

Investment focus

The success of the Adamant Healthcare Index led to the launch of an investment fund under Luxembourg law that is based on this index in 2016. The BB Adamant Healthcare Index (Lux) Fund tracks the performance of the Adamant Global Healthcare Index (total return). Given its operating costs, the Fund by definition cannot beat the Adamant Global Healthcare Index. Its objective is to outperform the MSCI World Healthcare Index. Foreign currency exposure is not hedged.

Fund facts

NAV	173.14
Volume	USD 242.5 million
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Accumulating

Investment manager	BelleVue Asset Management
Custodian	RBC Investor Services, Luxembourg
Launch date	31.10.2016
Fiscal year end	30.06.
Benchmark	MSCI World Health Care Net Return

ISIN code	LU1477742909
Valor	33635315
Bloomberg	BVBAHBU LX
WKN	A2ASDK

Management fee	1.60%
Performance fee	None
Subscription fee	up to 5%
Min. Investment	n.a.

Legal entity	Luxembourg UCITS V SICAV
Countries of distribution	AT, CH, DE, ES, LU
EU tax status	Out of scope

Key figures

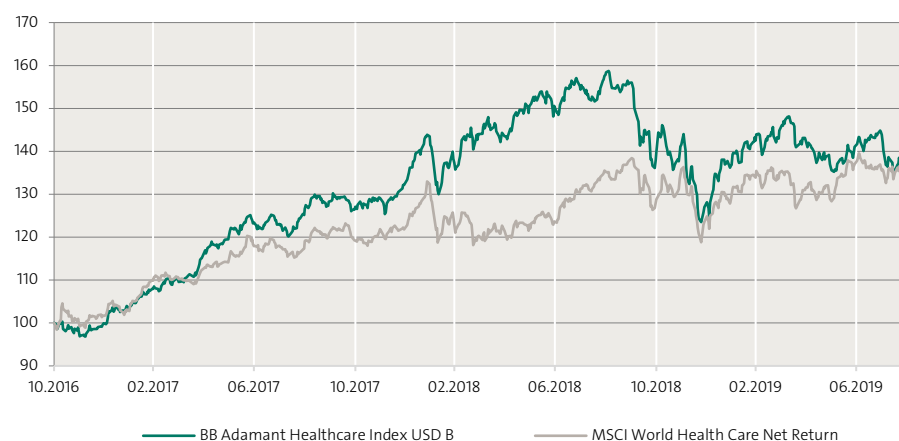
Beta	0.84
Correlation	0.74
Volatility	15.5%

Tracking Error	9.7
Active Share	89.12

Sharpe Ratio	-0.95
Information Ratio	-1.26
Jensen's Alpha	-13.77

Source: BelleVue Asset Management, 31.08.2019;
Calculation over 1 year.

Indexed performance since launch



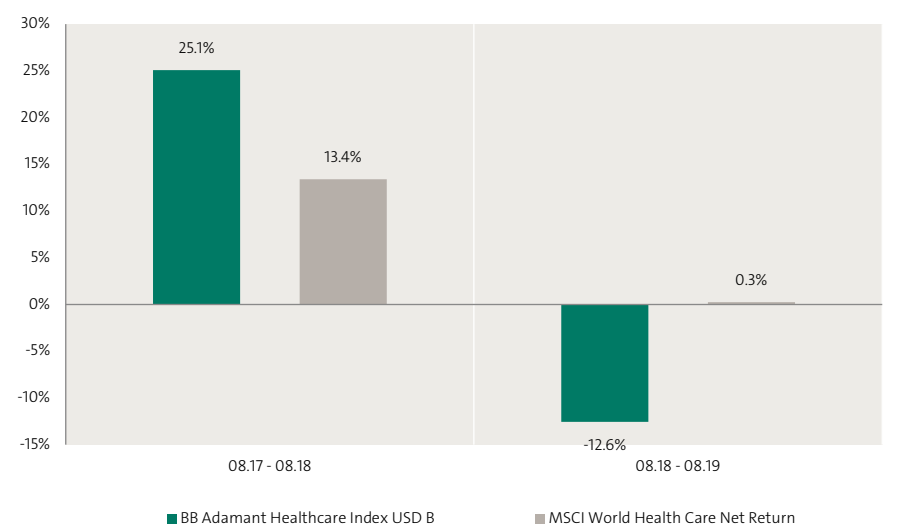
Cumulated & annualized performance

	Cumulated						Annualized			
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
B USD	-3.7%	8.1%	-12.6%	n.a.	n.a.	38.5%	-12.6%	n.a.	n.a.	12.2%
BM	0.0%	8.5%	0.3%	n.a.	n.a.	35.5%	0.3%	n.a.	n.a.	11.3%

