



## OYSTER MONTHLY REPORT

For professional, qualified and institutional investors

August 2017

## OYSTER GLOBAL HIGH YIELD I USD HD

### Investment objective

The fund's objective is to provide investors with capital growth by investing mainly in high yield bonds issued by companies globally. The fund employs a bottom-up approach based on credit analysis and risk control discipline. The core of the portfolio consists of BB and B rated bonds with opportunistic allocation to selective CCC and non-rated issues. The key investment criteria considered are: positive free cash flow combined with deleveraging, sound management, good asset protection, strong competitive position and access to capital. The portfolio is broadly diversified with the goal of reducing the overall portfolio's volatility.

### Fund facts

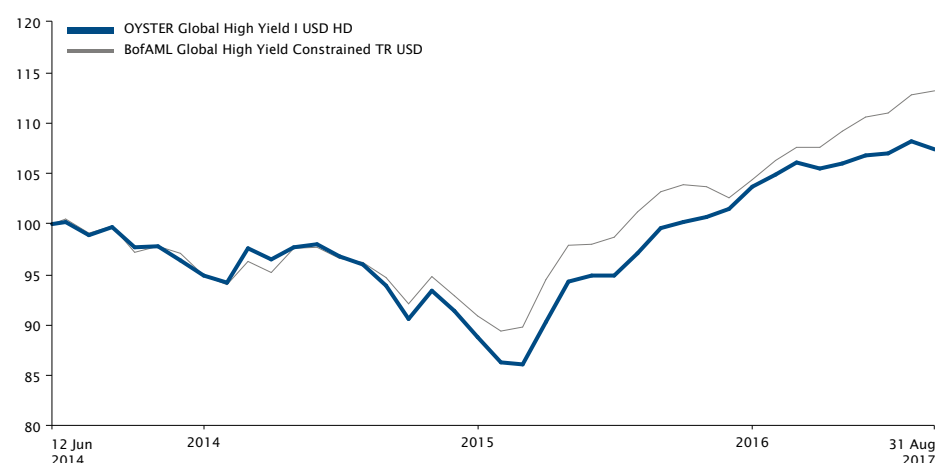
Manager	Seix Investment Advisors LLC, Michael Kirkpatrick, James Fitzpatrick
Dividend policy	Accumulation
Last NAV	USD 1074.47
Fund size	USD 225.5 mn
Fund type	Bonds
Investment zone	World
Recommended invest. horizon	At least 5 years
Share class currency	USD
Inception date	12.06.2014
Index	BofA ML Global High Yield Constrained Index
Legal structure	Luxembourg SICAV - UCITS
Registration	AT, CH, DE, ES, FR IT (QI), LU, NL, SG (QI)

### Risk/Return profile

◀ Lower risk				Higher risk ▶			
Typically lower rewards				Typically higher rewards			
1	2	3	4	5	6	7	

Sources: OYSTER Sicav, KIID

### Performance & risk measures



	Fund	Index
<b>Calendar year performance</b>		
2017 YTD	+3.7%	+8.4%
2016	+16.8%	+14.8%
2015	-6.5%	-4.2%
-	-	-
<b>Annualised risk measures</b>		
Volatility	+6.9%	+6.5%
Sharpe ratio	0.4	0.6
Information ratio	-0.7	-
-	-	-
Duration	3.5	-
Yield to maturity	+5.8%	-

	Fund	Index
<b>Cumulative performance</b>		
1M	-0.5%	+0.3%
3M	+0.8%	+2.3%
6M	+1.5%	+5.2%
1Y	+8.1%	+9.6%
3Y	+7.9%	+13.3%
5Y	-	-
Since inception	+7.4%	+13.2%
-	-	-
<b>Annualised performance</b>		
3Y	+2.6%	+4.3%
5Y	-	-
Since inception	+2.3%	+3.9%

Sources: OYSTER Sicav, Morningstar. Past performance does not guarantee or predict future performance. Annualised risk measures based on 3-year monthly returns if more than 3-year history or 1-year if less than 3-year history.

**Administrative information**

Central Administration	RBC Investor Services Bank S.A.
Transfer agent	RBC Investor Services Bank S.A.
Custodian Bank	RBC Investor Services Bank S.A.
Auditor	PwC Luxembourg
Management company	SYZ Asset Management (Luxembourg) S.A.

