

Swan Flexible - EUR

May 2025



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.

Risk Profile

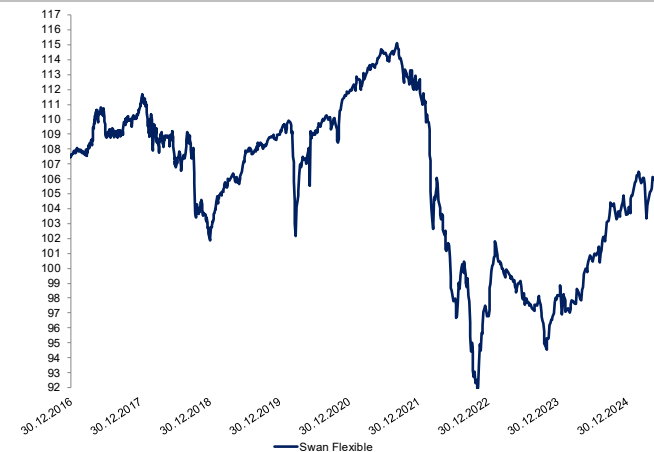
Conservative

Intermediate

High Reward

Performance

MTD	1.06%	Nav: EUR	106.29
1 Year Std Dev:	3.37%	Fund Assets (mln):	16.8 €



Global market picture

High Yield Credit markets reported a positive performance in May ranging from +1.41% for EM corp to +1.31% of the EU HY and also equity market was positive in Europe (Eurostoxx50 +4%) and US (S&P500 6.15%). The IG EUR market was positive at +0.52% while the short-term (1-3 year) H1WN global HY index reported a positive performance of +1.25%. The Global unconstrained (in terms of maturity) HY index was up +1.54%. Euro zone inflation was higher, with core CPI print at 2.7% in April, while ECB continued its cutting cycle, with last cut of 25bps that moved rates to 2.25%. ECB sees clear downside growth risk from US trade policy, that could impact the terminal rate, even if the level of uncertainty remains very high. Market price 2 more cuts in next 12 months but a set of forces (FX, Chinese goods diversion and trade drags) could pressure rates even lower. Terminal rate should be around 1.75%, but the data need to validate a weaker outlook to see ECB cutting more aggressively. In the US, inflation came out lower than the 2.4% registered in March, at 2.3% while core inflation was stuck at +2.8% YoY. US President Donald Trump stepped back from his aggressive position on trade war, reducing or postponing the tariff announced in April: conditioned on current tariff rates prevailing indefinitely, US real GDP growth in 2025 should be around 0.6% YoY. The 10-years bund yield ended higher at 2.50% (+6bps in the month), in tandem with the 10-years Treasury that was up at 4.40% (+24bps in the month). Oil was stuck at 64\$ per barrel, while the US dollar was slightly down, with DXY at 99.33.

The Fund equity exposure, considering the convertibles equity sensitivity, is around 14%. The equity exposure is spread over US with a weight of 43%, Europe and Switzerland with 24%, Emerging Markets with 19% and Japan with 14%. In terms of sectors, Technology represents the greatest weight. Fixed income direct investments are lower at 87%, where convertibles are lower at 15%. The focus is always on the short term but the exposure to longer maturities is stable at 40%. Additional duration exposure is added with futures. The fund has a 14% USD currency exposure.

Period	Class A	Class C
MTD	1.06%	1.10%
YTD	2.52%	2.65%
2024	5.63%	5.97%
2023	1.42%	1.72%
2022	-14.01%	-13.74%
2021	0.62%	0.85%
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%	

Asset Class	Gross	Net
Cash	4.20%	4.20%
Bonds	95.40%	95.40%
Equity	13.00%	13.00%
Cmdty	2.30%	2.30%
Total	114.90%	

Equity

Sector Allocation	
Tecnology	22.00%
Consumer Discretionary	19.00%
Consumer Staples	18.00%
Financials	16.00%
Industrial	14.00%
Health Care	11.00%
Total	100.00%

Geographic breakdown	
USA	43.40%
EM	19.50%
Switzerland	17.20%
Japan	13.60%
Europe	6.30%
Total	100.00%

Bond

Rating breakdown	
AAA	2.33%
AA	7.37%
A	10.80%
BBB	34.95%
tot IG	55.45%
BB	17.16%
Others	27.39%
tot HY	44.55%
Total	100.00%

FX breakdown (hedged)	
EUR	59.49%
USD	35.27%
GBP	5.24%
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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