

October 31, 2019

ODDO BHF Credit Opportunities


CN-EUR - Eur | FIXED INCOME - TOTAL RETURN - MULTI ASSET CREDIT

Assets Under Management 206 M€

NAV per Unit 102.94€

Evolution vs M-1 -0.13€

Morningstar category : Alt - Long/Short Debt



Risk/return scale (1)

Countries in which the fund is authorised for distribution to the public:

Note: The Fund's investment strategy was amended on 30 December 2016. Therefore, performances and indicators from before this date do not reflect the strategy subsequently pursued for the Fund.

Portfolio Managers
Bastian GRIES, Matthias LACKMANN, Haiyan DING
Key features
Recommended investment horizon: 3 Years

Inception date of the fund: 9/7/18

Initial date of performance: 12/14/17

Legal structure	Sub-fund of the ODDO BHF Luxembourg Umbrella (UCITS)
ISIN code	LU1752460706
Bloomberg code	ODCPCN LX
Currency	Euro
Dividend policy	Accumulation units
Minimum (initial) investment	100 EUR
Subscription fees	5 % (maximum)
Redemption fees	Nil
Management fees	annual rate of a maximum of 0.70%, payable monthly and calculated based on the Sub-fund's average net assets for the month in question.
Performance fees	10% (inclusive of taxes) of the Sub-fund's outperformance relative to its comparison index EONIA +2% (capitalised), provided that the Subfund's performance is positive.
Ongoing charges	0.91%
Management company	ODDO BHF AM SAS
Management company (by delegation)	ODDO BHF AM GmbH
Custodian	Caceis Bank Luxembourg (Luxembourg) Caceis Bank Lux
Administration and Accounting	
Subscriptions/ redemptions	11:15am D
NAV calculation frequency	Daily

Technical and risk indicators*

	1 year	3 years
Sharpe ratio	1.38	
Fund		
Yield**		1.58%
OAS Spread (bp)		140
Average maturity (year)		5.51
Modified duration to worst		2.86
Spread duration (to worst)		5.09

Investment strategy

The investment objective is to outperform the EONIA index +2% (capitalised), net of fees, on an annual basis, with an ex-post volatility target of maximum 5%. The Sub-fund does not have a benchmark. Given the Fund's discretionary management style, its management is not linked to any index.

Annual performance (rolling 12 months)

from				10/31/18
to				10/31/19
Fund				3.7%

Past performance is not an indication of future results. Performance may vary over time.

Up to 30 December 2016, the benchmark was the Barclays Eur Agg Corps TR EUR. From 30 December 2016, the fund does not have a benchmark index.

Calendar performance (from January 01 to December 31)

					2018
Fund					-4.6%

Performance Analysis

	Annualized performance			Cumulative performance					
	3 years	5 years	Inception	1 month	YTD	1 year	3 years	5 years	Inception
Fund			0.79%	-0.13%	6.10%	-			-

Change in performance since inception (base 100)

Annualized volatility

	1 year	3 years	5 years
Fund	2.53%		

The Yield to Maturity (YTM) is the estimation at a certain date of the expected rate of return of a bond portfolio if the securities are held to maturity. It does by no means constitute a promised return. It can, therefore, be affected by interest rate risks, default risks, reinvestment risks and the fact that bonds may not be held until maturity.

The Yield to worst (YTW) is the estimation at a certain date of the worst expected rate of return of a bond portfolio of which some of the securities would not be held until maturity but redeemed at the discretion of the issuer (call). It does by no means constitute a promised return. It can, therefore, be affected by interest rate risks, default risks, reinvestment risks and the fact that bonds may not be held until maturity.

Futures and options are not included in the calculation of the yield. The Yield to Maturity is calculated before currency hedging. The Yield to Worst is calculated after currency hedging.

*Definitions of the financial indicators used are available for download on the website www.am.oddo-bhf.com under the heading "Regulatory information".

Sources : ODDO BHF AM SAS, Bloomberg, Morningstar®

The performance shown is that of the "Oddo Credit Opportunities" (launched on 13 December 2013) which was absorbed by the "Oddo BHF Credit Opportunities" (a sub-fund of Oddo BHF, a SICAV established under Luxembourg law) effective from 10 September 2018. The "Oddo BHF Credit Opportunities" pursues exactly the same investment strategy and the same investment objective as the "Oddo Credit Opportunities". The fund management team and the fee structure also remain unchanged.

(1) Risk/return scale in a range from 1 (lowest risk) to 7 (highest risk). This indicator is not constant and is updated if the risk/reward profile of the fund changes over time. The lowest category does not mean a risk-free investment. Historical data, such as is used to calculate the risk/return ratio, may not be a reliable indication of the future risk profile of the Fund. There is no guarantee that the management objectives in terms of risk and return will actually be met.

