

# MW OBLIGATIONS INTERNATIONALES

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



Fund Managers : Christophe PEYRAUD - Rémy Cudennec

October 2022

	ISIN	NAV: 31/10/2022	YTD Perf.	Fund Size	Bloomberg Code
Share CI	LU1061712110	1 460,01 €	-9,02%	69 m€	MWOBICI LX Equity
Share CS	LU1744059137	1 487,63 €	-8,64%		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 IMTS 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.

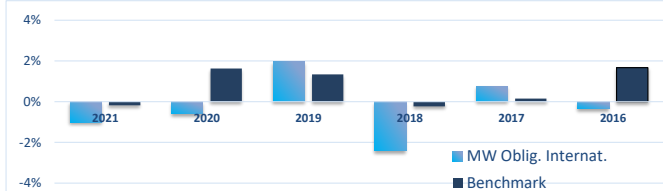
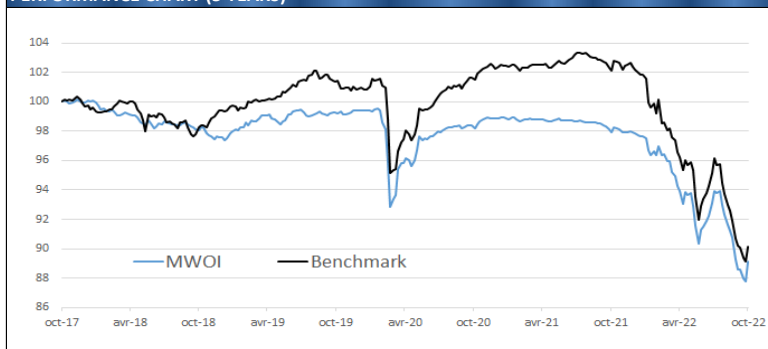
## CUMULATIVE PERFORMANCES (Share Class CI)

	1 month	3 months	2022	1 year	3 years	5 years
MW Oblig. Internat.	0,49%	-5,23%	-9,02%	-9,10%	-10,27%	-10,96%
Benchmark	-0,05%	-6,26%	-11,82%	-11,72%	-11,12%	-9,87%
Relative Difference	0,54%	1,03%	2,81%	2,62%	0,85%	-1,10%

## 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	4,50%	5,10%	-1,95	-2,24	1,46	1,82%	0,13
3 years	3,85%	4,26%	-0,81	-0,81	0,22	1,46%	0,12
5 years	3,06%	3,48%	-0,62	-0,48	-0,14	1,65%	0,10

Past returns are not indicative of future performance.

## MAIN MOVEMENTS OVER THE PAST MONTH

New positions	Strengthened Positions	Reduced Positions	Sold Positions
ABB 0% 2030			ITALY BTPS 5% 2025 ONTEX 3,50% 2026

## COMMENTS

In recent weeks, there has been a sharp drop in tensions on the production and logistics chains and also a drop in many raw materials. Despite this, for the moment, inflation shows no sign of inflection, particularly in Europe where it now exceeds 10%. Faced with this situation, central banks have no choice but to continue to tighten monetary conditions. There seems to be a narrow way between the necessary fight against inflation and the risk of dragging economies into recession. But it seems clear that central bankers have chosen to “do more than not enough”. Nevertheless, the latest economic indicators validate a growing risk of a global recession in 2023 and therefore less pressure on prices. This raised hopes of a pause or moderation in the monetary tightening cycle. Another supporting factor for the markets was the change of Prime Minister in the United Kingdom and the hope for political stability after the storm caused by the presentation of a budget proposal that lacked credibility.

After two months of nervousness and high volatility, these factors led to an easing of risk aversion in October. The main stock markets rebounded with increases of around 8 to 9%. On the bond markets, benchmark rates stabilized. Weak increase in the German 10-year rate of 5 bps to 2.15% and fall in the American 10-year rate of 20 bps to 3.85%. In this calmer context, risk premiums on the private debt market eased slightly. The IG spread in € thus narrowed by 4 bps and closed the month at 221 bps.

