

Factsheet: DWS Invest China Bonds



Bond Funds - Emerging Markets/ High Yield Corporate Bonds

February 2026

As at 27/02/2026

Fund Data

Investment Policy

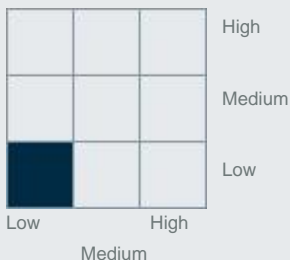
The investment objective of the fund is to achieve capital appreciation by investing at least 60% of net assets in interest bearing securities of issuers that have their head office or majority of their activity in the Greater China region. The fund is actively managed and is not managed in reference to a benchmark. The fund's assets are generally hedged to the USD, and invested in interest-bearing securities denominated in USD or hedged to the USD. Renminbi-denominated assets may be invested via the Chinese offshore as well as the Chinese onshore market.

Fund Management's Comment

You can find the Fund management's detailed commentary in DWS Flagship Fund Reporting and on the individual pages of the factsheets.

Morningstar Style-Box™

Credit Quality



Interest Rate Sensitivity

Morningstar Category™

Other Bond

Ratings

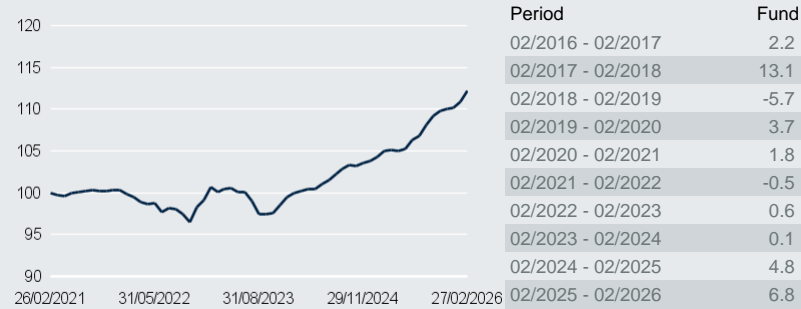
(As at: 30/01/2026)

Lipper Leaders:



Performance

Performance (in %) - Share Class USD LC(USD)



■ Fund

Calculation of performance is based on the time-weighted return and excludes front-end fees. Individual costs such as fees, commissions and other charges have not been included in this presentation and would have an adverse impact on returns if they were included. Past performance is not a reliable indicator of future returns.

Cumulative performance (in %) - share class USD LC(USD)

	1 m	1 y	3 y	5 y	s. Inception	YTD	3 y avg	5 y avg	2022	2023	2024	2025
USD	1.1	6.8	12.1	12.2	45.9	1.8	3.9	2.3	-1.1	0.4	4.3	6.2
EUR	2.1	-5.9	0.8	15.3	78.1	1.6	0.3	2.9	4.9	-3.2	10.4	-5.9

The information regarding this product is based on USD. For this reason, the performance in Euros of this product may rise or fall on the basis of currency fluctuations.

Further Characteristics (3 years) / VAR (1 year) - share class USD LC(USD)

Volatility	1.98%	Maximum Drawdown	-3.13%	VAR (99%/10 days)	1.39%
Sharpe Ratio	-0.49	Information Ratio	--	Correlation Coefficient	--
Alpha	--	Beta	--	Tracking Error	--

Portfolio Analysis

Portfolio Breakdown

(in % of fund volume)

Corporate Bonds	55.8
Emerging markets corporates	44.5
Cash equivalents	-0.4

Gross weighting, not adjusted for derivative positions.

Breakdown by Rating

(in % of bond holdings)

A	18.8
BBB	61.8
BB	12.1
B	3.6
Not Rated	3.8

Asset Allocation

(in % of fund volume)

Bonds	100.4
Cash and other assets	-0.4

The structure refers to internal and external ratings (may include S&P) <https://go.dws.de/sp-disclaimer>.

