

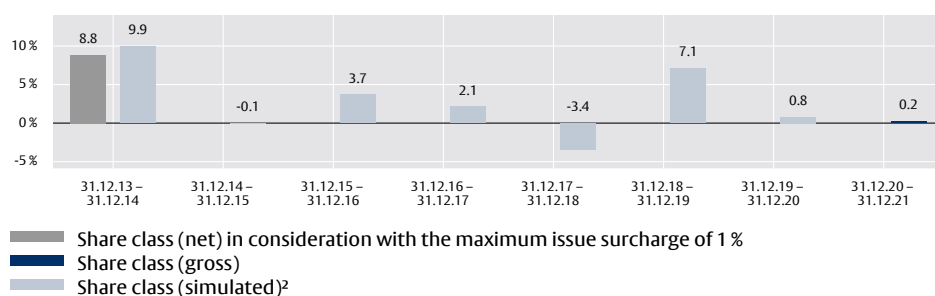


# Flossbach von Storch - Der erste Schritt - HT

## INVESTMENT STRATEGY

The Flossbach von Storch – Der erste Schritt fund is a globally diversified, defensive balanced fund with an active investment approach. The fund is flexible enough to take advantage of opportunities arising from the entire bond market and, to a limited extent, from the equity market. The goal is to generate as stable earnings as possible over time. The focus of the fund is on government bonds, covered bonds and corporate bonds, as well as equities, whose quota is limited to a maximum of 15 per cent. Foreign currency risks are largely hedged. Securities are selected as part of a fundamental analysis process. Fund managers Wilhelm Wildschütz and Elmar Peters rely on research tools developed in-house. The sub-fund is actively managed. The fund manager determines, regularly reviews and, if necessary, adjusts the composition of the portfolio exclusively in accordance with the criteria specified in the investment policy. The sub-fund is not managed in reference to an index.

## ANNUAL PERFORMANCE IN EUR (IN %)<sup>2</sup>



## PERFORMANCE IN EUR SINCE 1 OCTOBER 2013 (GROSS, IN %)<sup>2</sup>



## ACCUMULATED PERFORMANCE IN EUR (GROSS, IN %)<sup>2</sup>

	1 month	2021 YTD	1 year	3 years	5 years	since 01.10.13
Share class	+0.02 %	+0.23 %	+0.23 %	+8.18 %	+6.66 %	+21.66 %

## ANNUALISED PERFORMANCE IN EUR (GROSS, IN %)<sup>2</sup>

	1 year	3 years	5 years
Share class	+0.23 %	+2.65 %	+1.30 %

Source: Depository and SIX Financial Information, status: 31.12.21

## EXPLANATORY NOTES REGARDING PERFORMANCE

Gross fund performance (BVI method) takes into account all costs incurred at fund level (for example, management fees), net fund performance also takes into account the subscription fee. Further costs may be charged individually at customer level (e.g. custody fees, commissions and other charges). Example calculation (net method): An investor wishes to buy shares with capital of €1,000. Based on a maximum subscription fee of 5 %, € 50 will be deducted from their investment as a one-off initial charge. In addition, custody fees may also be applied, which will further reduce the investor's return. The level of custody fees can be found in your bank's schedule of fees and services.

Please refer to the cost details presented in this document to determine the maximum subscription fee for the share class of the sub-fund.

The reference index is merely informative. It does not constitute any obligation from the fund manager to track the index or achieve the same performance.

Past performance is not a reliable indicator of future performance.

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## FUND DETAILS

Securities ID No. (WKN)	A2P9FU
ISIN	LU2207302121
Valor number	56089254
Domicile	Luxembourg
Share class	HT
Fund currency	EUR
Share class currency	EUR
Launch date	22 July 2020
Financial year end	30 September
Income utilisation	Accumulating
Authorised for distribution	AT, CH, DE, LU
Fund type	UCITS / FCP
Fund assets	EUR 639.59 million
Redemption price	EUR 100.19
Minimum initial investment	none
Minimum subsequent investment	none
Costs <sup>1</sup>	
Ongoing charges	0.63 %
which includes a management fee of	0.53 % p.a.
Performance fee	none
Redemption fee	0.00 %
Exchange commission	up to 1.00 % (based on the unit value of the units to be purchased for the benefit of the relevant distributor)
Subscription fee	up to 1.00 %

## MANAGEMENT COMPANY

Flossbach von Storch Invest S.A.  
2, rue Jean Monnet  
2180 Luxembourg, Luxembourg  
www.fvsinvest.lu

## DEPOSITARY

DZ PRIVATBANK S.A.  
4, rue Thomas Edison, 1445 Strassen, Luxembourg

<sup>1</sup> In addition to the management fee, the fund is charged further costs such as transfer agent fees, transaction costs, and various other charges. Further information about ongoing and one-off costs can be found in the key investor information document (KIID), the sales prospectus, and the most recent annual report.

