

An opportunistic access to international corporate debt markets

Created in December 2019, the IVO Global Opportunities fund is a UCITS fund invested in stocks and bonds without any rating or currency constraints. The fund invests mainly, but not exclusively, in emerging countries. The investment strategy consists of building a portfolio that reflects the managers' expectations for all emerging country stocks, bond and currency markets. The strategy is totally discretionary and is mainly based on a stock selection approach (known as picking), while integrating a macro-economic dimension to refine the allocation of assets. The stock selection approach consists of choosing companies offering medium- or long-term earnings prospects, as well as growth potential. This selection is based on the fundamentals of the companies, especially the quality of their financial structure, their ability to generate cash flows, their competitive positioning in their markets, their future prospects and the quality of their management.

Fund performance review

The fund appreciated by +1.4% in June, outperforming the CEMBI HY+ index (+0.7% in EUR) and the IBOXX Liquid High Yield index (+1.1%), mainly due to the good performance of Argentine issuers, the underweight to China and positive idiosyncratic developments.

June was a positive month for equity and bond markets, thanks to a combination of falling rates and a tightening of yield spreads on the CEMBI HY+, which stood at 444 bps at the end of the month, compared to 455 bps at the end of May. After a period of volatility, the U.S. 10-year Treasury yield fell, ending June at 1.4%, 20 bps lower than its level one month earlier. The decrease in long rates was driven by Fed members' inflation projections that remained unchanged after the 15th June committee, suggesting that committee participants and investors view inflation as transitory and primarily related to the global economic recovery. During the committee meeting, the Fed raised its forecast for U.S. GDP growth from 6.5% to 7% for 2021. In addition, the Fed reaffirmed its willingness to continue its asset purchase program of \$120 billion per month, maintaining significant liquidity in the markets.

Within the emerging bond markets, Argentina (+5.0%) was once again the country where issuers recorded the largest increase in June. Rumors about the agreement with the Paris Club were confirmed, allowing it to restructure payments until March 2022, which improves the sovereign's liquidity. In Peru (+3.1%), leftist candidate Pedro Castillo was provisionally declared the winner of the presidential elections, but the final results are still pending as the opposing candidate Fujimori challenged a number of ballots. Peruvian issuers have recovered some of their April decline following concerns about the election of Castillo, whose economic team has reassured the markets by expressing its willingness to contain inflation, not control foreign exchange or nationalize private companies. Valuations are still below the levels of the beginning of the year. In Mexico, President AMLO's coalition, in office since 2018, lost the majority in the national assembly needed to change the constitution, which should prevent him from running for a second term in 2024, and be positive for foreign investment. In Iran, the conservative Raisi has been nominated to take power from mid-July. A potential agreement with the United States could materialize before his inauguration, which would result in an increase in oil supply on the world market. Despite this, the price of oil continued to rise, ending above \$75 a barrel, reflecting strong expectations of a recovery in global demand that should cover the increase in supply in the second half of the year. The only negative performer was China (-2.1%), mainly related to a major issuer in the index, whose bonds fell sharply after a series of bad news and a downgrade by Fitch and then by Moody's. In the Asia Pacific region, Indonesia has seen a renewed increase in new infections since the religious holiday of Eid, which led to significant displacement in the country, and the government imposed new restrictions in Jakarta. Indonesian issuers nevertheless held up well (+0.3%), reflecting investors' confidence in an economic recovery despite these new waves of infection in some regions. Following the peak of the second wave in India in May, the government announced additional aid to SMEs amounting to \$20 billion, or 1% of the country's GDP. In Israel, the elections put an end to the Netanyahu era and placed Naftali Bennett in power. Finally, after the hijacking of the Ryanair plane by Belarus in May, relations with the European Union remain tense and a new series of economic sanctions for the country have been announced.

We remain positive on the asset class. First-quarter corporate earnings were relatively good overall and leverage is improving. We are seeing an acceleration of vaccination in most emerging countries, especially in those that have been the most affected such as Brazil and Argentina, in a context of a health situation that is improving overall despite persistent uncertainties about the delta variant. Yield spreads are still higher than in January 2020 (412 bps), and we still see high dispersion from the average, which continues to offer investment opportunities for active management. Finally, JP Morgan's growth forecasts for emerging markets in 2021 are higher than those for developed countries (+7.4% vs. +5.9%), and inflows are expected to be around \$37bn, up 60% on last year, which shows investor interest in the asset class. That said, in view of a future rise in sovereign rates, we are maintaining our defensive positioning on rates with a short duration of 3.3.

