

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

Heading into the September FOMC meeting just over a month ago, the market had anticipated aggressive Fed rate cuts in response to a slowing job market. However, since then, a strong September jobs report, an upside surprise to retail sales, and sticky inflation prints, have led to a rapid and significant recalibration.

While a lot of the recent movement in yields, curves and spreads has been attributed to elections we believe the improvement in fundamentals and the strength of the recent data have also played a role in the repricing. The initial phase of the bond sell-off in bonds occurred after the strong September payroll report, which was then followed by retail sales and a sticky inflation print, underscoring the need for a more measured pace of policy easing. Above trend growth in the second and third quarters, and strong momentum heading into Q4 further supports this view.

After reaching an overbought stance weeks ago, the bond market sounds oversold. The technical indicators as well as the current Fed easing pricing pushed us to adopt a more constructive exposure on the duration.

Fund performance

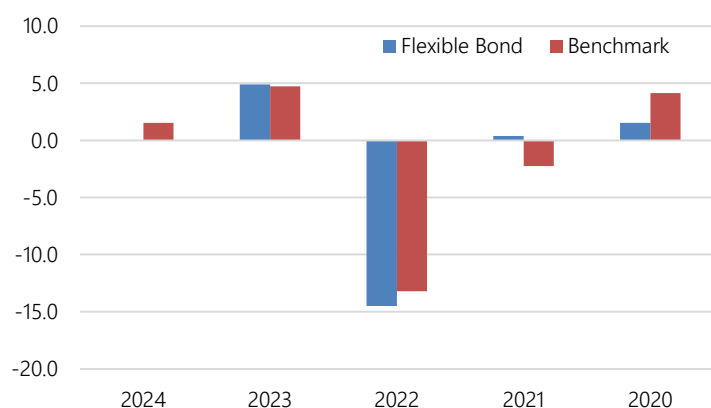
Rolling performance (%)

	1 month	YtD	1 year	3 year ann.	5 year ann.
Flexible Bond	-0.77	0.03	8.41	-3.60	-1.68
Benchmark	-1.54	1.52	7.95	-2.62	-1.28

Annual performance (%)

	2024	2023	2022	2021	2020
Flexible Bond	0.03	4.9	-14.5	0.39	1.52
Benchmark	1.52	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 (€)	29 990 000
NAV (€)	9 738.07
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



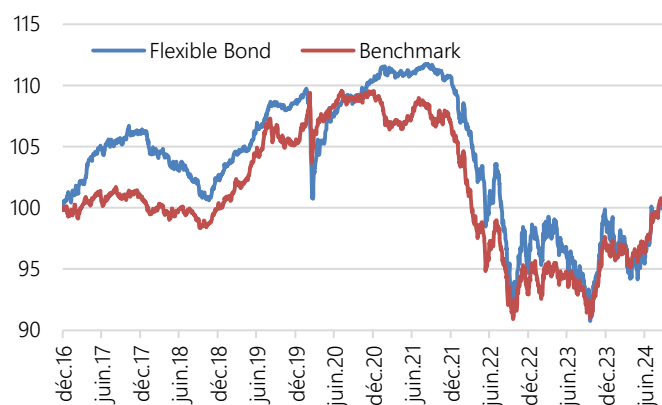
Low return High return

Risk indicators

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Volatility (%)	2.02	2.02	2.02
Alpha	-0.04	0.00	0.00
Beta	1.47	1.28	1.16
Sharpe ratio	0.61	-0.69	-0.39
Tracking error (%)	2.85	2.93	3.25
Max Drawdown (%)	-5.73	-18.42	-18.77
Recovery (yr)	0.13	#VAEUR!	#VAEUR!

Source : Bloomberg

Performance (30.12.16)



Fund structure

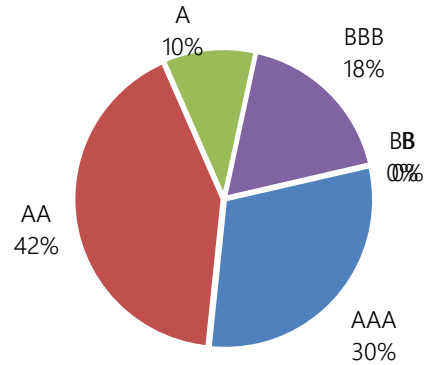
Main holdings

Bonds	Weight	Country	Rating
US TIPS 2.125% 15/4/2029	11.4%	US	Aaa
US Treasury 3.5% 15/2/2033	9.0%	US	AA+
US Treasury 2.75% 15/8/2032	8.5%	US	AA+
US Treasury 1.375% 15/11/2031	7.9%	US	AA+
US Treasury 1.875% 15/2/2032	7.0%	US	AA+
European Union 0% 4/7/2035	6.8%	SNAT	Aaa
Hong Kong 1.375% 2/2/2031	6.5%	HK	Aa3u
Cash	4.4%	GE	AAA
Italy 4% 30/4/2035	3.5%	IT	Baa3
European Union 0% 4/11/2025	3.3%	SNAT	Aaa
Top 10	68.4%		

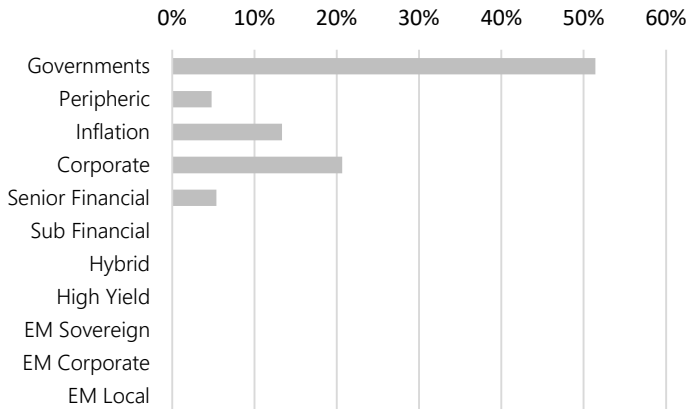
Risk profile

Yield to maturity (%)	3.49
Average maturity	6.1
Average duration	6.3
Average spread	54
Rating	AA-
# holdings	25

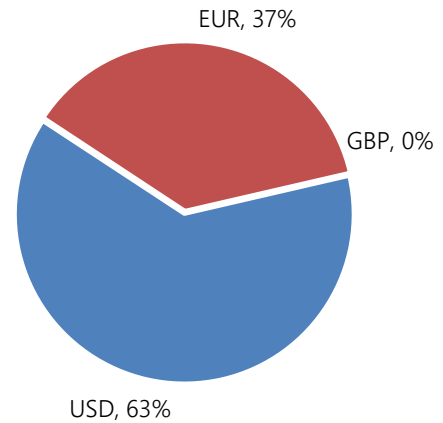
Rating allocation



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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