

October 31, 2019



# ODDO BHF Euro Corporate Bond

DI-EUR - Eur | FIXED INCOME - CREDIT - TRADITIONAL EURO

Assets Under Management 497 M€  
 NAV per Unit 12.35€  
 Evolution vs M-1 -0.01€

Morningstar category :  
 EUR Corporate Bond  
 ★★★★★ Morningstar™ at 9/30/19



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

FR LUX AUT IT CHE DEU PRT ESP SWE GBR FIN  
 NOR

Accredited investor only: SGP

The ESG approach consists in selecting companies with the best environmental, social and governance policies by favouring the best-rated issuers within an investment universe in terms of non-financial criteria (Best in Universe) and/or issuers showing an improvement in their ESG practices over time (Best Effort).

## Portfolio Managers

Bastian GRIES, Maik OHM, Matthias LACKMANN

## Key features

Benchmark: IBoxx € Corporates (TR)  
 Recommended investment horizon: 3 to 5 Years  
 Inception date of the fund: 3/13/02  
 Initial date of performance: 8/29/02

Legal structure	Sub-fund of the ODDO BHF Luxembourg Umbrella (UCITS)
ISIN code	LU0145975149
Bloomberg code	WESECBB LX
Currency	Euro
Dividend policy	Distribution units
Minimum (initial) investment	250000 EUR
Subscription fees	2 % (maximum)
Redemption fees	0.5 % (maximum)
Management fees	annual rate of a maximum of 0.45%, payable quarterly and calculated based on the Sub-fund's average net assets for the month in question.
Performance fees	N/A
Ongoing charges	0.52%
Management company	ODDO BHF AM SAS
Management company (by delegation)	ODDO BHF AM GmbH
Custodian	Caceis Bank Luxembourg (Luxembourg)
Administration and Accounting	Caceis Bank Lux
Subscriptions/ redemptions	4:00pm, D
NAV calculation frequency	Daily

## Technical and risk indicators\*

	3 years	5 years
Tracking Error	0.35%	0.52%
Sharpe ratio	1.20	1.22
Information ratio	0.01	0.00

	Fund
Yield to Maturity	0.99%
Yield to worst	0.64%
Modified duration to maturity	4.87
Average maturity (year)	6.02

Technical and risk indicators are shown in portfolio currency (in Euro)

## Investment strategy

The fund's objective is to achieve an appropriate return by investing primarily in Euro-denominated corporate bonds of investment grade quality. The fundamentally driven investment process is complemented by ESG integration. A proprietary scoring system evaluates environmental, social and governance criteria and impacts portfolio construction to limit exposure to higher risk issuers and to ensure the overall ESG quality of the portfolio.

## Annual performance (rolling 12 months)

from	10/31/14	10/30/15	10/31/16	10/31/17	10/31/18
to	10/30/15	10/31/16	10/31/17	10/31/18	10/31/19
Fund	0.6%	4.8%	2.9%	-2.0%	6.4%
Benchmark	0.4%	5.1%	2.3%	-1.2%	6.1%

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

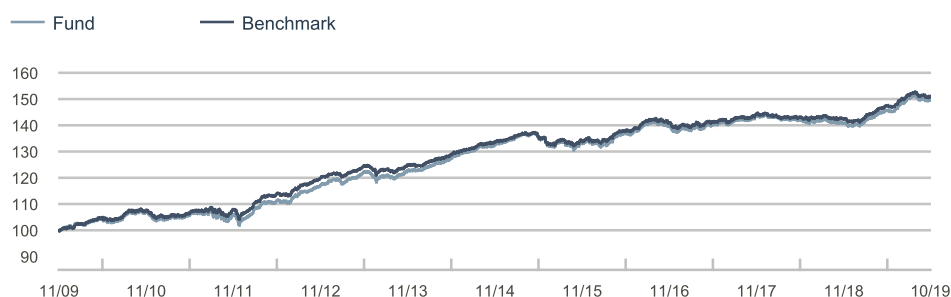
## Calendar performance (from January 01 to December 31)

	2014	2015	2016	2017	2018
Fund	9.2%	-0.9%	4.4%	3.0%	-2.0%
Benchmark	8.3%	-0.7%	4.7%	2.4%	-1.3%

## Performance Analysis

	Annualized performance			Cumulative performance					
	3 years	5 years	10 years	1 month	YTD	1 year	3 years	5 years	10 years
Fund	2.40%	2.50%	4.13%	-0.11%	6.82%	6.45%	7.39%	13.14%	49.87%
Benchmark	2.36%	2.50%	4.22%	-0.18%	6.63%	6.12%	7.24%	13.16%	51.15%

## 10-year change in performance (base 100)



## Annualized volatility

	1 year	3 years	5 years
Fund	2.14%	2.07%	2.31%
Benchmark	2.08%	2.03%	2.18%

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](http://www.am.oddo-bhf.com) under the heading "Regulatory information".

