BL-Global Flexible USD

a sub-fund of SICAV BL

Fund Fact Sheet

28/02/2022

Asset Class

Mixed Asset Global Flexible USD

Fund Characteristics

AUM	$ 107,2 mn
Launch date	14/01/2011
Oldest share class (B)	LU0578147729
Turnover (2021) *	13%
Reference currency	USD
Legal structure	SICAV, UCITS
Domicile	Luxembourg
European passport	Yes
Countries of registration	AT, BE, CH, DE, DK, ES, FI, FR, GB, IT, LU, NL, NO, SE, SG, PT

Fund Manager

Luc Bauler joined Banque de Luxembourg's Dealing Room in 1996 as a bond trader, before becoming abond portfolio manager for the discretionary mandates managed by the Bank in 1999. In 2001, he joined the financial analysis and portfolio management department. Since 2005, he has been managing the US equity investments for the BLI's range of funds.
Luc has a degree in Economic Science with a specialization in economics and business management from the Université Louis Pasteur in Strasbourg.

Management Company

BLI - Banque de Luxembourg Investments
16, boulevard Royal
L-2449 Luxembourg
Tel: (+352) 26 26 99 - 1
www.bli.lu

Dealing & Administrator Details

European Fund Administration (EFA)	
Tel	+352 48 48 80 582
Fax	+352 48 65 61 8002
Dealing frequency	daily**
Cut-off time	17:00 CET
Front-load fee	max. 5%
Redemption fee	none
NAV calculation	daily**
NAV publication	www.fundinfo.com

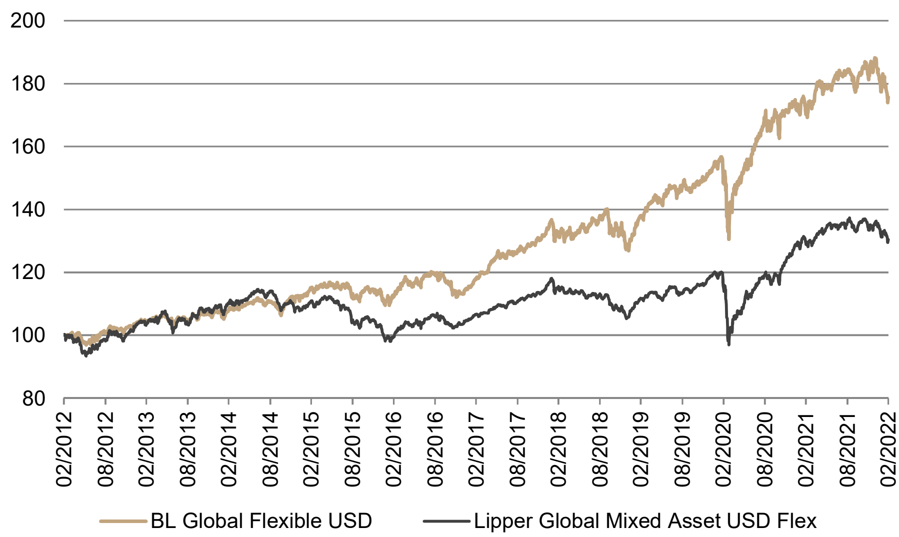
* min (purchases, sales) / average of net assets
** Luxembourg banking business day
*** Lipper Global Mixed Asset USD Flexible Global

Investment Objective

The fund aims to provide attractive risk-adjusted returns from an actively managed, globally diversified portfolio consisting of equities, bonds and money market instruments. The weighting of these asset classes depends on their valuations and the portfolio manager's view on their relative attractiveness in the prevailing economic environment.
The portfolio is managed from the perspective of an USD-based investor with a predoninance of USD-denominated investments (min 65%). Currency risks relative to the USD may be subject to hedging.

Key Facts

- Flexible balanced wealth management fund.
- Focus on capital preservation over the medium to long term.
- Fund portfolio structure is not linked to a benchmark.
- Equity portfolio of the fund invests in High Quality Companies.
- Bond portfolio of the fund predominantly invests in Government Bonds.
- The fund may hold cash.
- The fund may invest up to 10% of its assets in open-end investment funds



Performance	YTD	2021	2020	2019	2018	2017
Fund (B shares)	-6,5%	7,9%	14,8%	17,7%	-2,4%	16,7%
Peergroup ***	-4,1%	7,1%	7,0%	12,3%	-7,8%	10,6%

