



# PARVEST BOND USA HIGH YIELD - (Classic)

## RISK AND REWARD INDICATOR

lower risk ← → higher risk  
 typically lower rewards typically higher rewards

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|
|---|---|---|---|---|---|---|

The higher the risk, the longer the recommended investment horizon

## CODES

|           | Capi. code   |
|-----------|--------------|
| ISIN      | LU0111549480 |
| BLOOMBERG | PARUHYC LX   |
| WKN       | 937986       |
| CUSIP     | L7573K534    |

## KEY FIGURES - USD

|                               |        |
|-------------------------------|--------|
| NAV (Capi.)                   | 220.21 |
| 12M NAV max. Capi. (04/07/14) | 228.64 |
| 12M NAV min. Capi. (16/12/14) | 210.27 |
| Total net assets (mln)        | 353.17 |
| Initial NAV                   | 99.99  |

## CHARACTERISTICS

|   |   |
|---|---|
| <b>Benchmark</b>                        | Merrill Lynch US Non-Financial High Yield BB-B Constrained (RI) |
| <b>Nationality</b>                      | Luxembourg  |
| <b>Legal form</b>                       | Sub-fund of SICAV with European passport                        |
| <b>Launch date</b>                      | 02 April 2001   |
| <b>Base currency (of share class)</b>   | U.S. Dollar   |
| <b>Fund Manager</b>                     | Dimitrios KOURKOULAKOS  |
| <b>Management Company</b>               | BNP PARIBAS INVESTMENT PARTNERS LUXEMBOURG                      |
| <b>Delegated Investment Manager</b>     | FISCHER FRANCIS TREES & WATTS INC                               |
| <b>Custodian</b>                        | BNP PARIBAS SECURITIES SERVICES (Luxembourg)                    |
| <b>Max. Entrance Fees</b>               | 3%  |
| <b>Exit fees</b>                        | 0%  |
| <b>Max. Switch Commission</b>           | 1.50%   |
| <b>Ongoing Charges at 30/11/2014</b>    | 1.59%   |
| <b>Maximum Management fees (annual)</b> | 1.20%   |
| <b>Periodicity of NAV Calculation</b>   | Daily   |
| <b>Dealing deadline</b>                 | Day D before 4 pm (Luxembourg time)                             |
| <b>Settlement and delivery</b>          | Account credited/debited D+3                                    |
| <b>Execution/Type of course</b>         | Unknown NAV   |



## KEY POINTS

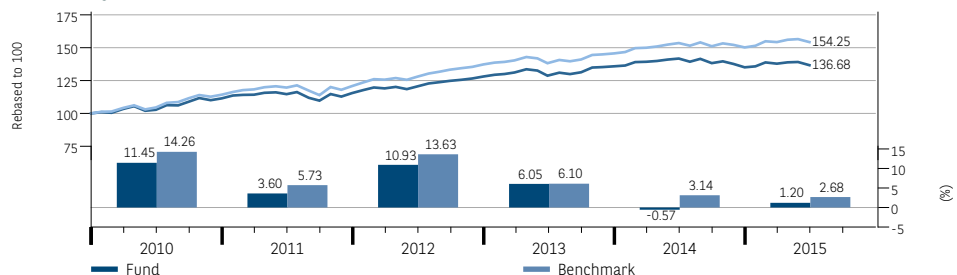
- A fund offering access to the largest and deepest high yield corporate bond market: North America.
- A risk conscious and rigorous process based on a combination of issuer selection and an allocation based on macro-economic scenario coupled with strict risk control.
- A defensive positioning as we effectively limit investment in financials and lower-rated bonds.

## INVESTMENT OBJECTIVE

The Fund seeks to increase the value of its assets over the medium term by investing in high-yield, USD-denominated bonds or other debt instruments. It is actively managed and as such may invest in securities that are not included in the index which is Merrill Lynch US Non-Financial High Yield BB-B Constrained (RI).

