

# Andalis

Société d'Investissement à Capital Variable  
("SICAV")

Luxembourg

Unaudited semi-annual report

from 1 January 2017 to 30 June 2017

Luxembourg Trade and Companies Registry B 161.938

*Subscriptions may only be accepted on the basis of the latest prospectus,  
which is only valid if accompanied by the latest annual report and the latest semi-annual report,  
if published since the last annual report.*

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## Contents

· Administration of the SICAV	2
· Shareholder information	3
· Statement of net assets	4
· Statement of operations and changes in net assets	5
· Information on net assets	6
· Statement of securities portfolio and other net assets	7
· Split of securities portfolio by industry	8
· Notes to the financial statements	9
· Additional information	13

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## Administration of the SICAV

### Registered office

4, rue Jean Monnet  
L-2180 Luxembourg

### Asset Manager

Taler Asset Management (Gibraltar) Limited  
Centre Plaza, Suite 1B  
2 Horse Barrack Lane  
Gibraltar

### Board of Directors

Mr Ronald Westdorp, Chairman  
Co-founder and Managing Director, Taler Asset Management (Gibraltar) Limited

Mr Kevin Prinsen, Director  
Founder, Fidelius, Belgium

Mr Andres Pomar, Director  
Head of Management Department and Conducting Officer, Andbank Asset Management  
Luxembourg

### Depository Bank, Administrative Agent, Registrar and Transfer Agent

Citibank Europe Limited, Luxembourg Branch  
31, Z.A. Bourmicht  
L-8070 Bertrange

### Management Company and Domiciliary Agent

Andbank Asset Management Luxembourg  
4, rue Jean Monnet  
L-2180 Luxembourg

### Global Marketing Coordinator

Fidelius S.à r.l.  
136 Jef Buyckxstraat  
B-2300 Turnhout

### Statutory Auditors

KPMG Luxembourg, Société coopérative  
39, Avenue John F. Kennedy  
L-1855 Luxembourg

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## Shareholder information

The audited annual reports and the unaudited semi-annual reports are published four months and two months respectively after the end of the period to which they refer. The reports are distributed and made available to shareholders at the registered office of the SICAV, the Management Company and the organisations in charge of the financial services in the countries where the SICAV is distributed, and on the [www.investmentclockfund.com](http://www.investmentclockfund.com) and [www.andbank.lu](http://www.andbank.lu) websites.

The annual and semi-annual reports are sent free of charge to the shareholders on request from the registered office of the SICAV or the Depositary Bank.

The financial year starts on 1 January and ends on 31 December of each year.

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## Statement of net assets as at 30 June 2017

	Investment Clock (EUR)
<b>Assets</b>	
Securities portfolio at cost (note 2b)	9,160,495
Unrealised capital gains	87,965
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Securities portfolio at market value (note 2b)	9,248,460
Banking assets	62,501
Receivable on share sales	80,599
Dividends receivable	11,273
Other assets	234
<hr/>	
<b>Total assets</b>	<b>9,403,067</b>
<hr/>	
<b>Liabilities</b>	
Expense provisions	63,052
<hr/>	
<b>Total liabilities</b>	<b>63,052</b>
<hr/>	
<b>Net assets</b>	<b>9,340,015</b>
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## Statement of operations and changes in net assets for the period between 1 January 2017 and 30 June 2017

