

» *Global
Convertible Bonds
Defensive Strategy
FISCH CB Global
Defensive Fund*

Product Report 29 June 2018

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The Fisch product report is intended for institutional investors and financial professionals only and provides an in-depth description of the investment strategy and the products based thereon. The Fisch product report should not be distributed to retail investors. The product report contains gross and net performance figures. Gross figures are suitable for benchmark strategy comparisons, for the evaluation of management performance and especially for comparisons of performance components/aspects (contribution, attribution, volatility, etc.). Net figures reflect the performance of a fund after costs.

Summary

Strategy

Defensive, Global Convertible Bonds

The investment focus is on asymmetric convertible bonds with high credit quality. This allows for participation in rising equity markets and provides a high degree of protection during weaker market phases.

The defensive approach of the fund is based on the strategy of using active management to produce outperformance versus the benchmark, the Thomson Reuters Global Focus Investment Grade, especially in falling equity markets. In rising markets, the fund should at least match the benchmark performance.

Performance Summary as of 29.06.2018

Key Figures	Strategy	Benchmark	Relative
Month to Date Return	-0.13%	-0.61%	0.48%
Quarter to Date Return	0.61%	-0.06%	0.67%
Year to Date Return	0.17%	-1.45%	1.62%
Annualised Return since Inception (31.03.2009)	7.41%	4.78%	2.63%

Strategy Global convertible bonds, defensive EUR hedged, gross (implemented in the portfolio of the FISCH CB Global Def. Fund)

Benchmark Thomson Reuters Global Focus Investment Grade (EUR hedged)

Launch Since 31st of March 2009, the defensive strategy has been implemented relative to the mentioned benchmark.

» Slight outperformance in a challenging environment

Manager Report



Dr. Klaus Göggelmann
Lead Portfolio Manager

Market Overview

Regional equity markets were weaker in June, except in the US. China in particular, and to a lesser degree Europe, were hit hard by the escalating trade dispute with the US. The resultant further rise in the US dollar also created considerable stress in other emerging markets, such as Brazil. The sharp fall in the Chinese yuan was also notable. This is likely firstly to have been a retaliatory measure by Beijing as part of the trade dispute. A weak currency has a much stronger and more direct impact on the trade balance than tariffs. Secondly, the Chinese central bank is easing monetary policy to offset the effects of its fight to rein in the shadow banks, which is having a negative impact on economic growth. The threat of a weaker yuan is China's only weapon in the trade dispute and has been deployed cleverly and very effectively. However, there is a risk of a potentially dangerous escalation at a global level. The collapse of Turkish financial markets, on the other hand, is home-grown and there is no risk of contagion to other countries. There have been positive developments elsewhere, such as a stabilisation in Mexico and the beginnings of a stabilisation in Argentina, as well as a very positive trend in India. Along with the continued strong growth in the US, the global economic and financial system has remained in reasonably good shape overall. There were no significant moves in government bond yields, although the US yield curve continued to flatten as the Fed hiked the federal funds rate again. This has historically always been a warning signal of recessions. However, the yield curve has not yet reached the pain threshold. The successful OPEC meeting on stabilising the oil price had a calming effect on markets. A modest increase in production cooled the rise in the oil price and stabilized the market.



Roland Hotz
Deputy Portfolio Manager



Ute Heyward
Deputy Portfolio Manager

The signals for equity and credit markets from our macro model have weakened, but remain slightly positive. China remains stable overall, despite its weak stock markets. In the short term, the uncertainty in the trade conflict is a major hurdle for China. On the other hand, the Bank of China has been easing monetary policy for some time and allowing the yuan to fall, which is supporting economic growth. A range of indicators have recently begun to confirm that these measures are having a positive impact. Stable conditions in China are also very helpful globally. The uncertainty in Italy has moved back into the background and does not require any changes to our model input. However, there has been a general weakening in our scores. The reasons for this are lower forward-looking yield and credit curve indicators, the copper price and a less positive silver/gold ratio. We are also noticing declining momentum in equity market trends. This weakening is, however, having a positive impact on government bonds. As a result, the model is signalling reduced upward pressure on interest rates. Overall, the global picture is still fairly homogeneous and slightly positive, but with a number of problem areas, such as Argentina, Brazil and Turkey. However, these should remain isolated for now. Still, the performance of the US dollar and the incipient currency war with China due to the depreciation of the yuan needs to be closely watched. Markets should be able to cope with the moves that have occurred to date. However, a further escalation would have potentially serious consequences for global financial markets, and cannot be captured via models. The oil price, on the other hand, was a steadying influence on the markets. At the recent OPEC meeting, Saudi Arabia and Russia agreed to a moderate increase in production to compensate for the loss of output in Venezuela and Iran. This should ensure stable market conditions overall, with prices rising modestly. That's good news for the global economy.

Portfolio

Global equity markets came under renewed pressure in the second half of the month. Investors took fright at the increasingly aggressive rhetoric in the trade dispute between the US and the rest of the world, as some of the initial measures already started to have an impact. For example, a number of companies announced that they would shift some of their production in order to avoid tariffs. The upsurge in uncertainty across the board led to profit-taking and steadily growing risk aversion over the course of the month, no doubt partly motivated by the upcoming summer break. The recovery in the oil price was also a concern. Falling output in Venezuela and the sanctions demanded by President Trump on Iranian oil neutralised the previous OPEC agreement. The weakest region by far was Asia, as China in particular was caught up in the trade dispute.

The rebalancing of the TR Global Focus IG Index was a major issue for convertible investors in June. A number of high-delta issues were removed from the index, which significantly reduced the equity exposure and led to increased downside protection. Europe's index weighting increased again as result of this, while the US weighting declined. Our overweight in the US therefore rose in the portfolio, as we replaced the high-delta issues with more defensive US names. On the other hand we actively reduced our Europe exposure, and are now slightly underweight. We sold the luxury goods group LVMH in the consumer discretionary sector and the aerospace company Dassault Aviation in industrials. We also cut our exposure to US dollar-denominated convertibles with low deltas on account of the ever-higher hedging costs for bonds in USD. USD convertibles only make sense at the moment if the trend in the stock price is positive. We participated selectively in attractive new issues in June. These included the social networking service Twitter and the aerospace and defence technology company Safran.

The strategy beat the benchmark index in June on a gross and EUR hedged basis. At the regional level the index closed down almost everywhere; the exception was Japan due to the small number of stocks in the Japanese convertibles universe, which are all highly defensive in nature. Japan was therefore a negative factor in the portfolio in relative terms due to our cyclical positioning, while we made gains relative to the benchmark in the other regions. The index also mainly posted losses at the sector level. The exceptions were utilities, energy and healthcare sectors. Our underweight in utilities therefore cost us performance, while we outperformed in all the other sectors. In the materials sector, for example, our position in Symrise, which is not included in the index, performed very well. Our underweight in the specialist Swiss chemicals company Sika also helped, as the stock has underperformed since its addition to the index. The property company Deutsche Wohnen performed strongly and we added to our position during the month, but are still underweight at present. Other stocks in the REIT segment and financials were also in demand.

After several very strong months we now expect seasonally weaker issuance activity in the coming weeks. We also expect increased volatility due to the generally lower market liquidity. We have therefore taken some risk off the table overall.

Portfolio

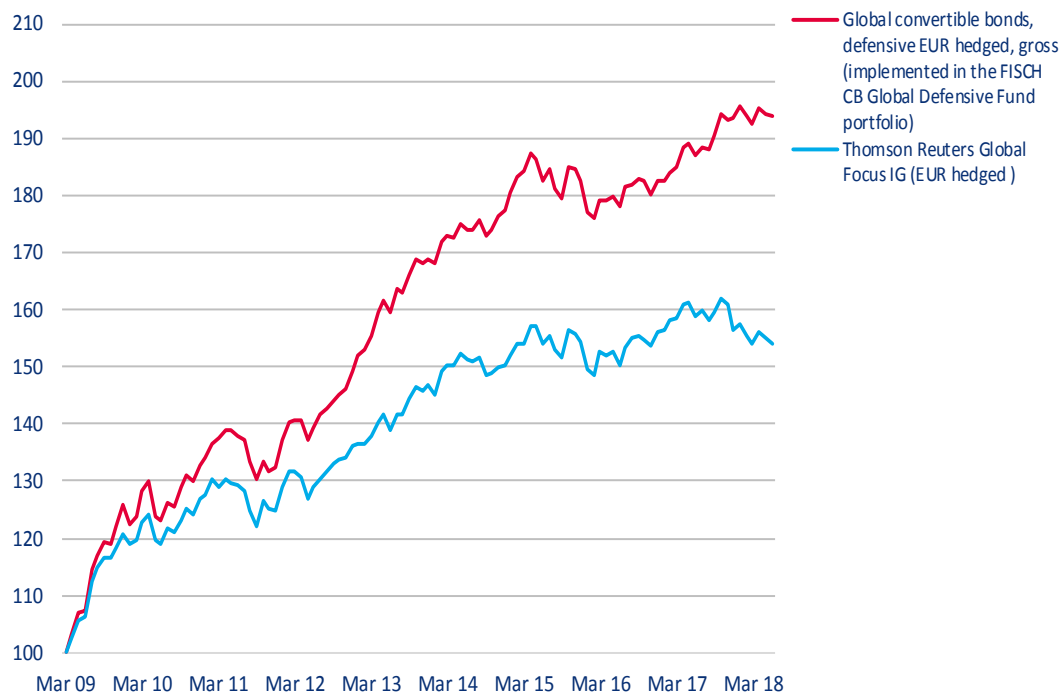
Performance Analysis of the Strategy

Performance

Performance (indexed)

The defensive strategy has been implemented in the portfolio of the FISCH CB Global Defensive Fund relative to the mentioned benchmark Thomson Reuters index since 1st April 2009.

The net returns of the fund are provided in the section 'Investment strategy'.



Strategy

Global convertible bonds, defensive EUR hedged, gross (implemented in the FISCH CB Global Defensive Fund portfolio)

Benchmark

Thomson Reuters Global Focus IG EUR hedged

Key Figures - EUR	Strategy	Benchmark	Relative
Month to Date Return	-0.13%	-0.61%	0.48%
Quarter to Date Return	0.61%	-0.06%	0.67%
Year to Date Return	0.17%	-1.45%	1.62%
Return 1 Year	3.68%	-2.91%	6.59%
Annualized Return 3 Years	2.01%	-0.02%	2.04%
Annualized Return 5 Years	3.99%	2.10%	1.89%
Annualised Return since Inception (31.03.2009)	7.41%	4.78%	2.63%
Volatility 3 Years	4.23%	4.82%	-0.59%
Sharpe Ratio 3 Years	0.54	0.05	0.49

StrategyGlobal convertible
bonds, defensive CHF
hedged, gross**Benchmark**Thomson Reuters
Global Focus IG
CHF hedged

Key Figures - CHF			
	Strategy	Benchmark	Relative
Month to Date Return	-0.17%	-0.64%	0.46%
Quarter to Date Return	0.48%	-0.13%	0.62%
Year to Date Return	-0.12%	-1.60%	1.48%
Return 1 Year	3.03%	-3.26%	6.29%
Annualized Return 3 Years	1.31%	-0.47%	1.78%
Annualized Return 5 Years	3.28%	1.70%	1.58%
Annualised Return since Inception (14.01.2010)	4.25%	2.42%	1.82%
Volatility 3 Years	4.24%	4.82%	-0.57%
Sharpe Ratio 3 Years	0.48	0.06	0.43

StrategyGlobal convertible
bonds, defensive USD
hedged, gross**Benchmark**Thomson Reuters
Global Focus IG
USD hedged

Key Figures - USD			
	Strategy	Benchmark	Relative
Month to Date Return	0.09%	-0.41%	0.50%
Quarter to Date Return	1.26%	0.55%	0.71%
Year to Date Return	1.38%	-0.32%	1.70%
Return 1 Year	6.01%	-0.96%	6.97%
Annualized Return 3 Years	3.45%	1.26%	2.19%
Annualized Return 5 Years	5.01%	2.93%	2.08%
Annualised Return since Inception (11.12.2008)	7.80%	5.10%	2.70%
Volatility 3 Years	4.30%	4.82%	-0.51%
Sharpe Ratio 3 Years	0.54	0.03	0.51

Contribution and Attribution

The contribution breakdown shows the extent to which a region or sector contributed to fund or benchmark performance (shown here year-to-date). The performance attribution breakdown highlights the extent to which a region or sector was responsible for out or underperformance versus the benchmark.

In the following three tables, all returns are given in local currency; therefore, changes in exchange rates and the cost of currency hedging are not included. For this reason, the returns are not directly comparable with fund returns or benchmark returns cited elsewhere in this document.

The Brinson Fachler model is used to break down the regional attribution into asset allocation and security selection. The effects of portfolio management decisions are quantified using this attribution model. The regional performance attribution is reflected in the following “Regional Contribution / Attribution (YTD)” table. The “Asset Allocation” column shows the results of the portfolio’s different regional weightings, which are based on the Top-Down and Bottom-Up analysis, relative to the benchmark. The “Security Selection” column shows the results of the various different returns on individual stocks or sectors within a region relative to the benchmark.

