



# PARVEST CONVERTIBLE BOND ASIA - (I)

## 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      | LU0102025151 |
| BLOOMBERG | PARACBI LX   |
| WKN       | 935749       |
| CUSIP     | L7573N520    |

## KEY FIGURES - USD

|                               |        |
|-------------------------------|--------|
| NAV (Capi.)                   | 27.44  |
| 12M NAV max. Capi. (28/04/15) | 29.13  |
| 12M NAV min. Capi. (07/01/15) | 26.08  |
| Total net assets (mln)        | 117.03 |

## CHARACTERISTICS

|   |  |
|---|--|
| <b>Benchmark</b>                        | THOMSON REUTERS<br>Convertible Bond Asia ex-<br>Japan (RI) |
| <b>Nationality</b>                      | Luxembourg   |
| <b>Legal form</b>                       | Sub-fund of SICAV with<br>European passport                |
| <b>Launch date</b>                      | 25 September 1998  |
| <b>Base currency (of share class)</b>   | U.S. Dollar  |
| <b>Fund Manager</b>                     | Grace CHUNG  |
| <b>Management Company</b>               | BNP PARIBAS INVESTMENT<br>PARTNERS LUXEMBOURG              |
| <b>Delegated Investment Manager</b>     | BNP PARIBAS INVESTMENT<br>PARTNERS ASIA Ltd                |
| <b>External financial administrator</b> | BNP PARIBAS INVESTMENT<br>PARTNERS UK LTD                  |
| <b>Custodian</b>                        | BNP PARIBAS SECURITIES<br>SERVICES (Luxembourg)            |
| <b>Max. Entrance Fees</b>               | 0%   |
| <b>Exit fees</b>                        | 0%   |
| <b>Max. Switch Commission</b>           | 2%   |
| <b>Ongoing Charges at 30/11/2014</b>    | 0.82%  |
| <b>Maximum Management fees (annual)</b> | 0.60%  |
| <b>Periodicity of NAV Calculation</b>   | Daily  |
| <b>Dealing deadline</b>                 | Day D before 4 pm<br>(Luxembourg time)                     |
| <b>Settlement and delivery</b>          | Account credited/debited<br>D+3                            |
| <b>Execution/Type of course</b>         | Unknown NAV  |



## KEY POINTS

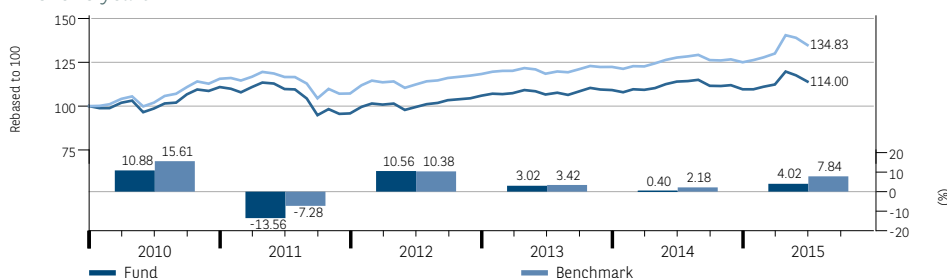
- A product that can offer yields similar to those of equities, but with lower volatility and less risk.
- A performance boosted by robust domestic consumption in Asia and decreasing dependence on exports.
- A fund management team based in Hong Kong with significant experience and insight into Asian markets.

## INVESTMENT OBJECTIVE

The Fund seeks to increase the value of its assets over the medium term by investing in convertible bonds issued by Asian companies and/or companies operating in Asia. It is actively managed and as such may invest in securities that are not included in the index which is THOMSON REUTERS Convertible Bond Asia ex-Japan (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)

| Cumulative (%)                        | Fund   | Benchmark |
|---------------------------------------|--------|-----------|
| 1 month                               | - 3.04 | - 3.00    |
| 3 months                              | 1.48   | 3.70      |
| Year to date                          | 4.02   | 7.84      |
| June 2014 - June 2015                 | 0.00   | 5.57      |
| June 2013 - June 2014                 | 6.91   | 7.79      |
| June 2012 - June 2013                 | 7.26   | 5.55      |
| June 2011 - June 2012                 | - 9.42 | - 3.75    |
| June 2010 - June 2011                 | 11.26  | 14.36     |
| <b>Annualised (%) (base 365 days)</b> |        |           |
| 1 year                                | 0.00   | 5.57      |
| 3 years                               | 4.67   | 6.29      |
| 5 years                               | 2.94   | 5.74      |
| Since First NAV (10/01/1995)          | 5.05   | 6.14      |

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

The Institutions share class was launched on January 10, 1995. Performance figures before that date have been calculated on a hypothetical basis by taking the gross performance figures of the Classic share class and deducting the fees which would have been attributable to the Institutions share class had it been available before January 10, 1995.

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



## MANAGEMENT COMMENT as of 30/06/2015

The fund's performance lagged over the quarter. Our underweight in Fosun and ENN due to corporate governance concerns cost us in performance. We were underweight Kingdee as we were concerned by the credit profile, but the situation improved when JDS.com injected capital. On the positive side, our overweight in financials, including China Overseas Land & Investment and Hong Kong Exchange delivered some performance. The primary market was busy with USD2.7bn. Although it lagged 2014, it was five times that of 1Q15. The new issues helped to reduce the richening of the Asian CB market. Asian markets, and the HK/China/A-share markets in particular, were driven by massive liquidity. In mid-June, margin positions in the onshore A-share market reached a new high of RMB2.3 trillion. Massive IPO pipelines and the overwhelming market rally triggered a deep correction. Margin calls and stock suspensions resulted in a liquidity crisis and this fear spread to the HK market. Although high volatility in equities is inevitable, if the People's Bank of China is serious about being supportive, the market cannot be too bearish. Given the extremely volatility in equities, we plan to scale back our overweights. Within the exposure to China we will favour bonds with the lowest equity sensitivities.

