


# AURIS - Sélection Défensive Class R CHF Hedged

FIXED INCOME FUND

REPORT  
NOVEMBER 2017

## UCITS BONDS AND OTHERS MONEY MARKET INSTRUMENTS

ISIN Code	LU1599120430
Bloomberg	ASDCHFR LX
Launch Date	07/02/2017
Minimum investment	1 share
Subscriptions / Redemptions	Daily Cut off, 12.00 am Luxembourg Time
Euro Diversified Bonds (R Class rating)	
Euro Conservative Allocation (R Class rating)	
Reference Index	EONIA capitalised + 200 bp since 01/10/2015
Subscription Fees	2.0% max (maximum sales commission)
Management Fees (max)	0.70% (tx. incl.) + 15.00% (tx. incl.) of the outperformance above the Reference Index (if performance > 0)
Redemption fees	None
Sources	Bloomberg
Fund Manager	Stéphane Chossat Alexandre Hezez
Custodian	CACEIS Bank Luxembourg
Statutory auditor	Deloitte & Associés
Legal status	UCITS IV - SICAV
Countries of distribution	France, Switzerland, Luxembourg, Spain
NAV / Assets	CHF102.19 / €133M
Nb of holdings	Bonds : 48 Equities : 9
Net exposure	Bonds : 75.01% Equities : 2.81%

## OBJECTIVES

- The objective of the fund is to outperform its reference Index Eonia +200bp over a period exceeding 3 years keeping a limited level of risk (measured by the 3 years volatility).

## PERFORMANCES

Monthly

YTD

The presented performances are compared with the fund's current benchmark

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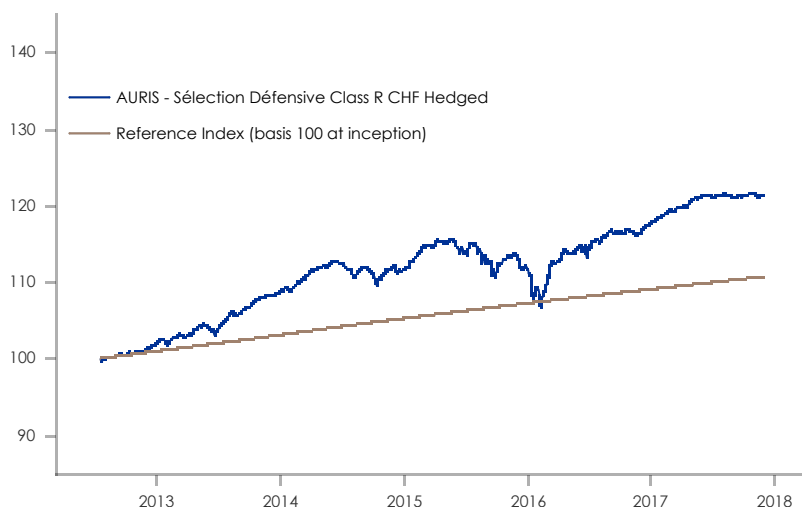
-0.19%

3.18%

Reference Index

0.14%

1.54%



	Cumulative performance (%)				Annualized performance (%)		
	1 year	3 years	5 years	Since inception	3 years	5 years	Since inception
AURIS - Sélection Défensive Class R CHF Hedged	4.18%	8.43%	19.97%	21.23%	2.73%	3.71%	3.65%
Reference index	1.67%	5.40%	9.85%	10.69%	1.76%	1.90%	1.91%

## KEY FIGURES / RISK

	AURIS - Sélection Défensive	Indicateur de référence
Volatility 3 years	3.24%	0.01%
Sharpe Ratio	0.96	0.83

## INTEREST RATE RISK OF THE FUND

	AURIS - Sélection Défensive
Average Maturity	2.39
Duration*	2.02
Sensitivity	1.43
Yield to Maturity	2.11%
Average rating	BB+

\* Excluding Floating Rates Non Dated Bonds

The fund is exposed to the following risks : risk of capital loss, discretionary management risk, interest rate risk, credit risk, convertible bonds-related risk, market shares, risk related to equity investments small cap. For the investors residing outside the Eurozone, the return may increase or decrease as a result of currency fluctuations.

Risk & reward profile 1 2 3 4 5 6 7

# AURIS - Sélection Défensive Class R CHF Hedged

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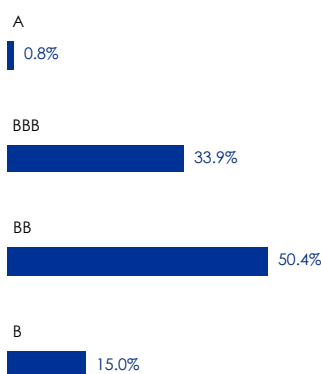
AURIS  
INVESTMENT MANAGERS

