

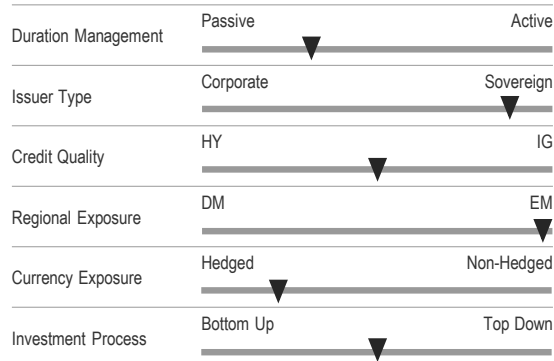
Portfolio Strategy

The fund invests primarily in hard-currency denominated bonds and other fixed or variable-rate debt instruments issued by public-sector domiciled in emerging markets. The fund can invest up to 75% in sub investment grade issuers (generally less than 50%).

Key Features

Asset Manager	Vontobel Asset Management S.A.
Net Assets Value	6,072 (Mio US Dollar)
Inception Date	15/05/2013
UCITS	Yes
Base Currency	US Dollar
Liquidity	Daily
Share Class*	US Dollar Acc
Management Fees* (%)	1.10%
Performance Fees	No
CH Registered	Yes
Yield to Maturity	16.1
Modified Duration	6.5
Average Credit Quality	BB

Portfolio Style



Investment Rationale

The fund is a core holding for an asset allocation in emerging market (EM) hard currency debt. Although active, the fund has a modest tracking error (around 3%). Portfolio manager (PM) don't take huge countries under- / overexposure bets but rather plays

Investment Philosophy

- "Credit manager" approach: unlike most of EM strategies the team attach a particular importance to the bottom-up selection and to relative value analysis. They believe EM markets are inefficient due to the opportunistic nature of market participants which generate abundant mispricing. It leads to a flexible portfolio with a high turnover.
- Constrained macro bet allocation: by nature, top-down views remain a key step of the process. Country over-/underweight are however constrained by strict guidelines. The fund avoids substantial country allocation bet. Duration stance compared to the benchmark tends also to be limited.
- Contrarian nature: PM like events creating strong selling behavior. Having understood the drivers behind the event, he is quick and nimble to take a contrarian view.

Fund Management Team

All investment decisions for the fund are made by the PM, Luc D'hooge, Head of EM Fixed Income and the deputy PM, Wouter Van Overfelt. Prior to joining Vontobel, Luc was Head of EM Bond Funds and prior to that Head of Global Bond Funds at Candriam Asset M

Strengths

- Pragmatic approach: the team is not big enough to compete with the most staffed EM teams on the macro research ground. They are aware of that and have adopted a humble, pragmatic, but very efficient philosophy, by exploiting the abundant EM debt market inefficiencies.
- Contrarian: the EM debt market is still often driven by market flows from participants with short-term behavior, we believe a contrarian management approach makes a lot of sense.
- Performance: since launch of the strategy the fund is comfortably beating its benchmark and stands in the 1st decile of its peer group. The alpha generation is regular, which is consistent with the fund's philosophy of implementing multiple, small, relative value bets, instead of a single large macro bet. As a contrarian, the fund tends to be a bit early in the credit cycle, as it happened in 2015 when they anticipated 6 months too early the EM debt market recovery.

Weaknesses

- Involvement of Vontobel: the performance of the strategy hasn't been unnoticed. Vontobel should consider investing further in the team to avoid key members to leave for competing EM debt specialised investment boutique.

	1M	YTD	2025	2024	2023	3Y (Ann.)	5Y (Ann.)	Sharpe Ratio 3Y	Volatility 3Y	Max Drawdown 3Y
Fund	1.42	3.39	14.22	13.19	13.61	14.59	3.63	1.32	7.05	-5.95
Index	0.93	1.60	13.58	5.99	10.60	10.06	2.02	0.74	6.94	

*ISIN Code: LU0926439562. ISIN used for performance: LU0926439562 Performance data source and Key Points provided by Wealth Solutions Partners SA. - Past performance should not be seen as an indication of future performance. Index: iShares JP Morgan \$ EM Bd ETF USD Acc. Data as of: 31/05/2026