Regional Contribution / Attribution (YTD)

Region	Return [%]		Average Weight [%]		Contribution [%]		Asset Allocation [%]	Security Selection [%]	Total Attribution [%]
	PF	BM	PF	BM	PF	BM			
Europe	-0.38	-1.79	67	70	-0.36	-1.30	0.01	0.82	0.83
Asia	1.69	-4.45	4	11	0.07	-0.50	0.21	0.30	0.51
North America	9.01	6.73	13	10	1.13	0.73	0.20	0.28	0.48
Japan	-3.23	2.10	11	7	-0.45	0.15	0.15	-0.65	-0.51
Others	0.78	-1.36	2	2	0.01	-0.01	-0.02	0.04	0.02
Cash	0.00	0.00	2	0	0.00	0.00	-0.02	0.00	-0.02
Total	0.39	-0.92	100	100	0.39	-0.92	0.52	0.79	1.31

*Portfolio returns are local return within the FISCH CB Global Defensive Fund. Benchmark returns are local return within the Thomson Reuters Global Focus Investment Grade Convertible Bond Index. Weights are calculated based on average daily holdings.

Next, the portfolio managers select the most promising securities from the sectors with the best prospects based on our Bottom-Up and Top-Down analysis. The resulting performance attribution of each sector is shown in the following “Sector Contribution /Attribution (YTD)” table. The “Asset Allocation” column reflects the results of the assigned portfolio sector weights relative to the benchmark. The “Security Selection” column depicts the results of the different returns achieved by the individual securities within each sector in relation to the benchmark. The results of the asset allocation and the security selection are consolidated in the “Total” row, which can be different depending on the grouping (by region on the previous page and by sector on this page).

Sector Contribution / Attribution (YTD)

Sector	Return [%]		Average Weight [%]		Contribution [%]		Asset Allocation [%]	Security Selection [%]	Total Attribution [%]
	PF	BM	PF	BM	PF	BM			
Technology	4.36	-0.17	12	13	0.62	0.19	-0.05	0.51	0.47
Health Care	2.05	-0.27	11	7	0.28	-0.03	0.07	0.26	0.33
Financials	4.57	0.21	9	14	0.32	0.05	-0.09	0.34	0.25
Communications	-0.81	-2.25	7	15	-0.04	-0.35	0.10	0.13	0.23
Consumer Staples	-1.55	-8.71	1	2	0.01	-0.22	0.14	0.07	0.21
Energy	4.46	4.30	7	6	0.31	0.25	0.08	0.00	0.08
Consumer Discretionary	-1.25	-1.36	13	7	-0.16	-0.16	0.08	-0.03	0.05
Utilities	-2.00	-1.29	3	11	-0.11	-0.17	0.10	-0.07	0.03
Industrials	-0.78	-0.06	19	17	-0.11	-0.05	0.04	-0.14	-0.10
Materials	-4.73	-5.59	15	7	-0.72	-0.44	-0.39	0.17	-0.21
Cash	0.00	0.00	2	0	0.00	0.00	-0.02	0.00	-0.02
Total	0.39	-0.92	100	100	0.39	-0.92	0.07	1.24	1.31

*Portfolio returns are local return within the FISCH CB Global Defensive Fund. Benchmark returns are local return within the Thomson Reuters Global Focus Investment Grade Convertible Bond Index. Weights are calculated based on average daily holdings.

The key driver of the performance of convertible bonds is the performance of the underlying shares. The nature of convertible bond issuance means that the equity exposure characteristics of the asset class will differ from those of the broader equity markets.

The table below shows the performance of regional MSCI equity indices together with the relevant convertible bond 'Parity Index'. The Parity Index is based on the underlying shares of the Thomson Reuters Global Focus Convertible Bond Index, split by region, weighted by the parity of each CB. The parity of a CB represents the value of the underlying shares that would be received by a holder if that CB was converted today. Finally, we show the performance of each regional sub-index within the Thomson Reuters Global Focus Convertible Bond Index, together with the relevant regional weight.

The universe of underlying shares for convertible bonds in any given region is smaller and therefore more concentrated than that represented by the corresponding MSCI regional equity index. Furthermore, the Thomson Reuters 'Focus' family of CB indices exclude those CBs whose underlying shares perform particularly strongly or weakly that the CB features no longer a balanced profile. This further explains why the performance of the relevant regional convertible bond Parity Index may differ materially from the corresponding MSCI regional equity index.

CB and Equity Markets Returns (YTD)

Relevant Region	MSCI TR Index Return	CB Global Focus IG Parity Return	CB Global Focus IG return	CB Global Focus IG avg. Weights
Europe	-0.43%	-3.55%	-1.79%	70.21%
Asia	-1.49%	-8.70%	-4.45%	10.84%
North America	2.56%	13.20%	6.73%	9.91%
Japan	-3.66%	9.97%	2.10%	6.66%
Others	N/A	N/A	-1.36%	2.37%
Total	0.80%	-1.31%	-0.92%	100%

*All returns are in local currency. The returns of the MSCI TR Index are based on the following regional sub-Indices: MSCI TR Net AC Asia Pacific ex Japan, MSCI TR Net AC Europe, MSCI TR Net North America, MSCI Daily TR Net Japan, MSCI AC World Daily TR Net.

Positioning

Securities

Top 10 Positions	Weight
TOTAL SA/0.5%/02.12.2022	3.11%
AMERICA MOVIL(KPN)/0%/28.05.2020	2.99%
DEUTSCHE WOHNEN/0.6%/05.01.2026	2.92%
FRESENIUS SE & C/0%/31.01.2024	2.88%
IBERDROLA INTL/0%/11.11.2022	2.80%
ILLUMINA INC/0.5%/15.06.2021	2.47%
SONY CORP/0%/30.09.2022	2.43%
STMICROELECTRON/0.25%/03.07.2024	2.38%
GLENCORE FDG LLC/0%/27.03.2025	2.31%
BOOKING/0.9%/15.09.2021	2.18%

Top 5 Overweights	Weight
SYMRISE AG/0.2375%/20.06.2024	2.14%
INTL CONSOLIDAT/0.625%/17.11.2022	1.99%
FRESENIUS SE & C/0%/31.01.2024	1.74%
IBERDROLA INTL/0%/11.11.2022	1.68%
ARES CAPITAL COR/144A/3.75%/01.02.2022	1.42%

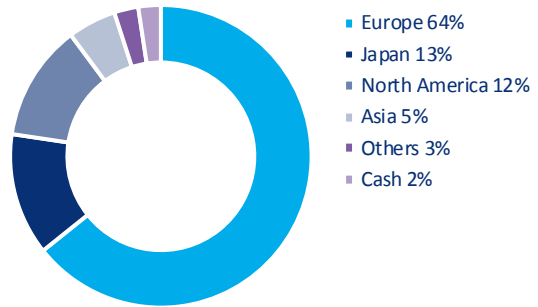
Top 5 Underweights	Weight
AMERICA MOVIL(KPN)/0%/28.05.2020	-3.07%
SIEMENS FINAN/1.65/16.08.2019	-1.88%
TELENOR(VEON)/0.25%/20.09.2019	-1.84%
STMICROELECTRON/0%/03.07.2022	-1.71%
VEOLIA ENVRNMT/0%/15.03.2021	-1.54%

5 Best Positions by Underlyer (YTD)	Absolute	Relative
DASSAULT AVIATIO/ST/EUR	0.37%	SEMICONDUCTOR MA/ST/HKD 0.26%
CITRIX SYSTEMS/ST/USD	0.32%	CARREFOUR SA/ST/EUR 0.17%
ILLUMINA INC/ST/USD	0.29%	SERVICENOW INC/ST/USD 0.17%
LVMH MOET HENNE/ST/EUR	0.29%	KERING/ST/EUR 0.13%
SERVICENOW INC/ST/USD	0.17%	KUNLUN ENERGY/ST/HKD 0.11%

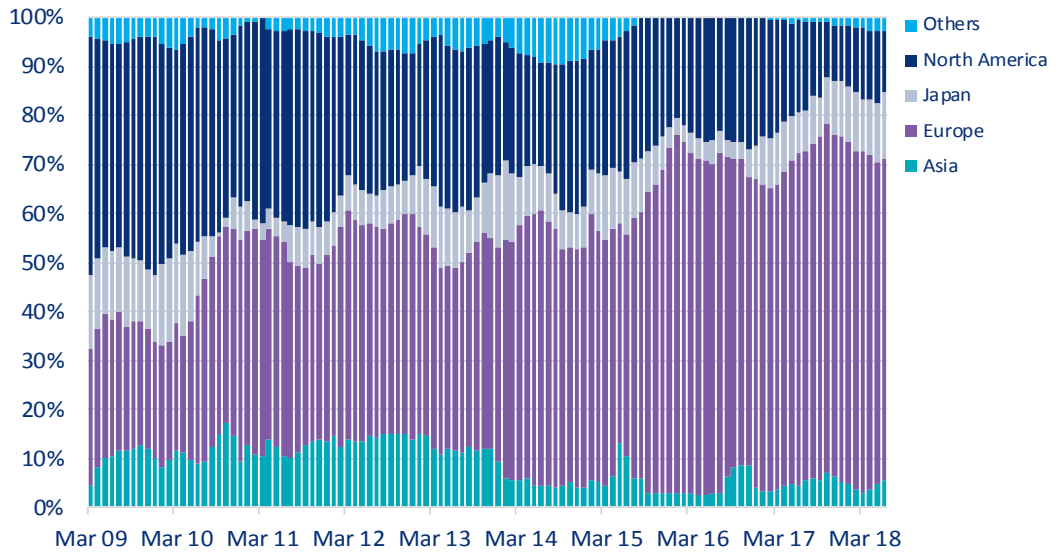
5 Worst Positions by Underlyer (YTD)	Absolute	Relative
RICHTER GEDEON N/ST/HUF	-0.28%	POSTAL SAVINGS-H/ST/HKD -0.17%
MICHELIN/ST/EUR	-0.22%	MITSUBISHI CHEMI/ST/JPY -0.14%
DEUTSCHE POST-RG/ST/EUR	-0.20%	CITRIX SYSTEMS/ST/USD -0.13%
BASF SE/ST/EUR	-0.17%	DEUTSCHE WOHN-BR/ST/EUR -0.10%
COVESTRO AG/ST/EUR	-0.16%	KANSAI PAINT/ST/JPY -0.10%

Regions

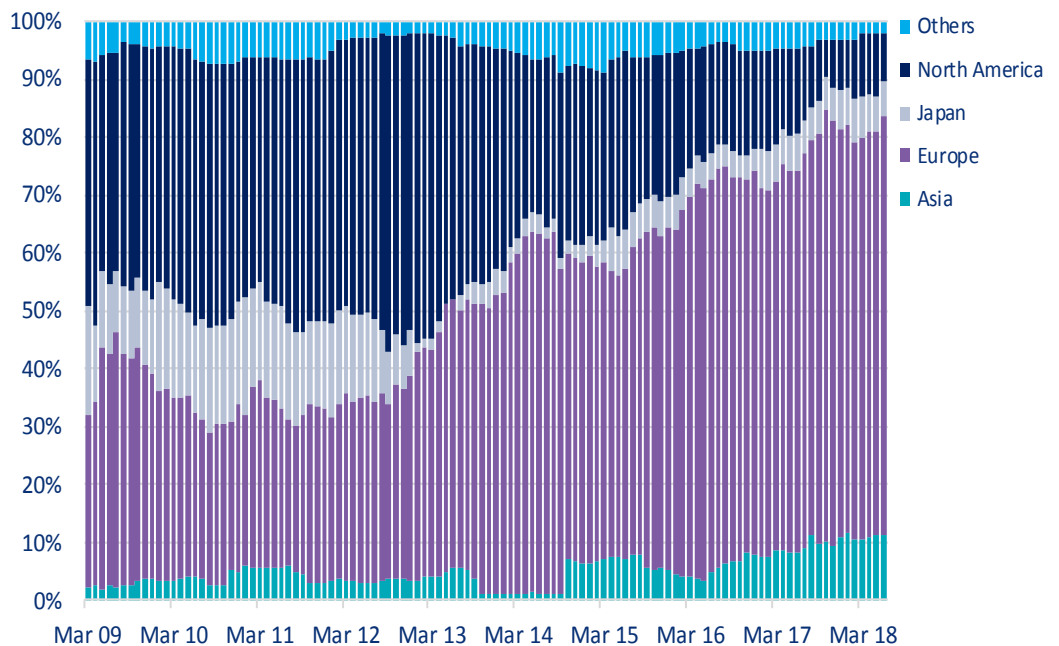
Regional Allocation	Weight	Relative
Europe	64.28%	-8.01%
Japan	13.07%	6.79%
North America	12.46%	4.22%
Asia	5.19%	-6.04%
Others	2.59%	0.63%
Cash	2.41%	2.41%
Total	100%	0%



Monthly Regional-Allocation (Portfolio)

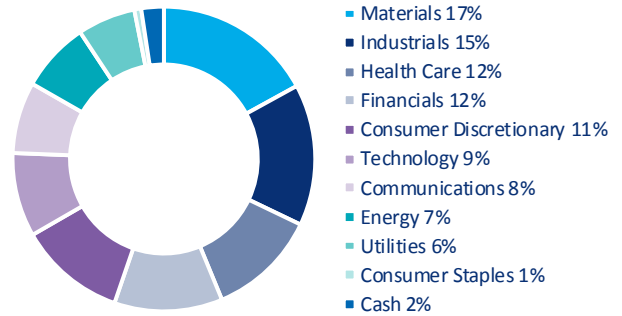


Monthly Regional-Allocation (Benchmark)



Sectors

Sector Allocation	Weight	Relative
Materials	17.04%	6.01%
Industrials	15.04%	-2.37%
Health Care	11.66%	4.61%
Financials	11.57%	-2.28%
Consumer Discretionary	11.42%	4.60%
Technology	8.92%	-1.17%
Communications	7.59%	-7.51%
Energy	7.44%	1.47%
Utilities	6.20%	-3.94%
Consumer Staples	0.73%	-1.84%
Cash	2.41%	2.41%
Total	100%	0%



