

MIDAS - Bond Opportunities A - Acc

Monthly summary report | as at 31 July 2017

Investment Objective

The fund seeks to achieve capital appreciation over the medium term by investing in a diversified portfolio of Euro-denominated fixed income securities (investment-grade corporate bonds, government bonds, high yield and emerging market debt as well as convertible bonds). The main focus is put on bottom-up selection. Interest rate as well as credit risks are managed actively.

Latest Update

NAV per share	113,04
2017 year-to-date return as at 31 July 2017	4,04%

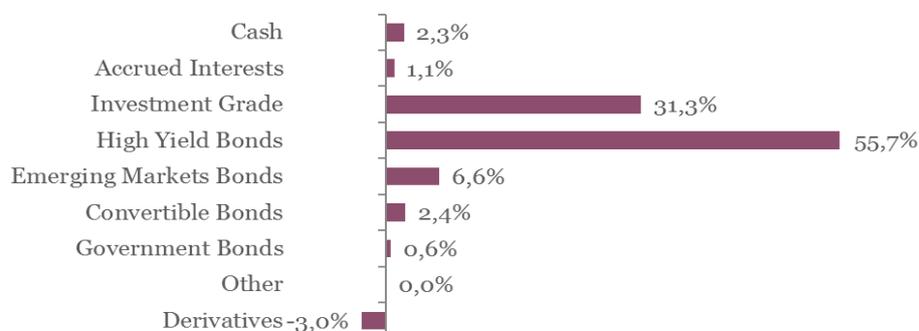
Performance

	1M	YTD	2016	2015	2014	3Y
Midas Bond Opp.	0,83%	4,04%	3,81%	-0,29%	4,03%	7,05%

Fund key facts

Inception date *	25 November 2013
ISIN code	LU0927887504
Asset class	Bonds in EUR
Total fund assets	€ 164 million
Base currency	EUR
Legal status	Luxembourg UCITS
Management Fee	1,00%
Custodian	Crédit Suisse Lux
Liquidity	Daily
Settlement Date	Trade Date + 2 Days

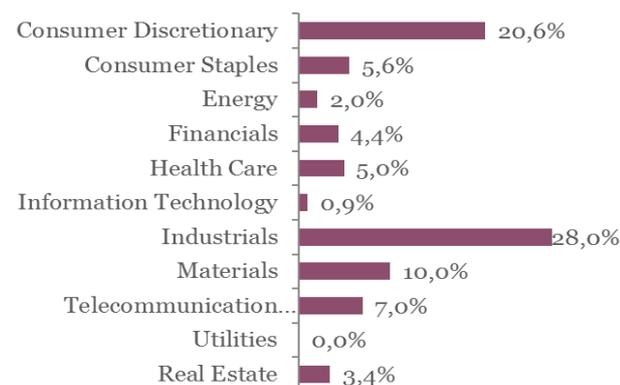
Asset Allocation



Top 10 bond holdings

	YTM	Rating	Weight
ITV PLC : ITVLN 2 1/8 09/21/22	1,1%	BBB-	2,5%
CELLNEX TELECOM : CLNXSM 2 7/8 04/18	2,2%	BBB-	2,5%
ILIAD : ILDFP 2 1/8 12/05/22	1,3%	NR	2,5%
EUROFINS SCIEN : ERFFP 2 1/4 01/27/22	1,3%	NR	2,5%
ATF NETHERLANDS : ALATPF 2 1/8 03/13/	1,5%	BBB	2,5%
BOLLORE SA : BOLFP 2 01/25/22	1,5%	NR	2,5%
BUREAU VERITAS : BVIFP 1 1/4 09/07/23	1,0%	NR	2,5%
ALTICE LX : ATCNA 6 1/4 02/15/25	3,3%	B	2,0%
BISOHO SAS : SMCPPF 5 7/8 05/01/23	2,3%	B	2,0%
BOMBARDIER INC : BBDBCN 6 1/8 05/15/2	3,6%	B-	2,0%

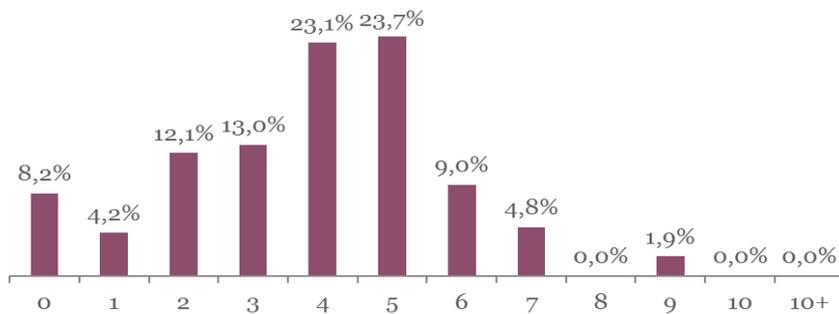
Sector breakdown



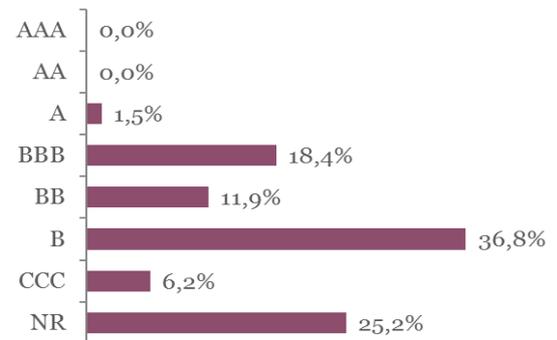
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Duration breakdown



Rating breakdown



Top funds holdings

Ashmore Emerging Markets Short Duration	Emerging Markets Bonds	6,6%
MM Convertible Europe	Convertible Bonds	2,4%

Market Review

The beginning of the month was marked by initial concerns over a tightening of global monetary policy, but Central Bank meetings on both sides of the Atlantic only confirmed they are in no hurry as predicted inflationary pressures have difficulties to materialize. Fixed Income markets were resilient, with German yields initially continuing last month's rise to come back down somewhat after Central Banks' slightly more dovish tones. The German Bund ended the month slightly down yielding 0.54% while the 10Y US Treasury ended the month around the same levels as at the beginning of the month, at 2.30%. Supportive economic conditions and still low interest rates were beneficial for credit spreads, with both Investment Grade bonds (+0.81%) and High yield bonds (+0.68%) performing well. The Cross-over index dropped for a sixth consecutive month to 234bp.

Portfolio Performance

During the month, the Fund has gained 0.83%. The Fund profited from the continuing good tenure of corporate high yielding bonds, which is also reflected by the X-over index flirting with historic low levels. While we tactically moved our duration exposure a bit higher (to 3.4) then it was end of last month (2.7), we still see yields going higher later on this year.

Market Outlook

As the Fed wishes to be "ahead of the curve", it is expected to continue along its tightening path (albeit at a slower pace than previously thought, following weaker inflation developments), aided by historically very loose US financial conditions and its conviction that inflation will eventually pick up. The ECB should also be in gradual tightening mode next year as it intends to taper its bond-buying program. In this environment, and with some cyclical inflation pressures likely to eventually develop, we retain our low duration exposure. The upbeat macro environment continues to favour risky assets as high yield credit.

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* Performance has been calculated since inception on the 25th of November 2013 of Expert Investor Sicav Midas Bond Opportunities Fund which merged into Midas Sicav Bond Opportunities Fund on the 1st of August 2016.