## CUMULATIVE AND ANNUAL PERFORMANCE (USD) (Net)

Over 5 years



Past performance or achievement is not indicative of current or future performance. Source of Performance Calculation: BNP Paribas Securities Services.

## PERFORMANCES AS OF 30/06/2015 (USD) (Net)

|                                       | Fund   | Benchmark |
|---------------------------------------|--------|-----------|
| <b>Cumulative (%)</b>                 |        |           |
| 1 month                               | - 1.75 | - 1.46    |
| 3 months                              | - 0.84 | - 0.01    |
| Year to date                          | 1.20   | 2.68      |
| June 2014 - June 2015                 | - 3.56 | 0.47      |
| June 2013 - June 2014                 | 10.13  | 11.10     |
| June 2012 - June 2013                 | 6.79   | 8.03      |
| June 2011 - June 2012                 | 5.12   | 6.90      |
| June 2010 - June 2011                 | 11.55  | 14.47     |
| <b>Annualised (%) (base 365 days)</b> |        |           |
| 1 year                                | - 3.56 | 0.47      |
| 3 years                               | 4.28   | 6.43      |
| 5 years                               | 5.87   | 8.09      |
| Since First NAV (02/04/2001)          | 5.70   | 7.46      |

Past performance or achievement is not indicative of current or future performance. Source of Performance Calculation: BNP Paribas Securities Services.

\*All data and performance are as of that date, unless otherwise stated.



## MANAGEMENT COMMENT as of 30/06/2015

Q2 experienced a fair amount of backend-loaded volatility and the fund's index delivered a small negative return during the quarter. April strength moderated in May and evaporated in June as Greece again took center-stage for markets. Intra-quarter volatility was driven mainly by fears of higher interest rates which ebbed and flowed according to U.S. economic data and which, on-balance, provided more support for a rate increase by the Fed than Q1 data. Factors outside the U.S., rising probability of a Greek exit from the Euro and sharply correcting Chinese equity markets, replaced fear of higher rates in June. High Yield spreads widened during the quarter and the mid-quality tier was the only tier to produce a positive return for the quarter. As of quarter-end, expectations for a first Fed rate hike appear to be more skewed towards December than September.

Following a solid return in Q1, the wobble in Q2 presents investors with higher compensatory spreads given the continued benign default rate outlook for the high yield asset class.

## RISK ANALYSIS

|   | Fund  | Bench. |
|---|-------|--------|
| Modified duration                           | 3.97  | 4.24   |
| Volatility (%)                              | 8.22  | 8.85   |
| Tracking error (%)                          | 2.63  | -      |
| Information ratio                           | -0.67 | -      |
| Sharpe ratio                                | 0.45  | 0.62   |
| YTM (%)                                     | 5.83  | 6.03   |
| Arithmetic mean rating                      | B     | B      |
| Avg. maturity                               | 3.32  | 3.91   |
| Avg. coupon (%)                             | 6.28  | 6.48   |
| Period: since inception. Frequency: monthly |       |        |

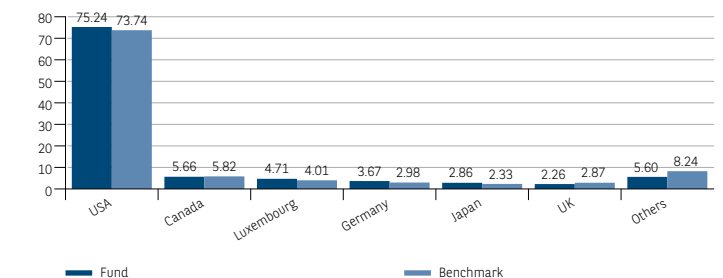
## PORTFOLIO'S MAIN HOLDINGS

| Asset name                               | %    |
|--|------|
| CHRYSLER GP/CG C 8.25 15/06/2016         | 1.39 |
| ICAHN ENTER/FIN 5.88 01/08/2017          | 1.27 |
| HJ HEINZ CO 4.88 15/02/2020              | 1.06 |
| PARVEST BD WD HIGH YIELD SHORT DURAT XCA | 1.02 |
| PINNACLE ENTERTA 6.38 01/08/2016         | 0.99 |
| TELECOM ITALIA 5.30 30/05/2024           | 0.94 |
| GEN MOTORS FIN 3.50 10/07/2019           | 0.88 |
| MEM PROD PART LP 7.63 01/05/2017         | 0.88 |
| LEVEL 3 FIN INC 6.13 15/11/2016          | 0.87 |
| CALPI 5.875% 24 USD 5.88 01/11/2018      | 0.86 |