Equity Sensitivity

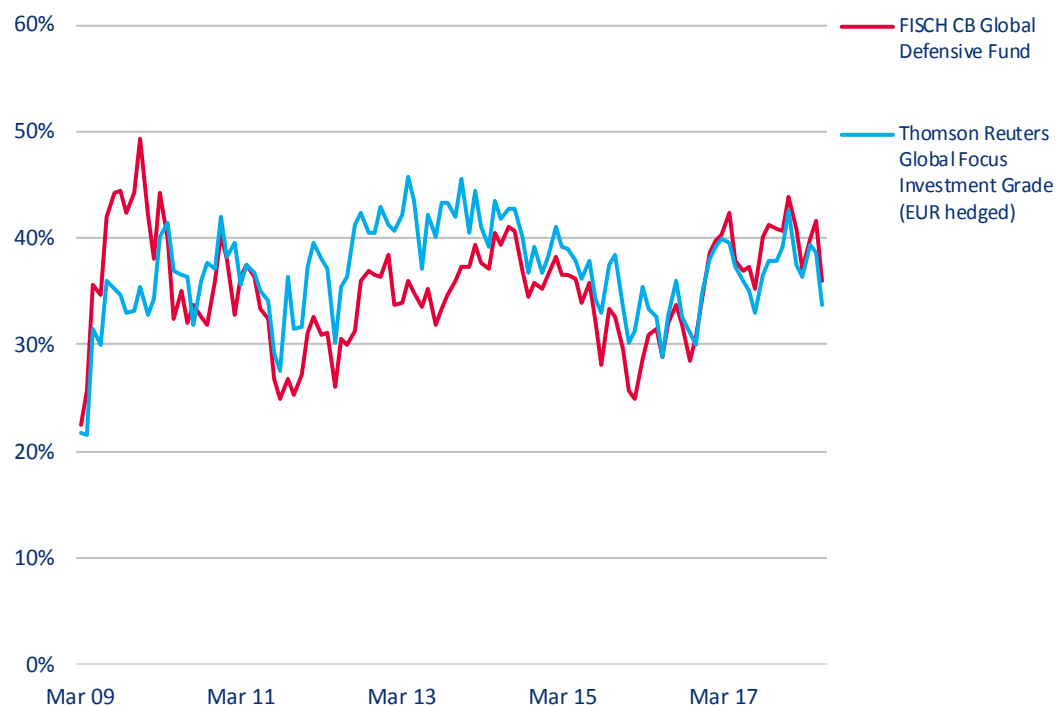
The **delta** (also known as the hedge ratio) of a convertible bond indicates by how much the absolute value of the convertible (e.g. in EUR, USD or CHF) changes if the underlying equity package rises or falls by one unit (EUR, USD or CHF). For percentage observations and aggregation at the portfolio level, the delta is not suitable. The absolute changes must be converted for percentage observations. This results in the so-called equity exposure.

The **equity sensitivity** (also known as the **equity exposure** or delta%) of a convertible bond portfolio indicates how strongly the portfolio or an individual convertible reacts to equity market fluctuations. The equity sensitivity of a convertible bond is between 0% and 100%. A value of 50% means that the portfolio (or an individual convertible) participates at a rate of 50% in the price movement of the equity market (or of the underlying equity).

The **beta-adjusted equity sensitivity** also takes into account the beta of the underlying equity. If the underlying equity moves more strongly (high beta) or less strongly (low beta) than the overall market, the equity sensitivity is adjusted accordingly.

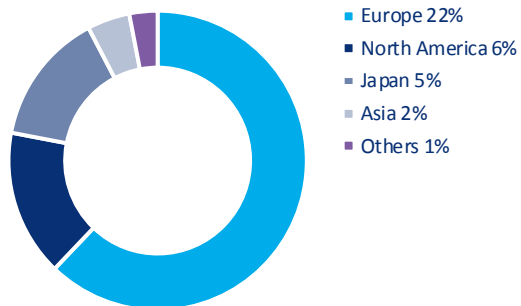
Equity Sensitivity	Portfolio	Benchmark
Delta	45.34%	43.60%
Equity Exposure	36.04%	33.74%
Equity Exp Beta Adj	35.98%	32.95%

Historical Equity Sensitivity (Equity Exposure)



Equity Exposure Allocation

	Weight	Relative
Europe	22.40%	-0.89%
North America	5.71%	1.71%
Japan	5.17%	2.56%
Asia	1.66%	-1.36%
Others	1.10%	0.28%
Total	36.04%	2.30%



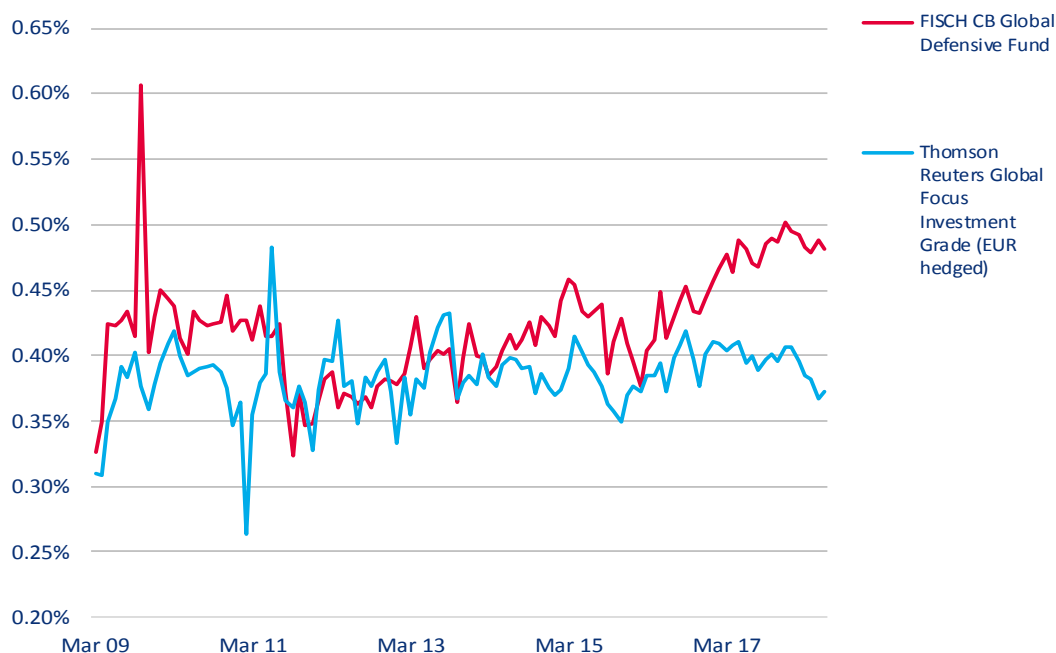
Volatility Sensibility

The volatility sensitivity of a convertible bond portfolio is referred to as **vega**. This figure indicates how strongly a convertible rises/falls in percentage terms if the volatility of the equity market changes. The following holds true: If volatility is rising, the value of a convertible increases, and vice versa. This effect offers an added protection if stock exchanges are falling, because in such an environment the volatility usually rises. The volatility sensitivity (vega) can be calculated for individual convertible bonds as well as for the entire portfolio.

The **implied volatility** is the convertible pricing model volatility input that brings the fair value of a convertible into line with its market price. A value of 25% could, on the one hand, be interpreted to mean that the convertible bond investors expect future stock exchange volatility of 25%. On the other hand, the implied volatility is a measure of the price of the call option and is independent from the demand for convertible bonds.

Volatility Sensitivity	Portfolio	Benchmark
Vega	0.48%	0.37%
Implied Volatility	27.67%	26.68%

Historical Volatility Sensitivity (Vega)



Interest Rate Sensitivity

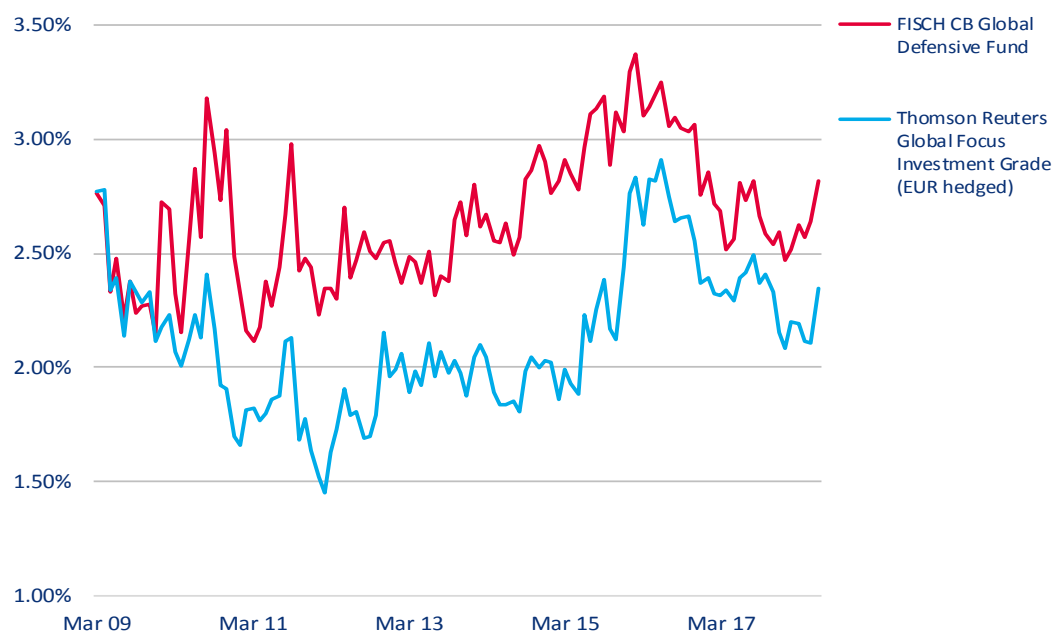
The **modified duration** of a convertible bond expresses the interest rate sensitivity of the bond component. Since this figure does not take into account any possible right to put the bond back to the issuer or the conversion right, however, the figure is misleading in the case of convertible bonds.

The **duration to put or residual maturity** takes into account any possible put feature but continues to ignore the conversion right.

Effective Duration (Rho) measures the sensitivity of the convertible price to movements in interest rates. It is expressed as the percentage increase (or decrease) in the convertible price for a one percentage point fall (or rise) in interest rates (in the currency of the convertible). Frequently in the case of convertible bonds, the duration or the residual maturity is mistakenly used as a measure of the interest rate sensitivity. But these figures do not go far enough. On the one hand, put features often exist, and on the other hand, the convertible contains a conversion option, and these have a mitigating influence on the interest rate sensitivity. Due to put features and the conversion option, convertible bonds have extremely modest interest rate sensitivity and are therefore very attractive in times of rising interest rates (inflation).

Interest Rate Sensitivity		
	Portfolio	Benchmark
Duration	4.44%	3.55%
Effective Duration (Rho)	2.82%	2.35%

Historical Interest Rate Sensitivity (Effective Duration)



Credit Risk

The **credit spread** is a measure of the estimated creditworthiness by the market.

The **official rating** is given by a rating agency (S&P, Moody’s, etc.) for the credit quality of a security.

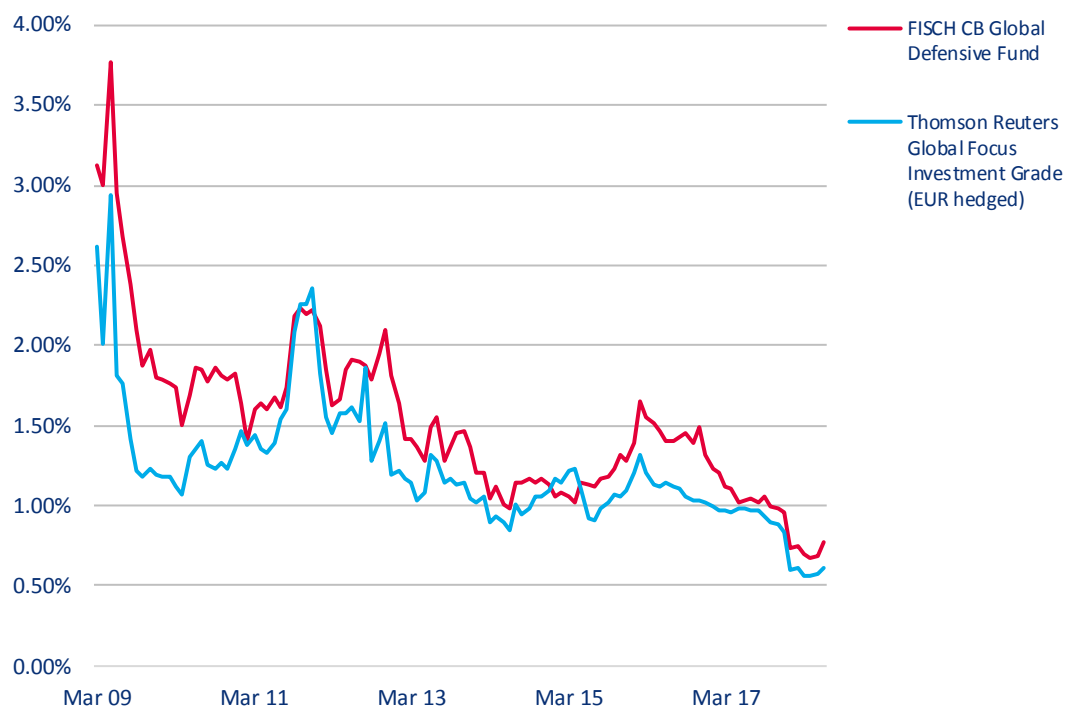
If a convertible bond (or its issuer) does not have an official rating, an **implied rating** can be ascertained. The implied rating is a measure of how the issuer quality is rated by the market. Implied ratings react much more quickly than official ratings to changes in credit quality or new information.

