J. Safra Sarasin

JSS Sust. Bond - Emerging Markets Corporate IG P USD dist

Fund Overview

Net asset value per share	88.94
Fund size in millions	386.35
Investment company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Depositary	RBC Investor Services Bank S.A., Luxembourg
Portfolio management	Bank J. Safra Sarasin AG, Switzerland
Portfolio Manager	Rishabh Tiwari Walid Bellaha
Domicile of fund	Luxembourg
ISIN code	LU1210450281
Swiss Sec.-No.	27 685 036
Launch date	12 May 2015
End of fiscal year	June
Ongoing charges	1.62%
Management fee	1.30%
Accounting currency	USD
Dividend payment 2023	USD 1.11
Last dividend payment	March
Sales fee	max. 3.00%
Exit charge	0.0%
Legal Structure	SICAV
Issue/Redemption	daily
Benchmark (BM)	JPM Corporate Broad EMBI Diversified High Grade Index
SFDR Classification	Article 8

Statistical Ratios	Fund	Benchmark
Volatility	6.28%	5.93%
Beta	1.04	n.a.
Sharpe Ratio	-0.85	-0.72
Information Ratio	-0.92	n.a.
Tracking Error	1.18%	n.a.
Average Spread	148 BP	n.a.

The statistical ratios are calculated on the basis of the previous months (36 months, basis USD). Risk-free interest rate: 1.42%

Bonds Portfolio Ratios

Average Rating	BBB+
Modified Duration	5.17
Yield to Worst	5.95%

Risk and reward profile

lower risk — higher risk

typically lower rewards — typically higher rewards

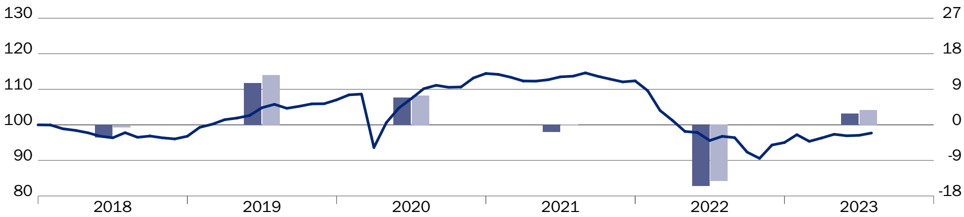
1	2	**3**	4	5	6	7

The risk and reward category shown is based on historical data and can not be used as a reliable indicator of the future risk profile of the fund. The classification of the fund may change over time and is not a guarantee.

Fund Portrait

The JSS Sustainable Bond – Emerging Markets Corporate IG aims to achieve attractive returns in excess of the benchmark through the cycle. To achieve this, the sub-fund invests globally in the Emerging Market corporate bond market, predominantly in bonds issued in US Dollars. The strategy follows a conservative philosophy, focusing on the high credit quality segment of the market. Therefore, the sub-fund invests at least 70% of the assets in investment grade securities. It will also systematically integrate financially-material ESG aspects throughout the entire investment process, in order to avoid controversial exposures, mitigate ESG risks and harness opportunities.

Net Performance (in USD) as of 31.07.2023



left scale:
Performance indexed

right scale, annual performance in %:
Fund
Benchmark (BM): JPM Corporate Broad EMBI Diversified High Grade Index

	1 Month	3 Months	YTD	1 year	3 years p.a.	5 years p.a.
Fund	0.67%	0.36%	2.82%	0.96%	-3.92%	-0.02%
BM	0.53%	0.37%	3.69%	2.15%	-2.84%	1.61%

	2022	2021	2020	2019	2018	Since Inception
Fund	-15.44%	-1.81%	6.93%	10.57%	-3.20%	7.43%
BM	-14.20%	0.08%	7.45%	12.64%	-0.59%	17.88%

Past performance does not guarantee future returns. The performance shown does not take account of any commissions and costs charged when subscribing and redeeming units.

Top Ten Holdings

7.767% Standard Chartered 16.11.28	1.13%
2.950% Prudential PLC 03.11.33	1.11%
3.516% Standard Chartered 12.02.30	0.92%
2.500% TSMC Arizona Corp 25.10.31	0.88%
4.750% Woori Bank 30.04.24	0.83%
5.150% Cencosud S.A. 12.02.25	0.83%
6.296% Stanln 07.06.34	0.80%
5.625% Anglo American Cap 01.04.30	0.79%
6.187% Stand Chartered 07.06.27	0.79%
5.750% KZOKZ 19.04.47	0.78%

Allocation by Rating

3.25%	AA
2.29%	AA-
6.98%	A+
6.52%	A
14.58%	A-
9.82%	BBB+
22.05%	BBB
23.24%	BBB-
4.25%	BB+
7.03%	Other

Country Allocation

7.77%	China
6.68%	India
6.23%	South Korea
5.97%	Chile
5.60%	United Kingdom
5.03%	Mexico
4.85%	UAE
4.56%	Thailand
3.83%	Indonesia
49.47%	Other

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Review
Favourable inflation readings in the US and Europe led to stronger risk sentiment in July. Emerging market (EM) credit spreads tightened by some 24 basis points, led by high yield credit, which saw spreads narrow in excess of 30 basis points. In regional terms, Asia underperformed due to already elevated valuations, as well as continued stress in the Chinese property sector. China's post-COVID recovery has continued to disappoint and even non-property sectors have been showing a slowdown. In Latin America, Colombia was one of the best performers in the investment grade segment as crude oil staged an impressive rally. Despite the sharp sell-off in US rates towards the end of the month, EM corporate credit behaved well and outperformed sovereigns. On the supply side, we saw issuers taking advantage of the positive sentiment, with issuance continuing even in the latter part of the month. Reflecting the general sentiment, the weekly flows turned positive in July after several weeks of outflows.

Outlook
The market has turned quite bullish on weakening inflation and the persistently strong and resilient economic picture in the US. A Goldilocks outcome has become the base case for several investors, with the US Federal Reserve (Fed) managing to bring inflation back to its target without causing any disruption to economic activity. We are more cautious and believe that several uncertainties remain. Firstly, food and energy prices are rising once again and it is not completely unlikely that the Fed may need to hike rates further. Secondly, it is not clear whether the monetary tightening has been fully absorbed by the market. EM credit spreads have once again moved closer to their all-time tights and we prefer to maintain conservative positioning. We are retaining our low exposure to high yield paper, vulnerable names and sectors. In the medium term, we are more positive and would take advantage of a large sell-off to add risk to the portfolio. The fund has a yield to worst of 6.2%, a duration of 5.1 years and an average rating of BBB+.