Julius Baer Multibond -
Absolute Return Bond Fund Plus
(UCITS)

Julius Bär Funds
Exclusively managed by GAM

JB BF Absolute Ret Pl-CHF

Share class Ra / Currency CHF | 31.01.2017 | **Marketing Material**

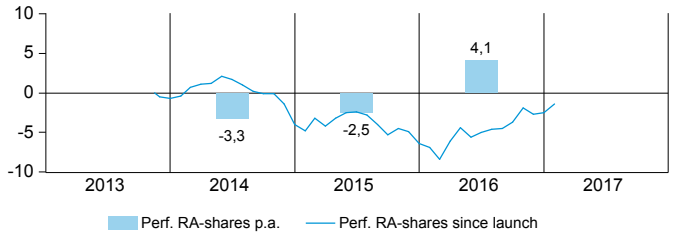
Investment focus and suitability

The fund invests worldwide in bonds of the most various maturities, credit ratings, countries and currencies, as well as in derivative financial instruments, in accordance with the absolute return approach. The fund allows investors to delegate investment decisions to experienced specialists. The investment aim is to achieve positive returns independently of market developments.

Fund classification	Bond Funds: Absolute / Total Return						
Investment risk	1	2	**3**	4	5	6	7

Lower risk — Higher risk

Performance in %



in %	YTD	1M	3M	6M	1Y	3Y p.a.	5Y p.a.	10Y p.a.	since launch p.a.
Fund	1.12	1.12	0.47	3.33	5.92	-0.34	n.a.	n.a.	-0.44
BM	-0.06	-0.06	-0.18	-0.37	-0.75	-0.51	n.a.	n.a.	-0.48

Rolling perf.	31.01.2016 - 31.01.2017	31.01.2015 - 31.01.2016	31.01.2014 - 31.01.2015	31.01.2013 - 31.01.2014	31.01.2012 - 31.01.2013
Fund	5.92	-2.22	-4.43	n.a.	n.a.
BM	-0.75	-0.80	0.01	n.a.	n.a.

Past performance is not an indicator of current or future trends. The performance values refer to the net asset value and are calculated without the commission and costs incurred on issue, redemption or swapping (e.g. transaction and custody costs of the investor).

Statistics

Average maturity in years	9.76	Modified Duration	0.87
Yield to Maturity (nominal) (%)	2.13		

Important legal information
Sources: Bloomberg, Rimes, GAM. Please note the important legal information at the end of this document. Before subscribing, read the prospectus and the KIID which are available at www.jbfundnet.com or from your distributor.

Base data

NAV per share	**CHF 91.56**
Total fund assets	CHF 1'791.87 m
Base currency	EUR
Available currencies	CHF, EUR, GBP, USD
Currency hedging	hedged against base currency
Share class	Ra (distribution)
Bloomberg Ticker	JBAPRAC LX
Security code ISIN	LU0984446293
Security code CH	22644110
Invest. manager	GAM International Management Ltd.
Fund management company	GAM (Luxembourg) S.A.
Legal structure	SICAV under Luxembourg law
Date activated	31.05.2006
Share class launch	15.11.2013
Domicile	Luxembourg
Benchmark	ICE LIBOR CHF 3 Months
Last distribution	CHF 2.25 (Pay date: 16.11.2016)
Total expense ratio	1.40% (30.06.2016)
Management fee	0.70% + Perf. Fee[1]
Commission	Issue: max. 3.00% Redemption: max. 2.00%[2]
Registered in	AE AT BE CH CY DE DK EE ES FI FR GB IE IS IT LI LT LU LV NL NO PT SE

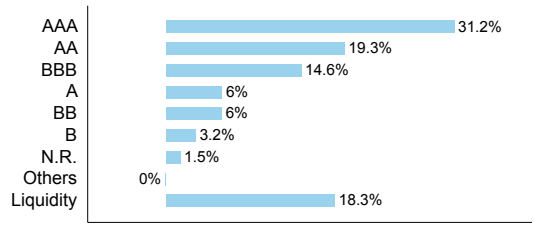
[1] Performance Fee: 10% of the outperformance vs. Benchmark (= Hurdle Rate); incl. High Watermark

[2] Only if no issuing commission was charged.

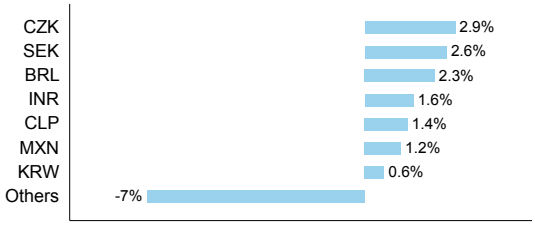
Largest positions

Security	Interest rate	Country	%
US Treasury Bonds	3,375%	US	4,78
Vodafone Ovs Fin Ltd	0,000%	GB	4,30
German Treasury Bill	0,000%	DE	2,32
Denmark Gov Bond	1,750%	DK	2,22
Lagoon Park Capital SA	0,000%	LU	2,19
Total			15,81

Structure by rating



Structure by currency



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Comments

Market review
January saw Treasuries rally till the inauguration, then sell off to end unchanged. European govvies sold off, notably the PIIGS and France. The dollar gave back ground, was undershot only by Turkish lira. Credit markets saw big issuance and spread widening in the last week. Equities mostly gained.