In the case of **official/implied rating**, the official rating is taken into account if available. Otherwise, the implied rating is used.

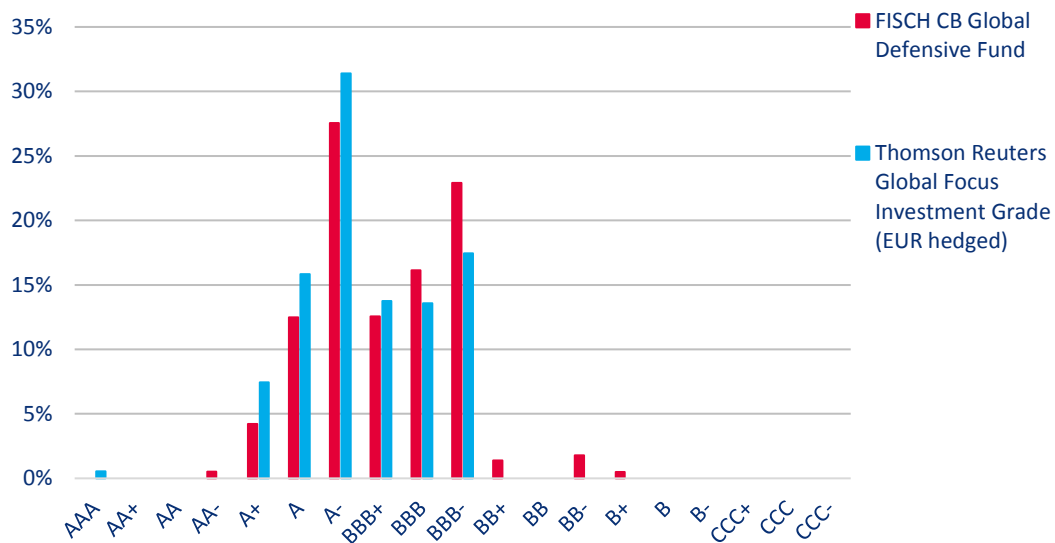
Omicron measures the sensitivity of the convertible price to changes in the credit spread. It is expressed as the percentage increase (or decrease) in the convertible price for a one percentage point narrowing (or widening) of the credit spread.

Credit Risk	Portfolio	Benchmark
Credit Spread	0.77%	0.61%
Implied Rating	A	A+
Official Rating else Implied Rating	A-	A-
Omicron	3.26%	2.64%

Historical Credit Spread



Rating Allocation (Official/Implied Rating)



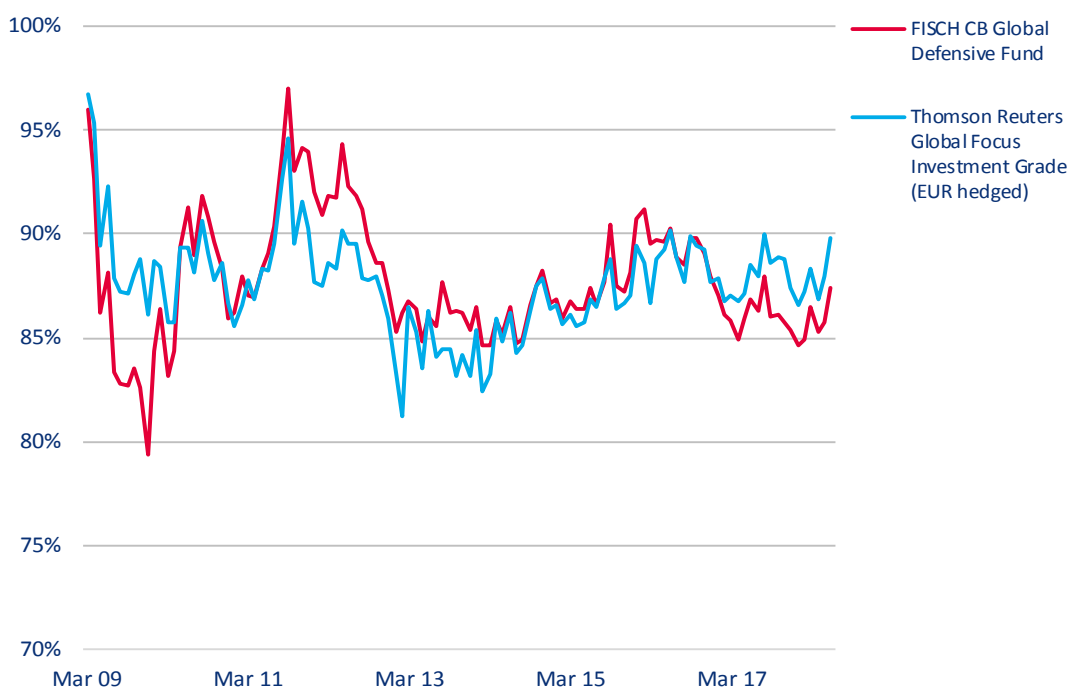
Bond Floor

The **bond floor** represents the present value of all cash flows of a convertible bond and hence ignores the conversion option, calls, puts, etc. The bond floor is thus equivalent to the value of a straight bond of the same issuer with an identical maturity and coupon. The difference between the bond floor and the convertible bond price represents the option value of the convertible bond. The bond floor is expressed here as a percentage of the market value of the convertible bond portion of the portfolio. For example, if the nominal bond floor was 80 and the market value of all bonds was 160, this would indicate a bond floor of 50%. This allows the bond floor of a portfolio to be comparable to that of the convertible bond benchmarks we use.

The bond floor is not a risk measure that charts the price movements of the convertible bond during changing market conditions. For an assessment of the behaviour of the portfolio during market changes, please refer to the scenario analysis.

Bond Floor	Portfolio	Benchmark
Bond Floor	87.38%	89.80%

Historical Bond Floor



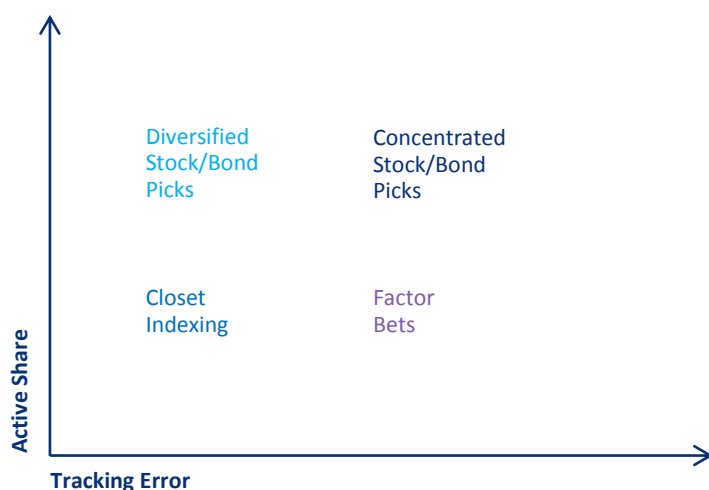
Active Share and Tracking Error

Active share and **tracking error** are metrics used to measure the degree of active management in a portfolio.

Active share is the percentage of a portfolio that differs from its benchmark. It considers the overweights and underweights of the portfolio's constituent holdings relative to their weights in the benchmark. An active share of zero means the portfolio is identical to the benchmark, whereas a value of 100 means there is no overlap with the benchmark.

Tracking error is another metric that measures deviation versus the benchmark. Whereas volatility measures the absolute standard deviation of a portfolio, tracking error measures the volatility relative to the benchmark. In other words, it measures the volatility of the differences in returns between a portfolio and benchmark.

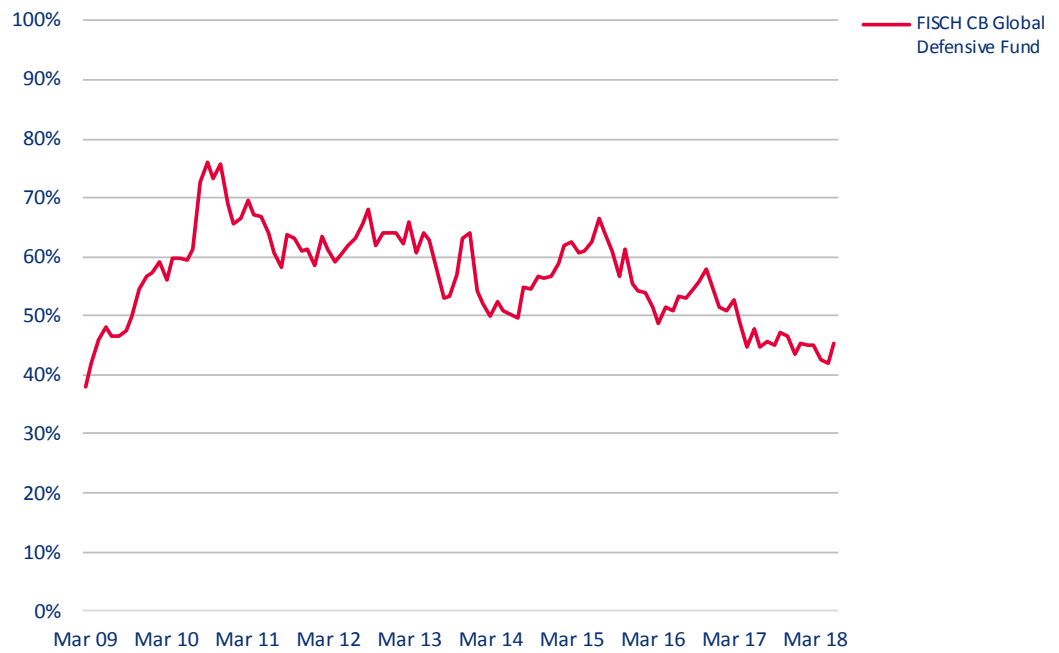
Cremers and Petajisto¹ compare these two metrics for measuring active management. Tracking error focuses on factor timing, which involves bets on systematic risk factors. In contrast to this, active share looks at the individual stock/bond picks. Based on the two metrics, Cremers and Petajisto distinguish between four different types (see diagram below). A diversified stock/bond picker can be very active despite the low tracking error because the security selection within certain sectors can result in significant deviation from the benchmark positions. Compared with this, a fund that focuses on factor bets can have a large tracking error even if there are no substantial deviations from the benchmark positions at the security level. The authors conclude in their study that among the funds they examined, those with the highest active share outperform their benchmarks both before and after costs on a statistically significant basis.



¹: K. J. M. Cremers and A. Petajisto, 2009, How Active Is Your Fund Manager? A New Measure That Predicts Performance, *Review of Financial Studies*, 22(9):3329-3365

Active Share and Tracking Error	Portfolio
Tracking Error 1 Year	2.79%
Annualized Tracking Error 3 Years	2.16%
Annualized Tracking Error since Strategy Start (31.03.2009)	1.94%
Active Share	45.44%

Historical Active Share



Scenario Analysis

The table below shows the effect of two market scenarios on the current convertible bond portfolio.

In the „**Bull**“ scenario, a strong rise in the equity markets is assumed. In this positive economic environment, rising interest rates and a simultaneous narrowing of credit spreads as well as volatility can also be expected.

In the „**Bear**“ scenario, a sharp drop in the equity markets is assumed. In this negative economic environment, falling interest rates and a simultaneous widening of credit spreads can be expected. Volatility rises strongly.

In addition, the current coupon income and the time decay of the portfolio on an annualised basis are included in both scenarios.

The input values used in both scenarios are in line with historically plausible constellations. Changes in the convertible bond portfolio are determined by the input variables (equity markets, interest rates, volatility and credit spreads) used in the scenario analysis.

Our model calculates the prices of each individual security in the portfolio corresponding to the changed input values, which provides a more precise result than the simulation with the risk sensitivities (‘Greeks’). The results of the individual risk factors relate solely to the change in the factor itself, without any influence from changes in the other factors (‘ceteris paribus’ rule). The total result, however, takes into account the changes in all factors together and is therefore not additive to the individual factors.

Scenario „Bull“	Movement	Portfolio	Scenario „Bear“	Movement	Portfolio
Equity Markets	25.00%	11.35	Equity Markets	-25.00%	-7.20
Credit Spreads	-1.80% HY/ -0.90% IG	2.34	Credit Spreads	1.80% HY/ 0.90% IG	-3.01
Interest Rates	1.00%	-2.83	Interest Rates	-1.00%	3.17
Volatility	-2.00%	-0.97	Volatility	4.00%	2.01
Coupon		0.24	Coupon		0.24
Time Value		-0.41	Time Value		-0.41
Total*		9.73	Total*		-5.90

*The total is not equal to the sum of the individual factors (see explanation above).

» *The defensive strategy invests in the most attractive convertible bonds worldwide. The aim of this broadly diversified strategy is to outperform the benchmark.*

Investment Strategy | Track Record

Investment Philosophy

Investment Principles

The investment philosophy of Fisch Asset Management is based on the following principles:

- Active management and generation of alpha
- Clearly structured and disciplined processes
- Consistency and continuity (according to the principle „same input – same output“)
- Independence
- Innovation in technology and know-how
- Specialization in convertible bonds

Prescribed guidelines and IT tools developed in-house ensure and support the implementation of the philosophy and strategy in each fund. All processes and procedures are strictly team-based and independent from decisions by individual persons.

