

H.A.M. - Global Convertible Bond Fund

Focus:	Global Convertibles			
Investment Style:	Active, (outright, currency hedged)			
Fund Currency:	EUR	USD	CHF	GBP
NAV:	1999.16	1412.92	1641.76	1031.41
Month Reported:	+ 0.46%	+ 0.65%	+ 0.38%	+ 0.54%
Year-to-date:	+ 0.65%	+ 1.58%	+ 0.44%	+ 0.89%
Since Inception:	+ 99.92%	+ 41.29%	+ 64.18%	+ 3.14%
Lancierungsdaten/date	29.03.2000	11.04.2007	10.12.2008	24.05.2017
Total Expense Ratio (TER) 30.06.2017	TER1 1.39% / TER2 1.39%	PTR 65.88%		

Infos: www.hvp.li / www.ifmfunds.com / www.lipperleader.com / www.lafv.li

FUND MONTHLY REVIEW

May proved to be a month with two totally different halves: the first was marked by confidence and good corporate and economic figures. In the second half, geopolitical fears flared up again and political uncertainties in Italy caused nervousness among investors, "safe havens" were back in demand. This meant an ups and downs for financial markets: global equities moved from +3.5% to +2.3%, 10-year US yields rose to 3.1% and back to 2.8%, oil (WTI crude) rose to USD 72 and then fell by 10% and euro weakened against major currencies (around 4% against CHF and USD). In this volatile environment, global convertible bonds increased by +0.5%, with high regional performance dispersions: USA +4.0%, Europe -0.0%, Asia and Japan -0.3%.

Primary market for convertible bonds showed very high activity, particularly in the US software/cloud sector. More than 20 converts with an issue volume of over USD 8bn were issued in the US. In Europe, Sika issued CHF 1.65bn in convertible bonds. The high primary market volume in such a relatively short time meant that investors had to make room for the new deals and sold rather aggressively existing positions. As a result, the valuation of the convertible bond market came under pressure: Asia cheapened by 1.5%, Europe by 1% and USA by 0.5%. The fund participated only selectively in the new issues.

The fund (EUR-A share class) recorded an increase of +0.5% over the months. In particular, convertible bonds from USA (+1.1%) made positive contribution to performance while Asia (-0.1%), Japan (-0.2%) and Europe (-0.3%) contributed negatively. On a single position basis, the biggest positive performance contributions came from Microchip, Bangkok Dusit Medical and Teladoc. On the other hand, Folli Follie, Toray and Aperam had a negative impact on absolute performance.

During the month, we made among others the following transactions: we increased Weibo and Liberty Media, bought Supernus Pharma and the new issues in Akamai, Screen Holdings, Sika and Teladoc 1.375%. Against that, we sold Square, Teladoc (old), and reduced Cemex, Glencore, Terumo and Tullow Oil.

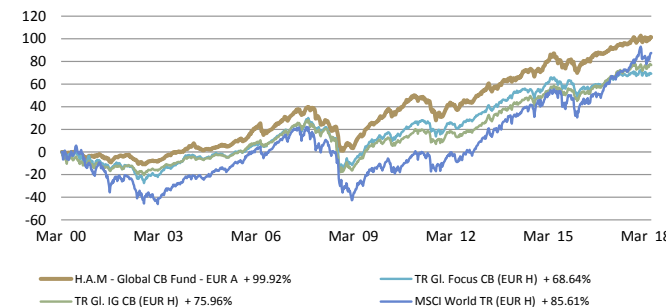
Position spotlight: Teladoc 1.375% 2025 // Teladoc is the largest telemedicine provider in the USA and enables patients to talk to an extensive network of over 50'000 doctors at any time via (mobile) telephone or video conference. Convinced of the company's growth potential, we bought the 3% 2022 convertible bond in July 2017 and sold it with a 20% profit in May 2018 in order to switch to the newly issued 1.375% 2025 bond (more convex payout profile). Since its issue at the beginning of the month, Teladoc 1.375% 2025 has already gained 14%.

The portfolio remains balanced with a weighted delta of 52%, an average conversion premium of 30%, an effective duration of 1.5 years, and a running yield of 1.1%. The implicit average rating remains unchanged at BBB.

