

AURIS SÉLECTION DÉFENSIVE Class N (EUR) AS OF 31/01/2019

Short term bonds

1. CHARACTERISTICS

ISIN Code	LU1746645875 LX
Bloomberg	AURSEDN LX
Launch Date	19/01/2018
Minimum investment	100,000€
Subscriptions / Redemptions	Daily Cut off, 12.00 am Luxembourg Time



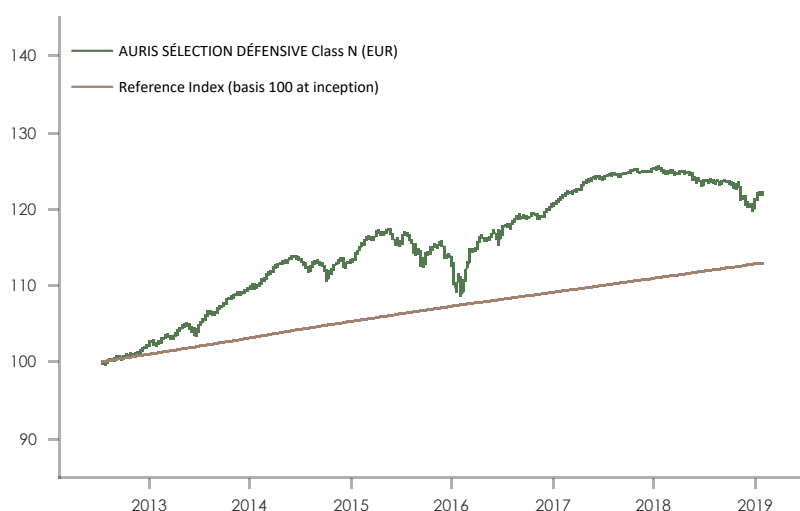
Reference Index	EONIA capitalised + 200 bps since 01/10/2015
Subscription Fees	2.0% (maximum sales commission)
Management Fees (max)	0.90% (tx. incl.)
Redemption fees	None
Sources	Bloomberg & internals
Fund Manager	Stéphane Chossat Alexandre Hezez
Custodian	CACEIS Bank Luxembourg
Statutory auditor	Deloitte & Associés
Legal status	UCITS IV - SICAV
Countries of distribution	France, Switzerland, Luxembourg, Spain
NAV / Assets	€97.21 / €101M
Nb of holdings	Bonds : 52 Equities : 14
Net exposure	Bonds : 88.60% Equities : 8.40%

2. INVESTMENT STRATEGY

- A credit fund that uses all European bond asset classes
- An approach to credit analysis based on a transversal view of issuers
- The possibility of investing in equities for a share of less than 10%
- An objective to outperform its benchmark: capitalized EONIA + 200 bp

3. PERFORMANCES

	Monthly	YTD
AURIS SÉLECTION DÉFENSIVE Class N (EUR)	1.14%	1.14%
Reference Index	0.14%	0.14%



The simulated past performance of the Class is based on the actual past performance of the Class R adjusted by the difference in their management fees.

	Cumulative performance (%)				Annualized performance (%)		
	1 year	3 years	5 years	Since inception	3 years	5 years	Since inception
AURIS SÉLECTION DÉFENSIVE Class N (EUR)	-2.63%	9.69%	11.09%	21.90%	3.12%	2.13%	3.08%
Reference Index	1.68%	5.14%	9.33%	12.87%	1.68%	1.80%	1.87%

4. KEY FIGURES / RISK

	AURIS SÉLECTION DÉFENSIVE	Reference Index
Volatility 3 years	2.63%	0.01%
Sharpe Ratio	1.14	0.01

INTEREST RATE RISK OF THE FUND

	AURIS SÉLECTION DÉFENSIVE
Average Maturity *	2.00
Duration *	1.42
Sensitivity *	1.30
Yield to Maturity	2.94%
Average rating	BB+

* Excluding Perpetual Floating Rate Bonds

Risk & reward profile	1	2	3	4	5	6	7
-----------------------	---	---	---	---	---	---	---

The compartment 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.