Factsheet: DWS Invest China Bonds



Bond Funds - Emerging Markets/ High Yield Corporate Bonds

February 2026

As at 27/02/2026

Portfolio Analysis

Breakdown by Country (Bonds)	(in % of fund volume)
Hongkong SAR	29.5
China	29.1
Australia	14.4
Japan	11.9
Macau	6.3
India	2.8
Korea	1.3
Indonesia	0.5

Gross weighting, not adjusted for derivative positions.

Largest Individual Holdings	(in % of fund volume)
Scentre Group 20/24.09.80 Reg S	4.3
Northern Star Resou. 23/11.04.2033 Reg.S	4.0
Elect Global Investments 25/ Und.	3.5
CLP Power HK Finance 25/und Reg S	3.0
Sands China 22/08.03.2029	2.9
VARANASI AURANGABAD TOLLWAY 25/28.02.2034 Reg S	2.8
South32 Treasury 22/14.04.2032	2.8
Shui on Development 26/26.01.2029 Reg S	2.8
Macquarie Bank London 17/Und. Reg S CoCo	2.7
Central Plaza Development Ltd 25/21.03.2028 Reg S	2.7
Total	31.5

Breakdown by Currency	(in % of fund volume)
United States dollar	88.8
Chinese yuan renminbi	11.5
Euro	-0.3

Currency structure of investments, excl. forward exchange transactions

Key Figures regarding the Fund's Assets

Yield (in %)	5.1	Coupon (in %)	5.4		
Duration (in years)	3.6	Modified Duration	3.8	Weighted Average Life (in years)	4.2
Number of Bonds	56	Average Rating	BBB		

Cumulative performance (in %)

	1 m	1 y	3 y	5 y	s. Inception	YTD	3 y avg	5 y avg	2022	2023	2024	2025
CHF FCH(CHF)	0.9	2.9	0.7	-2.1	6.8	1.3	0.2	-0.4	-3.0	-2.9	0.6	2.2
CHF LCH(CHF)	0.8	2.4	-1.0	-4.8	-0.4	1.2	-0.3	-1.0	-3.5	-3.4	0.0	1.7
FCH(EUR)	1.1	5.3	8.0	6.2	28.0	1.6	2.6	1.2	-2.4	-0.9	3.2	4.6
FDH(EUR)	1.1	5.2	7.8	5.7	13.4	1.6	2.5	1.1	-2.6	-1.1	3.2	4.5
LCH(EUR)	1.0	4.7	6.0	2.8	18.1	1.5	1.9	0.5	-3.1	-1.6	2.5	4.0
LDH(EUR)	1.0	4.6	6.0	2.8	18.2	1.5	2.0	0.6	-3.1	-1.5	2.6	4.0
NC(EUR)	2.0	-6.1	-0.2	12.8	43.9	1.5	-0.1	2.4	4.4	-3.5	10.4	-6.5
NCH(EUR)	1.0	4.1	4.6	0.6	11.5	1.5	1.5	0.1	-3.5	-2.1	2.1	3.4
NDH(EUR)	1.0	4.2	4.6	0.6	-0.7	1.5	1.5	0.1	-3.5	-2.1	2.1	3.5
NDQH(EUR)	1.0	4.1	4.6	0.7	1.6	1.4	1.5	0.1	-3.5	-2.0	2.1	3.5
RMB FC(CNY)	-0.1	1.2	12.7	22.3	60.0	0.1	4.1	4.1	7.7	4.1	7.6	2.1
RMB FCH(CNY)	1.0	4.7	5.7	9.7	14.8	1.6	1.9	1.9	0.0	-1.5	2.1	4.1
RMB LC(CNY)	-0.1	0.6	10.7	18.9	50.1	0.0	3.5	3.5	7.2	3.5	7.0	1.5
RMB LCH(CNY)	1.0	4.1	3.8	6.6	11.0	1.5	1.3	1.3	-0.5	-2.1	1.5	3.5
SEK FCH(SEK)	1.1	5.1	7.5	6.5	10.1	1.6	2.5	1.3	-2.0	-0.9	3.0	4.4
SEK LCH(SEK)	1.0	4.5	5.5	3.2	5.5	1.5	1.8	0.6	-2.6	-1.7	2.4	3.8
TFCH(EUR)	1.1	5.2	7.8	5.7	3.3	1.6	2.5	1.1	-2.6	-1.0	3.2	4.5
USD FC(USD)	1.2	7.5	14.1	15.4	57.9	1.9	4.5	2.9	-0.7	1.0	4.9	6.8
USD FCH (P)(USD)	0.0	3.7	21.0	26.9	31.1	0.4	6.6	4.9	6.4	6.3	10.4	4.6
USD LC(USD)	1.1	6.8	12.1	12.2	45.9	1.8	3.9	2.3	-1.1	0.4	4.3	6.2
USD LDMH (P)(USD)	0.0	3.1	18.9	23.5	23.5	0.3	5.9	4.3	5.9	5.8	9.7	4.0
USD TFC(USD)	1.2	7.5	14.1	15.4	22.0	1.9	4.5	2.9	-0.6	1.0	4.9	6.8

