



Monthly Factsheet

Investment Manager

GFG Monaco SAM is part of the GFG Group, a financial services provider founded in 2010 with its headquarters in Monaco

SRRI (Synthetic risk and reward indicator):



SRRI computed from back tested performances*

Fund Details

AUM Fund	54 M€
Fund Name	(Luxembourg Sicav) Efficiency Growth Fund
Liquidity	Daily
Settlement	T+3 (Subscription) T+3 (Redemption)
Sub Fund Name	Income Opportunity
Sub Fund Category	EUR Cautious Allocation – Global
Investment Manager	GFG Monaco SAM
Fund Manager	Vincent Ollivier
Custodian Bank	CACEIS Luxembourg
Auditor	Deloitte Luxembourg
Inception Date	03 July 2017
Currency	EURO
NAV (31/12/18)	93.54

Exposure Details

Fund Net Exposure	50.08%
Fund Gross Exposure	96.54%
Equity Net Exposure	2.80%
Equity Gross Exposure	38.34%
Cash Equivalent Exposure	42.45%
USD Net Exposure	0.86%

IOF – INCOME OPPORTUNITY

December 2018

Market Commentary

In December, IOF registered a performance of **-0.98%**.

In **2018** nearly every corner of the financial and commodity markets stumbled.

In **December**, US equities tumbled 9% - the biggest monthly loss in nearly a decade. Investor sentiment deteriorated amid concern about decelerating global growth and rising interest rates. The downward shift in the Federal Reserve's dot plot (from three to two rate hikes next year) was less dovish than expected, particularly given Powell's rhetoric that the central bank's balance sheet reduction was on autopilot, which accelerated the sell-off into the Christmas holidays. In Europe, the Stoxx600 fell for the third consecutive month and was down 5.5%. European High Yield Credit spreads widened roughly 35bps (-1.4%) and despite the rates rally they were unable to smooth out total returns.

The main detractors of our fixed income portfolio have been High Yield securities (Starfruit, EDF, Allice and VUE International

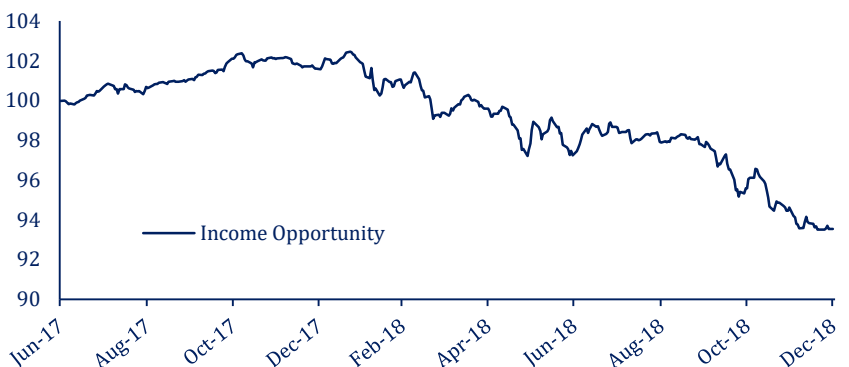
following the decision of this company to postpone the call of their bonds) while our equity long leg has suffered from the general market weakness (Nvidia, Capgemini, Deutsche Boese or Adidas). In particular, we highlight the good performance of our Cocos bonds (Barclays, UniCredit) and some relative value trades (emerging markets vs developed markets).

Market Outlook : Looking ahead, all major advanced economies are converging to a lower rate of growth as tighter financial conditions start to bite and fiscal stimulus fades. While macroeconomic data are softening, we believe there is still some time before the next recession. In this environment, we see substantial value in a diversified fund which can maintain an overall cautious approach investing in a diversified portfolio of assets of fixed income and equity. In fixed income, we see attractive opportunities in both limited duration and negligible corporate credit risk and in more speculative credits. In equity, our long/short approach and relative value should allow to navigate well in the choppy market ahead.

Fund Description

IOF – Income Opportunity is an open-end UCITS V fund. The objective of the fund is to deliver attractive returns while focusing on drawdown risks in an environment characterized by extremely low rates and markets prone to significant episodes of high volatility. The fund is invested in a diversified portfolio of fixed income bonds and equity. Given its conservative investment philosophy, the fund targets investors with a moderate risk profile and mid-term time horizon.