Performance	1 month	3 months	6 months	1 year	3 years	5 years
Fund (B shares)	-2,7%	-3,2%	-4,5%	3,3%	27,8%	48,9%
Peergroup ***	-1,1%	-2,2%	-4,1%	1,3%	16,9%	22,5%

Volatility	6 months	1 year	3 years	5 years
Fund (B shares)	8,8%	7,5%	10,8%	9,5%
Peergroup ***	6,3%	5,8%	9,4%	7,9%

The index (Lipper Global Mixed Asset USD Flexible Global) is shown in the performance tables above for performance measurement purposes only and it should under no circumstances be considered as an indication of a specific investment style or strategy.
Investors are also invited to consult the performance chart disclosed in the key investor information document of the sub-fund.

BL-Global Flexible USD
a sub-fund of SICAV BL

BANQUE DE LUXEMBOURG INVESTMENTS

Current Portfolio

28/02/2022

Top Holdings Equity Portfolio	
Microsoft	7,2%
ABN AMRO Funds Pzena US Equiti	6,5%
Amazon.com	5,2%
Apple	4,3%
Lowes Companies	4,1%
# holdings equity portfolio	**67**

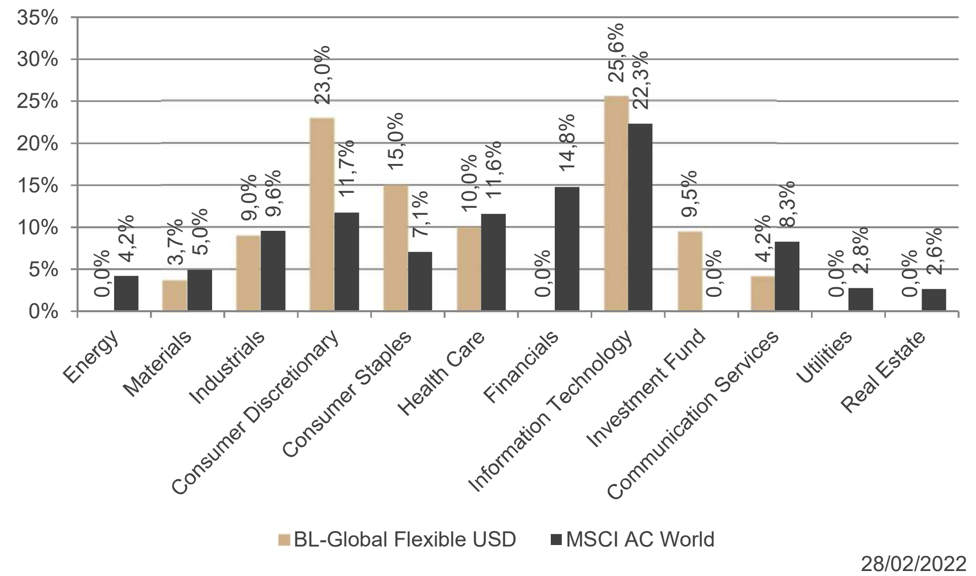
Top Holdings Bond Portfolio	
No Fixed Income Investments	
# holdings bond portfolio	**0**

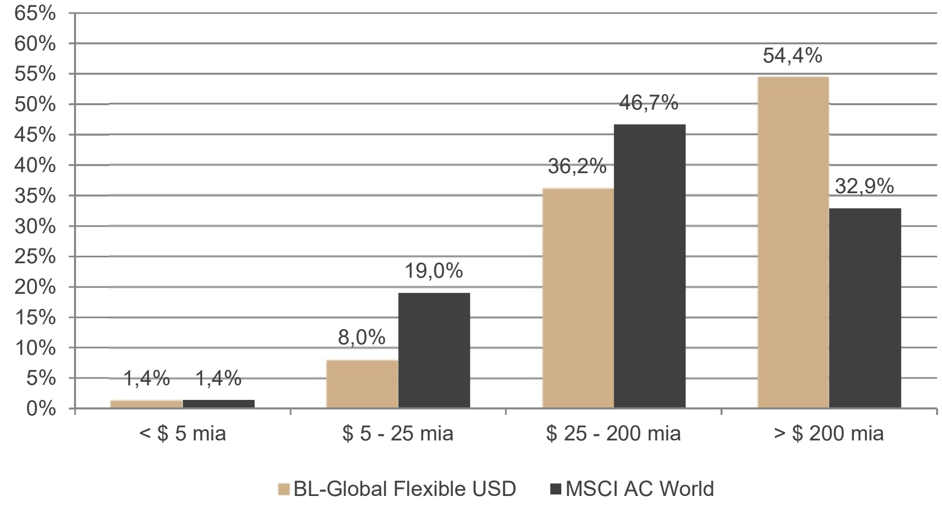
Bond Portfolio Technicals	
average modified duration	0,0
average maturity	0,0 years
average yield to maturity	0,0%

