

## Objectives & Investment Policy

The Sub-Fund aims to achieve income and capital appreciation over the medium to long-term by directly or indirectly taking exposure principally in a selected portfolio of bonds and any types of debt and debt-related instruments issued by states, local governments, supranational, municipal and corporate issuers located in any countries, including emerging markets, and using financial derivative instruments where appropriate.

## Characteristics

**Share Class** A  
**Fund** OIC  
**Man. Co. Domicile** Andorra  
**Asset Class** Fixed Income  
**Currency** USD  
**Valuation** Daily

**Launch Date** 15/12/1998  
 17/07/2009\*

**Investment Horizon** 3 Yrs.

\*date of adaptation to the new legislation (Llei 10-2018) and reset of the net asset value to 100

**ISIN** AD0000100400  
**INAF registration** 0011-02  
**Radical Andbank** 100400

**Benchmark**

**Management Company**  
 Andorra Gestió Agricol Reig, S.A.U  
**Custody**  
 Andorra Banc Agricol Reig, S.A

**Management Fee**

1.10%

**Entry Charge**

0.59%

**Exit Charge**

0.51%

**Custody Fee**

0.50%

\*Indirect taxes not included. IGI: 9.5%

**AUMs Fund (Mill.)** 9.54

**No. Of Shares class** 85,106

**NAV class** 112.06

**Volatility (%)** 1.31

**Max. Drawdown (%)** -5.65

**Positive Weeks (%)** 53.21

**Duration (%)** 2.05

**Yield (%)** 2.88

**Interest Rate (%)** 3.06

**Rating** A

Monthly data last 3 yrs

**Annualized return (%)**

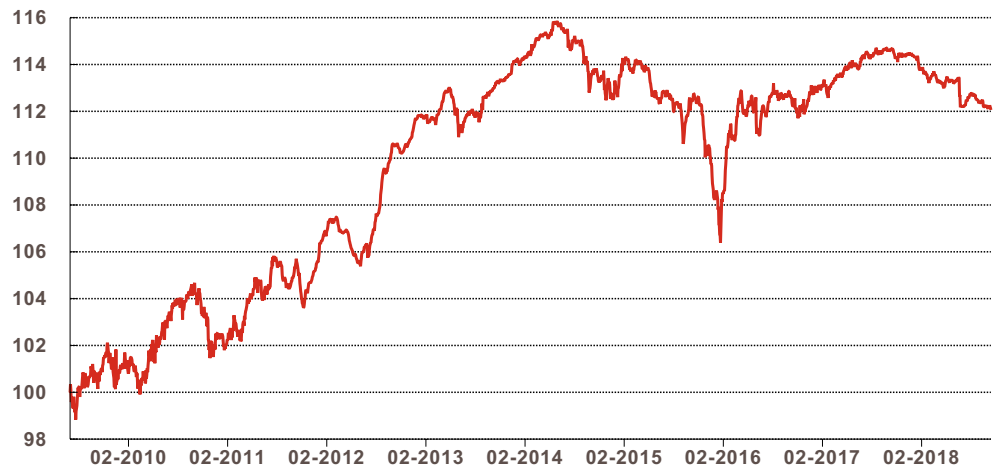
1 yr -2.27

3 yrs -0.12

5 yrs -0.18

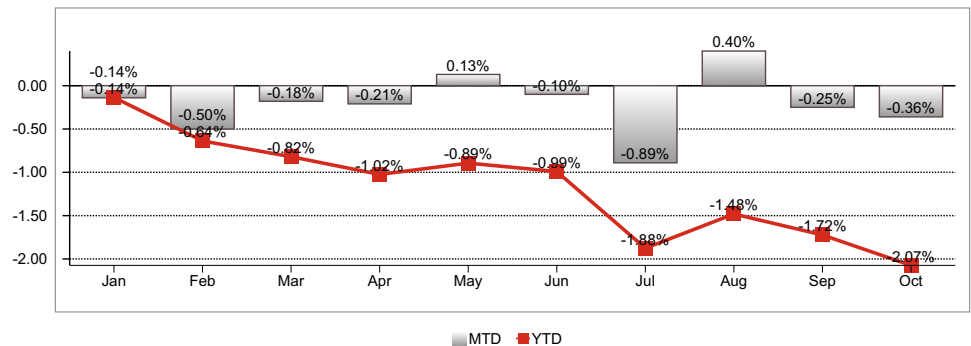
Since inception 0.57

## Nav Evolution since inception 2009\*



\*date of adaptation to the new legislation (Llei 10-2018) and reset of the net asset value to 100

## Performance evolution 2018



Past performance should not be considered an indicator of future performance

## Monthly Historical evolution (%)

	Ene.	Feb.	Mar.	Abr.	May.	Jun.	Jul.	Ago.	Set.	Oct.	Nov.	Dic.	YTD
2018	-0.14	-0.50	-0.18	-0.21	0.13	-0.10	-0.89	0.40	-0.25	-0.36			-2.07
2017	0.40	0.37	-0.16	0.33	0.36	0.03	0.41	0.00	0.11	0.07	-0.21	0.01	1.73
2016	-1.75	-0.01	1.99	1.82	-0.29	-1.04	0.43	0.90	-0.20	0.06	-0.31	0.20	1.75
2015	-0.39	1.12	-0.28	0.24	-0.27	-1.06	0.29	-0.48	-1.45	1.62	-0.16	-1.55	-2.40
2014	0.41	0.26	0.47	0.25	0.05	0.32	-0.38	-0.20	-0.67	-0.38	-0.18	-0.23	-0.28

