



# BlueBay Global Investment Grade Corporate Bond Fund

March 2022

This document is for information purposes and it does not constitute and may not be relied upon as constituting investment advice or an inducement to invest. Recipients are strongly advised to obtain appropriate independent professional advice and reach their own conclusions regarding the investment merits and risks. No BlueBay fund will be offered, except pursuant and subject to the offering memorandum and subscription materials for such fund. The Key Investor Information Document ("KIID") and full prospectus must be read carefully prior to making a decision to invest. Subscriptions will only be received and shares issued based on the current KIID and full prospectus. BlueBay can only market in Europe, to "Professional Clients" and "Eligible Counterparties" as defined by the Markets in Financial Instruments Directive and, in Switzerland, to "Qualified Investors", as defined in Article 10 of the Swiss Collective Investment Schemes Act and its implementing ordinance. Please check the disclaimer located at the end of this document for further information about the Swiss representative, paying agent, place of performance, jurisdiction and other important information.

## Fund performance (%) Gross of Fees (USD) <sup>1,2</sup>

	1 M	3 M	YTD	1YR	3YR <sup>2</sup>	5YR <sup>2</sup>	SI <sup>2,3</sup>
BlueBay Global Investment Grade Corporate Bond Fund	-2.12	-6.88	-6.88	-4.13	5.35	4.99	5.13
Bloomberg Global Aggregate Corporate Bond Index USD Hedged	-2.16	-6.77	-6.77	-4.42	2.50	3.10	3.29
Alpha	0.04	-0.11	-0.11	0.29	2.85	1.89	1.84

## Review

### Contributors

- Long corporate risk (beta)
- Selected US new issues
- Higher-beta European book outperformed.

### Detractors

- Underweight senior bank debt

### Outlook

- Markets seem increasingly complacent about a negotiated settlement of the Russia/Ukraine war. We are more sceptical, so we enter quarter two with directional risk positioning close to home.
- Underlying growth in developed markets remains robust and recent events will create more inflationary pressure from rising commodity prices and supply-chain disruptions.
- Central banks have little choice but to deal with inflation, but we do feel that rates markets are now at risk of pricing too much monetary tightening in the short term.
- We see US Treasuries as fairly priced for now, but our bias is to remain short UK rates. In Europe, we see growth contracting in quarter two and we don't expect rate hikes to start until the end of quarter three at the earliest. On core rates risk, we see opportunity in taking a short position in Japanese rates.
- On corporate bonds, overall valuations are looking more attractive after recent weakness pushed spreads and yields back to levels last seen around mid-2020.
- Corporate credit investors are trying to grasp the impact of Russia/Ukraine on growth. However, we would highlight that geopolitical risk is another potential driver of issuer performance dispersion, as analysts try to assess the impact of higher commodity prices, divergent growth paths, and shifts in monetary and fiscal policy on their sectors and issuers.
- It seems that we stumble from one market uncertainty to another, but recent years have shown us that the resulting volatility creates opportunity for active investors.

## Investment Objective

- To achieve a total return in excess of the Bloomberg Global Aggregate Corporate Bond Index USD Hedged from a portfolio of investment grade-rated fixed income securities.

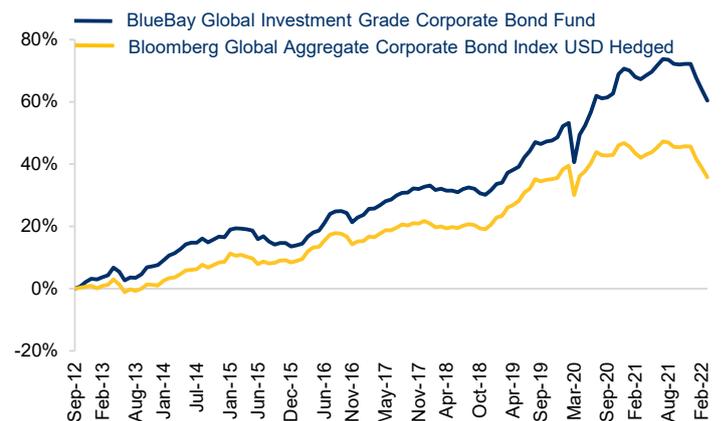
## Investment Strategy

- The Fund invests predominantly in fixed income securities issued by investment grade companies around the world.
- Globally diversified – extracting return opportunities across regions.
- Seeks to generate excess returns via superior sector and security selection based upon high quality, proprietary research.
- The Fund meets the conditions set out in Article 8 of the Sustainable Finance Disclosure Regulation as it promotes environmental/social characteristics through binding requirements as a key feature. Full details of the Fund's ESG framework are available online [www.bluebay.com/en/investment-expertise/esg/approach/](http://www.bluebay.com/en/investment-expertise/esg/approach/)