Alpha Sources

The goal of the clearly structured investment process of Fisch Asset Management is to generate alpha. There are three sources of alpha:

- Security alpha (security analysis)
- Macro alpha (macro analysis)
- Portfolio alpha (portfolio construction)

The steering of alpha sources/risks adheres to a precisely defined investment/risk control process and is thus clearly quantifiable and controllable at all times.

Macro Analysis Top-down (Macro Alpha): 30%

Top-down process, monthly decision in asset allocation meeting (also in shorter intervals if needed).

- Steering of regional/sector allocations
- Steering of equity sensitivity (delta)
- Steering of credit quality (omicron)
- Steering of volatility sensitivity (vega)
- Steering of interest rate sensitivity (rho)

Security Analysis Bottom-up (Security Alpha): 60%

Bottom-up process, daily screening of the relevant universe, steering of the position weights (over/underweight versus benchmark), fastest possible implementation in the portfolio subject to the investment guidelines. The position size depends on the respective strategy.

Portfolio Construction (Portfolio Alpha): 10%

In implementing the macro and security alpha, the trading desk generates added value of about 10%. Buying/selling is carried out according to the best execution principle.

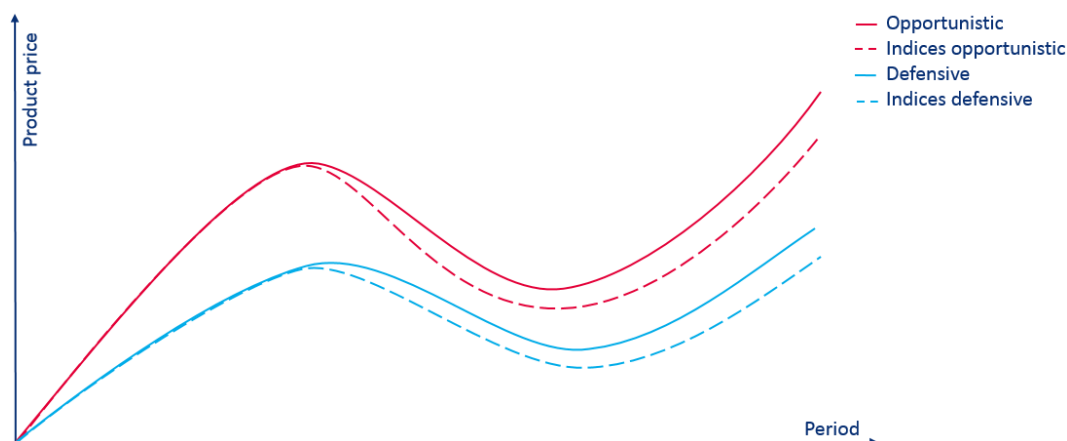
Precise localization of the alpha sources simplifies the analysis of the investment process. The localization also identifies where decision-making leeway exists for the asset manager and where not. Measurement of the alpha takes place in the performance attribution/contribution.

The Two Fisch Convertible Strategies

Description of the Strategies Fisch Asset Management offers different investment strategies in the field of convertible bonds. Apart from absolute return approaches, the defensive and opportunistic convertible bond strategies are the core strategies.

The following chart illustrates the expected behaviour of the defensive and opportunistic strategies over the market cycle. The goal of both strategies is **to lose less** than the respective benchmark during weak phases and to at least match the benchmark return during rising markets. The opportunistic strategy is managed versus the Thomson Reuters Global Focus convertible bond benchmark, whereas the universe for the defensive benchmark is limited to investment grade securities. The opportunistic strategy is thus riskier, but thanks to its higher risk premium, it should beat the defensive strategy over the market cycle.

Desired Behaviour of the Two CB Strategies

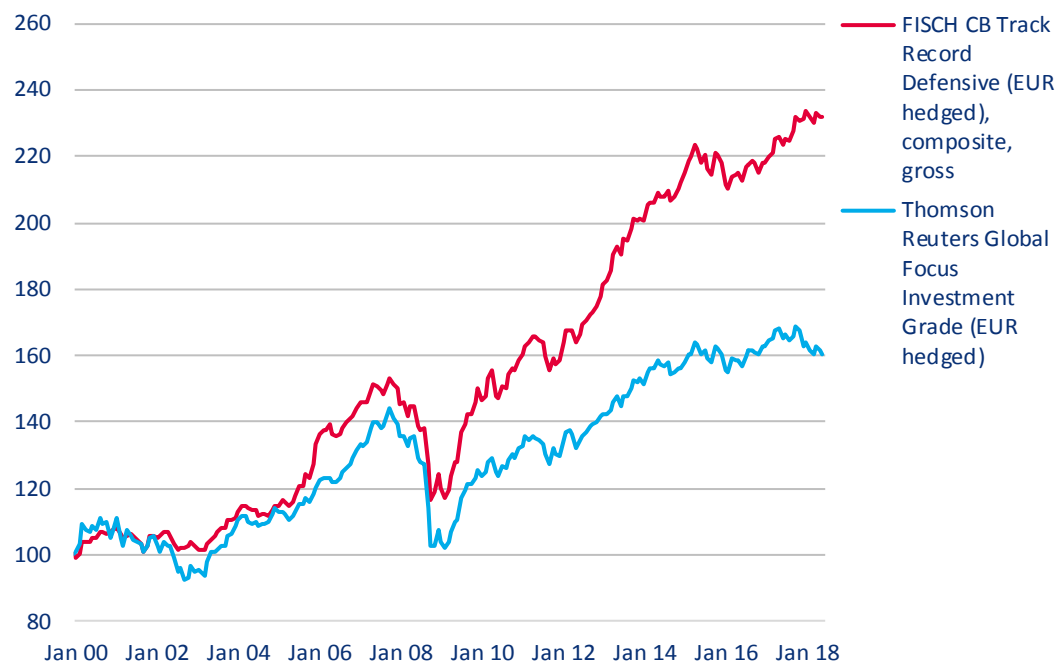


The investment focus of the **defensive strategy** of Fisch Asset Management is on asymmetric convertible bonds with high credit quality. This allows for participation in rising equity markets and provides a high degree of protection during weaker market phases.

The **opportunistic strategy** of Fisch Asset Management exploits opportunities in the global convertible bond universe. This strategy allows for the implementation of our investment ideas while maintaining the greatest possible flexibility.

Track Record of the Defensive Strategy

Performance (indexed)



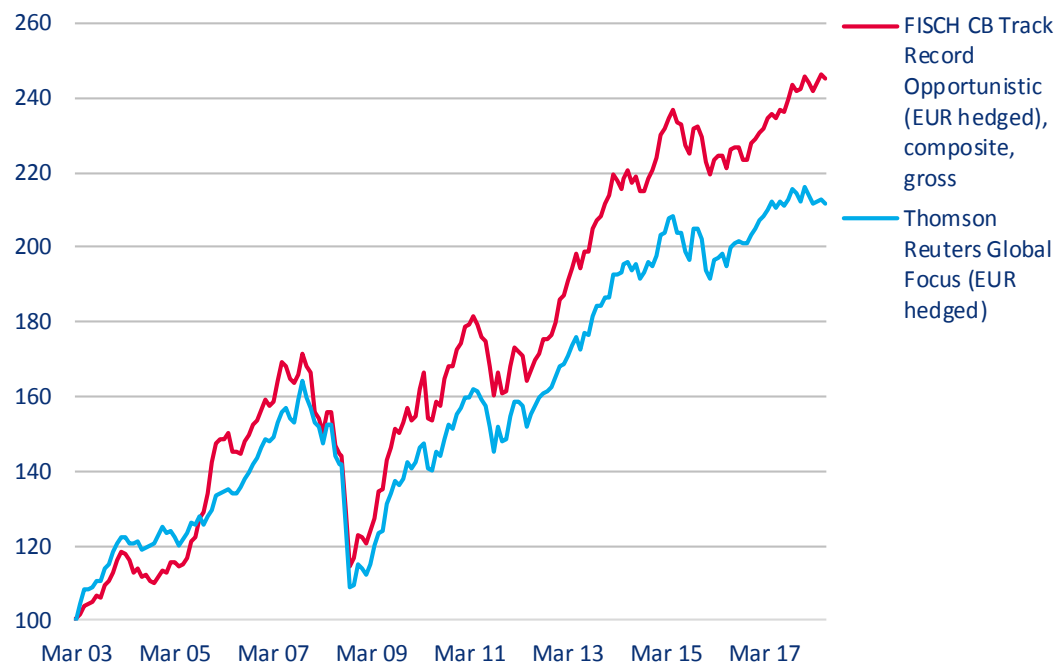
Defensive
FISCH CB Track Record
Defensive (EUR
hedged), gross
Composite

Benchmark
Thomson Reuters
Global Focus
Investment Grade
(EUR hedged)

Key Figures	Defensive	Benchmark	Relative
Month to Date Return	-0.13%	-0.61%	0.48%
Quarter to Date Return	0.61%	-0.06%	0.67%
Year to Date Return	0.17%	-1.45%	1.62%
Return 1 Year	3.68%	-2.91%	6.59%
Annualized Return 3 Years	2.01%	-0.02%	2.03%
Annualized Return 5 Years	4.00%	2.10%	1.90%
Annualised Return since Inception (01.01.2000)	4.64%	2.59%	2.06%
Volatility 3 Years	4.23%	4.82%	-0.59%
Sharpe Ratio 3 Years	0.54	0.05	0.49

Track Record of the Opportunistic Strategy

Performance (indexed)



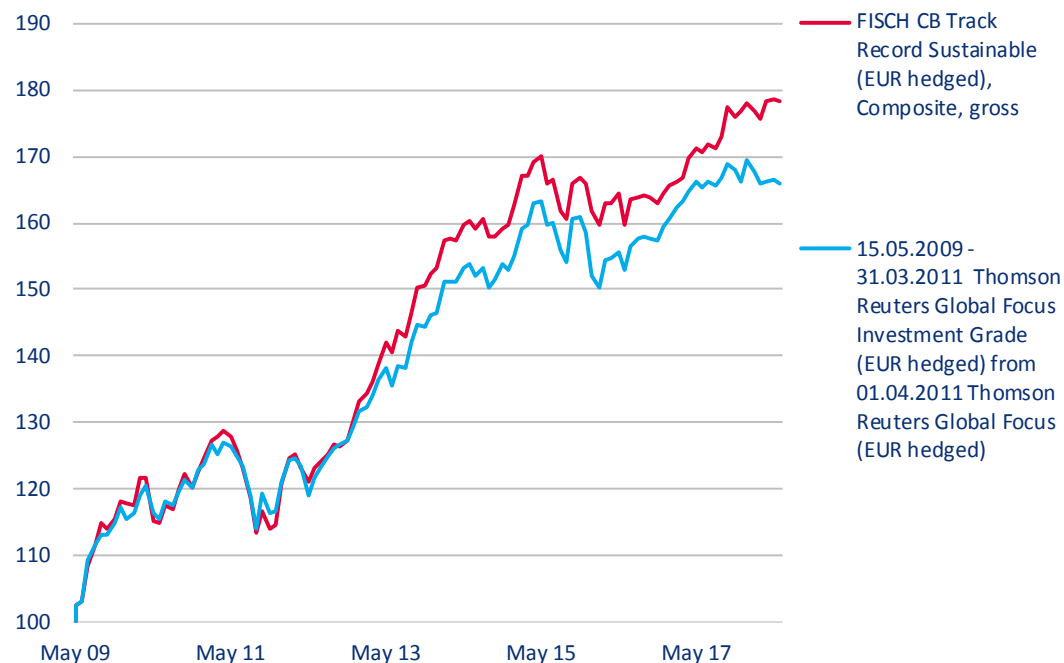
Opportunistic
FISCH CB Track Record
Opportunistic
(EUR hedged), gross
Composite

Benchmark
Thomson Reuters
Global Focus
(EUR hedged)

Key Figures	Opportunistic	Benchmark	Relative
Month to Date Return	-0.27%	-0.45%	0.18%
Quarter to Date Return	1.37%	-0.03%	1.40%
Year to Date Return	1.24%	-0.31%	1.55%
Return 1 Year	4.55%	0.36%	4.19%
Annualized Return 3 Years	1.71%	1.27%	0.44%
Annualized Return 5 Years	4.76%	4.14%	0.62%
Annualised Return since Inception (01.03.2003)	6.03%	5.01%	1.02%
Volatility 3 Years	4.42%	5.19%	-0.77%
Sharpe Ratio 3 Years	0.45	0.29	0.15

Track Record of the Sustainable Strategy

Performance (indexed)



Sustainable
 FISCH CB Track Record Sustainable (EUR hedged), gross Composite

Benchmark
 15.05.2009 - 31.03.2011 Thomson Reuters Global Focus Investment Grade (EUR hedged) from 01.04.2011 Thomson Reuters Global Focus (EUR hedged)

Key Figures	Sustainable	Benchmark	Relative
Month to Date Return	-0.14%	-0.45%	0.31%
Quarter to Date Return	1.50%	-0.03%	1.53%
Year to Date Return	0.76%	-0.31%	1.06%
Return 1 Year	4.54%	0.36%	4.18%
Annualized Return 3 Years	2.39%	1.27%	1.12%
Annualized Return 5 Years	4.87%	4.14%	0.73%
Annualised Return since Inception (15.05.2009)	6.54%	6.36%	0.18%
Volatility 3 Years	4.66%	5.19%	-0.53%
Sharpe Ratio 3 Years	0.57	0.29	0.27

