

# KIS FINANCIAL INCOME

## Key Facts

### Fund Inception Date

3 July 2017

### Fund AUM

€ 478.40 mln

### Kairos AUM <sup>(1)</sup>

€ 5.63 bn

### Investment Objective

Kairos International Sicav - Financial Income aims to achieve capital growth in the medium to long term by investing in the bond market, particularly in subordinated debt securities

### ESG approach

The Sub-Fund promotes environmental and social characteristics and, therefore, is subject to the disclosure obligation pursuant to art. 8 of Regulation (EU) 2019/2088. Further information is available [here](#) and in the prospectus.

### Synthetic Risk and Reward Indicator (SRI)

1 2 **3** 4 5 6 7

The SRI give the historical volatility of the fund unit price on a scale from 1-7, 1-2 being low risk, 3-6 being medium risk, 7 being high risk. The full methodology is presented in the KIID.

### Legal Status

Kairos International Sicav  
Luxembourg Sicav with UCITS Status

### Index

70% ICE BofaMLEuro Investment Grade Contingent Capital Index (COCE) + 30% ICE BofaMLEuro Financial Subordinated & Lower 2 Index (EBSL)(From inception to 31.03.2022: 50% COHY + 50% EBSL) <sup>(2)</sup>

### Portfolio Managers

Rocco Bove  
Eduardo Nosedà

## Dealing Information

### Settlement

T +0 (Subscriptions)  
T +3 (Redemptions)

### Liquidity

Daily

### Kairos Partners SGR SpA

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## Commentary

In November, markets closed in the positive, with US indices outperforming other major markets, driven by Trump's re-election and his expansionary economic policies. The month was also marked by a sharp decline in volatility. In Europe, the month of November was less positive, driven by fears of potential tariffs and trade tensions following Trump's inauguration. In the bond market, the Treasury strengthened, supported by solid macroeconomic data and inflation expectations linked to Trump's future economic decisions. In Europe, by contrast, government bond rates weakened, driven by trade uncertainties with the US and disappointing macroeconomic data. Bund and BTP yields retraced, with the spread narrowing slightly. In France, the government crisis at the end of the month pushed the Oat-Bund differential to its highest levels in recent years. Oil ended the month stable at approximately \$73 per barrel, while gold retraced from its record highs, finishing the month at about \$2,650

per ounce.

During the month, KIS Financial Income actively managed the AT1 component, increasing its overall weight while staying within the average range for 2024. By implementing this strategy, the beta of the portfolio was managed tactically, helping to mitigate the impact of any volatility increase related to the US elections and creating a liquidity buffer for future market opportunities.

The fund actively participated in numerous new issuances in the primary market, predominantly AT1, along with increases in Tier 2 and new subordinated issuances within the insurance RT1 segment. Exposure to AT1 Southern Europe was increased, concentrating on Italy and Portugal, while maintaining an overweight position compared to the UK.

The duration remained stable, closing November at around 3.5 years, in line with the levels recorded in the previous month.

### Past performance is not reliable indicator of future results

## Performance Since Inception



## Performance Data

	Fund	Index
Performance month to date	0.88%	1.08%
Performance year to date	10.49%	9.63%
Performance since inception	26.77%	29.61%
Annualized performance	3.25%	3.56%
Performance last 12 months rolling	14.79%	13.78%
Average annual performance composed by the last 2 years <sup>(3)</sup>	11.87%	12.97%
Average annual performance composed by the last 3 years <sup>(3)</sup>	1.99%	0.60%
Average annual performance composed by the last 5 years <sup>(3)</sup>	3.91%	2.53%

## Statistics

	Fund	Index
Percentage up months	65.17%	65.17%
Percentage down months	34.83%	34.83%
Maximum drawdown	-25.88%	-20.92%
Best month	7.07%	7.47%
Worst month	-17.77%	-12.72%

## Other Indicators

	Fund	Index
Annualized volatility	10.76%	9.04%
Yield to Maturity	6.52%	n.a.
Duration	3.49	

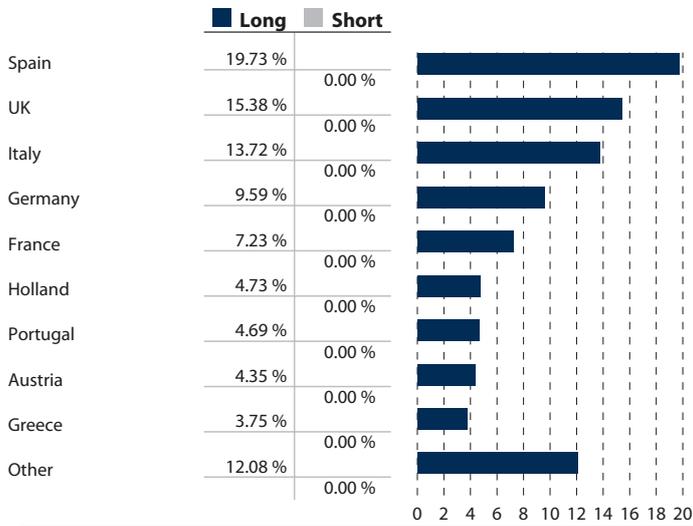
1. Data as at previous month is based on estimates.

