

October 31, 2019

ODDO BHF Haut Rendement 2025


DN-EUR - Eur | FIXED INCOME - TOTAL RETURN - TARGET MATURITY

Assets Under Management 988 M€

NAV per Unit 98.37€

Evolution vs M-1 -1.33€

Morningstar category : Fixed Term Bond



Risk/return scale (1)

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

The fund is closed for subscriptions since 30/09/2019

Portfolio Managers

Olivier BECKER, Victoire DUBRUJEAUD

Key features

Recommended investment horizon: 8 Years

Inception date of the fund: 1/12/18

Initial date of performance: 4/18/18

Legal structure	French FCP
ISIN code	FR0013300761
Bloomberg code	
Currency	Euro
Dividend policy	Distribution units
Minimum (initial) investment	1 thousandth of a unit
Subscription fees	4 % (maximum)
Redemption fees	Nil
Management fees	Up to 0.70% of the net assets, inclusive of tax
Performance fees	10%, inclusive of tax, of the fund's outperformance, provided that the annual performance exceeds 3.75%
Ongoing charges	0.69%
Management company	ODDO BHF AM SAS
Advisory company	ODDO BHF AM GmbH
Custodian	ODDO BHF SCA, France (Paris)
Administration and Accounting	EFA
Subscriptions/ redemptions	11:15am D
NAV calculation frequency	Daily
Transaction fees	Transaction fees are listed in the prospectus and may be applied in addition to the fees shown above.

Technical indicators*

	Fund
% invested	98.2%
Yield to Maturity (cash excluded)**	4.50
Yield to worst**	3.92
Average maturity (year)	5.09
Modified duration	2.83
OAS Spread (bp)	391

Investment strategy

The Fund's investment strategy is to manage, on a discretionary basis, a diversified portfolio of debt securities composed, up to a limit of 100%, of traditional, high yield bonds rated between BB+ and CCC+ (by Standard & Poor's or equivalent, or using the Management Company's internal rating), of which at least 60% are issued by corporate issuers with their registered office in Europe and with maturities of a maximum of six months and one day after 31 December 2025 (final maturity of the product or early redemption options at the Fund's discretion). In any event, the Fund may not invest more than 10% of the net assets in securities rated CCC+.

Annual performance (rolling 12 months)

from					10/31/18
to					10/31/19
Fund					3.0%

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

Calendar performance (from January 01 to December 31)

	2014	2015	2016	2017	2018
Fund	-	-	-	-	-

Performance Analysis

	Annualized performance			Cumulative performance					
	3 years	5 years	Inception	1 month	YTD	1 year	3 years	5 years	Inception
Fund			0.86%	-1.33%	7.01%	-			-

Change in performance since inception (base 100)

Annualized volatility

	1 year	3 years	5 years
Fund	5.05%		

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.

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.

*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®

(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.

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Contribution to modified duration by rating

	Rating			Total
	BB	B	Others	
Bond	1.51	1.10	0.22	2.84
Interest rate future				
Modified duration (after hedging)	1.51	1.10	0.22	2.84

Portfolio manager comment

In mid-October, after months of trade tensions, Donald Trump announced that the US and China had reached a partial trade deal, postponing the planned increase in tariffs on USD 250 billion of Chinese imports. However, this "mini deal" is still only provisional. In Europe, the United Kingdom was granted an additional three-month extension to get the withdrawal agreement through parliament and called general elections for 12 December. Initial GDP growth figures for Q3 indicate stable (albeit moderate) growth in the US, France, Italy and the Euro Zone. Economic data in the Euro Zone continued to worsen, though, with the manufacturing PMI figures in October signalling the sector's second-largest contraction for seven years. In terms of monetary policy, the Fed lowered its rates by 25 bps in October, whereas the ECB maintained the status quo at Mario Draghi's last meeting at the institution's helm.

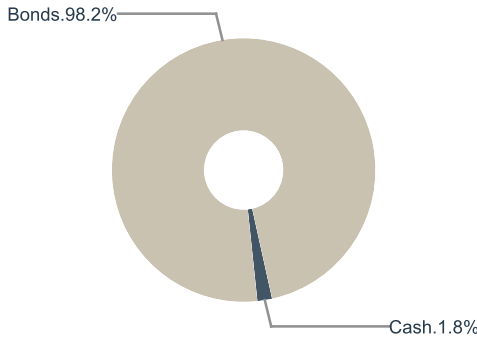
Bolstered by hopes of an end to the trade war and despite a somewhat lacklustre Q3 reporting season, bond yields spiked (+17 bps to 1.8% for the US 10-year yield, +22 bps to -0.35% for the German 10-year yield) as investors turned away from safe haven assets. On the credit market, the iTraxx Xover index widened by 7 bps to 239 bps over the month, whereas the iTraxx Main narrowed by 3 bps to 114 bps.