Cumulative Performance since inception (base 100)



Statistics

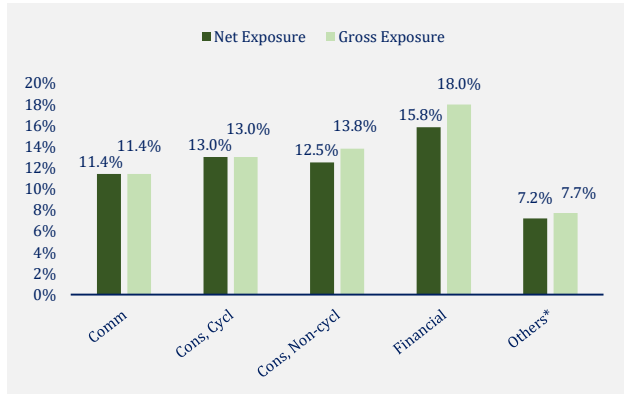
	Income Opportunity
Monthly Return	-0.98%
YTD	-7.94%
Return since inception	-6.46%
Annualized Performance	-4.28%
Max Monthly Drawdown	-2.28%
Max Monthly Gain	1.25%
Annualized Volatility	2.99%
Sharpe Ratio	-1.45



Track Record

IOF	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	YTD
2018	0.29%	-0.83%	-1.65%	0.21%	-1.77%	-0.38%	1.25%	-0.77%	-0.11%	-2.28%	-1.17%	-0.98%		-7.94%
2017							0.49%	0.20%	0.31%	1.09%	0.03%	-0.51%	1.61%	

Sector Breakdown (as of 31/12/2018)



*All sectors below 4% of gross exposure

Top 10 Positions* (as of 31/12/2018)

TREASURY CERTIFICATES	BGTB 0 09/12/19	8.56%
DUFREY FINANCE SCA	DUFNSW 4 1/2 08/01/23	6.08%
FRENCH DISCOUNT T-BILL	BTF 0 11/06/19	5.59%
ALTICE FRANCE SA	SFRFP 5 5/8 05/15/24	4.66%
VUE INTERNATIONAL.BIDCO	VUECIN 7 7/8 07/15/20	4.04%
BARCLAYS PLC	BACR 7 3/4 PERP	3.93%
DUTCH TREASURY CERT	DTB 0 05/31/19	3.72%
BANKIA SA	BKIASM 6 3/8 PERP	3.50%
ALLERGAN FUNDING SCS	AGN 3 03/12/20	3.25%
HSBC HOLDINGS PLC	HSBC 3.4 03/08/21	3.25%

*Only Equity and Bonds have been considered

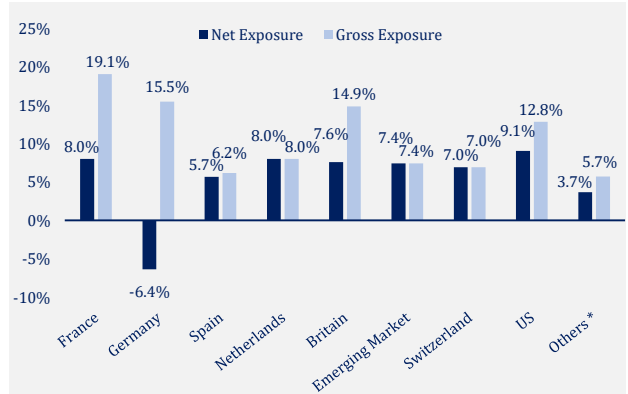
Bond Exposure (as of 31/12/2018)

Number of Positions	27
Core Positions (Buy & Hold)	52.74%
Tactical Bonds	0.00%
Tactical Positions (other instruments)	-5.46%

Available Classes

	ISIN	Management Fees	Performance Fees
Private Class P	LU1620753811	1.50%	15%
Institutional Class I	LU1620753571	1.00%	15%

Country Breakdown (as of 31/12/2018)



*All countries below 4% of gross exposure

Bonds Details (as of 31/12/2018)

Yield to Maturity	3.64%
Duration	1.80
Average Coupon Rate	3.46%
Average Maturity	0.95
Average Rating	BB-

Equity Exposure (as of 31/12/2018)

Number of Positions	27
Short Positions	-17.77%
Long Positions	20.57%
Dividend Yield (long only)	4.39%

GFG Groupe Financier de Gestion (Monaco) SAM
 Boulevard d'Italie 74
 MC - 98000 Monaco
 Tel: +377-979 72 737
 Fax: +377-979 72 738
 Internet: www.gfggroupe.com
 E-mail: info@gfgmonaco.com

Disclaimer: The market valuation, terms and calculations contained herein are estimates only. Over time, there may be changes to the information currently supplied in this document. We take no responsibility for amending or correcting any previously supplied information. This material is for your private information only and we are not soliciting any action based upon it. This document is not to be construed as an offer to sell or the solicitation of an offer to buy any investment product. The information is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such.