2. Source: ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied.

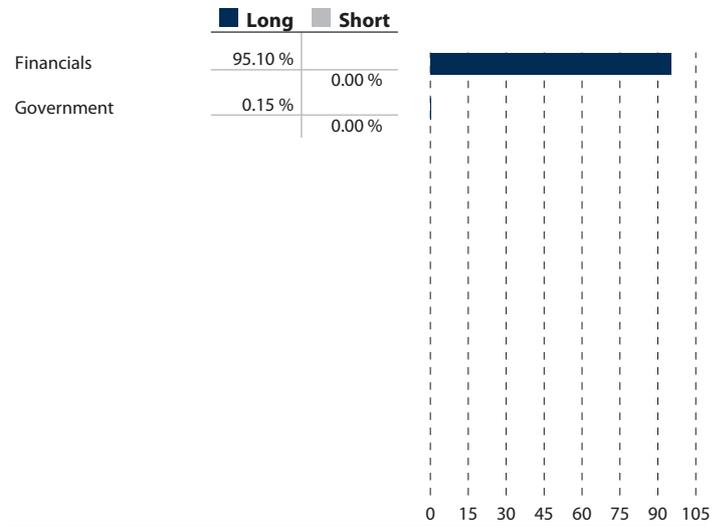
3. As at last quarter end.

Data as at 29/11/2024 - Kairos data. Quantitative data based on Class P - EUR, unless otherwise specified.

## Country Breakdown



## Sector Breakdown



## Rating Breakdown

Bond	%Nav
<b>Investment Grade</b>	<b>31.27 %</b>
AA	0.15 %
A	1.34 %
BBB	29.79 %
<b>Non Investment Grade</b>	<b>63.97 %</b>
BB	53.53 %
B	9.07 %
CCC	0.67 %
NR	0.70 %
<b>Total</b>	<b>95.25 %</b>

## Duration Breakdown

Bond (years)	Corporate	Government	Future	Total
0 - 2	20.34%	0.00%	0.00%	20.34%
2 - 5	53.82%	0.00%	0.00%	53.82%
5 - 7	17.63%	0.15%	0.00%	17.78%
7 - 10	2.84%	0.00%	0.00%	2.84%
>10	0.48%	0.00%	0.00%	0.48%
<b>Total</b>	<b>95.10%</b>	<b>0.15%</b>	<b>0.00%</b>	<b>95.25%</b>

## Top 5 Holdings

LLOYDS 8 1/2 PERP (PERP)	2.36 %
CAZAR 9 1/8 PERP (PERP)	1.86 %
DB 4 5/8 PERP (PERP)	1.79 %
DB 7 1/2 PERP (PERP)	1.65 %
NWG 5 1/8 PERP (PERP)	1.44 %

## Exposure

Gross Exposure	95.25 %
Net Exposure	95.25 %
Long Exposure	95.25 %
Short Exposure	0.00 %
Number of positions	158
Number of issuers	64

## Seniority Breakdown

Financials	Long	Short	Total
Financials: Sub Tier 1	62.54%		62.54%
Financials: Sub Lower Tier 2	22.57%		22.57%
Corporate: Subordinated	7.61%		7.61%
N/A	0.79%		0.79%
Financials: Subordinated	0.58%		0.58%
Financials: Senior	0.54%		0.54%
Financials: Jr Subordinated	0.48%		0.48%
<b>Total</b>	<b>95.10%</b>		<b>95.10%</b>

# KIS FINANCIAL INCOME

## Historical Performance Class P-USD

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Index
2024	1.19%	0.17%	2.39%	-0.26%	2.05%	-0.07%	2.20%	1.25%	1.51%	0.15%	0.70%		11.82%	9.63%
2023	4.74%	-1.36%	-9.07%	1.40%	1.80%	1.29%	3.05%	-0.28%	-0.08%	0.31%	4.12%	4.06%	9.62%	9.67%
2022	-1.12%	-2.39%	0.38%	-2.09%	0.08%	-4.84%	3.39%	-2.36%	-5.52%	2.60%	3.27%	1.13%	-7.68%	-13.52%
2021	-0.01%	0.63%	1.23%	1.18%	0.44%	0.96%	0.56%	0.63%	-0.20%	-0.48%	-0.92%	1.19%	5.30%	2.88%
2020	2.08%	-1.06%	-17.17%	7.27%	3.52%	3.43%	1.64%	2.53%	-0.04%	0.36%	5.30%	0.96%	6.80%	5.17%
2019	2.35%	1.36%	0.50%	2.28%	-1.10%	3.19%	0.98%	0.50%	1.50%	1.76%	1.19%	1.30%	16.92%	13.99%
2018	2.02%	-0.62%	-1.28%	0.51%	-4.17%	-0.78%	1.90%	-0.68%	0.85%	-1.83%	-2.00%	-0.28%	-6.35%	-3.32%
2017									-0.16%	2.49%	0.02%	0.19%	2.54%	2.10%
<b>Total</b>													<b>42.88%</b>	<b>26.55%</b>