## Calendar Year Performance (%) Gross of Fees<sup>1</sup> (USD)

	2021	2020	2019	2018
Fund	0.92	14.81	13.02	-0.91
Benchmark	-0.79	8.26	12.51	-1.00
Alpha	1.71	6.55	0.50	0.08

## Cumulative Performance Gross of Fees (USD)<sup>1,3</sup>



Note: Past performance is not indicative of future results.

## Fund characteristics

	Fund	Index
Weighted interest rate duration (yrs)	6.88	6.94
Weighted spread duration (yrs)	5.03	6.94
Beta adjusted spread duration (yrs)	9.15	6.93
Weighted yield to worst (%)	4.30	3.09
Total no. of issues	189	15,021
Total no. of issuers	122	2,101
Weighted rating	BBB-	A-
Overall exposure to credit (%)	95.87	100.00

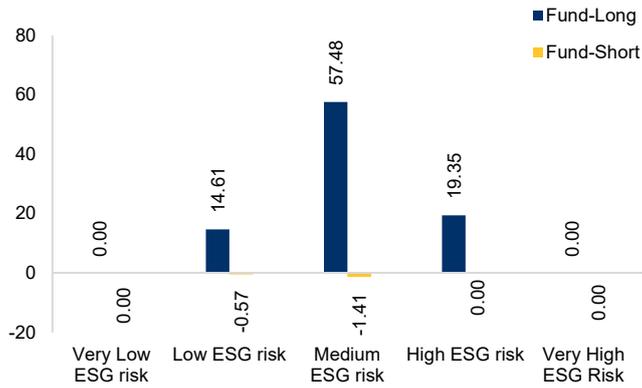
Note: Defaulted securities are excluded from Spread and Yield calculations

## Risk Statistics<sup>4</sup>

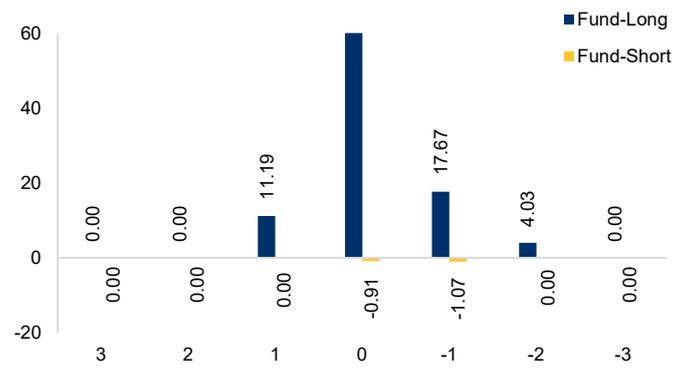
Standard deviation	5.13%
Tracking error	1.62%
Information ratio	1.13

Please refer to the notes overleaf for important information regarding the gross performance shown above

## BlueBay: Issuer Fundamental ESG (Risk) Ratings (% NAV)



## BlueBay: Security Investment ESG Scores (% NAV)



## Top 3 Long Issuers by Spread Duration Contribution (Yrs)

Issuer	Years (absolute)	Years (relative)	BlueBay ESG Fundamental (Risk) Rating <sup>8</sup>	BlueBay Investment ESG Score <sup>9</sup>
Magallanes Inc	0.27	0.25	Low ESG Risk	0
Rogers Communications Inc	0.23	0.22	Medium ESG Risk	0
Deutsche Bank AG	0.23	0.22	Medium ESG Risk	1