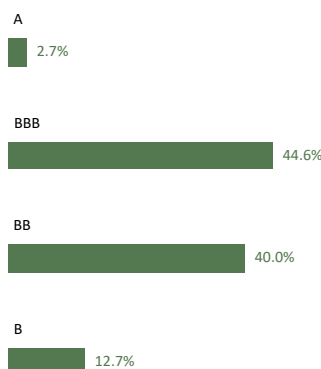
AURIS SÉLECTION DÉFENSIVE Class N (EUR)

HISTORICAL PERFORMANCE % (NET OF FEES)

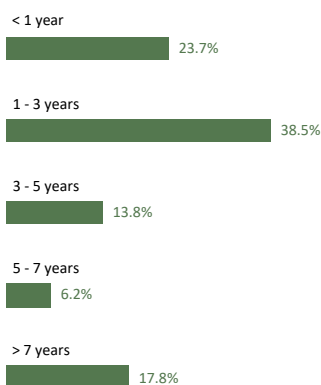
		jan.	feb.	mar.	apr.	may	june	july	aug.	sept.	oct.	nov.	dec.	Annual/YTD
2012	Funds							-0.24%	0.46%	0.18%	0.44%	0.39%	0.59%	1.83%
	Reference Index							0.65%	1.28%	1.09%	1.10%	1.86%	0.94%	7.12%
2013	Funds	0.30%	0.94%	0.07%	1.02%	0.56%	-0.70%	1.55%	0.50%	0.90%	1.12%	0.61%	0.40%	7.50%
	Reference Index	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	0.24%	1.06%	0.92%	0.78%	0.52%	0.14%	-0.74%	0.18%	-0.37%	-0.43%	1.01%	-0.21%	3.13%
	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	1.17%	1.46%	0.19%	0.55%	0.27%	-1.42%	1.17%	-1.19%	-2.28%	1.77%	0.81%	-1.45%	0.94%
	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	-2.48%	0.30%	2.92%	1.24%	0.39%	-0.34%	1.50%	0.79%	-0.03%	0.44%	-0.36%	1.01%	5.42%
	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	0.83%	0.74%	0.24%	0.71%	0.65%	0.05%	0.27%	-0.08%	0.18%	0.38%	-0.12%	0.15%	4.08%
	Reference Index	0.14%	0.13%	0.14%	0.13%	0.15%	0.13%	0.14%	0.14%	0.13%	0.14%	0.14%	0.13%	1.65%
2018	Funds	0.14%	-0.28%	-0.23%	0.11%	-0.62%	-0.63%	0.47%	-0.46%	0.27%	-0.51%	-1.27%	-0.65%	-3.60%
	Reference Index	0.15%	0.13%	0.13%	0.14%	0.14%	0.13%	0.14%	0.14%	0.13%	0.15%	0.14%	0.14%	1.67%
2019	Funds	1.14%												1.14%
	Reference Index	0.14%												0.14%

Since the 01/10/2015, the index reference is : EONIA + 200bps. The investment strategy as well as the risk profile of the fund performance has been modified the 02/11/2015. The anterior historic to the creation date of the N class (19/01/2018) is based on the actual past performance of the R class, adjusted for the difference in their charging.

