

Investment Philosophy

The investment objective of this OPCVM is to outperform the Thomson Reuters Global Focus Hedged Convertible Bond Index (EUR) since 29/12/17 over the life of the recommended investment, previously its index was the Thomson Reuters Convertible Bond Index Global Focus Eur. This FCP is primarily invested in exchangeable or convertible bonds and similar securities issued by firms of all States. Its aim being to create a portfolio with an attractive risk/return profile and to benefit from bullish stock markets.

Risk Profile



Morningstar Classification

Convertible Bond - Global

NAV - Share P	Total Net Assets	Number of Lines
340.44	56 948 612	137

Cumulative Performances (in %)

	Fund	TR Glob. Focus Hedged Conv	MSCI Wld (Eur)
1 month	2.88	2.52	5.33
3 months	11.20	8.95	6.33
6 months	14.08	10.66	5.33
1 year	14.86	15.65	5.73
3 years	12.80	15.12	24.56
5 years	15.08	18.99	39.82
Inception	70.22	68.90	125.38

Annual Performances (in %)

	Fund	TR Glob. Focus Hedged Conv	MSCI Wld (Eur)
YTD	11.91	10.74	-2.28
2019	7.67	10.11	27.49
2018	-7.39	-5.45	-5.92
2017	-1.34	-3.68	5.50
2016	2.34	3.23	8.47
2015	10.64	11.22	8.34
2014	8.87	12.55	17.21
2013	9.01	8.03	18.74
2012	15.06	8.96	11.45

Breakdown by Instruments

Convertible Bonds	90.72%
Cash	5.02%
Futures	1.30%
Bonds	0.73%
Funds	0.25%
Options	-0.77%

Performance Chart



Review and Outlook

August saw the Fed replace its fixed inflation target by a long-term average inflation objective. The shift reflects the Fed's desire to remain accommodating in the long run, even in the face of rising inflation. As a result, real interest rates fell significantly, the US dollar lost ground accordingly, and long duration assets such as growth stocks experienced a significant rerating.

The Nasdaq rose 10% over the month and the S&P 500 gained 7%. In contrast, European markets were affected by a resurgence in the Covid 19 pandemic and fears of challenging economic times ahead.

Against this backdrop, credit market performance remained positive with cash performing especially well compared to the CDS indices. Investment grade tightened considerably, buoyed by ECB purchases, and accounted for a significant share of new issuance.

The high yield segment continued to perform well, especially BB names and the sectors that are withstanding the health crisis.

According to S&P, one-year corporate default rates in the high-yield universe deteriorated to 3.4% in June, versus 2.1% at the end of 2019. Given the accommodating stance of central banks and governments, default rates will likely remain below the peak of 9.5% seen in January 2010, in the aftermath of the 2008–09 financial crisis.

In convertible bonds, fund performance benefitted from exposure to the US and especially its technology stocks, while European growth stocks delivered a performance of 1.5%, in line with the modest monthly rise in European equities.

Reference by AEP, Aprep (La Mondiale), Cardif, Finaveo, Générali Patrimoine, Nortia, Oradea, Skandia, Spirica, Sogecap, Vie Plus

Risk Analysis

Indicator	1 year	3 years
Fund Volatility	12.2	8.4
Benchmark Volatility	12.1	8.7
Sharpe Ratio	1.26	0.53
Information Ratio	-0.15	-0.17
Tracking Error	5.30	4.13

Technical Data

Indicator	Fund	Index
Delta percentage	51.06%	43.68%
Premium	26%	33%
Convexity +20%	11.86%	9.28%
Convexity -20%	-10.14%	-7.63%
Yield sensitivity	1.81%	2.13%
Average YTM	-3.44%	-2.56%
Average maturity	4.3	4.4
Spread	366	317

Technical Data by Geographical Area

Indicator	Europe		US		Asia		Others	
	Fund	Index	Fund	Index	Fund	Index	Fund	Index
Delta	16%	8%	30%	28%	2%	5%	0%	1%
Premium	10%	9%	16%	16%	3%	5%	0%	1%
Convexity +20%	3.9%	174.1%	6.4%	595.3%	0.6%	95.1%	0.1%	30.6%
Convexity -20%	-3.4%	-132.9%	-5.6%	-507.5%	-0.3%	-69.5%	-0.1%	-26.7%
Yield sensitivity	88.2%	59.8%	115.8%	119.8%	6.8%	23.1%	0.0%	5.7%
Average maturity	1.6	0.9	2.5	2.8	0.1	0.5	0.0	0.2

Main exposures

--- Credit ---

PALO ALTO NETWORKS	3.38%
SOUTHWEST AIRLINES CO	3.31%
DELIVERY HERO AG	2.66%
AKAMAI TECHNOLOGIES INC	2.47%

--- Equity ---

NASDAQ 100 STOCK INDX	2.46%
PALO ALTO NETWORKS INC	1.87%
SOUTHWEST AIRLINES CO	1.75%
AKAMAI TECHNOLOGIES INC	1.64%

Main Transactions (in % of end of month total assets)

