MONTHLY *investment* BRIEF

ODDO BHF ASSET MANAGEMENT

Polarisation

The spectacular rise in interest rates over the last two years has not been without collateral damage. Against this backdrop, equity markets remain polarised. The most glaring example is undoubtedly in the United States, where the rise in the market (+15% for the S&P 500 year to date) can almost be entirely attributed to the performance of the "Magnificent Seven", considered as high-growth stocks (rightly so). The MSCI USA Growth index is up 36% since the start of the year, while the MSCI USA Value index, penalised by the risk of a recession, is down 2%. This polarisation is also visible in Europe, where 45% of the growth in the Stoxx Europe 50 index since the beginning of the year can be attributed to the performance of two stocks: Novo Nordisk and ASML. In terms of valuations, it is worth noting that the outperformance of US markets in 2023 has accentuated Europe's discount, which has now reached a record 35%.

Comparison of valuation multiples in Europe and the US

	Current P/E (12mth fwd)	Historic average (2005-2023)
MSCI USA Growth	26,1x	19,7x
MSCI USA Value	14,0x	13,6x
MSCI Europe Growth	19,7x	16,9x
MSCI Europe Value	8,9x	10,9x

Source: Bloomberg. Data on 14/11/2023

The valuation of cyclical companies in Europe now factors in a severe recession scenario

Never before has a recession been so widely predicted. Although the European economy has shown great resilience, the slowdown has already been felt for several quarters by the most cyclical stocks. Chemicals, steel, pulp and paper, as well as mining companies, which are among the sectors most sensitive to economic cycles, have seen their business and profitability plummet in recent quarters, owing to customer destocking. Unsurprisingly, these sectors have seen the sharpest declines in quarterly earnings.

Nevertheless, we remain convinced that the bulk of this destocking phase, which weighed on volumes, is now behind us. Recent quarterly publications have shown that a large number of these companies are seeing their volumes stabilise. What is more, many cyclical companies are now trading at valuation levels that already price in a severe recession scenario, similar to that seen in recent economic contractions.

While these companies were the first to be hit by the economic slowdown, it should be reminded that they will also be the first to benefit from a rebound in business indicators, according to our analyses.

Source: ODDO BHF AM, comments as of 15/11/2023

Investing in cyclical companies at this stage of the cycle does, however, require special attention to be paid to the quality of their balance sheets to ensure that they will be able to withstand any slowdown in the economy.

We remain cautious on equities, with a preference for high quality European companies

In this context, we are slightly increasing our exposure to European equities, both in some discounted stocks and in growth stocks. Stabilising interest rates will benefit the latter, even if most of the rerating (expansion of P/E ratios) has already taken place. The earnings trajectory will therefore be the key parameter for outperformance or underperformance in the coming months.

Despite the uncertain macroeconomic cycle, such periods bring numerous opportunities for investors who can see beyond the current noise and focus on the long term. It's time to move away from the dichotomy of growth stocks versus value stocks. Quality companies can be found on both sides of the spectrum, as evidenced this year by similar relative performances in Europe.

Against this background, we remain convinced that stock picking will be a key differentiating factor for performance in 2024, as it was this year.

