

Investment Philosophy

The investment objective of this OPCVM is to outperform the Exane ECI Midcap Euro Capitalized (reinvested coupons). This FCP is primarily invested in exchangeable or convertible bonds and similar securities issued by private or public sector Eurozone mid-cap companies (capitalisation below EUR 5bn), 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 - Europe

NAV - Share P	Total Net Assets	Number of Lines
167.59	11 358 123	55

Cumulative Performances (in %)

	Fund	ECI MidCap Euro	Euro Stoxx50	MSCI Emu MidCap
1 month	4.32	4.10	1.72	3.19
3 months	8.80	8.25	11.24	14.10
6 months	12.99	10.87	9.85	15.77
1 year	12.01	11.16	-5.14	2.22
3 years	6.78	8.31	1.39	5.83
5 years	27.95	29.48	8.73	25.98
Inception	67.59	82.62	53.36	110.05

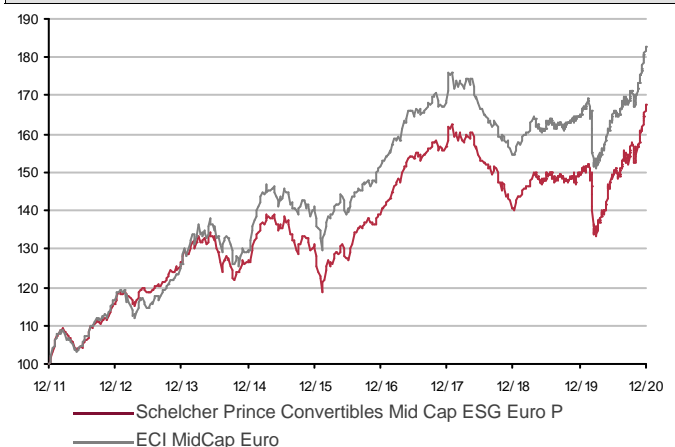
Annual Performances (in %)

	Fund	ECI MidCap Euro	Euro Stoxx50	MSCI Emu MidCap
YTD	12.01	11.16	-5.14	2.22
2019	6.33	6.13	24.78	24.22
2018	-10.35	-8.20	-14.34	-16.66
2017	12.73	11.19	6.49	16.88
2016	6.30	7.51	0.70	1.84
2015	3.38	9.10	3.85	15.17
2014	0.13	2.78	1.20	2.21
2013	9.31	8.01	17.95	23.82
2012	15.76	16.46	13.79	14.40

SCR (for information only)

SCR (for information only)	Breakdown by Instruments
Market * 15.54%	Convertible Bonds 90.55%
Equity 12.32%	Cash 7.93%
Spread 5.49%	Options 2.00%
Interest Rates 1.29%	Equities 0.67%
* equity shock applied 39%	Bonds 0.05%
	Futures -24.42%

Performance Chart



Review and Outlook

The year 2020 will have been singular in many ways. The financial markets will have gone through the phases of a complete economic cycle, concentrated in a single year. The main macroeconomic risks faded in December, US political risk, Brexit. The markets will remain attentive to the evolution of the service sectors and the inflation figures in order to consolidate a cyclical recovery, the premises of which seem to be materialising. Macroeconomic volatility will be a key element in 2021, in a context of dissipation of systemic risks.

Over the year 2020, the Eurozone convertible bond market has performed 6.06%, only slightly below the 7.12% performance of the underlyings, compared with a Stoxx 600 of -1.44%. Over the month of December, the respective performances were 1.53%, 3.46% and 2.6%. The implied volatility of the deposit stands at 31%, relatively stable over the month as well as over the year 2020 (+1pt). The convexity -20% / +20% of the deposit is -6.7% / +8.62%. The primary market was relatively active in December with 5 issues for EUR 1.9bn. We participated in Pirelli 0% 2025 and Accor 0.7% 2027.

