

## Credit Suisse Fund (Lux) Fixed Income Cycle Invest



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Domicile	Luxembourg
Legal Structure	UCITS III – Fonds Commun de Placement (FCP)
Portfolio Manager	Oliver Gasser, CFA, Zurich
Currency Share Classes	EUR and CHF/USD (hedged)
Management Fee	Class A, B, R and X: 1.00% p.a. Class I: 0.57% p.a.
Single Swinging Pricing (SSP)*	Yes
Liquidity & Subscriptions	Daily, with cut-off 15:00 CET
Sales Charge	As per bank fees
Issue Price	Class A, B, R and X: 100 EUR, USD or CHF Class I: 1000 EUR
Swiss Security Numbers (Class)	A: 12052847 B: 12052852 I: 12052870 R USD: 12052893 R CHF: 12052874 X CHF: 12582158
ISIN (Class)	A: LU0563098960 B: LU0563099182 I: LU0563099695 R USD: LU0563100378 R CHF: LU0563100022 X CHF: LU0602427048

\*SSP is a method used to calculate the net asset value (NAV) of a fund, which aims to protect existing investors from bearing indirect transaction costs triggered by in- and outgoing investors. The NAV is adjusted up in case of net inflows and down in case of net outflows on the respective valuation date. The adjustment in NAV might be subject to a net flow threshold. For further information, please consult the Sales Prospectus.

#### Summary

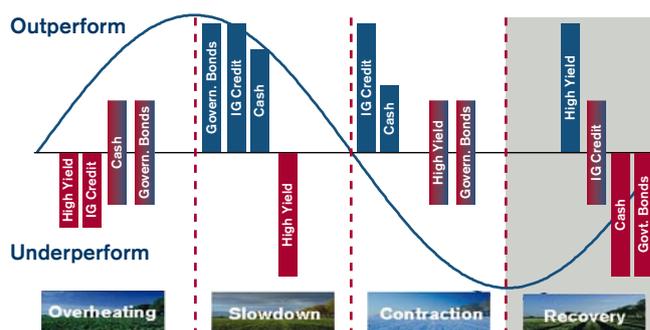
- The current fixed income market environment is marked by exceptionally low yields and modest risk premiums. Safe haven investments – like certain European sovereigns – are becoming more limited while issuers with growing debt are becoming over-proportionally represented within fixed income benchmarks.
- This environment requires holistic solutions and new investment approaches in the fixed income universe, especially with the current risk of higher nominal interest rates and continued spread volatility.
- The Credit Suisse Fund (Lux) Fixed Income Cycle Invest follows a dynamic fixed income cycle approach, driven strategically by the Credit Suisse Global Investment Committee. Additionally, the fund applies a high flexibility in the use of securities and instruments in a well diversified global multisector universe and offers an efficient one-stop fixed income investment solution through the investment cycle.

### Investment Opportunities

The global economy moves in cycles. The phases of this cycle – Overheating, Slowdown, Contraction, Recovery – do not always develop in the same way or in the same timeframe. However, certain parameters of the economy are typical for each phase as is the performance of asset classes and sub-asset classes. This is also true in the fixed income space (see figure 1), and offers an opportunity to investors who have the experience and the wherewithal to invest accordingly.

The **Credit Suisse Fund (Lux) Fixed Income Cycle Invest** takes advantage of the global investment universe – without being benchmark driven – and the flexibility in instruments to follow this exact paradigm. The strategic allocations are driven by the Credit Suisse Global Investment Committee with strong emphasis on risk mitigation when necessary. Unlike traditional bond funds, the fund invests globally and flexibly across various fixed income asset classes and aims to target attractive sustainable risk-adjusted returns, independent of the current market environment.

**Figure 1: Global Cycle Indicator Phases – Asset Performance**



Source: Credit Suisse / IDC

## Investment Process

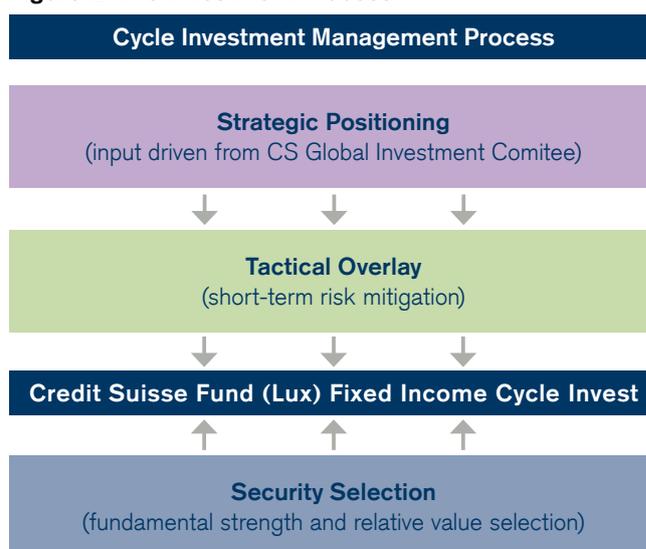
The investment process is structured in three phases (see Figure 2) and starts with a strategy driven input of the Credit Suisse Global Investment Committee.

The strict and professional risk management process aims to control investment risks strategically and to tactically adjust portfolio allocations and implement active interest rate and credit spread hedging techniques.

Bottom-up, our 3-step fixed income security selection process supports the portfolio manager to avoid fundamentally weak issuers and at the same time to identify global investment opportunities within various sectors.

Additionally, a clear and explicit set of investment guidelines provides a framework for the portfolio manager. Exemplary transparency is provided by detailed portfolio, return and risk reports.

Figure 2: The Investment Process



Source: Credit Suisse

Benefits	Risks
<ul style="list-style-type: none"> <li>Active investment solution through the investment cycle</li> <li>Global multisector universe</li> <li>Sustainable and professional investment approach</li> <li>Hedging of currency risk</li> <li>Transparency and daily subscription &amp; redemption</li> </ul>	<ul style="list-style-type: none"> <li>Investments of the fund are subject to market fluctuations; no capital protection or guarantee that the investment objective will be met</li> <li>Unforeseen market developments such as rate increases or inflation shocks may result in a decrease in value</li> <li>Bonds carry the risk of default</li> <li>Strong market dislocations may cause liquidity constraints</li> <li>The fund can invest in derivatives, e.g. Credit Linked Notes, which involve counterparty risk</li> <li>The fund can have exposure to emerging markets</li> </ul>



«Active risk mitigation is key for outperformance in the current fixed income environment.»

Oliver Gasser, CFA, Senior Portfolio Manager, Asset Management Fixed Income, Zurich

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