Factsheet: DWS Invest China Bonds



Bond Funds - Emerging Markets/ High Yield Corporate Bonds

February 2026

As at 27/02/2026

Fund Data

Portfolio Manager	Vivien Keung	Assets	57.2 Mio. USD
Portfolio Manager since	01/04/2025	Fund Currency	USD
Portfolio Management Company	DWS Investments Hong Kong Limited	Launch Date	16/08/2011
Portfolio Management Location	Hong Kong	Fiscal Year End	31/12/2026
Management Company	DWS Investment S.A.	Investor profile	Risk-tolerant
Legal Structure	SICAV		
Custodian	State Street Bank International GmbH, Zweign. Luxe		

Share Classes

Share Class	Cur.	ISIN Code	German Sec. Code	Earnings	Front-end Load ¹ up to	Issue Price	Redemption Price	Management Fee p.a.	Running costs / TER p.a.	plus performance-related fee p.a.	Minimum Investment Amount
CHF FCH	CHF	LU0813328357	DWS 1G4	Accumulation	0.00%	106.81	106.81	0.600%	0.77% (1)	--	2,000,000
CHF LCH	CHF	LU0813327896	DWS 1G2	Accumulation	3.00%	102.72	99.64	1.100%	1.34% (1)	--	--
FCH	EUR	LU0632808951	DWS 08F	Accumulation	0.00%	127.96	127.96	0.600%	0.76% (1)	--	2,000,000
FDH	EUR	LU0740831374	DWS 1BG	Distribution	0.00%	82.60	82.60	0.600%	0.77% (1)	--	2,000,000
LCH	EUR	LU0632805262	DWS 08E	Accumulation	3.00%	121.71	118.06	1.100%	1.34% (1)	--	--
LDH	EUR	LU0740830996	DWS 1BF	Distribution	3.00%	84.14	81.61	1.100%	1.34% (1)	--	--
NC	EUR	LU0616855887	DWS 06J	Accumulation	1.50%	146.09	143.90	1.400%	1.76% (1)	--	--
NCH	EUR	LU0740831614	DWS 1BH	Accumulation	1.50%	113.14	111.45	1.400%	1.79% (1)	--	--
NDH	EUR	LU0740832000	DWS 1BJ	Distribution	1.50%	76.06	74.92	1.400%	1.79% (1)	--	--
NDQH	EUR	LU1054325771	DWS 1N4	Distribution	1.50%	84.67	83.40	1.400%	1.78% (1)	--	--
RMB FC	CNY	LU0813328860	DWS 1G7	Accumulation	0.00%	160.03	160.03	0.600%	0.74% (1)	--	2,000,000
RMB FCH	CNY	LU2093591621	DWS 250	Accumulation	0.00%	114.82	114.82	0.600%	0.77% (1)	--	2,000,000
RMB LC	CNY	LU0813328787	DWS 1G6	Accumulation	3.00%	154.69	150.05	1.100%	1.31% (1)	--	--
RMB LCH	CNY	LU2093593593	DWS 251	Accumulation	3.00%	114.48	111.04	1.100%	1.35% (1)	--	--
SEK FCH	SEK	LU1322112480	DWS 2EW	Accumulation	0.00%	1,101.16	1,101.16	0.600%	0.77% (1)	--	20,000,000
SEK LCH	SEK	LU1322112563	DWS 2EX	Accumulation	3.00%	1,087.58	1,054.95	1.100%	1.34% (1)	--	--
TFCH	EUR	LU1663839949	DWS 2PJ	Accumulation	0.00%	103.31	103.31	0.600%	0.77% (1)	--	--
USD FC	USD	LU0616856778	DWS 06N	Accumulation	0.00%	157.90	157.90	0.600%	0.74% (1)	--	2,000,000
USD FCH (P)	USD	LU1322112647	DWS 2EY	Accumulation	0.00%	131.05	131.05	0.600%	0.76% (1)	--	2,000,000
USD LC	USD	LU0616856422	DWS 06M	Accumulation	3.00%	150.44	145.93	1.100%	1.31% (1)	--	--
USD LDMH (P)	USD	LU1322112993	DWS 2E0	Distribution	3.00%	78.55	76.19	1.100%	1.34% (1)	--	--
USD TFC	USD	LU1663840103	DWS 2PL	Accumulation	0.00%	121.96	121.96	0.600%	0.74% (1)	--	--

