Monthly Investment Brief

Goodbye Goldilocks!

ODDO BHF
ASSET MANAGEMENT

November 2018

Take a breath and be on the lookout for opportunities that will inevitably emerge from this new environment.

It turns out the Cassandras were right after all: the equity markets did suffer a correction by almost 10% in October. The causes are now clear: concerns over Chinese economic growth, peak in US corporate earnings, fallout from the trade war and European risks. Here is a brief look:

Macroeconomics: global economic forecasts will continue to be downgraded. The outlook for the Eurozone is less favourable, with the latest PMI surveys pointing to annualised growth of about 1.5%, down from 2% previously. Growth is still solid in the US (at 3.5% in Q3) but is expected to slow to about 2.5% in 2019, due to the combined impact of a less accommodative central bank and the diminishing impact of the tax cut. Growth in China is expected to level off at 6%, driven by a stimulus that will remain moderate. Investors rushed to price in these revisions, including the 0.5% cut in the Eurozone growth forecast.

Valuations: reporting season wasn't bad on the whole but failed to serve as a relay this time. Investors are focusing on peaks in earnings – and even a cyclical peak – and have been merciless with any profit or sales warnings. As long as risks have not receded somewhat, there is no point in counting solely on valuations, even though they have become reasonable once again on developed markets and even attractive on emerging ones.

Momentum: risky asset classes have suffered heavy outflows, particularly small caps, which came in for the heaviest profit-taking. Momentum has been the biggest market driver this year but shifted course suddenly in October. Outflows from emerging and European markets continue to feed the downward spiral, and the correction could continue.

But is the picture all dark? No, it isn't. On the macroeconomic level, the mini-oil shock over the past six months has now vanished, which restores some purchasing power to consumers in oil-importing countries.

On the microeconomic level, let's take the example of Michelin, which is in our portfolios and whose business and management we know well. Michelin shares are down 25% this year and are now trading at about €87, or at 8 times 12-month trailing earnings – their lowest valuation in the past 10 years due to the impact of an unprecedented crisis. Yes, the auto sector is undergoing some major disruptions, but Michelin's fundamentals remain solid, with earnings expected to rise by 8% next year. The market correction has been overdone in some cases, and that means opportunities. Michelin is just one example. Investing today in tomorrow's champions – when they have lost one quarter of their value – may not be such a bad idea, after all.

Keep in mind, however, that the recent bullish market is coming to an end amidst normalisation of central bank monetary policies, which, in fact, is just beginning. The market needs to adjust and find new bearings and, perhaps, consolidate a little more. There is no sign yet of a recession. So take a breath and be on the lookout for opportunities that will inevitably emerge from this new environment.

CURRENT CONVICTIONS

01

Scenarios

Our 6-month view

Central scenario: Global growth expected to decelerate a bit + First negative effects of the trade war

60%

Europe

- Robust growth but no more acceleration expected
- ECB to end QE in December but no interest rate hike expected before mid-2019
- Heightened political risks, especially due to 1/ the escalating conflict between Italy and the EU, and 2/ a no deal Brexit

US

- Economy running at cruise speed due to Trump's tax reform providing additional support to the US growth
- Monetary policy normalization should continue to be gradual but more data dependent (inflation). Fed has now to decide to be rather restrictive or accommodative
- Uncertainty coming from both stronger protectionism and regulation

Assets to overweight

- US and EU assets

Assets to underweight

- Sovereigns

Strategy

- Flexibility
- Hedging (options, gold...)

Alternative scenario: Interest rate risk fueled by surprise jump in the US inflation and growing US budget deficit

15%

- Wage acceleration
- Surging oil prices fueled by an escalation of political tensions in Middle East
- Reduction of growth potential

Assets to overweight

- Inflation-hedged bonds
- Alternative strategies
- Cash

Assets to underweight

- Equities
- Core Sovereigns
- High Yield credit

Alternative scenario: Increase in protectionism and its contagion from emerging markets

25%

- US-China trade war impacts global supply chains
- Geopolitical risks materializing (Emerging markets, Middle East…)
- China: risks of economic rebalancing
- Brexit: no deal

Assets to overweight

- Money market CHF & JPY
- Volatility
- Core government bonds

Assets to underweight

- Equities
- High Yield credit

Comments as of 07/11/2018

Our current convictions by asset class – baseline scenario

Level of conviction

Change from the previous month

Asset class		Level of conviction
Equities	Large cap Eurozone	1
	Mid cap Eurozone	0
	Small cap Eurozone	-1
	UK	-1
	USA	1
	Emerging markets	0
	Japan	-1
Convertible bonds	Europe	1
	USA	0
Currencies	USD / €	0
	YEN / €	1
	GBP / €	0
Commodities	Gold	0
	Crude oil	0

Source: ODDO BHF AM SAS. Figures as of 07/11/2018

Our current convictions by asset class – baseline scenario

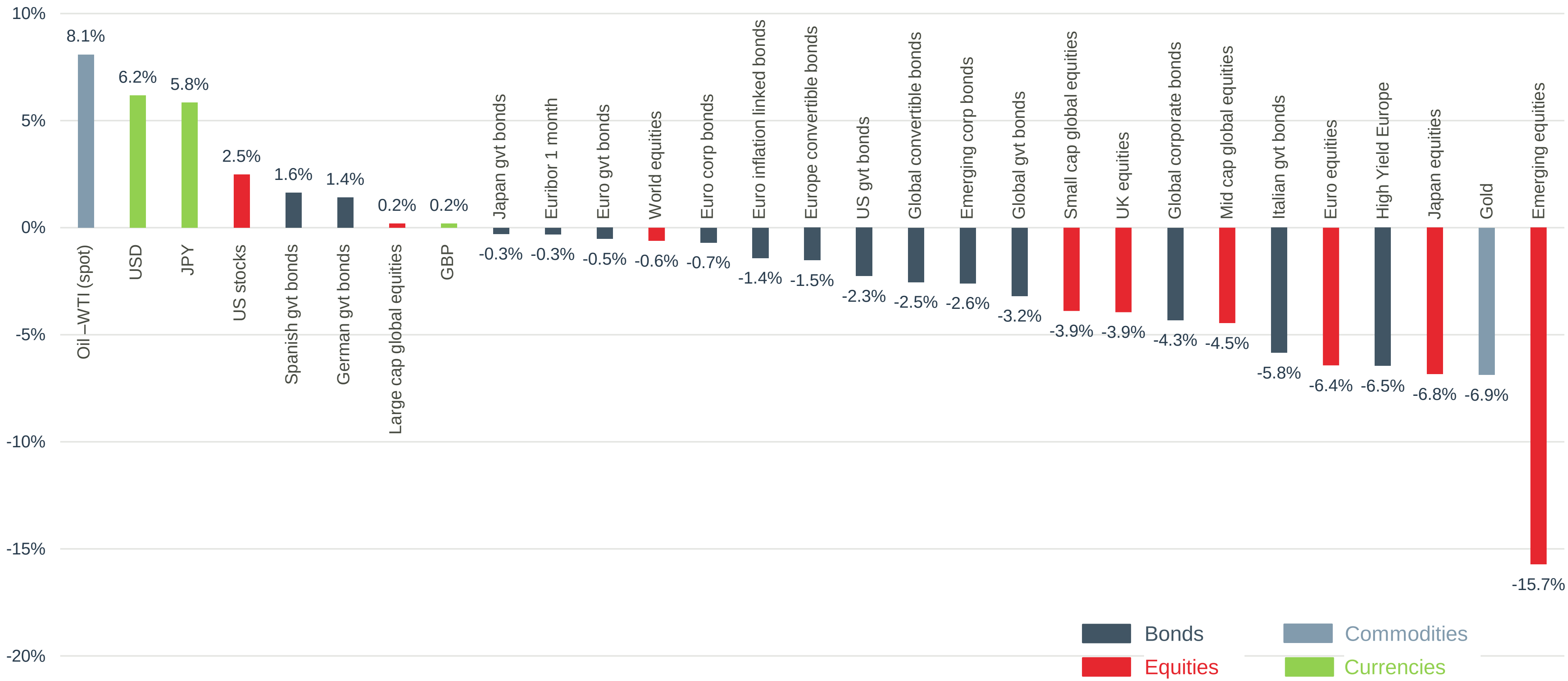
		Level of conviction Change from the previous month
Government bonds	Core Europe	-1
	Peripheral Europe	0
	USA	0
Corporate bonds	Investment Grade Europe	0
	Credit short duration	1
	High Yield Europe	1
	High Yield USA	0
	Emerging markets	0
Money market	Developed markets	-1
Alternative assets	Private Equity	2
	Private Debt	1
	Real Estate	0
	Hedge Funds	0

Source: ODDO BHF AM SAS. Figures as of 07/11/2018

MACROECONOMIC AND MARKET ANALYSIS

02

Year-to-date performances of asset classes



Past performances are not a reliable indicator of future performance and are not constant over time.

