

SEXTANT BOND PICKING



Sextant Bond Picking is an international bond fund that invests in all segments of the market and in all rating categories. Fund managers try to select paper with a favourable risk/reward profile, but without reproducing an index. On an ancillary basis, the fund may also invest in equities, most notably during arbitrage deals.

Performances

	Sextant Bond Picking (A)	Euro Constant Maturity Treasury (CMT) cash 3Y
1 month	0.0%	0.0%
3 months	0.8%	-0.1%
6 months	0.2%	-0.2%
1 year	1.5%	-0.5%
3 years	-	-
5 years	-	-

	2017	2018
Sextant Bond Picking (A)	-	1.3%
Euro Constant Maturity Treasury (CMT) cash 3Y	-	-0.4%

Main holdings

Issue	Currency	Sector	Country	Net asset %
Safilo OC 1.75% 05-2019	EUR	Consumer goods	Italy	4.5%
Cibus Real Estate EUR3M+450 05-2021	EUR	Real estate	Sweden	4.1%
Playtech Plc OC 0.5% 11-2019	EUR	Technology	United Kingdom	3.8%
Casino Guichard-Perrachon TSSDI 4.87% call 01-2019	EUR	Retail	France	3.5%
Sacyr OC 4% 05-2019	EUR	Construction	Spain	3.2%

Stock focus

Last October, the fund has acquired the **Assicurazioni Generali** 8.5% perpetual bond, on the basis of a 3.73% yield assuming the issuer exercises its March 2019 call option. This yield is high given the likely residual duration and the quality of the Trieste-based issuer's signature. It stems from a general wariness about Italy, which has returned due to the proposed budget. The tranche in question was fully subscribed by an Italian institutional investor who, for his own reasons,

opted to liquidate the position in block. We reacted swiftly to seize this market opportunity. Generali's track record for calling subordinated tranches has been excellent to date. In the unlikely event that the call is not exercised, the fund would not face a rate risk and the coupon of 609bps would be very acceptable given the profile of the issuer.

Allocation

Bonds	52.9%
o/w sovereign	0.3%
o/w corporate	28.1%
o/w financials	10.9%
o/w convertibles	13.7%
Equities	4.7%
o/w risk arb strategy	0.0%
o/w yield strategy	4.7%
Cash & quasi-cash	42.3%

Indicators

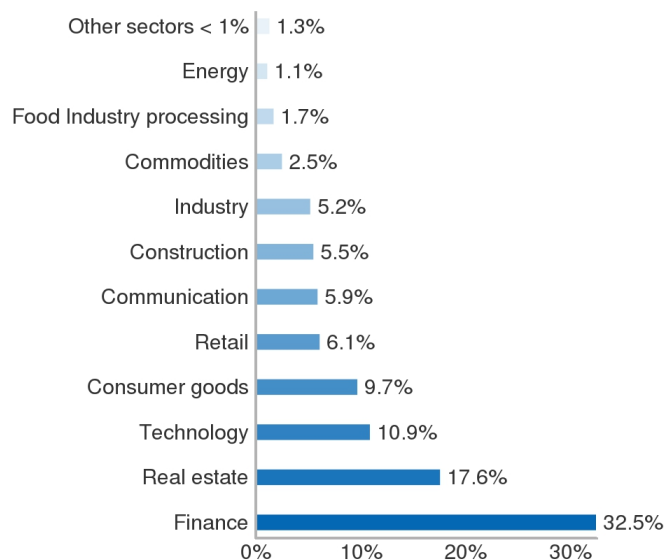
	Fixed income part	Total assets
Gross yield	6.0%	3.4%
Yield after cost of forex hedging	5.3%	3.0%
Spread (basis point)	532	294
Residual duration (years)	2.6	1.5
Interest-rate sensitivity	1.9	1.0
Equity sensitivity (delta)	5.9%	7.9%
Net/gross forex exposure	13.7% / 0.6%	
Number of lines / Average outstanding	56 / 353 M€	