(1) The Total Expense Ratio (TER) generally includes all expense items charged to the Fund apart from transaction costs and performance fees. If the Fund invests portions of its assets in target funds, the costs of the respective target funds will also be taken into account. The Fund incurred the total expenses listed here in its last financial year, which ended on 31/12/2025. They are subject to change from year to year.

Important notice: Distribution agents such as banks or other investment service providers may report costs or expense ratios to interested investors that may differ from and exceed the costs described here. This may be due to new regulatory requirements for the calculation and reporting of costs by these distribution agents, in particular as a result of the implementation of Directive 2014/65/EU (Markets in Financial Instruments Directive - "MiFID2 Directive") from January 3, 2018.

Address

DWS Investment GmbH

Mainzer Landstraße 11-17
60329 Frankfurt am Main
Tel.: +49 (0) 69 / 910 - 12371
Fax: +49 (0) 69 / 910 - 19090
Internet: www.dws.com
E-Mail: info@dws.com

Note

¹ Based on the gross investment.

Because of its composition or the techniques used by its managers, the fund features a high level of volatility. In other words, unit prices may fluctuate significantly in either direction within short periods of time.
Figures subject to audit. The current sales prospectus which is legally binding for the purchase of fund units is available from your financial consultant or DWS Investment GmbH. The sales prospectus contains detailed information about risk. Evaluations made in this report may change at any time without prior announcement. These statements are based on our assessment of the current legal and tax information.

Fund Management's Comment: DWS Invest China Bonds

Bond Funds - Emerging Markets/ High Yield Corporate Bonds



Data in relation to the fund or the leading unit class.

February 2026

As at 27/02/2026

Performance Review

China credit (JP Morgan JACI Asia Pacific China) delivered +0.96%, while China dim sum bonds (Markit iBoxx China Offshore Index) returned +0.32%. United States 10 year Treasury (UST) yields fell 30bps to 3.94%, while the US dollar depreciated 1.38% against the offshore renminbi (CNH) during the month.

The US Supreme Court's decision to strike down tariffs imposed under the International Emergency Economic Powers Act (IEEPA) raised new concerns over US trade policy stability. In response, the Trump administration implemented a temporary 10% tariff on all imports under Section 122 for 150 days, with plans to accelerate Section 301 investigations to extend tariff measures beyond the 150 day expiration day. Geopolitical tensions between the US and Iran pushed oil prices to their highest levels since July 2025, driving risk off flows into US Treasuries as equity markets weakened.

In China, Lunar New Year Golden Week activity data was robust. The Panama court ruled against CK Hutchison's port concessions, prompting the government to temporarily occupy the affected ports; the Fund has no exposure to the CK Hutchison complex.

Total issuance slowed in February due to the Lunar New Year, with US\$20.5bn issued, of which US\$19bn was IG rated, compared with US\$54.2bn in January. The Fund maintained an 11.5% allocation to the dim sum bond market, which performed well, supported by CNH appreciation. Portfolio duration declined to 3.5yr from 3.6yr, with USD duration maintained at 3.4yr and CNH duration at 4.2yr.