In a context of rallying equity markets (+0.9% for the STOXX 600), the high yield market bucked the trend by contracting (-0.25%) as a result of substantial underperformance by the services (-1.7%), retail (-1.7%) and consumer goods (-1.0%) sectors. Conversely, health care rallied strongly (+2.3%). Lastly, within the high yield segment, we should note the differing performances of issuers rated BB (+0.15%) and those rated B (-0.72%).

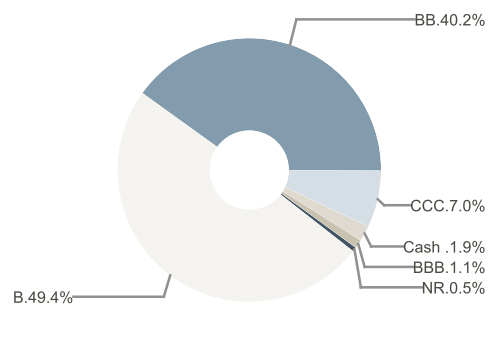
The primary market remained buoyant in October, so we took part in new issues by WIND Hellas, EG Group, OCI and Nexi. We also continued to reduce the portfolio's idiosyncratic risk by reducing our exposure to Codere, Rekeep and Jaguar. We sold all of our positions in Nordex and Aston Martin.

The worldwide slowdown in industrial activity is now affecting the results published by a number of companies and leading to reduced visibility in terms of future performance. In the context of a macroeconomic slowdown and persistently high levels of idiosyncratic risk, we remain cautious and selective in our investments.

Breakdown by asset class

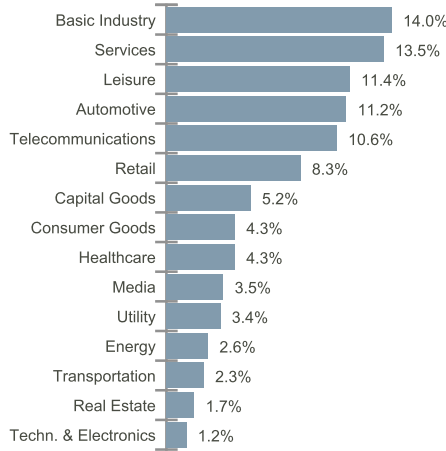


Breakdown by rating

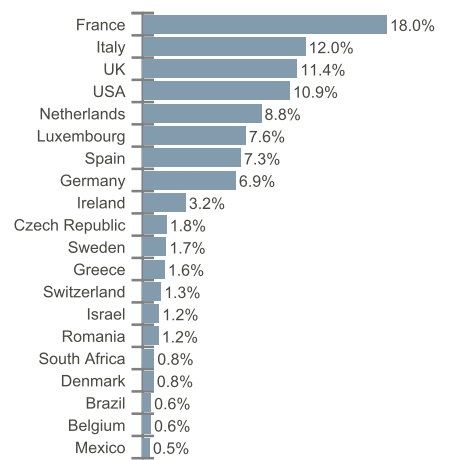


The breakdown takes into consideration the rating of the issuer or the guarantor in the case of unrated issues.

Sector breakdown



Geographic breakdown



Main portfolio issuers

Issuer	Weight	Sector	Country
TELECOM ITALIA SPA	2.11%	Telecommunications	Italy
PPF ARENA 1 BV	1.84%	Telecommunications	Netherlands
INTERNATIONAL GAME TECH	1.83%	Leisure	USA
LHMC FINCO SARL	1.62%	Leisure	Spain
WILLIAM HILL PLC	1.60%	Leisure	UK
LOXAM SAS	1.58%	Services	France
UNITED GROUP BV	1.54%	Media	Netherlands
SPIE SA	1.53%	Services	France
EUROPCAR MOBILITY GROUP	1.47%	Services	France
REXEL SA	1.46%	Basic Industry	France
Number of holdings		142	

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 and on an ancillary basis currency risk

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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