Sources: Bloomberg and BoA ML at 10/31/2018; performance expressed in local currency

Historical performances of selected asset classes

Historical performances

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Oil, (WTI spot price)	-53.5%	77.9%	15.2%	8.2%	-7.1%	7.2%	-45.9%	-30.5%	45.0%	12.5%	8.1%
US equities	-37.6%	26.3%	14.8%	1.4%	15.3%	31.8%	12.7%	0.7%	10.9%	21.2%	2.5%
German government bonds	12.2%	2.0%	6.2%	9.7%	4.5%	-2.3%	10.4%	0.3%	4.1%	-1.4%	1.4%
Euro Libor 1m	4.0%	0.7%	0.4%	0.9%	0.2%	0.1%	0.1%	-0.1%	-0.3%	-0.4%	-0.3%
Euro zone government bonds	9.1%	4.4%	1.1%	3.3%	11.2%	2.3%	13.2%	1.6%	3.3%	0.1%	-0.5%
High yield bonds	-34.2%	74.9%	14.3%	-2.5%	27.2%	10.1%	5.5%	0.8%	9.1%	6.7%	-1.3%
US Treasuries	14.0%	-3.7%	5.9%	9.8%	2.2%	-3.4%	6.0%	0.8%	1.1%	2.4%	-2.3%
Emerging market corp. bonds	-12.4%	30.9%	9.2%	5.6%	13.2%	-1.3%	3.9%	-1.0%	5.5%	7.3%	-2.6%
Emerging market gov. bonds	-10.9%	28.2%	12.0%	8.5%	18.5%	-6.6%	5.5%	1.2%	10.2%	9.3%	-5.6%
Euro zone equities	-44.9%	27.3%	2.4%	-14.9%	19.3%	23.4%	4.3%	9.8%	4.4%	12.5%	-6.4%
Gold	5.1%	25.5%	29.4%	10.1%	7.1%	28.1%	-1.4%	-10.6%	8.0%	13.5%	-6.9%
Emerging market equities	-53.3%	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	-14.9%	11.2%	37.3%	-15.7%
Best/worst performance	**67.5%**	**82.2%**	**28.9%**	**28.5%**	**34.3%**	**38.4%**	**59.0%**	**40.3%**	**45.4%**	**38.7%**	**23.8%**

Colour scale

Best performance — Worst performance

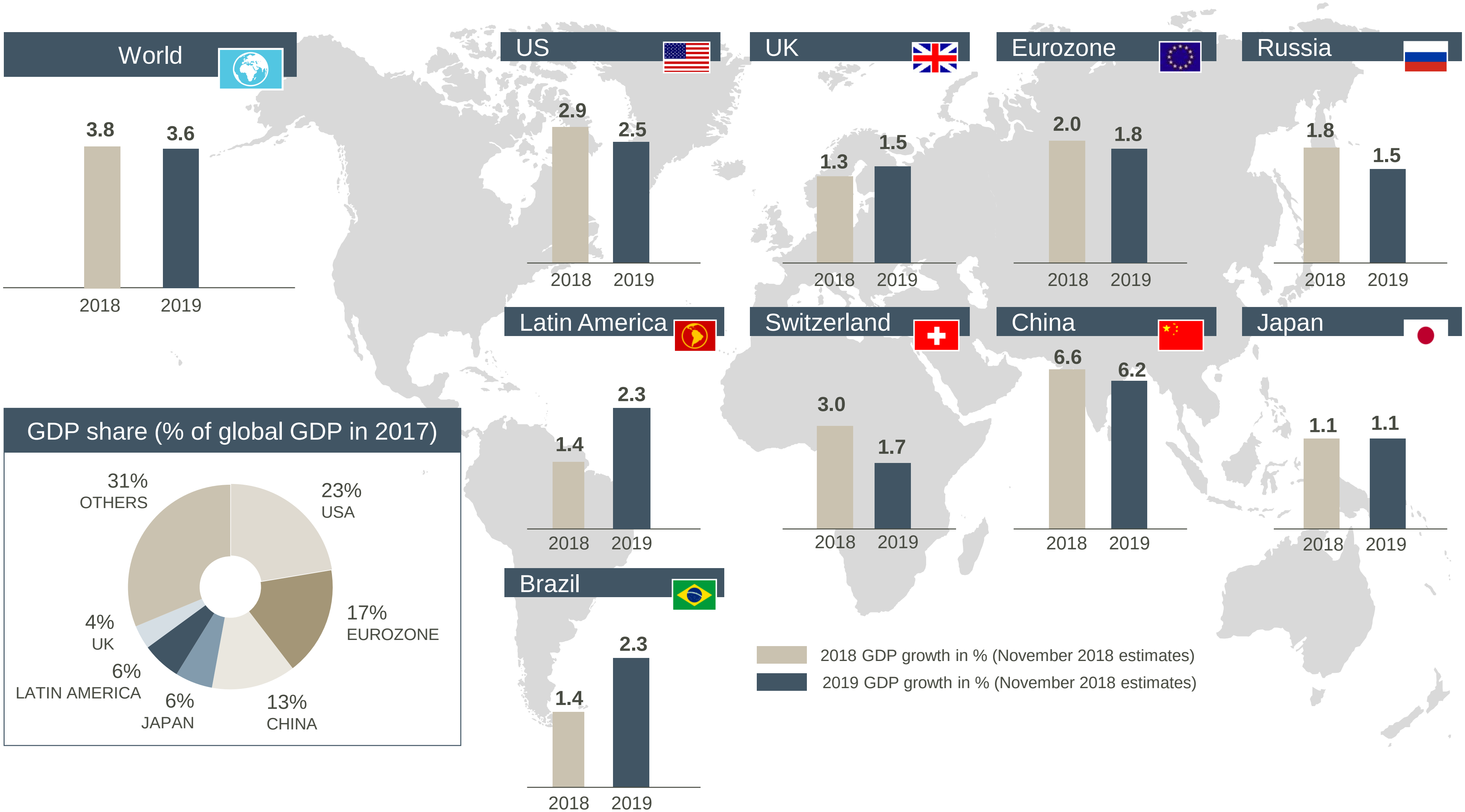
1	2	3	4	5	6	7	8	9	10	11	12

Past performances are not a reliable indicator of future performances and are not constant over time.

Sources : Bloomberg and BoA ML as of 31 Oct. 2018; performances in local currency

Global GDP* growth forecast

Consensus forecasts drift lower

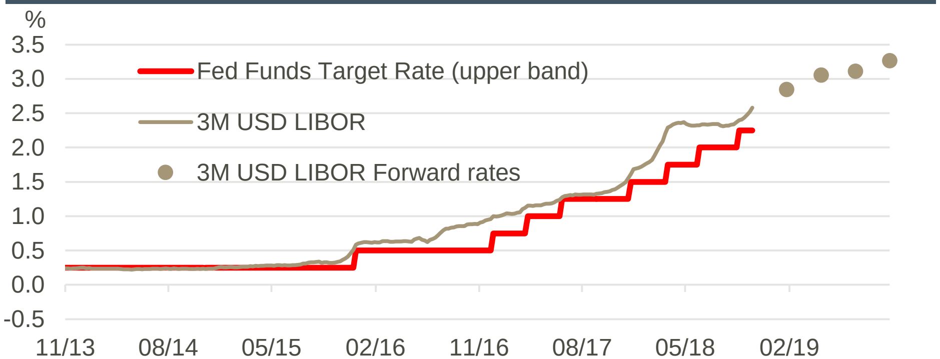


*GDP: Gross Domestic Product | Sources: ODDO BHF AM SAS, Bloomberg economist consensus forecast | Data as of 31/10/2018

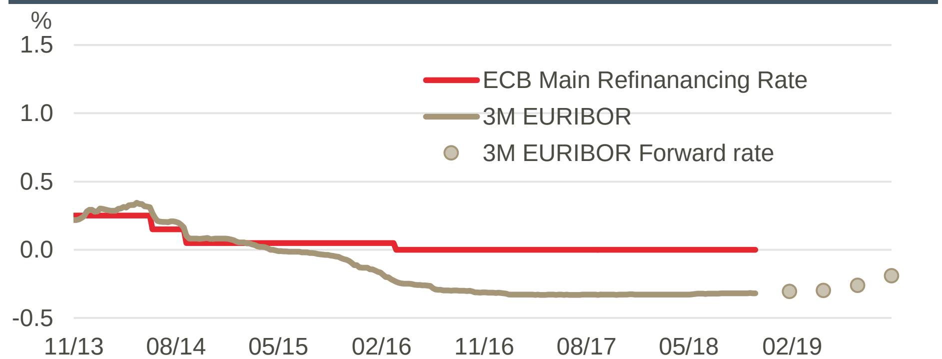
Monetary policy & inflation expectations

Policy normalization in the US enters neutral territory

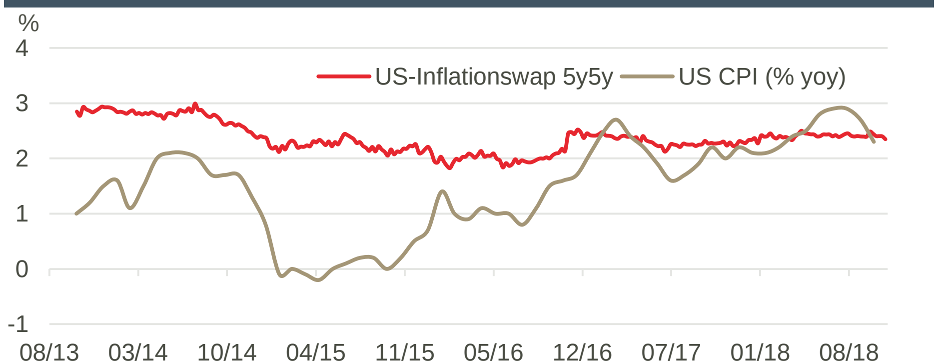
Fed Funds Target Rate, 3M USD LIBOR & 3M USD LIBOR FRAs



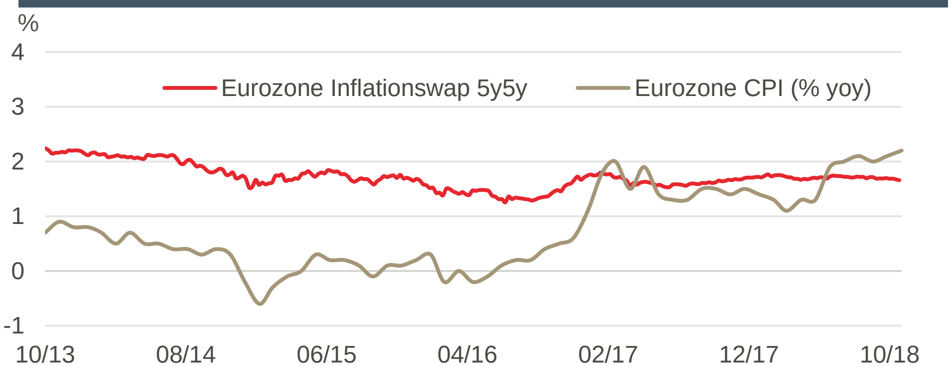
ECB Main Refinancing Rate, 3M EURIBOR & 3M EURIBOR FRAs



Market-implied inflation expectations (5y5y) & US CPI (%yoy)



