

### 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 -1% in October, outperforming the CEMBI HY+ index (-1.2% in EUR), thanks to our under-exposure to China, and underperforming the IBOXX Liquid High Yield index (-0.3%).

Emerging bond markets recorded a negative performance this month, due to a slight increase in US sovereign yields, with the 10Y-rate ending the month at 1.55% (+5bps), as well as an increase in yield spreads (from 471bps to 493bps). Concerns about the persistence of inflation due to supply chain problems and the energy crisis, as well as expectations of an easing in the Fed's monetary policy, have impacted investor confidence. Despite, equity markets ended the month higher, with companies reporting quarterly earnings generally above expectations, and demonstrating their ability to report their rising production costs to the ultimate consumer. Although global growth appears to be affected by short-term supply problems, demand seems to be resilient. The barrel price, ending at \$84, has risen above \$85 this month, its highest level in seven years, and is driven, in particular, by the impact of natural gas demand on the demand of oil, but also by a recovery in global demand and the supply issues that drive the market. The dollar depreciated slightly by 0.7% this month against other currencies, after the release of lower-than-expected US GDP growth in the third quarter (+2% vs +2.7% forecast).

The weakest performers in October were China (-13.5%), Macau (-2.2%) and Brazil (-2.0%). Despite the payment of an unexpected coupon by Evergrande, the decline in Chinese real estate issuers accelerated in October as two companies defaulted on their external debt in USD. Although widespread, this decline was even more significant for more fragile issuers rated as single B. However, some statements by the Chinese government suggest that the state will provide support to companies in difficulty to avoid a generalized crisis in the real estate sector. Following these statements, we decided to increase slightly our exposure to the sector (+0.1%), by selecting companies with good credit profiles. Despite attractive valuations, we remain underweight compared to the CEMBI HY+ index as we believe that other real estate developers are likely to default in the coming months. Elsewhere in Asia, after a slight downturn in the middle of the month, due to forced sales linked to volatility in China by some investors, India and Indonesia ended the month slightly positive. In Brazil (-2%), the government announced its intention to raise the ceiling on spending in the coming year to finance social benefits, which was badly perceived by investors, given by an high inflation in the country, and which affected the sovereign debt even more (-3.2%). The Brazilian central bank therefore increased its key rate by 150 bps, which affected the issuers. In Turkey, Erdogan's decision to lower the key rate by 200bps has surprised investors, who were expecting a drop of 100bps in October and then 100bps in November. Despite this, issuers, most of which are exporters and have low debt, held up rather well (-0.3%), while Ukraine reached an agreement with the IMF to free up \$700m by the end of the year, which had a positive impact on issuers (+0.8%). This positive advance was not enough to offset some negative news on the political side, with rumors about the potential re-election of the Governor of the Central Bank, as well as high October inflation figures, which had a negative impact on the sovereign debt (-0.6%). Regarding Africa, the President of Zambia presented the country's budget and expressed his willingness to conclude the restructuring of the debt by early 2022, which had a positive impact on the sovereign (+1.9%).

This month, the main contributor to performance was the natural gas producer **Peru LNG**, which benefits from very high gas prices and positive developments at political level in the sector. Conversely, the main detractor of performance was the Brazilian constructor **Andrade Gutierrez**, whose restructuring was delayed following the withdrawal of the buyer of the CCR shares, which was a condition of the agreement. We remain confident in the value of the assets and the possibility of resuming negotiations with the potential buyer. We participated in six primary issues, including three in Europe, two in Africa and one in Latin America. We also took advantage of the sale movement in India and Indonesia to initiate positions in BB/BB+ rated issuers. We continued to take profit on some of our positions in Argentina as well as on other positions where we see less upside potential. Our duration remained low at 3.1. In this volatile market environment, we continue to take advantage of opportunities and position ourselves on companies with strong credit profiles.

Despite concerns about the resumption of global growth and the tightening of monetary policy, we believe that our asset class remains attractive. The fundamentals of companies in the high yield universe have been robust and have continued to improve, with their debt at historic lows, which should allow them to withstand a potential global growth slowdown. The performance of the CEMBI HY since the beginning of the year (+2.1% USD) was significantly higher than the HY sovereign index (-4% USD), and according to JPMorgan, 40% of corporate credit downgrades were triggered by sovereign credit downgrades, which can present attractive investment opportunities. In addition, dispersion is still significant, and should allow for further spread compression by the end of the year.

