

# MW OBLIGATIONS INTERNATIONALES

This UCITS is a sub-fund of the SICAV MW ASSET MANAGEMENT



Fund Managers : Christophe PEYRAUD - Rémy Cudennec

June 2022

	ISIN	NAV: 30/06/2022	YTD Perf.	Fund Size	Bloomberg Code
Share CI	LU1061712110	1 493,15 €	-6,95%	71 m€	MWOBICI LX Equity
Share CS	LU1744059137	1 518,87 €	-6,72%		MWOBICS LX Equity



## OBJECTIVES AND INVESTMENT POLICY

The Sub-Fund qualifies as "Foreign bonds and other debt securities". The aim of the Sub-Fund is to achieve a positive performance higher than its reference indicator, the Bloomberg EuroAgg Corporate 3-5y, representative of the corporate bonds within the Eurozone with 3 to 5 years maturity, as of the 24th of February 2020. Previously, the FTSE MTS Eurozone Government Bond 3-5 Years (denominated in euro – coupons re-invested), representative of government bonds within the Eurozone. The portfolio management strategy is based on a dynamic asset allocation. The fixed income securities' selection relies on fundamental financial analysis of the issuer.

The Sub-Fund is constantly invested in foreign corporate bonds to a minimum of 50% with no geographic, sector or type of securities restriction.

The fixed interest and other related debt securities composing the portfolio of the Sub-Fund are rated "investment grade" (securities rated at least BBB- or equivalent by an accepted rating agency).

The Sub-Fund is authorized to invest in "high yield" securities (rated lower than BBB- or equivalent) up to 15% of its net assets, and may at any time be invested in non rated securities up to 10% of its net assets. The Sub-Fund may also invest up to 20% of its net assets in convertible bonds and related debt instruments. The Sub-Fund's modified duration ranges between 0 and 8.

The Sub-Fund may rely on derivative instruments. The investment manager will intervene on the interest rate risks for the purpose of exposure or hedging and for systematically hedging currency risk.

The income of the Sub-Fund is accumulated. The redemption of units/shares may be requested everyday (before 16:00 PM CET), and the redemption value will be based on the Sub-Fund's NAV disclosed on that day but paid on D+2.

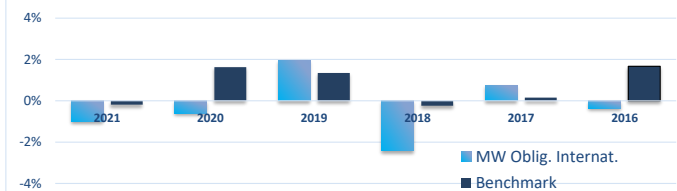
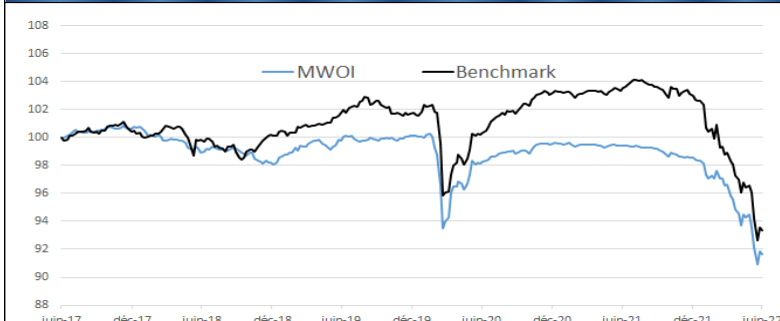
## CUMULATIVE PERFORMANCES (Share Class CI)

	1 month	3 months	2022	1 year	3 years	5 years
MW Oblig. Internat.	-2,76%	-4,86%	-6,95%	-7,79%	-8,14%	-8,32%
Benchmark	-3,17%	-5,24%	-9,33%	-9,74%	-8,22%	-6,63%
Relative Difference	0,41%	0,38%	2,38%	1,96%	0,09%	-1,70%

## ANNUAL RETURNS (Share Class CI)

	2021	2020	2019	2018	2017	2016
MW Oblig. Internat.	-1,00%	-0,59%	1,96%	-2,42%	0,76%	-0,35%
Benchmark	-0,18%	1,63%	1,34%	-0,23%	0,15%	1,67%
Relative Difference	-0,82%	-2,22%	0,62%	-2,19%	0,61%	-2,02%

## PERFORMANCE CHART (5 YEARS)



## RISK INDICATORS

	Volatility		Sharpe Ratio		Ratio Info.	T.Error	Beta
	Fund	Benchmark	Fund	Benchmark	Fund	Fund	Fund
1 year	3,20%	4,14%	-2,27	-2,21	1,06	1,76%	0,14
3 years	3,38%	3,87%	-0,69	-0,61	0,02	1,56%	0,12
5 years	2,70%	3,18%	-0,48	-0,29	-0,22	1,63%	0,08

Past returns are not indicative of future performance.