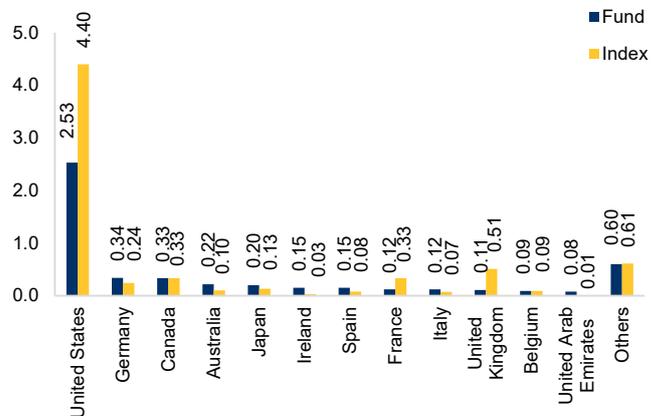
## Top Sector Spread Duration Contribution, Relative to Index (Yrs)

Overweights	Value	Underweights	Value
Agency Fixed Rate	0.37	Consumer Non-Cyclical	-0.41
Owned No Guarantee	0.21	Electric	-0.38
Finance Companies	0.20	Insurance	-0.34
Communications	0.08	Capital Goods	-0.28
REITs	0.02	Treasuries	-0.24

## Top 3 Short Issuers by Spread Duration Contribution (Yrs)

Issuer	Years (absolute)	Years (relative)	BlueBay ESG Fundamental (Risk) Rating <sup>8</sup>	BlueBay Investment ESG Score <sup>9</sup>
Eastman Chemical Co	-0.05	-0.05	Medium ESG Risk	-1
Avnet Inc	-0.03	-0.03	Low ESG Risk	0
Valeo	-0.01	-0.01	Medium ESG Risk	-2

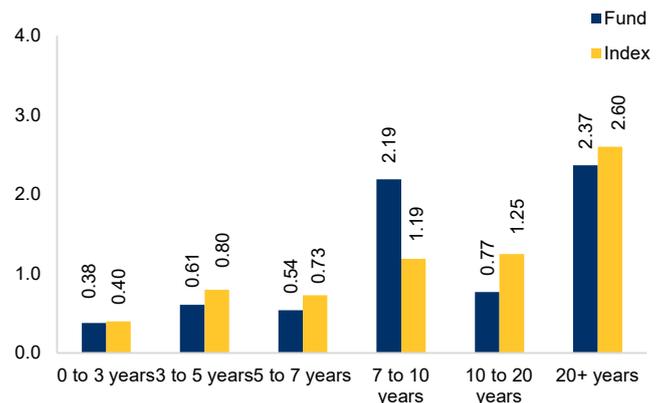
## Country Breakdown by Spread Duration (Yrs)



## Credit Quality Breakdown (% NAV)

	Bonds	CDS Long <sup>7</sup>	CDS Short <sup>7</sup>	Index	Net exposure
AAA	0.12	-	-	1.03	-0.91
AA	0.31	-	-	7.53	-7.22
A	7.94	-	-	39.14	-31.20
BBB	71.58	-	-1.64	51.33	18.61
BB	12.36	-	-0.35	0.23	11.79
B	1.44	-	-	-	1.44
NR	2.24	-	-24.75	0.74	-23.25
NA	-	-	-	0.01	-0.01
Cash	4.18	-	-	-	4.01
<b>TOTAL</b>	<b>100.00</b>	<b>-</b>	<b>-26.74</b>	<b>100.01</b>	<b>-26.74</b>

## Interest Rate Duration Distribution by Maturity (Yrs)



## Fund Facts

Total Strategy size <sup>5</sup>	USD 1,140m
Inception date	22 October 2012
Base currency	USD
Benchmark	Bloomberg Global Aggregate Corporate Bond Index USD Hedged
Fund legal name	BlueBay Funds – BlueBay Global Investment Grade Corporate Bond Fund
Share classes	Information on available Share Classes and eligibility for this Fund are detailed in the BlueBay Funds Prospectus and Application Form
Fund type	UCITS
Domicile	Luxembourg
Investment manager	BlueBay Asset Management LLP

