

## Investment focus

The Fund's objective is to generate consistent absolute returns of around 7% p.a. in any market environment with an annualized volatility around 5 to 7%. The Fund actively invests globally in several asset classes with the possibility to build up long and short exposure, maintaining a constant level of risk over time. A proprietary global macro screening engine supports an experienced team of specialists to express their market views and to define the most successful top down strategies. Risk is an integrated part within the entire investment process. By targeting an explicit risk level on a daily basis the risk profile is maintained over time. The portfolio is mainly invested in liquid assets, the Fund offers daily liquidity.

## Fund facts

NAV	118.74
Volume	EUR 469.9 million
NAV-calculation	Daily "Forward Pricing"
Cut off time	15:00 CET
Distribution policy	Distributing

Investment Manager	Bellevue Asset Management
Custodian	RBC Investor Services, Luxembourg
Launch date	31.03.2016
Fiscal year end	30.06.
Benchmark	LIBOR 3 Month

ISIN code	LU1325892591
Valor	30538202
Bloomberg WKN	BBGMABE LX Equity A2AGX8

Management fee	1.40%
Performance fee	15% above benchmark*
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	n.a.
Correlation	n.a.
Volatility	4.1%

Tracking Error	n.a.
Active Share	n.a.

Sharpe Ratio	0.39
Information Ratio	n.a.
Jensen's Alpha	n.a.

Source: Bellevue Asset Management, 31.12.2018;  
Calculation over the last 3 years.

\* With high watermark

## Indexed performance since launch



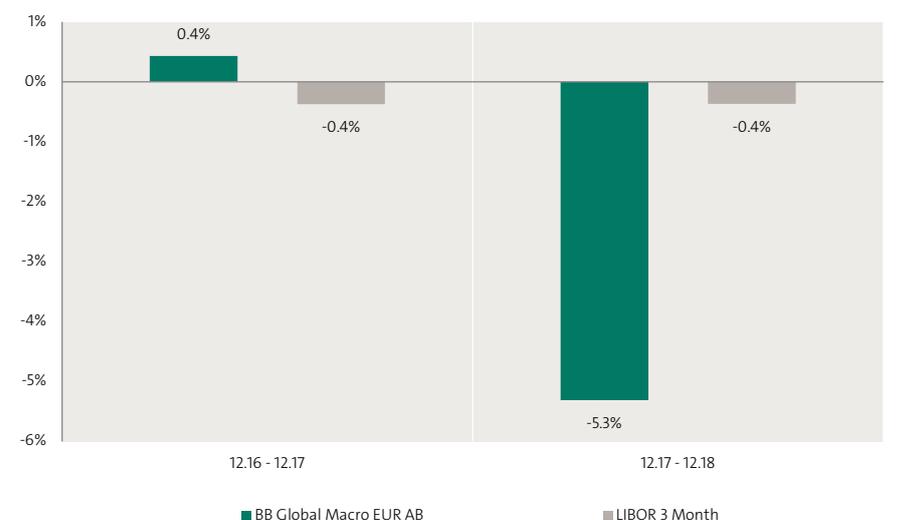
## Cumulated & annualized performance

	Cumulated						Annualized			
	1 month	YTD	1 year	3 years	5 years	since launch	1 year	3 years	5 years	since launch
AB EUI	0.0%	-2.8%	-2.8%	n.a.	n.a.	1.6%	-2.8%	n.a.	n.a.	0.6%
BM	0.0%	-0.4%	-0.4%	n.a.	n.a.	-1.0%	-0.4%	n.a.	n.a.	-0.4%

## Annual performance

	2013	2014	2015	2016	2017	YTD
AB EUR	n.a.	n.a.	n.a.	n.a.	0.4%	-5.3%
BM	n.a.	n.a.	n.a.	n.a.	-0.4%	-0.4%

## Rolling 12-month-performance



Source: Bellevue Asset Management, 31.12.2018; all figures in EUR %, total return-methodology

Past performance is not a reliable indicator of future results and can be misleading. As the Sub-fund 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. The reference benchmark of this class is used for performance comparison purposes only (dividend reinvested). No benchmark is directly identical to a subfund, thus the performance of a benchmark is not a reliable indicator of future performance of the subfund 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.

## Main portfolio themes

Long US Government Bonds

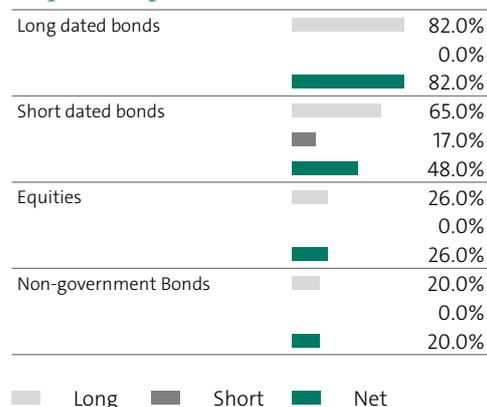
Long Italian Government Bonds

Long German Equities

Long Japanese Equities

Short Renminbi against USD

## Exposure per asset class



## Market review

The Fund returned 0.0% in December with a realized volatility of 3.9%. During the month, the MSCI World equity index lost 8.8% in euro, the JP Morgan global government bond index gained +2.1% in euro and commodities fell -8.8% in euro. The 2018 yearly performance is -2.8% for the EUR-B share class, a disappointing result in absolute terms, but understandable in a year that saw most asset classes fall significantly.