Market-implied inflation expectations (5y5y) & Eurozone CPI (%yoy)

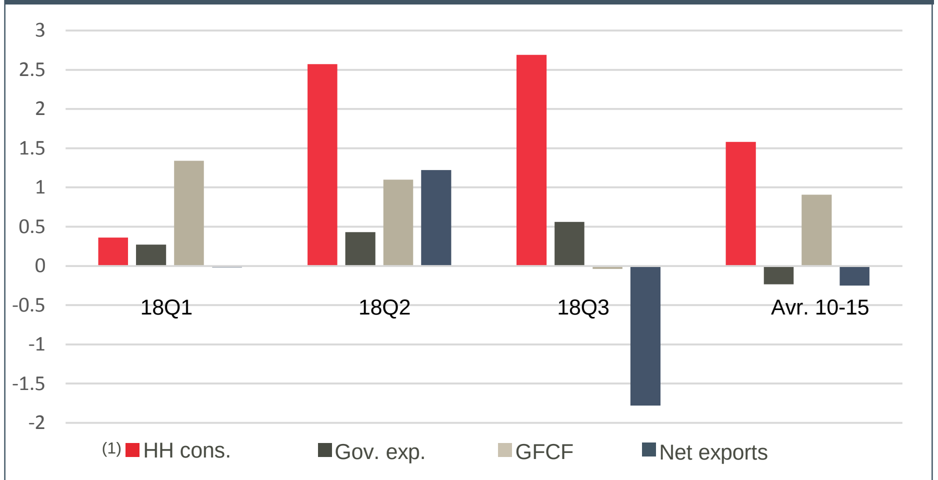


- The ECB continues on its very gradual monetary policy normalization. After likely lifting the depo rate in September 2019, we expect the central bank to be at zero by spring 2020
- The FED has prepared the ground to deliver one more hike this year. Given bottlenecks via creeping wage pressure, the FED will continue to hike during 2019 by 3-4 times, while markets expect at most two more hikes in 2019. The Powell FED may stop at a terminal rate of 3.25% to 3.5%

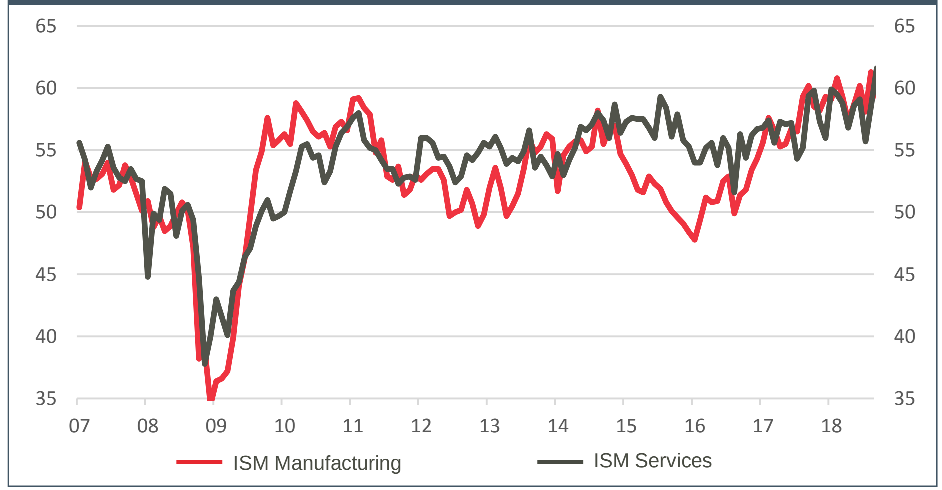
Sources: Bloomberg, ODDO BHF AM GmbH, as of 31/10/2018

The US economy remains on a positive trend

Contributions to GDP (QoQ, seasonally adjusted, % annualised)



Business confidence

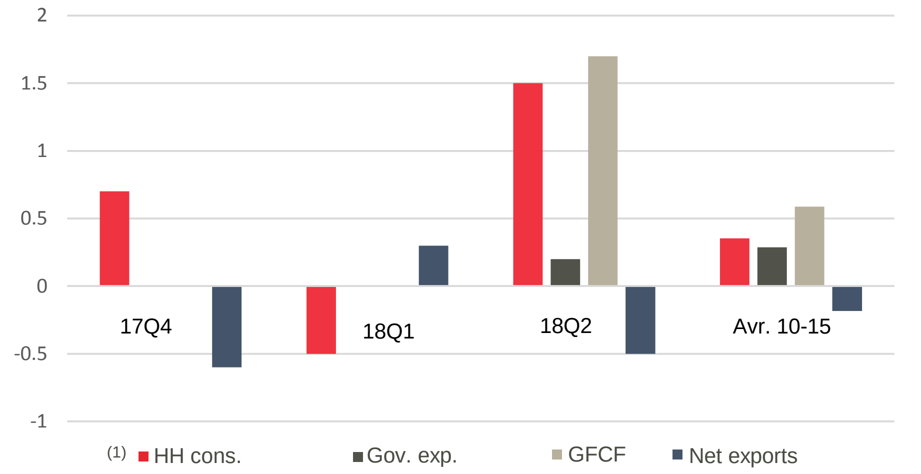


- Growth momentum remains healthy as Q3 GDP prints at 3.5% with likely upward revisions
- Growth is likely to grind towards 2,5% over the next months with tax impacts fading
- Unemployment rate is at its lowest level since the 60's
- Inflation measures have recently been moderate, but as bottlenecks in the economy are becoming increasingly visible, upside surprises in inflation are possible
- Financial conditions are still in accommodative territory

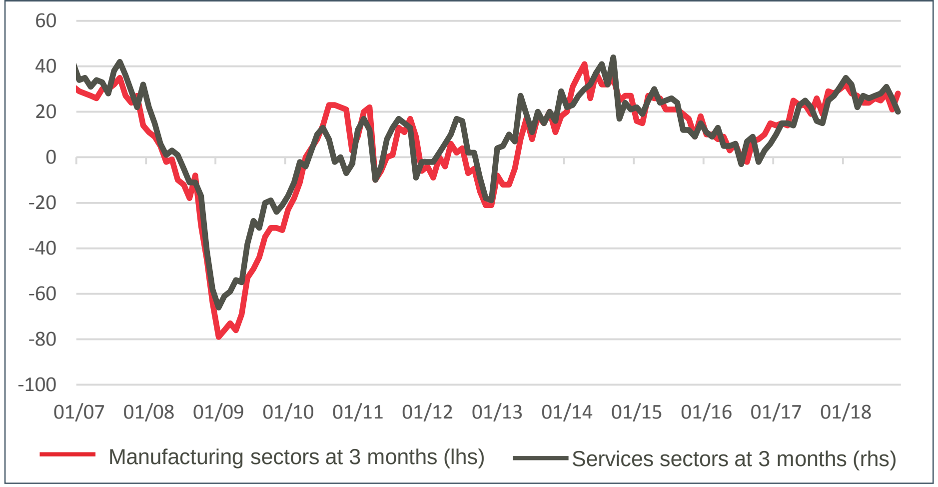
(1) HH cons.: household consumption / Gov. exp.: government expenditure / GFCF: gross fixed capital formation Net exports.
Sources: Bloomberg, Thomson Reuters, Datastream, ODDO BHF AM SAS. Data at 10/31/2018

Impact from natural disasters to fade

Contributions to GDP (QoQ, seasonally adjusted, % annualised)



Business confidence



- Recent data prints have been mostly weak as Japan has been hit by natural disasters
- Q3 GDP is likely to show contraction
- With both a business sentiment still in expansion and some PMI subsets improving, economic momentum is expected to reverse over coming weeks

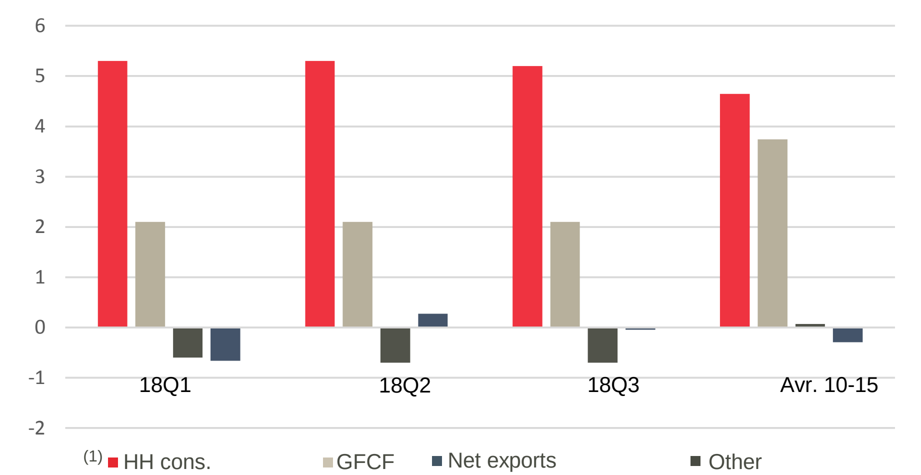
Monthly Investment Brief

(1) HH cons.: household consumption / Gov. exp.: government expenditure / GFCF: gross fixed capital formation (investment) Sources: Bloomberg, Thomson Reuters, Datastream, ODDO BHF AM SAS. Data at 10/31/2018

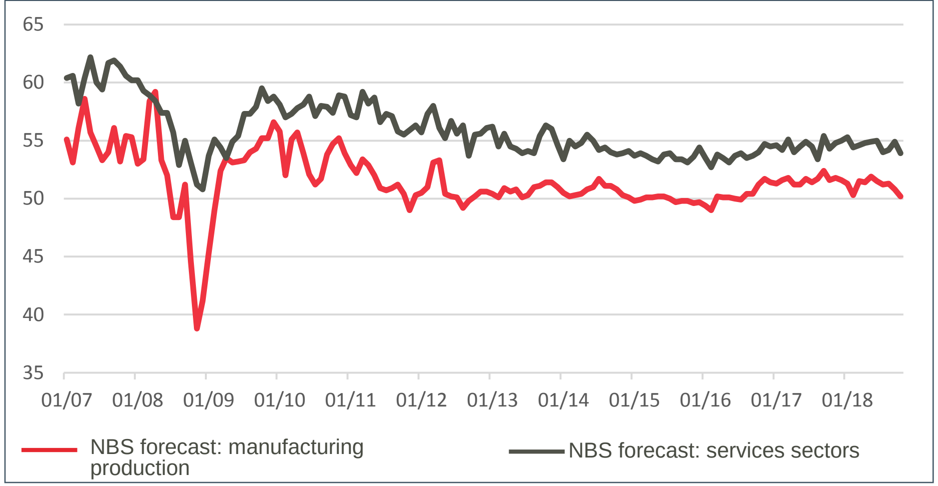
China

Stimulus measures should limit the decline in growth

Contributions to GDP (QoQ, seasonally adjusted, % annualised)



