



**Gigant High Income Emerging Market
Bond Strategy
Review February 2020**

Tracker Certificate on “High Income Emerging Market Bond Strategy”

Factsheet as of 28th of February 2020



About the product:

- Within the framework of this **actively managed** strategy, we **invest into a basket of** (predominantly) **Emerging Market Corporate- and Government Bonds, denominated in hard currency**. The strategy deliberately puts a **strong focus on Turkey**.
- The aim of this strategy is to offer bond investors an attractive total return in USD. The strategy does not have any credit rating restrictions. Accordingly, it may also invest into securities without official credit rating.

TOTAL RETURN OVERVIEW *):	1 Month	1 Quarter	YTD	ITD
NAV as of end of months	-1.32%	+0.41%	-0.71%	+8.74%

Manager Comment for February 2020:

The flood of new bond issues from early this year, lasted well into February. We used our cash reserves to add 7% Aeromexico 2025 as well as 6.2% Vodafone of Ukraine 2025. Then, in line with the collapsed in equity markets, longer term interest rates quickly collapsed to fresh lows thus lifting prices of good-quality bonds. On the other hand, credit spreads of “low quality” debt started to widen significantly, putting pressure on junk bond prices. Our portfolio which holds about 1/3rd of assets in non-investment grade ratings (although just approx. 20% in what rating agencies call “highly speculative” i.e. ratings below BB-) was not immune to that. While the increase of 10yr yields of Turkey’s USD-debt (+1% MoM) was a headwind, it certainly helped that our exposure to Turkish debt was just 11.5%

5 Largest Holdings	Issuer	Maturity	Rating	Weight
4%	Veon Holding	09.04.2025	BB+	3.90%
6.25%	Garanti Bank	20.04.2021	Ba1	3.89%
2.375%	BPCE	14.01.2025	A-	3.69%
7%	Aeromex	05.02.2025	BB-	3.69%
6.375%	Medco Bell	30.01.2027	B+	3.49%

CERTIFICATE KEY FACTS:	
Launch Date:	05.10.2018
Issue Price:	1'000 USD
End of Month NAV:	1'037.43 USD
ISIN:	CH0436997461
Management Fee:	1.5%
Performance Fee:	0%
Agent / Issuer:	Bank Vontobel AG
Index Manager:	Gigant Swiss Consulting
Distribution Yield:	4.79%

POTFOLIO RISK FACTORS:	
Yield to Maturity:	4.46%
Duration:	3.94



*) The performance quoted represents NET past performance and does not guarantee future results. *Current* performance may be lower or higher than the performance quoted.

Source: Vontobel, SIX Swiss Exchange, all data as of 28th of February



Please contact:

Phone: +41 44 493 90 90

Fax: +41 44 493 90 11

Email: info@gigant-swiss.ch

Gigant Swiss Consulting AG

Bodmerstrasse 9

CH-8002 Zurich

www.gigant-swiss.ch

info@gigant-swiss.ch

Disclaimer

This material is for your information only and is not intended as an offer, or a solicitation of an offer, to buy or sell any investment or other specific product. Certain services and products are subject to legal restrictions and cannot be offered worldwide on an unrestricted basis and/or may not be eligible for sale to all investors. Information and opinions presented by Gigant Swiss Consulting AG have been obtained from sources believed to be reliable, and, while all reasonable care has been taken, Gigant Swiss Consulting AG is not able to make any representation as to its accuracy or completeness. Information usually attributable to a unique specific source is quoted whenever such information is available. Otherwise, the information may have been gathered from public news dissemination services. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. Some investments may not be readily realizable since the market in the securities is illiquid and therefore valuing the investment and identifying the risk to which you are exposed may be difficult to quantify. Additional information will be made available upon request. Some investments may be subject to sudden and large falls in value and on realization you may receive back less than you invested or may be required to pay more. Changes in foreign exchange rates may have an adverse effect on the price, value or income of an investment. For structured financial instruments and funds the sales prospectus is legally binding. Past performance should not be taken as an indication or guarantee of future performance and no representation or warranty, expressed or implied, is made by Gigant Swiss Consulting AG regarding future performance. Accordingly, Gigant Swiss Consulting AG accepts no liability for loss arising from the use of this document presented for information purposes only. Gigant Swiss Consulting AG makes no representation and gives no advice in respect of any tax, legal or accounting matters in any applicable jurisdiction. This report is not directed at, or intended for distribution to or use by, any person or entity who is a citizen or resident of, or located in, any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Additional information is available upon request.