The fund returned 4.32% for the month and 12.01% for the year 2020, against a benchmark index of 4.1% and 11.16% respectively. The equity sensitivity is 37.8%, the average premium is 56.2%, the average rating is BBB- and the distance to the actuarial floor is 18%. The main positive contributions over the month were Neoen 2024, Outokumpu 2025 and Besi 2023. Conversely, the main negative contributions for the month are Corestate 2022 and Cofinimmo 2021.

Risk Analysis

Indicator	1 year	3 years
Fund Annualized Volatility (weekly calculation)	10.9	7.5
Benchmark Annualized Volatility (week. calc.)	9.4	6.8
Sharpe Ratio	1.14	0.35
Information Ratio	0.16	-0.14
Tracking Error	5.25	3.51

Technical Data

Indicator	Fund	Benchmark
Yield sensitivity	-0.26%	1.45%
Delta percentage	37.8%	34.2%
Premium	56%	48%
Vega	0.31%	0.29%
Convexity +20%	8.27%	7.50%
Convexity -20%	-6.94%	-5.90%
Average YTM	-0.07%	-1.69%
Average Bond Floor	18.0%	12.4%
Weight Non Rated	69%	77%
Average maturity	3.0	2.8
Average WARF Rating	BB+	
Average Rating	BBB-	

SCHELCHER PRINCE GESTION, a French limited company with share capital of EUR 1 454 800 - AMF Approval n° GP 01-036
Headquarters: 72 Rue Pierre Charron - 75008 PARIS - Siren 438 414 377 RCS Paris - TVA FR 64 438 414 377



