

ACATIS FAIR VALUE BONDS UI

AS OF: DECEMBER 31, 2017

Global fixed-income fund, defensive, sustainable

MARKET COMMENTARY

The fund lost 0.1% in December, but gained 3.1% during the course of the entire year. The outperformance in 2017 was 1.9%, with 0.5% of that generated in December alone. During the year, financial sector stocks continued their rally, particularly subordinated bonds of Rothschild, Deutsche Bank, Delta Lloyd, Banco Santander and Société Générale with annual yields from 9% to 41%. The second interesting group of winners were the two Portuguese bonds of Portugal Telecom and the Republic of Portugal. However, due to the strength of the euro, bonds in foreign currencies, including the Indian rupee, Turkish lira and Mexican peso, were among the worst performers. Unfortunately, in the prevailing low-interest environment, many issuers also redeemed their bonds at an earlier date. Given the low supply of interesting bonds, the portfolio is more concentrated than we would like.

INVESTMENT OBJECTIVE AND - PHILOSOPHY

The fund mainly invests in bonds of issuers selected on the basis of traditional bond analysis which are preferably undervalued. The focus is on investing in Euro-Bonds. Diversification takes place with regards to regions and types of the issuer. Only those issuers that meet ethical and sustainable criteria, with special attention to high standards regarding corporate governance, social and environmental responsibility as well as ecological sustainability are selected. In doing so, ACATIS Investment is supported by ACATIS Fair-Value Investment AG. Besides the sustainability of the investment, the issuer's good credit rating is a further requirement for any engagement. In order to avoid any concentration of risks, the fund management further diversifies by issuers.

PRODUCT FACTS

WKN	976984
ISIN	DE0009769844
Distribution	Dividends distributed
Investment category	Bonds Global
Benchmark	iBoxx EUR Corp.(50%) iBoxx EUR Sov.(50%)
Currency	EUR
Total net assets	21.6 Mill. EUR
Net asset value	43.25 EUR
Manager	UI-Team, Advisor: ACATIS Investment
Advisor	ACATIS Fair-Value, CH
Investment company	Universal Investment
Domicile	Germany
Custodian	Hauck&Aufhäuser, FFM
Date of inception	Oct. 01, 1997
Fiscal year end	Sept. 30
Front end fee	5%
Ongoing Charges (as of Sept. 30, 2016)	1.30% p.a. + Perf. Fee
Permission for public distribution	DE, AT, CH
Representative in Switzerland	1741 Fund Solutions AG
Paying agent in Switzerland	Notenstein La Roche Privatbank AG

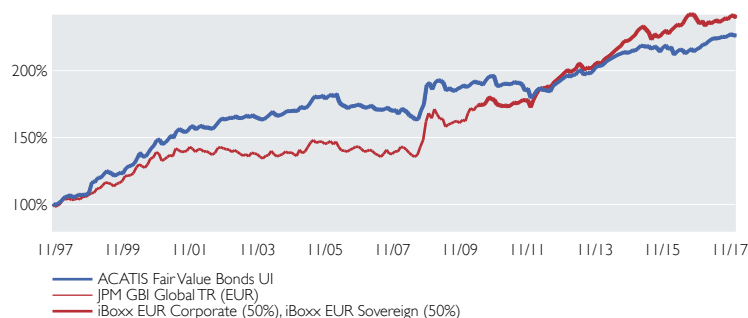
TOP 10 POSITIONS

6.000% Deutsche Bank (CoCo)	8.0%
4.000% Santander Intl Debt 2020	7.7%
6.750% SocGen CoCo	5.3%
4.375% Hertz Holdings NL 2019	4.8%
5.625% Schmolz & Bickenbach 2022	4.0%
3.625% Ziggo 2020	4.0%
5.375% Numericable Group 2022	3.9%
7.800% IFC 2019 (INR)	3.5%
7.500% PostNL 2018	3.1%
7.875% OTE 2018	2.9%

AWARDS



PERFORMANCE VS. BENCHMARK



PERFORMANCE AS OF END OF MONTH*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Index
2017	0.1	0.9	0.7	0.4	-0.1	0.2	0.4	-0.1	0.4	0.6	-0.3	-0.1	3.1	1.2
2016	0.6	-2.5	1.1	0.5	-0.2	-1.1	0.8	0.7	-0.8	0.9	0.4	1.1	1.5	4.0
2015	0.8	0.9	0.0	-0.2	0.1	-0.9	0.8	-0.6	-1.2	1.6	0.5	-1.2	0.6	0.5
2014	0.8	1.0	0.6	0.7	0.5	0.6	0.3	0.5	-0.2	0.0	0.7	-0.1	5.6	10.6
2013	-0.6	0.7	0.1	1.5	-0.1	-1.4	0.7	-0.3	0.9	1.4	0.7	-0.1	3.6	2.2
2012	2.2	0.8	-0.5	-0.2	-0.2	-0.2	2.3	0.8	0.7	0.9	0.7	0.8	8.4	12.3
2011	0.7	0.1	-0.1	-0.1	0.9	-0.4	0.0	-0.7	-2.4	0.7	-3.5	0.9	-3.8	2.6
2010	0.5	1.0	0.7	-0.5	0.0	-0.7	1.8	1.4	0.1	0.1	-3.6	0.0	0.5	7.1
2009	2.9	0.6	-0.1	-0.8	-2.9	0.9	-0.8	-0.3	0.9	0.4	0.8	-0.7	0.8	-1.3
2008	2.2	-0.6	-0.8	-1.6	-0.6	-1.2	0.3	3.9	2.8	8.4	0.4	-2.3	11.0	17.8

* Information in percent

Performance since inception	ann. Perf since inception	Performance 5-years	Performance 3-years	Performance 1-year	Volatility 5-years	Volatility 3-years	Volatility 1-year
125.8%	4.1%	15.1%	5.3%	3.1%	2.6%	2.8%	1.3%

Volatility on monthly basis Source: Bloomberg, ACATIS Research

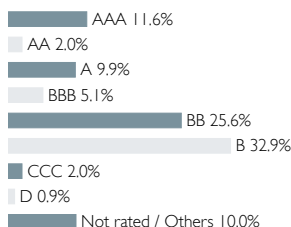
KEY RATIOS

Average Coupon in %	4.9
Average Yield in %	97.0
median percentage yield	2.1
Average Maturity in Years	6.6

ASSET ALLOCATION - MATURITY OF BONDS



ASSET ALLOCATION - RATING



ASSET ALLOCATION - SECTORS

