LOMBARD ODIER
INVESTMENT MANAGERS

LO FUNDS - GLOBAL CONVERTIBLE BOND DEFENSIVE DELTA, SYST. HDG, SEED, (USD) I

FUND FACTS

Domicile	Luxembourg/SICAV
Fund inception date	8 December 2014
Currency of Fund	EUR
Currency of share class	USD Hedged
Registered in	AT, CH, DE, ES, FR, GB, IT, LI, LU, NL, SE
Fund manager	N. Barazal, J. Hémard, A. Gernath, G. Mazzoni
Net assets (all classes)	USD 125.16 million
Number of positions	109
Liquidity (sub./red.)	Daily
Min. investment	CHF 1'000'000 or eq
Management fee	0.325%
Distribution fee	0.00%
Performance fee	0.00%
TER max (31 March 2016)	0.53%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7

Low High

CODES

	Class A
ISIN	LU1140674828
Bloomberg	LGCSUIA LX
Telekurs	26062184
NAV	USD 10.55

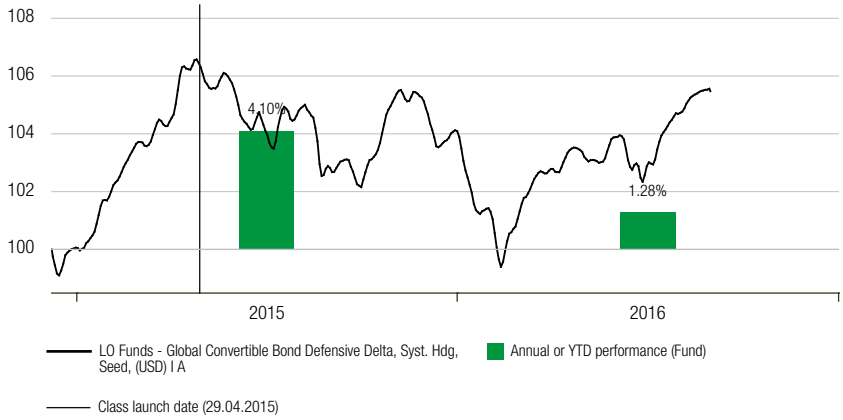
FISCAL INFORMATION

EUSD	In Scope
UKRFS	No
DE InvStG	Not transparent

HIGHLIGHTS

LO Funds - Global Convertible Bond Defensive Delta is an actively managed long-only global convertible bond strategy launched in December 2014. It invests primarily in global convertible bonds with a balanced profile. The weighted average delta equity sensitivity of the sub-fund is capped at 40%. It seeks to deliver asymmetrical performance over the medium to long-term, profiting from equity market upturns while benefiting from the downside protection of a fixed income structure with a fraction of the volatility of equities. The investment approach is based on fundamental and technical research and combines 'top-down' economic analysis with 'bottom-up' stock selection. Two final hurdles include a minimum issue size of USD 150mn (for liquidity purposes) and a minimum credit rating of B- (reflecting the search for an investment grade quality for the portfolio). Currency risk is restricted to 10%, with at least 90% of the portfolio hedged.

NET PERFORMANCE AND ANNUAL PERFORMANCE IN USD Dec 8, 2014 - Aug 31, 2016

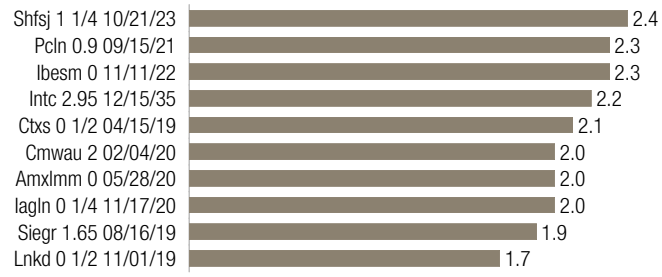


NET PERFORMANCE IN USD	Cumulative Fund	Annualized Fund
YTD	1.28%	–
1 month	0.63%	–
3 months	1.45%	–
1 year	2.40%	–
Total return (since 08.12.2014)	5.48%	3.11%

