

# PROTEA FUND BAM GLOBAL BONDS

November 2018



## PORTFOLIO REVIEW

The BAM Global Bond fund shed 0.40% in November, a month that proved particularly volatile, particularly for credit and emerging bonds. Outside of the government space, all bond indices were in negative territory. The fund's duration of more than 6 years, mainly through long-term US government bonds, contributed positively to performance and thus helped contain overall downward pressures. The peripheral sovereign segment, characterized by our exposure to Italian Treasury bonds, uncorrelated to credit, also supported performance. We reaffirm our portfolio positioning in this volatile year-end period.

## MARKET OUTLOOK

November confirmed that European growth is decelerating. It is no longer only leading indicators that are proving disappointing, but also key macroeconomic data, such as German gross domestic product, which fell sharply (-0.2%) in the third quarter. In the US, while growth remains above potential, concerns are emerging in real estate markets, which appear to be slowing down.

Aware of the risks of tightening monetary policy beyond the neutral rate, the Federal Reserve, spoken for by its President, has adopted a much more accommodating tone with regard to rate hikes. The market now expects only one more increase in 2018, followed by another in the first quarter of 2019.

High yield bonds were under particular pressure this month. In the USD-denominated high yield space, credit spreads increased by 100 basis points (bp). Europe followed the same trend, with ca. 80 bp of widening. Emerging bonds spreads also increased, but to a lesser extent. Although we currently believe that credit spread levels offset fundamental risks, we expect this asset class to remain volatile.

We therefore reaffirm our current positioning, with a duration of close to 6 years, mainly on the US market. In Europe, we continue to favor peripheral markets, Italian loans in particular.

## INVESTMENT OBJECTIVE

The objective is to provide the investors with long-term capital appreciation of their investment mainly through all opportunities across the fixed income universe denominated in any currency.

## RISK & REWARD



## FUND FACTS

Domicile	Luxembourg
Inception date	1 September 2015
Currency	EUR
Fund Managers	Yvan Mencattini
Fund size	EUR 99 million
Liquidity (sub./red.)	Weekly
Min. Investment	1000 EUR
Management fees	0.6-1.0%

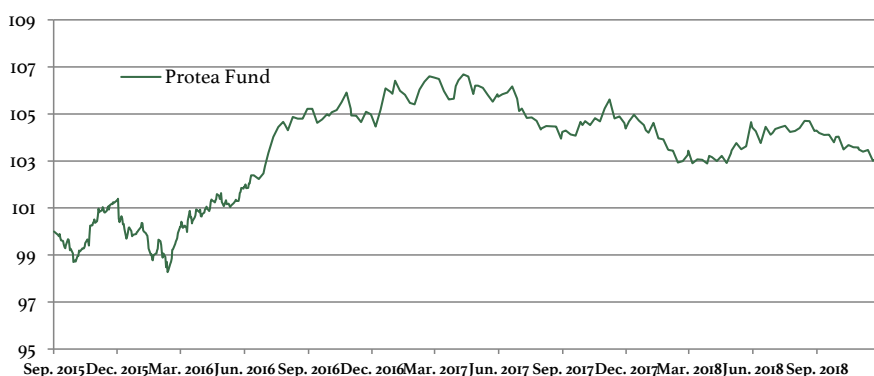
		Bloomberg	ISIN	NAV
Inst.:	EUR	PBGBIEU	LU1280945475	103.11
	CHF	PBGBHIC	LU1280945632	101.01
	USD	PBGBHIU	LU1280945806	108.52
Ret.:	EUR	PBGBREU	LU1280945558	101.64
	CHF	PBGBHRC	LU1280945715	99.57
	USD	PBGBHRU	LU1280945988	106.97

## STATISTICS

Yield to maturity	2.83
Average maturity	6.65
Average duration	5.88
Average spread	198
Duration Time Spread	710
Number of positions	56