ODDO BHF Credit Opportunities

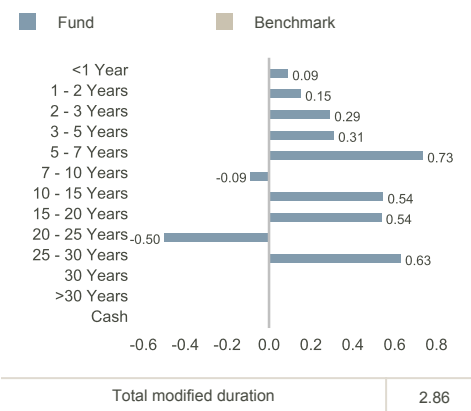


CN-EUR - Eur | FIXED INCOME - TOTAL RETURN - MULTI ASSET CREDIT

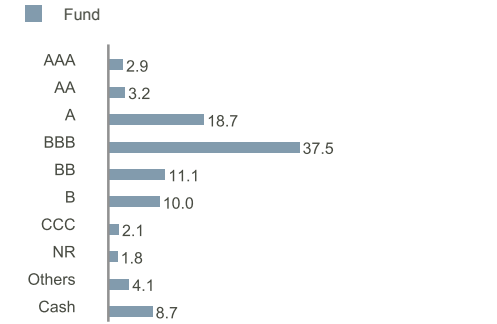
Contribution to modified duration by segment

Segments	Weight	Modified duration to worst	Spread duration (to worst)
Investment Grade	53.9%	3.02	3.02
High Yield	22.6%	0.68	0.68
Cash	8.6%	0.00	0.00
Government Bonds	6.3%	0.72	0.72
Emerging Markets Bonds	4.1%	0.20	0.00
Quasi Government Bonds	2.5%	0.39	0.39
Covered Bonds	2.1%	0.28	0.28
Overlay	0.1%	-2.43	0.00
Total	100.0%	2.86	5.09

Contribution to modified duration by maturity



Breakdown by rating



The breakdown takes into consideration the rating of the issuer or the guarantor in the case of unrated issues.

Portfolio manager comment

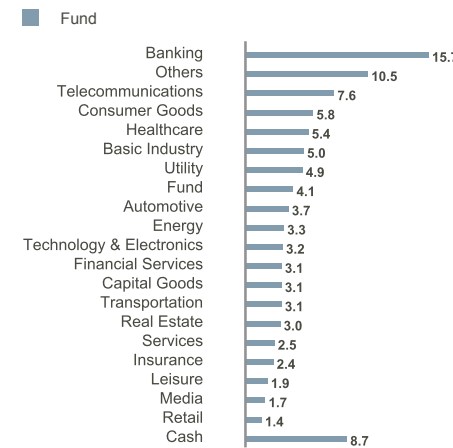
Credit markets recovered in October as weak macroeconomic data were offset by further monetary stimulus going forward. The Euro area manufacturing PMI fell 1.3-points to 45.7 which was the eighth successive month of decline in activity. However, ECB officials underlined that an extended slowdown and slower inflation convergence require a prolonged accommodation supporting credit markets. The reporting season started positively for Investment Grade except for some cyclical segments whereas High Yield issuers posted mixed results so far. In this environment High Yield spreads underperformed while subordinated bonds performed strongly. Overall the Investment Grade market tightened by 9bps while High Yield spreads increased by 19bps over the course of the month.

During the month, interest rates increased. 10yr German Bund yields rose from -0.57% to -0.40%. As a result, absolute returns for government bonds were negative with -1.07%, and also for IG Corporates the positive return impact from spread tightening was more than offset by the increase in interest rates resulting in an absolute performance of -0.23%. High Yield returned -0.22% due to the overall increase in spreads. In contrast to that, subordinated bonds from both corporate as well as financial issuers benefited from the strong market sentiment for these segments.

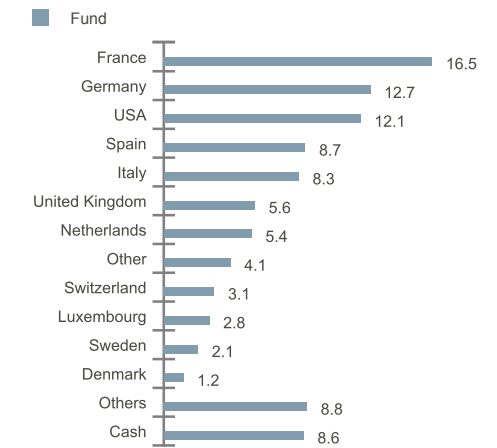
Due to an increasing number of idiosyncratic events in the High Yield market, we further reduced High Yield investments while we also took profit in government bonds. On the other hand, we partially re-invested the cash in Investment Grade Senior bonds participating in several new issues. Overall, the cash position was increased over the course of the month.

