

MW OBLIGATIONS INTERNATIONALES

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

Fund Managers : Christophe Peyraud (since March 20th 2017) - Cyril DEBLAYE

ISIN : LU1061712110

Bloomberg : MWOBICI LX Equity

MAY 2017

NAV Date 26/05/2017

AV : 1636,12

Perf. 2017 : 0,59%

Fund Size : 48,77 Mil. €

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, **FTSE MTS Eurozone Government Bond 3-5 Years** (denominated in euro – coupons re-invested), representative of government bonds within the Eurozone, over the recommended investment period (**2 years**). 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 **10%** 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 6**.

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 **each friday (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**.

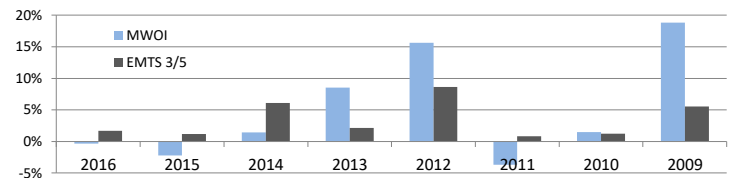
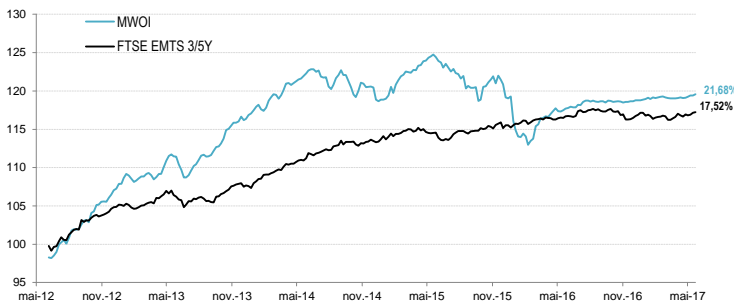
CUMULATIVE PERFORMANCES (Share Class CI)

	1 month	3 months	2017	1 year	3 years	5 years	1995*
MWOI	0,27%	0,40%	0,59%	1,50%	-2,54%	21,68%	114,64%
EMTS 3/5	0,35%	0,88%	0,07%	0,43%	4,76%	17,52%	-
Relative Diff	-0,08%	-0,48%	0,52%	1,07%	-7,30%	4,16%	-

ANNUAL RETURNS (Share Class CI)

2016	2015	2014	2013	2012	2011	2010	2009
-0,35%	-2,24%	1,41%	8,52%	15,64%	-3,68%	1,47%	18,81%
1,67%	1,19%	6,12%	2,13%	8,62%	0,83%	1,23%	5,54%
-2,02%	-3,43%	-4,71%	6,39%	7,02%	-4,51%	0,24%	13,27%

PERFORMANCE CHART (5 YEARS)



RISK INDICATORS

	Volatility		Sharpe Ratio		Information Ratio	T. Error
	Fund	Indicator	Fund	Indicator		
1 year	0,74%	1,43%	1,70	0,12	0,72	1,52%
3 years	3,52%	1,56%	-0,28	0,94	-0,68	3,63%
5 years	3,33%	1,81%	0,89	-0,16	1,00	3,26%

MAIN MOVEMENTS OVER THE PAST MONTH

New Positions	Strengthened Positions	Reduced Positions	Sold Positions
Neopost 2,50% 2021	Munich Ré 2041 call 2021	Aronic 6,15% 2020	Glencore 1,25% 2021
ING 3,50% 2023	GM 1,875% 2019	Barclays 2% 2018	
BPCE 4,625% 2023			

COMMENTS

In May, the european activity indicators confirm the ongoing economic recovery with notably an acceleration of credit to the private sector and a continuing fall in unemployment. Even though the deflation risk seems today largely absent, the latest statistics show however, at this stage of the cycle, no sign of inflationary pressure. This situation allows the ECB to keep monetary policy still very accommodative. In this context, the German 10y yield finally closed the month almost unchanged at 0,30% (-2 bp) and a few spread variations between countries are to be noted in the euro area with the exception of the Italian-German yield spread which, at the end of the month, deviated significantly, due to a potential holding of early elections starting this fall.

