

Main characteristics

The investment objective of the DMC FUND - WORLD HY CORPORATE BONDS Sub-Fund is to achieve a long term capital increase by offering to investors an access to the global "high yield" corporate bonds.

The management is based on a quantitative approach, called optimized sampling, aimed to align the principal portfolio risk factors with those of the benchmark with the most efficient bonds. The global control of portfolio risk is achieved using quantitative process centered on spread maximization procedure that takes into account multiple constraints derived from the benchmark risk profile.

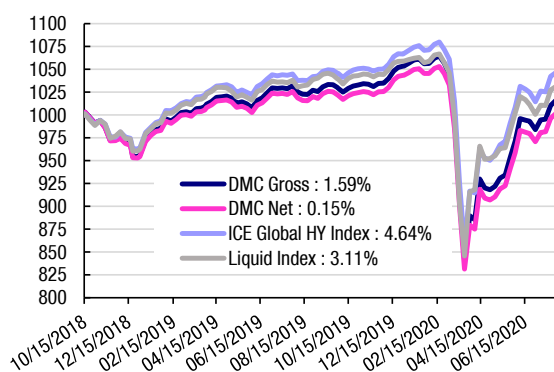
The approach is based on inclusion of entire universe, on low turnover and on diversification.

NAV as of 28.7.2020	CHF 1001.46
Total Assets in USD	Fund: 34'614'970 (Strategy: 82'906'996)
Launch date	15.10.2018
Liquidity	Weekly (NAV Date on Tuesday)
Notice Period	Two business days before the NAV date (2:00 pm)
Legal Status	Luxembourg FCP Part I - UCITS V
Countries of registration	LU, CH
Reference index	ICE ML Global High Yield Index CHF Hedged (HW00)
Bloomberg / ISIN	DMWHRCH LX / LU1877861770
Base currency	USD
Management company	Dynamic Asset Management Co S.A., Luxembourg
Investment manager	BPDG - Dynagest Asset Management Division
Custodian bank & Administrative agent	Banque et Caisse d'Epargne de l'Etat, Luxembourg
Swiss paying agent	Banque Cantonale Vaudoise, Lausanne
Estimated T.E.R	0.80%
Antidilution Levy	According to market conditions

Performances in CHF as of 28.7.2020

	Last 1M	Last 3M	2019	YTD	Since launch
Fund Net Class RCHF	3.17%	10.42%	9.32%	-4.03%	0.15% ann. (0.08%)
Fund Gross Class RCHF	3.23%	10.64%	10.20%	-3.58%	1.59% ann. (0.89%)
ICE Global High Yield CHF Hedged	3.13%	10.10%	10.74%	-1.96%	4.64% ann. (2.57%)
Liquid Index CHF Hedged	3.04%	8.25%	10.04%	-2.64%	3.11% ann. (1.73%)

Standardized NAV Evolution on Weekly Basis



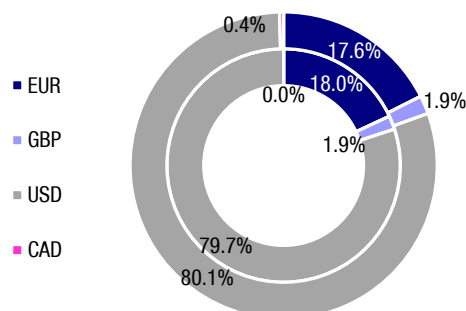
Portfolio's Metrics as of 28.7.2020

YTM in LOC Ccy	7.1%
YTW in LOC Ccy	6.9%
Zero Swap Spread	692
Average rating	B+
Number of issues	415
Number of issuers	336
Number of countries	32
Portfolio's volatility	11.6%

The performance data indicated above do not take into account the commissions and costs incurred on the issue and redemption of the Fund's Units. Past performance is not necessarily a guide to future returns. Price of Units may decline as well as rise and is not guaranteed. This document is for information purposes only and shall not be construed as an offer, invitation or solicitation to enter in any particular transaction or strategy. This document does not take into account the investment objectives, financial situation or particular needs of any particular investor. Investors should obtain individual financial advice based on their own particular profiles before making an investment decision on the basis of the information in this document.

