

**Main characteristics**

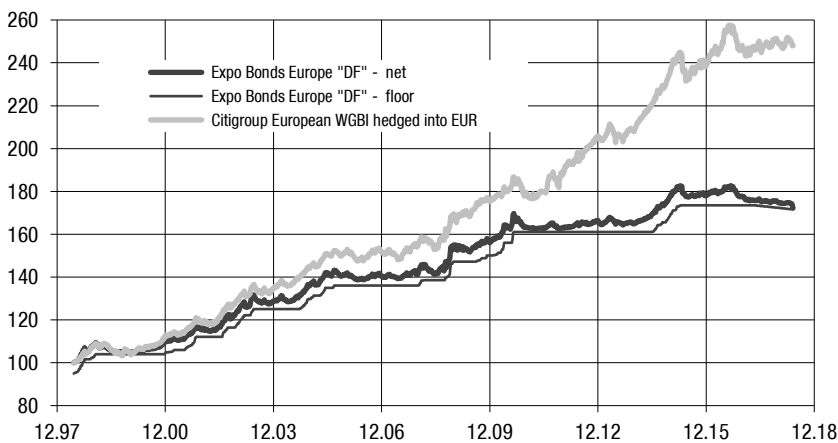
The Fund gives access to the main bond markets of the European Union and the market of Swiss bonds. Only bonds issued or guaranteed by first class issuers are considered. The assets are managed in a way to preserve a lower limit of their value (the floor). This strategy of risk limitation enables the Fund to consider investments in longer dated bonds which constitute the risky underlying asset. Two classes of units are available : units R in EUR and units R in CHF (hedged).

Net Asset Value on May 30, 2018	EUR 1'721.80
Floor on May 30, 2018	EUR 1'716.29 (99.68% of NAV)
Initial Floor	EUR 950.00 (95% of issue price)
High NAV / Low NAV 2018 *	EUR 1'749.95 / EUR 1'743.24
Total assets on May 30, 2018	EUR 2.9 mln (of which units in EUR : .7 mln)
Legal Status	Luxembourg FCP Part I - UCITS V
Countries of registration	CH, LU
EU savings tax	In scope, taxed since January 1st, 2011
TIS on May 30, 2018	EUR .0000
Launch date	June 17, 1998
Dealing	Weekly (Tuesday)
Telekurs / Bloomberg / ISIN	916128 / DYNFBEI LX / LU0088083927
Base currency	EUR
Management company	Dynamic Asset Management Co S.A., Luxembourg
Investment manager	Dynagest S.A., Geneva
Custodian bank & Administrative agent	Banque et Caisse d'Epargne de l'Etat, Luxembourg
Swiss paying agent	Banque Cantonale Vaudoise, Lausanne
Estimated T.E.R. on May 30, 2018	1.050% p.a.
of which « all-in » management fee	1.050% p.a.
Newspapers	l'Agefi

\* Last 2017 NAV included

**Net performance in EUR (30.5.18)**

	Last 1M	Last 3M	YTD	3 years	Since launch
Expo Bonds Europe "DF"	-1.4%	-1.3%	-1.6%	-3.8% (-1.3% ann)	72.2% (2.8% ann)
Citigroup European WGBI hedged in EUR	-0.8%	0.2%	-0.8%	4.6% (1.5% ann)	148.0% (4.7% ann)



<b>Since launch (17.6.98)</b>				
Volatility :	2.9% (vs 3.8%)	Correlation :	0.82	
Sharpe ratio :	0.34 (vs 0.76)	Beta :	0.63	

**Actual long term interest rate exposure**

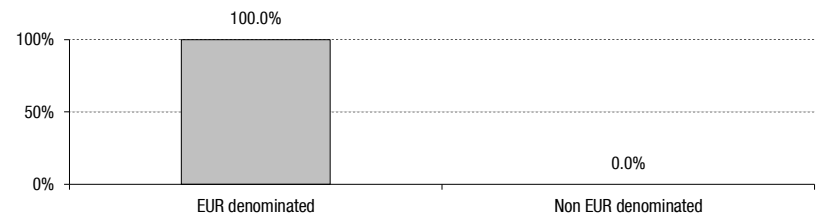
	as a % of fund allocation	Contract CTD duration (years)	as a % of total assets	as a % of total l.t. exposure
Long dated EUR bonds (E-Bund)	13.7%	8.6	10.8%	69.1%
Long dated EUR bonds (E-BTP)	15.3%	8.4	4.8%	30.9%
<b>Total</b>			<b>15.7%</b>	<b>100.0%</b>

In parenthesis : underlying future contract

The performance data indicated above do not take account of the commissions and costs incurred on the issue and redemption of the Fund's Units. Past performance is not necessarily a guide to future returns. Price of Units may decline as well as rise and is not guaranteed. This document is for information purposes only and shall not be construed as an offer, invitation or solicitation to enter in any particular transaction or strategy. This document does not take into account the investment objectives, financial situation or particular needs of any particular investor. Investors should obtain individual financial advice based on their own particular circumstances before making an investment decision on the basis of the informations in this document.

