

BCP Emerging Markets Fixed Income Fund (USD)



BANQUE DE COMMERCE ET DE PLACEMENTS

A sub-fund of BCP Expertise Fund

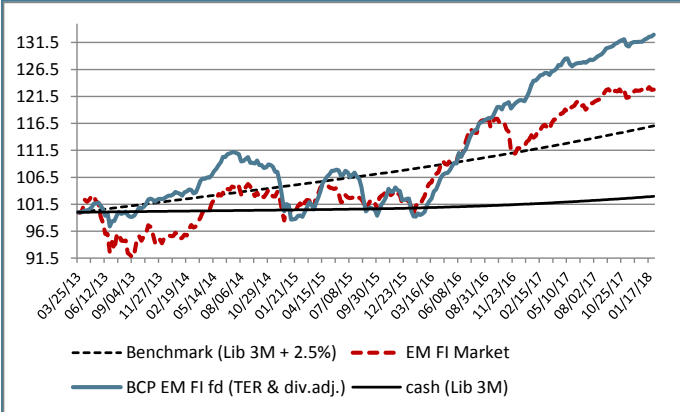
Monthly Manager Comment

After a strong first week in January, the EM bond market retreated and finished the month in slightly negative territory, under pressure from rising U.S bond yields. The EMBI Global index lost 0.05%. BCPEMFI fared better in January, thanks to the repurchase by GOL Linhas Aeras of one of its bonds at a premium and to a rebound in the price of the 6.75% Noble Group Ltd 2020 of which we took advantage to sell. Also, the relatively low interest rate sensitivity of the fund allowed it to better weather the near 25 basis points rise in ten year treasury yields. Given the absence of any significant EM bond market correction recently, given the recent acceleration of wages in the USA and the high likelihood of additional rate hikes we will keep a 'low duration, high coupon' strategy until we see an opportunity to extend maturities somewhat.

NAV: USD 101.13

Performance

(1) = dividend & TER adjusted performance



(1) in %	Since Launch	1 Month	YTD	1YR	3YRS
BCP EMFI Fd	32.93	0.97	0.97	6.84	33.85
Benchmark	16.03	0.40	0.40	3.90	10.36
EM FI Market (2)	22.74	-0.05	-0.05	7.81	21.36

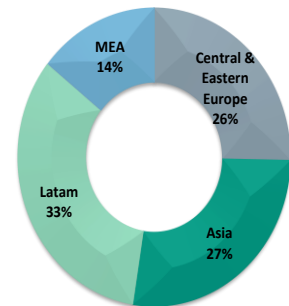
(2) EM FI Market = J.P.Morgan EMBI Global TR Idx

Bond Types

in %		in %	
Fixed	92.1%	At Maturity	43.4%
Floating	0.0%	Callable	37.4%
Variable	0.0%	Putable	0.0%
Step cpn	2.3%	Convertible	0.0%
Zero	0.0%	Sinkable	11.8%
Others	5.6%	Others	7.4%

Duration & Regional Allocation

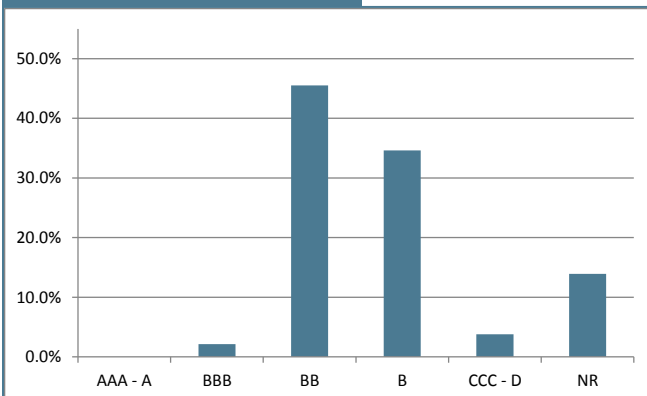
Tranche	in %
0 - 3 years	47.0%
3 - 5 years	32.1%
5 - 7 years	20.9%
more than 7 years	0.0%



Top 10 Holdings

	in %
8.875 NAT SAV 18	3.65
5.875 DME AIRPORT 21	3.12
6.25 BMCE 18	3.05
5.125 TURK SINAI 20	3.01
11.25 MARFRIG 21	2.69
6.902 VEB FIN 20	2.65
10.75 DTEK FIN 24	2.63
6.125 DELHI INTER 26	2.63
9 BANTRAB 20	2.51
5.8 IRAQ 28	2.44
Total	28.4

Securities Credit Rating



Fund Statistics

Fund Size (MM)	USD 10.2
Fund Positions	47
Fund Yield	12.14%
Fund Duration	2.98
Average Coupon	7.61%

Fund Identifiers & References

Valoren #:	20154595
ISIN #:	CH0201545958
Bloomberg Ticker:	BCPEMFI SW Equity
Benchmark:	USD LIBOR 3M + 2.5%
EM FI Market:	JPMorgan EMBI GL TR Idx
Launch Date:	March 25, 2013

Fund Facts

Portfolio Management Cie:	BCP SA
Portfolio Manager:	Hervé GUGLER
Fund Magement Cie:	CACEIS (Switzerland) SA
Custodian Bank:	BCP SA PO Box 3069 CH -1211 Geneva 1 +41.58 / 909.19.19 +41.58 / 909.18.03 (fax) wealth.management@bcp-bank.com
Auditor:	KPMG
Legal Supervisor:	FINMA
Subscription/Redemption	Weekly (every Monday 12:00am GVA-time) Weekly (every Thursday, closing prices of Wednesday)
NAV calculation	
Settlement:	T+2
Trading Ccy:	USD
Dividend frequency:	min. once a year
EU Savings Directive:	In Scope
Management fee:	max. 2.0%
Performance fee:	10.0% over benchmark

Risk Profile

Lower risk							Higher risk
Potentially lower reward				Potentially higher reward			
1	2	3	4	5	6	7	

Performance Analysis vs EM Market

Alpha	0.06
Beta	0.21
Correlation	0.26
Standard Deviation	2.15
Information Ratio	-0.05
Tracking Error	4.61
Sharpe Ratio vs Risk Free 1YR	2.39

Fund's Objective

The Fund's objective is to maximize capital growth over the medium term and to generate income through investments in bonds and other debt securities issued or guaranteed by national or local governments of emerging and / or other issuers domiciled in emerging countries. The Fund may invest to a lesser extent in units of other collective investments schemes, in derivative financial instruments (including warrants), as well as structured products. The use of derivative financial instruments is an integral part of the investment strategy and they are not used solely for hedging purposes. Investments are mainly USD denominated, but to a lesser extent can also be denominated in other currencies, including local currency of emerging countries. To achieve this objective, the investment policy of the Fund is to choose the best possible opportunities in the fixed income universe of emerging markets. The Fund's investment approach can be described as "bottom up" that is to say, the choice of investments will be made according to their fundamental qualities rather than trying to replicate an index and its weights.

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Past performance is not indicative of future performance