Portfolio Structure as of 28.7.2020

Bonds Allocation by Currency

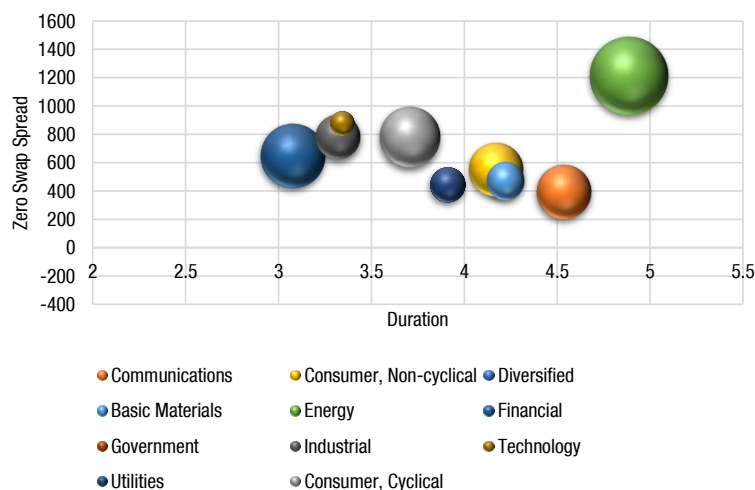


Portfolio : internal circle
Benchmark : external circle

Bonds Allocation by Sector

	Portfolio	Benchmark	Deviation
Basic Materials	7.13%	6.29%	0.84%
Communications	15.62%	15.46%	0.16%
Consumer, Cyclical	15.05%	15.70%	-0.65%
Consumer, Non-cyclical	14.27%	15.18%	-0.92%
Diversified	0.20%	0.19%	0.01%
Energy	13.69%	14.01%	-0.32%
Financial	19.13%	18.16%	0.97%
Government	0.00%	0.13%	-0.13%
Industrial	9.54%	8.95%	0.59%
Technology	2.31%	2.47%	-0.15%
Utilities	3.07%	3.46%	-0.39%
Total	100.0%	100.0%	0.0%

DTS Contribution (bubble's size) vs Zero Swap Spread vs Duration



Sensitivity to Interest Rate Variation (KRD and Modified Duration)

Key Rate Duration*	Portfolio	Benchmark	Deviation
Less than 3 years	0.92	0.93	(0.01)
3 years to 7 years	1.97	1.69	0.28
7 years to 10 years	0.63	0.60	0.03
More than 10 years	0.42	0.40	0.02
Total	3.94	3.62	0.32

* Shifts to the Zero Swap Curves

The management regulations, the prospectus and the simplified prospectus of the Fund, the annual and semi-annual reports can be obtained free of charge from the Swiss legal representative of the Fund.