At the same time, in the United States, the statistics released confirm the economic slowdown and despite a situation of full employment, there is no visible inflationary pressure. In addition, there is an ever more marked circumspection as regards the ability of Trump's administration to stimulate the economy. These elements explain Fed's willingness to normalize its monetary policy very gradually. All in all, over the month, the US 10y Treasury bond yield declined by 10 bp at 2,20%.

In the corporate debt market, as in risky asset classes, we notice in the middle of the month a slight increase in risk aversion, primarily due to the political uncertainty in Brasil. There was no impact on credit risk premiums which remained globally stable and at low historical levels. The very abundant volumes of new issues reflect the strong appetite of investors for this asset class.

In the portfolio, we have pursued our strategy of diversification by integrating about ten new positions. The selected bonds are, as in the prior month, predominantly rated BBB/BB with short-term maturities (between 2 and 5 years). We therefore maintain a short duration strategy (1,47 at the end of the period) in order to limit the negative impact that a rise of interest rates could cause.

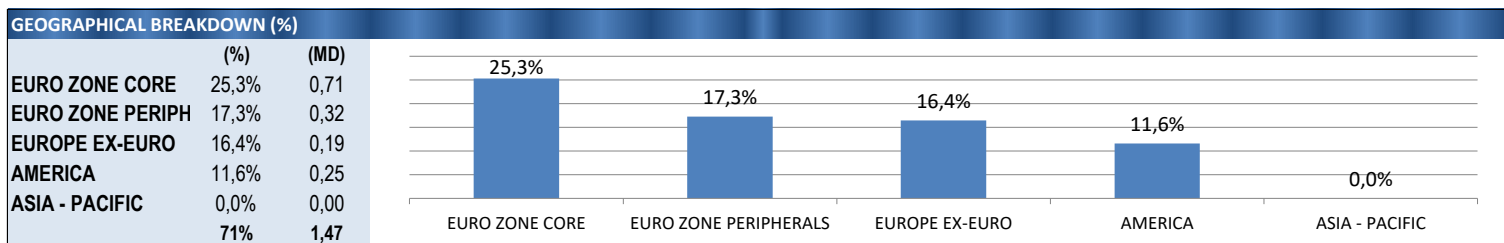
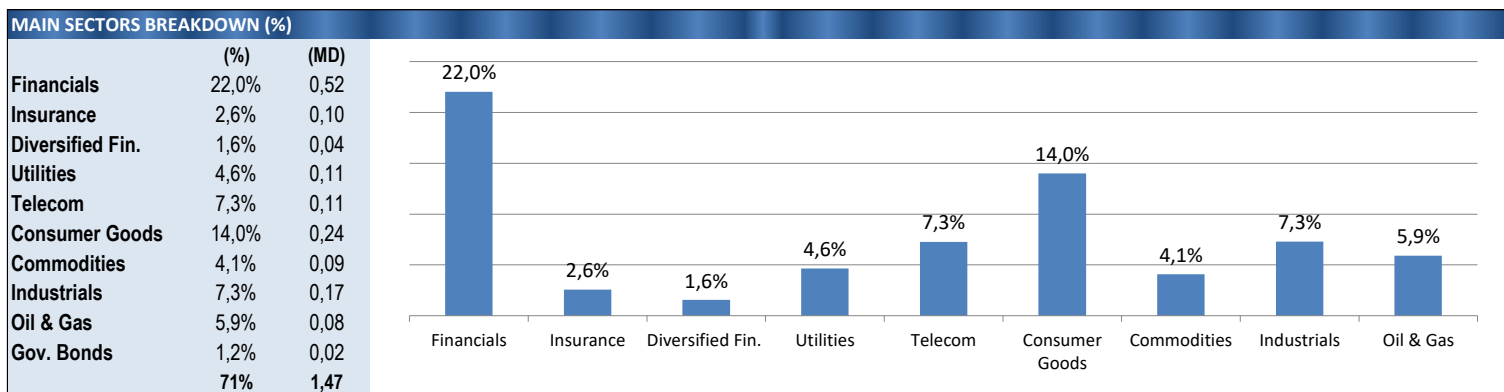
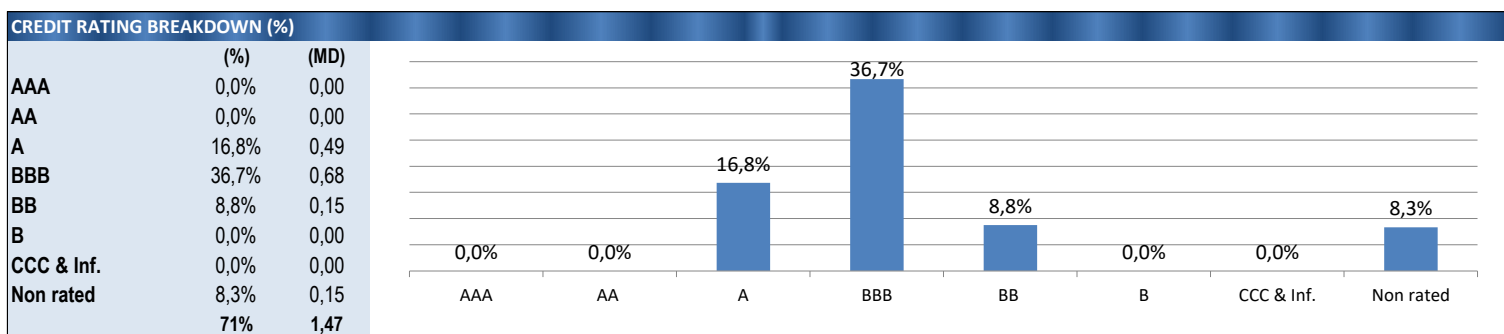
In May, the fund has gained 0,27%, marking a relative under-performance of 8 bp. However, since the beginning of the year, the fund turned in a performance of 0,59%, against 0,07% for its reference indicator.

