

Robeco QI Global Dynamic Duration IEH USD

Robeco QI Global Dynamic Duration is an actively managed fund that invests worldwide in government bonds with investment grade quality. The fund's objective is to provide long term capital growth. The fund uses derivatives to dynamically adjust the duration (interest-rate sensitivity) of the portfolio. The duration positioning is based on our proprietary duration model, which predicts the direction of the bond markets using financial market data. The ESG scores of countries are an integral part of our bottom-up country allocation decisions.



Olaf Penninga, Lodewijk van der Linden, Johan Duyvesteyn
Fund manager since 01-01-2011

Performance

	Fund	Index
1 m	0.34%	0.31%
3 m	1.38%	1.43%
Ytd	3.76%	3.46%
1 Year	-4.22%	-2.02%
2 Years	-5.75%	-4.16%
3 Years	-4.79%	-3.61%
5 Years	-0.15%	0.82%
Since 08-2017	0.09%	0.81%

Annualized (for periods longer than one year)

Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see last page.

Rolling 12 month returns

	Fund
05-2022 - 04-2023	-4.22%
05-2021 - 04-2022	-7.24%
05-2020 - 04-2021	-2.84%
05-2019 - 04-2020	7.97%
05-2018 - 04-2019	6.48%

Initial charges or eventual custody charges which intermediaries might apply are not included.

Index

JPM GBI Global Investment Grade Index (hedged into USD)

General facts

Morningstar	★★★
Type of fund	Bonds
Currency	USD
Total size of fund	USD 1,090,178,139
Size of share class	USD 910,671
Outstanding shares	9,668
1st quotation date	17-08-2017
Close financial year	31-12
Ongoing charges	0.44%
Daily tradable	Yes
Dividend paid	Yes
Ex-ante tracking error limit	4.50%
Management company	Robeco Institutional Asset Management B.V.
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

- Exclusions
- ESG Integration
- ESG Target

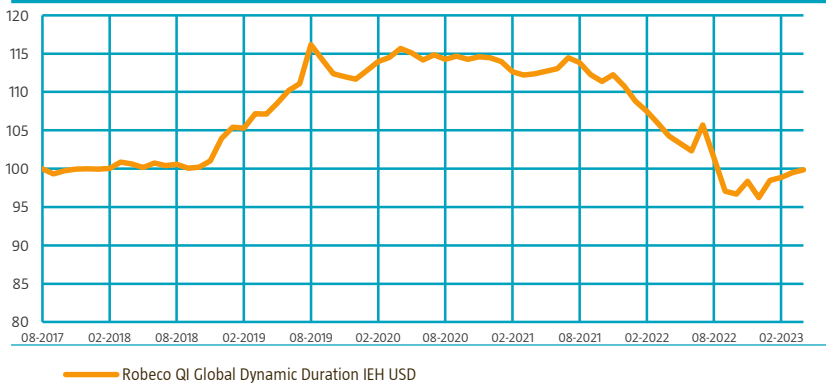
ESG score target Footprint target

Better than index Better than index

For more information on exclusions see <https://www.robeco.com/exclusions/>

Performance

Indexed value (until 30-04-2023) - Source: Robeco



Performance

Based on transaction prices, the fund's return was 0.34%.

The fund outperformed the index in April thanks to its underweight duration position in Germany and its overweight position in Japan. The German underweight was opened at the start of April and closed in late April, partly avoiding the renewed decline in yields at the end of the month. The US overweight position that was closed in April detracted somewhat, as did the tilts in the underlying portfolio, notably the tilt to UK bonds. Year-to-date, the fund has generated a positive total return and it has outperformed the index by benefiting from lower yields in the first weeks of the year and in Japan, and by protecting against rising yields in February and in April (in Germany). All active duration positions are based on the outcomes of our quantitative duration model.

