

SICAV Hong Kong

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*Please note that calls and electronic communications may be recorded.

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Fund Manager: Ryan Staszewski
Since: Oct-16
Management Co: Threadneedle Man. Lux. S.A.
Fund Inception Date: 02/04/99
Index: ICE BofA 1-7 Year All Euro Government ICE BofA 1-10 Year Euro Corporate ICE BofA European Currency High Yield Constrained

Fund Currency: EUR
Fund Domicile: Luxembourg
XD Date: -
Pay Date: -
Portfolio Size: €180.3m
No. of Securities: 295

All information expressed in EUR

EUROPEAN STRATEGIC BOND - AE EUR

ISIN: LU0096353940
Share Class Price: 29.7134
TER: 1.15% (as at 30/09/19)
Performance Fee: No

Fund Changes

For detailed information on the fund please see the prospectus which is available on <https://www.columbiathreadneedle.com/kiids>

Ratings/Awards



For more information on the methodology of the Morningstar rating please visit www.morningstar.com

Source Citywire. All ratings as at previous month end.

IMPORTANT NOTE:

- Threadneedle (Lux) - European Strategic Bond (the "Fund") principally invests in short to medium term European sovereign bonds and corporate bonds.
- In respect of dividend paying share classes, distributions may at the discretion of the Directors be paid out of capital or effectively out of capital (i.e. paying dividends out of gross income while charging all or part of their fees and expenses out of capital) of the share classes. Any such distributions may result in an immediate reduction of the net asset value per share.
- Investors should note that the Fund may invest in one or a combination of the following instruments which may involve embedded leverage: futures, options and swaps and other financial derivative instruments. Investing in any one of the above instruments may involve substantial credit/counterparty, market, volatility and liquidity risk. If the issuers default or such instruments, or their underlying assets, cannot be realised or perform badly, investors' entire investment may be lost.
- The Fund focuses on investing in a single geographical area is subject to higher risks of concentration than Funds following a more diversified policy.
- Investors should note that bonds and other debt instruments are exposed to the credit risks of the issuer. In the event that any issuer of bonds or other debt instruments experiences financial or economic difficulties, the value of the investment may be adversely affected and may become zero.
- The investment decision is yours but you should not invest unless the intermediary which sells you the Fund has advised you that the Fund is suitable for you and has explained why, including how investment in the Fund will be consistent with your investment objectives.
- Investors should not base their investment decision on this document alone and must refer to the Prospectus of each Fund prior to investing.

Investment Objective & Policy

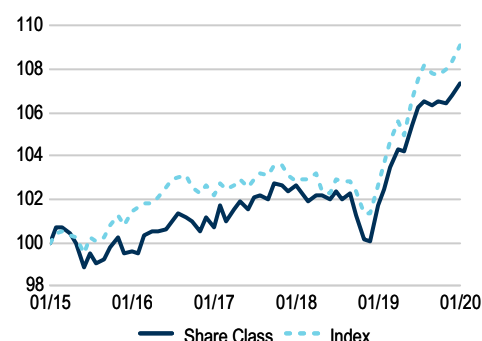
The Fund aims to provide income with the potential to grow the amount you invested over the long term. It looks to outperform the BofA ML 1-7yr All Euro Government Bond (EUAS) (20%), BofA ML 1-10yr Euro Corporate (ER05) (40%), BofA ML 1-10yr Euro High Yield Constrained Index (HPC0) (Euro Hedged) (40%) Index after the deduction of charges.

At least two-thirds of the Fund's assets will be in long and short positions in European bonds (which are similar to a loan and pay a fixed or variable interest rate) issued by companies and governments in, or companies that have significant operations in Europe. The Fund invests directly in these assets or by using derivatives. Derivatives are sophisticated investment instruments linked to the rise and fall of the price of other assets. Derivatives will be used to obtain, increase or reduce exposure to underlying assets and may create gearing. Where gearing is created, the net asset value of the Fund may experience more fluctuation than if there were no gearing.