FUND ASSET CLASS BREAKDOWN			
	May 2017	April 2017	Dec. 2016
Bonds	71%	74%	74%
Convertible Bonds	0%	0%	0%
Equities	3%	3%	3%
Monetary Instruments	11%	12%	14%
Cash	15%	12%	9%

MAIN CHARACTERISTICS OF THE FIXED INCOME PORTFOLIO			
<i>excluding CD</i>	May 2017	April 2017	Dec. 2016
Number of securities	51	41	28
Yield to Maturity	0,63%	0,72%	0,37%
Modified Duration (MD)	1,47	1,47	0,90
Spread vs Gov.	72	74	112
Average Rating	A-	A-	BBB-

MAIN POSITIONS (%)				
Name	%	Currency	Country	Sector
EI TOWER 3,875% 2018	4,26%	EUR	IT	Telecom
ENEL FIN 5,125% 2019	3,95%	USD	IT	Utilities
M. STANLEY 5,625% 2019	2,99%	USD	US	Bank
RBS 6,934% 2018	2,84%	EUR	GB	Bank
BARCLAYS 2% 2018	2,77%	USD	GB	Bank
M&S 6,25% 2017	2,71%	USD	GB	Food Retail

DISTRIBUTION BY MATURITY (% & Modified Duration)						
	€ Yield Curve		\$ Yield Curve		Total	
0-3 years	43%	0,69	12%	0,19	56%	0,88
3-5 years	9%	0,29	2%	0,06	11%	0,35
5-7 years	2%	0,12	0%	0,00	2%	0,12
7-10 years	2%	0,12	0%	0,00	2%	0,12
10 years +	0%	0,00	0%	0,00	0%	0,00
Total	56%	1,22	14%	0,24	71%	1,47



CHARACTERISTICS of Share Class CI

Informations		Fees	
Investment Category	Obligations Internationales	Subscription	1% max.
Inception date	18/09/1995	Redemption	0,5% max.
Valuation frequency	Weekly	Management	1% TTC
Depository	CACEIS Luxembourg	Overperformance	0%
Settlement	D+2	Reference Indicator	FTSE EMTS Eurozone Government Bond 3-5y

Legal form : Sub-Fund of the Luxembourg SICAV MW Gestion AM, intended particularly for institutional investors

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

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Non contractual document