### KEY FIGURES

LU1165644672

Inception Date	April 24, 2015
NAV as of 02-11-21	132,02
Fund Net Assets	510,5M€

### RETURN

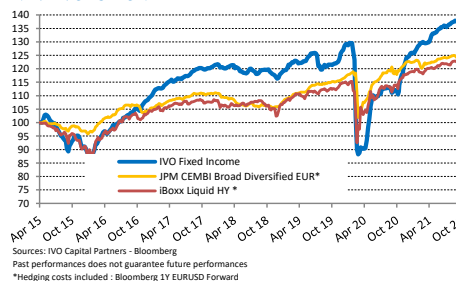
	Bonds part	Fund
Yield to maturity* (EUR)	+19,3%	+18,7%
Yield to worst* (EUR)	+19,1%	+18,5%
Adjusted Yield* (EUR)	+9,1%	+8,8%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

### FUND PERFORMANCES & RISK

Performance MTD	-1,02%
Performance YTD	+8,6%
Annualized 5 years performance	+4,5%
Annualized 5 years volatility	+11,0%

### NAV EVOLUTION



### 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

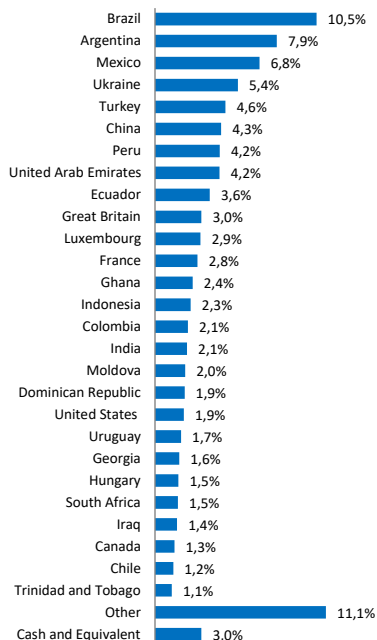
Minimum Investment: 5 000€
Annual Management Fee: 1,5%
Performance Fee: 15% above EURIBOR 3M + 400 BP
Subscription Fee: up to 4%
High Water Mark: Yes

### BY PERIOD

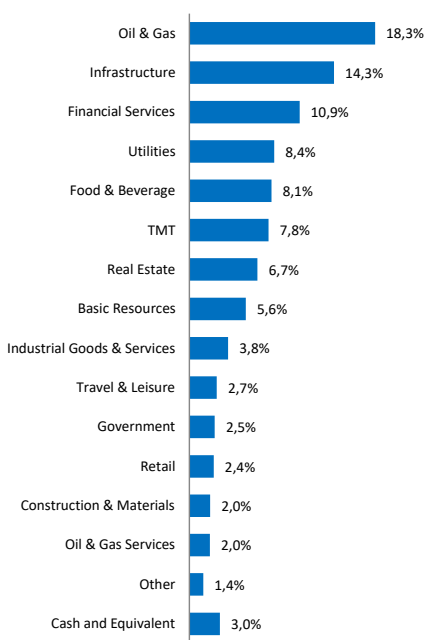
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2021	+0,7%	+2,5%	+0,5%	+1,1%	+1,9%	+1,4%	-0,0%	+1,3%	-0,01%	-1,0%	-	-	+8,6%
2020	+1,5%	-1,7%	-30,2%	+2,1%	+12,1%	+7,8%	+1,3%	+1,9%	-1,4%	-0,7%	+7,1%	+5,3%	-2,1%
2019	+2,6%	+1,8%	+0,6%	-0,1%	+0,4%	+1,5%	+0,7%	-4,8%	+1,0%	+0,3%	+0,7%	+3,6%	+8,3%
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%	-4,2%
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%	+10,7%
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%	+19,4%
2015	-	-	-	-	+2,9%	-2,1%	-2,8%	-3,2%	-5,2%	+3,9%	+1,5%	-4,3%	-9,2%