Annual performance

	2014	2015	2016	2017	2018	YTD
B USD	n.a.	n.a.	n.a.	32.2%	-3.0%	8.1%
BM	n.a.	n.a.	n.a.	19.8%	2.5%	8.5%

Rolling 12-month-performance



Source: BelleVue Asset Management, 31.08.2019; all figures in USD %, total return-methodology
Past performance is not a reliable indicator of future results and can be misleading. As the subfund is denominated in a currency that may differ than an investor's base currency, changes in the rate of exchange may have an adverse effect on prices and incomes. Performance is shown net of fees and expenses for the relevant share class over the reference period. All performance figures reflect the reinvestment of dividends and do not take into account the commissions and costs incurred on the issue and redemption of shares, if any. Individual costs are not taken into account and would have a negative impact on the performance. With an investment amount of EUR 1,000 over an investment period of five years, the investment result in the first year would be reduced by the front-end load of up to EUR 50 (5%) as well as by additional individual custody charges. In subsequent years, the investment result would also be reduced by the individual custody account costs incurred. The reference benchmark of this class is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to a sub-fund, thus the performance of a benchmark is not a reliable indicator of future performance of the sub-fund it is compared to. There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

Top 10 positions

Notre Dame	4.1%
Amedisys	3.7%
Intuitive Surgical	3.7%
Vertex Pharmaceut.	3.6%
HCA Holdings	3.6%
Cigna	3.6%
Jazz Pharmaceuticals	3.6%
Amplifon	3.5%
Centene	3.3%
Exelixis	3.3%

Total top 10 positions	36.0%
Total positions	40

Sector breakdown

Services	31.0%
Medtech	25.4%
Biotechnology	21.0%
Generics	17.5%
Pharma	4.6%
Cash	0.5%

Currency breakdown

USD	35.8%
HKD	16.6%
JPY	13.0%
DKK	9.4%
EUR	6.3%
CHF	5.4%
BRL	4.1%
GBP	2.3%
Others	7.3%

Source: Bellevue Asset Management, 31.08.2019;

For illustrative purposes only. Holdings and allocations are subject to change. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. Where the subfund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income.

Market review

August was a difficult month for stock investors. The broad MSCI World equity index dropped 2.0% (in CHF). The healthcare sector in general fared a bit better – the MSCI World Healthcare Index ended the month back where it'd been at the start of the month – but the BB Adamant Healthcare Index Fund took a beating and shed 3.7% (1 shares).

Investors became increasingly nervous in August and stock-market volatility rose as a result. A renewed escalation of the US-Sino trade war and a string of disappointing European macro data were to blame, among other factors. Recession worries were cited by central banks around the world as they relaxed their monetary policy or flagged a future easing.

