

Fund Aim

To provide strong risk adjusted returns through the full market cycle by investing primarily in a diversified portfolio of convertible securities worldwide.

Fund AUM	\$681.5m
Team AUM	\$1,064.1m
Firm AUM	\$18,112.8m

Fund Details

Manager	Davide Basile
Launch Date	29th December 2006
Structure	UCITS IV Lux SICAV
Domicile	Luxembourg
Share Classes	CHF, EUR, GBP, USD
Minimum Investment	
Share Class A	25,000
Share Class B	10,000,000
Share Class R	25,000
Share Class S	200,000,000
Annual Management Charge	
Share Class A	1.50%
Share Class B	0.80%
Share Class R	0.80%
Share Class S	0.60%
Distribution Frequency	Semi-Annual
XD Dates	28 Jun, 31 Dec
Pay Dates	11 Jul, 14 Jan
Dealing - Subscriptions	Daily
Dealing - Redemptions	Daily
Dealing Cut Off	13:00 CET (Trade date-1)
Administrator	Brown Brothers Harriman
Auditor	PricewaterhouseCoopers (LUX)

Fund Codes

Share Class	ISIN	Sedol	Bloomberg
A CHF	LU0391202164	B3F8667	MPCGCAC LX
A EUR	LU0273642768	B1YB373	MPCGLCA LX
A GBP	LU0280814137	B1Y9SR2	MPCGCAG LX
A USD	LU0273642925	B1Y9SQ1	MPCGCAU LX
B CHF	LU0327224076	B29NGZ0	MPCGCBC LX
B EUR	LU0273643493	B1Y9SS3	MPCGLCB LX
B GBP	LU0280814301	B1Y9SV6	MPCGCBG LX
B GBP Dist.	LU0892083196	B87W1L2	MPCGBGD LX
B USD	LU0273643733	B1Y9ST4	MPCGCBU LX
R CHF	LU1319692791	BZ6CTB8	RWGCRCB LX
R EUR	LU1319692957	BZ6CTR4	RWGCORE LX
R GBP Dist.	LU1017300424	BJBPXN0	RWCACRI LX
R GBP	LU1017300267	BJBPXM9	MPCGBRA LX
S CHF	LU1945294814	BJ4K203	RWGCSCB LX
S EUR	LU1751016087	BFWJL40	RWGCSE LX
S GBP	LU1751016160	BFWJL73	RWGCSCG LX

Income Distribution

Share Class	Period	Dist per share
B GBP Hedge Dist.	H2	£2.92
R GBP Hedge Dist.	H2	£2.91

Cumulative Performance - Class B EUR

Cumulative Performance (%)

	NAV per Share	1M	3M	YTD	1Y	3Y	5Y	SI
B EUR	1,604.29	-1.60	-0.03	-1.05	1.29	1.93	3.31	60.43
Reference Index 1		-1.51	2.12	0.08	4.07	6.65	8.88	50.90

1. Thomson Reuters Global Focus Hedged Convertible Bond Index (EUR) 2. Thomson Reuters Global Focus CB

Discrete Monthly Performance - Class B EUR (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2020	0.55	-1.60	-	-	-	-	-	-	-	-	-	-	-1.05
2019	3.23	2.47	-0.41	2.19	-3.28	1.54	1.18	-2.16	0.05	0.93	1.41	1.03	8.29
2018	1.35	-1.13	-1.40	0.46	0.78	-0.72	-0.21	0.61	-0.35	-3.83	0.17	-3.04	-7.19

Historic Annual Returns (%)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	4.57	-14.54	24.68	7.57	-3.31	7.96	13.85	5.36	2.75	0.04	4.56

Commentary

February was a story of two divergent halves. The first three weeks of the month showed sustained equity market gains, however the final week showed a dramatic reversal as fear came back to the markets. Evidence of the global spread of coronavirus saw one of the fastest corrections on record during the last five trading days of the month, more than wiping out what had been a positive start to the month for equities. News of the spread of the virus itself, as well as the impact of efforts to contain it, remain very much in development. Yet the price action for the month shows that some investors decided patience was simply not an option and chose to dramatically reduce equities and speculative grade credits. These sales found a home in safe-haven assets, pushing government and investment grade bond yields even lower; at month end, 10-year government bonds in the US and Germany yielded 1.15% and -0.60%, respectively. Equity markets for the month all showed steep declines with the MSCI World down 6.7% and MSCI Europe lower by 8.2%. Convertibles have fared well in this sell-off with the RWC Global Convertibles Fund lower by 1.58% vs. 1.51% for our index, reversing some of the lag we were experiencing due to not holding the Tesla bonds which exited our index mid-month. We note that from peak of markets to end February the MSCI World was lower by 11.75% with our index lower by 4.04% vs. 3.18% for our fund.

From a positioning perspective we feel we went into the February sell-off well positioned, as we used the strength in the first portion of the month to continually reduce delta and raise cash. Prior to the equity declines we had reduced our delta to approximately 5 points lower than our index at just over 40% vs. 45%, with a cash level close to 8%. The sales were targeted towards names that we thought would be more strongly impacted by the developments, including semiconductors (ST Micro, ON Semi), luxury (LVMH) and travel (booking.com). As the sell-off intensified in the final week of February we did not trade as the benefit of convertibles is that if you position in a convex fashion the fund is adjusting to the market environment automatically. As an example, our delta declined roughly 7 points to the current 33.3% thanks to convexity. As we look towards March, we feel it's still too early to start adding delta meaningfully as we are very comfortable with our low delta and high credit quality given we'd like to see some evidence of the economic impact from the virus before rebalancing our delta much higher. However, our asset class does present opportunities in periods of volatility hence at the margin we will be looking at names close to floor with balanced delta ranges in names we feel have excessively declined bringing valuations to attractive levels. Generally, we feel that the asset class is performing well and is currently offering investors an attractive way to position in a challenging market environment with significantly divergent possible paths of future returns for equity markets.