LAURENT DENIZE
Global Co-CIO, ODDO BHF

Source: ODDO BHF AM, comments as of 15/11/2023

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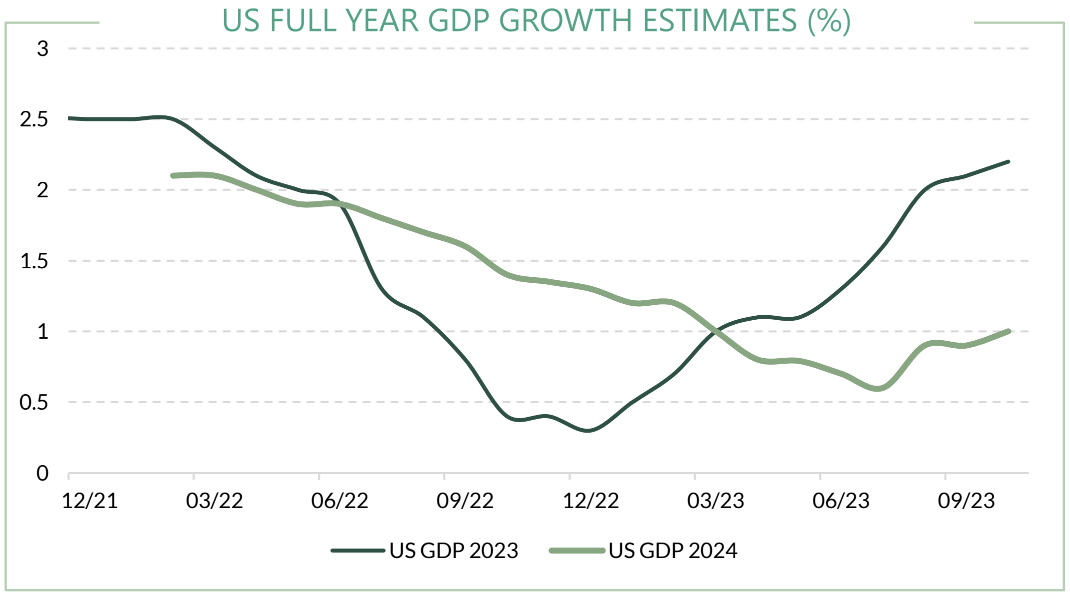
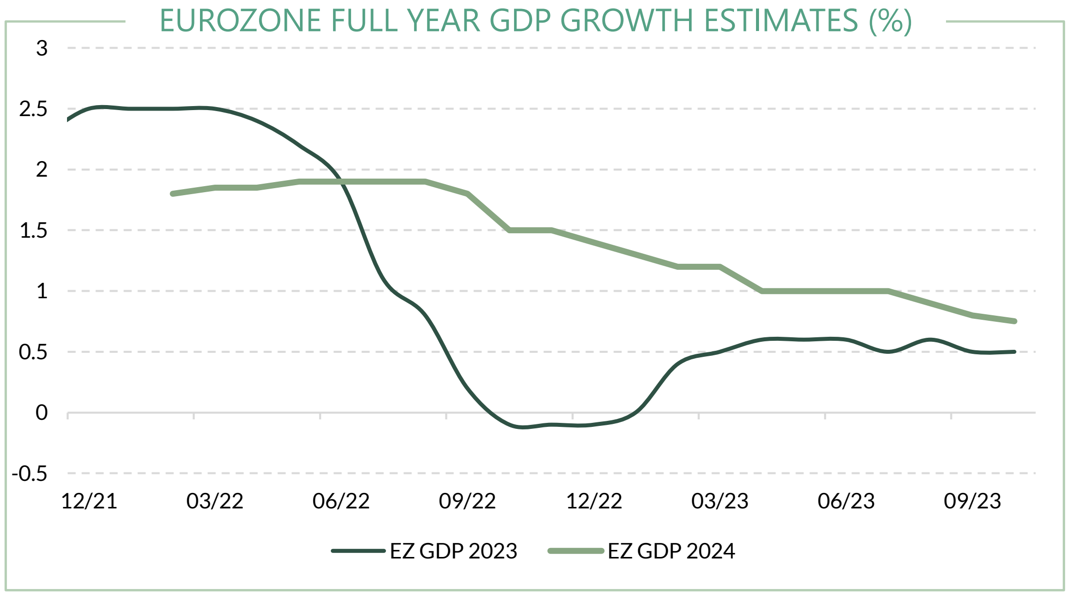
01