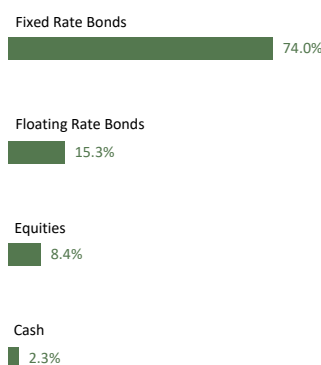
RATING BREAKDOWN



MATURITY BREAKDOWN



TYPE OF ASSETS BREAKDOWN



TOP HOLDINGS

GROUPAMA 7,875% PERP
 ORANGE 4,25% PERP
 COFINOGA TV PERP
 ARKEMA 4,75% PERP
 AXA TV PERP

5. MANAGER'S COMMENTARY

January will have marked a recovery in financial markets after the strong correction observed in the last quarter of 2018. The published macroeconomic news are contrasted: slowdown in China, stabilization of American growth at a high level, and signs of weakness in European growth. The China-US trade tensions continue to prevail even if an agreement seems inevitable considering the important stakes for each party. In Europe, the first bond issue of Italy and Spain went well, allowing a decrease in their 10-year rates (respectively -15bps to 2.59% and -22bps to 1.20%) while uncertainties remain on the modalities of the implementation of the Brexit in the absence of a British agreement. Regarding central banks, the tone has become less restrictive for the Fed, which was pragmatic and indicated that it wants to be patient before continuing its rate hikes, just as the ECB suggests, while the Chinese central bank cut the amount of reserves that banks are required to hold.

After its correction, the price of the oil barrel bounced back sharply (Brent: + 15% to \$62) after Saudi Arabia said it wishes to maintain the supply/demand balance.

As a result of slower global growth anticipations and less restrictive monetary policy, European government bonds yields declined (10-year OAT at 0.55% and Bund at 0.15%).

European equity markets are bouncing back by taking advantage of cheap valuations and a decrease in risk aversion (EuroStoxx index: +6.1%).

The credit market also benefits from a more buoyant context and from a decrease in its risk premiums (the Itraxx index went from 87 to 70bps).

In this more favourable environment, **the fund Auris Sélection Défensive gained 1.14%** in January supported by the start of the normalisation of the credit market and the contribution of its equity portfolio.

In terms of movements in the portfolio, some new positions in high yield have been initiated (Eramet 2020, Vallourec 2024) while some legacy tier 1, whose yield became less interesting, have been partially sold (BPCE 12.5%, Crédit Agricole 7.875%).

The yield to maturity of the bond portfolio reaches now 2.9%, for a still low sensitivity (at 1.3). The weighted average rating (BB+) remains one notch lower than the Investment Grade classification.

Equity exposure has been increased to 8.4% of the portfolio (new investment in Dassault Aviation, strengthening of Saint Gobain, sale of Gemalto and partial sale of Faurecia).

The cash level remains low at 2%.

Over the next few weeks, the fund should continue to take advantage of the normalisation of the credit market and the rerating of some previously overly sold bond positions (Casino, Vallourec).

DISCLAIMER. This document is established by Auris Gestion, an asset management company incorporated in Paris under French law. It contains information, opinions and data which Auris Gestion believes to be pertinent and accurate as of the date of their production and taking into account the economic, financial and market environment. It is produced for the sole purpose of information and should not be considered as an offer for sale or a recommendation.

It does not constitute a convention or a commitment of whatsoever nature. This document is furnished without our knowledge of your risk profile, which shall be established upon a test of adequacy prior to any contractual commitment. Prior to any investment decision you should: (i) read carefully the Key Investor Information Document or the Prospectus established under the control of the supervisory authority (Autorité des Marchés Financiers « AMF ») and available upon request to Auris Gestion or any other distributors of the fund, (ii) enquire about the detailed rules of the fund, including its last available periodical disclosures established by the asset management company, Auris Gestion, (iii) consult your own legal and tax advisors to validate the suitability of a subscription in the fund with your own financial situation and objectives.

Taking into account economic and market's risks Auris Gestion cannot guarantee any objective of performance. The value of your investment can as well go up or down and past performances are not an indicator of future performances.

Additional Information for Switzerland : The prospectus and the Key Investor Information Documents for Switzerland, the fund contract, the annual and semi-annual report, in French, and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The last unit prices can be found on www.fundinfo.com. For the units of the Funds distributed to non-qualified investors in and from Switzerland and for the units of the Funds distributed to qualified investors in Switzerland, the place of performance is Geneva.