New Investments in February (Equities)	
Johnson + Johnson	1,2%

Investments sold in February (Equities)	
Fiserv	1,2%
Sage Group	0,5%

Currency allocation	before hedging	after hedging
USD	81,4%	81,4%
HKD	0,5%	0,5%
SGD	0,7%	0,7%
EUR	3,9%	3,9%
GBp	3,4%	3,4%
CHF	5,1%	5,1%
BRL	0,1%	0,1%
JPY	3,0%	3,0%
KRW	0,1%	0,1%
PHP	0,2%	0,2%
TWD	1,4%	1,4%
ZAR	0,1%	0,1%





Asset Allocation February 2022

	Gross	Hedging	Net
Equity	89,6%	33,6%	56,0%
Bonds	0,0%		0,0%
Cash	10,4%		10,4%
Total	**100,0%**		

Investor Type	Clean Share	Elegibility restrictions	Share Class	Currency	Currency Hedging	Income	Mgmt Fees	On-going Charges	SRRI	ISIN	Bloomberg Ticker
Retail	No	No	**A**	USD	No	Dis	1,25%	1,51%	4	LU0962807938	BLGBFLA LX
Retail	No	No	**B**	USD	No	Cap	1,25%	1,52%	4	LU0578147729	BLGFUSB LX
Retail	Yes	Yes	**AM**	USD	No	Dis	0,85%	1,12%	4	LU1484143869	BLGBFBM LX
Retail	Yes	Yes	**BM**	USD	No	Cap	0,85%	1,12%	4	LU1484143943	BLGBBMA LX
Institutional	No	Yes	**BI**	USD	No	Cap	0,60%	0,83%	4	LU1484144081	BLGBBIA LX

BL-Global Flexible USD

a sub-fund of SICAV BL

BANQUE DE LUXEMBOURG INVESTMENTS

Management Report

28/02/2022

Macroeconomic environment

Global economic growth remains robust. After a slight weakness in services activities at the beginning of the year due to the sharp increase in coronavirus infections, most economic indicators are improving again. In the United States, growth appears to be particularly solid, with household consumption benefiting from the strong acceleration in wages and business investment from high profit growth. In Germany, the IFO activity indicator picked up considerably in February, suggesting that supply problems in the manufacturing sector are beginning to improve. In China, the public authorities are increasing fiscal and monetary support measures to avoid an excessively severe economic slowdown given the deceleration of activity in the real estate sector. In Japan, soaring commodity prices are likely to weigh on the current account and GDP growth due to the country's heavy dependence on energy imports. High inflation is the major risk to global growth in the coming months, especially as the escalating conflict between Russia and Ukraine is expected to further exacerbate the rise in energy costs.

Inflation statistics continue to deteriorate. In the United States, the headline inflation rate rose from 7.0% in December to 7.5% in January, the highest level since February 1982. Excluding energy and food, core inflation rose from 5.5% to 6.0%. The Personal Consumption Expenditure deflator excluding energy and food, the Federal Reserve's preferred price indicator, rose from 4.9% to 5.2%, a new high since April 1983. In the Eurozone, inflation also continued to rise, surpassing the record level since the introduction of the single currency that was reached last month. Thus, from January to February, the overall inflation rate rose from 5.1% to 5.8%. Excluding energy and food, it rose from 2.3% to 2.7%.

The publication of the minutes of the January meeting of the US Federal Reserve confirmed the determination of Jerome Powell and his team to tighten monetary conditions in order to avoid the anchoring of permanently higher inflation. In Europe, the President of the European Central Bank adopted a more restrictive tone than expected at the first meeting of the Governing Council this year. Although monetary conditions were not changed, Christine Lagarde was no longer willing to rule out a first interest rate hike this year. She described a possible rate hike as an "option" depending on the evolution of price statistics in the coming months.

Financial markets

Continued central bank intervention has made the financial system increasingly fragile.