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## Top 10 Holdings

Position	Rate	Maturity	Country	Weight (%)
TELEFONICA EMIS	5.462	16/02/2021	SPAIN	5.51
TSY INFL IX N/B	0.625	15/01/2026	UNITED STATES	5.40
UNILEVER CAPITAL	4.250	10/02/2021	UNITED KINGDOM	5.40
VERIZON COMM INC	3.500	01/11/2021	UNITED STATES	5.34
AMERICAN EXPRESS	2.375	26/05/2020	UNITED STATES	5.22
DANONE	3.000	15/06/2022	FRANCE	5.18
APPLE INC	2.850	06/05/2021	UNITED STATES	4.22
AT&T INC	2.450	30/06/2020	UNITED STATES	4.16
VISA INC	2.800	14/12/2022	UNITED STATES	4.14
BP CAPITAL PLC	2.750	10/05/2023	UNITED KINGDOM	4.10

## Manager Review

On the interest side, the month started firmly bearish, as comments from Fed chair Powell on the potential for higher rates drove 10y yields 17bps higher to levels not seen since 2011. The 10 year Treasury reached 3.25% but many investors saw it as a buying opportunity. FOMC speakers during the month continued to focus on the same message from the September meeting that rates are likely to move modestly above neutral towards the end of 2019 and the beginning of 2020. It was equities that then dominated the market directionality for the rest of the month. The relatively disappointing earnings season led to a sell-off in equities: the S&P had the worst month since September 2011, closing the month down 6.94%. Persistent outflows combined to mixed macroeconomic data in the Eurozone, uncertainties on the Brexit and on the issue of the discussions between Italy and the European Commission on the budget, and negative headlines about US-China trade policy contributed to the negative sentiment. The 10y treasuries ended the month at 3.1435 (+8bps).

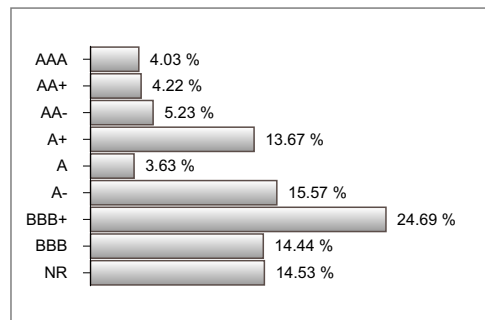
With the selloff in equities over the course of October, spreads widened to levels last seen in mid-August. The Bloomberg Barclays Credit Index widened 12bp m/m, to 112bp; underperforming duration-matched Treasuries by 80bp. CDX.IG widened 9bp during the month, to 68bp. On the High Yield side, the Bloomberg US corporate High Yield widened by 55bp.

The fund delivered a negative performance of -0,36% in October. We reduced exposure to financial entities such as BNP or JPM and diversify current portfolio into other issuances from companies like Hewlett Packard or sovereigns from the US government.

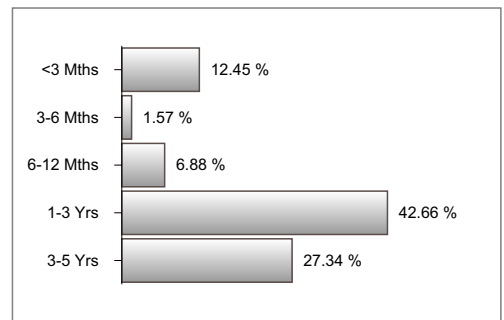
## Currency Breakdown



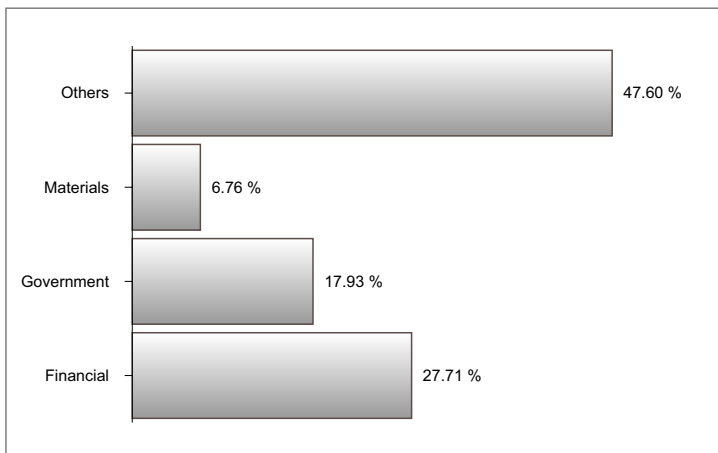
## Rating Allocation



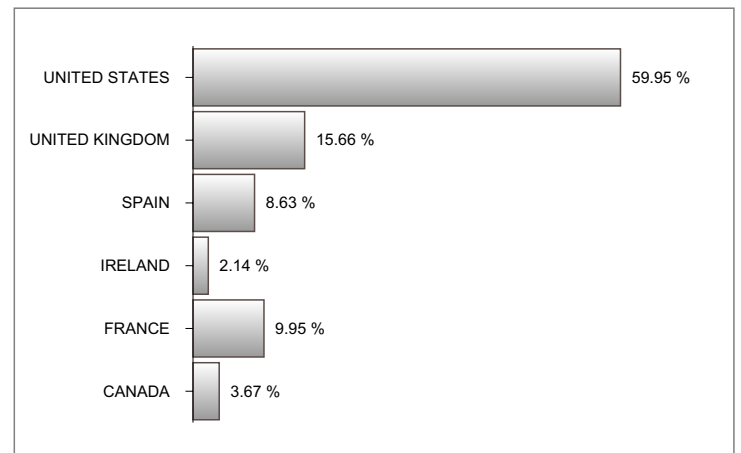
## Maturity allocation



## Sector breakdown



## Country breakdown



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