

Swan Ultra Short-Term Bond – EUR

November 2021



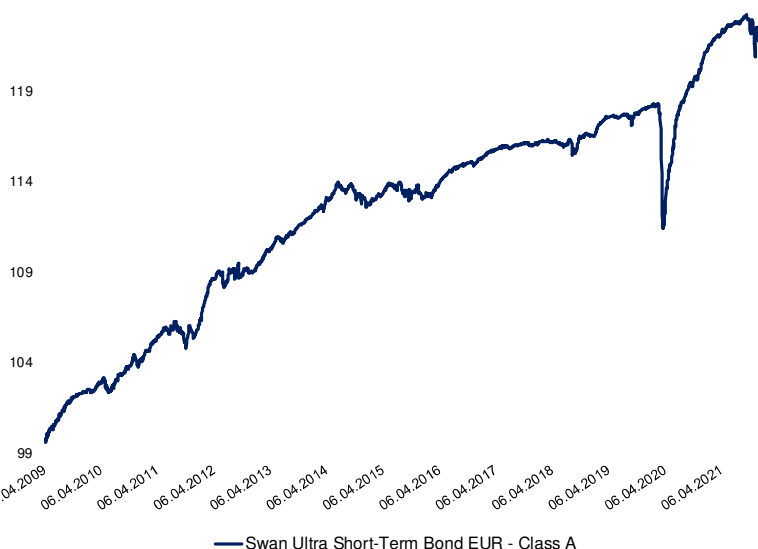
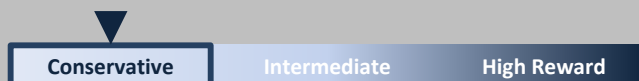
Strategy

Swan Ultra Short-Term Bond is the UCITS version of our Fixed Income Conservative risk profile. The strategy invests in a highly diversified buy and hold portfolio of liquid short-term fixed income securities, with an average maturity of 1 year. Target Return is 3 months LIBOR + 150 bps.

Performance

MTD :	-0.64%	Fund Assets (mIn) :	396.1
Since inception	21.75%	1 Year Std Dev :	1.32%
Last 12 Months :	1.00%	1 Year Sharpe Ratio :	1.27
NAVps :	EUR 121.75	positive months %:	76%

Risk Profile



Period	Class C*	Class A
MTD	-0.64%	-0.64%
YTD	0.65%	0.48%
6 months	-0.64%	-0.72%
1 year	1.12%	1.00%
2020	2.67%	2.58%
2019	1.59%	1.36%
2018	0.58%	0.39%
2017	0.92%	0.75%
2016	2.05%	1.86%
2015	0.58%	0.35%
2014	0.63%	0.54%
2013	3.00%	2.77%
2012	3.05%	2.84%
2011	2.07%	1.85%
2010	1.90%	1.73%
2009	2.63%	2.38%

Portfolio info	
# of Securities	147
% Weight	97.93%
Int Dur	0.16
Yield (gross)	4.18%
Spread Duration	0.98
Z-spread	478

*Class A adjusted for management fee difference used for periods before Class C inception.

FX breakdown (fully hedged)

USD	54.13%
EUR	10.68%
NOK	16.74%
SEK	11.88%
CHF	1.89%
GBP	4.67%
AUD	0.00%
TOTAL	100.00%

Geographic breakdown

EU	15.88%
US	0.87%
Oth DEV	46.51%
LATAM	1.65%
EMEA	20.74%
ASIA	14.35%
TOTAL	100.00%

Rating breakdown

AAA	0.00%
AA	0.00%
A	0.00%
BBB	9.92%
tot IG	9.92%
BB	19.62%
B	18.29%
CCC	1.49%
tot HY	39.40%
NR	50.63%
TOTAL	99.95%

Sector breakdown - Top 10

Services	27.08%
Real Estate	26.33%
Banking	6.94%
Basic Industry	6.82%
Energy	5.39%
Consumer Goods	4.60%
Automotive	3.89%
Financial Services	3.48%
Leisure	3.48%
Agency	2.34%

Global market picture

During November, European credit markets experienced a negative performance (H9PC Index -0.52%), in tandem with the movement of the Eurostoxx 50 (-4.41%) and S&P 500 (-0.83%). Last days of the month saw an increased level of volatility due to surging COVID-19 cases linked to Omicron variant: several countries imposed tighter quarantine measures and fresh restrictions on travels, with Austria declaring three weeks of lockdown in addition to mandatory vaccination in order to ease pressure on hospitals. The economic surprise index in US turned positive in November, thanks in particular to strong retail sales and industrial production release, while in Europe the surprise index just recovered to parity due to new restrictions' impact on economic activity. During its meeting at the beginning of the month the FED announced that it will begin scaling back bond buying starting from mid-November; Joe Biden named Jerome Powell for a second term as FED chair: during his testimony at the Congress Powell signaled that "economy is very strong and inflation pressures are high" signaling that taper could run faster than initially declared. Inflation in Germany printed highest level since 1992 at 5.2%, but ECB continued reassuring investors that price increase will be only transitory. In this context, the 10 years bund yield was lower at -0.35% (-24bps in the month), in tandem with the 10 years Treasury at 1.44% (-11bps in the month). In China there were signs of relaxation to the real estate sector: mortgages and loans to developer strongly increased in October, while PBOC indicated that it could relax three red lines rules applied to sovereign owned properties developers to take over assets of most indebted entities; volatility will continue to affect the sector but we think higher quality names will be able to manage the situation properly.

Yield-type strategy

The bucket generated a gross negative contribution to the monthly performance, with 39% of the positions (40 out of 102) contributing positively. The YTM remains attractive and conditions are always interesting in the short-term part of the credit curve. The average life of the yield-type portfolio is very short (12 months or 0.98 of spread duration), combined with a gross yield of 4.18% (in EUR) and z-spread of 478 basis points.

Sicav Structure – Terms & Conditions

Domicile: Luxembourg

Inception Date: 1 April 2009

Minimum Investment: 1 share

Liquidity / Reporting: Daily

Fees: Class C 0.75% / Class A 1.00% Management Fee

15% Performance Fee (high water mark)

Promoter / Distributor: Corner Banca SA

Investment Manager: Swan Asset Management SA

Custodian Bank: State Street Bank Lux

Administrator Agent: State Street Bank Lux

Auditor: Ernst & Young

Bloomberg: class A: CBSWBOA LX, class C: CBSWBOC LX

ISIN: class A: LU0417109773, class C: LU0417110193

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This is an advertising document. The state of origin of the fund is Luxembourg. In Switzerland the representative of the SICAV is Cornèr Banca S.A., with registered office in Via Canova 16, CH-6901 Lugano and the payment service is provided by Cornèr Banca S.A., Via Canova 16, CH-6901 Lugano.

The basic documents of the fund as well as the annual and if applicable the semi-annual report may be obtained free of charge from the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption units.