Main exposures

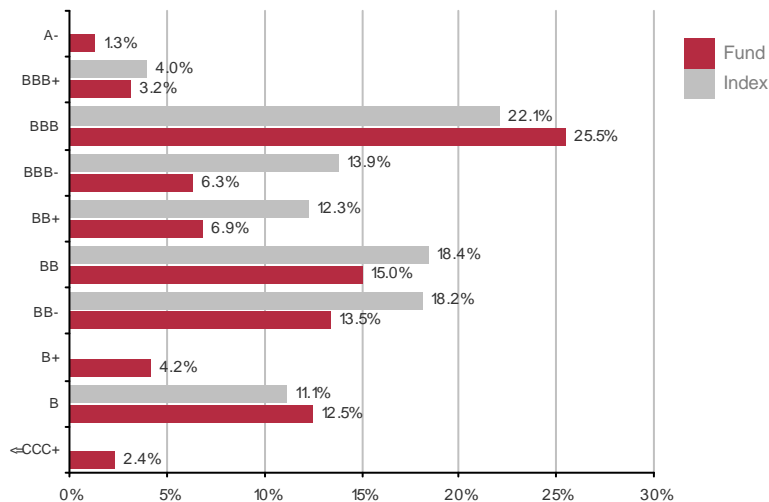
--- Credit ---

NEOEN SAS	8.42%
SILICON ON INSULATOR TEC	5.45%
BEKAERT SA	5.26%
FALCK RENEWABLES SPA	4.77%

--- Equity ---

NEOEN SA	7.22%
S.O.I.T.E.C.	4.88%
BE SEMICONDUCTOR INDUSTRIES	4.41%
REMY COINTREAU	3.11%

Agencies rating breakdown



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

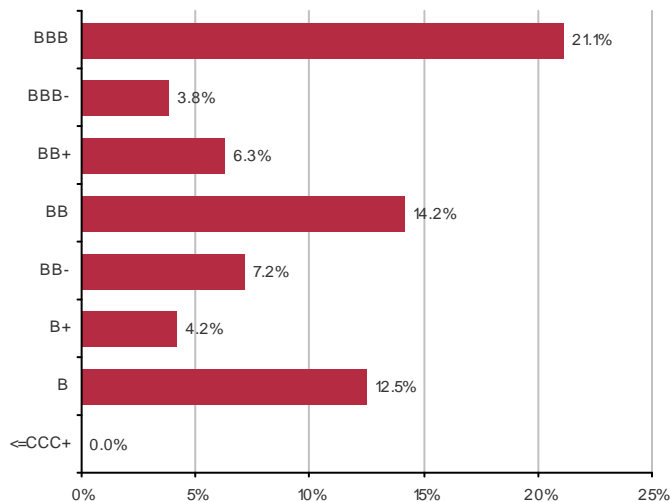
--- Purchases / Strengthening ---

PIRELLI C ZCP 12-25	1.76%
OUTO OY 5.0 07-25	1.02%
ACCOR 0.7 12-27	0.55%

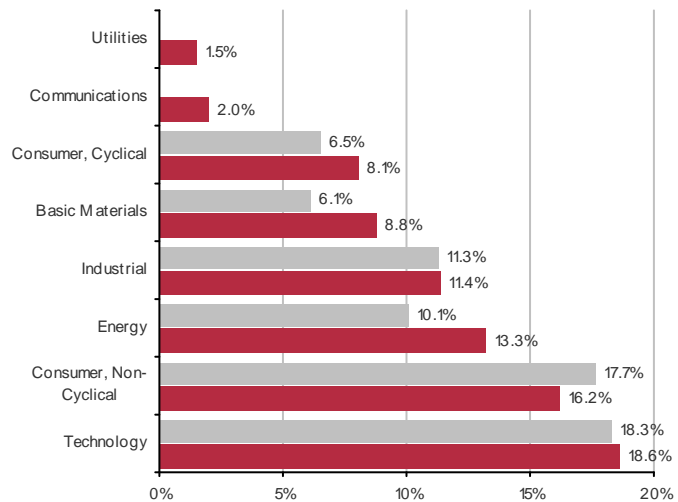
--- Sales / Reducing ---

INDR SI 1.25 10-23	-1.77%
UMICORE ZCP 06-25	-1.75%
FALC RE 0.0 09-25	-1.74%
COSM PH 2.5 12-23	-0.87%

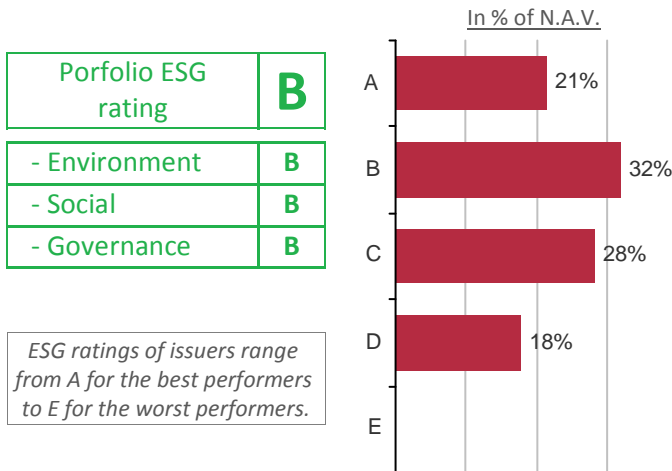
Non rated allocation (Schelcher Prince rating)



Sectorial breakdown by equity sensivity



ESG Rating



Legal status	: Mutual Fund	AMF Classification	: Deletion of the "Diversified" AMF classification as of 01/01/2018
Currency	: Euro	Benchmark Index	: Exane ECI MidCap Euro Capitalized (coupons reinvested)
Net Income	: Accumulation	Fixed Management Fees	: 1,40% maximum (incl. VAT)
ISIN Code	: Share P : FR0011167410	Performance Fees	: 15% annually (incl. VAT), of the UCITS outperformance relative to the index
Manager	: Schelcher Prince Gestion	Subscription / Redemption Fees	: 1,50% maximum / 1,50% maximum
Custodian	: Caceis Bank	Subscription / Redemption	: Custodian : valuation day before 11:00 a.m. (Paris time), at unknown price. Settlement day = D+1
Fund Administration	: Caceis Fund Administration		
Recommended Investment	: 2 years		
Inception Date	: 30/12/2011		
Updated KIID	: 03/04/2020		
Valuation Frequency	: Daily		

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