After their strong increase in 2020, valuation multiples have come back somewhat in 2021, a year where equity prices have risen less than company earnings. Multiples remain high in absolute terms, however. The low level of interest rates, high corporate profitability and decent corporate earnings growth continue nevertheless to speak in favor of equities. The weakness of corporate spending also enables companies to devote a significant portion of their cash flow to buying back their shares and increasing their dividend. It also stimulates M&A activity which gives a further boost to stock prices.
The factors that have been so favorable to equity markets over the last decades could slowly begin to revert: the potential for interest rates to decline seems exhausted, the return to policies promoting the national interest over international cooperation is introducing economic and geopolitical risks, and the demographic structure of the population has reached a stage where it threatens to negatively impact available savings. Over the long term, valuation mul¬tiples therefore have a strong chance of declining and it will be all the more difficult to generate attractive returns from equities by simply adopting a passive approach. Even in difficult markets, it is nevertheless possible to invest intelligently in equities, provided one has a rigorous stock selection process.
The risk/return ratio for bonds has deteriorated sharply over the past decade: yields have fallen and duration has increased. There is little chance that high-quality (Investment Grade) bonds can still offer a positive inflation-adjusted return over the medium term. Low bond yields also mean that government bonds might lose their diversification capacity in a balanced portfolio.

Monthly comment February

In the first half of February, deteriorating inflation data extended the previous month's rise in government bond yields. In the second half, following the escalation of the conflict between Russia and Ukraine, government bonds were sought after as a safe haven and long rates began to fall. Finally, for the month as a whole, the yield to maturity on the 10-year US Treasury note was up slightly from 1.78% to 1.83%. In the Eurozone, the benchmark 10-year rate rose from 0.01% to 0.13% in Germany, from 0.42% to 0.60% in France, from 1.29% to 1.71% in Italy and from 0.75% to 1.11% in Spain.

In February, the stock markets maintained the downward trend that began at the beginning of the year. Inflationary risks, exacerbated by the escalating conflict between Russia and Ukraine, put pressure on stock prices. As a result, the MSCI All Country World Index Net Total Return in euro terms fell by 2.8%. At the regional level, the S&P 500 in the US, the Stoxx Europe 600, the Topix in Japan and the MSCI Emerging Markets fell by 3.1% (in USD), 3.4% (in EUR), 0.5% (in JPY) and 3.1% (in USD) respectively. At the sector level, only energy remained unaffected by the generalized stock market weakness since the beginning of the year, while the so-called growth stocks in the technology, consumer discretionary and communication services sectors were particularly hit.

The greenback was unchanged against the euro, with the euro-dollar exchange rate remaining at 1.12. European Central Bank President Christine Lagarde's refusal to rule out the possibility of a first rate hike in 2022 supported the single currency in the first half of February before the outbreak of war in Ukraine caused it to lose its gains in the second half.

At the end of the month, the asset allocation of BL-Global Flexible USD was:

BL-Global Flexible USD's net equity holdings had a negative impact. Within the equity portfolio, the main positive contributors were Becton Dickinson, Yum China, Asahi Intecc, UPS and Nestle, the main negative contributors Lowe's, Mastercard, Nike, Microsoft and Constellation Brands.

Investment Approach

Investment Principles

Avoid losses
The value of an investment that has lost 50% must double to recover incurred losses.
> Avoiding losses is more important than generating extraordinary gains.

Master investment risks
Risks arise when the parameters of an investment are not properly understood.
> We avoid investing in companies we do not fully understand .

Valuation / margin of safety
The price paid for an investment determines its potential return.
> We invest with a margin of safety in order to minimize the likelihood of suffering losses on our investments.

Consideration of an entire business cycle
Foregoing part of potential gains in strongly rising markets pays dividends in falling markets.
> Our objective is to outperform the relevant benchmarks over an entire business cycle by limiting the drawdown in challenging markets.

Active management
The market reference is solely used for performance measurement principles.
> Owing to the active investment approach of our portfolio management, the portfolio structure may deviate strongly from that of the benchmark.

Asset Allocation

The weighting of the different asset classes depends on the portfolio manager's view on the relative attractiveness of these asset classes in a given environment. The fund may use derivatives for hedging purposes.

Equity Investment Approach: Business-Like Investing

We consider an equity investment as a long-term participation in a quality business. As a consequence, we need to make sure that the companies we invest in are able to compete successfully within their line of business and remain profitable for the years to come.