During the month, the Fund initiated a position in a distressed Hong Kong property developer, supported by adequate near term liquidity for upcoming USD bond repayments and improving conditions in the Hong Kong property market. The Fund also participated in one new issue at attractive valuation.

Performance Attribution

Performance comments: DWS Invest China Bonds Fund USD FC

February performance (net of fee): 1.19%

Year-To-Date (YTD) Performance (net of fee): 1.92%

* Year-To-Date period from 30th December 2025 to 27th February 2026.

Performance Drivers (February):

- China credits contributed the most to portfolio's total return.
- Sectorally, Financial sector was the best performer in the month.

Current Positioning

We have been actively managing duration and positions in a macro-driven market. For high credit risk credits, we are maintaining a short duration position. We will participate in new issues in a highly selective manner.

Outlook

Rate cuts and strong investment activity, particularly in AI related sectors, are expected to provide a lift to overall growth. However, domestic demand remains subdued, and trade continues to limit broader investment confidence. The ongoing trade dispute has partially halted the disinflationary process, keeping pressure on prices going forward. The Federal Reserve is likely to show increasing divergence in views on the rate outlook as inflation lingers while the labour market remains weak.

China credit spreads compressed to historical tightness in 2025, and we expect technicals to remain supportive for China credit in 2026. This is driven by (1) solid credit fundamentals underscored by the resilient growth of the Chinese economy, (2) strong demand for China investment grade paper from domestic accounts, and (3) limited supply. The CNH dim sum bond market is also expected to continue growing rapidly, supported by issuance from state owned enterprises and international issuers. This supply is expected to be met by rising interest from domestic investors and international investors seeking diversification from USD investments or holding CNH as a settlement currency.

Opportunities

In accordance with the investment policy.

Risks

- The fund invests in the People's Republic of China. Investments in the People's Republic of China are associated with risks resulting from the special legal, political and economic environment. The future political direction of the Chinese government is uncertain, there is the risk of negative performance due to government interventions and restrictions.
- The fund invests in bonds, the value of which depends on whether the issuer is able to afford its payments. The deterioration of credit quality (ability and willingness to repay) may have an adverse affect on the value of the bond.
- Due to its composition/the techniques used by the Fund management, the investment fund has significantly elevated volatility, i.e. the share price may be subject to significant fluctuations up or down within short periods of time. The share value may fall below the purchase price at which the customer acquired the share at any time.

Important note on the investor profile:

Investor profile: Risk-tolerant

The sub-fund is designed for risk-tolerant investors who seek high-return forms of investment and therefore accept large fluctuations in value as well as very high risks. The strong price fluctuations and high creditworthiness risks result in temporary or permanent declines in the value of units. The investor's high income expectations and risk appetite are offset by the possibility of heavy losses of the invested capital, up to the total amount invested. The investor is willing and able to bear such a financial loss, and does not prioritize capital preservation.

The Company provides additional information relating to the profile of the typical investor or target customer group for this financial product to distribution agents and distribution partners. If the investor is advised on the acquisition of units by the Company's distribution agents or distribution partners, or if they act as brokers in the purchase of units, they may also provide the investor additional information that also relates to the profile of the typical investor.

Supplementary information on the target market and product costs resulting from the implementation of the MiFID2 Directive and made available to distribution agents by the capital management company can be obtained in electronic form from the Company's website at www.dws.com.

Lipper Leaders

© 2026 Lipper - Thomson Reuters Lipper. All rights reserved. Any copying, republication or redistribution of Lipper content is expressly prohibited without the prior written consent of Lipper. Neither Lipper, other members of the Thomson Reuters group, nor its data providers shall be liable for any errors or delays in the content or for any actions taken in reliance thereon. Lipper performance rankings are calculated using data available at the time of calculation and may not represent all the funds tracked by Lipper. The presentation of performance data does not constitute a recommendation to buy or sell a fund or an investment recommendation for a specific market segment. Lipper analyzes the past performance of funds. Past results are no guarantee for the future performance of an investment fund. Lipper and the Lipper logo are registered trademarks of Thomson Reuters.

