

Fund objective

The fund objective is to participate in the development of international bond markets. The fund may invest in developed and emerging markets, including in local currencies. The management style is pragmatic with high convictions, with regional, segment or sector bias. The fund may invest in government bonds or investment grade debts. The fund may have up to 20% out of its reference currency on developed markets.

Fund review

The US election result has opened the prospect of more fiscal easing and China has begun making tentative steps to address its sharp industrial slowdown with fiscal policy, to support monetary easing. The potential for more fiscal easing in the US, on top of a strong economy, raises the risk of a no-landing scenario and pushes yields up.

The appointment of Scott Bessent as Treasury Secretary has reinsured markets. He has advocated a 3% deficit-to-GDP target, roughly half of where we currently sit.

The market is now discounting in a low chance (50%) of a December Fed Fund rates cut. It also discounts just 3 other rate cuts in 2025. The Fed scenario is in favor of more rate cuts. Our own forecast is in line with the Fed, as we judge the monetary policy stance as restrictive.

We maintain a long duration bias.

Fund performance

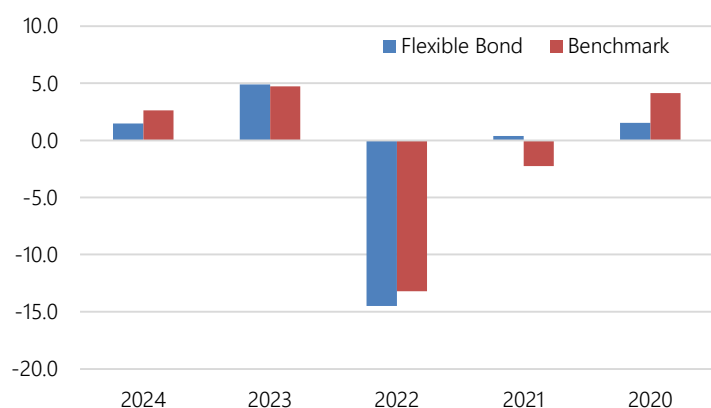
Rolling performance (%)

	1 month	YtD	1 year	3 year ann.	5 year ann.
Flexible Bond	1.44	1.47	5.30	-3.07	-1.40
Benchmark	1.09	2.63	5.50	-2.41	-1.11

Annual performance (%)

	2024	2023	2022	2021	2020
Flexible Bond	1.47	4.9	-14.5	0.39	1.52
Benchmark	2.63	4.73	-13.2	-2.24	4.14

Relative performance (%)



Before December 31st, 2015, « absolute return » approach without benchmark. Since December 31st, 2015, high conviction relative management, benchmark Barclays Global Aggregate hedged in EUR. Before July 11th, 2017 incorporated in the IGNI SICAV, then transferred into the ISATIS SICAV.

Main characteristics

Asset under management (€)	26 000 000
NAV (€)	9 878.60
Benchmark	Bloomberg Barclays Global Aggregate hedged EUR
Launch date	24.06.2015
Share class	Accumulation
Management company	Funds Avenue SA
Advisor	Heravest SA
Asset manager	Funds Avenue SA
Custodian bank	Banque de Luxembourg
Calculating agent	European Fund Administration
Investment horizon	3 years
Main currency	EUR
Other currencies	USD, CHF
Management fees	0.65%
Liquidity	Daily
SFDR's classification system	Article 6

Low risk High risk



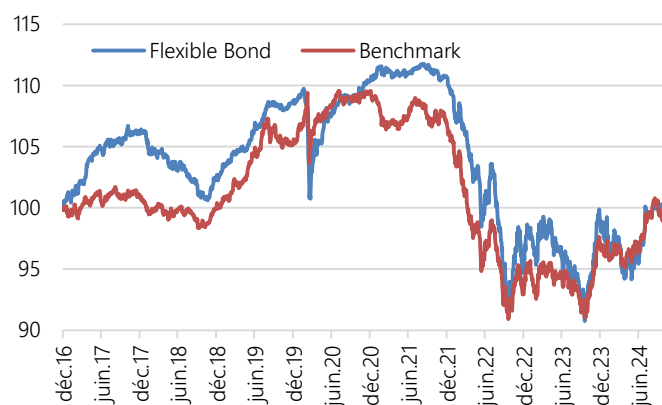
Low return High return

Risk indicators

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Volatility (%)	3.96	3.96	3.96
Alpha	-0.05	0.00	-0.01
Beta	1.40	1.28	1.16
Sharpe ratio	0.29	-0.63	-0.35
Tracking error (%)	2.64	2.89	3.25
Max Drawdown (%)	-5.73	-18.09	-18.77
Recovery (yr)	0.13	#VAEUR!	#VAEUR!