Swiss legal representative : BPDG S.A., Geneva

Managers: Aymeric Converset / Marcin Brynda

Tel. + 41 (0)22 818.31.31 - Fax + 41 (0)22 818.31.00 - www.bpdg.ch

For more information, visit : www.DMC.lu

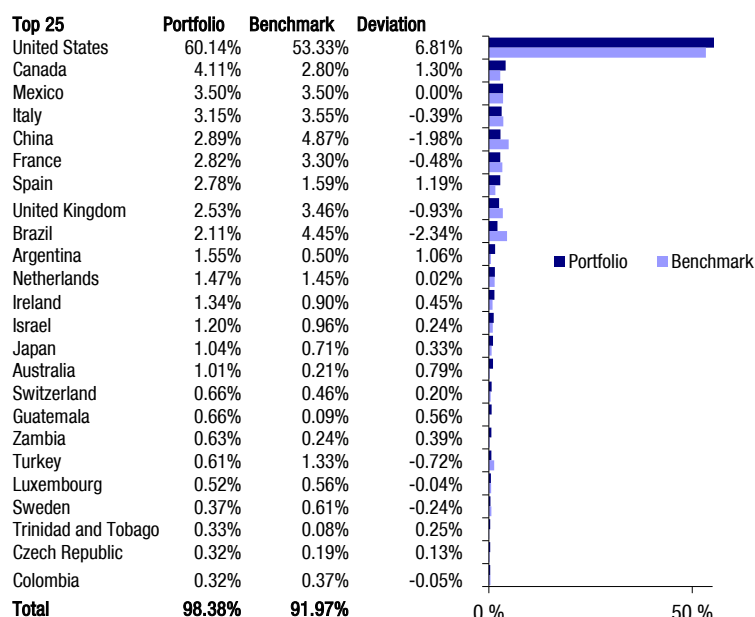
Market Comment

The High Yield market performed well in July, with a strong performance of +3.13%. The segment appreciated significantly for the fourth month in a row, erasing most of the losses endured in March. This rebound was fueled by the ample liquidity provided by central banks, generous fiscal packages and convincing signs that economic activity has started to strengthen, as soon as the strict lock-down regime were lifted. The ongoing Covid-19 pandemic that seems to keep on developing in the USA and in the other parts of the world did not prevent a fall in credit risk premia. The investors were more focused on the better than feared earnings season. The spread compression (-105 bps) was the most important contributor; nevertheless, the interest rate dimension contributed significantly as well, due to the positive performance of the treasury bonds. In this positive environment, the High Yield mutual funds reported a fourth consecutive weekly inflow.

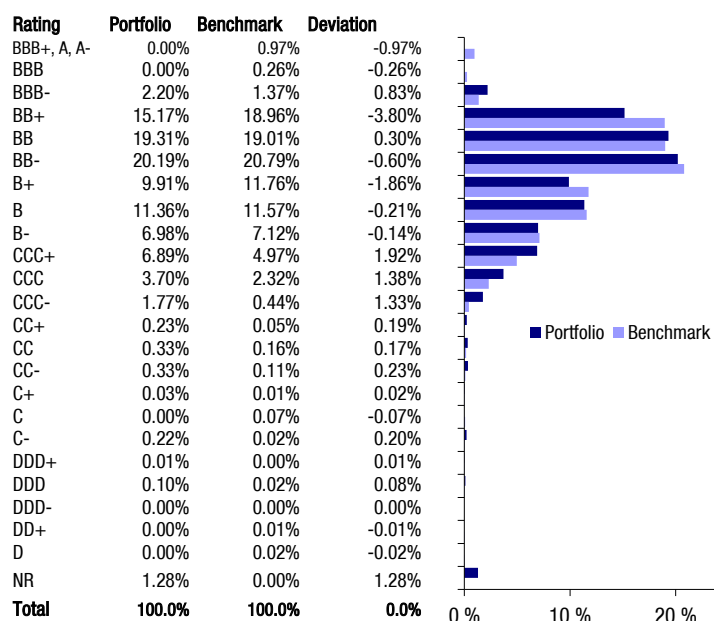
The monthly net performance of the fund was +3.17% (ICE Index: +3.13% & Liquid Index: +3.04%). In absolute terms, the top 3 sectors were the Consumer Cyclical, Financials and Communications. In this bullish environment, the duration and the seniority played an important role in the behavior of the bonds. In fact, the long duration bonds and the junior notes outperformed. In relative terms, the portfolio was very in line with the ICE index. The security selection in financial sector contributed positively (+ 21 bps) with very good performances on several issuers (Ocwen Financial: +4 bps of relative contribution, Banco Hipotecario: +4 bps of relative performance). At the opposite, the consumer non-cyclical penalized the relative performance (-5 bps) with the underweight in Autostrade per l'Italia (-3 bps of relative contribution) and in CHS/Community Health Sys (-3 bps of relative contribution). As far as it concerns the peer group, the fund is still very well ranked with a very appreciable stability. We are also very pleased to announce that the fund will be distinguished in September by a major rating agency.

Regarding the rebalancing of July, we were very active, reinvesting the cash received from the abundant call executions (12). We performed 13 trades and we participated successfully to 4 new issues. This continuous activity and the fact that the universe did not change drastically at the end of July allowed us to be quite aligned with the new universe. The rebalancing of August will be rather soft with a slight increase of the credit risk in the energy sector.

