



ACATIS FAIR VALUE BONDS

AS OF: FEBRUARY 28, 2018

Global fixed-income fund, defensive, sustainable

MARKET COMMENTARY

Normally, rising interest rates such as those that took effect in February are poison to a bond portfolio. In actual fact, however, the fund price only moved marginally since the beginning of the year (a loss of 0.7% in February after a gain of 0.7% in January). This is due to the fact that performance is affected less by changing interest rates and more by movements in the ratings. The performance of the foreign currency bonds of the European Investment Bank in Mexican peso and Turkish lira was positive. The overdue Portugal Telecom bond, on the other hand, pulled the portfolio's value downward. This development was triggered by an unexpected extension at a Brazilian insolvency court. A significant price recovery is expected following the completion of the insolvency proceedings. At the same time, the position carries a very low weighting in the portfolio. The bond of the Greek company Telekom OTE was redeemed on schedule.

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	23.1 Mill. EUR
Net asset value	43.16 EUR
Manager	UI-Team, Advisor: ACATIS
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, 2017)	1.25% 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

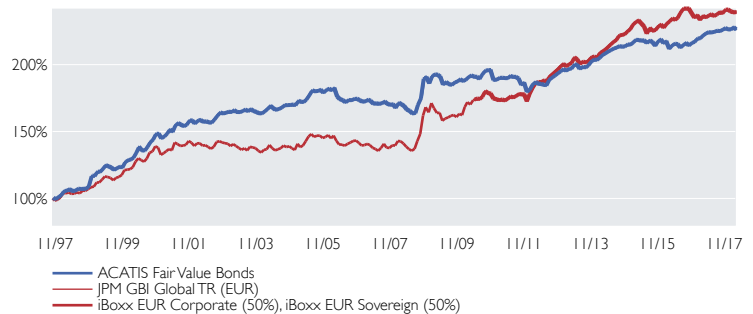
TOP 10 POSITIONS

6.000% Deutsche Bank (CoCo)	7.2%
4.000% Santander Intl Debt 2020	7.0%
6.750% SocGen CoCo	4.9%
4.375% Hertz Holdings NL 2019	4.4%
3.625% Ziggo 2020	3.6%
5.625% Schmolz & Bickenbach 2022	3.6%
5.375% Numericable Group 2022	3.5%
7.800% IFC 2019 (INR)	3.1%
7.500% PostNL 2018	2.8%
Mazedonien 2023	2.5%

AWARDS



PERFORMANCE VS. BENCHMARK



PERFORMANCE AS OF END OF MONTH*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Index
2018	0.7	-0.7											0.0	-0.2
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

* Information in percent

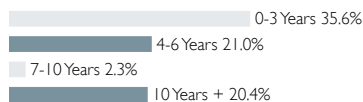
Performance since inception	ann. Perf since inception	Performance 5-years	Performance 3-years	Performance 1-year	Volatility 5-years	Volatility 3-years	Volatility 1-year
125.9%	4.1%	15.0%	3.6%	2.1%	2.6%	2.9%	1.6%

Volatility on monthly basis Source: Bloomberg, ACATIS Research

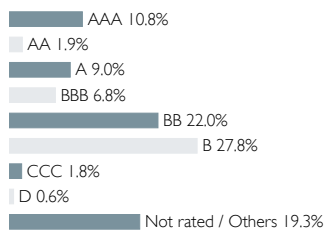
KEY RATIOS

Average Coupon in %	5.1
Average Yield in %	3.1
median percentage yield	3.1
Average Maturity in Years	6.5

ASSET ALLOCATION - MATURITY OF BONDS



ASSET ALLOCATION - RATING



ASSET ALLOCATION - SECTORS

