

### Monthly report - October 2018 (data as of 10/31/2018)

#### MANAGEMENT STRATEGY

Hugau Oblis 1-3 is a mutual fund invested in bonds and money market products. Its main target is to outperform the BOAML 1-3Y Euro Govt index over the recommended investment period with a global modified duration of less than or equal to 3.

#### RISK AND REWARD PROFILE (SRR)

Lower risk, typically lower reward      Higher risk, typically higher reward



Risks not taken into account in the indicator :

**Credit risk:** In the event of a deterioration in the quality of the issuers or if the issuer is no longer able to meet its maturities, the value of these securities may fall, thus causing the net asset value to fall.

**Risks related to the impact of techniques such as derivatives:** The use of derivatives may lead to significant short-term fluctuations in the value of the derivatives and the net asset value in the event of opposing market trends.

**Counterparty risk:** This risk is linked to the conclusion of contracts on financial futures and the conclusion of temporary acquisitions and sales of securities. It represents the risk of default by a market participant preventing it from honoring its commitments vis-à-vis the UCITS for example (payment, reimbursement, non-delivery). The occurrence of any of these risks may have a negative impact on the net asset value of the UCITS.

**Liquidity risk (incidental):** In the particular case where the exchange volumes on the financial markets are very low, any purchase or sale transaction on the latter may cause significant variations in the market.

No capital guarantee.

#### PERFORMANCE COMMENTARY

In a highly disrupted global financial environment in 2018, where volatility has risen sharply, investors have reoriented their portfolio towards safer assets such as government bonds and cash.

The accommodating monetary policy of the ECB (Refi rate at 0%, deposit rate at -0.40%) was confirmed at the Governors' Committee on the 25<sup>th</sup> of October. As anticipated, the "QE" will stop the 31st of December 2018 but Mario Draghi is still committed to keep the key rates at low levels at least until the next summer.

Over the last months, the Italian political difficulties have brought more volatility, even on the sovereign and corporate short term maturities. Consequently, in October, the fund (part I) posted a flat performance of -0.424% against -0.197% for the reference indicator. On a YTD basis, the fund (part I) posted a flat performance of -1.748% against -0.818% for the reference indicator.

#### AUM & NAV

NAV (I share) :	1376,37	AUM :	435,7 Mn€
NAV (R share) :	1152,98	AUM :	1,05 Mn€
NAV (D share) :	964,3	AUM :	0,005 Mn€
		Total AUM :	436,7 Mn€

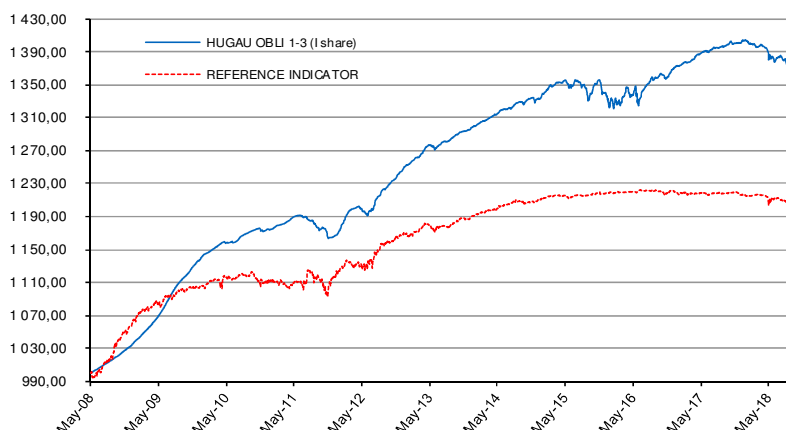
Modified duration : 0,37      WAL : 881 days      Volatility (1 year) : 1,05%