Available Fund Share Classes

Convertible Bonds Defensive

Share classes of FISCH CB Global Defensive Fund

	ISIN / Valor	WKN	Currency	Currency Hedged	Distributing	Minimum Investment	Management Fee	Performance Fee	Inception Date
FISCH CB Global Def Fund AC	LU0476938021 10875224	A0YJ8W	CHF	Yes	No	CHF 2'500	1.5% p.a.	none	14.01.2010
FISCH CB Global Def Fund AD	LU0402208283 4864415	A0RK4T	USD	Yes	No	USD 2'500	1.5% p.a.	none	12.12.2008
FISCH CB Global Def Fund AE	LU0162829799 1556024	216720	EUR	Yes	No	EUR 2'500	1.5% p.a.	none	28.02.2003
FISCH CB Global Def Fund AE2	LU0162829872 1556012	216723	EUR	Yes	Yes	EUR 2'500	1.5% p.a.	none	28.02.2003
FISCH CB Global Def Fund BC	LU0605323467 12747504	A1H863	CHF	Yes	No	CHF 250'000	0.5% p.a.	10.0%	31.03.2011
FISCH CB Global Def Fund BD	LU0402208523 4864441	A0RK4U	USD	Yes	No	USD 250'000	0.5% p.a.	10.0%	28.02.2013
FISCH CB Global Def Fund BE	LU0162831936 1556031	216724	EUR	Yes	No	EUR 250'000	0.5% p.a.	10.0%	28.02.2003
FISCH CB Global Def Fund BE2	LU0909491952 21039624	A1T7S3	EUR	Yes	Yes	EUR 250'000	0.5% p.a.	10.0%	28.03.2013
FISCH CB Global Def Fund BQC	LU1353174110 31259586	A2AD6R	CHF	Yes	No	CHF 250'000	0.75% p.a.	none	29.01.2016
FISCH CB Global Def Fund BQE	LU1083847514 24798359	A1189H	EUR	Yes	No	EUR 250'000	0.75% p.a.	none	31.07.2014
FISCH CB Global Def Fund RE	LU1746216917 39730134	A2JBW4	EUR	Yes	No	EUR 2'500	1.0% p.a.	none	08.01.2018
FISCH CB Global Opp Fund MC	11756364	A1JXTU	CHF	Yes	No	CHF 10'000'000	by arrangement	by arrangement	29.04.2011

Convertible Bonds Opportunistic

Share classes of FISCH CB Global Opportunistic Fund

	ISIN / Valor	WKN	Currency	Currency Hedged	Distributing	Minimum Investment	Management Fee	Performance Fee	Inception Date
FISCH CB Global Opp Fund AC	LU0162832405 1556039	216729	CHF	Yes	No	CHF 5'000	1.5% p.a.	none	31.12.2003
FISCH CB Global Opp Fund AD	LU0996292743 22896456	A1XBES	USD	Yes	No	USD 5'000	1.5% p.a.	none	18.12.2013
FISCH CB Global Opp Fund AE	LU0476938294 10875227	A0YJ8V	EUR	Yes	No	EUR 5'000	1.5% p.a.	none	14.01.2010
FISCH CB Global Opp Fund BC	LU0162832744 1556044	216731	CHF	Yes	No	CHF 500'000	0.5% p.a.	10.0%	28.02.2003
FISCH CB Global Opp Fund BD	LU0996293121 12747490	A1XBET	USD	Yes	No	USD 250'000	0.5% p.a.	10.0%	18.12.2013
FISCH CB Global Opp Fund BE	LU0542658082 11756381	A1H861	EUR	Yes	No	EUR 250'000	0.5% p.a.	10.0%	31.03.2011
FISCH CB Global Opp Fund BE2	LU0605324192 12747490	A1H862	EUR	Yes	Yes	EUR 250'000	0.5% p.a.	10.0%	01.04.2011
FISCH CB Global Opp Fund BQE	LU1083848751 24798361	A1183N	EUR	Yes	No	EUR 250'000	0.75% p.a.	none	31.07.2014
FISCH CB Global Opp Fund MC	LU0428953698 10171280	A1C1UL	CHF	Yes	No	CHF 10'000'000	by arrangement	by arrangement	01.12.2010

Convertible Bonds Sustainable

Share classes of FISCH CB Sustainable

	ISIN / Valor	WKN	Currency	Currency Hedged	Distributing	Minimum Investment	Management Fee	Performance Fee	Inception Date
FISCH CB Sustainable AC	LU0428953342 10172021	A0RNW5	CHF	Yes	No	CHF 2'500	1.5% p.a.	none	15.05.2009
FISCH CB Sustainable AD	LU0445341935 10438366	A0YFF9	USD	Yes	No	USD 2'500	1.5% p.a.	none	03.11.2009
FISCH CB Sustainable AE	LU0428953425 10172023	A0RNW6	EUR	Yes	No	EUR 2'500	1.5% p.a.	none	15.05.2009
FISCH CB Sustainable BC	LU1130246314 25872159	A12D8M	CHF	Yes	No	CHF 250'000	0.9% p.a.	none	31.10.2014
FISCH CB Sustainable BD	LU1130246405 25872162	A12D8N	USD	Yes	No	USD 250'000	0.9% p.a.	none	31.10.2014
FISCH CB Sustainable BE	LU1130246231 25872158	A12D8P	EUR	Yes	No	EUR 250'000	0.9% p.a.	none	31.10.2014
FISCH CB Sustainable BE2	LU1253562653 28718675	A14V71	EUR	Yes	Yes	EUR 250'000	0.9% p.a.	none	30.06.2015
FISCH CB Sustainable MC	LU1099412550 25179596	A11990	CHF	Yes	No	CHF 10'000'000	by arrangement	none	20.08.2014
FISCH CB Sustainable ME	LU1461846005 33428685	A2APVM	EUR	Yes	No	EUR 10'000'000	by arrangement	none	29.07.2016

Convertible Bonds Dynamic

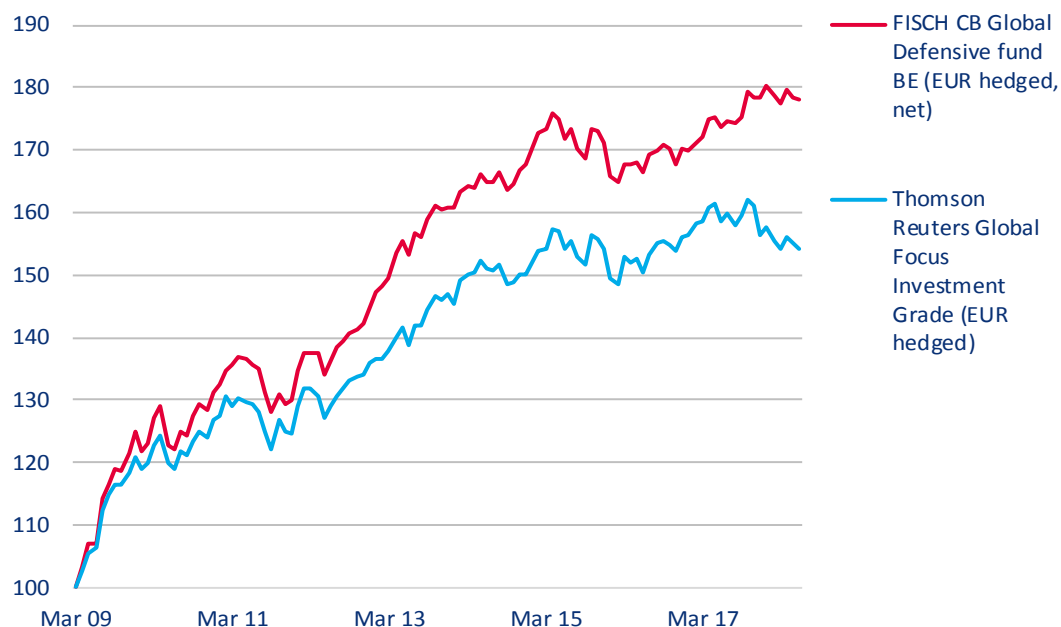
Share classes of FISCH CB Global Dynamic Fund

	ISIN / Valor	WKN	Currency	Currency Hedged	Distributing	Minimum Investment	Management Fee	Performance Fee	Inception Date
FISCH CB Global Dyn Fund BC	LU1816295502 41605594	-	CHF	Yes	No	CHF 250'000	0.75% p.a.	none	31.05.2018
FISCH CB Global Dyn Fund BD	LU1816295684 41605618	-	EUR	No	No	EUR 250'000	0.75% p.a.	none	31.05.2018
FISCH CB Global Dyn Fund BE	LU1816295411 41605585	-	EUR	No	No	EUR 250'000	0.75% p.a.	none	31.05.2018
FISCH CB Global Dyn Fund LC	LU1823589830 41862533	-	CHF	Yes	No	CHF 3'000'000	0.35% p.a.	none	31.05.2018
FISCH CB Global Dyn Fund LE	LU1823589756 41860601	-	EUR	No	No	EUR 3'000'000	0.35% p.a.	none	31.05.2018

Performance FISCH CB Global Defensive Fund – EUR Hedged

The defensive strategy has been implemented in the portfolio of the FISCH CB Global Defensive Fund relative to the mentioned benchmark Thomson Reuters Index since 1st April 2009.

Performance (indexed)



Portfolio
FISCH CB Global Defensive Fund BE (EUR hedged, net)

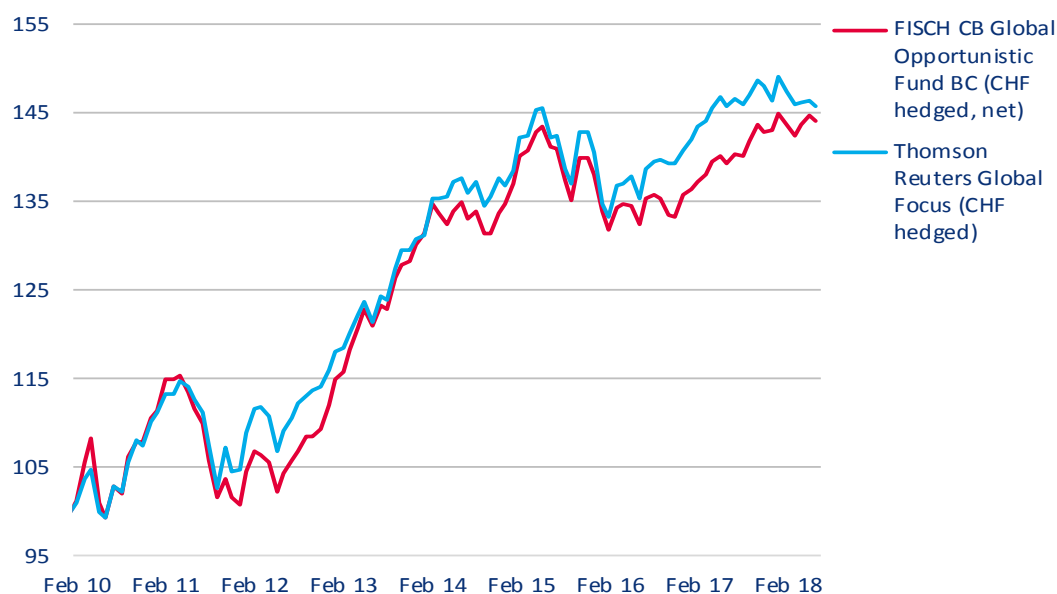
Benchmark
Thomson Reuters Global Focus Investment Grade (EUR hedged)

Key Figures	Portfolio	Benchmark	Relative
Currency	EUR	EUR	
Month to Date Return	-0.19%	-0.61%	0.42%
Quarter to Date Return	0.45%	-0.06%	0.52%
Year to Date Return	-0.15%	-1.45%	1.30%
Return 1 Year	2.69%	-2.91%	5.60%
Annualized Return 3 Years	1.25%	-0.02%	1.27%
Annualized Return 5 Years	3.06%	2.10%	0.96%
Annualised Return since Inception (01.04.2009)	6.44%	4.78%	1.66%
Volatility 3 Years	4.20%	4.82%	-0.61%
Sharpe Ratio 3 Years	0.36	0.05	0.31

Performance FISCH CB Global Opportunistic Fund – CHF Hedged

The opportunistic strategy has been implemented in the portfolio of the FISCH CB Global Opportunistic Fund relative to the mentioned benchmark Thomson Reuters Global Index since 1st February 2010.