	Investment Clock (EUR)
<b>Assets at start of period</b>	<b>12,729,980</b>
<b>Revenues</b>	
Dividends (note 2c)	44,177
<b>Total revenues</b>	<b>44,177</b>
<b>Expenses</b>	
Management fee (note 3a)	77,181
Depositary Bank fee (note 3b)	15,622
Administrative Agent fee (note 3c)	18,052
Domiciliary Agent fee (note 3d)	4,987
Audit and legal fees	6,524
Regulatory fees	8,946
Tax consultancy costs	2,899
Taxe d'abonnement (subscription tax) (note 4)	1,157
Transaction costs (note 5)	28,889
Other expenses (note 3e)	17,233
<b>Total expenses</b>	<b>181,490</b>
<b>Net loss on investments</b>	<b>(137,313)</b>
Realised net gain	
on sale of securities (note 2d)	590,001
on foreign exchange transactions (note 2d)	53,231
<b>Net profit during period</b>	<b>505,919</b>
Net change in unrealised capital gains	
on securities	(720,956)
<b>Result on operations</b>	<b>(215,037)</b>
Subscriptions	88,432
Redemptions	(3.263.360)
<b>Reduction in net assets due to capital movements</b>	<b>(3.174.928)</b>
<b>Net assets at end of period</b>	<b>9,340,015</b>

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## Information on net assets as at 30 June 2017, 31 December 2016 and 31 December 2015

	<b>Investment Clock (EUR)</b>
Net assets at 30 June 2017	9,340,015
Net assets at 31 December 2016	12,729,980
Net assets at 31 December 2015	13,263,417
<b>Net asset value per share as at 30 June 2017</b>	
Class A	107.9827
Class B	104.4456
<b>Net asset value per share as at 31 December 2016</b>	
Class A	110.4436
Class B	107.2530
<b>Net asset value per share as at 31 December 2015</b>	
Class A	107.6297
Class B	105.3576
<b>Number of shares in circulation as at 30 June 2017</b>	
Class A	51,664.997
Class B	36,010.030
<b>Number of shares subscribed during the period</b>	
Class A	801.587
Class B	-
<b>Number of shares redeemed during the period</b>	
Class A	19,427.018
Class B	10,299.686
<b>Number of shares in circulation as at 31 December 2016</b>	
Class A	70,290.428
Class B	46,309.716
<b>Number of shares in circulation as at 31 December 2015</b>	
Class A	75,132.946
Class B	49,136.252

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## Statement of securities portfolio and other net assets as at 30 June 2017

### Investment Clock (EUR)

Quantity	Description	Market value	% of the net assets
<b>Undertakings for collective investment in transferable securities admitted to official listing on a stock exchange</b>			
<b>EUR funds</b>			
27,147	db x-trackers EURO STOXX 50 UCITS ETF - 1C	1,288,940	13.80
959	db x-Trackers - S&P 500 UCITS ETF - 1C	35,982	0.39
114,025	db x-trackers DB Commodity Booster Bloomberg UCITS ETF - 2C	1,717,216	18.38
96,975	db x-trackers DBLCI - OY Balanced UCITS ETF - 1C	1,658,273	17.75
8,353	db x-trackers MSCI Emerging Markets Index UCITS ETF - 1C	305,302	3.27
2,143	iShares eb.rexx Government Germany 5.5-10.5 (DE) UCITS ETF	301,199	3.22
16,814	iShares European Property Yield UCITS ETF	658,857	7.05
16,818	iShares S&P 500 EUR Hedged UCITS ETF	927,008	9.93
21,865	Lyxor Commodities Thomson Reuters/CoreCommodity CRB TR UCITS ETF	305,891	3.28
38,267	SPDR Dow Jones Global Real Estate UCITS ETF	1,197,757	12.82
<b>USD Fonds</b>			
9,100	SPDR Barclays US Treasury Bond UCITS ETF	852,035	9.13
<b>Total funds</b>		<b>9,248,460</b>	<b>99.02</b>
<b>Total undertakings for collective investment in transferable securities admitted to official listing on a stock exchange</b>		<b>9,248,460</b>	<b>99.02</b>
<b>Total securities portfolio</b>		<b>9,248,460</b>	<b>99.02</b>
<b>Other net assets</b>		<b>91,555</b>	<b>0.98</b>
<b>Total net assets</b>		<b>9,340,015</b>	<b>100.00</b>



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## Split of securities portfolio by industry as at 30 June 2017

### Investment Clock (EUR)

	<b>% of the net assets</b>
Open-ended type fund	99.02
<b>Total</b>	<b>99.02</b>
<b>Other net assets</b>	<b>0.98</b>
<b>Total net assets</b>	<b>100.00</b>

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## Notes to the financial statements as at 30 June 2017

### 1. Description of the SICAV

**Andalis** (hereinafter the "**SICAV**") is an open-ended investment company under Luxembourg law, formed for an unlimited period in Luxembourg on 30 June 2011 in accordance with the provisions of Part I of the amended Law of 17 December 2010.

