



# Flossbach von Storch - Bond High Conviction - IT

## INVESTMENT STRATEGY

Flossbach von Storch - Bond High Conviction is a globally diversified, flexible and growth-orientated bond fund with an active investment approach that focuses on corporate bonds, government bonds and covered bonds. Investments in convertible bonds (including Coco Bonds) and bonds without maturity are also possible. The offensively orientated fund flexibly exploits the opportunities of the entire bond market. Investments in bonds with investment grade up to sub-investment grade (minimum: CCC rating) are possible; unrated issues are analysed in-house. A maximum of 75 per cent of the portfolio can be invested in bonds without an investment grade rating. Foreign currency risks are taken up to a maximum of 20 per cent of the portfolio. Securities are selected as part of a fundamental research and analysis process. The investment strategy includes in-house valuation models, ESG integration, engagement and voting. Exclusion criteria defined as part of the sub-fund's investment policy are also taken into account.

The sub-fund is actively managed and not based on an index as a reference basis. The composition of the portfolio is determined by the fund manager exclusively in accordance with the criteria defined in the investment policy and is regularly reviewed and adjusted if necessary.

The sub-fund is categorised as an Article 8 product within the meaning of the Disclosure Regulation (EU) 2019/2088 (SFDR). For detailed information on the objectives and investment policy, please refer to the current sales prospectus and the key information document (PRIIP-KID).

In accordance with regulatory requirements, we are not permitted to provide performance figures for this share class, as it has been active for less than a year.

CATEGORY: BONDS AND CONVERTIBLES  
Data as per 30 September 2025

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## FUND DETAILS

Securities ID No. (WKN)	A419FX
ISIN	LU3072257606
Valor number	145285984
Domicile	Luxembourg
SFDR Category	Article 8
Share class	IT
Fund currency	EUR
Share class currency	EUR
Launch date	30 June 2025
Financial year end	30 September
Income utilisation	Accumulating
Authorised for distribution	BE, CH, DE, ES, LI, LU
Fund type	UCITS / FCP
Fund assets	EUR 50.11 million
Redemption price	EUR 100.73
Minimum initial investment	EUR 1,000,000.00
Minimum subsequent investment	none
Costs <sup>1</sup>	
Ongoing charges	0.64 % p.a.
which includes a management fee of	0.47 % p.a.
Transaction costs	0.03674 % p.a.
Performance fee	none
Redemption fee	0.00 %
Exchange commission	up to 3.00 % (based on the unit value of the units to be purchased for the benefit of the relevant distributor)
Subscription fee	up to 3.00 %

## MANAGEMENT COMPANY

Flossbach von Storch Invest S.A.  
2, rue Jean Monnet  
2180 Luxembourg, Luxembourg  
www.fvsinvest.lu

## DEPOSITARY

BNP PARIBAS, Succursale de Luxembourg  
60, avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg

<sup>1</sup> In addition to the management fee, the fund is charged further costs such as transfer agent fees, transaction costs, and various other charges. Further information about ongoing and one-off costs can be found in the key information document (PRIIP-KID), the sales prospectus, and the most recent annual report.



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## TOP 10 GUARANTORS OVERALL FUND LEVEL (IN %)

1. Republic of Germany	13.76 %
2. United States of America	11.09 %
3. New Zealand	10.65 %
4. Kingdom of Spain	4.52 %
5. L'Arche Green N.V.	3.23 %
6. TotalEnergies SE	2.82 %
7. ProLogis Inc.	2.63 %
8. Fastighets AB Balder	2.43 %
9. Boots Group Finco L.P.	2.42 %
10. Harbour Energy PLC	2.37 %
<b>Total</b>	<b>55.92 %</b>

Source: Depositary and Flossbach von Storch, status: 30.09.25

The portfolio currently contains 74 securities.

## TOP 10 SECTORS (IN %)\*

1. Consumer Discretionary	19.63 %
2. Real Estate	17.70 %
3. Consumer Staples	17.12 %
4. Energy	13.74 %
5. Industrials	9.44 %
6. Financials	8.75 %
7. Communication Services	6.74 %
8. Materials	4.73 %
9. Utilities	2.16 %
<b>Total</b>	<b>100.01 %</b>

Source: Depositary and Flossbach von Storch, status: 30.09.25

\* refer to corporate bonds

## FUND MANAGEMENT



**Frank Lipowski**  
at Flossbach von Storch since 2009.

### Team Fixed Income

Deputy and operational collaboration is conducted through our Fixed Income Team.

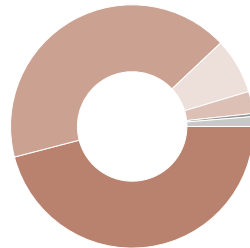
## CREDIT RATING FOR BONDS (IN %)

AAA	31.50 %
AA	18.36 %
A	21.94 %
BBB	16.48 %
BB	4.15 %
B	5.79 %
NR	1.77 %

Source: Depositary and Flossbach von Storch, status: 30.09.25

A simplified ratings scorecard is used when determining the rating. Trends (+/-) are not taken into account in this process. Convertibles are not considered.

