

# MW OBLIGATIONS INTERNATIONALES

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

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February 2022

	ISIN	NAV: 31/01/2022	YTD Perf.	Fund Size	Bloomberg Code
Share CI	LU1061712110	1,583.79 €	-1.30%	78 m€	MWOBICI LX Equity
Share CS	LU1744059137	1,608.41 €	-1.22%		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 MTS 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.

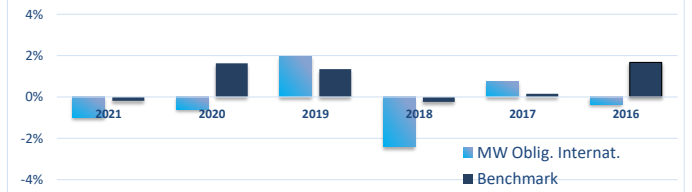
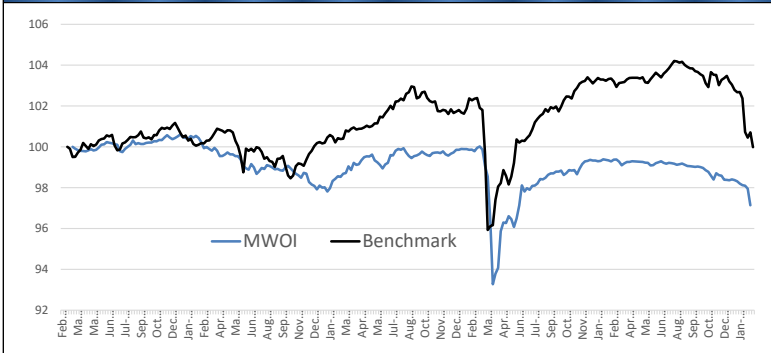
## CUMULATIVE PERFORMANCES (Share Class CI)

	1 month	3 months	2022	1 year	3 years	5 years
MW Oblig. Internat.	-0.94%	-1.38%	-1.30%	-2.08%	-1.71%	-2.97%
Benchmark	-2.13%	-2.74%	-2.76%	-2.66%	-0.19%	0.20%
Relative Difference	1.19%	1.37%	1.46%	0.57%	-1.52%	-3.16%

## 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	1.09%	2.19%	-1.65	-1.09	0.47	1.25%	0.12
3 years	2.90%	3.24%	-0.06	0.10	-0.35	1.46%	0.10
5 years	2.32%	2.73%	-0.10	0.15	-0.41	1.56%	0.05

Past returns are not indicative of future performance.

## MAIN MOVEMENTS OVER THE PAST MONTH

New positions	Strengthened Positions	Reduced Positions	Sold Positions
Bk of Ireland 1% 2025 British Tel. 1% 2024 Barclays 1,375% 2026			Hellenic Republic 4,375% 2022

## COMMENTS

Since the beginning of the year, the main concern for the financial markets has been inflation. The health crisis is now of minor importance. The last wave of Covid-19 has been massive in terms of contamination but quite limited in its effects. On the issue of inflation, the latest figures confirm the continuous pressure. Inflation has reached multi decades highs in January: 7.5% in US, and more than 5% in Europe. Thanks to a very strong labour market, the overall demand remains very robust. At the same time, the continuation of the bottlenecks on supply chains, still hinders the supply. Moreover, structural elements such as the rising cost of energy increase the pressure on prices. In response to this situation, after month of denial, the central banks have resolved to initiate a rate-hiking cycle. These economic considerations have been partially overshadowed by the invasion in Ukraine by the Russian armed forces. Today, no one shall have certainties on the outcome of this war. But, nevertheless, the massive sanctions already imposed to Russia by western countries, will undoubtedly generate additional disruptions on the supply chains and major pressures on energy and raw material prices.

In this highly tense environment, risk aversion has sharply surged. In February, stock markets went down significantly with a significant underperformance for the European markets: Eurostoxx -7%, S&P500 -4%. On the bond markets, we have seen a lot of volatility as well. Until the Russian aggression, rates were trending upward. Thus, the American 10-year and the German 10-year had risen during the last month, rising 20 bps to 1.75% and 0% respectively. The dramatic events in Ukraine have completely reverted this rising trend. The rates are globally unchanged over the last month. More specifically on the corporate bond market, the sharp rise of risk aversion has resulted in a significant widening of "credit" risk premiums. Thus, the IG spread in € closes the month at 143 bps (+38 bps).

