

October 31, 2019

# ODDO BHF Active Micro Cap



CR-EUR - Eur | FUNDAMENTAL EQUITIES - SMALL CAP - EUROPE - OPPORTUNITIES

Assets Under Management	49.6 M€
NAV per Unit	95.32€
Evolution vs M-1	1.60€



Risk/return scale (1)

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

### Portfolio Managers

**Guillaume CHIEUSSE, Maxime PRODHOMME,**  
**Antoine**  
**AUGIER DE LAJALLET**

### Key features

**Benchmark:** 100% MSCI Europe Micro Cap Net Return Hedged EUR

**Recommended investment horizon:** 5 Years

**Inception date of the fund:** 8/7/17

**Initial date of performance:** 8/7/17

<b>Legal structure</b>	French FCP
<b>ISIN code</b>	FR0013266244
<b>Bloomberg code</b>	ODDAMCR FP
<b>Currency</b>	Euro
<b>Dividend policy</b>	Accumulation units
<b>Minimum (initial) investment</b>	100 EUR
<b>Subscription fees</b>	4 % (maximum)
<b>Redemption fees</b>	Nil
<b>Management fees</b>	Up to 2.40% (inclusive of tax) of the net assets
<b>Performance fees</b>	20% (inclusive of taxes) of the Fund's outperformance relative to the benchmark provided that the Fund's performance is positive.
<b>Ongoing charges</b>	2.57%
<b>Management company</b>	ODDO BHF AM SAS
<b>Custodian</b>	ODDO BHF SCA, France (Paris)
<b>Administration and Accounting</b>	EFA
<b>Subscriptions/ redemptions</b>	11:15AM, on Wednesday D+2
<b>NAV calculation frequency</b>	Weekly
<b>Transaction fees</b>	Transaction fees are listed in the prospectus and may be applied in addition to the fees shown above.

### Technical and risk indicators\*

	1 year	3 years
Jensen's Alpha	3.57%	
Sharpe ratio	0.21	
Information ratio	0.52	
Tracking Error	6.70%	
Beta	1.41	
Correlation	0.93	

### Investment strategy

The strategy is based on an investment process developed by the "micro and small caps" team. The Fund shall invest between 75% and 100% of its net assets in shares of companies across all sectors, headquartered in the European Union or in the European Economic Area, and with a market capitalisation of between EUR 75 million and EUR 750 million (at the time they are first added to the portfolio). These issuing companies will meet the criteria established for companies to be eligible for the PEA-PME French equity savings plan. The management strategy implemented is a discretionary investment strategy based on stock-picking and a rigorous procedure for selecting stocks. It favours companies whose income growth is above the market average (according to our analysis), is careful to purchase stocks with a reasonable valuation and analyses specific cases such as target companies for mergers and acquisitions.

### Annual performance (rolling 12 months)

from		10/31/17	10/31/18
to		10/31/18	10/31/19
<b>Fund</b>		-16.0%	9.1%
Benchmark		-6.6%	1.6%

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

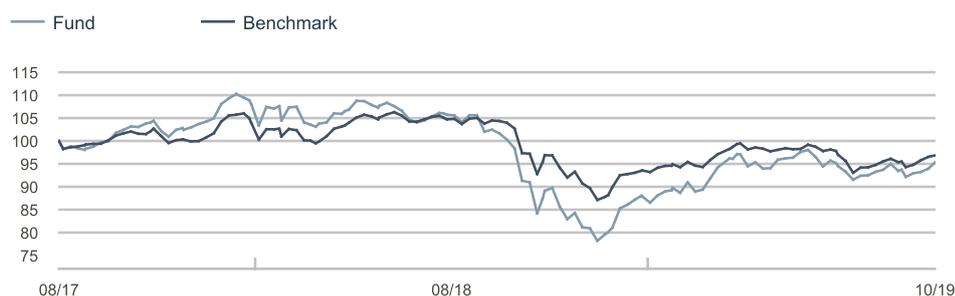
### Calendar performance (from January 01 to December 31)

	2018
<b>Fund</b>	-23.7%
Benchmark	-13.3%

### Performance Analysis

	Annualized performance			Cumulative performance					
	3 years	5 years	Inception	1 month	YTD	1 year	3 years	5 years	Inception
<b>Fund</b>			-2.1%	1.7%	19.0%	-			-
Benchmark			-1.4%	1.4%	9.8%	-			-

### Change in performance since inception (base 100)



### Annualized volatility

	1 year	3 years	5 years
<b>Fund</b>	14.80%		
Benchmark	9.78%		

\*Definitions of the financial indicators used are available for download on the website [www.am.oddo-bhf.com](http://www.am.oddo-bhf.com) under the heading "Regulatory information".