Performance (indexed)



Portfolio
FISCH CB Global Opportunistic Fund BC (CHF hedged, net)

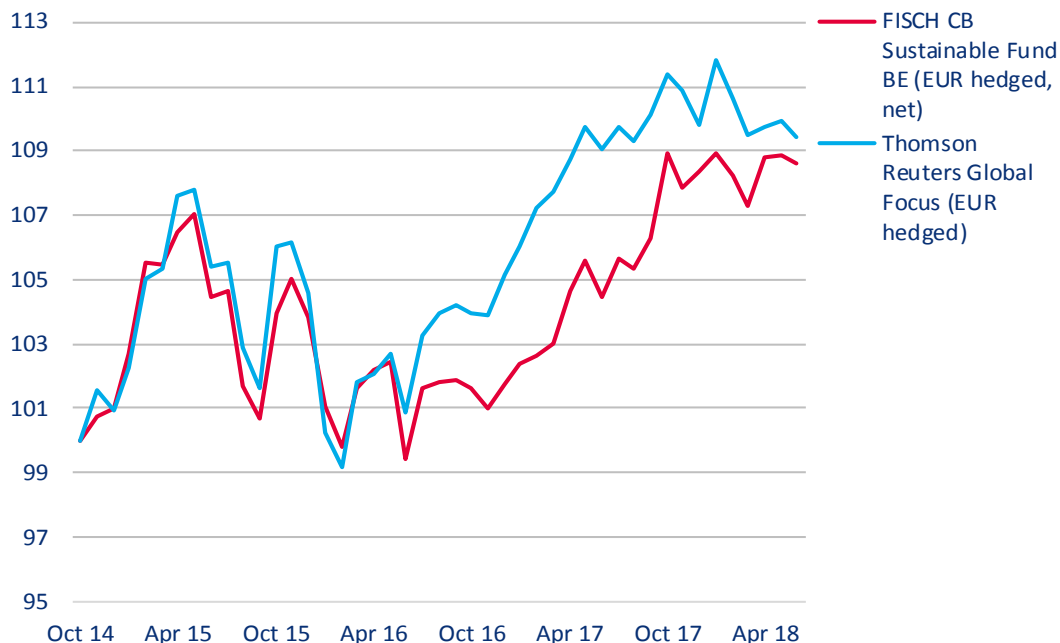
Benchmark
Thomson Reuters Global Focus (CHF hedged)

Key Figures	Portfolio	Benchmark	Relative
Currency	CHF	CHF	
Month to Date Return	-0.34%	-0.48%	0.14%
Quarter to Date Return	1.17%	-0.10%	1.28%
Year to Date Return	0.80%	-0.47%	1.27%
Return 1 Year	3.50%	-0.01%	3.51%
Annualized Return 3 Years	0.69%	0.81%	-0.12%
Annualized Return 5 Years	3.57%	3.73%	-0.15%
Annualised Return since Inception (01.02.2010)	4.45%	4.58%	-0.14%
Volatility 3 Years	4.61%	5.19%	-0.58%
Sharpe Ratio 3 Years	0.31	0.30	0.01

Performance FISCH CB Sustainable Fund – EUR Hedged

The sustainable strategy has been implemented in the portfolio of the FISCH CB Sustainable Fund relative to the mentioned benchmark Thomson Reuters Index since 15th of May 2009.

Performance (indexed)



Portfolio
FISCH CB Sustainable BE (net of fee)

Benchmark
Thomson Reuters Global Focus (EUR hedged)

Key Figures	Strategy	Benchmark	Relative
Currency	EUR	EUR	
Month to Date Return	-0.22%	-0.45%	0.23%
Quarter to Date Return	1.24%	-0.03%	1.27%
Year to Date Return	0.23%	-0.31%	0.54%
Return 1 Year	3.97%	0.36%	3.62%
Annualized Return 3 Years	1.31%	1.27%	0.05%
Annualised Return since Inception (01.11.2014)	2.28%	2.49%	-0.21%
Volatility 3 Years	4.77%	5.19%	-0.42%
Sharpe Ratio 3 Years	0.33	0.29	0.04

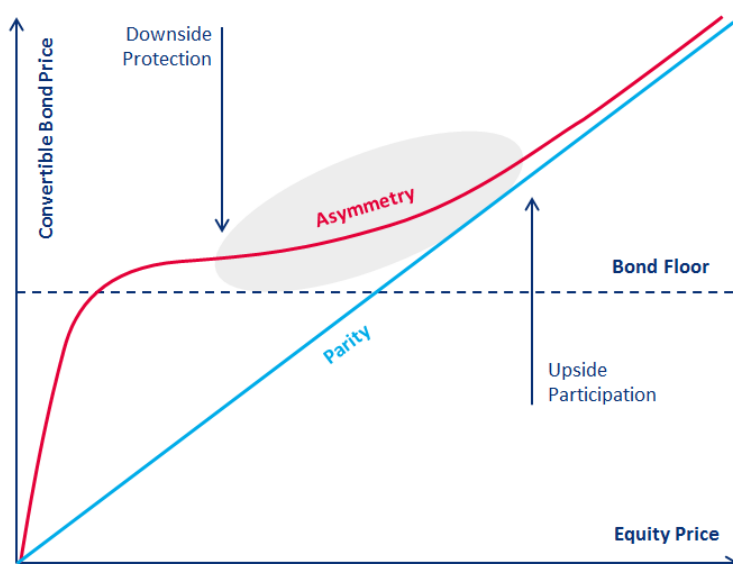
» *Convertible bonds have shown very attractive returns relative to the bond and equity markets, together with a significantly lower volatility than equities.*

Convertible Bond Market

Characteristics of Convertible Bonds

A convertible bond is a combination of a bond (=debt security) and a conversion right (=call option) into a fixed number of shares. This option provides asymmetric participation in share price movements. Rising share prices have a stronger impact on the price trend of a convertible than to falling share prices because the bond floor limits the decline in the convertible bond's value. The asymmetry of a convertible is at its peak in the hybrid area (a delta of 0.4 to 0.6).

Asymmetry



Source Fisch Asset Management

Advantages of Convertible Bonds

Automatic Timing Effects

The equity exposure of a convertible adapts automatically to changes in share price. Exposure increases as share prices rise and declines as share prices fall, which has an automatic risk-reducing effect. Through this asymmetry, the convertible bond becomes more equity-like as share prices rise and provides downside protection as share prices fall. This protection stems from the fact that the bond will be repaid at 100% at maturity, assuming there is no default.

Risk Premiums

An investor who buys a convertible bond simultaneously acquires four special risk premiums that promise above-average returns in the medium term: a liquidity premium (a convertible is often less liquid than a straight bond and a separate call option), a premium due to the long maturity of the call option, a credit risk premium on the option and a growth premium since convertibles are often issued by relatively small companies from growth industries. Given that

a convertible bond combines all these risk premiums in one instrument, investors usually receive a package discount (because of the above-mentioned liquidity premium).

Advantages in Special Market Situations

Protection during Rising Interest Rates

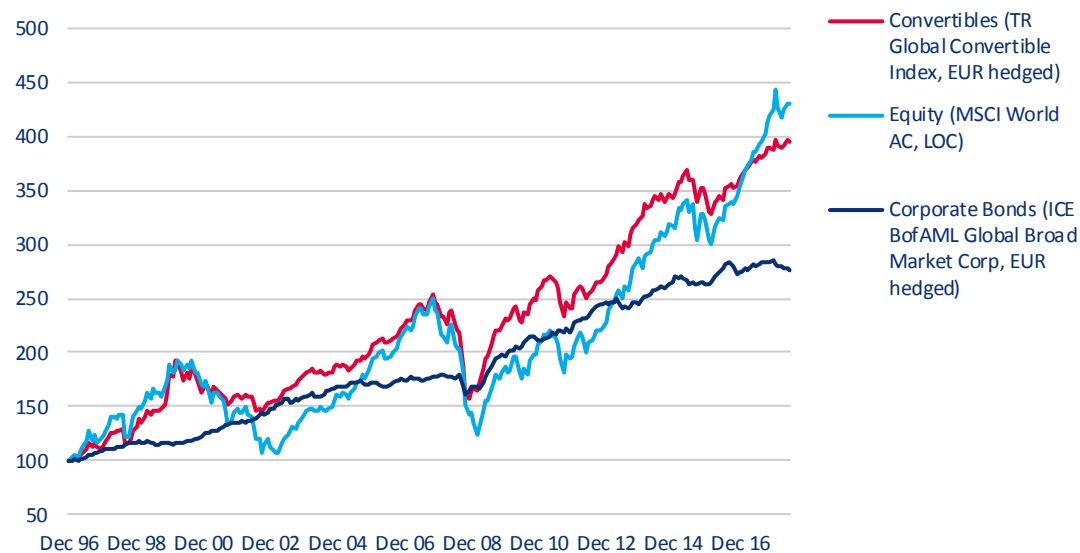
In times of rising interest rates, especially due to positive economic prospects, convertible bonds have the advantage that they lose less value than straight bonds or can even manage to produce positive returns. This is attributable to the generally shorter duration, to the value of the conversion right and to the investor’s implied put option on the bond component at conversion (exotic bond put).

Protection in falling equity markets (volatility effects)

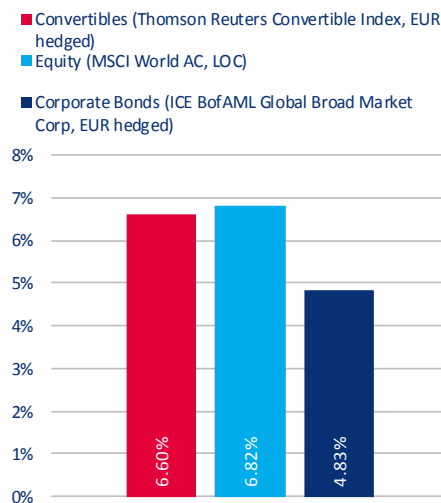
When share prices fall sharply, market volatility generally rises significantly. The conversion right corresponds to a call option, which increases in value in response to market volatility. Through this negative correlation of equity markets and volatility, convertible bonds offer an additional reduction of downside risk in phases of market stress.

Historical performance Comparison

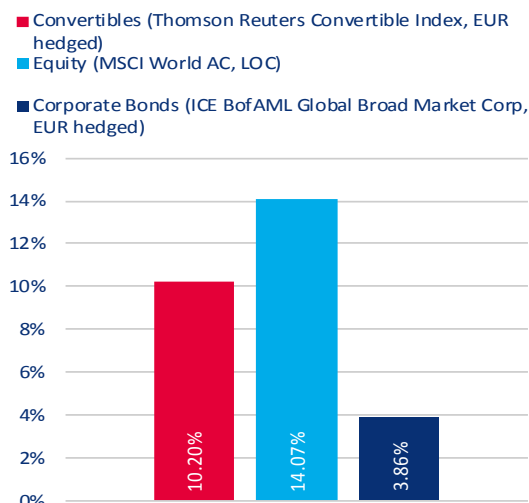
Performance Chart (indexed)



Return p.a.



Risk p.a.



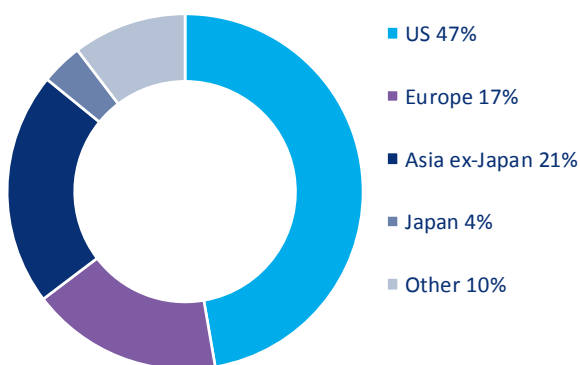
Since the inception of the relevant indices (1996), convertible bonds have demonstrated very attractive returns relative to bond and equity markets, plus significantly lower volatility than equities.

Convertible Bond Market

The size of the convertible bond universe is approximately USD 500 billion, and convertibles have an average credit rating of about BB+. Most convertible bonds are issued in the USA and Europe. Issuers are very frequently from growth industries. By offering investors a conversion right, the issuers lower the required interest payments on a bond.

Issuing Activity

Regional as of 30.06.2018



Annual convertible bonds issuance in USD bn

Year	USA	Europe	Asia ex-Japan	Japan	Others	Total
1999	41.0	35.0	4.3	9.0	4.7	94.1
2000	67.3	33.8	6.8	5.1	10.0	123.0
2001	101.9	48.4	8.8	4.4	2.0	165.5
2002	55.9	23.7	11.2	7.9	2.1	100.8
2003	96.1	50.8	17.0	12.6	3.6	180.1
2004	50.7	19.9	22.1	18.3	5.8	116.9
2005	44.3	18.5	13.3	4.7	3.8	84.5
2006	74.9	22.9	18.5	13.9	6.9	137.0
2007	102.3	41.4	33.9	10.6	14.8	203.0
2008	69.3	18.5	11.2	8.9	6.1	114.0
2009	38.5	38.3	12.9	4.8	9.5	104.1
2010	37.5	21.3	26.6	4.8	13.1	103.4
2011	25.3	15.5	20.4	4.5	6.9	72.6
2012	23.0	21.5	7.4	3.7	5.9	61.5
2013	46.1	29.5	9.6	6.9	4.3	96.5
2014	49.0	26.6	9.3	8.8	4.1	97.8
2015	35.4	23.1	7.9	7.7	8.0	82.0
2016	36.3	27.7	7.3	4.3	2.2	77.9
2017	35.5	22.6	5.9	6.5	2.1	72.5
2018 (Ann.)	59.3	21.8	26.6	4.7	13.0	125.5

Source UBS, June 2018

» *Transparency, open communication, entrepreneurial spirit and mutual respect are the principles that define our corporate culture, and which we put into practice every day. These are key factors for our long-term performance as an asset manager, and hence for the success of our investors.*

Fisch Asset Management

Brief Profile



Kurt Fisch
Founder



Dr. Pius Fisch
Founder

Fisch Asset Management is a focussed and active manager of investment funds and institutional mandates. A global leading position in the field of convertibles has been established since foundation. With the same goal in mind, the company also began managing corporate bonds twelve years ago, focusing primarily on high yield and emerging market corporate bonds. Absolute return and trend following products were added to the asset management range eight years ago. The independent asset management boutique was founded by Kurt and Pius Fisch in 1994. With its 88 employees, Fisch managed assets of CHF 10.76 billion at the end of June 2018. The asset management team consists of 23 portfolio managers with an average of 15 years of investment experience, including 15 senior managers. Thanks to the majority stake in the independent credit analysis firm Independent Credit View (13 analysts with an average of 19 years of experience), Fisch Asset Management is also a leader in credit analysis and monitoring. Focusing on sophisticated investors, we offer tailored solutions and public investment funds. In all our products, we strive for outperformance in line with the respective strategy, with particular emphasis on positive relative returns in phases of market stress. Our key performance drivers in this process are credit research/security selection, trend recognition and our macroeconomic model. Comprehensive reporting and transparent communication with investors are also a priority for us.