## Historical Performance Class P (EUR)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Index
2024	1.06%	0.03%	2.27%	-0.40%	1.85%	-0.04%	1.92%	1.04%	1.37%	0.08%	0.88%		10.49%	9.63%
2023	4.34%	-1.32%	-9.33%	1.23%	1.64%	1.12%	2.87%	-0.42%	-0.21%	0.19%	3.99%	3.88%	7.48%	9.67%
2022	-1.20%	-2.46%	0.25%	-2.18%	-0.03%	-5.02%	3.26%	-2.58%	-5.71%	2.35%	3.06%	0.87%	-9.44%	-13.52%
2021	-0.08%	0.58%	1.17%	1.12%	0.37%	0.90%	0.51%	0.58%	-0.24%	-0.53%	-0.96%	1.12%	4.59%	2.88%
2020	1.92%	-1.16%	-17.77%	7.07%	3.42%	3.31%	1.55%	2.48%	-0.12%	0.32%	5.28%	0.82%	4.88%	5.17%
2019	2.09%	1.15%	0.27%	2.03%	-1.34%	2.96%	0.74%	0.30%	1.28%	1.54%	1.04%	1.08%	13.88%	13.99%
2018	1.82%	-0.77%	-1.48%	0.29%	-4.42%	-0.99%	1.67%	-0.92%	0.64%	-2.05%	-2.23%	-0.56%	-8.79%	-3.32%
2017							0.98%	-0.39%	0.50%	2.37%	-0.08%	0.05%	3.46%	4.57%
<b>Total</b>													<b>26.77%</b>	<b>29.61%</b>

## Available Classes

Class	ISIN	Bloomberg Code	Currency	Management Fee	Performance Fee	Minimum Investment	Country of Distribution
D - EUR	LU1559732265	KAIFIDE LX	EUR	1.60% <sup>(4)</sup>	None	€ 1,000	LU, IT
P - EUR	LU1559732349	KAIFIPE LX	EUR	0.60%	10% Relative vs 70% COCE + 30% EBSL	€ 15,000	CH, DE, ES, IT, LU, SG.RES <sup>(5)</sup>
P - USD	LU1615669006	KAIFIPU LX	USD	0.60%	10% Relative vs 70% COCE + 30% EBSL	USD equivalent of € 15,000	CH, DE, ES, IT, LU, SG.RES <sup>(5)</sup>
P - CHF	LU1615669188	KAIFIPC LX	CHF	0.60%	10% Relative vs 70% COCE + 30% EBSL	CHF equivalent of € 15,000	CH, LU
X - EUR	LU1559732851	KAIFIXE LX	EUR	0.50%	10% Relative vs 70% COCE + 30% EBSL	€ 3,000,000	CH, DE, ES, GB, IT, LU, SG.RES <sup>(5)</sup>
Y - EUR	LU1615670194	KAIFIYE LX	EUR	0.80%	None	€ 3,000,000	LU
C - EUR	LU1559732182	KAIFICE LX	EUR	0.50%	10% Relative vs 70% COCE + 30% EBSL	€ 30,000	CH, DE, GB, IT, LU, SG.RES <sup>(5)</sup>
C - CHF	LU1615668883	KAIFICC LX	CHF	0.50%	10% Relative vs 70% COCE + 30% EBSL	CHF equivalent of € 30,000	CH, LU
C - GBP	LU1615668966	KAIFICG LX	GBP	0.50%	10% Relative vs 70% COCE + 30% EBSL	GBP equivalent of € 30,000	CH, LU, GB
C - USD	LU1615668701	KAIFICU LX	USD	0.50%	10% Relative vs 70% COCE + 30% EBSL	USD equivalent of € 30,000	CH, DE, GB, LU, SG.RES <sup>(5)</sup>
C - USD Dist	LU1762981204	KAIFCUD LX	USD	0.50%	10% Relative vs 70% COCE + 30% EBSL	USD equivalent of € 30,000	CH, LU, SG.RES <sup>(5)</sup>

Kairos data. Quantitative data based on Class P - EUR, unless otherwise specified.

4. Inclusive of Distribution fee.

5. In Singapore the distribution is restricted to certain categories of investors. For more information please refer to the latest Singapore Wrapper.

# KIS FINANCIAL INCOME

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