Sources : ODDO BHF AM SAS, Bloomberg, Morningstar®

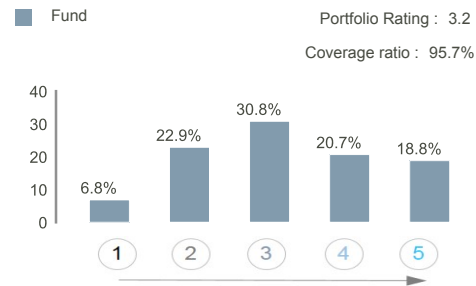
(1) Risk/return scale in a range from 1 (lowest risk) to 7 (highest risk). This indicator is not constant and is updated if the risk/reward profile of the fund changes over time. The lowest category does not mean a risk-free investment. Historical data, such as is used to calculate the risk/return ratio,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

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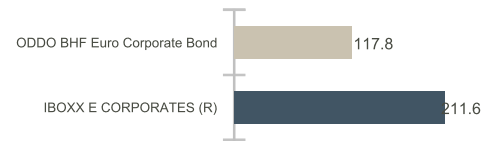


## ESG Rating



In accordance with the update to our ESG integration policy published on 30 June 2017, the internal ESG rating scale now ranks the investment universe from 1 (High Risk) to 5 (Strong Opportunity) in ascending order.

## Carbon Intensity (tCO2e/ mil EUR)



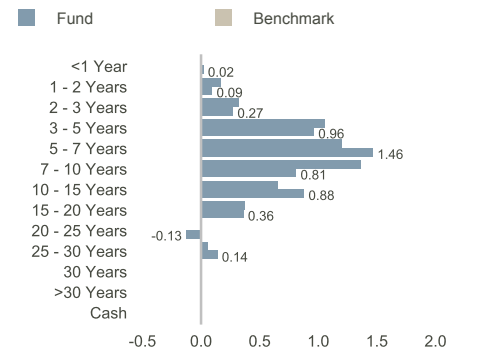
The indice is provided for information purposes only.

## 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.

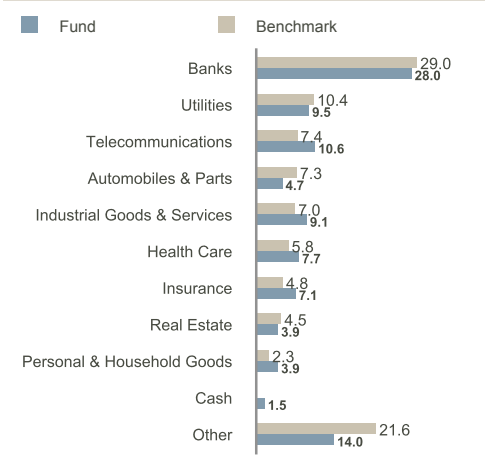
In October, the ODDO BHF Euro Corporate Bond Fund generated a slightly negative total return in light of rising interest rates which were partially offset by decreasing credit spreads. Selection effects were positive due to positive security selection in Telecommunications offsetting negative selection effects in Insurance. Allocation effects were also slightly positive due to an overweight in the Insurance sector. Active duration management and curve positioning had a neutral impact on active performance.

## Contribution to sensitivity by maturity



Modified duration to maturity: 4.87

## Sector breakdown (%)



## Main portfolio issuers

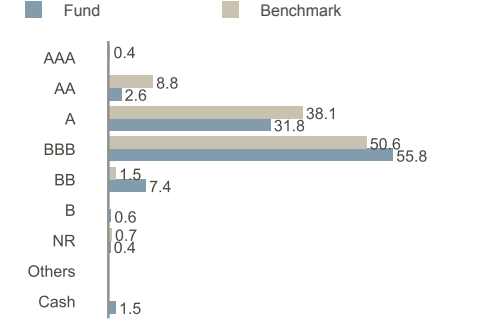
Issuer	Weight*	Weight**	Sector	Country
VONOVIA FINANCE BV	2.04%	0.61%	Real Estate	Germany
HANNOVER RE	2.03%	0.11%	Insurance	Germany
BNP PARIBAS CARDIF	1.82%	1.73%	Insurance	France
CREDIT AGRICOLE SA	1.72%	1.31%	Insurance	France
ANHEUSER-BUSCH INBEV SA/	1.67%	1.00%	Food & Beverage	Belgium
BPCE SA	1.66%	0.85%	Banks	France
BANCO SANTANDER SA	1.58%	0.58%	Banks	Spain
CK HUTCHISON FINANCE 16	1.56%	0.29%	Industrial Goods & Services	Hong Kong
INTESA SANPAOLO SPA	1.55%	0.47%	Banks	Italy
TAKEDA PHARMACEUTICAL CO LTI	1.51%	0.27%	Health Care	Japan

Number of holdings: 329 \* Fund \*\* Benchmark

## Main portfolio derivatives

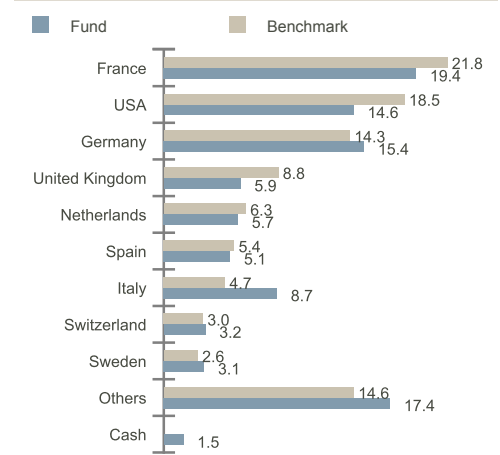
Product	Type	Exposure (%)
Euro-Bund Future Dec19	Interest rate Future	-6.6%
Euro-Bobl Future Dec19	Interest rate Future	-2.7%
Euro-Schatz Fut Dec19	Interest rate Future	2.3%

## Breakdown by rating



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

## Geographic breakdown (%)



**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, liquidity risk of underlying assets, risk associated with high yield bonds, emerging markets risk and on an ancillary basis currency risk, risk associated with convertible bonds, risk associated with currency conversion

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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

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