markets. The fund invests in a diversified manner in a wide range of issuers and sectors. Its maximum average duration is 3 years. The fund invests in the different bond segments - Investment Grade, High Yield, in USD and EUR - and in companies with good fundamentals: strong competitive positions, low debt levels, low exposure to local currency volatility, high margin levels, strong shareholders. The fund's strategy favours the "bad country/good company" approach, which provides quality investments in senior bonds at a discount.

Fund performance review

The fund appreciated by +1.1% in February, outperforming the CEMBI Broad 1-3 years index (+0,6% in EUR).

Equity and bond markets ended the month slightly up. Overall, the figures for economic recovery and mobility in Q4 2020 were better than expected. Credit spreads on CEMBI HY+ narrowed by 33 bps (457 bps). Yields on 10-year sovereign bonds continued to rise and are above their pre-covid level in many developed countries, except in the United States, which remain slightly below last year's level. This increase is due to expectations of economic recovery, the vote of the tax plan in the U.S. and the international rollout of vaccines. The U.S. tax plan, which amounts to \$1,900 billion, is expected to contribute to a 1% increase in country's GDP (JP Morgan's forecast for the U.S. being 6.2% in 2021). On the health front, the U.S. is on track to reach the goal of vaccinating 100 million Americans during Joe Biden's first 100 days in office (48 million today have received at least one dose). In the United Kingdom, more than 20 million people have received their first dose of vaccine, and the pace of vaccination is accelerating in most countries around the world. Following the cold snap that paralyzed production in Texas, the price per barrel rose by 18% to the end of the month at \$66, close to last year's high. The OPEC meeting on March 4th will determine whether or not to increase production in April and May.

Among emerging countries, those where Corporate High Yield bonds performed the best were Argentina (+5.2%), India (+1.8%) and Colombia (+1.7%). Argentina's good performance was due to the performance of YPF, the country's largest company, which succeeded in concluding its exchange offer for the 2021 bond, thus improving its liquidity, as well as the general market sentiment on Argentinian issuers overall. In India, the new state budget which provides for significant investments, particularly in infrastructure and renewable energy, was positively perceived by investors. One of the country's largest issuers, Vedanta, also performed well. In Colombia, the good performance was driven by oil producers such as Gran Tierra, which benefited from the rise in oil prices. Elsewhere in Latin America, after the validation of the results of the first round by the vote commission of the first round of the presidential election, Ecuador will see the correist candidate and the right-wing candidate in the second round of April 11th. Brazil (-0.9%) was the only country to record a slightly negative performance this month. Indeed, Bolsonaro's decision to dismiss the CEO of the state-owned company Petrobras, calling into question the international parity on fuel prices, weighed on the markets. This decision has raised concerns about the potential increase in the Brazilian State's interventionism in the economy. The Asian market was less dynamic than usual due to the vacations linked to the Chinese New Year. Despite the mobility restrictions in place, consumption in China during these vacations increased by 29% compared to last year. In Kuwait, the suspension of the government for one month by the Emir could lead to early elections this year.

Despite the appearance of new variant and the implementation of new mobility restrictions in certain regions of the world, market sentiment remains positive for the coming year. Vaccine rollout on a larger scale should continue to benefit issuers affected by mobility restrictions. However, continued international restrictions and delays in vaccination remain a concern, so we are ensuring to invest in issuers with strong liquidity.

This month, the main contributor to performance the producer **Tullow Oil**, which benefited from higher oil prices and also announced the sale of some of its assets for \$180 million. This sale is good news for the company, allowing it to reduce its debt. Following this, the company announced at the end of the month that it had negotiated its credit line with the banks, which also gives it access to additional liquidity. We initiated a position on **Lippo Malls**, a shopping mall operator in Indonesia, which has proven its resilience during the covid crisis, and whose underlying asset values cover the debt well.

KEY FIGURES

LU2061939729

Inception Date	December 6, 2019
NAV as of 26-02-21	111,27
Fund Net Assets	39,7M€

RETURN

	Bonds part	Fund
Yield to maturity* (EUR)	+5,8%	+5,6%
Yield to worst* (EUR)	+5,5%	+5,3%
Adjusted yield** (EUR)	+5,2%	+5,0%

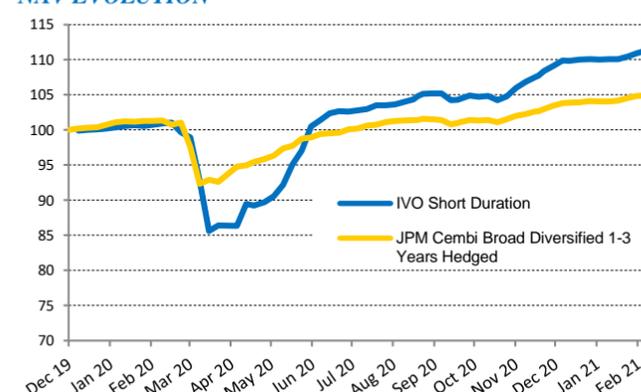
*hedging costs included : Bloomberg 1Y EURUSD Forward