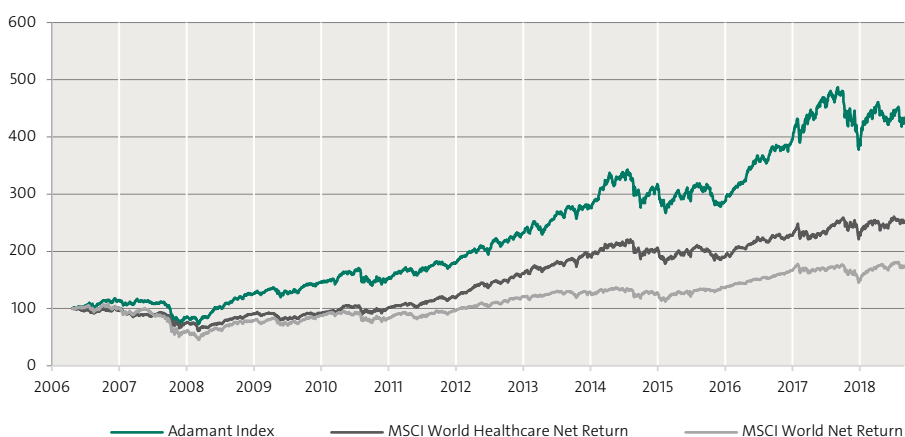
Most of the companies in the portfolio that published half-year earnings announcements in August presented convincing results but in most cases this didn't lead to a strong mark-up in their share prices. On the other hand, the few portfolio companies that released disappointing news got hammered. Abiomed, the US manufacturer of the world's smallest heart pump, was the month's biggest loser after releasing financial results that fell short of expectations. Germany's Evotec announced satisfactory quarterly results but guided the market for somewhat slower growth in 2020 when Sanofi-Aventis payments cease. That caused this stock to nosedive too. Notre Dame, a managed care provider in Brazil, was a bright spot in the portfolio in August. Its good results for H1 2019, actually since its IPO in April 2018, were cheered by investors.

General description

The BB Adamant Healthcare Index Fund tracks the performance of the Adamant Global Healthcare Index. Every six months, in April and October, the 40 most attractive stocks in the global healthcare sector are selected for the index. The BB Adamant Healthcare team continuously screens about 600 of the world's 4000 listed healthcare companies based on eight criteria covering company management, product pipelines, operating risks and country-related risks. The index is the property of Bellevue Asset Management and it is independently calculated and published by Standard & Poor's on a daily basis. The Adamant Global Healthcare Index and the BB Adamant Healthcare Index Fund are equally divided into four regions, Western Europe, North America, Japan/Australia and Emerging Markets, and ten stocks are selected from each region. The region with the highest rating, usually North America, can never have an index weighting of more than 35%, so emerging markets figure more prominently in the index. Companies with high valuations and low growth rates will almost never be admitted to the index. Historical index data shows that mid cap stocks typically represent 60-80% of the index and the Asia region accounts for approximately one-third of the index. Furthermore, pharmaceutical stocks are clearly underweighted in comparison with the MSCI World Healthcare Index.

Adamant Index

The index is the property of Bellevue Asset Management and it is calculated and published by Standard & Poor's on a daily basis in CHF, EUR and USD.



Note: No costs are included for the calculation of the index.

	1 month	YTD	1 year	3 years	5 years	since launch
Adamant Index USD	-3.5%	9.7%	-10.8%	42.5%	55.8%	333.7%
MSCI World HC NR USD	0.0%	8.5%	0.3%	26.0%	37.0%	153.4%
MSCI World NR USD	-2.1%	15.2%	0.3%	31.8%	34.8%	74.6%

Risk and return profile

The Fund's investment objective is to generate attractive and competitive long-term capital growth. It is particularly suited to investors with an investment horizon of at least 5 years. The Fund is exposed to the risks typical of equity investments.



The calculation of the risk and earnings profile is based on simulated/historical data, which cannot be used as a reliable indication of the future risk profile. The classification of the fund may change in future and does not constitute a guarantee. Even a fund classed in category 1 does not constitute a completely risk-free investment. There can be no guarantee that a return will be achieved or that a substantial loss of capital will not be incurred. The overall risk exposure may have a strong impact on any return achieved by the fund or subfund. For further information please refer to the fund prospectus or KIID.

Liquidity risk

The fund may invest some of its assets in financial instruments that may in certain circumstances reach a relatively low level of liquidity, which can have an impact on the fund's liquidity.

Risk arising from the user of derivatives

The fund may conclude derivatives transactions. This increases opportunities, but also involves an increased risk of loss.

Currency risks

The fund may invest in assets denominated in a foreign currency. Changes in the rate of exchange may have an adverse effect on prices and incomes.

Operational risks and custody risks

The fund is subject to risks due to operational or human errors, which can arise at the investment company, the custodian bank, a custodian or other third parties.