#### PERFORMANCE (net of fees)

	Cumulative %						Annualised %			
	1 month	3 months	YTD	1 year	3 years	5 years	Incept.	3 years	5 years	Incept.
Hugau Oblis 1-3 (I share)	-0,424	-0,566	-1,748	-1,722	2,061	6,643	37,637	0,68	1,29	3,11
Reference indicator	0,091	-0,149	-0,532	-0,788	-0,681	2,066	20,967	-0,23	0,41	1,84
Hugau Oblis 1-3 (R share)	-0,468	-0,692	-2,159	-2,212	0,539	4,008	15,298	0,18	0,79	1,61
Reference indicator	0,091	-0,149	-0,532	-0,788	-0,681	2,066	9,571	-0,23	0,41	0,88
Hugau Oblis 1-3 (D share)	-0,425	-0,571	-1,758	-1,735	2,029		2,611	0,67		0,69
Reference indicator	0,091	-0,149	-0,532	-0,788	-0,681		-0,193	-0,23		-0,02

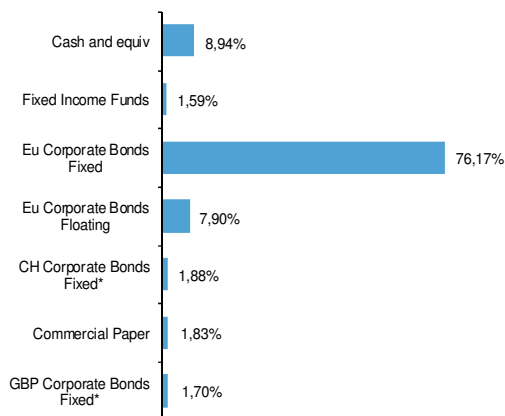
Past performances are not a guarantee of future performances. All subscribers must refer to the Swiss Key Investor Information Document (KIID) and Swiss prospectus both available at the Swiss information agent's office, on our website [www.hugaugestion.com](http://www.hugaugestion.com) or on demand free of charge.

#### NAV AND REFERENCE INDICATOR EVOLUTION



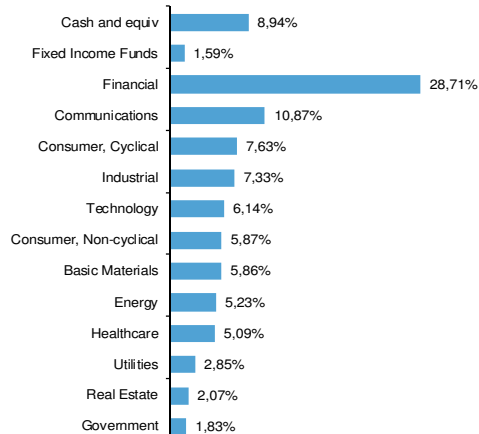
Source : Hugau Gestion

#### ASSET ALLOCATION



(\*) Currency Risk = 0

#### SECTOR ALLOCATION



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### CHARACTERISTICS

Reference Indicator : BOAML 1-3Y Euro Govt  
 AMF category : FCP Euro-denominated bond & other debt securities (UCITS)  
 Recommended investment period : > 18 months  
 Asset management company : Hugau Gestion  
 Domicile : France  
 Custodian : CIC  
 Fund administrator : CM-CIC AM

ISIN I Share : FR0010613521 Inception : 05/30/2008  
 Valoren I Share : CH4218078  
 ISIN R Share : FR0010827139 Inception : 11/30/2009  
 Valoren R Share : CH10793506  
 ISIN D Share : FR0012498038 Inception : 01/26/2015  
 Valoren D Share : CH26939149

