

## MW RENDEMENT

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

Fund Manager : Sébastien BOUCHER - Christophe PEYRAUD

April 2019

	ISIN	26/04/2019	YTD. 2019	Fund Size	Bloomberg Code
Share CI	LU1260576019	90,51 €	7,07%	14,91 M €	MWRNCP LX Equity
Share CRP	LU1987728018				



### OBJECTIVES AND INVESTMENT POLICY

The objective of the sub-fund is to generate a return higher than its benchmark (OAT + 200bp) by taking positions on volatility products. Among the various possible strategies on optional products, the management of the sub-fund is mainly focused on the sale of put options (out of the money) on equities and / or equity indices in Western markets (Europe, North America and Japan). The target maturities of the strategies for the sale of options are between 1 and 18 months and are mostly out of the money.

This type of strategy has the objective of collecting premiums sold, the manager seeks to take advantage of the decay in the time value of the option which is similar to a return. This potential return may be greater or smaller depending on periods of rise or fall in equity market volatility.

The recommended investment period is 3 years.

The liquid assets of the fund are invested in private and government bonds and in commercial paper and possibly in European UCITS or mutual funds up to a limit of 20% of the net assets. The Sub-Fund may be invested in equities in the event that certain options are exercised. The equity pocket cannot exceed 33% of the net assets.

However, within the investment limits defined in the prospectus, the sub-fund may use derivatives for the sole purpose of hedging the portfolio for the purpose of sound management. Currency risk will be limited to 10% of net assets.

Subscription / redemption requests will be centralized before 4pm on each Friday of the establishment of a weekly NAV at Caceis Bank Luxembourg and will be executed on the basis of the next NAV at unknown rate. The settlement takes place on D+2.

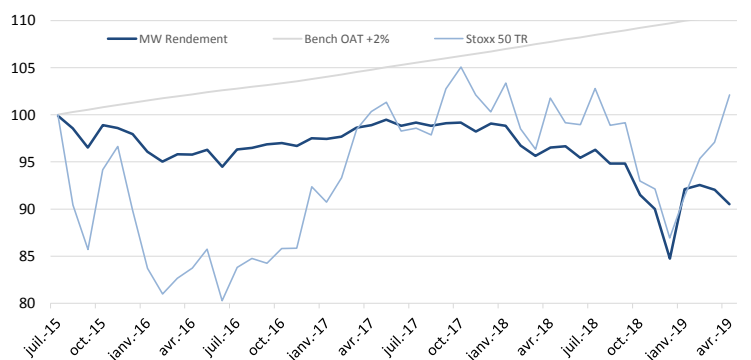
### CUMULATIVE PERFORMANCES

	1 month	3 months	YTD	1 year	3 years	5 years	Inception
MWR	-1,66%	-1,73%	7,07%	-6,22%	-5,50%		-9,46%
OAT+200bp	0,18%	0,62%	0,82%	2,69%	8,33%		10,69%
Spread	-1,84%	-2,34%	6,25%	-8,91%	-13,83%		-20,15%

### ANNUAL RETURNS

	2019	2018	2017	2016	2015
MWR	7,07%	-14,32%	1,61%	-0,56%	-2,03%
OAT+200bp	0,82%	2,81%	2,84%	2,51%	0,99%
Spread	6,25%	-17,13%	-1,23%	-3,07%	-3,02%

### PERFORMANCE CHART (since inception)



### RISK INDICATORS

	Volatility		Sharpe Ratio		Info Ratio.
	Fund	Indicator	Fund	Indicator	
1 Y	9,14%	1,05%	-0,64		-0,02
3 Y	6,09%	1,65%	-1,35		0,03
5 Y					

### OPTION & EQUITY PORTFOLIO INDICATORS

	As a % of NAV	Annualized in %	Dvd yield % of NAV
Time decay expected*	1,9%	5,0%	0,6%
Delta	-29,4%		
Nb of undelyings			57
Average maturity of the portfolio			172 days
Weighted average moneyness portfolio			-3,29%

\* excluding management fees

### MAIN MOVEMENTS OVER THE PAST MONTH

#### New positions or positions accrued

<input checked="" type="checkbox"/>	BAYER	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	OSRAM LICHT	<input checked="" type="checkbox"/>

#### Covered or lapsed positions

<input checked="" type="checkbox"/>	ANHEUSER-BUSCH	<input checked="" type="checkbox"/>	WIRECARD	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	NATIXIS	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	VIVENDI	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