Sources : ODDO BHF AM SAS, Bloomberg, Morningstar®

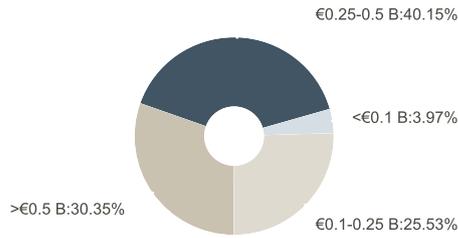
(1) Risk/return scale in a range from 1 (lowest risk) to 7 (highest risk). This indicator is not constant and is updated if the risk/reward profile of the fund changes over time. The lowest category does not mean a risk-free investment. Historical data, such as is used to calculate the risk/return ratio, 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 Active Micro Cap



CR-EUR - Eur | FUNDAMENTAL EQUITIES - SMALL CAP - EUROPE - OPPORTUNITIES

### Market cap breakdown



Average capitalization: 0.4 Billions €

### Portfolio manager comment

The markets started October in the red owing to the poor economic statistics published in Europe and the United States. However, a rapid recovery brought gains of 1.08% for the EURO STOXX 50 NR, 0.50% for the DJ STOXX 50 NR and 2.14% for the MSCI Europe Smid Cap NR by the end of the month. The rise was largely driven by cyclical, while the automotive sector deserves a special mention for rallying by 6.9% over the month.

Grounds for optimism were all interlinked: the prospect of (at the very least) a trade deal between the United States and China, the long-awaited Brexit deal reached thanks to a compromise on a trade border between the European Union and the UK down the Irish Sea, a strong start to the quarterly reporting season, and lastly ongoing accommodative policy at central banks. A prime example of the latter came at the end of the month when the Fed announced its third rate cut.

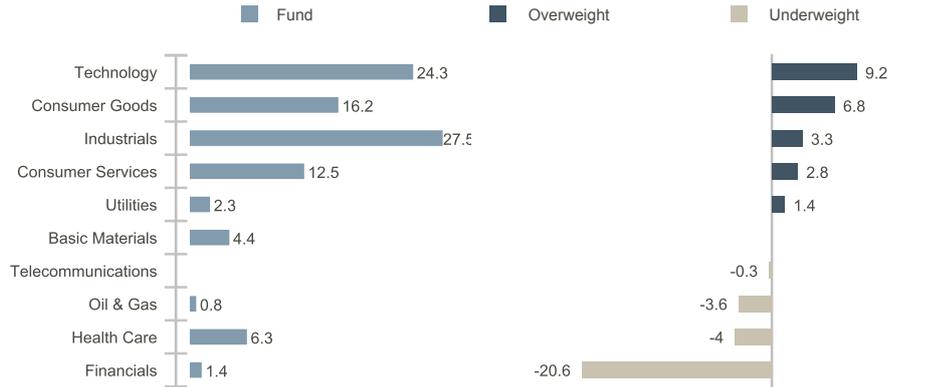
In the United States, the S&P 500 and the Nasdaq hit record highs. In addition to the widespread income growth generated by the US economy, which has paved the way for the emergence of new giants in the technology and health care sectors over the last two decades, the indices are receiving a boost from stock buybacks, which were worth in excess of USD 1 trillion again this year. For example, the consolidated income of Apple Inc. may have been USD 55.3 billion for the financial year ended 30 September 2019, but the company has only grown by 3% over the last four years. Meanwhile, EPS has leapt by 28%.

