

## BSF Emerging Markets Flexi Dynamic Bond Fund

## Class X2 Hedged GBP

## JUNE 2018 FACTSHEET

Performance, Portfolio Breakdowns and Net Asset information as at: 30-Jun-2018. All other data as at: 11-Jul-2018.

Investors should read the Key Investor Information Document and Prospectus prior to investing.

## FUND OVERVIEW

The Fund aims to maximise the return on your investment through a combination of capital growth and income on the Fund's assets. The Fund seeks to gain at least 70% of any investment exposure to fixed income (FI) securities and FI-related securities denominated in both emerging market and non-emerging market currencies, issued by, or giving exposure to, governments, government agencies and supranationals of emerging market countries, and companies domiciled or the main business of which is in, emerging market countries. This is achieved by investing at least 70% of its total assets in FI securities, FI-related securities, deposits and cash. FI securities include bonds as well as money market instruments. FI-related securities include financial derivative instruments (FDIs).

## GROWTH OF HYPOTHETICAL 10,000



Share Class performance displayed in British Pound. Source: BlackRock. Performance is shown on a net asset value basis, with gross income reinvested. **Past performance is not a guide to future performance**

## % CALENDAR YEAR RETURNS

	2017	2016	2015	2014	2013
Share Class	5.31	N/A	N/A	N/A	N/A

Share Class performance is calculated on a Net Asset Value (NAV) basis, net of fees in the dealing currency specified and do not include sales charge or taxes. Returns assume reinvestment of any distributions. Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.

## CUMULATIVE &amp; ANNUALIZED PERFORMANCE

	Cumulative (%)					Annualized (% p.a.)		
	1m	3m	6m	YTD	1 Year	3 Years	5 Years	Since Inception
Share Class	-2.99%	-7.14%	-7.55%	-7.55%	-3.45%	N/A	N/A	5.30%
Quartile Rank	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The figures shown relate to past performance. Past performance is not a reliable indicator of future results and should not be the sole factor of consideration when selecting a product or strategy. Share Class and Benchmark performance displayed in GBP, hedged fund benchmark performance is displayed in USD. Performance is shown on a Net Asset Value (NAV) basis, with gross income reinvested where applicable. The return of your investment may increase or decrease as a result of currency fluctuations if your investment is made in a currency other than that used in the past performance calculation. **Source:** BlackRock

**Key Risks:** All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed. The fund invests a large portion of assets which are denominated in other currencies; hence changes in the relevant exchange rate will affect the value of the investment. Compared to more established economies, the value of investments in developing Emerging Markets may be subject to greater volatility due to differences in generally accepted accounting principles or from economic or political instability. The fund may invest in securities whereby the issuing company has a high risk of defaulting on their interest payments, capital repayment or both. In the event of default, the value of the investment may reduce. These securities are therefore exposed to changes in interest rates which will affect the value of any securities held. The fund may make distributions from capital as well as income or pursue certain investment strategies in order to generate income.

(Continued on page 2)

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## KEY FACTS

Asset Class	Fixed Income
Morningstar Category	Other Bond
Fund Launch Date	12-Jun-2013
Share Class Launch Date	10-Feb-2016
Fund Base Currency	USD
Share Class Currency	GBP
Fund Size (AUM)	3,278.28 USD
Domicile	Luxembourg
Fund Type	UCITS
ISIN	LU1361293415
Bloomberg Ticker	BSEFX2H
Distribution Type	Accumulating
Minimum Initial Investment	10,000,000 USD*

\* or currency equivalent

## PORTFOLIO MANAGEMENT

Sergio Trigo Paz (Since: 12 Jun 2013)

Laurent Develay (Since: 12 Jun 2013)

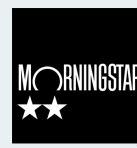
Michal Wozniak (Since: 01 Apr 2014)

## TOP HOLDINGS (%)

TREASURY NOTE 2.25 02/29/2020	4.22
PETROLEOS DE VENEZUELA SA RegS 0 10/27/2020	4.22
ANGOLA (REPUBLIC OF) RegS 9.375 05/08/2048	2.67
JSC NATIONAL KAZMUNAYGAS RegS 5.75 04/19/2047	2.29
NIGERIA (FEDERAL REPUBLIC OF) RegS 7.875 02/16/2032	2.18
GABONESE REPUBLIC RegS 6.95 06/16/2025	2.08
GHANA (REPUBLIC OF) RegS 8.627 06/16/2049	2.01
TURKEY REPUBLIC OF (GOVERNMENT) 4.875 04/16/2043	1.99
PETROLEOS DE VENEZUELA SA RegS 0 05/17/2035	1.94
MEXICO (UNITED MEXICAN STATES) 5.75 10/12/2110	1.72
<b>Total of Portfolio</b>	<b>25.32</b>