## ASSET ALLOCATION (IN %)



- 47.17 % Government bonds
- 43.13 % Corporate bonds
- 7.59 % Convertible bonds
- 3.01 % Covered bonds
- 0.42 % Other (incl. derivatives)
- 1.33 % Cash

Source: Depositary and Flossbach von Storch, status: 30.09.25

## KEY FUND FIGURES

Average Yield to Maturity	3.72 %
Duration	11.93 years

Source: Depositary and Flossbach von Storch, status: 30.09.25

## MONTHLY COMMENTARY

At the start of the month, the bond-market focus was on the weak US labour market report. This confirmed the picture of a marked slowdown in US job growth (as in previous months) and initially caused yields on US bonds to fall. The US Federal Reserve (Fed) took this development into account in its interest-rate decision and, after a lengthy pause, eased its rates by 25 basis points (bps) for the first time since December. In its report, the Fed signalled that the risks to its dual mandate had shifted back towards employment, but Fed Chair Jerome Powell and other Fed members subsequently (surprisingly) countered this. This dampened speculation about further interest-rate cuts somewhat, with the result that US yields for short- and medium-term maturities remained largely unchanged over the month but were noticeably lower at the (ultra-) long end. At its meeting in September, the European Central Bank (ECB) left its key interest rate unchanged once again (deposit rate: 2%) and its continued wait-and-see stance led to slightly higher yields for short and medium maturities. In the (ultra-) long range, however, yields declined slightly in September. Overall, risk premiums remained largely unchanged over the month. A temporary slight oversupply of new euro-denominated corporate bond issues immediately after the summer break dissipated again during September. As a result, spreads fell back to their previous very low levels. The political crisis in France receded somewhat, at least for the time being, with the appointment of Sébastien Lecornu as new premier and the resumption of budget negotiations. However, rating agency Fitch downgraded France by one notch from AA- to A+. In contrast, at the end of the month, Spain's rating was raised by one notch to A3/A+/A by all three major agencies.



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## MONTHLY COMMENTARY - CONTINUED

With interest rates falling at the start of the month, we made initial gains primarily on US futures and options with shorter maturities, but also on various bonds, and slightly reduced the duration. On the one hand, this gave us the necessary flexibility later on to participate in individual new issues. On the other hand, towards the end of the month, the portfolio of call options on interest rate futures was increased, which, interestingly, had become technically cheaper against the backdrop of the current situation. As a result, the overall duration remained virtually unchanged from the middle of the month onwards.

## OPPORTUNITIES

- + Participate in global bond market growth.
- + Income can be generated from regular interest payments.
- + Active interest rate, currency and risk management (e.g. from the use of derivatives).
- + Increase in potential returns through the use of investment-grade bonds, contingent convertible bonds ('CoCo bonds') and bonds with no maturity date ('Perpetuals').

## RISKS

- Country, credit and issuer liquidity risk. Also potential exchange rate risks. If securities are illiquid (i.e. thinly traded), there is a risk that it may either not be possible to sell the assets at all or only by accepting a significant discount on the sale price. ESG criteria can restrict the selection of target investments in terms of category and number, sometimes considerably.
- Investing in bonds may entail price risks, especially in case of rising interest rates on the capital markets.
- Where used, derivatives can have a greater negative impact on the fund value than would be the case if the assets were acquired directly. The value of the fund may also be negatively impacted to a greater extent by the use of investment-grade bonds. This can affect the fund's risk profile and volatility (tendency for the price to fluctuate).
- The limited use of contingent convertible bonds ('CoCo bonds') and bonds with no maturity date ('Perpetuals') entails specific additional risks. 'CoCo bonds' are typically debt instruments that can be converted into the issuer's equity or redeemed in whole or in part if a predefined trigger event occurs. 'CoCo bonds' increase the complexity of the fund and may present a higher liquidity and market risk. 'Perpetuals' have no fixed maturity and may increase the risk of repayment of the bond.

Please read the Prospectus and particularly the RISK WARNINGS section and the specific annex of the subfund to understand the risks and benefits of this product.

## INVESTOR PROFILE

### GROWTH-ORIENTED:

The fund is appropriate for growth-oriented investors. Due to the composition of the net sub-fund assets, there is a high degree of risk but also a high degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

### INVESTMENT HORIZON:

Long-term: ≥ 5 years

## RISK INDICATOR

Lower risk ← Higher risk →

1	2	3	4	5	6	7
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The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact our capacity to pay you.



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**The units/shares issued by this fund may only be offered for purchase or sold in jurisdictions in which such offer or sale is permitted. Accordingly, the units/shares of this fund must not be offered for purchase or sold neither within the USA nor to or for the account of US citizens or US persons domiciled in the USA. Additionally, the units/shares issued by this fund must not be offered for purchase or sold to "US-Persons" and/or entities, which are owned by one or more "US-Persons" based on the definitions set out in the "Foreign Account Tax Compliance Act (FATCA)". This document and the information contained herein must not be distributed in the USA. The distribution and publication of this document as well as the offer or sale of the fund's units/shares may also be subject to restrictions in other jurisdictions.**

The latest net asset value (NAV) of the fund can be obtained from the management company's website.

**Past performance is not a reliable indicator of future performance.**

*The document issued in German is legally binding. This English translation is only for the purpose of convenience.*

A comprehensive glossary of topics and terms (in German) can also be found at <http://www.flossbachvonstorch.com/glossar/>.

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