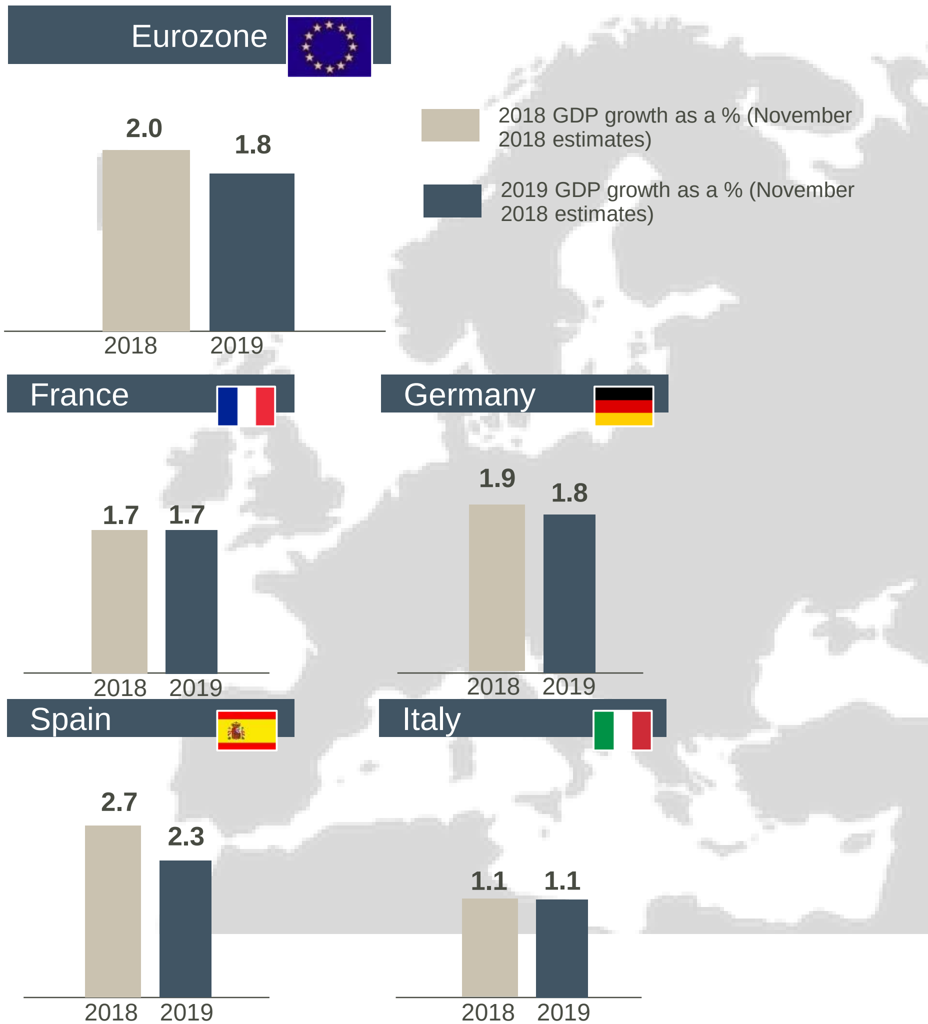
Business confidence



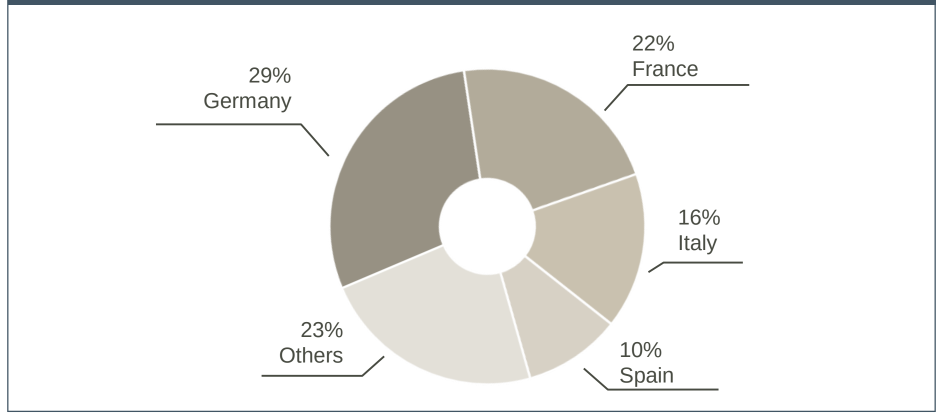
- Economic activity remains on a slight downward trajectory as evidenced by recent PMIs
- Trade frictions so far with limited impact, but possible 3rd round of US-China tariffs could have significant implications
- Meeting between Trump and Xi at the end of November with a "ceasefire" outcome as best case option
- Retaliation via increased currency depreciation or US-treasuries unwind still a distant option
- China tries to stem weaker data by a range of monetary and fiscal measures
- Upcoming data should stabilize and provide some short-term relief

(1) HH cons.: household consumption / Gov. exp.: government expenditure / GFCF: gross fixed capital formation (investment)
Sources: Bloomberg, Thomson Reuters, Datastream, ODDO BHF AM SAS. Data at 10/31/2018

Growth fades towards potential



GDP share (% of total Eurozone GDP)



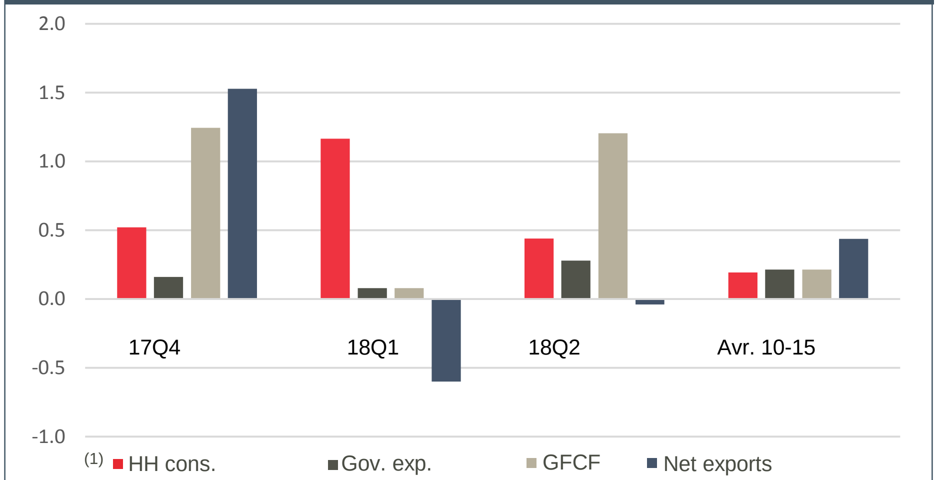
- Fading sentiment following escalations in the global trade dispute and unstable politics have dented forecasts from a very high level
- Germany was hit hardly by motor concessions. This factor should fade in coming months

Sources: ODDO BHF AM SA; Bloomberg Economist Forecast. Data as of 10/2018

Eurozone

Waiting for the rebound

Contributions to GDP (QoQ, seasonally adjusted, % annualised)



Business confidence

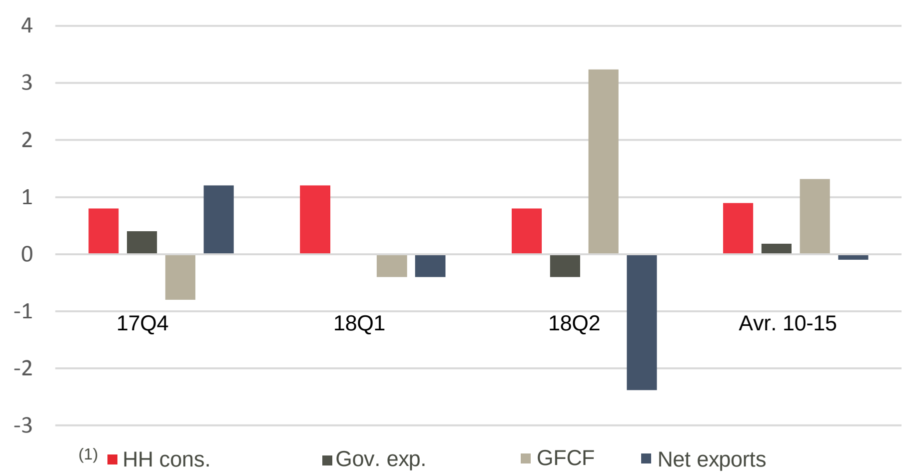
- Q3 GDP growth at 0.2% QoQ was again on the weaker side. It could be lifted slightly as German Industrial Production ended the quarter on a stronger tone
- Recent weakness trends in Germany and Italy are respectively due to new car registration process and both undermined confidence and worsened financial conditions
- Recent soft patch on macro figures is expected to run out and reverse partly over coming weeks as temporary effects fade

(1) HH cons.: household consumption / Gov. exp.: government expenditure / GFCF: gross fixed capital formation (investment)
Sources: Bloomberg, Thomson Reuters, Datastream, ODDO BHF AM SAS. Data at 10/31/2018

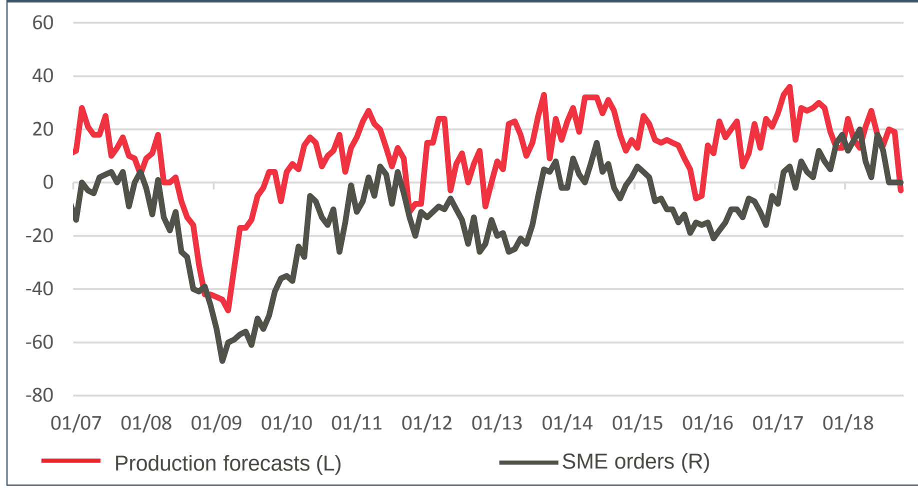
United Kingdom

Last Minute deal?