Quality
In the **first step** of our investment process, we perform an in-depth review of the targeted company's business model in order to identify its tangible competitive advantage. A competitive advantage differentiates the company from its competitors and creates barriers to entry, adding value for its investors.
In the **second step** we analyse whether the competitive advantage translates into recurrent cash-flow. We place a special emphasis on the analysis of the maintenance capex requirements of the targeted companies to make sure that the generated cash-flow is not absorbed by excessive investment needs to remain in business. This is an issue in capital-intensive business models.
How the targeted company uses its capital is analysed in the **third step** of our investment process. The company's management faces the following options: investment in current business activities, development of new activities, takeovers, dividend payments, stock buybacks or debt repayments.
Only companies that comply with our bottom-up quality criteria are considered for inclusion into our portfolios, which may lead to significant deviations from the traditional equity benchmarks.

Valuation
Even quality investments may lead to significant capital losses if the price that was paid for the investment proves too high. To avoid this pitfall, we derive a fair value for each targeted company prior to investing. This fair value is derived from the company's normalised free cash-flow (i.e. after maintenance capex) and gives us a reference point for our buy and sell discipline.

Bond Investment Approach

The bond portfolio invests predominantly in bonds issued by governments or supranational entities from developed countries. The objective of the bond portfolio is to stabilise the portfolio in difficult market phases.
Duration management is a major investment decisions in the bond portfolio.

Legal Information

This document is issued by Banque de Luxembourg Investments ("BLI"), with the greatest of care and to the best of its knowledge and belief. However, no guarantee is provided with regard to its content and completeness and BLI does not accept any liability for any losses which might arise from making use of the information contained herein. The opinions expressed in this document are those of BLI at the time of writing and are subject to change at any time without notice. If nothing is indicated to the contrary, all figures are unaudited.

The product description contained herein is for information purposes only and is for the exclusive use of the recipient. Nothing in this document should be construed as an offer and is therefore not a recommendation to purchase or sell shares. It does not release the recipient from exercising his own judgement. Unless specifically indicated, this description is solely aimed at institutional investors according to the Luxembourgish law of 17 december 2010.

The securities and financial instruments described in this document may generate considerable losses and are not therefore suitable for all investors. Among other risks, these include market risks, currency fluctuation risks, credit or payment default risks, liquidity risks and interest rate risks. BLI cannot guarantee that the securities and financial instruments will achieve the intended investment objectives. Each investor must ensure that he is aware of the risks and the consequent legal, tax, accounting and commercial aspects related to these securities and financial instruments.

The accuracy of the data, the evaluation, opinions and estimates of which are included in this document, has been very carefully checked. Any statements made in this document may be subject to change without prior warning.

References to past performances of financial instruments should not be interpreted as a guarantee of future returns.

The recipient is recommended in particular to check that the information provided is in line with his own circumstances with regard to any legal, regulatory, tax or other consequences, if necessary with the help of a professional adviser. It is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. Neither this document nor any copy thereof may be sent, taken into or distributed in the United States or to any U.S. person as defined in the fund’s prospectus. This material is not for distribution to the general public. It is intended for the recipient personally, and it may be used solely by the person to whom it was presented. It does not constitute and may not be used for or in connection with a public offer in Luxembourg of the products referred to herein.

The prospectus, the articles of incorporation, the annual and semi-annual reports of BL as well as the key investor information document (KIID) of the sub-fund are available on www.bli.lu or upon request from BLI. The KIIDs are available in French, English and in any other official language of registration of BL.

This document may not be reproduced either in part or in full without the prior written consent of BLI.

Specific Information concerning MSCI Data:
All MSCI data is provided “as is”. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the result to be obtained by the use thereof) and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI’s express written consent.

Specific Information concerning GICS Data:
The Global Industry Classification Standard (“GICS”) was developed by and is the exclusive property and a service mark of MSCI Inc. (“MSCI”) and Standard and Poor’s, a division of The McGraw-Hill Companies, Inc. (“S&P”) and is licensed to use by Banque de Luxembourg S.A.. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if noticed of the possibility of such damages.

Specific Information for Switzerland:
Legal documentation of the fund may be obtained, free of charge, at the offices of the Swiss representative, CACEIS (Switzerland) S.A.,7-9, Chemin de Précossy, CH-1260 Nyon, Switzerland, in accordance with the provisions of the Swiss Collective Investment Schemes Act of 23 June 2006 (“CISA”).
The SICAV has appointed Banque CIC (Suisse) SA, Marktplatz 13, CH-4001 Bâle, Switzerland to act as paying agent for Switzerland.
The present document may be distributed to Swiss qualified investors.

Specific Information for France:
The present document may be distributed to French professional investors.