Market development

After declining on weak US data in early April, bond yields rose for most of the month as banking fears subsided, the ECB still sounded fairly hawkish and UK inflation surprised to the upside. Bonds recovered in late April as Eurozone data weakened and banking fears returned with the failure of First Republic. The Bank of Japan did not adjust its Yield Curve Control policy; it announced a broad review of its monetary policy that will take at least a year. Japanese government bonds returned 0.6% in April, US Treasuries 0.3% and German Bunds 0.03%; UK government bonds declined 1.9% (all returns hedged to euro).

Expectation of fund manager

The fund's duration policy is driven by the outcomes of our proprietary quantitative duration model. At the end of April, the model is positive for Japanese bonds, driven mainly by the inflation, valuation and monetary policy variables. The model has turned neutral on US bonds in early April and on German bonds by the end of April.

Fund price

30-04-23	USD	94.70
High Ytd (24-03-23)	USD	96.09
Low Ytd (03-01-23)	USD	92.70

Fees

Management fee	0.30%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.09%

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)	
Issue structure	Open-end
UCITS V	Yes
Share class	IEH USD
This is a share class of Robeco QI Global Dynamic Duration, Sicav	

Registered in

Austria, Germany, Luxembourg, Singapore, Switzerland, United Kingdom

Currency policy

All currency risks are hedged.

Risk management

Risk management systems continuously monitor the extent to which the portfolio differs from the benchmark. Extreme discrepancies are prevented in this way. The duration model makes use of futures, which can lead to leverage.

Dividend policy

Dividend is distributed annually.

Derivative policy

Robeco QI Global Dynamic Duration makes use of derivatives in order to implement the duration overlay. In addition, derivatives are used to hedge the currency risks of the portfolio. These derivatives are very liquid.

Fund codes

ISIN	LU1664640726
Bloomberg	ROQIEHU LX
WKN	A2DWFS
Valoren	37873596

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	2.57	2.43
Information ratio	-0.30	-0.22
Sharpe ratio	-1.11	-0.26
Alpha (%)	-1.20	-0.51
Beta	0.91	0.98
Standard deviation	5.15	5.19
Max. monthly gain (%)	3.42	4.55
Max. monthly loss (%)	-4.26	-4.26

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years	5 Years
Months outperformance	14	29
Hit ratio (%)	38.9	48.3
Months Bull market	15	30
Months outperformance Bull	6	14
Hit ratio Bull (%)	40.0	46.7
Months Bear market	21	30
Months Outperformance Bear	8	15
Hit ratio Bear (%)	38.1	50.0

Above mentioned ratios are based on gross of fees returns.

Characteristics

	Fund	Index
Rating	AA2/AA3	AA1/AA2
Option Adjusted Modified Duration (years)	9.2	7.3
Maturity (years)	10.7	8.8
Yield to Worst (% , Hedged)	4.7	4.5

Sustainability

The fund incorporates sustainability in the investment process via exclusions, ESG integration, and ESG and environmental footprint targets. The fund complies with Robeco's exclusion policy for countries and does not invest in countries where serious violations of human rights or a collapse of the governance structure take place, or if countries are subject to UN, EU or US sanctions. Via portfolio construction rules the fund targets a better ESG score and a lower carbon footprint than that of the reference index. This ensures that countries with a better ESG score or a lower carbon footprint are more likely to be included in the portfolio.

Sector allocation

The portfolio is invested in government bonds.

Sector allocation		Deviation index	
Treasuries	97.3%	-2.7%	
Cash and other instruments	2.7%	2.7%	

Currency allocation

All positions are hedged to the base currency of the fund class. There is no active currency policy. Small temporary deviations from the benchmark may arise due to market movements.

Currency allocation		Deviation index	
U.S. Dollar	99.1%	-0.9%	
Euro	0.4%	0.4%	
Japanese Yen	0.4%	0.4%	
Australian Dollar	0.1%	0.1%	
Danish Kroner	-0.1%	-0.1%	
Pound Sterling	0.1%	0.1%	

Duration allocation

By the end of April, the fund has an overweight duration position in Japanese bonds and neutral duration positions in Germany and the US. All active duration positions are based on the outcomes of our quantitative duration model. The underlying portfolio is tilted to long-dated Australian and British bonds, away from Canadian, German and intermediate US bonds, and to shorter-dated bonds within Japan.

