

I2 NAV as of 12/31/2020 114.983 EUR  
A2 NAV as of 12/31/2020 107.078 EUR

Total AUM: 31,200,602.47 USD

# ASG Dynamic Income Fund - I2 / A2 EUR

International Bonds

December 2020

## Portfolio managers commentary

And so ends an eventful year!!! Corona Viruses can not be deemed as so extraordinary. They have been with us since the dawn of time. What is more spectacular on the other hand are the various political reactions across the world. From targeted lockdowns, total closure, to a choice of collective immunity, a range of solutions to the 2020 pandemic has been tried out.

At a monetary policy level, the global response has been more uniform; further indebtedness for nation states and more subsidies for financial markets. The result of this approach has been substantial support to parts of the real economy coupled with overwhelming liquidity injections putting the stock market, for example, on a roll.

Initially, subordinated debt was not the investment priority of the world's financiers. This is the main reason why this market recovered only later in the year. The ASG fund was able to post a performance of over + 5% in the last quarter.

As a reminder, these instruments remain an important part of the financial system. All too often ignored, subordinated debt is essential for the accounting health and balance sheet management of large multinational corporations.

Present day subsidies and interventions aside, tomorrow's investment world will have to be approached differently in the future. Traditional bonds are looking to provide meager returns to their investors. This large savings pool will now have to look elsewhere for any stronger performance potential. One of the answers remains the subordinated debt market in USD, as these instruments, issued by household names, still provide an average yield of around 4%.

## Investment strategy

The fund's objective is to achieve Income and long-term capital gains through a strategic allocation of its assets in a global diversified income-generating portfolio. The fund invests in Senior Bonds, Junior and Senior Subordinated Debts, Hybrids, Preferred Securities and Contingent Convertible Bonds.

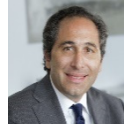
Through our dynamic and action investment approach, ASG strategically invests in investment companies with strong balance sheets and sustainable earnings patterns that we believe they will reach a performance over and above an equivalent static portfolio.

In addition, the investment advisor uses a flexible allocation method to achieve consistent risk adjusted returns.

Currency Hedging may be employed to protect against foreign exchange risk.

## Fund details

Fund type	Luxembourg domiciled SICAV
ISIN code - class I2 EUR	LU1107613686
ISIN code - class I2 Dis EUR	LU1122782656
ISIN code - class A2 EUR	LU1107613256
ISIN code - class A2 Dis EUR	LU1122782144
Fund advised by	ASG Capital LLC
Management company	Alterdomus - <a href="http://www.alterdomus.com">www.alterdomus.com</a>
Inception date	*September 19, 2014
Valuation	Daily
Subscription fee (Distributors only)	2% max
Management fees I2/I2 Dis	0.8% per annum
Management fees A2/A2 Dis	1.60% per annum
Minimum investment A2/A2Dis	1,000.00 EUR
Minimum investment I2/I2Dis	1,000,000.00 EUR
Redemption	Daily, cut-off: 3pm, Luxembourg time
I2 Dis/A2 Dis	Distribution 4% annually
Administrator	RBC Investor Services Bank SA
Auditors	PricewaterhouseCoopers
Custodian	RBC Investor Services Bank SA
Recommended length of investment.	3 to 5 years