The Articles of Association of the SICAV were published in Recueil Electronique des Sociétés et Associations (hereinafter "**RESA**") on 18 July 2011 and have been filed with the Luxembourg Trade and Companies Registry (hereinafter the "**RCS**").

The SICAV is established pursuant to Luxembourg law in the form of an umbrella SICAV.

At 30 June 2017, the SICAV had one active sub-fund:

- Investment Clock

The SICAV can issue registered shares of different classes.

At 30 June 2017, the SICAV had two active classes:

- Class A
- Class B

Andbank Asset Management Luxembourg (hereinafter the "**Management Company**"), registered with the RCS under number B147.174, was appointed by the SICAV as the Management Company of the SICAV by virtue of an agreement entered into between the SICAV and the Management Company on 30 June 2011.

The Management Company was formed in Luxembourg on 13 July 2009. Its most recent Articles of Association dated 30 July 2014 were published in an insert in RESA issue number 2851 of 10 October 2014.

### 2. Principal accounting policies

The accounting policies of the SICAV comply with Luxembourg legislation applicable to investment funds.

The annual accounts are prepared in compliance with generally accepted accounting principles (**GAAP**) in Luxembourg.

#### a) Foreign currencies

The financial statements and accounting records are expressed in the currency of the sub-fund. Transactions in currencies other than that of the sub-fund are converted into the currency of the sub-fund based on the exchange rates applicable on the date of the transaction. Assets and liabilities denominated in other currencies are converted at the exchange rate applicable on the date of the report.

Principal exchange rate used as at 30 June 2017:

1 EUR = USD 1.140550

#### b) Securities portfolio

Shares/units in UCITS and/or UCIs will be valued on the basis of their last available net asset value.

Securities admitted to official listing or to any other organised market are valued at the last known price in Luxembourg on the valuation date.

If the security is traded on several markets, the valuation will be taken from the principal market of the security.

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## Notes to the financial statements as at 30 June 2017 (continued)

### 2. Principal accounting policies (continued)

#### b) Securities portfolio (continued)

If this price is not representative, the valuation is based on the probable realisable value estimated by the Board of Directors of the SICAV prudently and in good faith.

Securities not listed or traded on a stock market or any other organised market are valued based on their probable realisable value estimated prudently and in good faith.

#### c) Dividends and interest income

Dividends are recorded on the coupon detachment date ("ex date").

Interest income is provided for on a daily basis net of any irrecoverable withholding tax.

#### d) Realised gains and losses

Gains and losses include the profit or loss occurring on the sale of securities during the period and the exchange rate differences occurring on the revaluation of other assets and liabilities denominated in foreign currencies.

Capital gains and losses are determined on the basis of the average weighted cost of the securities sold.

#### e) Formation expenses

The SICAV incurs start-up costs, including the costs of preparing and printing the prospectus, notary expenses, administrative and stock market authority introductory fees and all other costs relating to the formation and launch. These fees were amortised over the first five financial years.

### 3. Charges

#### a) Management fee

A management fee, provided for whenever the net asset value is calculated, is payable at the end of each quarter to the Asset Manager.

This fee is calculated based on the average net assets of the sub-fund.

For the year under review, the management fee applied to the Investment Clock sub-fund was EUR 77,181 which is equal to a rate of 1.10% per annum of the average net assets of the sub-fund attributable to Class A and 1.90% per annum of the average net assets of the sub-fund attributable to Class B.