Number of holdings in the portfolio: 303

Source of data: BNP Paribas Securities Services

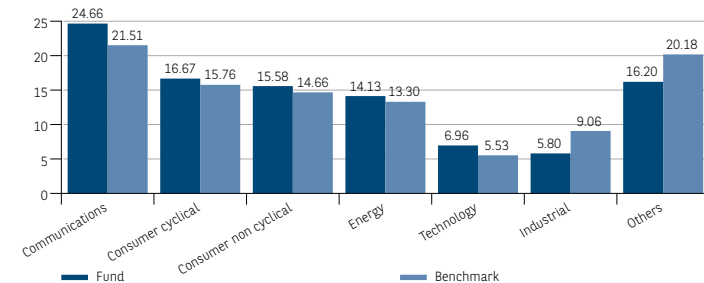
## BREAKDOWN BY COUNTRY (%)



Total exposure: 97.54 %

Source of data: BNP Paribas Securities Services

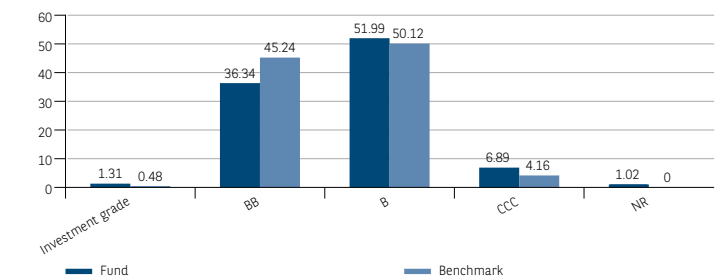
## BREAKDOWN BY SECTOR (%)



Source of data: BNP Paribas Securities Services

Sources : Fitch, Moody's, S&P

## BREAKDOWN BY RATING (%)



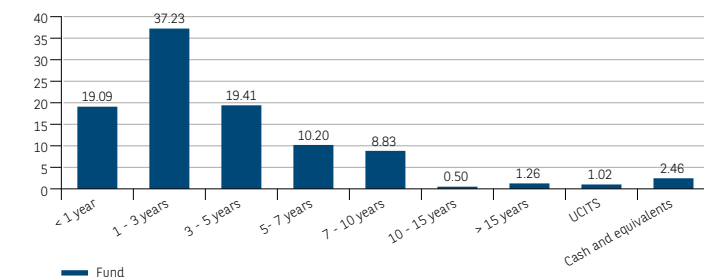
Total exposure: 97.54 %

Source of data: BNP Paribas Securities Services

Sources : Fitch, Moody's, S&P

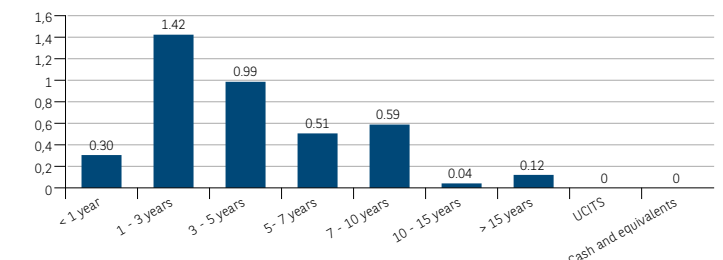
Ratings lower than BBB- refer to high-yield or speculative-grade bonds

## BREAKDOWN BY MATURITY (%)



Source of data: BNP Paribas Securities Services

## MODIFIED DURATION BREAKDOWN BY MATURITY



Source of data: BNP Paribas Securities Services