Lipper Leaders Rating System - Ratings from 1 (lowest) to 5 (highest)

First digit = Total Return; second digit = Consistent Return; third digit = Preservation; fourth digit = Expense

Important Notice

When the custodian sets the price on the last trading day of the month there can be a difference of up to ten hours between the times at which the fund price and the benchmark are calculated. In the event of strong market movements during this period, this may result in the over- or understatement of the Fund's performance relative to the benchmark at the end of the month (this is referred to as the "pricing effect").

This document is intended as marketing communication. Please read the fund prospectus and KID before making a final investment decision.

DWS is the brand name under which DWS Group GmbH & Co. KGaA and its subsidiaries do business. Clients will be provided DWS products or services by one or more legal entities that will be identified to them in relevant documentation.

This document does not constitute investment advice.

Complete information on the Fund, including all risks and costs, can be found in the relevant current prospectus. Together with the relevant key information document, these constitute the only binding sales documents for the Fund. Investors can obtain these documents, together with regulatory information, as well as the latest constitutional documents for the Fund [in German] from DWS Investment GmbH, Mainzer Landstraße 11-17, 60329 Frankfurt am Main and, in case of Luxembourg domiciled Sub-Funds, from DWS Investment S.A., 2, Boulevard Konrad Adenauer, L-1115 Luxembourg, in printed form free of charge, or for active products available for download from Germany: www.dws.de or from different locations in respective language from <https://funds.dws.com> and for passive products under www.etf.dws.com.

A summary of investor rights is available: Germany (in German) <https://www.dws.de/footer/rechtliche-hinweise/>, Austria (in German) <https://funds.dws.com/de-at/footer/rechtliche-hinweise/>, Belgium (in Dutch) <https://funds.dws.com/be/NLBE/Belangrijke-Informatie>, (in French) <https://funds.dws.com/be/FRBE/Information-Importante>, France (in French) <https://funds.dws.com/fr-fr/footer/ressources-juridiques/>, Luxembourg (in German) <https://www.dws.de/footer/rechtliche-hinweise/>, Spain (in Spanish) <https://funds.dws.com/es-es/header/reclamaciones/>, Netherlands (in Dutch) <https://funds.dws.com/nl-nl/footer/juridische-bronnen/>, Ireland (in English) <https://funds.dws.com/en-ie/footer/legal-resources/>, Sweden (in Swedish) <https://funds.dws.com/se/important-information> and Italy (in Italian) <https://funds.dws.com/it-it/footer/avvertenze-legali/>.

The Investment Company may decide to terminate the arrangements made for the marketing of this fund.

Forecasts are not a reliable indicator of future performance. Forecasts are based on assumptions, estimates, opinions and hypothetical performance analysis, therefore actual results may vary.

The decision to invest in the advertised fund should not only depend on the sustainability-relevant aspects. All characteristics or objectives of the advertised fund should be taken into account. These can be found in the prospectus and KID.

The gross-performance calculated (BVI method) considers all costs on the Funds/Sub-Funds level (e.g. Management Fee). In addition, the net-performance considers a contingent Upfront Sales Charge.

Past performance is not a reliable indication of future performance.

Tax information can be found in the relevant prospectus

Any opinions stated reflect the current assessment of DWS Investment GmbH and are subject to change without notice.

This document is intended to be a marketing communication, not a financial analysis. Accordingly, it may not comply with legal obligations requiring the impartiality of financial analysis or prohibiting trading prior to the publication of a financial analysis.

According to the information in the sales prospectus distribution of the products mentioned in this document is subject to restrictions of the relevant jurisdictions. This document and the information contained herein may only be distributed and published in jurisdictions in which such distribution and publication is permissible in accordance with applicable law in those jurisdictions. Direct or indirect distribution of this document is prohibited in the USA as well as to or for the account of US persons and persons residing in the USA.

