

Anaxis Income Advantage is a French law European UCITS-compliant open-ended investment fund (SICAV). The fund is actively managed on a discretionary basis investing primarily in corporate bonds, targeting returns exceeding 3-year German government bond yields by 4%, net of management fees. Although the scope of the investment universe is global, the fund invests mainly in developed markets.

The investment management process draws primarily on the fundamental analysis of bond issues, coupled with diversified allocation construction by selecting securities on a bottom-up basis. The fund managers can invest flexibly, free of constraints based on ratings, indices or maturity. The portfolio is diversified in regional and sector terms. As a function of their analyses, the fund managers may decide to maintain a proportion of the fund's assets in money-market instruments, short-term fixed-income products or sovereign bonds.

Performance 29/12/2017	I1 (EUR)	K1 (CHF)	E1 (EUR)	U1 (USD)	S1 (CHF)
NAV	101.97	101.94	101.35	103.55	100.76
Monthly return	-0.12%	-0.16%	-0.16%	0.00%	-0.19%
YTD return	2.43%	NA	1.93%	3.84%	1.38%
Return since inception	1.97%	1.94%	1.35%	3.55%	0.76%
Inception date	10/10/2016	23/01/2017	10/10/2016	10/10/2016	10/10/2016

### Cumulative Returns (I1 Class)



### Key Portfolio Figures

Portfolio average yield*	3.36%
Duration (years)	2.5
Modified duration	2.44%
Issuers (groups)	68

Source: Bloomberg, BPF5

\*On invested portfolio

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.

### Monthly Comment

The fund lost -0.12% in December (Unit I1). The European High Yield segment ended the month of December slightly down. The ECB's last meeting of 2017 resulted in no policy change and the statement re-iterated the long-standing stance that the ECB is prepared to continue with further QE if it feels that it is warranted. In the meantime, economic figures continued to trend favourably, while concerns over Catalan elections returning a pro-independence Parliament did not affect credit markets.

In US market, 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 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.

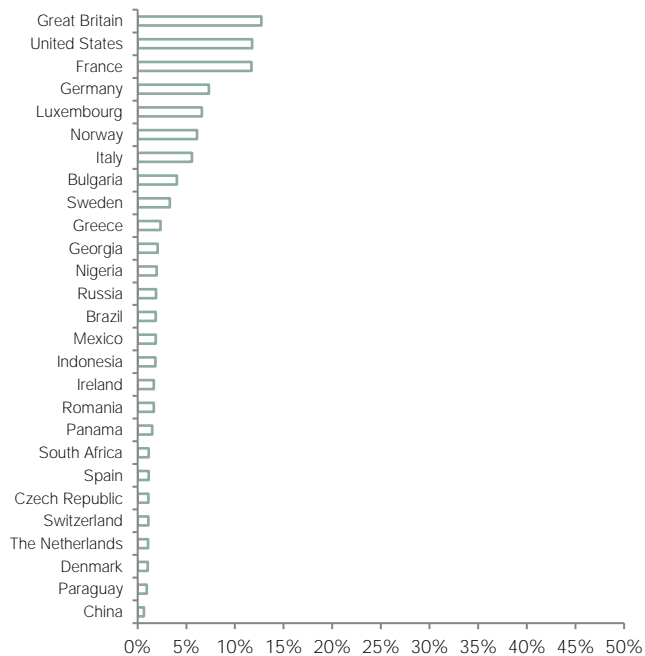
Emerging market HY corporate bonds ended the year on a positive note, benefiting from higher-than-expected economic data in China and the easing of North Korean geopolitical tensions. Primary market activity was particularly robust this month and was easily absorbed by the market, in the ongoing environment of globally accommodative monetary policies.

Three bonds were early-redeemed in December: CMC Ravenna, Empark and Zebra Technology. At the same time, we invested in new bonds, mainly in the telecom, construction and consumer sectors. We also took part in the first issue by Eastern European hydropower producer Energo Pro. The total number of portfolio issuers increased from 65 to 68.

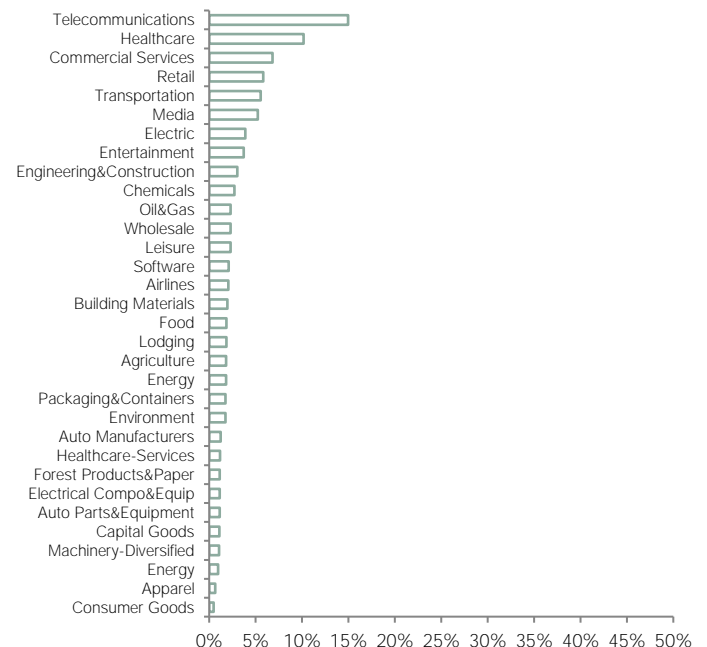
Average position per issuer	1.41%
Size of the largest position	2.42%
Size of the 10 largest positions	20.87%

Investment level	95.86%
Percentage of Floating-Rate Notes	12.55
Portfolio exposure to currency risk	0.02%

### Allocation by Geography



### Allocation by Industry



### Top 10

1	TalkTalk	2.42%	6	GTECH	1.97%
2	Bulgarian Energy	2.40%	7	IHS Holding	1.95%
3	ALTICE	2.26%	8	DME	1.90%
4	Norlandia	2.22%	9	JBS	1.85%
5	Georgian Railways	2.06%	10	Grupo Posadas	1.84%

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	10 October 2016
Liquidity	Daily
Management fees	0.75% (I1 and K1 classes) 1.25% (E1, E2, U1 and S1 classes)
Entry / Exit fees	2% max. / 1% max.
Performance fees	15% incl. tax of the annualised net performance beyond the benchmark index performance + 4%
Custodian	BNP Paribas Securities Services
Auditor	PricewaterhouseCoopers Audit

### Codes

Class	ISIN	Bloomberg	Telekurs	WKN
I1	FR0013196219	AIAI1EU FP	33471444	A2DLC4
K1	FR0013196235	AIK1CH FP	33471448	A2DN4U
E1	FR0013196169	AIAE1EU FP	33471438	A2DLC3
E2	FR0013196177	AIAE2EU FP	33471441	A2DMKD
U1	FR0013196185	AIAU1US FP	33471442	A2DN4R
S1	FR0013196193	AIAS1CH FP	33471443	A2DN4S