<sup>2</sup> Performance in the years 2013 to 2019 was simulated using the performance of share class I (LU0952573052) of sub-fund Flossbach von Storch - Der erste Schritt. The simulation took account of any differences in remuneration structure. Share class I and share class HT have the same investment policy.



# Flossbach von Storch - Der erste Schritt - HT

## TOP 10 GUARANTORS OVERALL FUND LEVEL (IN %)

1. United States of America	10.78 %
2. Republic of Germany	5.28 %
3. DZ Privatbank SA	3.36 %
4. North Rhine-Westphalia	2.65 %
5. Pfandbriefzentrale der schweizerischen Kantonalbanken	2.50 %
6. Landwirtschaftliche Rentenbank	2.48 %
7. Lower Saxony	2.39 %
8. Saxony-Anhalt, State	2.36 %
9. ING Groep N.V.	2.35 %
10. Schweizerische Eidgenossenschaft	2.27 %
<b>Total</b>	<b>36.42 %</b>

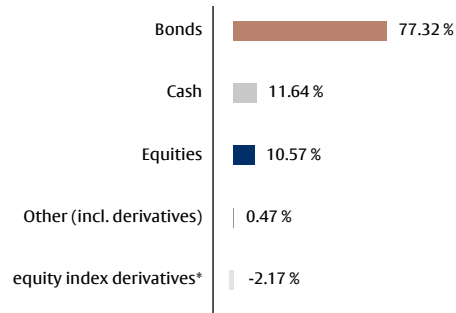
Source: Depository and Flossbach von Storch, status: 31.12.21

## TOP 10 SECTORS FOR EQUITIES (IN %)

1. Information Technology	21.31 %
2. Health Care	17.77 %
3. Industrials	15.35 %
4. Consumer Staples	15.12 %
5. Financials	13.76 %
6. Communication Services	10.68 %
7. Consumer Discretionary	6.01 %

Source: Depository and Flossbach von Storch, status: 31.12.21

## ASSET ALLOCATION (IN %)



\* Please note: equity index derivatives may include futures and delta-weighted options on indices

Source: Depository and Flossbach von Storch, status: 31.12.21

## CREDIT RATING FOR BONDS (IN %)

AAA	71.01 %
AA	18.35 %
A	7.02 %
BBB	3.21 %
BB	0.40 %

Source: Depository and Flossbach von Storch, status: 31.12.21

A simplified ratings scorecard is used when determining the rating. Trends (+/-) are not taken into account in this process. Convertibles are not considered.

## KEY FUND FIGURES

Average YTM	0.12 %
Duration	1.87 years

Source: Depository and Flossbach von Storch, status: 31.12.21

## MONTHLY COMMENTARY

Inflation is continuing and is calling monetary policy into action. In the statement of the Federal Reserve (Fed), the US central bank no longer defines the price increases, which amounted to 6.8 % in the USA in November, as "transitory". Bond purchases are now to be reduced more quickly, which in turn will increase the scope for possible interest-rate steps. The bond markets have so far been largely unimpressed by the moderate decision, with government bond yields barely moving. The same was true of the equity markets, which ended December (measured by the global MSCI World equity index in euros, including dividends) with a gain of around 3 %, which amounts to around 31 % over the year. On balance, the Fund's performance in this market environment ended the month under review in a sideways movement. Despite the changes in monetary policy, persistently high consumer prices and record-high producer prices, interest rates hardly rose in December. As a result, our portfolio's interest-rate sensitivity, which was continuously reduced in the past quarter, has not yet proven to be value-driving. In our view, the rationale for our positioning chosen in the third quarter remains valid. Over time, cautious steps by the Fed and the European Central Bank towards a normalisation of monetary policy should also influence the interest-rate level. We therefore used the last days of 2021 to further reduce our holdings in long-dated bonds. With these sales, we initially increased our cash position to around 11%, which gives us the opportunity to take advantage of possible opportunities, especially in view of the wave of new issues expected at the beginning of 2022.

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## FUND MANAGERS



**Wilhelm Wildschütz**

At Flossbach von Storch since 2018.



**Elmar Peters**

At Flossbach von Storch since 2010.