**Adjusted Yield: See notes on the back of the page

FUND PERFORMANCES & RISK

Performance MTD	+1,1%
Performance YTD	+1,1%
Performance ITD	+11,3%
Annualized volatility	+12,3%

NAV EVOLUTION



FUND CHARACTERISTICS

ISIN Code : LU2061939729
Fund Currency: EUR
Inception Date: 6 December 2019
Coordinating manager : Romain Lacoste
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 : 1 000€
Annual Management Fee: 1,25%
Performance Fee: None
Cut Off: D before 12:00 (UTC+1)
High Water Mark : Yes

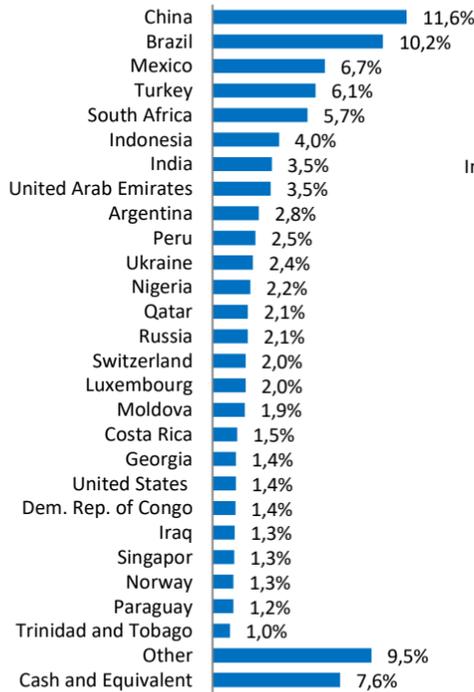
MONTHLY PERFORMANCES

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2021	+0,1%	+1,1%	-	-	-	-	-	-	-	-	-	-	+1,1%
2020	+0,4%	-0,9%	-13,3%	+3,8%	+8,2%	+5,6%	+1,0%	+1,2%	-0,4%	-0,1%	+3,3%	+2,1%	+9,9%
2019	-	-	-	-	-	-	-	-	-	-	-	+0,1%	+0,1%

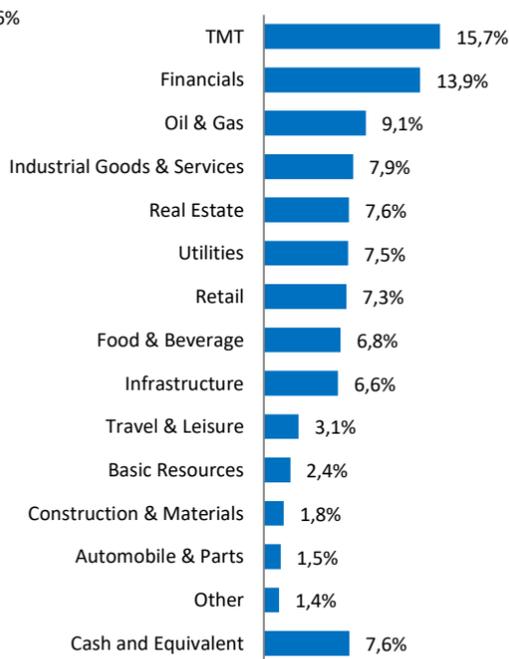
BY PERIOD

1 month	+1,1%
3 months	+3,3%
6 months	+6,2%
12 months	+11,6%

BREAKDOWN BY REGIONS



BREAKDOWN BY SECTORS



PORTFOLIO DATA

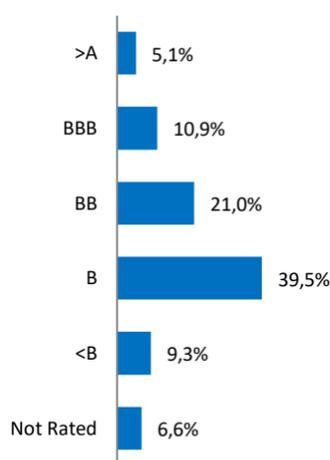
Yield to Maturity* (EUR)	5,8%
Yield to Worst* (EUR)	5,5%
Adjusted yield** (EUR)	5,2%
USD Exposure	0,8%
Average Running Coupon	6,8%
Number of Issuers	101
Average Maturity	3,6
Average Duration	2,3
Adjusted Duration**	2,4
Average Rating	BB
Average Issued Amount (\$ million)	603
Average Percentage Holding	0,1%