## MAIN MOVEMENTS OVER THE PAST MONTH

New positions	Strengthened Positions	Reduced Positions	Sold Positions
Deutsche Tel. 3,25% 2028 Telenor 0,75% 2026 CNP Ass. 1,875% 2029			Portugal 2,875% 2026 France 1% 2027

## COMMENTS

Throughout the world, the price pressure remains high. Latest figures show a further increase of inflation which is now reaching 8.6% in the US, 8.1% in Eurozone and 9.1% in the UK – 40 year record highs. In response to that situation, central bankers have no other option than fighting against inflation and consequently tightening the financing conditions. In June, the Fed has continued to raise rates with an increase by 75 bp, the largest seen since 1994. The ECB, on its part, has informed of its intention to raise its deposit rate. It will be the first hike in 11 years. All this, has resulted in a sharp increase of the rates. Thus, the German 10-year has jumped from 1.05% to 1.90% and the American 10-year rate has risen from 2.85% to 3.50%.

These inflationary pressures lead to very significant tightening of financing conditions, but it also affects the household confidence and their ability to consume. This environment, added to various disruptions of supply chains, weighs heavily on companies. Latest data confirms a clear decline of the economic perspectives. After the fear of inflation, the financial markets have to now face a risk of recession. This scenario of stagflation has harshly affected the risky asset classes in June. Over the last month, the stock markets have plunged by roughly 10%. The decline year to date is now at more than 20%. In the second half of the month, this sharp rise of risk aversion has provoked a flight to quality and then an easing of interest rates. Finally, in June, the German 10-year rate rose by 30 bp to 1.35% and the US 10-year rose by 15bp to 3.00%. More specifically on the corporate bond market, this tense context explains the sharp widening of "credit" risk premiums. Thus, the IG spread in € closed the month at 218 bps (+56 bps).

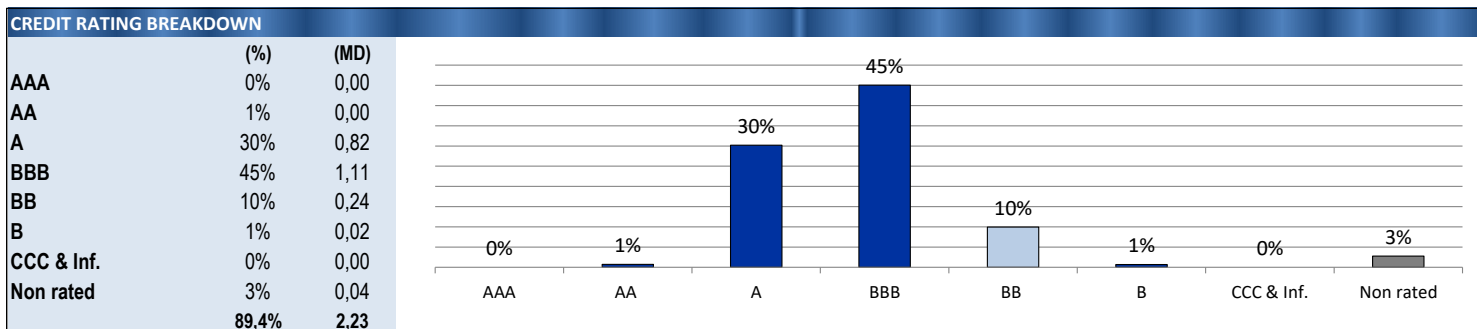
On the fund, we have used the opportunity of higher yield to increase the credit risk exposure. Relative to the IG market in euros, the credit risk exposure of the portfolio has moved from 70% to 75%. Regarding the interest rate risk, we have maintained a neutral stance strategy compare to the benchmark. The fund's sensitivity is at 3.76 at the end of the month, a level slightly above than the benchmark's sensitivity (3.65). Year to date, the fund's performance is -6.72% for the CI share and -6.95% for the CS share, compared to -9.33% for the benchmark.

FUND ASSET CLASS BREAKDOWN			
	June 22	May 22	Dec 21
Bonds	89,4%	95,6%	85,4%
ETF	3,9%	0,3%	0,0%
Equities & Conv. Bonds	0,7%	0,5%	3,4%
Monetary Instruments	0,0%	0,0%	0,0%
Cash	6,1%	3,7%	11,2%