Performance contribution and portfolio changes
The month saw further gains for PLUS, despite falling bond prices. Modest short duration in EUR zone, allied to long duration in Latin America added value. Convertibles made money. FX overlay, mostly short USD, worked. Short duration inspired by strong commodities price profited. Brazilian receivers were trimmed, add in Mexico; otherwise positions broadly unchanged.

Outlook and strategy
Economic optimism points to higher DM yields; noisy politics seem to reinforce this trend. Speculators remain very short UST and GBP, which risks a flash reversal. Volatility is cheap, such as equities and Yen crosses - prompting purchases to hedge a 'growth / reflation' current portfolio stance.

Opportunities

The fund invests in a broadly diversified bond universe and seeks various opportunities for returns.
The fund gives investors easy access to the emerging markets. Many of these countries may offer attractive potential returns in various asset classes.
A highly qualified and experienced management actively manages the fund on the basis of a fundamental valuation approach. The objective is to identify the potential investments that, in the Investment manager's opinion, are most attractive and to generate interesting and profitable opportunities for investors.
The fund aims to generate long-term positive (absolute) returns in both rising and falling financial markets, coupled with risk diversification. The fund invests broadly across various bond categories, currencies and countries, in accordance with its flexible investment strategy.

Risks

The fund invests in bonds, which may be subject to significant fluctuations in value. Bonds are subject to issuer risk, credit risk and interest rate risk.
The fund may invest in derivatives, which are subject to the risks of their underlying markets or underlying instruments as well as issuer risks and often involve higher risks than direct investments.
The fund may invest in securities from emerging markets where prices can fluctuate significantly and where, in addition to social, political and economic uncertainties, operating and supervision conditions may deviate from the standards prevailing in developed markets.
The fund may invest in securities of issuers that the market does not view as having good creditworthiness. These securities are subject to comparatively high volatility, and the possibility that they may even lose their value completely cannot be ruled out.
The fund may invest in assets denominated in various currencies, giving rise to exchange rate risks which may be hedged. If the currency in which the past performance is displayed differs from the currency of the country in which an investor resides, due to exchange rate fluctuations, the performance shown may increase or decrease if converted into the investor's local currency.

Glossary

Alpha (Jensen's): Jensen's Alpha measures the performance of an investment (fund) in relation to its benchmark. A positive alpha means that the value of the fund has generated a higher return than the benchmark.
Benchmark (BM): An index that can be used by an investment fund as the basis of comparison for assessing the performance achieved.
Beta: the beta coefficient describes to what extent the price of a share tracks the value of an index, i.e. if the share performs better or worse than the market.
Correlation: a statistic measurement which shows the linear relationship (or degree of parallel movement) between two series of figures, for example the performance of two equity investments.
Duration: refers to the period of time that capital is tied into a monetary or bond investment or in other debt securities, and determines the sensitivity of the price to interest rate changes. Unlike residual maturity, the duration also takes into account interest payments and other inflows from invested capital.
Funds of Funds: These are investment funds which invest their fund assets in other target funds.
High water mark: the high water mark principle establishes a cap on or allows for a potential rise in performance fees. According to this principle, the investment fund manager only receives the relevant remuneration when the fund exceeds the highest level of return that it has ever achieved.
Information ratio: the information ratio expresses the ratio of additional returns generated to the extra risk involved. The value generated can be used to evaluate active management.
Modified duration: a risk indicator that measures the effect of price fluctuations on a bond issue or a portfolio of bond issues.
Residual maturity: time remaining until a bond must be repaid.
Sharpe ratio: the Sharpe ratio (risk-adjusted performance) is generated by calculating the difference between the average annualised return and the risk-free return. The resulting figure is divided by the annualised standard deviation of the returns. The higher the Sharpe ratio, the better the fund performance in relation to the risk potential of its portfolio.
Total Expense Ratio (TER): the TER is a measure of the total annual expenses incurred by a fund and is expressed as a percentage. It allows an accurate comparison of the costs of funds from different companies to be made.
Tracking error: the tracking error measures the divergence between the return of a fund in relation to its benchmark.
Volatility: a risk indicator demonstrating the fluctuation range (for example of the price or return of a security or fund unit) over a defined period; volatility is most often calculated using standard deviation. The higher the volatility, the greater the fluctuation range.
Yield to maturity: the yield to maturity is the average yield generated by an investment each year if it is held until expiry.

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