

Nomura Global Dynamic Bond Fund triples in size to \$3bn

London, 12 January 2021: The Nomura Global Dynamic Bond Fund managed by Dickie Hodges has now reached the milestone of \$3bn assets under management, having delivered a 12.2% return in USD terms (net of fees) in 2020. The fund's AUM has increased threefold since the end of 2019.

Launched in 2015, the investment objective of the Fund is to provide a combination of income and growth through investing in debt and debt-related securities with fixed or variable rates of income. Unconstrained by benchmark allocations, the fund seeks to maximize total return while reducing volatility through allocation to a wide range of bond sectors.

Dickie Hodges, Head of Unconstrained Fixed Income, said: *"This is a major milestone for the Fund, which underlines our team's commitment to deliver strong returns for our clients in times of deep uncertainty.*

"In light of the pandemic's impact on global markets, the management of risk played a crucial role in delivering returns last year. It will continue to do so. We use cost-effective hedging strategies to mitigate specific risks to both credit and interest rate markets. Our proven ability to hedge effectively allows us to invest with confidence in assets that can drive attractive returns over the medium to long term.

"As we enter 2021 after such a strong run in risk assets, a more cautious portfolio stance is warranted, and for this reason we have taken risk "off the table" across the portfolio. We have increased hedging and exposures to liquid, safe-haven assets. However, we retain many positions that can provide the Fund with substantial levels of income and capital return. We are optimistic for risk asset prices, but we also expect volatility.

"We believe 2021 will offer fixed income investors both challenge and opportunity – and we are ready for both."

Peter Ball, Head of EMEA Distribution at Nomura Asset Management UK, said: *"During these extraordinary times, our EMEA Distribution team has been working continuously to support our clients. The growth of the Global Dynamic Bond fund reflects both growing interest in fixed income assets and the investment team's capability to deliver strong performance. It is clear that the flexibility to invest across all fixed income assets has been an important driver of the returns generated for our clients over the past year."*

- Ends -

Notes to Editors:

Lead Portfolio Manager

- Richard Hodges joined NAM in November 2014 to launch the Global Dynamic Bond Strategy.
- Prior to joining NAM, Dickie held the role of Head of High Alpha Fixed Income at Legal & General Investment Management (LGIM), managing its “Dynamic Bond Trust” – an unconstrained fixed income fund. He managed the Dynamic Bond Trust from its inception in 2007 until April 2014.
- During that time, the Fund achieved a return of 8.8% p.a. with a volatility of 4.4%¹.
- Before LGIM, Dickie spent 18 years at Gartmore Investment Management, where he was Head of Pan European Portfolio Construction with responsibility for the Gartmore SICAV European Corporate Bond Fund and the Gartmore SICAV European Bond Fund. He also co-managed Arrakis Fund Ltd, a European Credit Hedge Fund.
- He began his career in 1986 at Chase Manhattan Bank in Fixed Income operations, before joining Natwest Investment where he was responsible for management of a number of specialist investment funds employing derivatives and cash instruments to implement quantitative strategies

The Global Dynamic Bond Fund employs top-down analysis of macroeconomic and market themes to establish a strategic core portfolio of cash bonds, accounting for at least 80% of the assets within the strategy. Allocations will seek to benefit from expected changes in markets, with the Fund’s diversification allowing greater flexibility to invest across all fixed income assets, including convertible bonds and local currency instruments.

The Nomura Asset Management Group is a leading global investment manager. Headquartered in Tokyo, Nomura has additional investment offices throughout the world including London, Singapore, Malaysia, Hong Kong, Shanghai, Taipei, Frankfurt and New York. With a global workforce of over 1,200 employees, it has been operating in Europe for the past 30 years. Today Nomura Asset Management provides its clients with a wide range of innovative investment strategies including global, regional and single country equities, high yield bonds, alternative investments and global fixed income strategies.

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