

# MWM SICAV - Bond Opportunities B - Acc

Monthly summary report | as at 31 October 2021



## Investment Objective

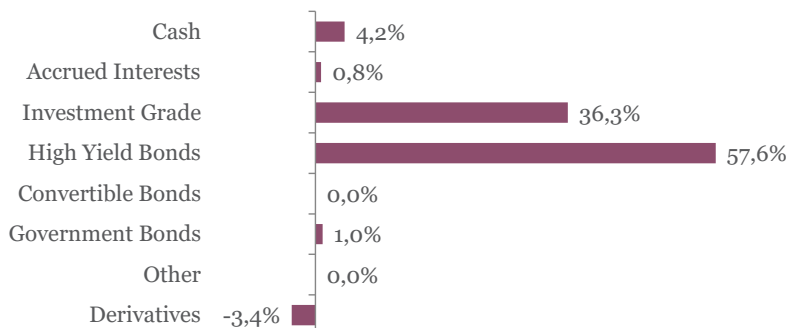
The fund seeks to achieve capital appreciation over the medium term by investing in a diversified portfolio of fixed income securities (investment-grade corporate bonds, government bonds, high yield and emerging market debt as well as convertible bonds). The main focus is put on bottom-up selection.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

| Latest Update                                      |        | Performance          | 1M     | 3M     | YTD   | 2020  | 2019  | 2018   | 5Y    |
|--|--------|----------------------|--------|--------|-------|-------|-------|--------|-------|
| NAV per share                                      | 136,12 | Bond Opportunities B | -0,79% | -0,88% | 1,36% | 0,49% | 7,09% | -4,89% | 9,39% |
| 2021 year-to-date return as at end of October 2021 | 1,36%  |                      |        |        |       |       |       |        |       |

## Fund key facts

|                   |                     |
|-------------------|---------------------|
| Inception date    | 17 September 2010   |
| ISIN code         | LU0541880133        |
| Asset class       | Bonds in EUR        |
| Total fund assets | € 99 million        |
| Base currency     | EUR                 |
| Legal status      | Luxembourg UCITS    |
| Management Fee    | 0,78%               |
| Custodian         | Crédit Suisse Lux   |
| Liquidity         | Daily               |
| Settlement Date   | Trade Date + 2 Days |

## Asset Allocation



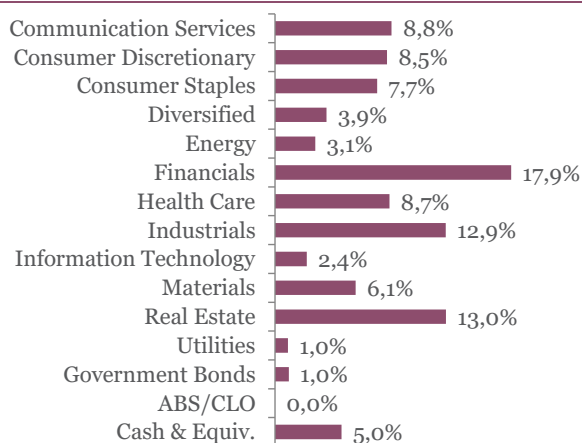
## Currency breakdown

|          | EUR   | USD  |
|----------|-------|------|
| Exposure | 99,0% | 1,0% |

## Top 10 bond holdings

|   | YTM  | Rating | Weight |
|---|------|--------|--------|
| IMCD NV : IMCDNA 2 1/2 03/26/25         | 0,9% | NR     | 2,1%   |
| ISS GLOBAL A/S : ISSDC 1 1/2 08/31/27   | 0,8% | BBB-   | 2,1%   |
| BNP PARIBAS : BNP 1 11/29/24            | 0,3% | BBB    | 2,1%   |
| COFINIMMO : COFBBB 1.929 03/25/22       | 0,2% | BBB    | 2,0%   |
| LA MONDIALE : LAMON 0 3/4 04/20/26      | 0,6% | BBB+   | 2,0%   |
| UBISOFT ENTERTAI : UBIFP 0.878 11/24/24 | 1,1% | NR     | 2,0%   |
| ONTEX GROUP : ONTEX 3 1/2 07/15/26      | 4,4% | B+     | 1,9%   |
| LA BANQUE POSTAL : FRLBP 3 PERP         | 3,8% | BB     | 1,9%   |
| ALLANE SE : SIXTLE 1 1/2 05/02/22       | 0,8% | NR     | 1,9%   |
| HP PELZER : PELHOL 4 1/8 04/01/24       | 7,8% | B-     | 1,9%   |

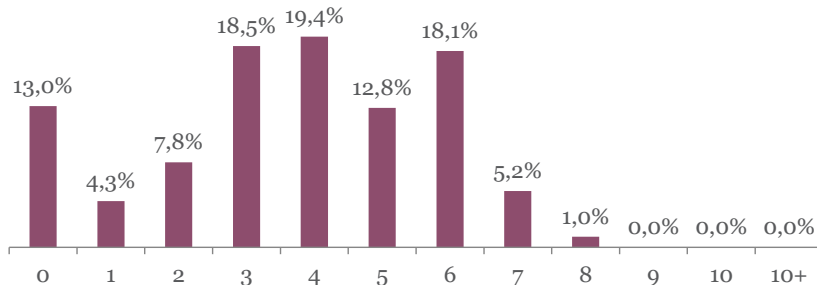
## Sector breakdown



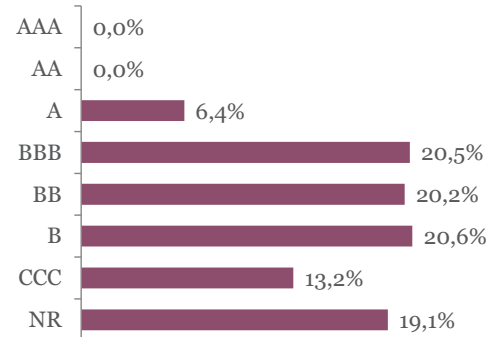
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## Duration breakdown



## Rating breakdown



## Top funds holdings

|                                |                  |      |
|--------------------------------|------------------|------|
| ISHARES EURO HY                | High Yield Bonds | 2,0% |
| Invesco AT1 Capital Bond UCITS | High Yield Bonds | 2,0% |

## Market Review

Bond markets experienced high volatility towards the end of the month. It all came to Central Banks, their decisions and comments. Tapering of Fed's asset purchases is a done deal, the BoE might be the world's first major central bank to hike interest rates while the Bank of Canada surprised investors with a sharply hawkish statements. Adding oil to the fire, the ECB didn't convince markets of its transitory inflation narrative. Consequently, during this month credit returns were negative whatever the rating bucket. The IG Spreads widened in October only slightly from 83bp to 87bp with a total return of -0.72% mainly driven by credit loss ; HY Spreads continued to exhibit volatility in October and widened from 294bp to 306bp, with a total return of -0.52%.

## Portfolio Performance

The fund lost 0.79% in October. It was a very complicated month, indeed no bond segment was able to act as a buffer. Only specific names helped, especially the ones that came on the primary market and offered a new issue premium (Iliad, Graanul, Burger King).

## Market Outlook

"Inflation, inflation, Inflation..." ; once again, investors will scrutinize all the literature about inflation and stagflation and will monitor next central bank meeting. We remain fairly comfortable on the near-term outlook for monetary policy and the budgetary support both in US and eurozone. Looking at the micro picture, default rates have improved sharply since 2Q20 and are now near the lowest levels in over a decade. This is the result of a strong corporate spending discipline and government support. This validates the beta strategy deployed in the fund.

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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.