### COMMENTS

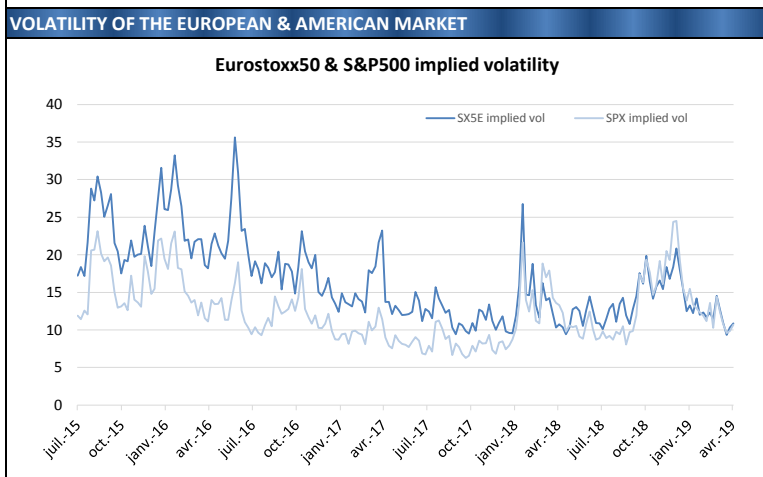
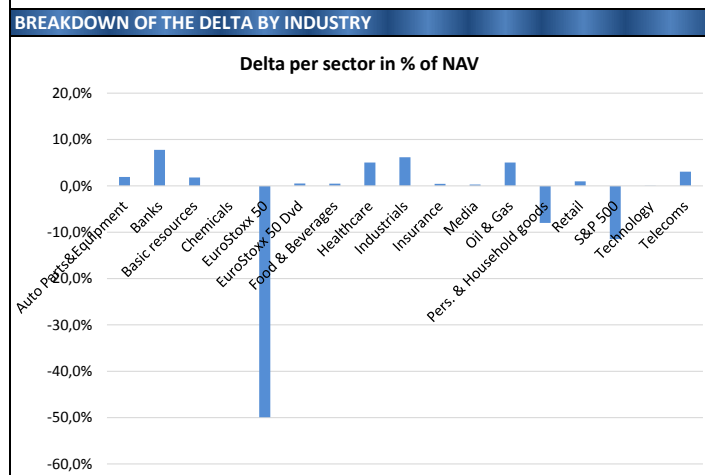
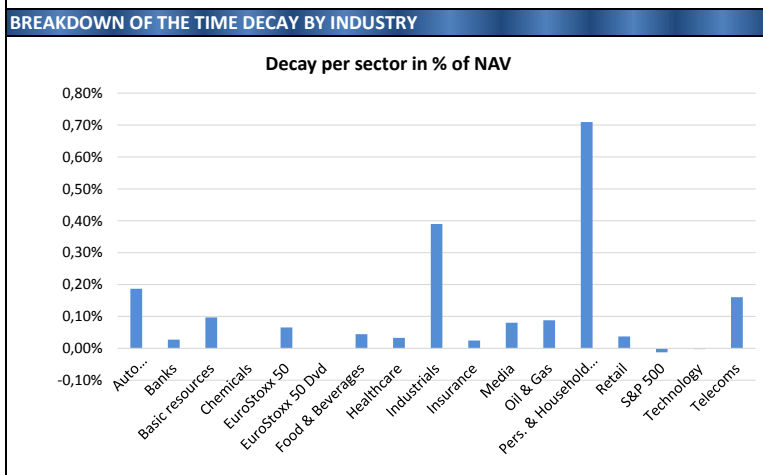
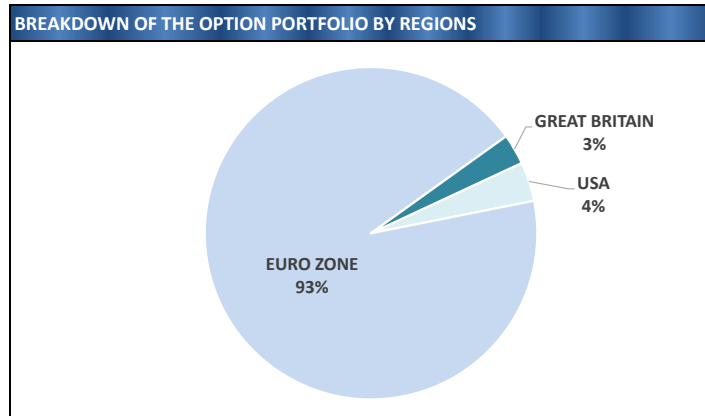
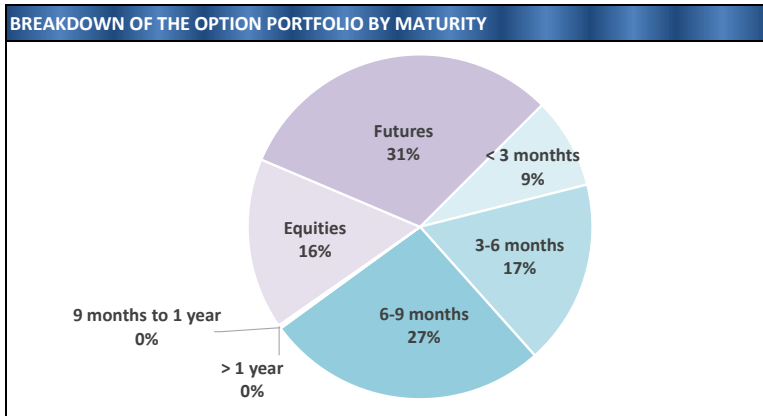
In April and as in the first quarter, financial markets remained positively oriented. Over the last month, volatility has remained low and the main stock market indices have increased by around 4% to 5%, bringing the year to date performance to 17% plus for the S&P 500 and the Eurostoxx 50. This investor optimism is primarily due to the goodwill of central banks, which changed their tone fearing an economic slowdown and political uncertainties, to a more reassuring messages regarding the direction of their monetary policy. In April, thanks to this buoyant monetary framework, macroeconomic data was mostly well oriented. In Europe, the latest indicators show a slight recovery in activity. In China, we note the first beneficial effects of the fiscal stimulus plan. In the United States, the growth of the first quarter was + 3.2% YoY, the unemployment rate continues its decline and reached its 50 year low to 3.6%. Finally, another positive element for the markets: corporate results for the first quarter came out significantly above expectations.