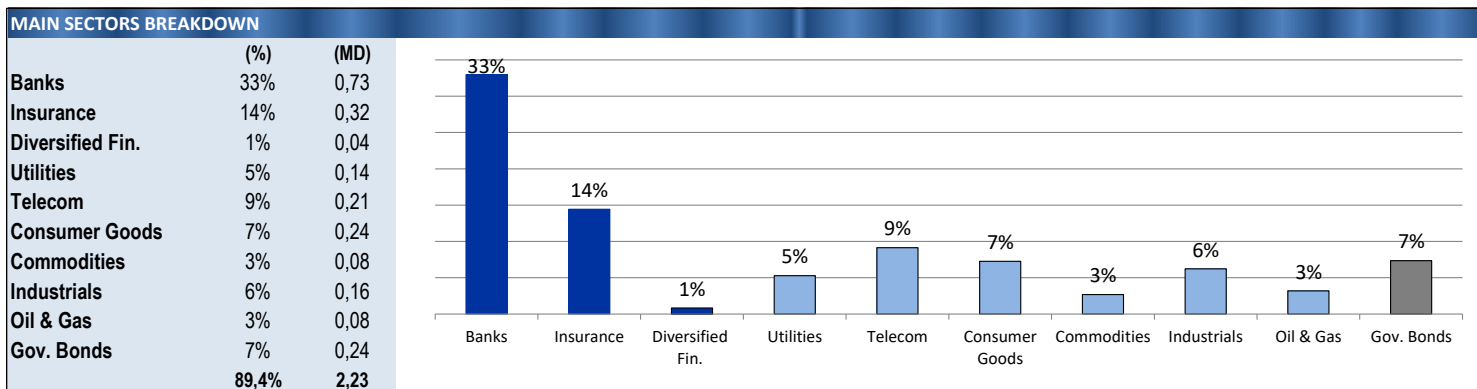
MAIN CHARACTERISTICS OF THE FIXED INCOME PORTFOLIO			
	June 22	May 22	Dec 21
Number of securities	120	116	92
Yield to Maturity	3,37%	2,38%	0,49%
Modified Duration (MD)	3,76	3,98	2,04
Spread vs Gov.	252	161	80
Average Rating	BBB+	BBB+	BBB+

MAIN POSITIONS				
%	Securities	Currency	Country	Sector
3,13%	BTPS-BTPS 5% 2025	EUR	IT	Sovereign
2,80%	HELLENI-GGB 1,875% 2026	EUR	GR	Sovereign
1,42%	SPANISH-SPGB 1,3% 2026	EUR	ES	Sovereign
1,10%	LEONARD-LDOIM 1,5% 2024	EUR	IT	Industrial
1,08%	NATIONA-NNGRNV 9% 2042	EUR	NL	Insurance
1,06%	BPCE-BPCEGP 4,625% 2023	EUR	FR	Bank

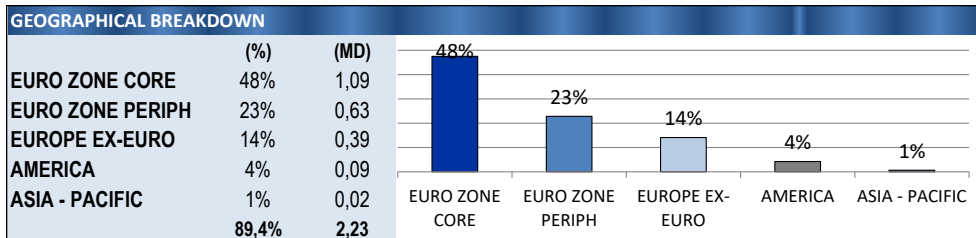
DISTRIBUTION BY MATURITY (% & Modified Duration)					
	€ Yield Curve		\$ Yield Curve		Total
0-3 years	52%	0,77	1%	0,01	53% 0,78
3-5 years	29%	1,06	0%	0,00	29% 1,06
5-7 years	7%	0,38	0%	0,00	7% 0,38
7-10 years	0%	1,53	0%	0,00	0% 1,53
10 years +	0%	0,00	0%	0,00	0% 0,00
<b>Total</b>	<b>89%</b>	<b>3,75</b>	<b>1%</b>	<b>0,01</b>	<b>89% 3,76</b>



Excluding the modified duration contribution of the bond futures positions



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CURRENCY EXPOSURE (%)			
	Gross	Hedge	Net
EUR	99,1%	0,0%	99,1%
USD	0,8%	-0,4%	0,4%
GBP	0,0%	0,0%	0,0%
CHF	0,1%	0,0%	0,1%
CAD	0,0%	0,0%	0,0%
YEN	0,0%	0,0%	0,0%

Excluding the modified duration contribution of the bond futures positions

CHARACTERISTICS OF THE SHARE CLASSES		
Investor's category	Retail (C-I)	Institutional (C-S)
ISIN Code	LU1061712110	LU1744059137
Management Fees	1,00%	0,50%
Minimum investment	1 share	1 000 000 €
Inception date	18th September 1995	21st December 2018
Currency	EUR	
Benchmark	Bloomberg EuroAgg Corporate 3-5y	
Subscription fees	1,00% maximum	
Redemption fees	0,50% maximum	
Performance fees	0,00%	
NAV / Liquidity	Daily	
Structure	Luxembourg UCITS SICAV	
Custodian / Valuator	CACEIS Luxembourg	
Settlement	D+2	

These UCITS are authorized in Luxembourg and are regulated by Commission de Surveillance du Secteur Financier (CSSF)

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