The sharp rise in interest rates led us to significantly increase the bond sensitivity of the portfolio. In October, it was maintained around 4.75, a level significantly higher than that of its benchmark index (3.65). Regarding exposure to credit risk, we are still maintaining a cautious strategy. Compared to the IG market in euros, the relative exposure of MWOI thus remained close to 75%. Since the beginning of the year, the performance of the fund (-8.64% for the CS unit and -9.02% for the CI unit) has been significantly higher than that of its benchmark index (-11.82%).

FUND ASSET CLASS BREAKDOWN			
	Oct 22	Sept 22	Dec 21
Bonds	81,6%	87,3%	85,4%
ETF	2,8%	4,7%	0,0%
Equities & Conv. Bonds	0,5%	0,5%	3,4%
Monetary Instruments	0,0%	0,0%	0,0%
Cash	15,2%	7,5%	11,2%

MAIN CHARACTERISTICS OF THE FIXED INCOME PORTFOLIO			
	Oct 22	Sept 22	Dec 21
Number of securities	115	119	92
Yield to Maturity	5,00%	5,51%	0,49%
Modified Duration (MD)	4,73	4,86	2,04
Spread vs Gov.	240	293	80
Average Rating	BBB+	BBB+	BBB+

MAIN POSITIONS				
%	Securities	Currency	Country	Sector
2,75%	HELLENI-GGB 1,875% 2026	EUR	GR	Sovereign
1,13%	LEONARD-LDOIM 1,5% 2024	EUR	IT	Industrial
1,07%	MUTUELL-MACIFS 5,5% 2023	EUR	FR	Industrial
1,04%	LA BANQ-FRLBP 2,75% 2027	EUR	FR	Banks
1,04%	BPCE-BPCEGP 4,625% 2023	EUR	FR	Banks
1,01%	VIENNA -VIGAV 5,5% 2043	EUR	AT	Insurance

DISTRIBUTION BY MATURITY (% & Modified Duration)					
	€ Yield Curve		\$ Yield Curve		Total
0-3 years	48%	0,68	1%	0,00	48% 0,69
3-5 years	27%	2,59	0%	0,00	27% 2,59
5-7 years	6%	0,28	0%	0,00	6% 0,28
7-10 years	1%	1,17	0%	0,00	1% 1,17
10 years +	0%	0,00	0%	0,00	0% 0,00
<b>Total</b>	<b>81%</b>	<b>4,73</b>	<b>1%</b>	<b>0,00</b>	<b>82% 4,73</b>

CREDIT RATING BREAKDOWN		
	(%)	(MD)
AAA	0%	0,00
AA	1%	0,03
A	28%	0,73
BBB	41%	0,97
BB	9%	0,22
B	0%	0,00
CCC & Inf.	0%	0,00
Non rated	3%	0,04
	<b>81,6%</b>	<b>1,99</b>

Excluding the modified duration contribution of the bond futures positions

MAIN SECTORS BREAKDOWN		
	(%)	(MD)
Banks	32%	0,68
Insurance	12%	0,33
Diversified Fin.	1%	0,04
Utilities	5%	0,13
Telecom	9%	0,20
Consumer Goods	7%	0,19
Commodities	3%	0,07
Industrials	7%	0,18
Oil & Gas	3%	0,08
Gov. Bonds	3%	0,10
	<b>81,6%</b>	<b>1,99</b>

Excluding the modified duration contribution of the bond futures positions

GEOGRAPHICAL BREAKDOWN		
	(%)	(MD)
EURO ZONE CORE	43%	1,02
EURO ZONE PERIPH	18%	0,46
EUROPE EX-EURO	15%	0,41
AMERICA	4%	0,07
ASIA - PACIFIC	1%	0,02
	<b>81,6%</b>	<b>1,99</b>

CURRENCY EXPOSURE (%)			
	Gross	Hedge	Net
EUR	98,8%	0,0%	98,8%
USD	1,1%	-0,5%	0,5%
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		
	Retail (C-I)	Institutional (C-S)
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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