Please note Firm AUM includes emulation account values from the previous month-end.

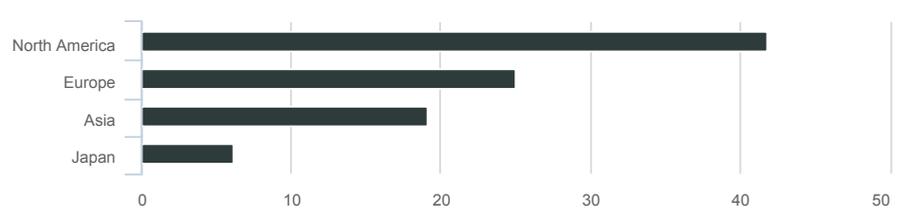
Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested.

The month end values shown for both the NAV and the index are the values released on the last day of the month. As such there is some mismatch between the two.

All performance details are NAV-NAV gross income reinvested. Source: RWC, Thomson Reuters, MSCI

Bond Quality Breakdown (%)

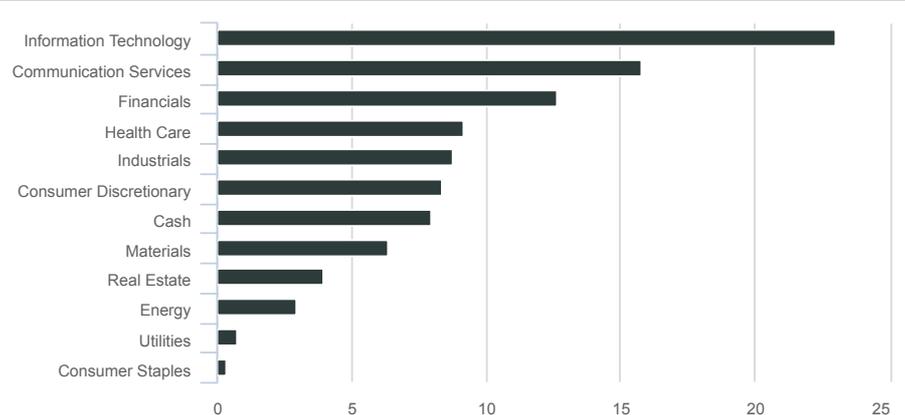
AAA	0.0
AA	0.8
A	13.2
BBB	7.3
< BBB	5.9
NR	65.0
Cash	7.9
Average rating‡	BBB-

Geographic Breakdown (%)

Statistical Analysis*

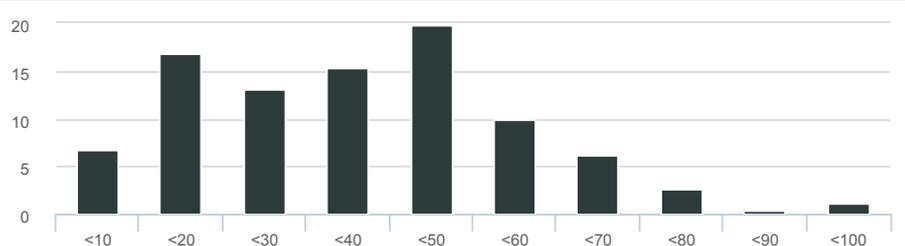
	Fund
Volatility	5.5

Additional Data (%)

Weighted Average Delta	33.3
No. of Convertible Bonds	114
Yield to Maturity / Put	-1.1
Rho**	-2.0
Modified Duration Equivalent	2.0
Current Yield	0.7

Sector Breakdown (%)

Additional Share Class NAV & Performance

Share Class	NAV	1 Month (%)	YTD (%)
A CHF	153.02	-1.69	-1.26
A EUR	1,409.49	-1.66	-1.17
A GBP	749.72	-1.62	-1.05
A USD	1,541.15	-1.54	-0.87
B CHF	1,397.98	-1.63	-1.14
B EUR	1,604.29	-1.60	-1.05
B GBP	820.35	-1.56	-0.93
B GBP Dist.	761.48	-1.56	-0.93
B USD	1,721.70	-1.48	-0.75
R CHF	99.81	-1.64	-1.15
R EUR	102.22	-1.60	-1.06
R GBP Dist.	760.21	-1.57	-0.94
R GBP	786.01	-1.57	-0.94
S CHF	101.76	-1.61	-1.10
S EUR	100.01	-1.58	-1.01
S GBP	105.73	-1.54	-0.89

Delta Distribution of Convertible Bonds (%)


The information above may differ from figures published elsewhere due to differences in the standard deviation calculation methodology used. The above figures are quoted based upon the population methodology.

*Relating to EUR share class using daily data.

**Interest rate sensitivity.

‡Includes implied ratings applied to non-rated holdings which are calculated internally with no input from ratings agencies.

Source: RWC, Morningstar.

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