The main contributor to performance this month was natural gas producer **Peru LNG**, which largely recovered from its May decline by announcing the resumption of production at one of its plants and benefited from a reassuring speech by Castillo's team. In June, we continued to diversify the fund's portfolio, integrating four new issuers, including two in Peru. Finally, in an effort to reduce our exposure to this sector, we took profits on some non-bank financials in Latin America.

MONTHLY PERFORMANCES

| | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | YTD |
|------|-------|-------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|---------------|
| 2021 | -0,5% | +2,7% | +0,9% | +1,2% | +1,8% | +1,4% | - | - | - | - | - | - | +7,7% |
| 2020 | -2,5% | -3,0% | -19,2% | +10,3% | +12,8% | +6,7% | +1,6% | +1,5% | -1,0% | +0,1% | +7,2% | +6,2% | +18,1% |
| 2019 | - | - | - | - | - | - | - | - | - | - | - | -0,0% | -0,0% |

KEY FIGURES

| | LU2061939489 |
|----------------------|-------------------|
| Inception Date | December 16, 2019 |
| NAV as of 30-06-2021 | 127,12 |
| Fund Net Assets | 29M€ |

RETURN

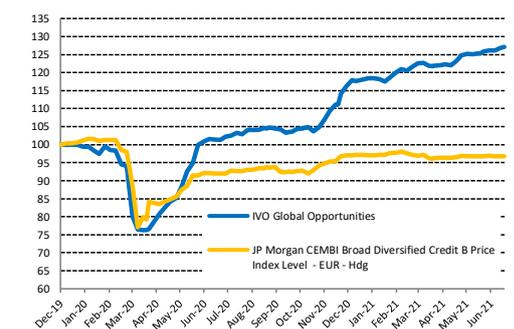
| | Bonds part | Fund |
|--------------------------|------------|--------|
| Yield to maturity* (EUR) | +23,4% | +21,3% |
| Yield to worst* (EUR) | +23,3% | +21,3% |
| Adjusted yield** (EUR) | +10,6% | +9,1% |

*hedging costs included : Bloomberg 1Y EURUSD Forward

FUND PERFORMANCES & RISK

| | |
|-------------------|--------|
| Performance MTD | +1,4% |
| Performance YTD | +7,7% |
| Performance 1TD | +27,1% |
| Annual volatility | +5,5% |

NAV EVOLUTION



FUND CHARACTERISTICS

| |
|---|
| ISIN Code : LU2061939489 |
| Bloomberg Ticker : IVOGORE LX |
| Fund Currency : EUR |
| Inception Date : December 13th 2019 |
| Manager : Roland Vigne |
| Structure : Luxembourg Sicav |
| Fund Category : Capitalisation UCITS |
| Liquidity : Weekly - Valuation: Daily |
| Investment Horizon : At least 5 years |
| Investment Manager : IVO Capital Partners |
| Custodian : Société Générale |
| Auditor : Deloitte |

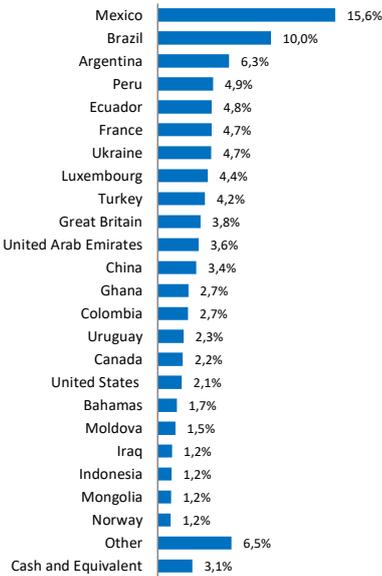
OPERATING PROCEDURES

| |
|--|
| Minimum investment : 1 000€ |
| Annual Management Fee : 2% |
| Performance Fee : 15% above 5% per calendar year |
| Subscription Fee : up to 4% |
| High Water Mark : Yes |

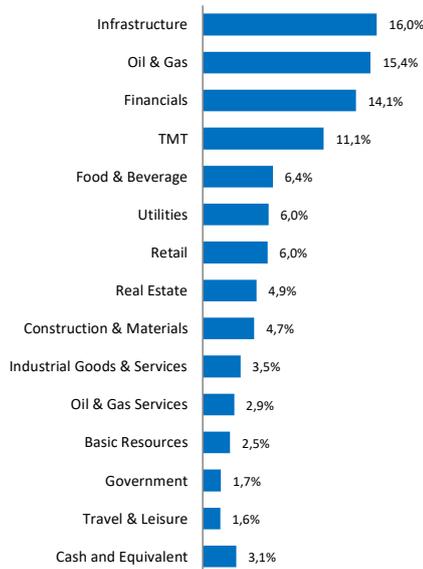
BY PERIOD

| | |
|-----------|--------|
| 1 month | +1,4% |
| 3 months | +4,5% |
| 6 months | +7,7% |
| 12 months | +25,5% |