Contributions to GDP (QoQ, seasonally adjusted, % annualised)



Business confidence



- UK inches slightly closer to agreeing a Brexit deal but approval in parliament questionable
- Growth is expected to slow in 4Q following its 3Q pickup
- October surveys look weak
- Labor market strengthens

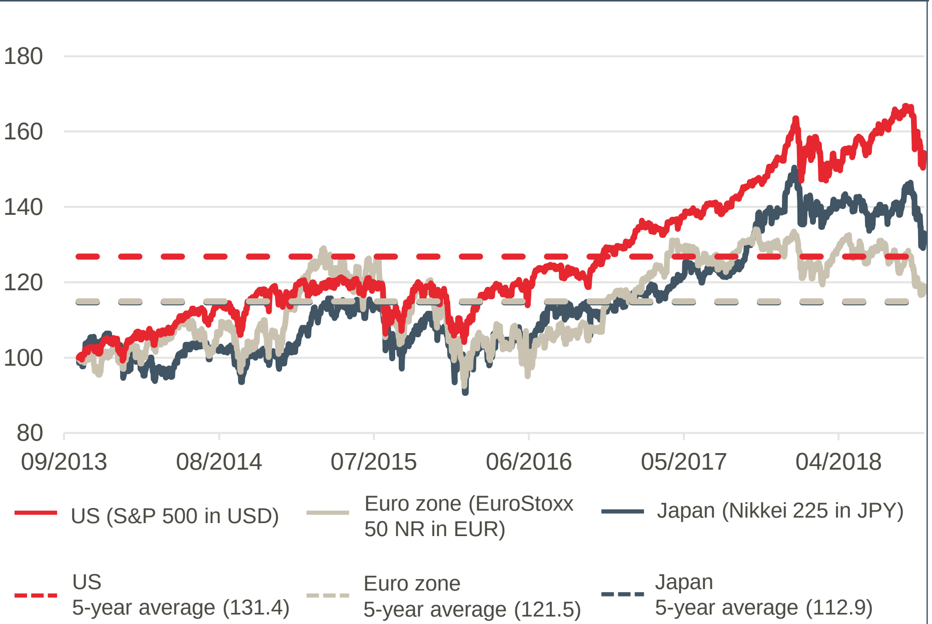
Monthly Investment Brief

(1) HH cons.: household consumption / Gov. exp.: government expenditure / GFCF: gross fixed capital formation (investment)
Sources: Bloomberg, Thomson Reuters, Datastream, ODDO BHF AM SAS. Data at 10/31/2018

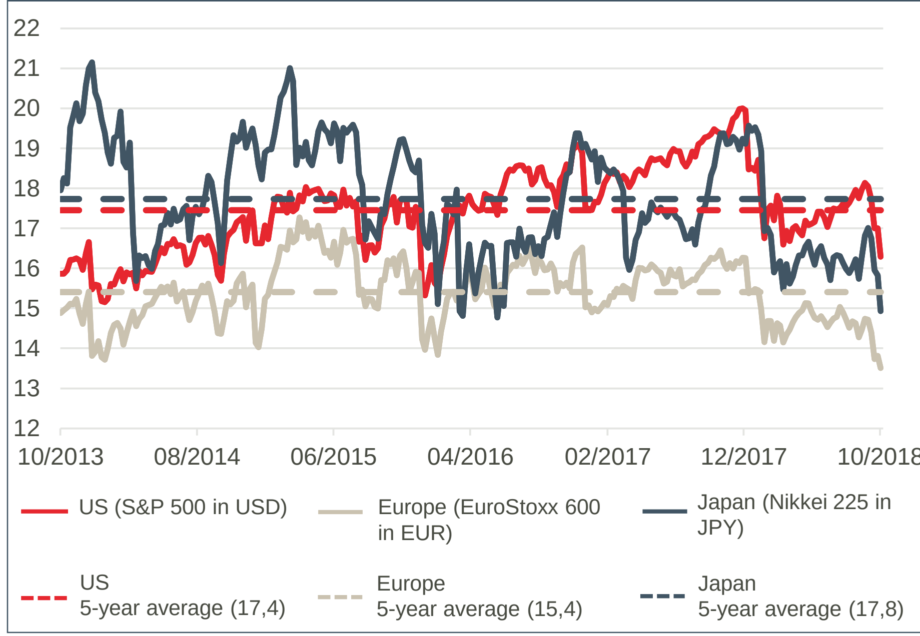
Equities – Overview

Red October

Five-year equity market performance



Price/earnings ratio over a 5-year period



- A severe correction on the markets in October, with Japan hardest hit, plunging 9.1%.
- The US market was not spared, with the S&P 500 down 6.8% and midcaps (-10.9% by the Russell 200) and tech stocks (-9.2% by the Nasdaq) faring even worse.
- The Eurozone suffered losses that were equivalent to those of the US market (-6.4% by the MSCI EMU), with small caps also underperforming there (-7.9% by the MSCI EMU SMID Cap).

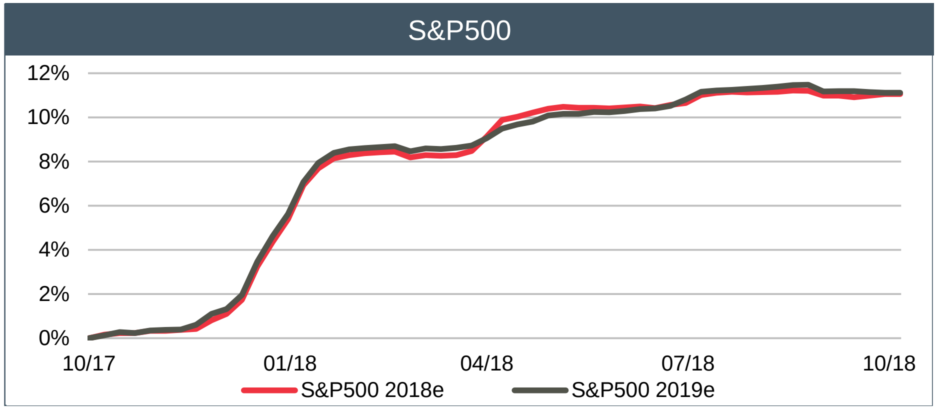
- Stocks were accordingly de-rated massively, and multiples are now under their 5-year averages.
- In the US, while 2018 earnings growth is projected at 25% (and 8-10% in 2019), P/E fell to 16.3x from 18.1x at the end of September.
- In Europe, the P/E is now at about 13,5x, hence a discount of about 12% vs. the 5-year average. At the end of September, the P/E was 14.7x.

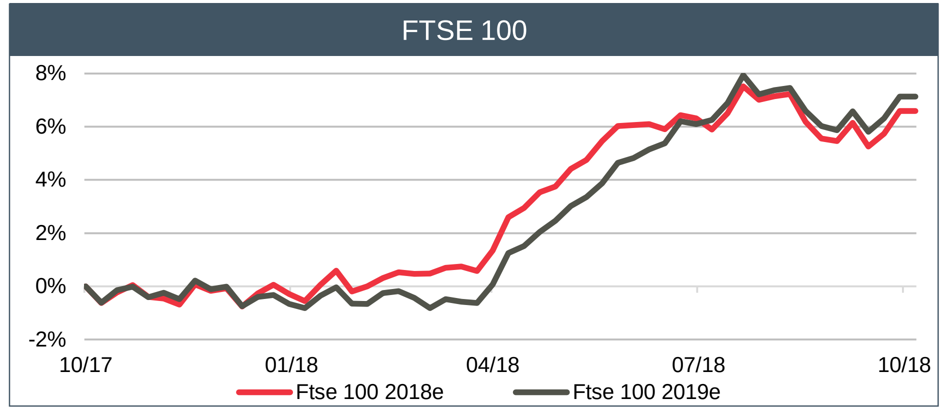
Past performances are not a reliable indicator of future performances and are not constant over time.