Of the stocks representing more than 1% of the portfolio, the following posted gains of more than 5%: Revenio Group (health care, Finland), GoCompare Group (communications, UK) and Detention Technology (technology, Finland). Conversely, Nabaltec (chemicals, Germany), Française de l'Energie (energy, France) and Mips (technology, Sweden) posted some of the sharpest falls.

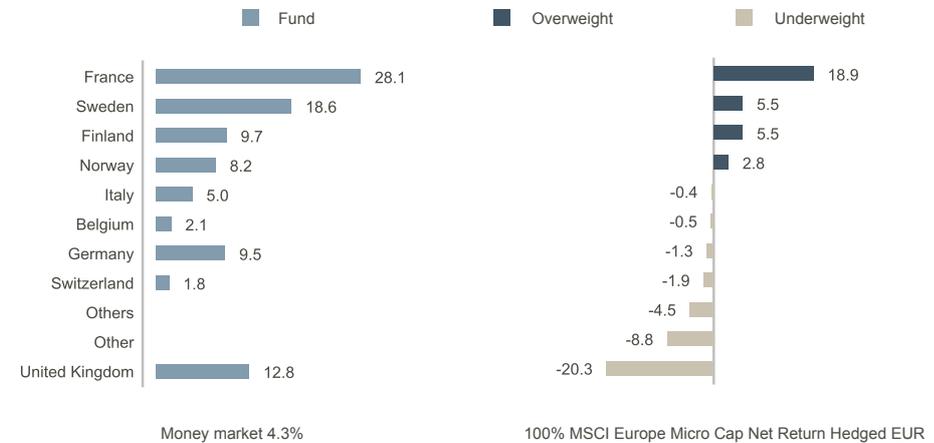
The fund favours companies with undervalued growth profiles offering an attractive risk/return ratio. The average stock market capitalisation is around EUR 400 million.

This month, we wish to highlight one of our long-standing positions: Revenio. The Finnish medtech group develops and sells screening tools such as those used for detecting early signs of glaucoma. In April 2019, Revenio announced a key acquisition. It was purchasing CenterVue – an Italian company that develops and sells ophthalmic tools that complement the group's existing product range. This acquisition has allowed Revenio to expand beyond glaucoma into other ocular diseases (e.g. age-related macular degeneration). The group's Q3 results were very strong (above expected levels), showing that the Italian company had been integrated seamlessly and the move was already paying off. We remain confident in the group's ability to continue to perform well in its core areas while also drawing on the complementary products and services provided by CenterVue (leveraging its distribution network).

### Sector breakdown: portfolio vs benchmark (%)



### Geographic breakdown: portfolio vs benchmark (%)



### Main equity portfolio holdings

Security name	Weight*	Weight**	Sector	Country
Talenom Oyj	2.44%	0.13%	Industrials	Finland
Sesa Spa	2.33%		Technology	Italy
Albioma Sa	2.28%		Utilities	France
Tokmanni Group Corp	2.23%		Consumer Services	Finland
Addnode Ab	2.10%		Technology	Sweden
Garo Ab	2.03%	0.13%	Industrials	Sweden
Johnson Service Group Plc	2.02%		Industrials	United Kingdom
Mgi Digital Graphic Technolo	1.98%	0.28%	Industrials	France
Ekf Diagnostics Holdings Plc	1.95%	0.10%	Health Care	United Kingdom
Sinch Ab	1.93%		Technology	Sweden
Number of equity holdings		69	* Fund	** Benchmark

**RISKS:** The fund is exposed to the following risks : risk of capital loss, equity risk, interest rate risk, credit risk, risk associated with discretionary management, risk associated with commitments on forward financial instruments, counterparty risk, liquidity risk of underlying assets, risk associated with holding small and medium capitalisations, risks associated with securities financing transactions and collateral management and on an ancillary basis currency risk, emerging markets risk

**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 Autorité des Marchés Financiers (AMF). 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, FR, GB, IRL) and the prospectus (FR, GB) are available free of charge from ODDO BHF ASSET MANAGEMENT SAS or at [am.oddo-bhf.com](http://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](http://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, RBC INVESTOR SERVICES BANK, succursale de Zurich, Bleicherweg 7, 8027 Zurich.

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](http://www.am.oddo-bhf.com)