BREAKDOWN BY REGIONS



BREAKDOWN BY SECTORS



BOND PORTFOLIO DATA

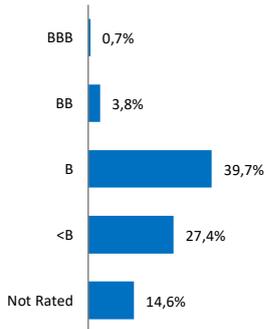
| | |
|------------------------------------|-------|
| Equities exposure | 10,7% |
| Yield to Maturity* (EUR) | 23,4% |
| Yield to Worst* (EUR) | 23,3% |
| Adjusted Yield** (EUR) | 10,6% |
| USD Exposure | 3,2% |
| Average Running Coupon | 9,3% |
| Number of Issuers | 80 |
| Average Maturity | 4,4 |
| Average Duration | 3,0 |
| Adjusted Duration** | 3,3 |
| Average Rating | B |
| Average Issued Amount (\$ million) | 503 |
| Average Percentage Holding | 0,2% |

*hedging costs included : Bloomberg 1Y EURUSD Forward

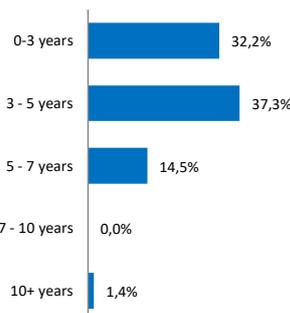
BONDS METRICS (Weighted Average)

| | |
|-----------------------|------|
| Revenue (\$ billions) | 2,6 |
| EBITDA (\$ billions) | 0,7 |
| Leverage | 3,8x |

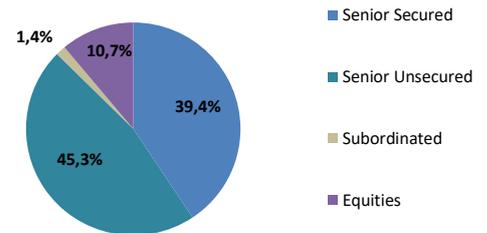
BREAKDOWN BY RATING



BREAKDOWN BY DURATION



SENIORITY RANK DISTRIBUTION



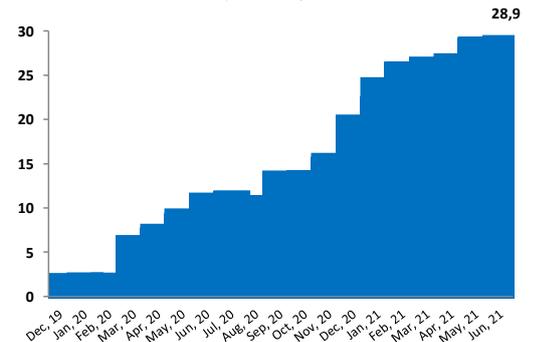
10 MAIN ISSUERS

| ISSUER | CURRENCY | COUNTRY | SECTOR | WEIGHT |
|-------------------------------|----------|---------------|--------------------------|--------|
| INTL AIRPORT FINANCE SA 2033 | \$ | Ecuador | Infrastructure | 4,78% |
| SIXSIGMA NETWORKS MEXICO 2025 | \$ | Mexico | TMT | 4,48% |
| GRUPO KALTEX SA DE CV 2022 | \$ | Mexico | Retail | 3,68% |
| PERU LNG SRL 2030 | \$ | Peru | Infrastructure | 3,12% |
| TELEGRAM GROUP INC 2026 | \$ | Great Britain | TMT | 2,97% |
| MOGO FINANCE 2022 | € | Luxembourg | Financials | 2,88% |
| LIMAK ISKENDERUN 2036 | \$ | Turkey | Infrastructure | 2,80% |
| ANDRADE GUTIER INT SA 2024 | \$ | Brazil | Construction & Materials | 2,66% |
| ACI AIRPORT SUDAMERICA S 2032 | \$ | Uruguay | Infrastructure | 2,29% |
| SHAMARAN PETROLEUM CORP 2023 | \$ | Canada | Oil & Gas | 2,22% |

10 largest positions

31,9%

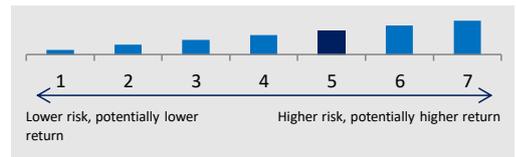
NET ASSETS EVOLUTION (€ millions)



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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