Holdings subject to change

## RATINGS



**Key Risks Continued:** Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital growth. Certain developing countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations (sovereign debt) issued or guaranteed by developing governments or their agencies involve a high degree of risk. The Fund utilises derivatives as part of its investment strategy. Compared to a fund which only invests in traditional instruments such as stocks and bonds, derivatives are potentially subject to a higher level of risk and volatility. The strategies utilised by the Fund involve the use of derivatives to facilitate certain investment management techniques including the establishment of both 'long' and 'synthetic short' positions and creation of market leverage for the purposes of increasing the economic exposure of a Fund beyond the value of its net assets. The use of derivatives in this manner may have the effect of increasing the overall risk profile of the Fund. The fund invests in fixed interest securities issued by companies which, compared to bonds issued or guaranteed by governments, are exposed to greater risk of default in the repayment of the capital provided to the company or interest payments due to the fund. The fund invests in fixed interest securities such as corporate or government bonds which pay a fixed or variable rate of interest (also known as the 'coupon') and behave similarly to a loan.

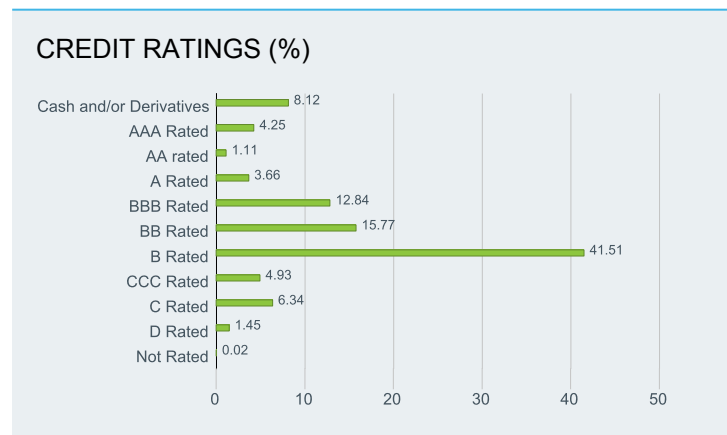
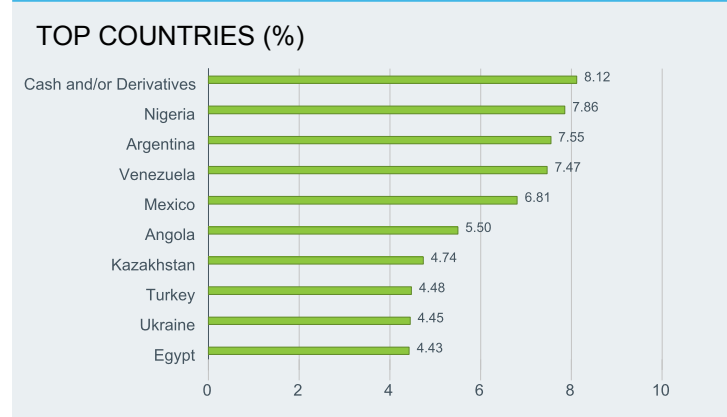
SECTOR BREAKDOWN (%)	
	Fund
External Government Debt	51.55
Quasi Government Debt	23.00
Local Government Debt	11.22
Cash and/or Derivatives	8.12
HC Corp	4.40
LC Corp	0.97
Other	0.74

Negative weightings may result from specific circumstances (including timing differences between trade and settlement dates of securities purchased by the funds) and/or the use of certain financial instruments, including derivatives, which may be used to gain or reduce market exposure and/or risk management. Allocations are subject to change.

PORTFOLIO CHARACTERISTICS	
Effective Duration (years)	8.80
Nominal Weighted Average Life (WAL)	13.40 Years
Yield to Worst (%)	7.60
Yield to Maturity	7.61%

FEES AND EXPENSES	
Max Initial Charge	0.00%
Max Exit Fee	0.00%
Ongoing Charge	0.13%
Performance Fee	0.00%

DEALING INFORMATION	
Settlement	Trade Date + 3 days
Dealing Frequency	Daily, forward pricing basis



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## GLOSSARY

**Effective Duration:** A measure of price sensitivity of a bond to changes in interest rates. The Modified Duration of the fund is calculated as the average of the underlying bonds' modified duration values, adjusted to take account of their relative weight (size) within the fund.

**Ongoing Charge:** is a figure representing all annual charges and other payments taken from the fund.

**Quartile Rank:** categorizes a fund into four equal bands based on their performance over a specified period within the relevant Morningstar's sector. The top or first quartile contains the top 25% of funds, through to the bottom or 4th quartile which contains the bottom 25% of funds.

**SRRI:** is a value based on the volatility of the fund, which gives an indication of the overall risk and reward profile of the Fund.

**Nominal Weighted Average Life (WAL):** A bond's maturity is the length of time until the principal amount of the bond is to be repaid. WAL of the fund is calculated as the average of the underlying bonds' maturities, adjusted to take account of their relative weight (size) within the fund.

**Yield To Worst:** The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions are used by the issuer.

**Performance Fee:** is charged on any returns that, subject to a High Water Mark, the Fund achieves above it's performance fee benchmark. Please refer to the Prospectus for further information.