Label ISR

IVO SHORT DURATION SRI (EUR) - UCITS

IVO CAPITAL PARTNERS

FACTSHEET - APRIL 2022

An opportunistic access to international corporate debt markets

Created in December 2019, the IVO Fixed Income Short Duration SRI 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 depreciated by -1.3% in May, underperforming the CEMBI 1-3 year hedged index in euros (-0.4%), due to our higher exposure to High Yield issuers. Since the beginning of the year, the fund has depreciated by -7.3%, outperforming the CEMBI HY+ index (-9.1% in EUR).

Despite the slight recovery of the bond and equity markets in the last week of May, their performance was again negative this month, and is explained by an increase in credit spreads of 42 bps, ending at 570 bps. Despite continued inflation in the US and Europe, fears of a global recession caused US yields to fall, particularly short rates, with the five-year yield ending the month at 2.81% (-17bps compared to end April). The release of disappointing results from some US retail companies, as well as the -16.6% drop in new home sales compared to April, fueled these recession fears. Weaker than expected economic indicators in China in April led to further downward revisions to its GDP growth in 2022, now forecast at +3.7% for 2022 by JP Morgan. At the end of the month, markets recovered some of their negative performance following the release of slowing inflation in the US in April, rising household spending, and an easing of mobility restrictions in Shanghai. However, investors still expect the Fed to raise rates by another 50 bps in June and the ECB to raise rates by 100 bps by the end of the year. The price of oil closed at $123 per barrel at the end of the month, rising due to the European Union's decision to end 90% of its Russian oil imports.

The only country to record a positive performance this month was Ukraine (+9.7%). Despite the capture of Mariupol by Russian troops, Ukrainian resistance in the rest of the conflict regions is strong and Russian advances are limited. Moreover, Ukrainian issuers, apart from logistical problems, have managed to maintain most of their operations and a liquidity situation allowing them to service their debt. We maintained our exposure to Ukrainian issuers (3.7% of the portfolio). The three countries with the largest declines this month were China (-5.9%), Macau (-5.6%), and Chile (-2.9%). In Macau, casino operators continue to see their revenues drop and suffer from the restrictions imposed by the Chinese government, which prevent a recovery in traffic. In China, the government has announced a series of mainly fiscal measures to boost the economy, and the Chinese Central Bank has lowered the benchmark 5-year property loan rate from 4.6% to 4.45%, in a bid to support the sector. Nevertheless, Chinese high yield issuers continued to suffer from negative idiosyncratic developments and the confinement to Shanghai, which is slowing housing sales. We maintained our exposure to Chinese issuers by making arbitrages to increase our exposure to attractively valued bonds. Elsewhere in Asia, India (-1.2%) and Indonesia (-0.2%) suffered from the contagion of the sell-off in China. In Chile, the project of a new constitution and the potential changes on the concessions of mining producers weighed on issuers. In addition, at the beginning of the month, the Chilean central bank raised its key rates by 125 bps, while the market was expecting a 100 bps increase. In Colombia (+0.7%), the positive performance is explained by the results of the first round of presidential elections at the end of the month, which put the left-wing candidate G. Petro in the lead and the independent R. Hernandez in second place, creating a surprise and having a slightly positive impact on bond valuations, as the chances of a Petro defeat in the second round increase and are seen as positive by the markets. We will not know the new president until 19 June. After four months of discussions, Ecuador and the IMF finally agreed to provide $1 billion to the country by mid-June, with an additional $700 million expected by the end of the year.

This month, the primary market in emerging high yield was once again at a standstill. We have made arbitrages on the portfolio, reducing positions that have resisted the sell-off well and where we see less upside potential, and strengthening those that have suffered from the sell-off and where we believe the credit profile is strong, notably in India and Latin America. The main contributor to performance was Argentinean power producer **AES Argentina** , which reported strong first quarter 2022 results, with cash generation allowing it to continue deleveraging.

Despite rising energy costs and supply issues, most emerging companies have reported encouraging first quarter 2022 results, showing low leverage, which is expected to remain low into 2022. Obviously, commodity-related companies are on exceptional earnings trajectories. At these historically low valuations, we see good potential for spread compression in this asset class, which has the advantage of a short duration. Our duration, also structurally low at 2.9, allows us to deal with this interest rate risk and to quickly reposition ourselves on bonds whose valuations seem attractive.

KEY FIGURES	***LU2061939729***
Inception Date	December 6, 2019
NAV as of 31-05-22	103,30
Fund Net Assets	84,4M€

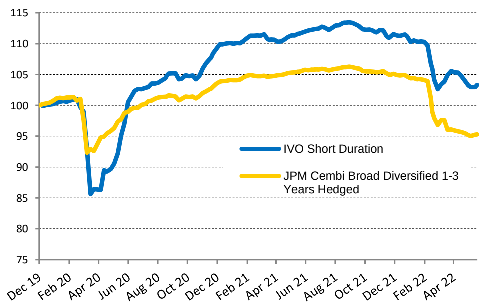
RETURN	Bonds part	Fund
Yield to maturity* (EUR)	+15,8%	+15,1%
Yield to worst* (EUR)	+15,8%	+15,1%
Adjusted yield** (EUR)	+8,1%	+7,7%

*hedging costs included : Bloomberg 1Y EURUSD Forward

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

FUND PERFORMANCES & RISK	
Performance MTD	-1,3%
Performance YTD	-7,3%
Performance ITD	+3,3%
Annualized volatility	+4,0%

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
- Article 8 SFDR, Label ISR

OPERATING PROCEDURES

- Minimum investment : 1 000€
- Annual Management Fee: 1,25%
- Performance Fee: None
- Cut Off: D before 12:00 (UTC+1)