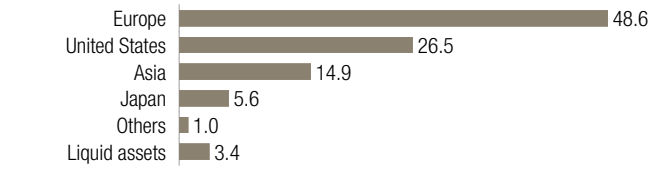
STATISTICS 08.12.2014 - 31.08.2016	Fund
Maximum drawdown	-4.80%

	Fund
Modified Duration	4.02
Yield to maturity	0.05%
Delta	35.50%
Prime	49.00%
Bond Floor	92.20%

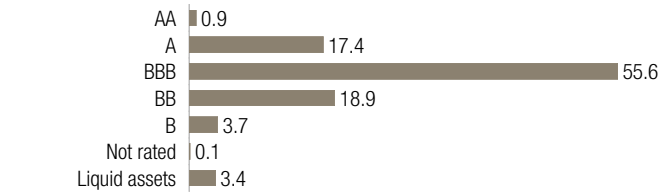
TOP 10 (IN %)



COUNTRIES (IN %)



CREDIT RATINGS (IN %)



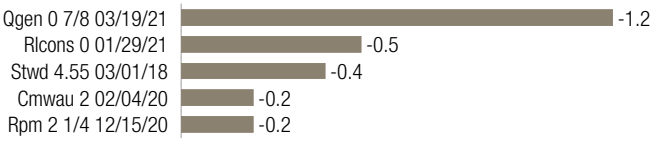
CURRENCIES (IN %)



INCREASED



REDUCED



MONTHLY RETURNS IN %	2014 Fund	2015 Fund	2016 Fund
January		1.6	-2.5
February		2.0	-0.7
March		0.7	2.0
April		1.5	0.4
May		-0.3	0.6
June		-1.7	-0.9
July		0.8	1.8
August		-1.7	0.6
September		-0.8	
October		2.8	
November		0.1	
December	0.0	-1.0	
Year	**0.0**	**4.1**	**1.3**

PARTICULAR RISKS

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:
- Credit risk: A significant level of investment in debt securities or risky securities implies that the risk of, or actual, default may have a material impact on performance. The likelihood of this depends on the credit-worthiness of the issuers.
- Operational risk and risks related to asset safekeeping: In specific circumstances, there may be a material risk of loss resulting from human error, inadequate or failed internal systems, processes or controls, or from external events.
- Risks linked to the use of derivatives and financial techniques: Derivatives and other financial techniques used substantially to obtain, increase or reduce exposure to assets may be difficult to value, may generate leverage, and may not yield the anticipated results. All of this could be detrimental to fund performance.
For more details about risk, see section 5 “Risk Factors” of the prospectus.

GLOSSARY

Credit Ratings: The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.
Risk and Reward Profile: This indicator (SRRI) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.
Total Expense Ration (TER): The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports)
Volatility: A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.
Sharpe Ratio: A measure of risk-adjusted performance. The higher the ratio, the better riskadjusted performance has been.
Drawdown: A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.
Correlation: Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation coefficient of 0 suggests there is no correlation.
Tracking Error: A measure of how closely an investment portfolio follows the index against which it is benchmarked.
Bond Floor: The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.
Delta: The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.
Premium: If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.
Yield to Maturity: The rate of return anticipated on a bond if it is held until the maturity date.
Coupon: The interest rate stated on a bond when it's issued.
Modified Duration: This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.
Average Duration: The average modified duration of the portfolio expressed in years.
Expected Loss: Annual average expected loss to the portfolio expressed in percent.
Attachment Point: The modelled probability of a negative portfolio return in any given year.

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