*hedging costs included : Bloomberg 1Y EURUSD Forward

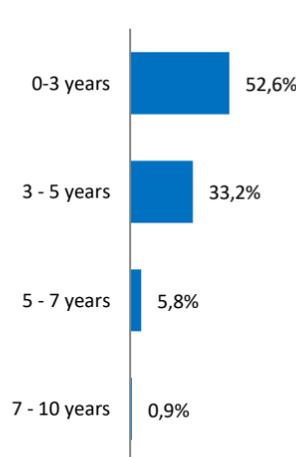
BONDS METRICS (Weighted Average)

Revenue (\$ billions)	1,2
EBITDA (\$ billions)	0,3
Leverage	3,4x

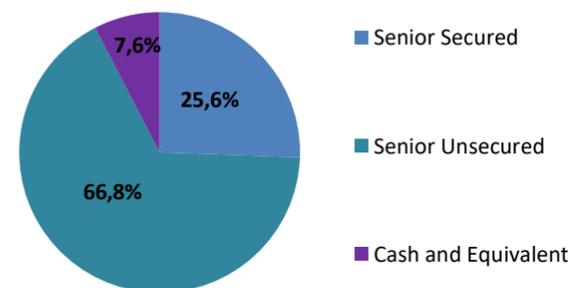
BREAKDOWN BY RATING



BREAKDOWN BY DURATION



SENIORITY RANK DISTRIBUTION



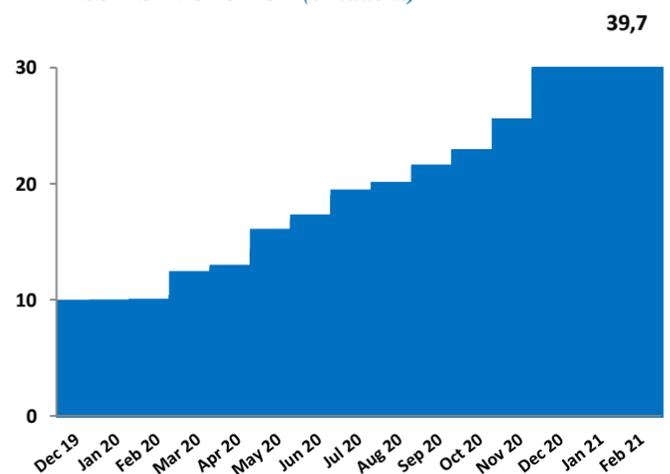
10 MAIN ISSUERS

	COUNTRY	SECTOR	WEIGHT
FS BIOENERGIA 2025	\$ Brazil	Utilities	2,3%
OI SA 2025	\$ Brazil	TMT	2,2%
EMIRATES NBD BANK PJSC 2025	\$ Jnited Arab Emirate	Financials	2,1%
QIB SUKUK LTD 2025	\$ Qatar	Financials	2,1%
ARCELIK AS 2021	€ Turkey	Retail	2,1%
ARAGVI FINANCE INTL 2024	\$ Moldova	Food & Beverage	1,9%
AXTEL SAB DE CV 2024	\$ Mexico	TMT	1,8%
LIGHT SERVICOS ENERGIA 2023	\$ Brazil	Utilities	1,8%
LIQUID TELECOM FINANCE 2026	\$ South Africa	TMT	1,7%
GAZPROM PJSC (GAZ FN) 2025	€ Russia	Oil & Gas	1,6%

10 largest positions

19,7%

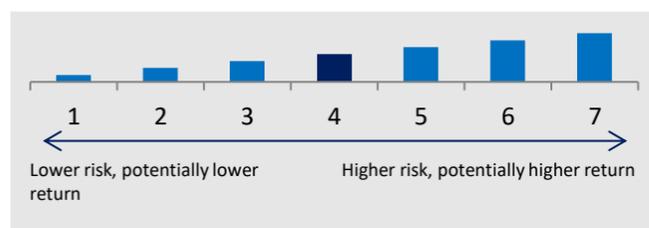
NET ASSETS EVOLUTION (€ millions)



RISK INFORMATION

- 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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* Data adjusted by IVO CP exclude irrelevant yields and take into account the portfolio managers' expectations regarding the most likely redemption date (could be at maturity date, at the next call or put, at another call date or tender). These expectations do not always match the worst-case scenario, reflecting the lowest possible yield, but can also lead us to exclude yields that are too high and unrealistic. False hypothesis can either overestimate or underestimate the yield and duration or sensitivity of the portfolio. Past performance is no guarantee of future results.