Volatility in April fell to particularly low levels, as if the last quarter of 2018 had never existed. We can judge by the implied volatility of the Eurostoxx50 which reached its lowest level in 10 years at the end of the month. The negative performance of the month of April is mainly due to the cost of the protection which is undergoing both the upward movement of the particularly violent stock market in April as well as the decline in volatility. At the end of April, our indicators are still in "risk off" mode. In the absence of opportunity and with the expiries of the month, we continue to mechanically reduce the size of the option portfolio. The overall portfolio hedge is very strong and remains virtually unchanged from the previous month, in order to be fully protected in the event of a market downturn. As a result, our directional equity delta exposure has evolved to -29.5% from -35%. The average maturity of the option portfolio rose to 172 days compared to 120 days the previous month, mainly due to the purchase of protection on December 2019 maturity. Our portfolio construction allows us to protect the performance gained in the event of a decline in the stock market, to keep an annualized expected return of more than 5% and above all to keep all our ability to intervene and seize future opportunities on volatility jumps.

To guide the option portfolio, we focus on four complementary approaches. The first is a risk on/off approach where we use our investment capacity preferably in periods of high risk aversion. The second is a selection of options sales of single stocks based on their risk/reward ratio. The third is a sector-based approach based on trend analysis. The fourth is opportunistic on the analysis of specific situations.

MAIN CHARACTERISTICS OF THE FIXED INCOME PORTFOLIO			
	Apr-19	Mar-19	Feb-19
% of NAV	53,6%	57,8%	56,4%
Number of securities	37	33	28
Yield to Maturity	0,34	0,31	0,43
Modified Duration (MD)	0,78	0,77	0,79
Spread vs Gov.	63	49	64
Average Rating	A	A-	A

MAIN EQUITY AND OPTION POSITIONS (% of NAV)			
Underlying	Delta	Premium	Industry
BAYER AG-REG	5,0%	0,02%	Healthcare
SOCIETE GENERALE SA	4,0%	0,02%	Banks
OSRAM LIGHT AG	2,7%	0,18%	Industrials
GENERAL ELECTRIC CO	2,5%	0,03%	Industrials
VALLOUREC SA	2,2%	0,16%	Oil & Gas
ILIAD SA	2,1%	0,04%	Telecoms



**LEXICON**

**Call:** option to buy at a fixed price (**Strike**) with a predetermined date (**Maturity**)

**Put:** option to sell at a fixed price (**Strike**) with a predetermined date (**Maturity**)

**Strike:** the exercise price of an option

**Maturity:** maturity of an option is the space of time that separates today from the final date of maturity of this security date at which it will disappear definitively.

**Premium:** price of the option

**Intrinsic Value =** Underlying Asset Price - Exercise Price (**Strike**)

**Time value of an option =** Price of the option (**Premium**) - the **Intrinsic value**

**Expected yield: Time value of the option / Strike**

**Annualized expected return: Expected yield x (365days) / weighted average maturity of the option portfolio**

**In the money:** if the price of the underlying is higher than the **Strike** for a **Call** or respectively lower than the **Strike** for a **Put**

**At the money:** if the underlying quotes the **Strike**

**Out of the money:** if the price of the underlying is lower than the **Strike** for a **Call** respectively higher than the **Strike** for a **Put**

**Delta:** measures the sensitivity of the value of an option to fluctuations of the spot of its underlying. Its value is always between 0 and 1 for a call option (between -1 and 0 for a put option).

**Theta:** measures the impact of time on the value of an option, it represents the sensitivity of the price of an option in relation to a variation of the time horizon on which this option is based. Theta actually represents the gain or loss of value that the option undergoes for each day that passes as it is sold or purchased. For an at the money option, the closer the maturity, the greater the Theta will be.

CHARACTERISTICS OF SHARE CLASS		Fees	
Information		Subscription	1,5% max.
Investment category		Redemption	0%
Inception date	July 22, 2015	Management	1,5% TTC
Valuation frequency	Weekly	Performance	10% of outperformance over the benchmark (OAT 10 years + 200bp)
Custodian	CACEIS Luxembourg Branch		
Settlement	D+2		

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