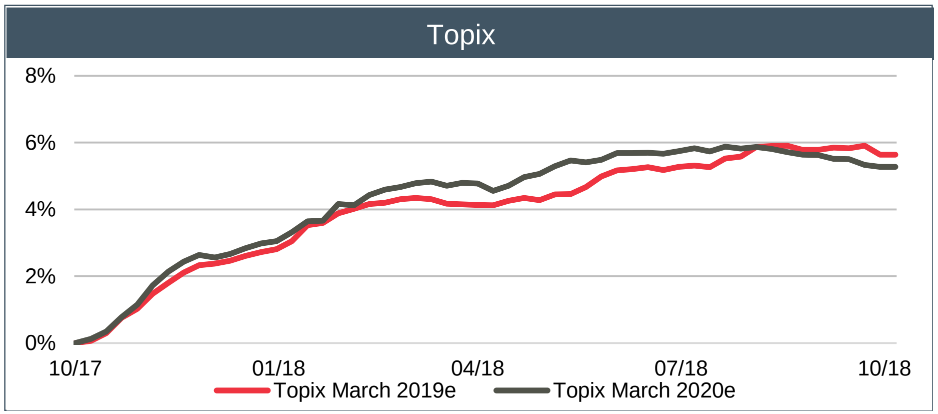
*See Glossary on page 37 | Source: Bloomberg, ODDO BHF AM SAS | Figures as of 31 Oct. 2018

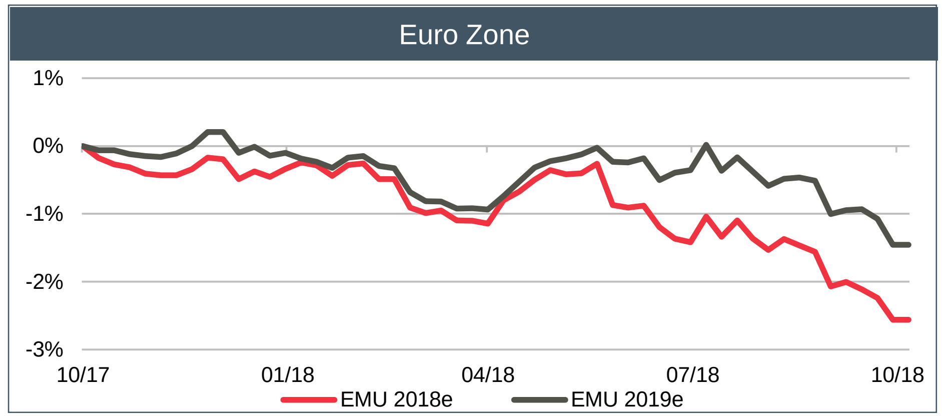
Equities – EPS trends

Momentum remains weak in Europe









- Earnings forecasts were raised sharply in the UK market in October and levelled out in Japan and the United States. Keep in mind that 80% of the three quarters of S&P 500 companies that have reported their earnings have surprised on the positive side (by almost 7%).
- In contrast, forecasts were downgraded by about 0.5% in the euro zone, while reported earnings also beat analysts' forecasts.

Sources: ODDO BHF AM SAS, Deutsche Bank AG/London. Figures as of 31 Oct. 2018.

European equities

Valuations have fallen as risks have risen. Earnings momentum has shifted somewhat.

	12-month forward P/E, Sept. 2018	2017 EPS growth	2018 EPS growth	2019 EPS growth	Dividend yield	YTD performance
STOXX Europe 600	13.0x	21%	9%	9%	4.0%	-6.4%
Commodities						
Basic resources	9.7x	111%	12%	1%	4.9%	-8.0%
Oil & gas	10.4x	83%	47%	18%	5.2%	4.1%
Cyclicals						
Autos and auto parts	6.5x	34%	-4%	10%	4.7%	-17.4%
Chemicals	15.6x	25%	13%	8%	3.0%	-7.9%
Construction and materials	13.8x	14%	8%	17%	3.5%	-10.9%
Industrial goods and services	15.3x	14%	7%	15%	3.0%	-6.2%
Media	15.2x	10%	8%	7%	3.5%	0.0%
Technologies	18.7x	11%	12%	17%	1.8%	-1.9%
Travel and leisure	13.0x	14%	2%	6%	3.1%	-10.3%
Financials						
Banks	9.0x	49%	19%	8%	5.8%	-19.3%
Insurance	10.1x	-9%	17%	10%	5.5%	-3.0%
Financial services	14.6x	16%	-8%	0%	3.6%	-5.4%
Real estate	16.4x	11%	8%	8%	4.4%	-5.4%
Defensives						
Food & beverages	19.2x	10%	4%	11%	2.8%	-3.4%
Healthcare	15.9x	4%	3%	8%	3.0%	2.1%
Home and personal care	15.6x	18%	7%	9%	3.6%	-7.5%
Retailing	16.0x	3%	6%	11%	3.2%	-2.4%
Telecommunications	13.4x	19%	-9%	7%	5.7%	-12.6%
Utilities	12.8x	6%	-2%	6%	5.6%	-3.7%

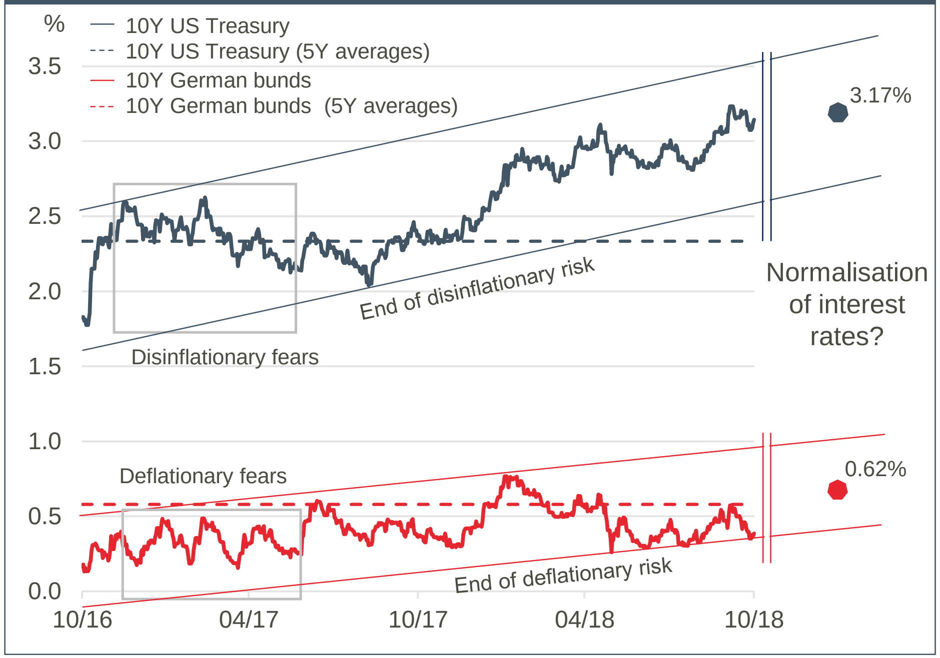
- Trade tensions continue to worsen, triggering a flight into defensive sectors, such as healthcare, services, and real estate.
- No change for the moment to earnings growth forecasts. Sectors that are the must exposed to global trade have been downgraded.
- The most globalised sectors (automotive and semiconductors) have been hit by the surge in protectionism.
- Oil continues to outperform on a YTD basis, despite OPEC’s talk of boosting daily production.
- The banking sector is still under pressure from political risks and the flattening of the US yield curve. A shift in PMI indicators could be a positive catalyst.
- Tech stocks have held up well despite the underperformance of semiconductors.

Source: ODDO BHF AM SAS, FactSet. Figures as of 31.10.2018

Fixed income – Rates

Rising rates trend in super slow motion

German & US 10 - year bond yields (over 2 years)



German & US 2yr - 10yr yield curve (over 2 years)

- 10-year Bund yields have wobbled in a narrow range recently. Italian angst and the equity sell-off have been overcompensated by a yield spike in US Treasuries. We expect a very gradual yield increase with many stops and rebounds along the way
- US-Treasuries lead the way in international rates as inflation risks are the highest. Although, the UST-Bund spread is at historical wides (276bp for 10-year) a catalyst for reversal is still missing

- Higher rates have resteepened US and EUR curves
- That may continue for a while longer as inflation in the US surfaces, but is only temporary
- Medium-term curves should flatten with much more potential for the Bund curve given the steepness of around 100bp

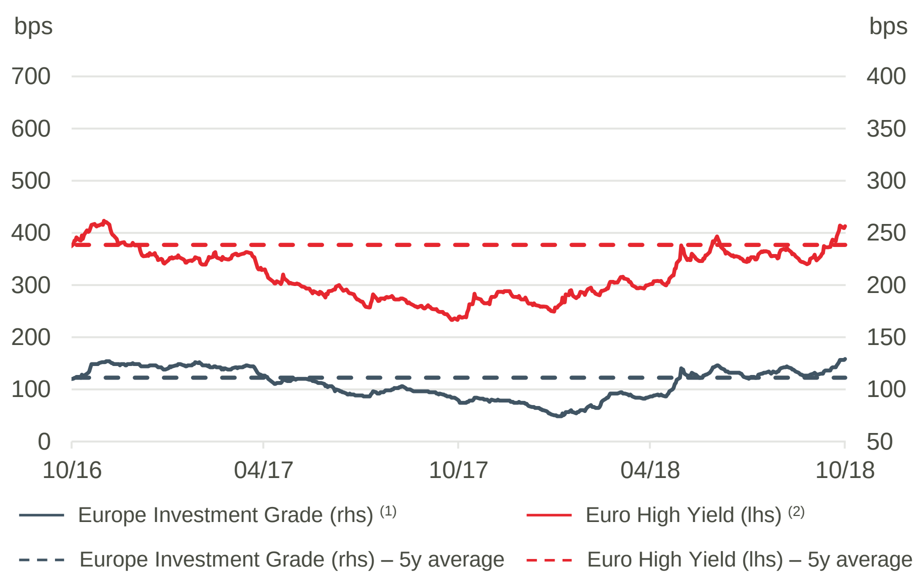
Past performance is not a reliable indicator of future performance and is not constant over time.