Duration allocation		Deviation index	
Japanese Yen	3.9	2.0	
U.S. Dollar	2.8	-0.2	
Euro	1.3	-0.3	
Pound Sterling	0.8	0.3	
Australian Dollar	0.4	0.3	
Canadian Dollar	0.0	-0.1	

Rating allocation

The rating allocation follows from the rating allocation of the benchmark, the active duration positions and the tilts in the underlying portfolio. The largest weight is in AAA-rated securities.

Rating allocation		Deviation index	
AAA	51.7%	-7.1%	
AA	11.6%	-1.6%	
A	26.9%	4.3%	
BAA	7.0%	1.6%	
Cash and other instruments	2.7%	2.7%	

Investment policy

Robeco QI Global Dynamic Duration is an actively managed fund that invests worldwide in government bonds with investment grade quality. The fund's objective is to provide long term capital growth. The fund promotes E&S (i.e. Environmental and Social) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation, integrates sustainability risks in the investment process and applies Robeco's Good Governance policy. The fund applies sustainability indicators, including but not limited to, normative, activity-based and region-based exclusions. The fund uses derivatives to dynamically adjust the duration (interest-rate sensitivity) of the portfolio. The duration positioning is based on our proprietary duration model, which predicts the direction of the bond markets using financial market data. The ESG scores of countries are an integral part of our bottom-up country allocation decisions. Benchmark: JPM GBI Global Investment Grade Index (hedged into CHF). The majority of bonds selected through this approach will be components of the benchmark, but bonds outside the benchmark index may be selected too. The fund can deviate from the weightings of the benchmark. The fund aims to outperform the benchmark over the long run, whilst still controlling relative risk through the applications of limits (on currencies) to the extent of deviation from the benchmark. This will consequently limit the deviation of the performance relative to the benchmark. The Benchmark is a broad market weighted index that is not consistent with the ESG characteristics promoted by the fund.

Fund manager's CV

Olaf Penninga is Portfolio Manager Quant Fixed Income. He has been Portfolio Manager for the Dynamic Duration strategy since 2005 and Lead Portfolio Manager since 2011. These are all quantitative fixed income strategies. His previous positions with Robeco include that of Lead Portfolio Manager for Robeco's fundamentally-managed Euro Government Bonds strategy and Researcher with responsibility for fixed income allocation research. Olaf was employed by Interpolis as Investment Econometrician for one year before returning to Robeco in 2003. He started his career in 1998 at Robeco. He holds a Master's in Mathematics (cum laude) from Leiden University. Lodewijk van der Linden is Portfolio Manager Quant Fixed Income. He joined Robeco in August 2018. In the period 2015-2018 Lodewijk worked at Aegon Asset Management where he was Risk associate and Team Manager Client Reporting. Lodewijk started his career at PwC as an actuarial consultant in 2013. He holds a Master's in Actuarial Science from the University of Amsterdam and a Master's in Econometrics and Management Science from Erasmus University Rotterdam. Johan Duyvesteyn is Portfolio Manager Quant Fixed Income. His areas of expertise include government bond market timing, credit beta market timing, country sustainability and emerging-market debt. He has published in the Financial Analysts Journal, the Journal of Empirical Finance, the Journal of Banking and Finance, and the Journal of Fixed Income. Johan started his career in the industry in 1999 at Robeco. He holds a PhD in Finance, a Master's in Financial Econometrics from Erasmus University Rotterdam and he is a CFA® charterholder.

Team info

Robeco QI Global Dynamic Duration is managed within Robeco's Quant Allocation team, which consists of six portfolio managers. The team is focused on quantitative allocation strategies including quantitative duration strategies. The team works closely together with fundamental portfolio management teams and with seven dedicated quant allocation researchers. On average, the members of the quant allocation team have an experience in the asset management industry of eighteen years, of which fourteen years with Robeco.

Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.01% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

Morningstar

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