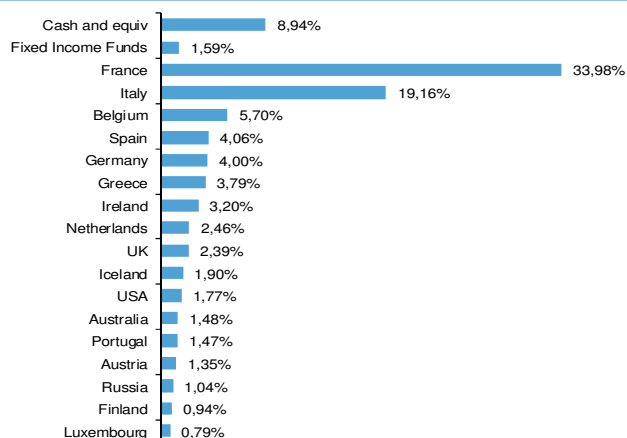
### ADMINISTRATIVE FEATURES

NAV : daily  
 Subscription/Redemption : daily before 11.00am, on D+1 NAV, settlement on D+1  
 Subscription/Redemption fee : None

Management fees incl. tax :  
 0,50% Max for I and D shares  
 1% Max for R share  
 TER of CIS : 0,64%

Swiss Information Agent : 1741 Funds Solutions Burggraben 16, 9000 St. Gallen, Switzerland  
 Swiss Paying Agent : Bank Vontobel SA, Gotthardstrasse 43, CH-8002 Zurich, Suisse

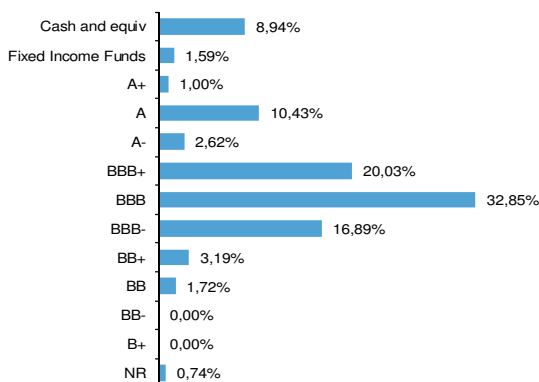
### COUNTRY ALLOCATION



### MAIN ISSUERS EXPOSURE

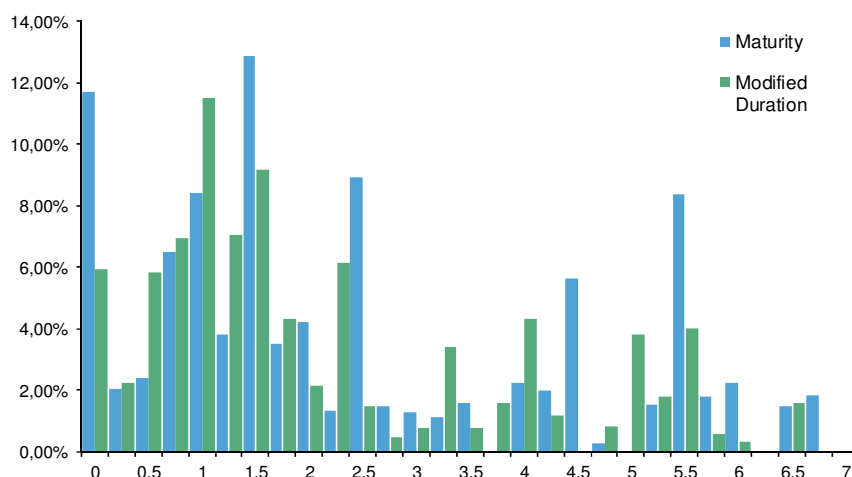
1. UniCredit SpA	3,94%
2. Societe Generale SA	3,83%
3. Hellenic Telecommunications O	3,79%
4. Bank of Ireland	3,20%
5. Bekaert SA	2,90%
6. Intesa Sanpaolo SpA	2,75%
7. Telecom Italia SpA/Milano	2,66%
8. Neopost SA	2,46%
9. Casino Guichard Perrachon SA	2,34%
10. Deutsche Bank AG	2,28%

### RATING BREAKDOWN



average rating : **BBB**

### MODIFIED DURATION & MATURITY ALLOCATION



The fund's ESG performance and carbon footprint are evaluated by Vigeo Eiris

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