Successful management of convertible bonds requires competence in the key components of convertibles, in trend recognition and in the behaviour of the different components under market stress. Our expertise in these areas is underscored by the 2014 Lipper Group Award for the asset class “Bond Small” in Germany and Austria. After 2010, 2011, 2012 and 2013 our FISCH Bond CHF Fund received also in 2014 over three, five and 10 years many awards in the category Bond Swiss Franc. In Switzerland, the FISCH CB Sustainable Fund won in 2014 an award over 3 years in the category of global investing sustainable convertible funds. The FISCH Bond Fund (CHF) was honoured by Citywire in 2016 in its asset class Bonds – Swiss Franc as well as for its manager. The FISCH Bond Fund (CHF) was honoured by Citywire in 2016 and in 2017 in its asset class “Bonds – Swiss Franc” as well as for its manager.

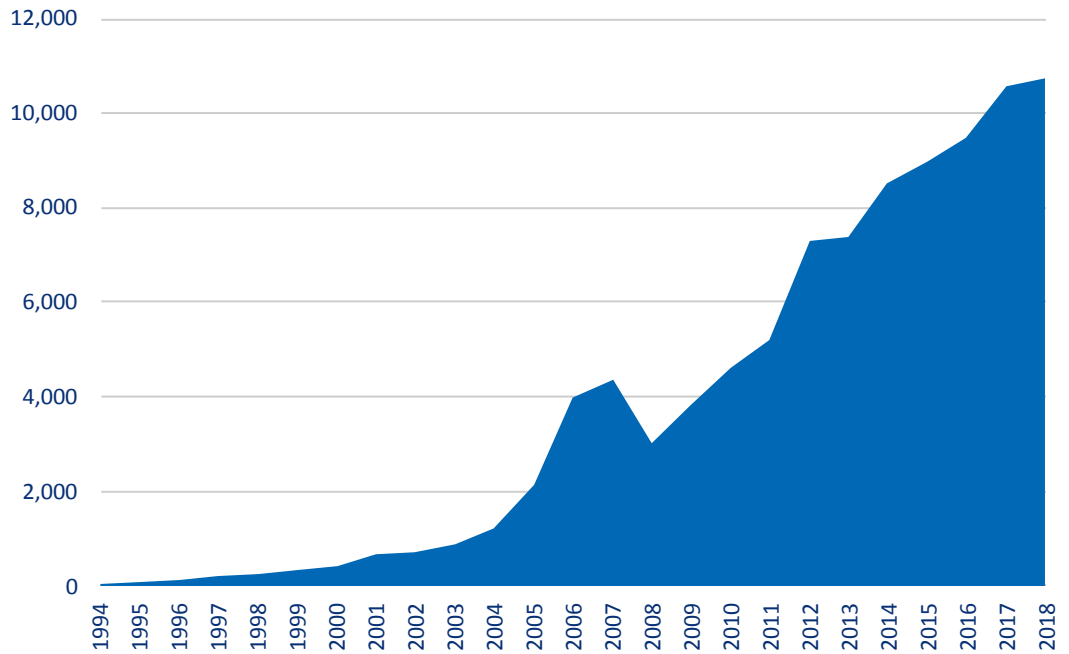
Our corporate culture is marked by entrepreneurial spirit, joint participation and independence. 100% of the shares are owned by the employees, with the majority held by the two founders of the firm.

Cooperate Alliances

In 2009, Fisch launched the first sustainable convertible bond fund together with cooperation partner Bank J. Safra Sarasin AG, which provides the sustainability research.

Development of Assets under Management

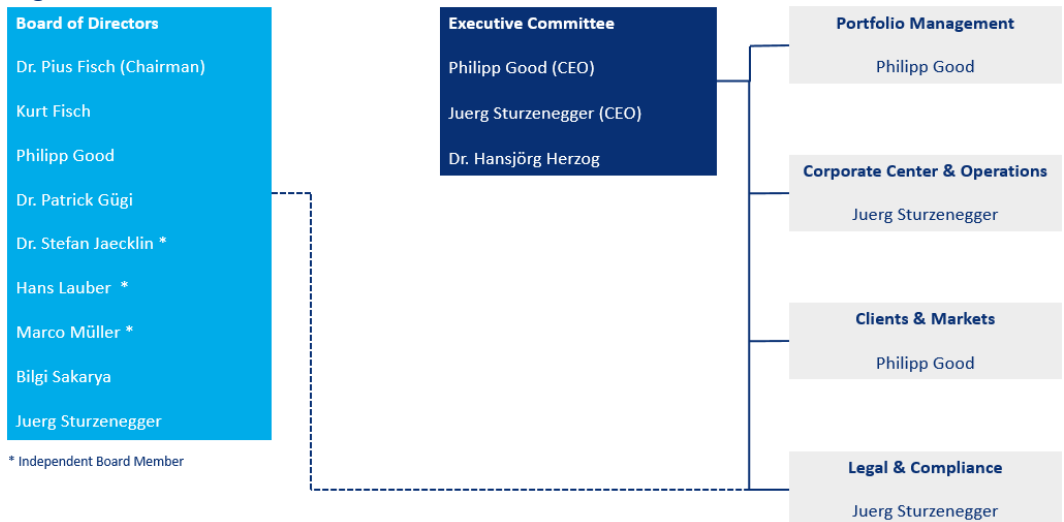
Assets under Management (CHF m)



Fisch Asset Management has recorded a strong rise in assets under management in the past years. As of 29.06.2018 the assets under management amount to CHF 10.76 bn.

Company Structure

Organisation Chart



Investment Team

Investment Team	Years at Fisch	Years of Investment Experience	Years of Industry Experience	Research Responsibility	Function
Convertible Bonds					
Dr. Klaus Göggelmann	2007 (11)	1999 (19)	1984 (34)	North America / Financials	Senior PM
Roland Hotz	2001 (17)	2001 (17)	1977 (41)	Europe and others / Consumer Disc. & Staples	Senior PM
Stefan Meyer	2008 (10)	1994 (24)	1994 (24)	Asia / Information Technology	Senior PM
Stephanie Zwick	2010 (8)	2010 (8)	2003 (15)	-	Senior PM
Ute Heyward	2011 (7)	2006 (12)	2002 (16)	North America / Communications, Healthcare	Senior PM
Filip Adamec	2016 (2)	2006 (12)	2006 (12)	Global Credit / Materials, Energy / Yield Monitor	PM
Gerrit Bahlo	2018 (0)	2015 (3)	2011 (7)	tbd	PM
Leonardo Spangaro	2015 (3)	2015 (3)	2011 (7)	Japan / Industrials, Utilities	PM
Corporate Bonds					
Philipp Good	2007 (11)	2002 (16)	1995 (23)	-	Senior PM, CEO
Hannes Bollner	2008 (10)	2008 (10)	2005 (13)	Asia	Senior PM
Peter Jeggli	2005 (13)	1987 (31)	1987 (31)	North America	Senior PM
Kyle Kloc	2016 (2)	2000 (18)	2000 (18)	North America, Europe	Senior PM
Meno Stroemer	2014 (4)	2000 (18)	1992 (26)	Central Europe, Middle East, Africa	Senior PM
Oliver Reinhard	2013 (5)	2008 (10)	2001 (17)	Europe	PM
Sergio Coviello	2012 (6)	2015 (3)	2012 (6)	Global	PM
Atish Suchak	2017 (1)	2001 (17)	2001 (17)	Global	Senior Analyst
Absolute Return					
Reto Baumgartner	2005 (13)	2005 (13)	2005 (13)	Asset Allocation	Senior PM
Dr. Patrick Gügi	2007 (11)	1990 (28)	1990 (28)	Asset Allocation	Senior PM
Dr. Olivier Schmid	2012 (6)	2005 (13)	2005 (13)	Trends	Senior PM
Dr. Patrick Wirth	2015 (3)	2005 (13)	1998 (20)	Trends	Senior PM
Vlad Balas	2010 (8)	2010 (8)	2008 (10)	Asset Allocation	PM
Dzemo Fazli	2012 (6)	2012 (6)	2012 (6)	Asset Allocation	PM
Robert Koch	2016 (2)	2007 (11)	2007 (11)	Asset Allocation	PM
Bilgi Sakarya	1996 (22)	1989 (29)	1987 (31)	Trends	Senior Product Specialist
Investment Office					
Beat Thoma	2000 (18)	1992 (26)	1985 (33)	Asset Allocation	Senior PM, CIO
Kurt Fisch	1994 (24)	1984 (34)	1978 (40)	Asset Allocation	Founder
Marco Müller	2007 (11)	1997 (21)	1993 (25)	Quantitative Analysis	Senior Analyst
Martin Haycock	2015 (3)	1995 (23)	1995 (23)	Quantitative Analysis	CB Senior Product Specialist/Analyst
Credit Research					
Daniel Pfister*	2005 (13)	1987 (31)	1987 (31)	Credit Analyst	Senior Analyst, CEO I-CV
Gabriele Baur*	2013 (5)	1987 (31)	1987 (31)	Credit Analyst	Senior Analyst
Michael Dawson-Kropf*	2016 (2)	1994 (24)	1994 (24)	Credit Analyst	Senior Analyst
Christian Fischer*	2007 (11)	2007 (11)	2000 (18)	Credit Analyst	Senior Analyst
René Hermann*	2009 (9)	2000 (18)	2000 (18)	Credit Analyst	Senior Analyst
Dr. Kurt Hess*	2009 (9)	1991 (27)	1991 (27)	Credit Analyst	Senior Analyst
Thomas Isler*	2012 (6)	1986 (32)	1986 (32)	Credit Analyst	Senior Analyst
Fabian Keller*	2014 (4)	2004 (14)	2004 (14)	Credit Analyst	Senior Analyst
Marc Meili*	2010 (8)	2012 (6)	2010 (8)	Credit Analyst	Senior Analyst
Robin Schmidli*	2012 (6)	2009 (9)	2009 (9)	Credit Analyst	Senior Analyst
Guido Versoondert*	2011 (7)	1995 (23)	1995 (23)	Credit Analyst	Senior Analyst
Ernst Zbinden*	2005 (13)	1976 (42)	1976 (42)	Credit Analyst	Senior Analyst
Colin Ferguson*	2017 (1)	2013 (5)	2013 (5)	Credit Analyst	Analyst
Patrick Kunz*	2018 (0)	2018 (0)	2018 (0)	Credit Analyst	Analyst
Average	(8)	(17)	(20)		
Number PM / Average	23 (8)	(14)	(19)		
Number Analyst / Average	19 (8)	(21)	(22)		

* Independent Credit View (I-CV)

The Investment Team for Convertible Bonds



Filip Adamec, Portfolio Manager, CFA
(12 years of investment experience)

With Fisch Asset Management since 2016

Research responsibility: Focused on Global Credit / Materials, Energy / Yield Monitor

Portfolio responsibility: Deputy Portfolio Manager of mandate portfolios, JSS Bond Global Convertible Fund and FISCH CB Sustainable



Dr. Klaus Göggelmann, Senior Portfolio Manager, CFA
(19 years of investment experience)

With Fisch Asset Management since 2007

Research responsibility: Member of Investment Committee, security analysis focused on North America / Financials

Portfolio responsibility: Lead Portfolio Manager of FISCH CB Global Defensive Fund, Lead Portfolio Manager of FISCH Bond Fund CHF and mandate portfolios



Ute Heyward, Senior Portfolio Manager, CAIA
(12 years of investment experience)

With Fisch Asset Management since 2011

Research responsibility: Security analysis focused on North America / Communications, Healthcare

Portfolio responsibility: Lead Portfolio Manager of mandate portfolios, Deputy Portfolio Manager of FISCH CB Global Defensive Fund, FISCH CB Opportunistic Fund and FISCH Bond Fund CHF



Roland Hotz, Senior Portfolio Manager
(17 years of investment experience)

With Fisch Asset Management since 2001

Research responsibility: Security analysis focused on Europe and others / Consumer Disc. & Staples

Portfolio responsibility: Lead Portfolio Manager of mandate portfolios, Deputy Portfolio Manager of FISCH CB Global Defensive Fund, FISCH CB Sustainable Fund and FISCH CB Opportunistic Fund



Stefan Meyer, Senior Portfolio Manager, CFA, FRM, CMT, CAIA
(24 years of investment experience)

With Fisch Asset Management since 2008

Research responsibility: Security analysis focused on Asia / Information Technology

Portfolio responsibility: Lead Portfolio Manager of FISCH CB Sustainable Fund, JSS Bond Global Convertible Fund and mandate portfolios



**Leonardo Spangaro, Portfolio Manager
(3 years of investment experience)**

With Fisch Asset Management since 2015

Research responsibility: Security analysis focused on Japan / Industrials, Utilities

Portfolio responsibility: Deputy Portfolio Manager of mandate portfolios



**Stephanie Zwick, Head of Convertible Bonds, Senior Portfolio Manager,
CFA (8 years of investment experience)**

With Fisch Asset Management since 2010

Research responsibility: -

Portfolio responsibility: Lead Portfolio Manager of FISCH CB Global Opportunistic Fund and mandate portfolios

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