(1) Bloomberg Economic Forecast │Sources: ODDO BHF AM SAS, Bloomberg│LHS: Data as of 31/10/2018; RHS: Data as of 31/10/2018

Fixed income – Credit Spreads

Heydays for Credit are gone, but still carry to be earned

Credit spreads* IG & HY (over 2 year)

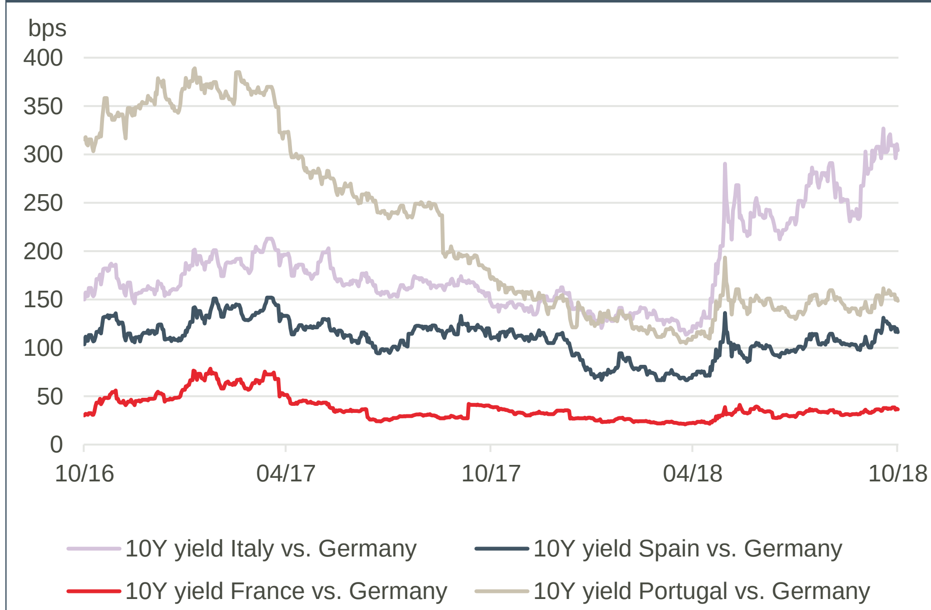


(1) BofA Merrill Lynch Euro Corporate Index (ER00)

(2) BofA Merrill Lynch European Currency High Yield Index (HP00)

- Credit will still be supported by positive credit metrics and a huge stock effect via balance sheet reinvestments
- Moreover, the steepness of the credit curve offers attractive carry
- At the current level, spreads have tightening potential, but a revisit of the lows is unlikely

Main Eurozone country spreads (over 2 years)



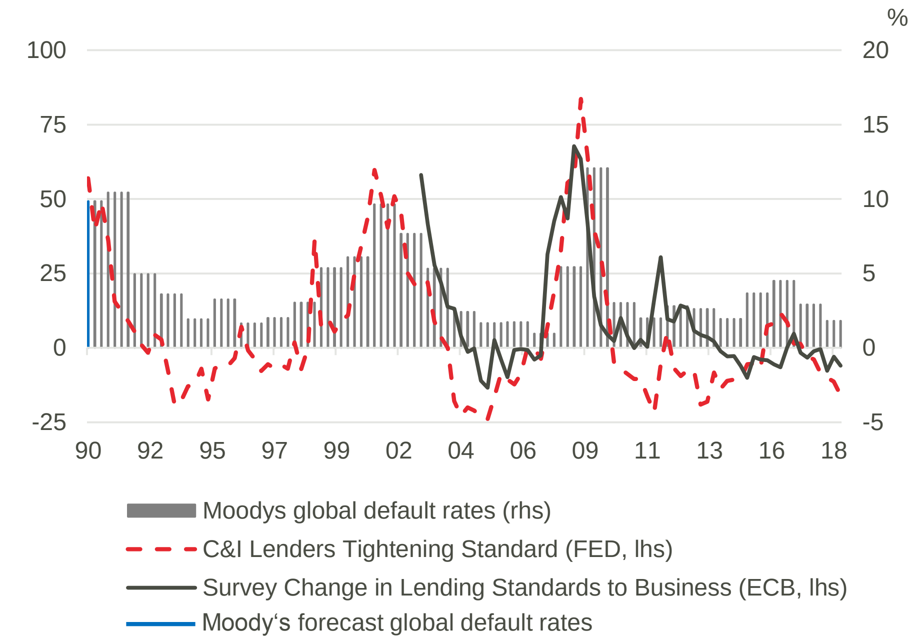
- Italian risk is still rather isolated as other countries' spreads barely moved
- Although Italy´s rating status has been downgraded, investors did not have to sell Italian Government Bonds as it has avoided the junk category.
- As the hedge crowd is rather short and positions mostly lean, spreads have some tightening potential
- However, the budget crash course with the EU will provide plenty of negative headlines and prevent spreads to tighten on a sustainable basis

Past performance is not a reliable indicator of future performance and is not constant over time.

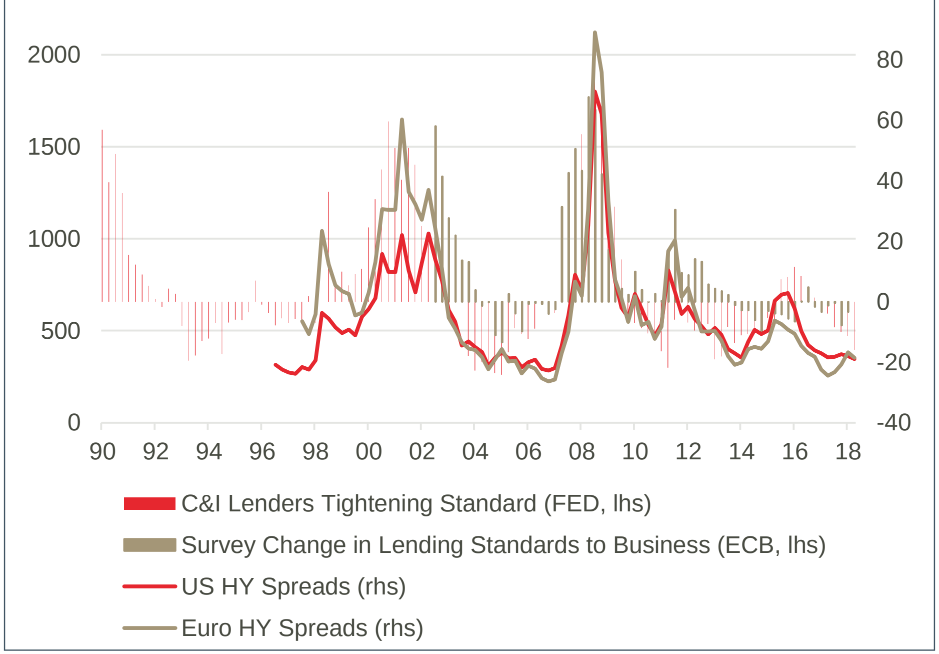
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2018

Commercial and industrial lending standards

Lending standards and default rate



Lending standards and spreads



- So far, no indication of significantly rising default rates
- Forecast of default rates per end of September 2019: global 1.8%

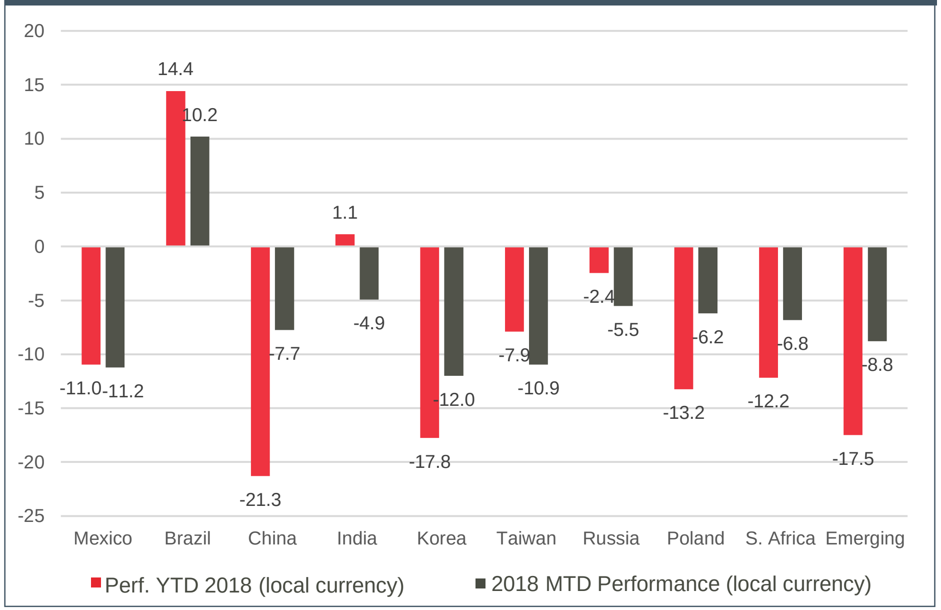
- Spreads and lending standards move paralelly

Source: Moody’s as of 30/09/2018, Fed, ECB, Bloomberg | Data as of 30/09/2018

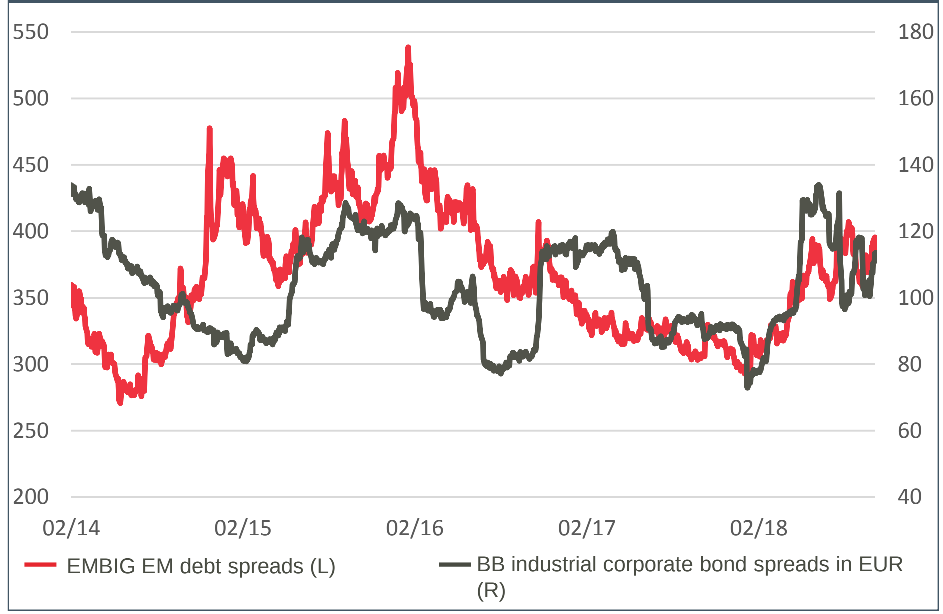
Emerging markets

Attractive valuations but mind the Trump-Xi gap

Equities performance on major emerging markets



EM debt spreads vs. BB industrial corporate bond spreads in EUR



- Emerging markets have shown some resilience during the stock rout in October
- Local currencies have regained some ground as investors remain short
- Outlooks hinge on some short term relief in the US-China trade war and a slightly softer FED
- Valuations appear attractive and undemanding exposure may even spark a short-term rally