Target market

The fund is suitable for retail and professional investors in Austria, Germany, Luxembourg, Spain and Switzerland.

Chances

- Investments in the 40 most attractive healthcare stocks worldwide.
- Semi-active portfolio management: half-yearly company evaluation and rebalancing.
- Underweighting of pharma and US stocks against the relevant healthcare indices.
- Strong focus on quality mid caps.
- Bellevue – healthcare pioneer since 1993 and today one of the biggest independent investors in the sector in Europe.

Inherent risks

- The fund invests in equities. Equities are subject to strong price fluctuations and so are also exposed to the risk of price losses.
- The fund may invest a proportion of its assets in financial instruments that might under certain circumstances have a relatively low level of liquidity, which can in turn affect the fund's liquidity.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.
- Investing in emerging markets entails the additional risk of political and social instability.
- The fund may engage in derivatives transactions. The increased opportunities gained come with an increased risk of losses.

You can find a detailed presentation of the risks faced by this fund in the "Special Investment Risks" section of the sales prospectus.

Management Team



Samuel Stursberg, CFA

Portfolio Manager since inception of the fund

Joined Bellevue in 2015 as Head Research Healthcare Funds & Mandates. Prior to joining Bellevue he spent 7 years as Head Research at Adamant Biomedical Investments and 4 years as analyst in the healthcare sector at Sustainable AM.



Zahide Donat

Portfolio Manager since inception of the fund

Joined Bellevue in 2015 as Portfolio Manager. Prior to joining Bellevue she spent two years at Credit Suisse as banking operations specialist in fixed income and from 2010 und 2013 as relationship manager at Migros Bank.



Dr. Cyrill Zimmermann

Portfolio Manager since inception of the fund

Joined Bellevue in 2015 as Head Healthcare Funds & Mandates and member of the Executive Board. From 2001 to 2014 he was CEO and co-founder of Adamant Biomedical Investment

Important information

This marketing communication relates to Bellevue Funds (Lux) (hereinafter the “Fund”), an investment company with variable capital “société à capital variable” (SICAV) under the current version of the Law of the Grand Duchy of Luxembourg of 10 August 1915 on commercial companies (“Law of 1915”) and is authorized under Part I of the Law of 17 December 2010 relating to undertakings for collective investment (“Law of 2010”) as an undertaking for collective investment (UCITS). BB Adamant Healthcare Index is a subfund of Bellevue Funds (Lux).

This marketing communication is issued by Bellevue Asset Management AG, which is an authorized asset manager subject to the supervision of the Swiss Financial Market Supervisory Authority (FINMA) and acts as an Investment Manager of the Fund. The Prospectus, statutes, the annual and half-yearly report, the share prices and further information about the Fund can be obtained free of charge in English and German from the management company of the Fund, Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, from the representative, paying, facilities and information agents mentioned below or online at www.Bellevue.ch. The Key Investor Information documents are available free of charge in the languages of the countries of distribution (German for Germany, Austria and Switzerland, Spanish in Spain and English and German in Luxembourg) at www.fundinfo.com.

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Countries of distribution and local representatives

The Bellevue Funds (Lux) is registered and admitted for public distribution in Austria, Germany, Luxembourg, Spain and Switzerland.

Austria

Paying and information agent: ERSTE BANK der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna,

Germany

Information agent: ACOLIN Europe GmbH, Reichenaustrasse 11a-c, D-78467 Konstanz

Spain

Representative: atl Capital, Calle de Montalbán 9, ES-28014 Madrid - CNMV under the number 938

Switzerland

The Bellevue Funds (Lux) SICAV is registered for public offering and distribution in Switzerland with the Swiss Financial Market Supervisory Authority.

Representative agent in Switzerland: ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich

Paying agent in Switzerland: Bank am Bellevue AG, Seestrasse 16, P.O.Box, CH-8700 Küsnacht

You can obtain the sales prospectus, Key Investor Information Document (“KIID”), statutes and the current annual and half-yearly reports, the current share prices and further information about the fund free of charge in German from the management company Bellevue Asset Management AG, Seestrasse 16, CH-8700 Küsnacht, the representative agent in Switzerland or online at www.bellevue.ch.

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