For many months, we were thinking that some structural elements will have an upward effect on inflation and will cause a tougher monetary and financial environment. Accordingly, we had maintained our cautious strategies on duration risk. This strategy remains valid but nevertheless we have slightly increased the duration risk of the portfolio from 1.90 to 2.70. Regarding the credit risk, we remain cautious as well. Considering the current context, we maintain this stance. At the end of the month, the credit risk exposure of the portfolio (beta relative) is less than 50% compared to the IG market. Year to date, the fund's performance is -1.30% for the CI share and -1.22% for the CS share, compared to -2.76% for the benchmark.

FUND ASSET CLASS BREAKDOWN			
	Feb 22	Jan 22	Dec 21
Bonds	88.8%	86.4%	85.4%
ETF	0.5%	1.6%	0.0%
Equities & Conv. Bonds	0.6%	0.6%	3.4%
Monetary Instruments	0.0%	0.0%	0.0%
Cash	10.1%	11.4%	11.2%

MAIN CHARACTERISTICS OF THE FIXED INCOME PORTFOLIO			
	Feb 22	Jan 22	Dec 21
Number of securities	111	103	92
Yield to Maturity	1.12%	0.37%	0.49%
Modified Duration (MD)	2.69	1.89	2.04
Spread vs Gov.	138	72	80
Average Rating	BBB+	BBB+	BBB+

MAIN POSITIONS				
%	Securities	Currency	Country	Sector
3.38%	SPANISH-SPGB 1,3% 2026	EUR	ES	Sovereign
2.93%	PORTUGU-PGB 2,875% 2026	EUR	PT	Sovereign
2.93%	BTPS-BTPS 5% 2025	EUR	IT	Sovereign
2.87%	PORTUGU-PGB 2,125% 2028	EUR	PT	Sovereign
2.78%	IRISH G-IRISH 3,9% 2023	EUR	IE	Sovereign
2.66%	HELLENI-GGB 1,875% 2026	EUR	GR	Sovereign

DISTRIBUTION BY MATURITY (% & Modified Duration)					
	€ Yield Curve		\$ Yield Curve		Total
0-3 years	58%	0.88	1%	0.01	59% 0.89
3-5 years	23%	1.12	0%	0.00	23% 1.12
5-7 years	6%	0.35	0%	0.00	6% 0.35
7-10 years	0%	0.33	0%	0.00	0% 0.33
10 years +	0%	0.00	0%	0.00	0% 0.00
<b>Total</b>	<b>88%</b>	<b>2.68</b>	<b>1%</b>	<b>0.01</b>	<b>89% 2.69</b>

CREDIT RATING BREAKDOWN		
	(%)	(MD)
AAA	0%	0.00
AA	5%	0.10
A	22%	0.47
BBB	48%	1.23
BB	8%	0.18
B	1%	0.03
CCC & Inf.	0%	0.00
Non rated	5%	0.12
	<b>88.8%</b>	<b>2.13</b>

Excluding the modified duration contribution of the bond futures positions

MAIN SECTORS BREAKDOWN		
	(%)	(MD)
Banks	28%	0.55
Insurance	10%	0.16
Diversified Fin.	3%	0.04
Utilities	4%	0.13
Telecom	5%	0.08
Consumer Goods	3%	0.07
Commodities	2%	0.05
Industrials	6%	0.12
Oil & Gas	1%	0.04
Gov. Bonds	25%	0.89
	<b>88.8%</b>	<b>2.13</b>

Excluding the modified duration contribution of the bond futures positions

GEOGRAPHICAL BREAKDOWN		
	(%)	(MD)
EURO ZONE CORE	43%	0.83
EURO ZONE PERIPH	35%	1.10
EUROPE EX-EURO	8%	0.17
AMERICA	2%	0.03
ASIA - PACIFIC	0%	0.00
	<b>88.8%</b>	<b>2.13</b>

CURRENCY EXPOSURE (%)			
	Gross	Hedge	Net
EUR	98.5%	0.0%	98.5%
USD	1.3%	-0.9%	0.4%
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		
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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