## RISK ANALYSIS

|                         | Fund  | Bench. |
|-------------------------|-------|--------|
| Modified duration       | 1.46  | 1.43   |
| Volatility (%)          | 5.87  | 5.93   |
| Information ratio       | -1.02 | -      |
| Sharpe ratio            | 0.75  | 1.01   |
| Alpha (%)               | -1.24 | -      |
| Avg. YTP / YTM (%)      | -1.14 | -      |
| Avg. Conversion Premium | 27.80 | -      |
| Exposure to equity risk | 35.77 | 27.28  |

Period: 3 years. Frequency: monthly

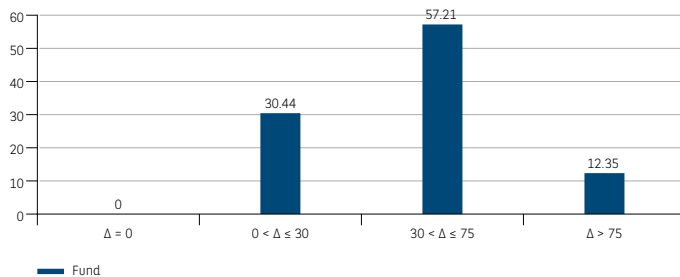
## PORTFOLIO'S MAIN HOLDINGS

| Asset name                          | %    |
|-------------------------------------|------|
| CHINA OVRS FIN CV 4.00 04/02/2021   | 8.05 |
| BILLION EXPRESS CV 0.75 18/10/2015  | 6.63 |
| ADVANCED SEMICON CV 05/09/2018      | 5.32 |
| SEMICONDUCTOR MANF 07/11/2018       | 5.14 |
| HENGAN INT 27/06/2018               | 4.93 |
| ENN ENERGY HLDG CV 26/02/2018       | 4.60 |
| SHENZHOU INTERNA CV 0.50 18/06/2019 | 4.07 |
| CAHAYA CAPITAL CONV 18/09/2021      | 4.01 |
| TONG JIE LTD CV 18/02/2018          | 3.55 |
| HONG KONG EXCHANGES & CLEAR         | 3.31 |

Number of holdings in the portfolio: 38

Source of data: BNP Paribas Securities Services

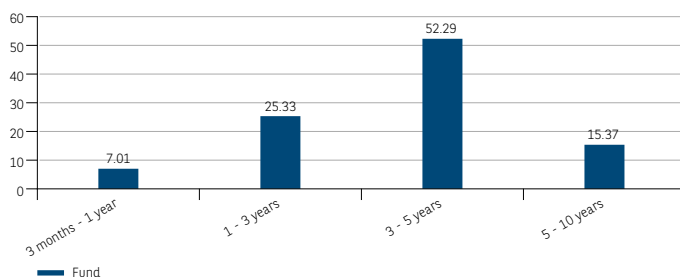
## BREAKDOWN BY DELTA (%)



Source of data: BNP Paribas Investment Partners

## BREAKDOWN BY MATURITY (%)

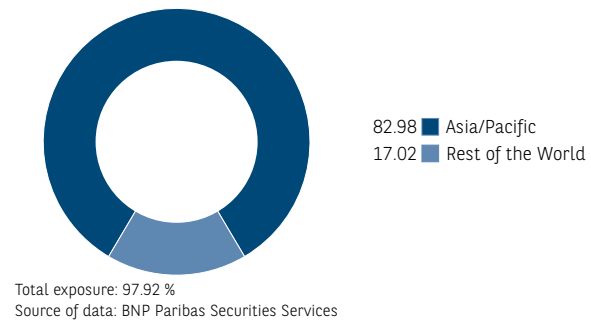
Rebased



Total exposure: 94.62 %

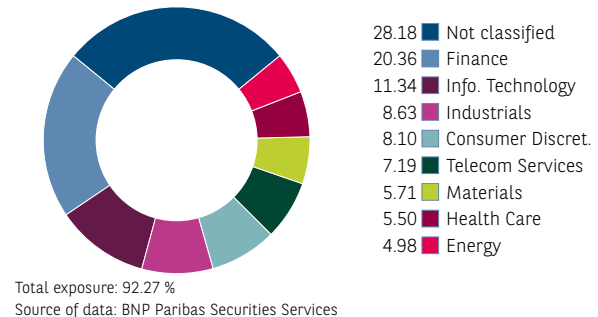
Source of data: BNP Paribas Securities Services

## REGIONAL BREAKDOWN (%)



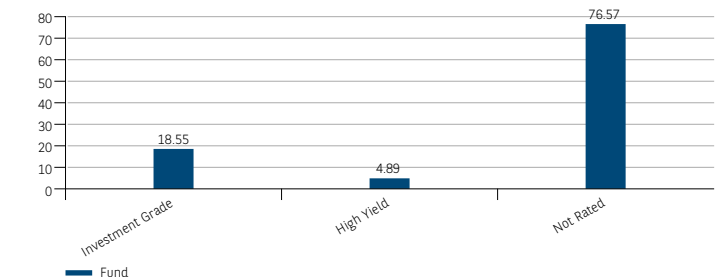
## BREAKDOWN BY SECTOR (%)

Underlying equities



## BREAKDOWN BY RATING (%)

Bonds



Total exposure: 94.62 %

Source of data: BNP Paribas Securities Services

Sources : Fitch, Moody's, S&amp;P

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

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