## AWARDS

Morningstar Rating™ overall\*: ★★

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For more information on Morningstar's ratings, please visit:  
<http://www.morningstar.co.uk/uk/help/Methodology.aspx>

status: 30.11.21



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## OPPORTUNITIES

- + Participate in global bond market growth.
- + Income can be generated from regular interest payments.
- + Active interest rate, currency and risk management (e.g. from the use of derivatives).
- + Risk is broadly diversified by investing in a range of asset classes (e.g. equities, bonds, convertible bonds etc.) Market potential can be exploited by investing across a wide range.

## RISKS

- The securities in which the Management Company invests the sub-fund assets present opportunities for gain but also the possibility of risk. If a sub-fund invests directly or indirectly in securities and other assets, it is subject to many general trends and tendencies, which are sometimes attributable to irrational factors on the markets particularly on the securities markets. Losses can occur when the market value of the assets decreases as against the cost price. If a unitholder sells units of the sub-fund at a time at which the value of assets in the sub-fund has decreased compared with the time of the unit purchase, he will not receive the full amount he has invested in the sub-fund. Despite the fact that each sub-fund aspires constant growth, this cannot be guaranteed.
- Country, credit and issuer liquidity risk. Also potential exchange rate risks. If securities are illiquid (i.e. thinly traded), there is a risk that it may either not be possible to sell the assets at all or only by accepting a significant discount on the sale price.
- Investing in bonds may entail price risks, especially in case of rising interest rates on the capital markets.
- Where used, derivatives can have a greater negative impact on the fund value than would be the case if the assets were acquired directly. This can affect the fund's risk profile and volatility (tendency for the price to fluctuate).

Please read the Prospectus and particularly the RISK WARNINGS section and the specific annex of the subfund to understand the risks and benefits of this product.

## GLOSSARY

### Average Yield to maturity (YTM)

Yield on a bond held until maturity, taking into account interest payments and any differences between the issue price and the redemption amount.

### Duration

Indicates how long capital invested is bound in a bond. It is shorter than the maturity of a bond since regular interests paid out to investors, are considered. For Zero-Bonds, duration and maturity is the same. Interests are due at maturity date.

### Average dividend yield

Ratio of dividend to share price. It is shown as a per cent and provides information about how a share bears interest.

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## INVESTOR PROFILE

### CONSERVATIVE:

The fund is appropriate for conservative investors. Due to the composition of the net sub-fund assets, there is a moderate degree of risk but also a moderate degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

### INVESTMENT HORIZON:

Medium-term: 3 to 5 years

## RISK/RETURN PROFILE



1	2	3	4	5	6	7
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The historical data used for calculating the synthetic indicator is not a reliable indication of the future risk and reward profile of the share class. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment. This share class has been placed in the aforementioned risk class because its unit price is subject to little to medium fluctuation, therefore the profit potential and loss exposure may be low to moderate. Because of the calculation model used, all risks may not be taken into consideration when placing the share class in a risk class. Detailed information can be found in the section entitled "Risks" of the prospectus.



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This document does not constitute an offer to sell, purchase or subscribe to securities or other assets. The information and estimates contained herein do not constitute investment advice or any other form of recommendation. Detailed information about the fund(s) can be found in the sales prospectus as well as in the articles of association, management regulations or contract conditions, in conjunction with the latest respective audited annual report and semi-annual report, if the latter is published later than the most recent annual report. These documents form the sole binding basis for any purchase. The said documents and the Key Investor Information are available free of charge in English and German from the respective management company or the custodian/depositary or from agents in those countries where the funds have been licensed for distribution. You can view the aforementioned documents at any time via <https://www.fvsinvest.lu/>. For the summary of investor rights with additional information regarding legal disputes, please refer to the website <https://www.fvsinvest.lu/investor-rights>. The Management Company may make any country-specific adjustments to the distribution authorisation, including the revocation of distribution regarding its investment funds.

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**The units/shares issued by this fund may only be offered for purchase or sold in jurisdictions in which such offer or sale is permitted. Accordingly, the units/shares of this fund may not be offered for purchase or sold neither within the USA nor to or for the account of US citizens or US persons domiciled in the USA. Additionally, the units/shares issued by this fund may not be offered for purchase or sold to "US-Persons" and/ or entities, which are owned by one or more "US-Persons" based on the definitions set out in the "Foreign Account Tax Compliance Act (FATCA)". This document and the information contained herein may not be distributed in the USA. The distribution and publication of this document as well as the offer or sale of the fund's units/shares may also be subject to restrictions in other jurisdictions.**

The latest net asset value (NAV) of the fund can be obtained from the management company's website.

**Past performance is not a reliable indicator of future performance.**

*The document issued in German is legally binding. This English translation is only for the purpose of convenience.*

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