Countries' Distribution



Ratings' Distribution



Main Positions

Description	Issuer	Sector	Currency	Coupon	Country	YTM	Spread	Duration	% Asset
CVC 5 3/8 02/01/28	Altice USA Inc	Communications	USD	5.375	US	4.04	266.77	2.33	0.69%
DB 2 3/4 02/17/25	Deutsche Bank AG	Financial	EUR	2.75	DE	2.37	276.96	4.20	0.67%
KAISAG 11 1/4 04/09/22	Kaisa Group Holdings Ltd	Financial	USD	11.25	CN	8.43	835.77	1.07	0.67%
SUNAC 7.95 10/11/23	Sunac China Holdings Ltd	Financial	USD	7.95	CN	6.67	653.28	2.30	0.66%
SOFTBK 5 1/8 09/19/27	SoftBank Group Corp	Communications	USD	5.125	JP	4.71	434.94	5.70	0.65%
FMCN 6 7/8 03/01/26	First Quantum Minerals Ltd	Basic Materials	USD	6.875	ZM	7.09	688.11	3.85	0.63%
EVERRE 9 1/2 04/11/22	Xin Xin BVI Ltd	Financial	USD	9.5	CN	11.32	1,137.62	1.40	0.62%
TEVA 3.15 10/01/26	Teva Pharmaceutical Industries	Consumer, Non-cyclical	USD	3.15	IL	5.11	480.35	5.29	0.62%
ISCTR 6 1/8 04/25/24	Türkiye İ Bankası AS	Financial	USD	6.125	TR	7.09	696.60	3.12	0.61%
TIANHL 12 10/24/23	Xin Xin BVI Ltd	Financial	USD	12	CN	14.39	1,499.03	2.27	0.58%
CHTR 4 3/4 03/01/30	Charter Communications Inc	Communications	USD	4.75	US	4.01	331.88	6.03	0.50%
S 7 7/8 09/15/23	SoftBank Group Corp	Communications	USD	7.875	US	2.68	246.25	2.72	0.48%
ISPIM 6 5/8 09/13/23	Intesa Sanpaolo SpA	Financial	EUR	6.625	IT	1.90	229.07	2.75	0.44%
CMZB 8.151 06/30/31	Commerzbank AG	Financial	USD	8.151	DE	3.71	320.03	7.68	0.43%
VOD 4.2 10/03/78	Vodafone Group PLC	Communications	EUR	4.2	GB	2.67	256.74	14.37	0.42%
EDF 5 PERP	French Republic	Utilities	EUR	5	FR	4.53	344.72	4.56	0.41%
TELEFO 5 7/8 03/31/49	Telefonica SA	Communications	EUR	5.875	ES	2.91	329.31	6.87	0.41%
UNIIM 3 03/18/25	Unipol Gruppo SpA	Financial	EUR	3	IT	2.47	285.88	4.26	0.41%
TPH 5 7/8 06/15/24	TRI Pointe Group Inc	Consumer, Cyclical	USD	5.875	US	4.01	379.62	3.38	0.40%
SFRFP 5 7/8 02/01/27	Next Alt Sarl	Communications	EUR	5.875	FR	4.75	452.04	1.91	0.40%
ARGID 4 3/4 07/15/27	ARD Holdings SA	Industrial	GBP	4.75	IE	5.01	462.08	4.65	0.40%
SOFTBK 4 3/4 07/30/25	SoftBank Group Corp	Communications	EUR	4.75	JP	3.51	393.00	4.28	0.39%
TITIM 3 5/8 05/25/26	Telecom Italia SpA/Milano	Communications	EUR	3.625	IT	2.33	269.06	5.22	0.39%
S 8 3/4 03/15/32	SoftBank Group Corp	Communications	USD	8.75	US	3.25	271.04	7.91	0.39%
REPSM 4 1/2 03/25/75	Repsol SA	Energy	EUR	4.5	ES	3.43	380.99	8.62	0.39%

The management regulations, the prospectus and the simplified prospectus of the Fund, the annual and semi-annual reports can be obtained free of charge from the Swiss legal representative of the Fund.

The performance data indicated above do not take into account the commissions and costs incurred on the issue and redemption of the Fund's Units. Past performance is not necessarily a guide to future returns. Price of Units may decline as well as rise and is not guaranteed. This document is for information purposes only and shall not be construed as an offer, invitation or solicitation to enter in any particular transaction or strategy. This document does not take into account the investment objectives, financial situation or particular needs of any particular investor. Investors should obtain individual financial advice based on their own particular profiles before making an investment decision on the basis of the information in this document.

Swiss legal representative : BPDG S.A., Geneva
Managers: Aymeric Converset / Marcin Brynda

Tel. + 41 (0)22 818.31.31 - Fax + 41 (0)22 818.31.00 - www.bpdg.ch

For more information, visit : www.DMC.lu