

Twelve Insurance Bond Fund B2 EUR

THIS IS A MARKETING DOCUMENT THAT ONLY OUTLINES CERTAIN KEY FEATURES OF THE PRODUCT. PLEASE ENSURE YOU READ THE PROSPECTUS, KEY INFORMATION DOCUMENT AND RELEVANT SUPPLEMENT BEFORE YOU MAKE A DECISION TO INVEST IN THE FUND.

Commentary

Market volatility increased in August and in the Euro area, GDP grew modestly in Q2 2023, with tight labor markets (6.4% unemployment rate). Inflation data in the Eurozone pointed to an increase to 5.3%, leading to expectations of ECB rate hikes in September. Italian bank tax caused a 2.2% drop in MSCI Europe ex-UK index. UK's BoE raised rates to 5.25%, with a strong Q2 GDP. CPI eased to 6.8%, while wage growth is expected to reach a high level. Expectations of more BoE rate hikes pushed Gilt yield to 4.4%. FTSE All-Share declined 2.5% over the month. As expected, there was no new issuance from the sector in August, although it is expected to pick up after summer. We saw half year results from the sector, with no concerns. In terms of management changes, Direct Line appointed a new CEO which should be positive news for bondholders.

Key Fund facts

ISIN	LU0812901139
NAV/share	EUR 154.20
Fund size	EUR 13'587'217
Share class currency	EUR
Distribution type	accumulating
Minimum investment	EUR 125'000
Dealing frequency	daily
Share class currencies	USD, EUR, CHF
Portfolio Management fee	0.60%
Performance fee	none
TER	1.41%
TER date	31.12.2022
Subscription fee	none
Redemption fee	none

Risk & reward profile²



Performance statistics¹

Month reported	-0.06%	Best month	6.20%
Year to date	1.62%	Worst month	-10.58%
1 Year	0.09%	Positive months	64.39%
3 Years p.a.	-2.91%	Max. drawdown	-20.05%
5 Years p.a.	-0.14%	Volatility p.a. ³	4.78%
Since inception total	54.20%	Sharpe ratio	0.85
Since inception p.a.	4.01%		

Rolling performance¹

	08.2018 08.2019	08.2019 08.2020	08.2020 08.2021	08.2021 08.2022	08.2022 08.2023
Share class	5.96%	2.39%	5.94%	-13.67%	0.09%

Performance development¹



Monthly returns¹

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2018	1.11%	-1.39%	-1.00%	0.48%	-2.74%	-1.33%	1.81%	-1.11%	0.01%	-1.41%	-1.97%	-0.45%	-7.78%
2019	2.61%	0.80%	0.37%	2.70%	-1.86%	2.98%	1.33%	0.84%	-0.15%	1.09%	0.59%	1.09%	13.02%
2020	1.00%	-1.85%	-10.58%	6.20%	1.07%	1.07%	2.10%	1.58%	-0.47%	-0.01%	2.92%	1.11%	3.31%
2021	-0.58%	-0.28%	1.17%	0.97%	0.06%	0.42%	0.17%	0.36%	-0.01%	-0.82%	-0.93%	0.61%	1.12%
2022	-2.04%	-3.45%	-0.10%	-2.44%	-0.73%	-4.89%	2.48%	-2.08%	-6.44%	1.61%	3.19%	0.39%	-13.98%
2023	2.16%	-0.57%	-1.34%	0.81%	-0.47%	0.03%	1.08%	-0.06%					1.62%

¹ Past performance is not indicative of future returns. Performance figures are net of fees and costs

² The Fund's risk & reward profile shows the variations in value an investment in this Fund would have undergone over the past five years, whereby simulated performance data is used in the case of missing history. The Fund's risk rating may change in the future

³ The volatility calculation is based on the frequency of the NAV calculation and is calculated since inception of the share class

Portfolio characteristics

Average coupon	5.14%
Yield to expected buyback in bond ccy	6.70%
Yield to expected buyback hedged to share class ccy	6.14%
Yield to next call	6.93%
Average bond price	92.64
Average issue rating	BBB- to BBB
Modified duration	3.18
Investment degree	94.30%
Number of positions	57

