

# ANDBANK STRATEGIES FUND

Data as at July 31th, 2022

|                            |                             |   |   |   |   |   |   |
|----------------------------|-----------------------------|---|---|---|---|---|---|
| Category of the Fund       | <b>Other OICs</b>           |   |   |   |   |   |   |
| Currency                   | <b>EUR</b>                  |   |   |   |   |   |   |
| Liquidity                  | <b>Weekly</b>               |   |   |   |   |   |   |
| Risk Level                 | <b>Aggressive</b>           |   |   |   |   |   |   |
| Complexity                 | <b>Complex, Alternative</b> |   |   |   |   |   |   |
| Geography                  | <b>Global</b>               |   |   |   |   |   |   |
| Investment horizon (years) | <b>5 years</b>              |   |   |   |   |   |   |
| ISIN                       | <b>AD00500200</b>           |   |   |   |   |   |   |
| Risk Level                 | 1                           | 2 | 3 | 4 | 5 | 6 | 7 |

## INVESTMENT OBJECTIVE AND STRATEGY

This fund aims to achieve long-term capital growth through investment in a diversified portfolio of structured products, mainly Equity-Linked Notes (ELN) and Reverse Convertibles.

ELNs and Reverse Convertibles are complex financial instruments linked to an underlying asset, which may be shares, baskets of shares or equity indices. Both products offer a coupon with a certain frequency and a specific protection barrier, usually between 20% and 35%.

## NAV EVOLUTION



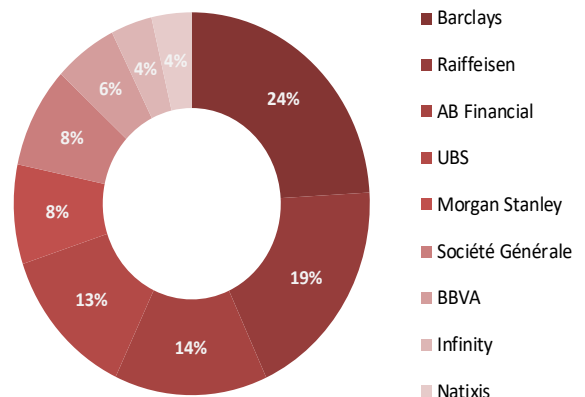
## GENERAL INFORMATION

|      | Jan    | Feb    | Mar     | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov    | Dec    | YTD     |
|------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| 2022 | -3,81% | -3,73% | 0,38%   | -6,81% | -0,75% | -5,89% | 2,38%  |        |        |        |        |        | -17,17% |
| 2021 | -0,78% | 2,45%  | 2,59%   | 1,02%  | 2,30%  | 1,35%  | -0,70% | 0,52%  | 0,12%  | 0,29%  | -2,15% | 0,05%  | 7,17%   |
| 2020 | -2,46% | -2,76% | -32,93% | 10,65% | 0,40%  | 4,57%  | 0,08%  | -0,92% | -4,01% | -1,73% | 16,10% | -0,05% | -19,81% |
| 2019 | 5,83%  | 1,23%  | -0,66%  | 2,97%  | -6,28% | 1,50%  | 0,95%  | -5,48% | 5,27%  | 3,08%  | 1,76%  | 2,00%  | 12,04%  |
| 2018 | -1,48% | 1,80%  | 0,57%   | 1,78%  | -5,94% | -0,94% | 0,03%  | -0,61% | -0,39% | -4,01% | 0,00%  | -5,62% | -14,18% |
| 2017 |        |        |         |        |        |        |        |        |        |        |        | -0,16% | -0,16%  |

## TOP 10 HOLDINGS

| TOP 10                            |        |
|-----------------------------------|--------|
| SIH GLOBAL EQUITY B EUR ACC       | 24,29% |
| PAM21 PHX MASTERCARD 6.04%        | 4,67%  |
| PAM21 PHX BMW GY 8.00%            | 4,34%  |
| ASP21 PHX ON TTWO UW 8.08% USD    | 4,03%  |
| PAM22 PHOENIX ITX SM 11.8% EUR 3Y | 4,02%  |
| PAM22 PHX BBVA SQ 17.60%          | 3,93%  |
| PAM21 PHX VWS DC 12.50%           | 3,70%  |
| PAM21 PHX AC SAN SM 11.80%        | 3,69%  |
| PAM21 PHX AUTOCALL ABDE UW 8.0%   | 3,63%  |
| PAM21 PHX ASML HOLDING NV 9.5%    | 3,50%  |

## ISSUER DISTRIBUTION



## ANDBANK STRATEGIES FUND

|                             |              |
|-----------------------------|--------------|
| Management Fee              | <b>1,25%</b> |
| Depository Fee              | <b>0,30%</b> |
| Subscription and Refund Fee | <b>0,60%</b> |

*Indirect Tax Excluded*

### MANAGEMENT INSIGHT

This July, we have seen how the stock markets recovered ground compared to the previous month. Companies' second quarter earnings releases to date have been in line with those of the first quarter, contradicting a little bit the market sentiment of the investors, who are still hesitant about the high inflation and the possible signs of recession.

In the United States, the Fed hiked another 75 bps, reaching a maximum range of rates since the 2008 financial crisis and affirming its determination to alleviate high inflation and prevent it from being persistent in the future. Regarding the reduction of the balance sheet, it remained unchanged between June and August, although it is expected to increase later in the year. In addition, Powell announced that there may be another sharp rate hike, but from there the pace will slow down, although all this will depend on the macroeconomic outlook. U.S year-on-year inflation is 9,1% higher than the 8,8% expected, and Core 5,9%. As for the quarterly GDP, it stands in negative at -0,9%, showing weakness in the economy. On the other hand, the manufacturing PMI stood at 52,3 above the forecast of 52. In contrast, the services PMI is below the forecast with a 47 vs 52,6 and the composite with a 47,5. During July we saw a flattening of the curves with the 10 year US Treasury yield going from 3% to 2,66%.

In Europe, the ECB surprised with an interest rate hike of 50 bps and approved the new "TPI" tool designed to address fragmentation in the Eurozone, to try to prevent the risk premiums of the most vulnerable countries from skyrocketing in the event of market negativity. The president, Lagarde, justified this rate hike, saying that the Euro was in a weak position and of course because of high inflation. Year-on-year inflation in the euro zone came in at 8,9%, higher than both the previous and the forecast. Core inflation came in at 4%. Quarterly GDP came in above, at 0,7% vs, 0,2% expected. However, the manufacturing PMI was 49,6 lower than the expected 51. The services PMI was 50,6 versus the expected 52 and the composite was 49,4 versus the forecast of 51. As for the yield on Germany's 10-year government bond, it fell from 1,37% to 0,82% in June.

On the credit side, we have seen the spread narrow markedly during the month. Regarding the Equity market, we have seen a rebound during the month, with the Selective S&P 500 accumulating a positive 9,11% for the month and a negative YTD of -13,34%. Regarding Europe, the Euro Stoxx 50 closed with a positive monthly return of 7,33% and a YTD of -13,73%. On the other hand, emerging markets experienced declines, with the MSCI Emerging Markets, down -0,69% for the month and a negative YTD of -19,34%.