Source : Bloomberg

Performance (30.12.16)



Fund structure

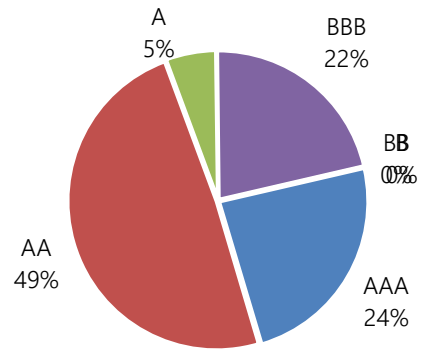
Main holdings

Bonds	Weight	Country	Rating
US Treasury 3.5% 15/2/2033	10.9%	US	AA+
US Treasury 2.75% 15/8/2032	10.3%	US	AA+
US TIPS 2.125% 15/4/2029	9.8%	US	Aaa
US Treasury 1.375% 15/11/2031	9.4%	US	AA+
US Treasury 1.875% 15/2/2032	8.5%	US	AA+
Hong Kong 1.375% 2/2/2031	7.9%	HK	Aa3u
European Union 0% 4/7/2035	5.1%	SNAT	Aaa
Italy 4% 30/4/2035	4.3%	IT	Baa3
Cash	4.0%	JP	AAA
Maersk 0.75% 25/11/2031	3.5%	DK	Baa1
Top 10	73.6%		

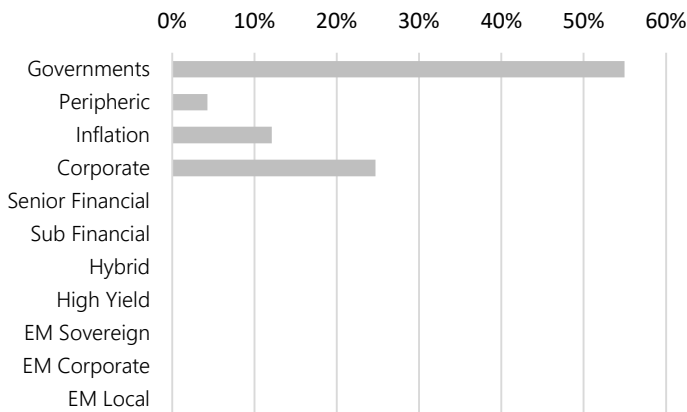
Risk profile

Yield to maturity (%)	3.55
Average maturity	6.5
Average duration	7.6
Average spread	56
Rating	AA-
# holdings	21

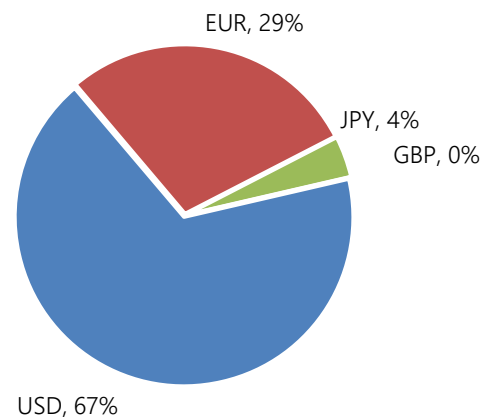
Rating allocation



Segment allocation



Currency allocation (ex-FX hedges)



Technicalities

Class	ISIN	Currency	Fees	Min. Invest.	Launch date	BBG Ticker	Performance fees
I - EUR	LU1560706704	EUR	0.65%	100'000	24.06.2015	ISAFBIE LX	Yes - 10% above 1-month Euribor
I - CHF	LU1560707009	CHF	0.65%	100'000	29.07.2015	ISAFBIC LX	Yes - 10% above 1-month Libor
I - USD	LU1560706886	USD	0.65%	100'000	11.11.2016	ISAFBIU LX	Yes - 10% above 1-month Libor

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