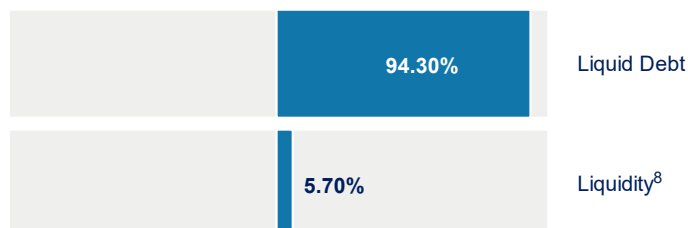
Top 10 portfolio positions

ROTHESAY LIFE 8.000% 10/30/25	2.95%
JUST GROUP PLC FLT PERP	2.82%
PENSION INSURANCE 8.000% 11/23/26	2.78%
FIDELIDADE CIA SEGUROS FLT 09/04/31	2.65%
LA MONDIALE FLT PERP	2.60%
AXA SA FLT PERP SR:EMTN	2.56%
INTESA SANPAOLO VITA SPA FLT PERP	2.22%
CREDIT AGRICOLE ASSRNCES FLT PERP	2.22%
ATHORA HOLDING LTD 6.625% 06/16/28	2.21%
UNIPOLSAI ASSICURAZIONI FLT PERP SR:EMTN	2.21%

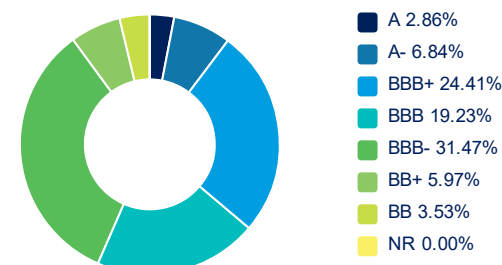
Top/bottom contributors⁵

SCOR SE FLT PERP SR:..	0.22%
HISCOX LTD FLT 11/24/45	0.19%
ESURE GROUP PLC 6.750% 12/19/24	0.16%
UNIPOLSAI ASSICURAZIONI 3.875% 03/01/28 SR:EMTN	0.15%
GENERTEL SPA FLT 12/14/47	0.15%
DIRECT LINE INSURANCE GR FLT PERP	-0.20%
AEGON NV FLT PERP	-0.10%
AEGON NV FLT PERP	-0.09%
JUST GROUP PLC FLT PERP	-0.09%
CHESNARA PLC 4.750% 08/04/32	-0.07%

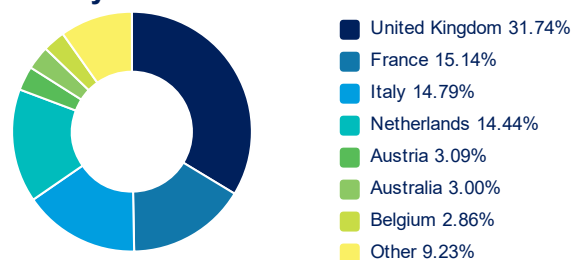
Asset allocation



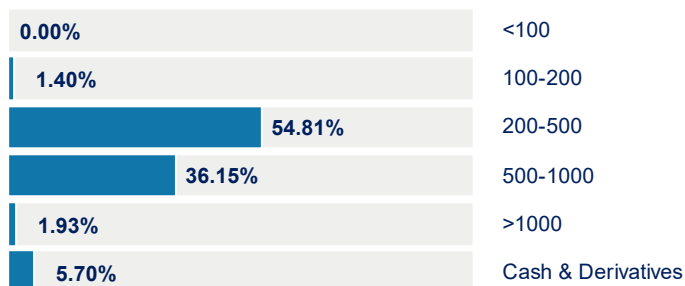
Rating profile⁷



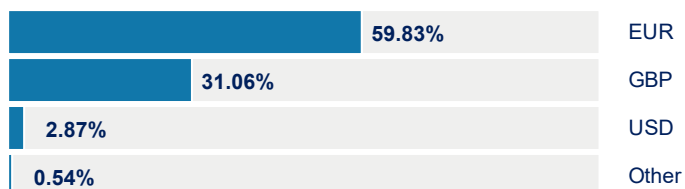
Country allocation⁴



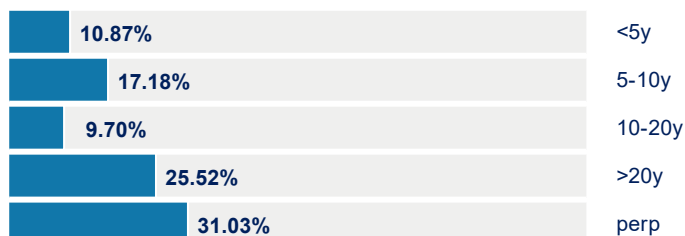
Allocation by issue size (in m EUR)



