



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

Tracker Certificate on “High Income Emerging Market Bond Strategy” Factsheet as of 31th of March 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	-14.38%	-15.05%	-15.05%	-6.18%

Manager Comment for March 2020:

Credit spreads, i.e. the extra yield investors demand for holding credit risk, skyrocketed in early March, sending bond prices sharply lower. Within no time, liquidity in this interbank market disappeared, making sell transactions virtually impossible. The magnitude of this sell off can only be compared to that of the great financial crisis while its speed is unprecedented. To sum up: the portfolio holds 50 position with an average coupon of 4.87% which keep flowing in. Currently, the yield to maturity is >8% with an average lifetime of the invested bonds of less than 4 years. The portfolio's exposure to the most affected industries by the CoVid19-lockdown such as transport and oil is 10%. Among them are many systematically important companies where shareholders or authorities are likely to step in in case of severe financial difficulties. The bulk of our holdings will get through that crisis. We thus prefer to avoid realizing the current paper losses.

5 Largest Holdings	Issuer	Maturity	Rating	Weight
6.25%	Garanti Bank	20.04.2021	Ba1	4.12%
4%	Veon Holding	09.04.2025	BB+	4.10%
2.375%	BPCE	14.01.2025	A-	4.07%
6.375%	Medco Bell	30.01.2027	B+	2.56%
2.875%	Infineon	Perpetual	BB+	2.27%

CERTIFICATE KEY FACTS:	
Launch Date:	05.10.2018
Issue Price:	1'000 USD
End of Month NAV:	888.24 USD
ISIN:	CH0436997461
Management Fee:	1.5%
Performance Fee:	0%
Agent / Issuer:	Bank Vontobel AG
Index Manager:	Gigant Swiss Consulting
Distribution Yield:	4.87%

POTFOLIO RISK FACTORS:	
Yield to Maturity:	8.22%
Duration:	3.72



*) 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 31th of March



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