Investment Managers  
Ygal Cohen & Steven Groslin



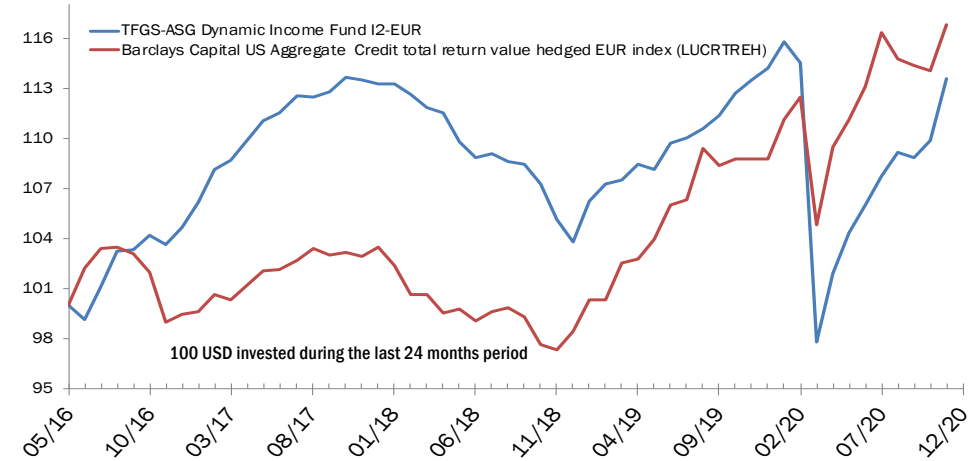
ASG CAPITAL  
ASSET MANAGEMENT

## Performances and statistics

Fund performance as at 12/31/2020	June-Dec 2016	2016	2017	2018	2019	YTD 2020	Dec-20
TFGS - ASG DYNAMIC INCOME FUND EUR I2%	4.65%	N/A	8.22%	-8.35%	10.04%	0.68%	1.25%
TFGS - ASG DYNAMIC INCOME FUND EUR A2%	N/A	4.77%	7.19%	-9.11%	9.16%	-0.24%	1.15%
Barclays US Agg Credit TR value Hedged EUR (LUCRTREH)	-0.60%	3.96%	4.10%	-4.88%	10.49%	7.77%	0.34%

## Bond portfolio statistics

Annual Standard Deviation: 1.10% Yield to Call: 3.49% Rating Instrument (S&P): BBB-  
Adjusted duration: 4.23 years Perpetual Yield: 4.27% Rating Issuers (S&P): A-



Cumulative Fund performance as at 12/31/2020	1 Year	2 Years	3 Years	4 Years	Inception
TFGS - ASG DYNAMIC INCOME FUND EUR I2%	0.68%	10.78%	1.53%	9.88%	14.98%
TFGS - ASG DYNAMIC INCOME FUND EUR A2%	-0.24%	8.90%	-1.03%	6.09%	7.08%

## Portfolio structure

Top 10 holdings	% NAV
BNP	3.77%
Aegon	3.06%
Axa	3.02%
Bank of Nova Scotia	2.75%
Wells Fargo	2.41%
UBS	2.22%
Lloyds	2.17%
Truist	2.08%
Prudential PLC	2.06%
GE	1.95%

## Breakdown of holdings

Holdings representing more than 3%	9.93%
Holdings between 1 and 3%	66.12%
Holdings representing less than 1%	23.95%

## Breakdown by coupon structure

Fixe rate exposure	20.63%
Floater rate exposure	23.85%
Fixed to floater rate exposure	55.52%

## Breakdown by economic sector

Finance	55.59%
Insurance & Asset Management	16.97%
Industrial	11.47%
Telco	5.91%
Utilities	4.87%
Mining & Commodities	4.29%
Other	0.90%

## Breakdown by geographical sector

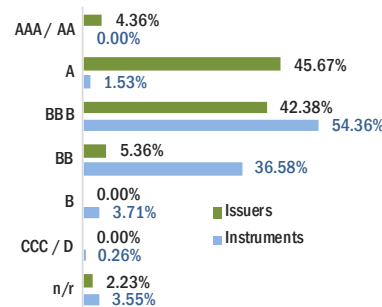
North America	41.36%
Europe Non Euro Zone	26.66%
Europe Euro Zone	22.39%
Emerging Latin America	4.26%
Emerging Asia	2.49%
Australia/Japan	2.41%
Emerging Africa	0.43%

## Breakdown by currency

USD	97.55%
EUR	2.45%
GBP	0.00%

NB. The currency risk is hedged.

## Issuer and instrument ratings



## Risk and Reward profile



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## Disclaimer

Performance quoted represent past performance and do not guarantee future results. Risk indicator as defined in the KIDS is 3 on a scale of 1 to 7. (1 being the lowest risk, 7 being the highest risk). Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance figures are net of fees.

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