

US Bond Opp. 2021 is a UCITS fund regulated by the Autorité des Marchés Financiers. The fund invests mainly in corporate bonds from US markets through an active and discretionary approach. The fund is managed according to a fixed maturity date of 31 December 2021. The fund does not intend to follow or beat a defined benchmark. It targets at its maturity a net annualized performance superior by 3% to the US T-Note with same maturity.

The managers build the portfolio to optimize the expected return with a low risk of default. The managers will adjust the composition of the portfolio in accordance with the remaining time-to-maturity. Fund management relies on fundamental credit analysis of corporate bonds as well as the construction of a diversified portfolio. Depending on their analyses, the managers may also decide to hold a portion of the fund's assets in money market instruments or short term government bonds. The rating and sector breakdowns can evolve over time.

Performance	I1	J1	K1	E1	E2	U1	S1
29/12/2017	(EUR)	(USD)	(CHF)	(EUR)	(EUR)	(USD)	(CHF)
NAV	99.96	101.57	99.57	99.54	99.58	101.21	99.37
Monthly return	NA*	NA*	NA*	NA*	NA*	NA*	NA*
YTD return	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Return since inception	NA*	NA*	NA*	NA*	NA*	NA*	NA*
Inception date	28/03/17	28/03/17	28/03/17	28/03/17	29/03/17	28/03/17	10/04/17

\*According to French law (AMF), UCITS funds are not allowed to report on performances before they have established a 12-month track record.

## Key Portfolio Figures

Portfolio average yield*	4.73%
Duration (years)	2.39
Modified duration	2.33%
Issuers (groups)	125

*Past performance is not a guide to future performance. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming shares.*

Source: Bloomberg, BPF5

\*On invested portfolio

## Monthly Comment

Like last month, the fund was close to breakeven in December (+0.05%, J1 unit). The JC4N index gained 0.22%, driven in large part by carry, with the US risk-free curve flattening further. The December 2021 T-bill rose from 2.06% to 2.13% in December.

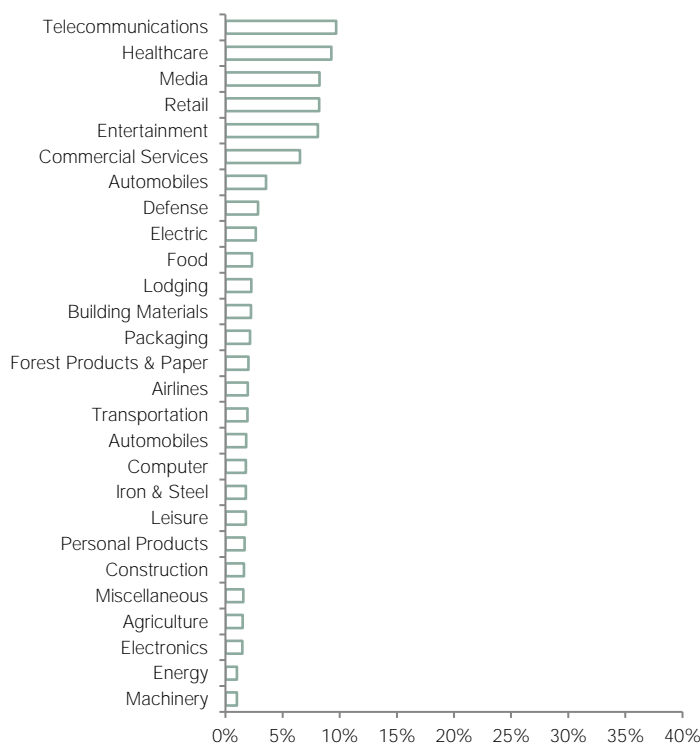
As expected, the Fed raised the fed funds rate for the third time this year mid-December. With the unemployment rate at a 17-year low (4.1%) and the growth forecast raised to 2.5% for 2018, all indicators were go for the Fed to keep its momentum going. The biggest question mark is inflation, however, set to remain under the Fed's target (1.7% yoy, excluding food and energy prices, vs. a target of 2%). Meanwhile, the Trump administration finalised its sweeping tax reform including a tax cut for pass-through businesses from 35% to 21%. Taxpayers will also get a break, but to a lesser extent and on a temporary basis.

December saw a new set of early redemptions (Altice 6.5% 2022, Zebra Technologies 7.25% 2022, Huntington 5% 2021, Empark 6.75% 2019), as issuers continued to take advantage of solid demand on the High Yield market to refinance at a lower cost. We also rounded out the investment programme, keeping an eye towards strong diversification, mainly by initiating positions in issuers such as Softbank (telecommunications), Darling (food & beverage), Aircastle (aircraft leasing), Anixter (telecom equipment) and Berry Global (plastic packaging).

Average position per issuer	0.78%
Size of the largest position	1.73%
Size of the 10 largest positions	15.49%

Investment level	97.34%
Percentage of Floating-Rate Notes	1.95
Portfolio exposure to currency risk	0.08%

#### Allocation by Industry



#### Top 10

1	MGM Resorts INTL	1.73%	6	FTI Consulting	1.54%
2	Gamestop	1.59%	7	HCA	1.50%
3	EnPro Industries	1.58%	8	Ingram Micro	1.49%
4	DaVita	1.56%	9	Royal Caribbean	1.47%
5	FORD MOTOR	1.56%	10	Nexstar Broadcasting	1.47%

Information on fund distribution both in and from Switzerland: The Fund's country of origin is France. The Fund Representative is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, and the Paying Agent is Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The jurisdiction is Zurich. Regulatory documents and the annual and semi-annual report are available free of charge from the Representative. The Basic documents of the Fund such as the prospectus, the key investor information document (KIID), the fund's rules as well as the semi-annual and annual reports may be obtained free of charge at the office of the Swiss Representative.

#### Characteristics

Legal structure	French UCITS Fund
Inception	28 March 2017
Liquidity	Daily
Life of the fund	5 years
Management fees	0.85% (I1, I2, J1 and K1) 1.35% (E1, E2, U1 and S1 classes)
Entry / Exit fees	2% max. / 1% max.
Custodian	BNP Paribas Securities Services
Auditor	PricewaterhouseCoopers Audit

#### Codes

Class	ISIN	Bloomberg	Telekurs	WKN
I1	FR0013233822	AUS21I1 FP	36142878	A2DN0A
I2	FR0013233806	-	36142877	A2DN0B
J1	FR0013233772	AUS21J1 FP	36142870	A2DN0D
K1	FR0013233798	AUS21K1 FP	36142875	A2DN4W
E1	FR0013233863	AUS21E1 FP	36142888	A2DNZ8
E2	FR0013233855	AUS21E2 FP	36142885	A2DNZ9
U1	FR0013233848	AUS21U1 FP	36142880	A2DN0C
S1	FR0013233830	AUS21S1 FP	36142879	A2DN4V