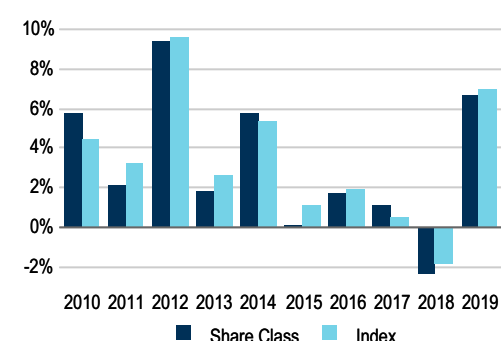
The Fund will actively manage currency exposure and interest rate risk - which may boost performance or reduce it. The Fund will invest mainly in bonds that mature in less than 10 years. The Fund may also invest in asset classes and instruments different from those stated above.

The Fund is actively managed in reference to the BofA ML 1-7yr All Euro Government Bond (EUAS) (20%), BofA ML 1-10yr Euro Corporate (ER05) (40%), BofA ML 1-10yr Euro High Yield Constrained Index (HPC0) (Euro Hedged) (40%) Index. The index is broadly representative of the securities in which the Fund invests, and provides a suitable target benchmark against which Fund performance will be measured and evaluated over time. The fund manager has discretion to select investments with weightings different to the index, and that are not in the index, and the Fund may display significant divergence from the index. Deviations from the index, including limits on the level of risk relative to the index, will be considered as part of the fund manager's risk monitoring process, to ensure the overall level of risk is broadly consistent with the index. In line with its active management strategy, there may be significant deviation from the index.

5 Years NAV (EUR)*



Calendar Years (EUR)*



Performance (%) - Periods over 1 Year Annualised (EUR)*

	1M	3M	6M	YTD	1 YR	2 YR	3 YR	5 YR	10 YR	SI
Share Class (Net)	0.5	0.8	1.1	0.5	5.5	2.3	2.2	1.4	3.1	--
Index (Gross)	0.6	1.2	1.4	0.6	6.2	3.0	2.2	1.8	3.3	--

Since Inception Returns from: 03/04/99

Performance (%) - Calendar Years (EUR)*

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Share Class (Net)	6.7	-2.3	1.1	1.7	0.1	5.8	1.8	9.4	2.1	5.8
Index (Gross)	7.0	-1.8	0.5	1.9	1.1	5.4	2.6	9.6	3.2	4.5

HKD/USD based investors are exposed to currency fluctuations where funds are denominated in currencies other than HKD/USD

*Past performance is not a guide to future performance. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units. The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested. Index returns assume reinvestment of dividends and capital gains and unlike fund returns do not reflect fees or expenses. The index is unmanaged and cannot be invested directly. All returns assume income is reinvested for a local taxpayer, bid to bid performance (which means performance does not include the effect of any initial charges). All data: Source Copyright © 2020 Morningstar UK Limited.

Top 10 Holdings (%)

Security Name	Weight
Kreditanstalt Fuer Wiederaufbau 0.13% 27/10/2020	3.3
Gov Of France 1.75% 25/06/2039	2.1
Bupa Finance Plc 5.00% 08/12/2026	1.7
Essity Ab 0.50% 26/05/2021	1.5
Innogy Finance Bv 6.25% 03/06/2030	1.5
Innogy Finance Bv 6.50% 20/04/2021	1.5
Ds Smith Plc 0.88% 12/09/2026	1.4
Tesco Property Finance 3 Plc 5.74% 13/04/2040	1.2
Kraft Heinz Foods Co 4.13% 01/07/2027	1.1
Bacardi Ltd 4.45% 15/05/2025	1.1

Weightings (%)

Rating	Fund	Index	Diff
BBB	47.6	25.7	21.9
BB	17.4	27.2	-9.8
A	9.8	18.7	-8.9
B	7.5	9.7	-2.2
AA	5.9	10.8	-4.9
AAA	3.6	4.2	-0.6
NR	1.8	0.0	1.8
CCC	1.6	2.4	-0.8
N/A	0.2	1.2	-1.0
C	--	0.0	0.0
Other	--	0.0	0.0
Derivatives	-53.8	--	-53.8
Cash held as cover for Derivatives	51.0	--	51.0
Cash Equivalents	2.7	--	2.7
Cash	4.7	--	4.7