Monthly Investment Brief

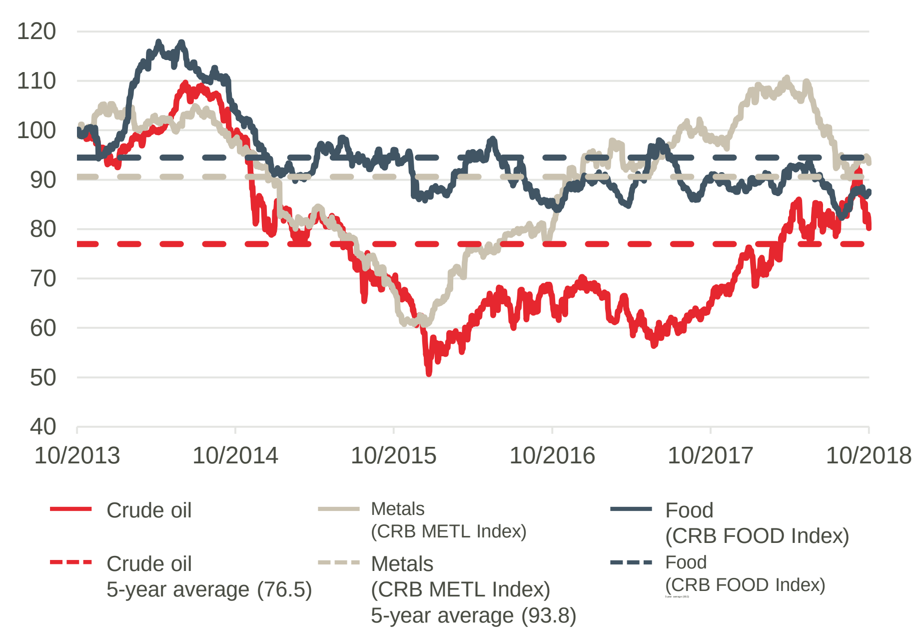
Past performances are not a reliable indicator of future performance and are not constant over time.

Sources: Bloomberg, ODDO BHF AM SAS | Data at 10/31/2018

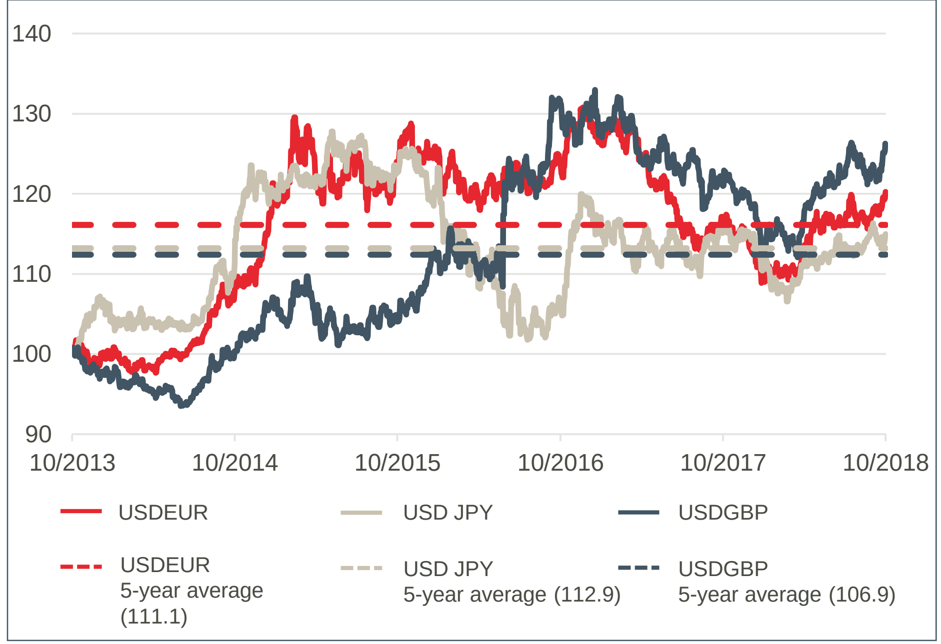
Currencies and commodities

Slippery Oil supports consumer demand

Commodities - Change over 5 years



Currencies - Change over 5 years



- Oil has tanked almost 18% from the end of September on higher inventories in the US and weaker Iran sanctions
- Stabilization is likely to be in a 65-70 range
- USD strengthens as investors dismiss the ECB policy normalization
- USD appreciation should enter the final stage with the FED tightening mostly priced in and the ECB mostly priced out

Past performances are not a reliable indicator of future performance and are not constant over time.

Sources: Bloomberg, ODDO BHF AM SAS | Data at 10/31/2018

Glossary

How performances are calculated	Cumulative fund performance is calculated based on dividends reinvested. Annualised performance is determined on an annual, 365-day actuarial basis. A fund's performance relative to its benchmark index is expressed as arithmetic difference. Static indicators are generally calculated on a weekly tick that is taken on Fridays, or failing that, on the day prior to valuation.
Volatility	Volatility is a risk indicator measuring the level of fluctuations observed in a portfolio (or index) over a defined period. It is calculated as annualised standard deviation of absolute returns within a defined period of time.
Credit spreads (credit premiums)	The credit spread is the risk premium or the difference between the yields of corporate bonds and that of sovereign bonds with the same characteristics.
Investment grade	Investment-grade bonds are bonds issued by issuers rated between AAA to BBB- by Standard & Poor's of the equivalent.
High yield	High-yield bonds are speculative bonds rated lower than BBB- (Standard & Poor's) or the equivalent.
PE (price-earnings ratio)	A stock's price-earnings ratio is equal to the stock's price divided by the issuing company's earnings per share. It is also called the "earnings multiple". It depends mainly on three factors: the company's forecast earnings growth, the risk associated with these forecasts, and the level of interest rates.

Contributors to this Monthly Investment Brief

Nicolas Chaput
Global CEO & Co-CIO
ODDO BHF AM

Emmanuel Chapuis
Co-head of fundamental equities
ODDO BHF AM

Armel Coville
Multi asset portfolio manager
ODDO BHF AM SAS

Pia Froeller
Head of asset allocation products
ODDO BHF FRANKFURT TRUST

Laurent Denize
Global Co-CIO
ODDO BHF AM

Agathe Schittly
Global head of Products, Marketing & Strategy
ODDO BHF AM

Bjoern Bender
Head of fixed income products
ODDO BHF AM Gmbh

Jérémy Tribaudeau
Product manager, equity
ODDO BHF AM SAS

Gunther Westen
Global Head of Asset Allocation
ODDO BHF AM

Laure de Nadaillac
Marketing & Strategy
ODDO BHF AM SAS

Maxime Dupuis
Convertible bond portfolio manager & analyst
ODDO BHF AM SAS

Philippe Vantrimpont
Fixed Income product specialist
ODDO BHF AM SAS

ODDO BHF Asset Management (ODDO BHF AM) is the asset management unit of the ODDO BHF group. ODDO BHF AM is the joint brand of three legally independent entities: ODDO BHF Asset Management SAS (France), ODDO BHF Asset Management GmbH (Germany) and ODDO BHF Private Equity (France).

The following document was produced by ODDO BHF ASSET MANAGEMENT SAS for promotional purposes. Dissemination of this document is under the responsibility of any distributor, broker or advisor. **Potential investors are invited to consult an investment advisor before subscribing to the fund regulated by the Autorité des Marchés Financiers (AMF), the Commission de Surveillance du Secteur Financier (CSSF) or the Federal Financial Supervisory Authority (BaFin). Investors are hereby informed that the funds incur a risk of loss of invested principle, as well as a number of risks incurred from investing in portfolio instruments and strategies. When investing in the fund, investors are required to read the Key Investor Information Document (KIID) or the fund prospectus, in order to obtain full information on the risks incurred.** The value of financial investments is subject to both upward and downward fluctuations, and it is possible that invested sums will not be returned in full. The investment must be in accordance with the investor's investment goals, investment horizon, and ability to cope with the risks incurred by the transaction. ODDO BHF AM assumes no liability for any direct or indirect damages of any sort resulting from the use of this document, or any portion thereof. Information is provided solely as an illustration and is subject to change at any time without prior notice.

Past performances are not a reliable indication or guarantee of future performances, which are subject to fluctuations over time. Performances are expressed on an after-fee basis, with the exception of any subscription fees that may be charged by the distributor, and of local taxes. The opinions expressed in this document reflect our market expectations at the time of publication. They are subject to change with market conditions and may under no circumstances incur the contractual liability of ODDO BHF ASSET MANAGEMENT SAS. The net asset values provided in this document are meant only as illustrations. Only the net asset value given on the transaction statement and account statement is binding. Fund subscriptions and redemption requests are made on the basis of a then-unknown net asset value.
The KIID and prospectus are available free of charge from ODDO BHF ASSET MANAGEMENT SAS or at am.oddo-bhf.com as well as from authorised distributors. The annual and interim reports are available free of charge from ODDO BHF ASSET MANAGEMENT SAS or on request from ODDO BHF Asset Management GmbH.

Please note that, effective from January 3, 2018, when OBAM provides investment advisory services, it always does so on a non-independent basis pursuant to the European Directive 2014/65/EU (so-called "MIFID II Directive"). Please also note that all recommendations made by OBAM are always provided for diversification purposes

ODDO BHF Asset Management SAS (France)

A portfolio management firm certified by the French Financial Markets Authority (AMF) under n°GP 99011. Established in the form of a simplified joint-stock company
with authorised capital of €7,500,000. Entered into the Paris Register of Trade and Companies under number 340 902 857.

12. boulevard de la Madeleine - 75440 Paris Cedex 09, France - Tel. : 33 (0)1 44 51 85 00

Notes