In addition to a strong performance of the subordinated bond segment, the fund also benefited from reducing portfolio duration to below 3 years over the course of the month.

Sector breakdown (%)



Geographic breakdown (%)



Main portfolio Currencies after hedge (%)

EUR : 100.18%, GBP : -0.02%, USD : -0.16%

Main portfolio holdings

Security name	Weight	Rating	Sector	Country
Buoni Poliennali Del Tes 2.70% 03/2047	1.5%	BBB	Sovereign	Italy
Bonos Y Oblig Del Estado 1.45% 04/2029	1.4%	A	Sovereign	Spain
Enel Finance Intl Nv 0.00% 06/2024	1.3%	BBB	Utility	Italy
Bonos Y Oblig Del Estado 1.50% 04/2027	1.3%	BBB	Sovereign	Spain
Roadster Finance Dac 1.63% 12/2024	1.3%	BBB	Transportation	Germany
Ubisoft Entertainment Sa 1.29% 01/2023	1.2%	NR	Techn. & Electronics	France
Vonovia Finance Bv 0.75% 01/2024	1.1%	BBB	Real Estate	Germany
Bpce Sa 1.13% 01/2023	1.1%	BBB	Banking	France
Glencore Finance Europe 1.88% 09/2023	1.0%	BBB	Basic Industry	Switzerland
Abbott Ireland Financing 1.50% 09/2026	0.9%	BBB	Healthcare	USA
Number of holdings (except overlay)	258		Number of issuers	207

RISKS: The fund is exposed to the following risks : risk of capital loss, interest rate risk, credit risk, risk associated with discretionary management, risk associated with commitments on forward financial instruments, counterparty risk, risks associated with portfolio concentration, liquidity risk of underlying assets, risk associated with high yield bonds, emerging markets risk, risks associated with securities financing transactions and collateral management, modelling risk and on an ancillary basis currency risk, risk associated with currency conversion

DISCLAIMER : This document has been drawn up by ODDO BHF ASSET MANAGEMENT SAS for market communication. Its communication to any investor is the responsibility of each promoter, distributor or advisor. Potential investors are invited to consult an investment advisor before subscribing to the fund regulated by the Commission de Surveillance du Secteur Financier (CSSF) Luxembourg. The investor is informed that the fund presents a risk of capital loss, but also many risks linked to the financial instruments/strategies in the portfolio. In case of subscription, investors must consult the Key Investor Information Document (KIID) and the fund's prospectus in order to acquaint themselves with the detailed nature of any risks incurred. The value of the investment may vary both upwards and downwards and may not be returned in full. The investment must be made in accordance with investors' investment objectives, their investment horizon and their capacity to deal with the risk arising from the transaction. ODDO BHF ASSET MANAGEMENT SAS cannot be held responsible for any direct or indirect damages resulting from the use of this document or the information contained in it. This information is provided for indicative purposes and may be modified at any moment without prior notice. Investors are reminded that past performance is not a reliable indication of future returns and is not constant over time. Performances are presented net of fees except the potential subscription fee charged by the distributor and the local taxes. Any opinions presented in this document result from our market forecasts on the publication date. They are subject to change according to market conditions and ODDO BHF ASSET MANAGEMENT SAS shall not in any case be held contractually liable for them. The net asset values presented in this document are provided for indicative purposes only. Only the net asset value marked on the transaction statement and the securities account statement is authoritative. Subscriptions and redemptions of mutual funds are processed at an unknown asset value. The Key Investor Information Document (DEU, ESP, FR, GB, IRL, POR, SWD) and the prospectus (FR, GB) are available free of charge from ODDO BHF ASSET MANAGEMENT SAS or at am.oddo-bhf.com or at authorized distributors. The annual and interim reports are available free of charge from ODDO BHF ASSET MANAGEMENT SAS or on its internet site am.oddo-bhf.com. The fund is licensed for sale in Switzerland. The Key Investor Information Document, the prospectus, the annual and interim reports for Switzerland can be obtained free of charge from the Swiss Representative and paying agent BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland.

ODDO BHF Asset Management SAS

Portfolio management company incorporated as a société par actions simplifiée (simplified joint -stock company), with capital of €9,500,000. Approved by the AMF under number GP 99011. Trade Register (RCS) 340 902 857 Paris. 12 boulevard de la Madeleine – 75440 Paris Cedex 09 France – Phone: 33 (0)1 44 51 85 00

www.am.oddo-bhf.com