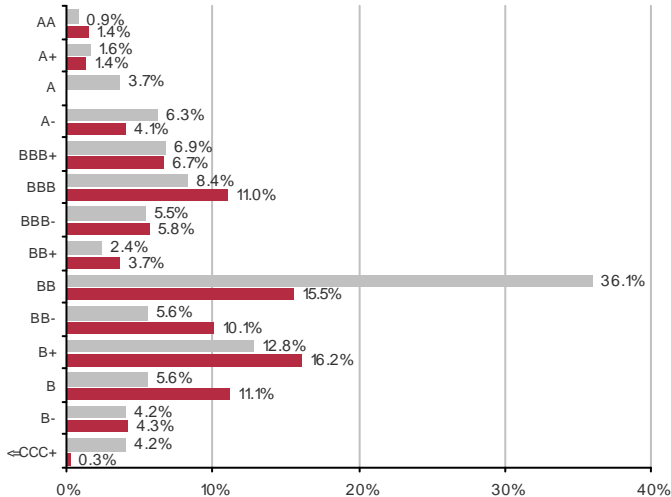
--- Purchases / Strengthening ---

QIAG NV 1.0 11-24	1.48%
DELI HE 1.0 01-27	1.07%
ROYA CA 4.25 06-23	0.76%
ZSCALER 0.125 07-25	0.66%

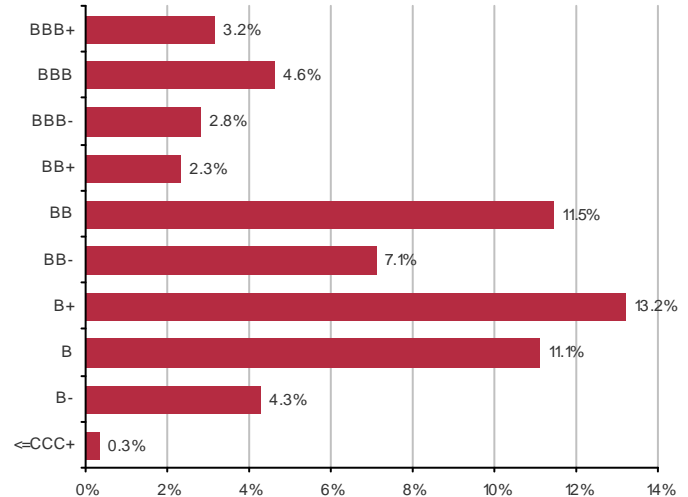
--- Sales / Reducing ---

SINO BIOP ZCP 02-25	-0.97%
SPLU IN 0.5 09-23	-0.84%
DELI HE 0.25 01-24	-0.83%
KORIAN 0.875 03-27	-0.80%

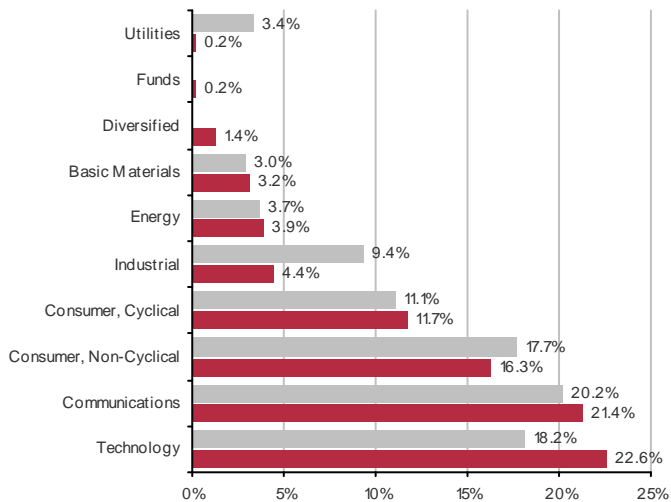
Agencies rating breakdown



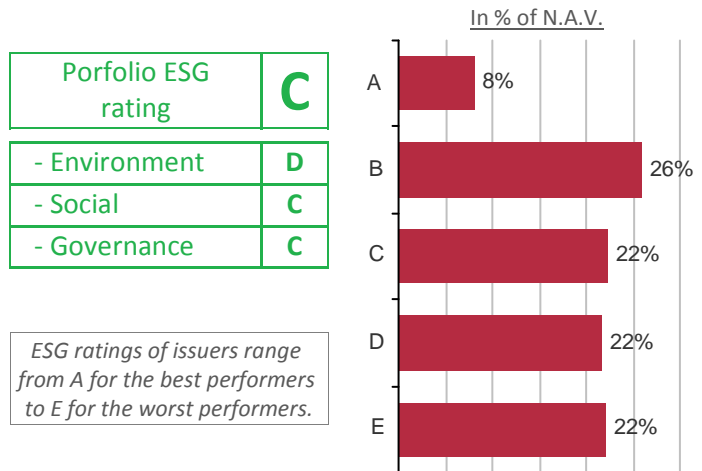
Non rated allocation (Schelcher Prince rating)



Sectorial breakdown by equity sensivity



ESG Rating



Legal status	: Sub-fund of SICAV	AMF Classification	: Deletion of the "Diversified" AMF classification as of 01/01/2018
Currency	: Euro	Benchmark Index	: TR Global Focus Hedged Convertible Bond Index (EUR) since 29/12/2017
Net Income	: Accumulation	Fixed Management Fees	: 1,40% maximum (incl. VAT)
ISIN Code	: Share P : FR0011167402	Performance Fees	: 15% annually (incl. VAT), of the UCITS outperformance relative to the index
Manager	: Schelcher Prince Gestion	Subscription / Redemption Fees	: 3,00% maximum / none
Custodian	: Caceis Bank	Subscription / Redemption	: Custodian : before 11:00 a.m. (Paris time), at unknown price. Settlement day = D+2
Fund Administration	: Caceis Fund Administration		
Recommended Investment	: 3 years		
Inception Date	: 30/12/2011		
Updated KIID	: 08/11/2019		
Valuation Frequency	: Daily		

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