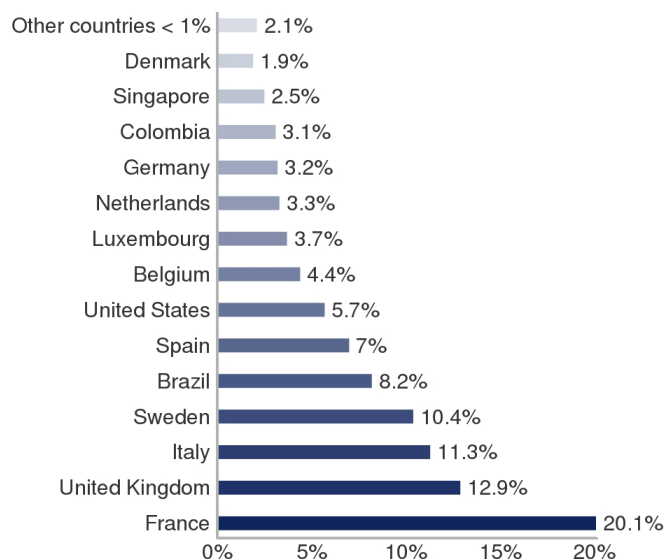
Breakdown of assets

Maturity	< 1 year	1 to 3 years	3 to 5 years	5 to 7 years	7 to 10 years	> 10 years	perpetual	yield strategy
Base 100%	32.1%	25.3%	22.0%	6.1%	2.6%	0.0%	3.8%	8.2%

Distribution of holdings by sector



Geographical distribution of holdings



Main characteristics

Legal form	UCITS / French mutual fund
Share category	Unit A all subscribers
ISIN code	FR0013202132
Bloomberg code	AGSBPKA FP
AMF classification	Bonds and other international debt securities
Benchmark	Euro Constant Maturity Treasury (CMT) cash 3Y
NAV / Net assets	102.52 € / 135.16 M€
Share NAV period	Daily

Risk profile	1	2	3	4	5	6	7
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Scale from 1 (lowest risk) to 7 (highest risk); category-1 risk does not mean a risk-free investment. This indicator may change over time.

Launch date	Fund : 30/03/2017 Unit : 30/03/2017
Recommended investment duration	Over 3 years
Centralisation - Settlement / Delivery	D-1 at 10 AM / D+2
Custodian	CACEIS BANK
Transfert agent	CACEIS BANK
Tax provisions	--
Entry charge	1.0% including tax maximum
Exit charge	0.0% including tax maximum
Fixed management fee	1.25% including tax
Performance fee	15% including tax of the mutual fund's outperformance vs the benchmark, plus 300bps

Source: Amiral Gestion at 30/11/2018

GLOSSARY

Portfolio ratios are based on hypothetical redemption dates determined by fund managers: to maturity, at the next call, at the next put, at another call date, or for a tender. The hypotheses used do not, therefore, correspond to the worst case, i.e. the scenario that offers the lowest yield. These hypotheses depend on the coupon, market interest rates, possible calls, puts and step-ups, liquidity and refinancing conditions of the issuer, the liabilities management policy (economic or reputational) or even regarding the regulatory or the Rating Agency treatment. False hypotheses could lead to overestimation of the Yield and the Spread and/or underestimation of residual duration and Sensitivity.

The Spread is calculated on the basis of the differential between the Yield and the 3-month money market rate, or the rate Swap that is closest to the estimated residual duration.

The Yield after the cost of hedging forex risks is estimated on the basis of the differential to the 3-month money market rate or the rate Swap that is closest to the estimated residual duration between the euro and the currency. The calculation does not take into account costs related to the effective implementation of hedging and does not indicate that the whole forex risk has been covered.

Notice

This commercial document aims to present the characteristics of the fund on a simplified basis. For further information, you may refer to the key information document for investors and to the prospectus, which are legal documents available on the management company's internet site or by request to the management company. The performances shown are not a reliable guide to future performance. Performance may vary over time.

Amiral Gestion - 103 rue de Grenelle - 75007 Paris - T. +33 (0)1 47 20 78 18 - F. +33 (0)1 40 74 35 64 - www.amiralgestion.com

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