The performance in December was protected by the government bond strategy, that delivered +1.6%. As equity markets fell, US Treasuries became a safe haven, producing +1.3%. Italian BTPs contributed +0.4% as progress towards an acceptable government budget was made. We maintained the net long exposure to long term government bonds constant at 82% in December.

Equities accelerated their correction in December, with several positions losing more than 10%: Biotech sector -14%, European banking sector -10% and Japanese equities -10%. We continued adding to equities in December, bringing the net long exposure from 22% to 26%.

Non government debt contributed +0.1% in December. There was further improvement in emerging market debt (+0.1%), while financials and corporate debt were stable. We maintained the government debt exposure constant at 20%.

## Positioning & outlook

We think that the market correction is caused by deteriorating US monetary conditions and will take time to unfold. Higher US interest rates and a stronger US dollar are causing risk asset classes to correct. Demanding valuations and world trade tensions are not helping either. However, after the recent sharp fall in prices, we think that the probability of a technical equity rebound has increased.

We therefore increased from 30% to 40% the weight of scenario 1, which calls for an equity market rally. This scenario is positive for equities and risk assets in general and moderately negative for bonds.

Scenario 2 was decreased from 40% to 30%: USD liquidity remains tight, causing tensions in emerging markets, commodities and peripheral Europe. This is in effect a continuation of the environment experienced over the past few months. This is positive for core government bonds, moderately negative for equities and moderately negative for non government bonds.

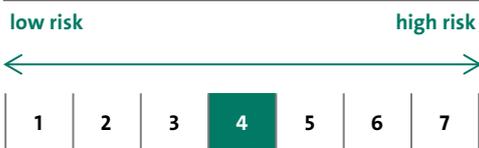
Scenario 3, unchanged at 30%, envisions a significant equity and non government bond correction. The catalyst could be either an economic slowdown in developed markets or a financial shock in emerging markets. This scenario is positive for government bonds and the USD.

Source: Bellevue Asset Management, 31.12.2018;

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 Sub-Fund 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.

## Risk and return profile

The Fund's objective is to achieve consistent positive returns across the economic cycle. The targeted returns are intended to be largely de-correlated from those of major asset classes. It is therefore particularly suited to investors with an investment horizon of at least 3 years who are focused on achieving consistent absolute returns. The base currency of the Fund is EUR.



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

- Fund targets to achieve consistent absolute returns across the economic cycle.
- Systematic investment approach – based on proprietary models developed over the past 23 years.
- Use of leverage is possible, the net exposure is usually between 120% and 150%.
- Possibility to make short investments if the market environment offers appropriate opportunities to do so.
- UCITS V regulated absolute return strategy with daily liquidity.

## Inherent risks

- The fund may engage in derivatives transactions. The increased opportunities gained come with an increased risk of losses.
- The fund may invest part of its assets in bonds. Their issuers may become insolvent.
- The investment in fixed-interest securities gives rise to interest rate risks.
- Investing in emerging markets entails the additional risk of political and social instability.
- The fund invests in foreign currencies, which means a corresponding degree of currency risk against the reference currency.

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



### Lucio Soso

#### Portfolio Manager since inception of the fund

Joined Bellevue in 2010 as Portfolio Manager. Prior to that he worked 6 years for RBR Capital where he was also responsible for Global Macro fund and was developing the financial models and risk management for total return and global macro strategies.



### Alexandrine Jaecklin

#### Portfolio Manager of the fund since 2015

Joined Bellevue in 2015 as Portfolio Manager. Prior to joining Bellevue, she spent 15 years at UBS where she worked as research analyst covering european financial credits and later as investment specialist for UHNW clients with focus on bond markets.



### Markus Peter

#### Portfolio Manager since inception of the fund

Joined Bellevue in 2009 as head investments and products. He previously held several management positions during his 10 years with Julius Baer, including head product management, head investment advisory and product specialist for absolute return products.

## *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 Global Macro 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](http://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](http://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, Graben 21, A-1010 Vienna

#### **Germany**

Paying and information agent: Bank Julius Bär Europe AG, An der Welle 1, P.O. Box, D-60062 Frankfurt a.M.

#### **Spain**

Representative: ATL Capital, 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, Affolternstrasse 56, 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](http://www.bellevue.ch).

In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative agent.

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The most important terms are explained in the glossary at [www.bellevue.ch/en/glossary](http://www.bellevue.ch/en/glossary)