

Swan Flexible - EUR

May 2024



Strategy

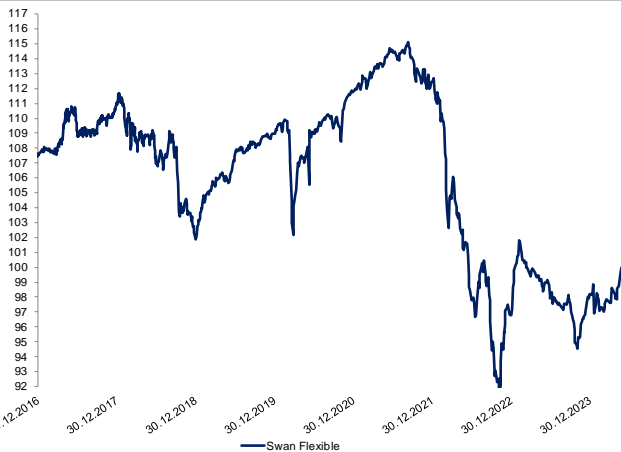
The fund aims to maximise total return investing in Global Bonds and Equities with a medium low target volatility. The investment strategy combines a quant and fundamental approach to identify the best opportunities on medium / short term bonds, convertibles and single stocks.

Performance

MTD	1.98%	Nav: EUR	99.76
1 Year Std Dev	3.37%	Fund Assets (mln):	11.9 €

Risk Profile

Conservative **Intermediate** High Reward



Global market picture

High Yield Credit markets reported a positive performance in May ranging from +1.73% for EM corp HY to +0.88% of the EU HY in tandem with positive equity markets, S&P500 (+4.80%) and Eurostoxx50 (+1.27%). The IG EUR market was positive by 0.24% in line with the short-term (1-3 year) H1WN global HY index that reported a positive performance of 0.94%. The Global unconstrained (in terms of maturity) HY index was positive at +1.12%. In Europe inflation continued to retrace, with core CPI print at 2.7% in April (vs 2.9% in March), but most important April release provided reassurances that the sharp increases in services prices in January and February were a bump, this confirming that services inflation is not reaccelerating. Markets expect the ECB to start its easing cycle at the monetary policy meeting to be held on 6th June due to projections of a rapid recovery in activity and a gradual disinflation process to continue. After its meeting on the 1st of May, the FOMC signaled that "a lack of further progress" towards the bank's 2% inflation target will mean US borrowing costs are likely to remain higher for longer; however, officials also indicated that they were not yet concerned enough by uptick in inflation to consider rate rises. Indeed, inflation print in line with expectations at 3.4% (core CPI at 3.6%) for April reinforced the market view for two possible cuts in 2024. The 10 years bund yield was lower at 2.58% (+28bps in the month), in tandem with the 10 years Treasury at 4.68% (+48bps in the month). Oil was down at 82\$ per barrel, while US dollar was lower, with DXY at 104.67

The Fund equity exposure, considering the convertibles equity sensitivity, is around 23%. The equity exposure is spread over Europe and Switzerland with a weight of 35%, Emerging Markets with 18% and US with a weight of 47%. In terms of sectors, Health Care represents the greatest weight. Fixed income direct investments are stable at 90%, where convertibles are stable at 31%. The focus is always on the short term and the exposure to longer maturities is stable at 15%. Additional duration exposure is added with futures. The fund has a 5% USD currency exposure.

Period	Class A	Class C	Asset Class	Gross	Net
MTD	1.98%	2.00%	Cash	7.60%	7.60%
YTD	1.65%	1.78%	Bonds	110.80%	110.80%
2023	1.42%	1.72%	Equity	19.70%	19.70%
2022	-14.01%	-13.74%	Cmdty	1.50%	1.50%
2021	0.62%	0.85%	Total	139.60%	
2020	2.61%	2.81%			
2019	6.77%	7.08%			
2018	-7.96%	-7.69%			
2017	3.13%				
2016	2.58%				
2015	0.64%				
2014	2.62%				

Equity

Sector Allocation

Health Care	25.00%
Consumer Staples	22.00%
Financials	18.00%
Industrials	15.00%
Consumer Discretionary	11.00%
Technology	9.00%
Total	100.00%

Geographic breakdown

Usa	47.10%
Europe	18.80%
EM	18.40%
Switzerland	15.70%
Total	100.00%

Bond

Rating breakdown

AAA	5.21%
AA	0.99%
A	2.65%
BBB	25.12%
tot IG	33.97%
BB	8.03%
Others	58.00%
tot HY	66.03%
Total	100.00%

FX breakdown (hedged)

EUR	72.11%
USD	20.65%
GBP	4.53%
NOK	2.71%
Total	100.00%

Sicav Structure – Terms & Conditions

Domicile: Luxembourg

Inception Date: 21 September 2009

Minimum Investment: 1 share

Liquidity / Reporting: Daily

Fees: 1.20% Management Fee

15% Performance Fee (high water mark)

Promoter / Distributor: Corner Banca SA

Investment Manager: Swan Asset Management SA

Custodian Bank : State Street Bank Lux

Administrator Agent: State Street Bank Lux

Auditor: Ernst & Young

Bloomberg: class A: CBSWFXA LX, class C: CBSWFXC LX

ISIN: class A: LU0451080740, class C: LU0451081045

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