Country	Fund	Index	Diff
United Kingdom	19.6	8.7	10.9
United States	18.1	11.6	6.5
Germany	12.8	12.5	0.3
France	8.3	17.4	-9.1
Spain	4.2	8.7	-4.4
Sweden	3.9	2.3	1.5
Netherlands	3.8	5.3	-1.5
Luxembourg	3.5	2.6	0.9
Italy	3.5	13.2	-9.6
Ireland	2.2	1.6	0.6
Other	15.6	16.2	-0.5
Derivatives	-53.8	--	-53.8
Cash held as cover for Derivatives	51.0	--	51.0
Cash Equivalents	2.7	--	2.7
Cash	4.7	--	4.7

Share Classes Available

Share	Class	Curr	Tax	AMC	Entry Chg	Min Inv.	Launch	ISIN	SEDOL	BBID	Hedged
AE	Acc	EUR	Gross	0.90%	3.00%	2,500	02/04/99	LU0096353940	B15HJC7	AMEEBE1 LX	No
DE	Acc	EUR	Gross	1.45%	1.00%	2,500	08/11/99	LU0096354914	B73XMS6	AEFEED LX	No
AEP	Inc	EUR	Gross	0.90%	3.00%	2,500	18/07/12	LU0713493574	B8Q8M41	THABAEP LX	No
AE	Acc	USD	Gross	0.90%	3.00%	2,500	09/04/99	LU0757427546	B76MGF5	AMEEBEU LX	No
DE	Acc	USD	Gross	1.45%	1.00%	2,500	03/01/00	LU0757427629	B8FPR15	AEFEED LX	No
DEP	Inc	EUR	Gross	1.45%	1.00%	2,500	26/11/12	LU0849392427	B8FRSR4	TNEADEP LX	No

The Share Class currency, unless indicated as a Hedged Share Class, is a translated price using exchange rates at the official valuation point of the fund. This is intended as a way to access a Share Class in your chosen currency and does not reduce your overall exposure to foreign currency. The fund currency indicates the highest currency exposure of the fund unless the currency breakdown is detailed in the Weightings % table on page 2.

Risk Analysis - 3YR

Ex-Post	Fund	Index
Absolute Volatility	2.1	2.0
Relative Volatility	1.0	--
Tracking Error	1.0	--
Sharpe Ratio	1.7	--
Information Ratio	1.0	--
Beta	0.9	--
Sortino Ratio	4.0	--
Jensen Alpha	1.3	--
Annualised Alpha	1.2	--
Alpha	0.1	--
Max Drawdown	-1.9	-2.2
R ²	75.9	--
Effective Duration	2.2	3.7
Average Rating	BBB	BBB

Ex post risk calculations are based on monthly gross global close returns. Where 3 year data is not available, 1 year risk returns will appear for information only.

Monthly Gross Returns since:Dec 2005

Important Information

Threadneedle (Lux) is an investment company with variable capital (Société d'investissement à capital variable, or "SICAV") formed under the laws of the Grand Duchy of Luxembourg. The SICAV issues, redeems and exchanges shares of different classes, which are listed on the Luxembourg Stock Exchange. The management company of the SICAV is Threadneedle Management Luxembourg S.A, who is advised by Threadneedle Asset Management Ltd. and/or selected sub-advisors.

This material is for information only and does not constitute an offer or solicitation of an order to buy or sell any securities or other financial instruments, or to provide investment advice or services. The dealing price may include a dilution adjustment where the fund experiences large inflows and outflows of investment. Further details are available in the Prospectus.

Subscriptions to a Fund may only be made on the basis of the current Prospectus and the Key Facts Statement (KFS), as well as the latest annual or interim reports, which can be obtained free of charge on request, and the applicable terms & conditions. Please refer to the 'Risk Factors' section of the Prospectus for all risks applicable to investing in any fund and specifically this Fund. The above documents are available from our appointed distributors or our website at www.columbiathreadneedle.hk

Portfolio positions are based on gross asset valuations at global close (not official NAV time). Historic Yield reflects distributions declared over the past 12 months. Distribution Yield reflects the amount that may be expected to be distributed over the next 12 months. Underlying Yield reflects the annualised income net of expenses of the fund. Yields shown do not include any preliminary charge and investors may be subject to tax on their distributions.

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