## Team

	Joined BlueBay	Investment industry experience
Andrzej Skibia	February 2005	20 years
Marc Stacey	September 2004	20 years
Thomas Moulds	December 2005	16 years
Size of team	33 investment professionals	
Average investment industry experience	18 Years	

## Contact Information

### Marketing and Client Relations Department

77 Grosvenor Street  
London W1K 3JR

tel: +44(0)20 7389 3775  
[marketing@bluebay.com](mailto:marketing@bluebay.com)  
[www.bluebay.com](http://www.bluebay.com)

1. While gross of fee figures would reflect the reinvestment of all dividends and earnings, it would not reflect the deduction of investment management and performance fees. An investor's return will be reduced by the deduction of applicable fees which will vary with the rate of return on the strategy. For example, if there was an annualised return of 10% over a 5-year period then the compounding effect of a 0.60% management fee and a 0.20% performance fee would reduce the annualised return to 9.32% (figures used are only to demonstrate the effect of charges and are not an indicator of future performance). In addition, the typical fees and expenses charged to a strategy will offset the strategy's trading profits. A description of the specific fee structure for each BlueBay strategy is contained in the strategy's prospectus.
2. Performance shown for 1yr periods onwards are annualised figures.
3. Since inception.
4. Risk statistics are annualized and calculated using weekly data points since inception. Risk statistics will be produced once there are 3 complete months of data available; for meaningful results a minimum sample of 36 data points is recommended and where history is less than 3 years caution should be taken with the interpretation and representation of this data. Returns for periods of less than 1 year have not been annualised in accordance with current industry standard reporting practices.
5. The Fund AUM is stated on a T+1 basis and includes non-fee earning assets.
6. Benchmark: Bloomberg Global Aggregate Corporate Bond Index USD Hedged
7. CDS long exposure means sold protection and CDS short exposure means bought protection
8. Fundamental ESG (Risk) Rating is assigned at an issuer level by BlueBay. Categories range from 'very high' to 'very low' ESG (Risk) Rating and is a function of the ESG risk profile of an issuer and how well it manages these risks.
9. Investment ESG Score is assigned at an issuer level by BlueBay unless otherwise stated (i.e. assigned at the security level). Scores ranges from '+3' through to '-3' and indicates the extent to which ESG is considered investment material, as well as the nature and scale of the materiality impact (i.e. positive credit impact, negative credit impact, no impact).