As at 30 June 2017, the annual maximum management fees applied to the funds held in the SICAV's portfolio were as follows:

<b>Fund</b>	<b>Management fee (%)</b>
db x-trackers DBLCI - OY Balanced UCITS ETF - 1C	max. 0,40%
db x-trackers EURO STOXX 50 UCITS ETF - 1C	max. 0,01%
db x-trackers MSCI Emerging Markets Index UCITS ETF - 1C	max. 0,45%
db x-trackers DB Commodity Booster Bloomberg UCITS ETF - 2C	max. 0,80%
db x-trackers - S&P 500 UCITS ETF - 1C	max. 0,30%
iShares eb.rexx Government Germany 5.5-10.5 (DE) UCITS ETF	max. 0,15%
iShares European Property Yield UCITS ETF	max. 0,40%
iShares S&P 500 EUR Hedged UCITS ETF	max. 0,45%
Lyxor Commodities Thomson Reuters/CoreCommodity CRB TR UCITS ETF	max. 0,35%
SPDR Dow Jones Global Real Estate UCITS ETF	max. 0,40%
SPDR Barclays US Treasury Bond UCITS ETF	max. 0,15%

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## Notes to the financial statements as at 30 June 2017 (continued)

### 3. Charges (continued)

#### b) Depositary Bank fee

The Depositary Bank deducts custody fees from each sub-fund.

The rate applied to the Investment Clock sub-fund is a maximum of 0.020% p.a. (excl. VAT) and a minimum of USD 2,000 per month of the average net assets of the sub-fund.

The Depositary Bank fee is payable at the end of each month.

#### c) Administrative Agent fee

The Administrative Agent fee is a reducing fee calculated from the average net assets of the sub-fund subject to a maximum of 0.045% and a minimum of EUR 2,000 per month.

The Administrative Agent receives the fees for the registrar activities for each shareholder and each transaction in line with market practice.

#### d) Domiciliary Agent fee

The Domiciliary Agent fee is EUR 10,000 p.a. shared pro rata based on the average net assets between the various sub-funds of the SICAV.

#### e) Management Company fee

The Management Company fee is equal to 0.25% per annum of the average net assets of the sub-fund.

The Management Company fee is payable at the end of each quarter and is not indexed to the results of the SICAV.

The amount paid for the period under review is included in the "Other expenses" item in the "Statement of operations and changes in net assets".

### 4. Taxe d'abonnement (subscription tax)

Pursuant to applicable legislation and current practice, the SICAV is not subject to any Luxembourg income or capital gains tax. Similarly, dividends paid by the SICAV are not subject to any form of Luxembourg withholding tax.

However, the SICAV is liable in Luxembourg, in accordance with Article 174 of the amended Law of 17 December 2010, to an annual tax representing 0.05% of the net assets. This rate is reduced to 0.01% for classes reserved for institutional investors. This tax is payable quarterly based on the net assets of the SICAV calculated at the end of the quarter to which the tax relates. The tax is not due on the assets invested in UCITS/UCIs which are already subject to this tax.

### 5. Transaction fees

For the period under review, the SICAV's sub-fund incurred transaction fees in connection with purchases and sales of financial products. The amount of the transaction fees borne by the SICAV for the period is included in the "Transaction fees" item in the "Statement of operations and changes in net assets".

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## Notes to the financial statements as at 30 June 2017 (continued)

### 6. Movements in securities portfolio

A statement showing the changes in the securities portfolio during the period under review can be requested free of charge from the registered office of the Management Company.

### 7. Risk management policy

The method selected by the Management Company to determine the global risk to which the sub-fund was exposed during the period under review was the commitment method.

### 8. Corporate governance

The directors of the SICAV have adopted the Code of Conduct of the Association of the Luxembourg Fund Industry (ALFI).

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## Additional information

### **Information concerning the transparency of securities financing transactions and of reuse (*Securities Financing Transactions Regulation or SFTR*)**

For the period under review, the SICAV did not use securities financing transactions or total return swaps (TRS).