DWS Investment GmbH, 2026

Alpha

A measure of the difference between the risk-adjusted return on an investment and a benchmark. The alpha measures the part of the performance that cannot be explained by market movements or market risk, but rather is derived from the selection of securities within the market. Alpha is a way of measuring the active contribution to performance made by the portfolio manager. It is also a good yardstick to use when comparing several funds. The figure is calculated on a 3-yearly basis.

Average dividend yield

Measures the average dividend amount, based on the current share price. This figure is calculated based on the shares (including ADRs/GDRs - > Depositary receipts) and REITs contained in a fund.

Average market capitalization

Measures the average market capitalization of the shares, REITs and ADRs/GDRs (depository receipts) contained in a fund. The market capitalization represents the total market value of a company as determined by multiplying the number of shares issued by the current share price.

Beta factor

A measure of sensitivity - given as the average percentage change in the price of a fund when the market (benchmark) rises or falls by 1%. A value over (under) 1 means that on average the fund exhibits more (less) volatility than the benchmark. The figure is calculated on a 3-yearly basis.

Correlation coefficient

Describes the degree to which two values (fund versus benchmark) move in the same direction. The value of the correlation coefficient is between -1 and +1. A correlation of +1 means that the fund generally moves in the same direction as the benchmark, while -1 indicates that the fund generally moves in the opposite direction. A correlation of 0 means that there is no relation between the price movements of the fund and the benchmark. The figure is calculated on a 3-yearly basis.

Coupon

The coupon is the portfolio's average weighted coupon.

Duration (in years/in months)

A measure of the sensitivity of an investment to changes in interest rates. Duration, which was developed by Frederick Macaulay, is the average period for which invested capital is committed. Because of the interest payable over time on the invested capital, duration is shorter than -> maturity. This version of duration is used in DWS Top Reporting and refers to invested assets (without "Cash and other holdings").

Information ratio

The information ratio measures the difference between the annualized average return of the fund and that of the benchmark, divided by the Tracking error. The higher this value is, the more the investor compensated for the risk in the fund. The figure is calculated on a 3-yearly basis.

Maximum drawdown

The maximum drawdown is the largest percentage drop in value in a given period of time. It measures the amount the fund falls from its highest point to its lowest point in the selected timeframe. The figure is calculated on a 3-yearly basis.

Modified duration (in years/in months)

Serves as a measure of interest-rate sensitivity. Modified duration indicates the percentage change in price of a bond (in a portfolio) when the market interest rate changes by 1%. In order to calculate the percentage change in the bond price, the modified duration of the bond is multiplied by the percentage change in the interest rate. This figure helps investors assess the risks and opportunities of a bond at a glance.

Sharpe ratio

A measure of risk developed by William F. Sharpe, defined as the excess return on an investment over that of a risk-free investment in relation to the risk of the investment. The higher the Sharpe ratio, the higher the return the investor receives for the risk the investment carries (expressed in volatility). The Sharpe ratio can be used to compare multiple funds. The figure is calculated on a 3-yearly basis.

Tracking error

The tracking error is the standard deviation of the yield differential between a fund and its benchmark. This makes it a measure of how well the fund manager tracks the benchmark. The figure is calculated on a 3-yearly basis.

VaR (Value at Risk)

A measure of risk that indicates the maximum fund losses with a given probability for a given period of time (holding period). VaR is calculated on the basis of the daily prices of the individual securities contained in the portfolio for a year.

Weighted Average Life

The weighted average life of the times of the principal repayments of a liability, i.e. a bond. Refers to invested fund assets (without "Cash and other holdings").

Yield

The yield is the annual return on a capital investment, measured as the actual interest earned (effective yield) on the capital invested. It is based on the fund's income (e.g., interest, dividends, realized capital gains) and change in the price of the assets held in the fund. The yield of a fund is

derived from the invested assets (without "Cash and other holdings") and is presented as a "gross" figure, i.e., before the deduction of total expenses/fee.

Volatility
Volatility expresses the degree to which the yield on an investment (the price performance of a fund, for example) varies from a mean value in a specific period of time. This makes it a measure of fund risk. The greater the variation from the mean, the higher the volatility. Knowing the volatility allows investors to assess how uncertain the return potential of an investment is. The figure is calculated on a 3-yearly basis.