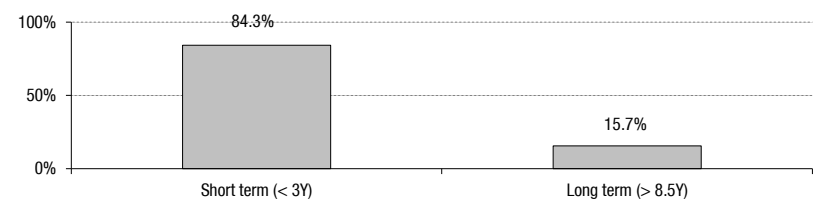
**Portfolio structure (30.5.18)**

**Market allocation**

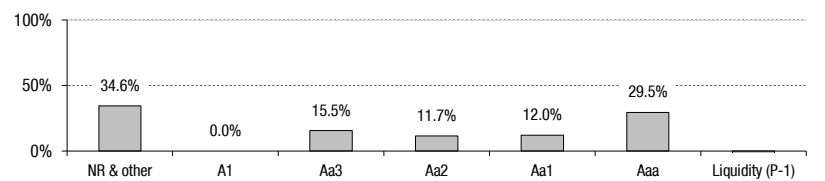


**Interest rate exposure**

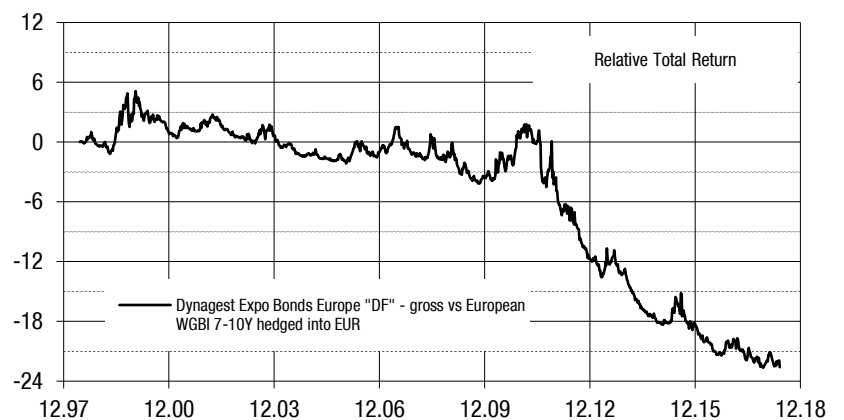
Total modified duration : 1.33  
Average yield to maturity : 3.25%



**Rating breakdown (Moody's)**



**Gross performance vs underlying risky asset**



<b>Last 3 years</b>		Tracking Error :	3.37%
Relative Total Return :	-6.60%	Correlation :	0.73
Volatility :	1.7% (vs 4.4%)	Beta :	0.28
Sharpe ratio :	0.12 (vs 0.57)	Annualized alpha :	-0.79%

**10 largest holdings**

Issuer	Coupon	Maturity	Rating	As a % of total assets
I.C.O. gtd Spain	4.375%	05/2019	Baa1-A-	17.9%
Italie	0.05%	10/2019		16.7%
Dexia CL gtd BE-FR-LUX	1.625%	10/2018	Aa3-AA	15.5%
Sweden	0.05%	02/2020	Aaa-AAA	15.4%
O.B.B.I. gtd Austria	4.5%	07/2019	Aa1-AA+	12.0%
CCCI	0.375%	07/2020	Aa2	11.7%
BNG	1.5%	04/2020	Aaa-AAA	7.9%
Bund *	0.25%	02/2027	Aaa-AAA	7.7%
Barclays Bank PLC	4%	10/2019	Aaa-AAA	6.2%
BTP *	4.75%	09/2028	Baa2-BBB-	4.4%

**Total (without \*) 103.3%**

\* Underlying cheapest-to-deliver (CTD) positions of long futures contracts

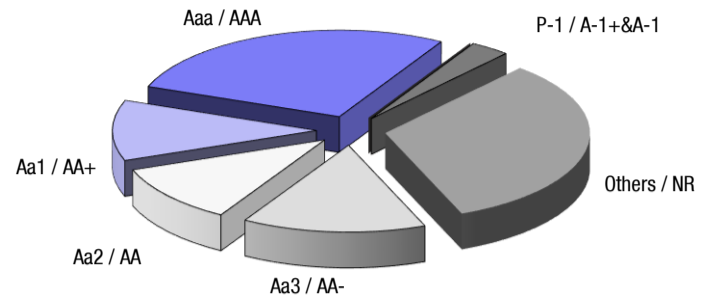
The management regulations, the prospectus and the simplified prospectus of the Fund, the annual and semi-annual reports can be obtained free of charge with the Swiss legal representative of the Fund.