This document may be produced and issued by the following entities: In the United Kingdom (UK) by BlueBay Asset Management LLP (BBAM LLP), which is authorised and regulated by the UK Financial Conduct Authority (FCA), registered with the US Securities and Exchange Commission (SEC) and is a member of the National Futures Association (NFA) as authorised by the US Commodity Futures Trading Commission (CFTC). In United States, by BlueBay Asset Management USA LLC which is registered with the SEC and the NFA. In Luxembourg, by BlueBay Funds Management Company S.A. (the ManCo), which is regulated by the Commission de Surveillance du Secteur Financier (CSSF). In Germany and Italy, the ManCo is operating under a branch passport pursuant to the Undertakings for Collective Investment in Transferable Securities Directive (2009/65/EC) and the Alternative Investment Fund Managers Directive (2011/61/EU). In Switzerland, by BlueBay Asset Management AG where the Representative and Paying Agent is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland. The place of performance is at the registered office of the Representative. The courts of the registered office of the Swiss representative shall have jurisdiction pertaining to claims in connection with the distribution of shares in Switzerland. The Prospectus, the Key Investor Information Documents (KIIDs), the Articles of Incorporation and any other applicable documents required, such as the Annual or Semi-Annual Reports, may be obtained free of charge from the Representative in Switzerland. In Japan, by BlueBay Asset Management International Limited which is registered with the Kanto Local Finance Bureau of Ministry of Finance, Japan. In Australia, BlueBay is exempt from the requirement to hold an Australian financial services license under the Corporations Act in respect of financial services as it is regulated by the FCA under the laws of the UK which differ from Australian laws. In Canada, BBAM LLP is not registered under securities laws and is relying on the international dealer exemption under applicable provincial securities legislation, which permits BBAM LLP to carry out certain specified dealer activities for those Canadian residents that qualify as "a Canadian permitted client", as such term is defined under applicable securities legislation. The BlueBay group entities noted above are collectively referred to as "BlueBay" within this document. The registrations and memberships noted should not be interpreted as an endorsement or approval of BlueBay by the respective licensing or registering authorities. To the best of BlueBay's knowledge and belief this document is true and accurate at the date hereof. BlueBay makes no express or implied warranties or representations with respect to the information contained in this document and hereby expressly disclaim all warranties of accuracy, completeness or fitness for a particular purpose. BlueBay can only market in Europe, to "Professional Clients" and "Eligible Counterparties" as defined by the Markets in Financial Instruments Directive and, in Switzerland, to "Qualified Investors", as defined in Article 10 of the Swiss Collective Investment Schemes Act and its implementing ordinance; in the US to "accredited investors" (as defined in the Securities Act of 1933) or "qualified purchasers" (as defined in the Investment Company Act of 1940) as applicable. In the United States, this document may also be provided by RBC Global Asset Management (U.S.) Inc. ("RBC GAM-US"), an SEC registered investment adviser. RBC Global Asset Management (RBC GAM) is the asset management division of Royal Bank of Canada (RBC) which includes BBAM LLP, RBC GAM-US, RBC Global Asset Management (Asia) Limited and RBC Global Asset Management Inc., which are separate, but affiliated corporate entities. This document has been prepared solely for informational purposes and does not constitute an offer or recommendation to buy or sell any security or investment product or adopt any specific investment strategy in any jurisdiction. No BlueBay fund will be offered, except pursuant and subject to the offering memorandum and subscription materials for such fund (the "Offering Materials"). This document is for general information only and is not a complete description of an investment in any BlueBay fund. If there is an inconsistency between this document and the Offering Materials for the BlueBay fund, the provisions in the Offering Materials shall prevail. You should read the Key Investor Information Document or prospectus carefully before investing in any BlueBay fund. Recipients are strongly advised to make an independent review with their own advisors and reach their own conclusions regarding the investment merits and risks, legal, credit, tax and accounting aspects of all transactions. Past performance is not indicative of future results.

While gross of fee figures would reflect the reinvestment of all dividends and earnings, it would not reflect the deduction of investment management and performance fees. An investor's return will be reduced by the deduction of applicable fees which will vary with the rate of return on the fund. For example, if there was an annualised return of 10% over a 5-year period then the compounding effect of a 0.60% management fee and a 0.20% performance fee would reduce the annualised return to 9.32% (figures used are only to demonstrate the effect of charges and are not an indicator of future performance). In addition, the typical fees and expenses charged to a fund will offset the fund's trading profits. A description of the specific fee structure for each BlueBay strategy is contained in the fund's prospectus.

Unless otherwise stated, performance data is unaudited and net of management, performance and other fees. The investments discussed may fluctuate substantially in value and you may not get back the amount invested. An investor's actual performance and fees may differ from the performance information shown due to capital contributions, redemptions or withdrawals. All investments involve risk including the loss of principal and there is no guarantee that the fund investment objectives will be achieved. You should read the prospectus carefully before investing in any BlueBay fund.

Any indices shown are presented only to allow for comparison of the BlueBay fund's performance to that of certain widely recognised indices. The volatility of the indices may be materially different from the individual performance attained by a specific fund or investor. In addition, the BlueBay fund holdings may differ significantly from the securities that comprise the indices shown. Investors cannot invest directly in an index.

No part of this document may be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose in any manner without the prior written permission of BlueBay. Copyright 2022 © BlueBay, is a wholly-owned subsidiary of RBC and BBAM LLP may be considered to be related and/or connected to RBC and its other affiliates. © Registered trademark of RBC. RBC GAM is a trademark of RBC. BlueBay Asset Management LLP, registered office 77 Grosvenor Street, London W1K 3JR, partnership registered in England and Wales number OC370085. The term partner refers to a member of the LLP or a BlueBay employee with equivalent standing. Details of members of the BlueBay Group and further important terms which this message is subject to can be obtained at [www.bluebay.com](http://www.bluebay.com). BlueBay Funds Management Company S.A., registered office 4, Boulevard Royal L-2449 Luxembourg, company registered in Luxembourg number B88445. All rights reserved.