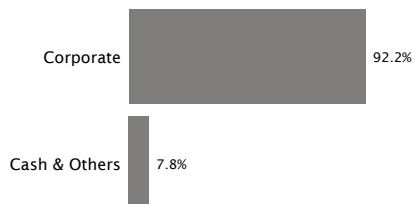
**Fees**

Subscription fee	Max 1.0%
Redemption fee	Max 1.0%
Management fee	Max 0.85%
Performance fee	-

Sources: OYSTER Sicav, KIID

**Dealing information**

Liquidity	Daily
Cut-off time	TD 12:00 Luxembourg
Minimum initial investment	1 000 000
Settlement	TD+3
ISIN code	LU1045039937
CH Security Nr	23931204
Bloomberg	OYGIUDH LX

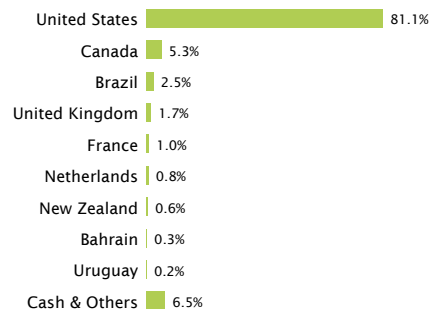
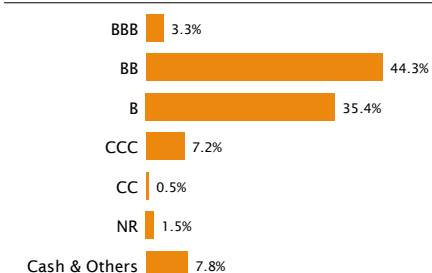
**Portfolio Breakdown****Asset allocation****Top 10**

MGM RESORTS 7.75%12-15.3.22	1.1%
1011778 BC 5% 17-15.10.25 144A	1.0%
OCWEN SERV 8.375% 16-15.11.22	1.0%
ISTAR FIN 6.5% 16-01.07.21	1.0%
WESTERN DIG 10.5% 16-01.04.24	0.9%
QUICKEN LN 5.75% 15-1.5.25 144A	0.9%
CHESAPEAKE 8% 15-15.12.22	0.9%
CINC BELL 7% 16-15.07.24 144A	0.8%
DAVITA HP 5% 15-01.05.25	0.8%
STARWOOD 5% 17-15.12.21	0.8%
	9.2 %

**By maturity**

Less than 1 year	2.3%
Between 1 and 3 years	9.9%
Between 3 and 5 years	26.9%
Between 5 and 7 years	22.5%
Between 7 and 10 years	26.4%
More than 10 years	4.3%
Cash & Others	7.8%

Source: OYSTER Sicav

**By country****By rating****By sector**

Consumer, Cyclical	18.4%
Energy	17.7%
Financial	17.1%
Consumer, Non-cyclical	13.3%
Communications	11.1%
Technology	4.9%
Basic Materials	4.3%
Industrial	4.0%
Utilities	1.6%
Cash & Others	7.8%

## Manager Comment

## HIGHLIGHTS

- There was a modest sell-off in high yield in August, prompted by concerns about the unstable global environment
- The terrorist attack in Barcelona, North Korean nuclear tests and questions about statements out of Washington increased uncertainty
- Rates on US Treasury Notes fell over the month, essentially cancelling out the effect of high yield spreads widening

## MARKET REVIEW

Concerns about the unsettled US political backdrop, global terrorist attacks and the actions of North Korea fuelled a modest flight to quality in August. The yield on the ten-year US Treasury Note fell by 18bp to 2.12%. After touching their lowest level in two years, high-yield spreads rose by 11bp over the month, up from 367bp to 378bp. The rally in US Treasuries nearly offset this widening of spreads, with the benchmark yield close to flat.

## FUND REVIEW

The fund lagged the benchmark in August. This was primarily due to its overweight position and unfavourable security selection in energy, with Hornbeck Offshore, California Resources and EP Energy all detracting from its relative return. Unfavourable selection in utilities (Linn Energy) also detracted. Partially offsetting these effects were an underweight in

	Fund	Index
<b>Cumulative performance</b>		
1M	-0.5%	+0.3%
2017 YTD	+3.7%	+8.4%

telecommunications and favourable security selection in healthcare, with Valeant boosting the fund's relative return. During a quiet month for the market, the manager invested in some attractively priced new issues. He took profit on long-held positions in the satellite (Intelsat) and telecommunications (SBA) industries, and took advantage of a tender offer on a metals company (TMS). He also invested in a new issue from an energy firm (SESI).

## OUTLOOK

The manager continues to believe that spreads essentially reflect the low expected level of defaults, and that the macroeconomic outlook is a bigger risk. Unsettled political situations, both in the US and elsewhere, could disrupt the markets. If worries dissipate, the manager believes that spread tightening would offset the negative effects of rising US Treasury rates.

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