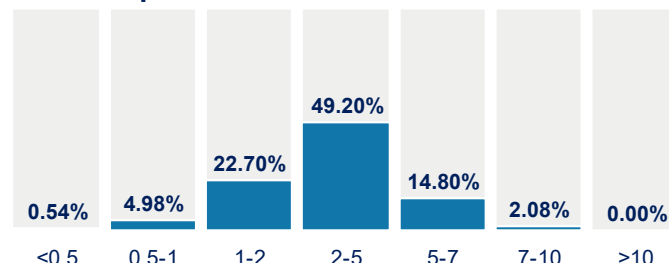
Currency allocation⁶



Maturity profile



Duration profile


⁴ % of investments

⁵ 12m rolling

⁶ The base currency of the Fund is EUR. Currency hedging is applied to hedge non-EUR currency exposures

⁷ Worst of S&P and Moody's presented as S&P equivalent rating

⁸ Liquidity: Liquidity includes cash, cash equivalents and FX related derivatives

Investment objective

The Fund invests in bonds issued by insurance and reinsurance companies, who primarily issue such instruments for regulatory and capital purpose. The investible universe enables the Fund to exploit global opportunities in a highly regulated and complex sector in multiple currencies and regulatory jurisdictions. The Fund may hold up to 20% of its net assets in debt securities rated below the investment grade (BBB (S&P), Baa3 (Moody's) or equivalent).

Fund facts

Domicile	Luxembourg
Legal structure	SICAV SIF
Inception date	31.08.2012
End of fiscal year	31.12.
Minimum investment	EUR 125'000
Dealing frequency	daily
Subscriptions	3pm LUX Time, 3 business days prior to the Calculation day
Redemptions	3pm LUX Time, 5 business days prior to the Calculation day
ISIN	LU0812901139
Swiss Sec. No.	19167086
WKN	A1J2S5
Bloomberg ticker	EXTWIB2 LX Equity
Fund management company	MultiConcept Fund Management S.A.
Investment manager	Twelve Capital AG Dufourstrasse 101 8008 Zurich, Switzerland
Portfolio manager	Urs Ramseier and Dinesh Pawar

ESG

- The Fund promotes, among other characteristics, environmental and social characteristics (Art 8 SFDR - Sustainable Finance Disclosure Regulation).
- The investment process incorporates sustainability considerations by applying Twelve's Exclusion List Policy and utilising Twelve's Sustainability Impact assessments.

Risk factors

An investment in the Fund is associated with various risks which include:

Concentration in one industry risk: When a portfolio is reliant on one industry or market segment (i.e., insurance industry), this creates concentration risk. Thus, it increases the likelihood that a single impact can have a big effect.

Counterparty risk: The counterparty in a credit, or trading transaction may not fulfil its part of the deal and may default on the contractual obligations.

Interest rate risk: In particular fixed rate securities may be affected by changing interest rates which may reduce or increase the market value of a bond.

Liquidity risk: Potentially, certain instruments may not be liquidated in a reasonable time frame.

Market risk: The price of investments may fluctuate and can decline in value due to factors affecting financial markets generally or particular industries, sectors, companies, countries or geographies represented in the portfolio.

Contact

info@twelvecapital.com
+41 (0)44 5000 120
twelvecapital.com

Glossary

Max. drawdown is the maximum cumulative loss from the historical peak to the following historical trough.

Volatility is a commonly used risk measure in the financial markets. It indicates variability in the return of an investment.

The Sharpe ratio expresses how much higher (or lower) a return an investor can expect compared to the risk-free rate of interest per unit of risk. The risk-free rate of interest varies from currency to currency and is set to the current annualised 1-month interest rate.

Asset weighted portfolio average **yield to expected buyback date**. Expected buyback dates are defined within the Twelve Capital proprietary analysis framework by reference to factors influencing capital utility. They represent Twelve Capital opinions on likely buyback dates and are not guaranteed.

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