MONTHLY PERFORMANCES

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2022	-1,0%	-3,9%	-1,0%	-0,2%	-1,3%	-	-	-	-	-	-	-	**-7,3%**
2021	+0,1%	+1,1%	-0,6%	+0,1%	+0,8%	+0,6%	-0,1%	+1,1%	-0,5%	-0,7%	-1,0%	+0,4%	**+1,3%**
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	-1,3%
3 months	-2,5%
6 months	-6,9%
12 months	-7,5%

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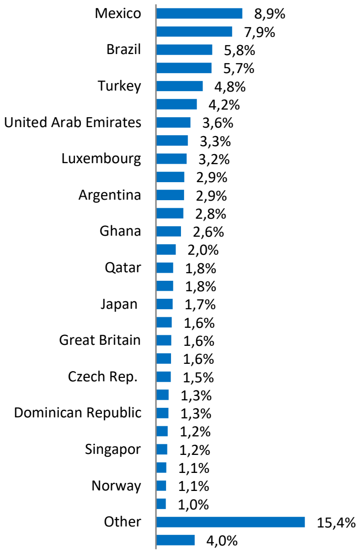
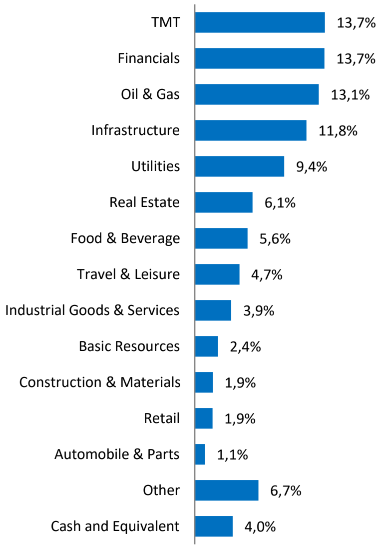
PORTFOLIO - APRIL 2022

BREAKDOWN BY REGIONS



BREAKDOWN BY SECTORS



PORTFOLIO DATA

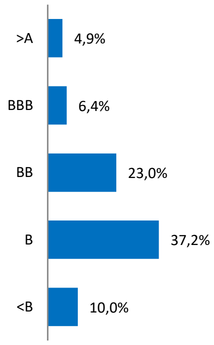
Yield to Maturity* (EUR)	+15,8%
Yield to Worst* (EUR)	+15,8%
Adjusted yield** (EUR)	+8,1%
USD Exposure	1,7%
Average Running Coupon	8,3%
Number of Issuers	124
Average Maturity	3,6
Average Duration	2,8
Adjusted Duration**	2,9
Average Rating	BB
Average Issued Amount ($ million)	611
Average Percentage Holding	0,2%

*hedging costs included : Bloomberg 1Y EURUSD Forward

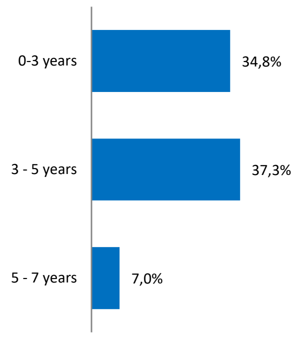
BONDS METRICS (Weighted Average)

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

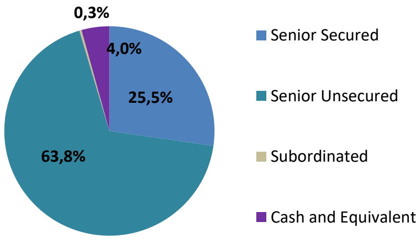
BREAKDOWN BY RATING



BREAKDOWN BY DURATION



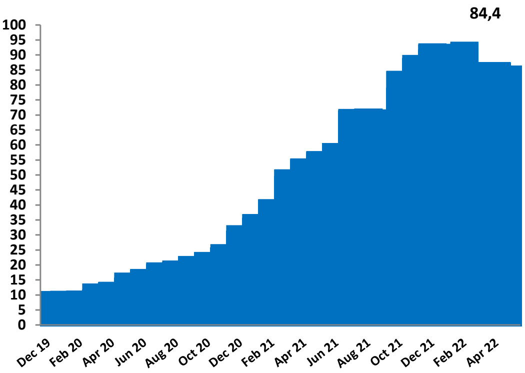
SENIORITY RANK DISTRIBUTION



10 MAIN ISSUERS

10 MAIN ISSUERS		COUNTRY	SECTOR	WEIGHT
LIMAK ISKENDERUN 2036	$	Turkey	Infrastructure	2,2%
AXTEL SAB DE CV 2024	$	Mexico	TMT	1,8%
PERU LNG SRL 2030	$	Peru	Infrastructure	1,8%
QIB SUKUK LTD 2025	$	Qatar	Financials	1,8%
ARAGVI FINANCE INTL 2026	$	Moldova	Food & Beverage	1,8%
SEPLAT ENERGY PL 2026	$	Nigeria	Oil & Gas	1,8%
FS LUXEMBOURG SARL 2025	$	Brazil	Utilities	1,7%
FAB SUKUK COMPANY LTD 2024	$	United Arab Emirates	Financials	1,7%
CARNIVAL CORP 2026	€	United States	Travel & Leisure	1,6%
ENERGO PRO AS 2027	$	Czech Rep.	Utilities	1,5%
10 largest positions				**17,7%**

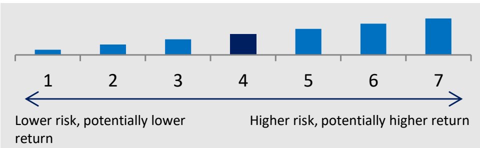
NET ASSETS EVOLUTION (€ millions)



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 andbelow 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.