Monthly Report May 2018

Data Providers	EUR	USD	CHF	GBP
Reuters:	1040458X.CHE	28899778X.CHE	4596734X.CHE	36473725X.CHE
Bloomberg:	GLCNBND LE	GLCNBNU LE	GLCNBNC LE	GLCNBGA LE
ISIN:	LI0010404585	LI0028897788	LI0045967341	LI0364737259
Domizil:	Liechtenstein / UCITS IV Form			
Fund Size:	EUR 622.4 mn			
Payment Agent CH:	Notenstein Privatbank AG Tel. +41 71 2425000			
Distribution:	Liechtenstein, CH, Germany, Austria, UK			
Repres. in CH:	1741 Fund Solutions AG, St.Gallen Tel. +41 58 4584802			
Subscriber:	LLB, Vaduz AG - Tel. +423 236 8148			

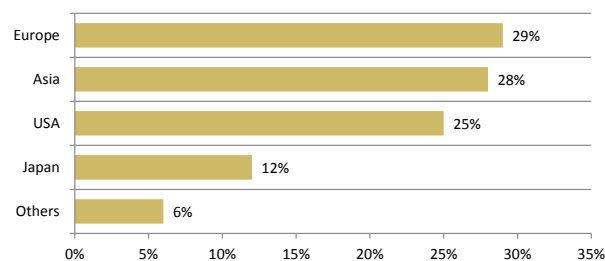
PERFORMANCE 29/03/2000 - 30/05/2018



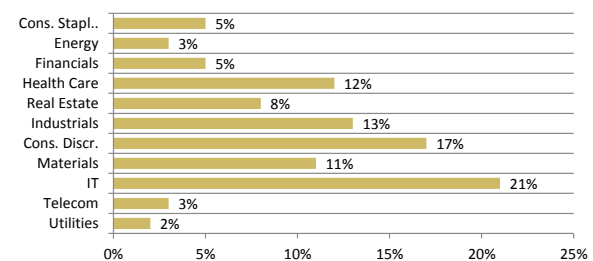
PERFORMANCE TABLE

PERIOD	GCBF - EUR A	GI F CB (€ H)	GI IG CB (€ H)	MSCI W (€ H)
May-2018	0.46%	0.54%	0.47%	2.32%
YTD	0.65%	0.19%	1.25%	0.56%
1 year	2.72%	0.22%	2.45%	9.08%
3 years	6.88%	1.66%	10.78%	19.39%
5 years	25.72%	20.30%	33.76%	56.38%
10 years	57.64%	39.75%	46.91%	69.91%
Since inception	99.92%	68.64%	75.96%	85.61%
Max. Drawdown	-27.64%	-35.83%	-36.01%	-53.16%
Average Return p.a.	4.20%	3.38%	3.65%	4.89%
Volatility p.a.	5.94%	8.11%	8.05%	16.02%
Sharpe Ratio	0.44	0.22	0.25	0.20
Information Ratio	vs.	0.15	0.10	-0.05

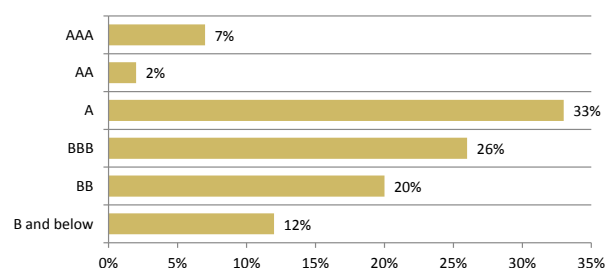
PORTFOLIO ALLOCATION BY REGIONS



PORTFOLIO ALLOCATION BY SECTORS



PORTFOLIO ALLOCATION BY CREDIT



10 LARGEST HOLDINGS

Issuers	Coupon	Rating	% of Fund
DP World 2024	1.75%	BBB	2.1%
Siemens 2019	1.65%	A	2.1%
China Evergrande 2023	4.25%	N.R.	1.9%
Bangkok Dusit Medical 2019	0.00%	N.R.	1.9%
Microchip Tech 2025	1.63%	B	1.8%
China Railway Const. 2021	1.50%	A	1.7%
Intel Corp. Floating '39	3.25%	A	1.7%
Suzuki 2023	0.00%	N.R.	1.6%
Haier (Qingdao) 2022	0.00%	N.R.	1.6%
Lotte Highmart (Lotte Shop) 2023	0.00%	N.R.	1.5%

Average rating of all holdings: BBB

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