1 month	-1,0%
3 months	+0,2%
6 months	+3,5%
12 months	+22,4%
3 years	+11,7%
5 years	+25,1%
ITD	+32,0%

### BREAKDOWN BY REGIONS



### BREAKDOWN BY SECTORS



### PORTFOLIO DATA

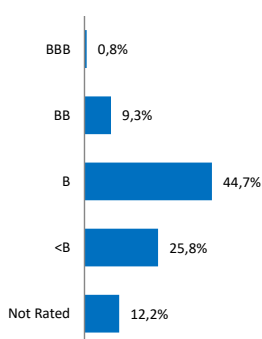
Yield to Maturity* (EUR)	19,3%
Yield to Worst* (EUR)	19,1%
Adjusted Yield * (EUR)	9,1%
USD Exposure	1,0%
Average Running Coupon	8,6%
Number of Issuers	158
Average Maturity	4,4
Average Duration	3,0
Adjusted Duration**	3,3
Average Rating	B+
Average Issued Amount (\$ million)	646
Average Percentage Holding	1,9%

\*hedging costs included : Bloomberg 1Y EURUSD Forward

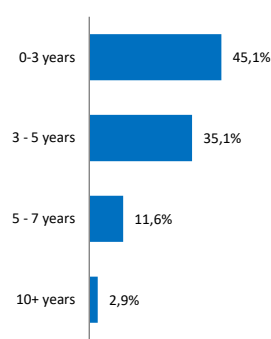
### BONDS METRICS (Weighted Average)

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

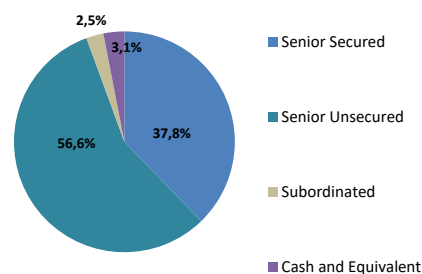
### BREAKDOWN BY RATING



### BREAKDOWN BY DURATION



### SENIORITY RANK DISTRIBUTION



### 10 MAIN ISSUERS

ISSUER	COUNTRY	SECTOR	WEIGHT
INTL AIRPORT FINANCE SA 2033	\$ Ecuador	Infrastructure	3,6%
PERU LNG SRL 2030	\$ Peru	Infrastructure	3,1%
SIXSIGMA NETWORKS MEXICO 2025	\$ Mexico	TMT	2,1%
ARAGVI FINANCE INTL 2026	\$ Moldova	Food & Beverage	2,0%
MOGO FINANCE 2026	€ Latvia	Financial Services	1,9%
LIMAK ISKENDERUN 2036	\$ Turkey	Infrastructure	1,9%
AES ARGENTINA GENERACION 2024	\$ Argentina	Utilities	1,9%
PAMPA ENERGIA SA 2029	\$ Argentina	Utilities	1,8%
CASINO GUICHARD PERRACH Perp	€ France	Food & Beverage	1,7%
ACI AIRPORT SUDAMERICA S 2032	\$ Uruguay	Infrastructure	1,7%

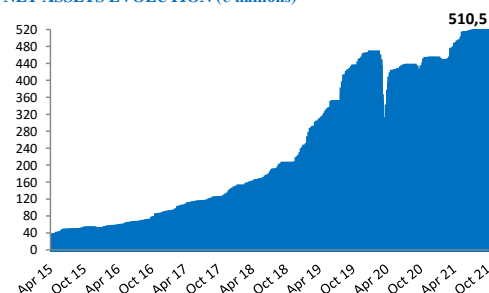
10 largest positions

21,6%

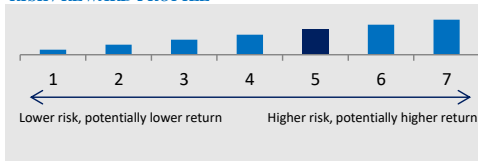
### RISK INFORMATION

- 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".

### NET ASSETS EVOLUTION (€ millions)



### RISK / REWARD PROFILE



The lowest category does not mean risk-free

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