## HISTORICAL PERFORMANCE % (NET OF FEES)

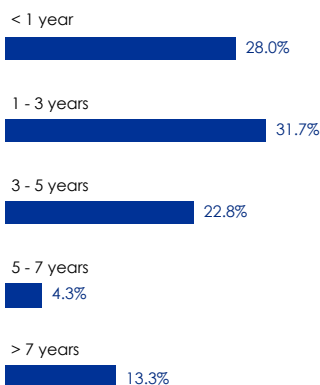
		jan.	feb.	mar.	apr.	may	june	july	aug.	sept.	oct.	nov.	dec.	Annual/YTD
2012	Funds							-0.26%	0.42%	0.14%	0.40%	0.35%	0.54%	1.60%
	Reference index							0.65%	1.28%	1.09%	1.10%	1.86%	0.94%	7.12%
2013	Funds	0.26%	0.90%	0.03%	0.97%	0.52%	-0.74%	1.51%	0.46%	0.86%	1.08%	0.57%	0.36%	6.97%
	Reference index	0.04%	0.19%	0.57%	2.87%	-0.47%	-2.08%	1.67%	-0.67%	1.50%	1.79%	0.28%	-0.53%	5.16%
2014	Funds	0.19%	1.02%	0.88%	0.74%	0.47%	0.10%	-0.78%	0.14%	-0.41%	-0.48%	0.98%	-0.25%	2.61%
	Reference index	1.52%	1.48%	0.85%	1.18%	0.98%	0.77%	0.15%	2.07%	0.32%	-0.41%	1.76%	0.48%	11.69%
2015	Funds	1.13%	1.42%	0.15%	0.51%	0.23%	-1.46%	1.13%	-1.23%	-2.32%	1.73%	0.77%	-1.50%	0.44%
	Reference index	2.97%	1.84%	1.47%	-1.17%	-1.17%	-2.76%	2.85%	-2.12%	0.59%	0.15%	0.16%	0.15%	2.80%
2016	Funds	-2.52%	0.26%	2.88%	1.20%	0.34%	-0.38%	1.46%	0.74%	-0.07%	0.40%	-0.40%	0.97%	4.89%
	Reference index	0.14%	0.15%	0.14%	0.13%	0.14%	0.14%	0.13%	0.15%	0.14%	0.14%	0.13%	0.13%	1.68%
2017	Funds	0.78%	0.68%	0.43%	0.61%	0.57%	-0.06%	0.17%	-0.19%	0.06%	0.27%	-0.19%		3.18%
	Reference index	0.14%	0.13%	0.14%	0.13%	0.15%	0.13%	0.14%	0.14%	0.13%	0.14%	0.14%		1.52%

Since 01/10/2015, the reference Index changed to EONIA + 200 bp. Since 02/11/2015, the strategy and the risk profile of the fund changed.

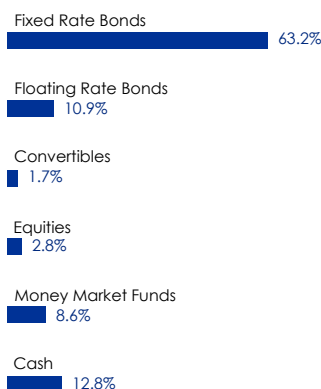
## RATING BREAKDOWN



## MATURITY BREAKDOWN



## TYPE OF ASSETS BREAKDOWN



## TOP HOLDINGS

GROUPAMA 7,875% 2039  
ENGIE 3,875% PERP  
TELEFONICA 6,5% PERP  
AXA TV PERP  
ENCE 5,375% 2022

## MANAGER'S COMMENTARY

The beginning of the month was marked by profit taking on risky assets, such as in Europe on credit and equity markets. Overall, quarterly earnings releases were quite good but companies were sometimes impacted either because they did not raise guidance or because they didn't reach the high expectations embedded in high valuations. The credit market and especially the high yield segment has been hit by the crisis of confidence around Altice, because of the weight of the company in some indexes and the contagion effect on other high yield companies with high level of debt.

Towards the end of the month, profit taking reduced when macroeconomic statistics showed once again an acceleration of growth in Europe and a stable growth at a high level in the US. Besides, inflation indicators in the euro zone are quite reassuring and could justify a reduction of the ECB's non-standard measures in the mid-term. Oil price (brent) increased again and reached 63\$ due to geopolitical concerns (Saudi Arabia, Venezuela). Euro zone sovereign bond yields fell in November (10-year OAT at 0.68%), except in Germany where the government formation appears difficult and will take time.

In the credit market, yield spreads narrowed (the Itraxx index went from 50 to 48 bps) except for the high yield market for the reasons explained above. The primary market remains dynamic as issuers benefit from exceptionally favourable financing conditions. Stock markets fell slightly (Eurostoxx -2%).

In this context, **Auris Sélection Défensive recorded a loss of -0.19% in November.**

The fund maintains its conservative positioning and continues to prefer short maturities (especially in high yield) or specific securities (floating rate bonds, perpetual financials, hybrids). During the month, the fund hasn't made any major adjustments. Only existing positions have been strengthened (Loxam 2022, Tereos 2020, Aryzta Perp) as a result of some bonds redemptions (Credit Logement Perp, Dufry 2022). Cash level is still high (21% of assets).

The fund has a yield to maturity of 2.1% for a sensitivity which has stayed low at 1.4. The weighted average rating is still BB+, one-step below the Investment Grade category.

Equity exposure has been maintained at less than 3% of the portfolio.

In the current environment (low interest rates and yield spreads in the credit market), the fund keeps a cautious investment policy with more than 40% of the portfolio (including liquidity) which has a maturity inferior to 1 year.

This approach, combined with an active management of the positions in the portfolio should allow to deliver a steady performance while minimizing the risk.

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