

Fund Description

The Fund invests primarily in instruments linked to the insurance and financial sectors, including:

- equities, bonds or other debt or capital instruments issued in any Country by insurance companies and financial institutions;
- Cat Bond: mainly consists of variable rate securities with performance linked to the occurrence of a natural catastrophe or a man-made disaster, even caused indirectly. Although investments in the class are not subject to geographic constraints, the Management Company focuses mainly on insurance companies and financial institutions based in America and Europe.

Commentary

Events-wise April was relatively quiet from the insurance perspective with a minor event in the North Carolina, USA. The monthly performance was driven by an additional negative repricing of some CAT bonds in aggregate that counterbalanced the monthly portfolio carry. These aggregates positions reset at the end of May and, therefore, we are going to have a clearer picture by mid-June.

On April 10th, Severe Tropical Cyclone Keni impacted Kadavu Island, the fourth largest island in Fiji, as a Cat 2 storm, with wind gusts up to 195 km/h. According to media reports, the cyclone caused significant wind damage, with hundreds of uprooted trees and downed powerlines.

Between April 13th and 15th, a major outbreak of severe weather impacted central and eastern areas of the United States, bringing thunderstorms, large hail, tornadoes, flooding rains and heavy snow across 20 states. The system caused extensive damage to homes, businesses and vehicles, with more than two dozen tornado touchdowns and straight line winds well in excess of 95 km/h. The city of Greensboro, Guilford County, North Carolina, was particularly badly hit by an EF-2 tornado that destroyed 20 homes and severely damaged at least other 80. According to AON Benfield, given the large footprint of impacts, that interested most of the eastern two-thirds of the United States, total economic and insured losses are expected to minimally reach the hundreds of millions of dollars.

On April 23rd, a Mw 5.4 Earthquake struck about 27 km southeast of Adiyaman, south-central Turkey, at a depth of 13 km. According to governmental sources, the worst damage was experienced in the town of Samsat, the closest to the epicenter, with two houses destroyed and other 75 severely damaged.

The fund's current allocation in CAT Bonds equals to around 97% of the AUM.

Fund Details

Base Currency	EUR
Legal Structure	Luxembourg UCITS V
Custodian	BNP Paribas Securities Services Luxembourg
Administrator	BNP Paribas Securities Services Luxembourg
ISIN codes	Retail share class: LU0686437087 (ACC_EUR); LU0947785571 (DIS_EUR); LU1232067972 (ACC_USD); LU1232068194 (DIS_USD)
Inception Date	Retail share class: Oct 2011
Minimum investment	Retail share class: EUR 100,000; the equivalent in USD of EUR 100,000
Liquidity	Bi-weekly
Management fees	Retail share class: 1.50%. Until 31st December 2018, the Sub-fund management fee has been temporarily decreased from 1.50% to 1.00%
Performance fees	Yes
Management Company	AZ Fund Management S.A.

Disclaimer

This document has been issued by AZ Fund Management SA – Luxembourg (the Company), a company of the Azimut Holding Group, as asset manager of the Fund for information and promotional purposes only.

Information and opinions contained in this document may, in whole or in part, come from trusted third-party sources which have not been verified by the Company and for which the Company does not accept any direct or indirect liability.

The Company assumes no responsibility for the correctness of the data, information and opinions contained in this document, therefore no liability can be attributed to the Company for omissions, inaccuracies or possible errors.

The Company reserves the right to make any changes to the content of the document at any time without prior notice, without, however, assuming obligations or warranties of updating and / or rectification.

The document is property of the Company and its use, reproduction, duplication or distribution, even partial, is prohibited by the recipients of the document or by any third party to which the document or its parts were eventually transferred.

In addition, the Company may not be held liable for damages resulting from the use by the recipients of the document or any third party of the data, information and opinions contained herein or any claims allegedly related to them.

Please refer to the contract for the typical risks associated to the investment.

The investment described does not guarantee the maintenance of capital or provides guarantees of return.

Therefore, the recipients of this document assume full and absolute responsibility for the use of the data, information and opinions contained therein as well as for any investment choices made on the same basis.