## NET PERFORMANCE AND ANNUAL PERFORMANCE IN EUR

07.09.2015 - 30.11.2018



	Fund
1 Month	-0.4%
3 Months	-1.1%
YTD	-1.1%
Since inception	3.3%

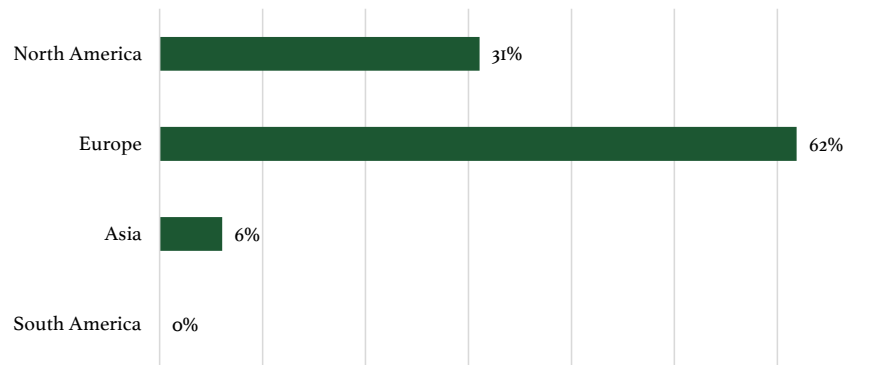
Disclaimer: Past performance is no guarantee of future results. The performance data do not take into account the commissions and costs incurred on the issue and redemption of units, performance is presented net of fees.

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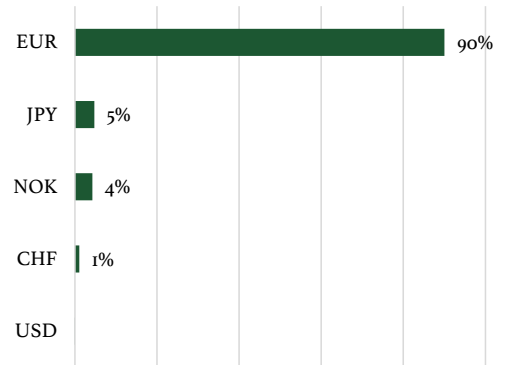
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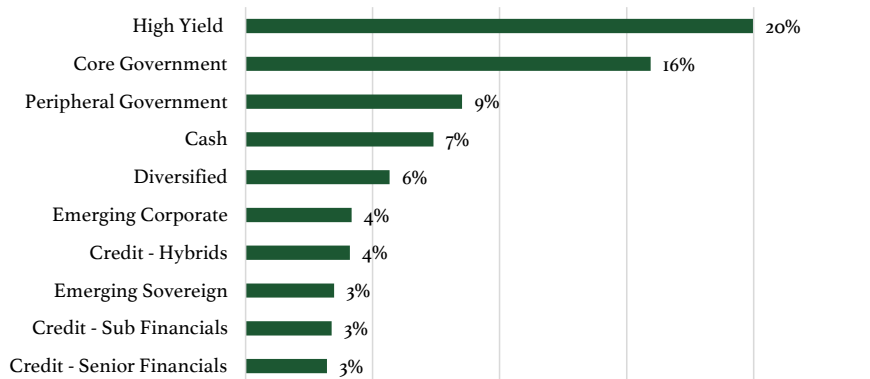
## ALLOCATION BY REGION



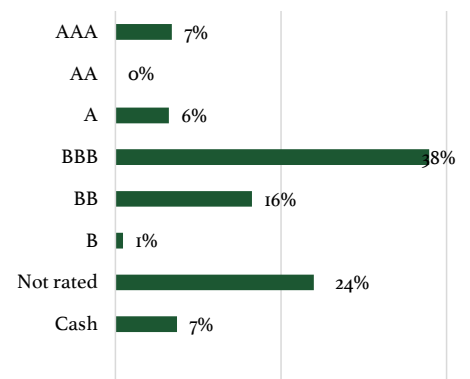
## ALLOCATION BY CURRENCY



## ALLOCATION BY SECTOR



## ALLOCATION BY RATING



## TOP 10 POSITIONS

	Sector	Country	Weight
US TREASURY N/B	Government	US	9.2%
US TREASURY N/B	Government	US	6.8%
FRANCE (GOVT OF)	Government	FR	2.9%
BOLLORE SA	Communications	FR	2.2%
BUONI POLIENNALI DEL TES	Government	IT	2.1%
BUONI POLIENNALI DEL TES	Government	IT	2.0%
KINDER MORGAN INC	Energy	US	2.0%
EXPEDIA INC	Communications	US	1.9%
PERNOD RICARD SA	Consumer Staples	FR	1.9%
INTERNATIONAL GAME TECH	Consumer Discretionary	GB	1.9%
<b>Total</b>			<b>32.8%</b>
Number of holdings			56

## FUND COMPLEMENTARY DETAILS

Administrator	Fund Partners Solutions SA
Representative in Switzerland	Fund Partners Solutions (Suisse) SA
Custodian	Pictet & Cie (Europe) SA
Investment Manager	Bruellan SA
Paying agent in Switzerland	Banque Pictet & Cie SA
Auditor	Deloitte Audit S.à r.l
Cut off	Tuesday

## CONTACT DETAILS

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