Swiss legal representative : DYNAGEST S.A., Geneva (contact : Alexandre Kuhn)  
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For more information, visit : www.DMC.lu

**Bond ratings \* (30.5.18)**

**All issues :**

Aaa / AAA	29.5%	(29.5%)	29.5%	(29.5%)
Aa1 / AA+	12.0%	(12.0%)		
Aa2 / AA	11.7%	(27.2%)		
Aa3 / AA-	15.5%	(0%)	39.2%	(39.2%)
A1 / A+	0%	(0%)		
A2 / A	0%	(0%)		
A3 / A-	0%	(17.9%)	0%	(17.9%)
Others / NR	34.6%	(16.7%)		
<b>Total Bonds</b>	<b>103.3%</b>			
Liquidity (P-1 / A-1+ & A-1)	-3.3%			
<b>Total</b>	<b>100%</b>			



**Bond ratings by type of debtors/issues \* (30.5.18)**

**Governmental :**

Aaa / AAA	15.4%	(15.4%)	15.4%	(15.4%)
Aa1 / AA+	12.0%	(12.0%)		
Aa2 / AA	0%	(0%)		
Aa3 / AA-	0%	(0%)	12.0%	(12.0%)
A1 / A+	0%	(0%)		
A2 / A	0%	(0%)		
A3 / A-	0%	(17.9%)	0%	(17.9%)
Others / NR	34.6%	(16.7%)		
<b>Total</b>	<b>62.0%</b>			

**Collateralized :**

Aaa / AAA	6.2%	(6.2%)	6.2%	(6.2%)
Aa1 / AA+				
Aa2 / AA				
Aa3 / AA-				
A1 / A+				
A2 / A				
A3 / A-				
Others / NR				
<b>Total</b>	<b>6.2%</b>			

**Others :**

Aaa / AAA	7.9%	(7.9%)	7.9%	(7.9%)
Aa1 / AA+	0%	(0%)		
Aa2 / AA	11.7%	(27.2%)		
Aa3 / AA-	15.5%	(0%)	27.2%	(27.2%)
A1 / A+				
A2 / A				
A3 / A-				
Others / NR				
<b>Total</b>	<b>35.1%</b>			

**Others : individual positions**

Issuer	Coupon	Maturity	Rating	As a % of total assets
Dexia CL gtd BE-FR-LUX	1.625%	10/2018	Aa3-AA	15.5%
CCCI	0.375%	07/2020	Aa2	11.7%
BNG	1.5%	04/2020	Aaa-AAA	7.9%
<b>Total</b>				<b>35.1%</b>

**Fund breakdown by type of debtors/issues/sectors (30.5.18)**

**Governmental**

National government	32.1%
Regional government	0%
Government guarantee	30.0%
Government agency	0%
Supranational	0%
<b>Total</b>	<b>62.0%</b>

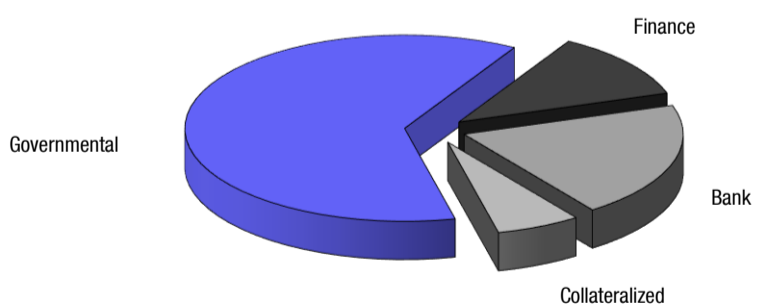
**Collateralized**

"Pfandbrief"	0%
Asset backed / Covered	6.2%
<b>Total</b>	<b>6.2%</b>

**Others**

Industry	0%
Transport rail	0%
Transport non rail	0%
Bank	20.1%
of which liquidity	-3.3%
Finance	11.7%
Utility	0%
Others	0%
<b>Total</b>	<b>31.7%</b>

**Total 100%**



\* Based on Moody's & S&P. Percentages of the fund. When both ratings are available, the lesser is considered. In parenthesis, percentage of the fund when the better is considered.

Source : Bloomberg

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