MACROECONOMIC *outlook*

Growth outlook

US EXCEPTIONALISM TO FADE



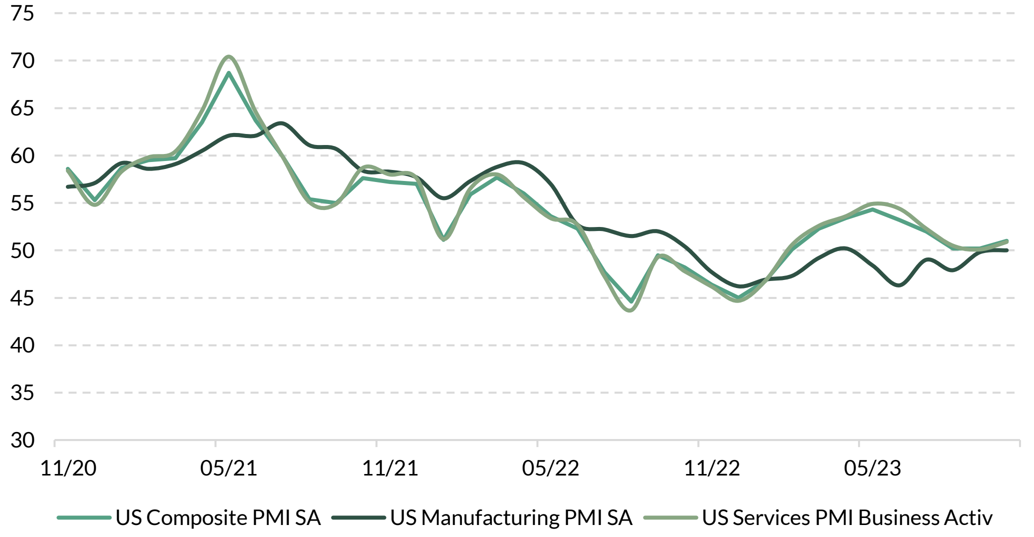


- Given the blow-out Q3 GDP results , consensus growth expectations have been trending up to 2,3% for 2023 and 1,0% for 2024
- Recession fears have basically subsided and the central consensus view is now firmly one of a “soft or no landing” in the US
- While the US has improved, momentum in the Eurozone and China has either stalled or faded
- Eurozone growth forecasts have eased to 0,5% and 0,7% for this year and 2024, respectively

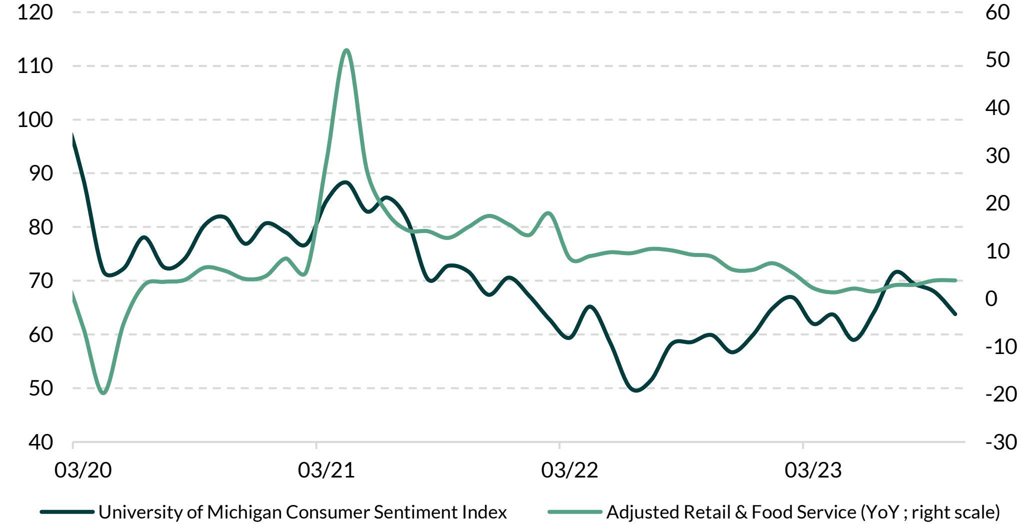
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2023

USA
PEAK GROWTH

PMI SERVICES & MANUFACTURING



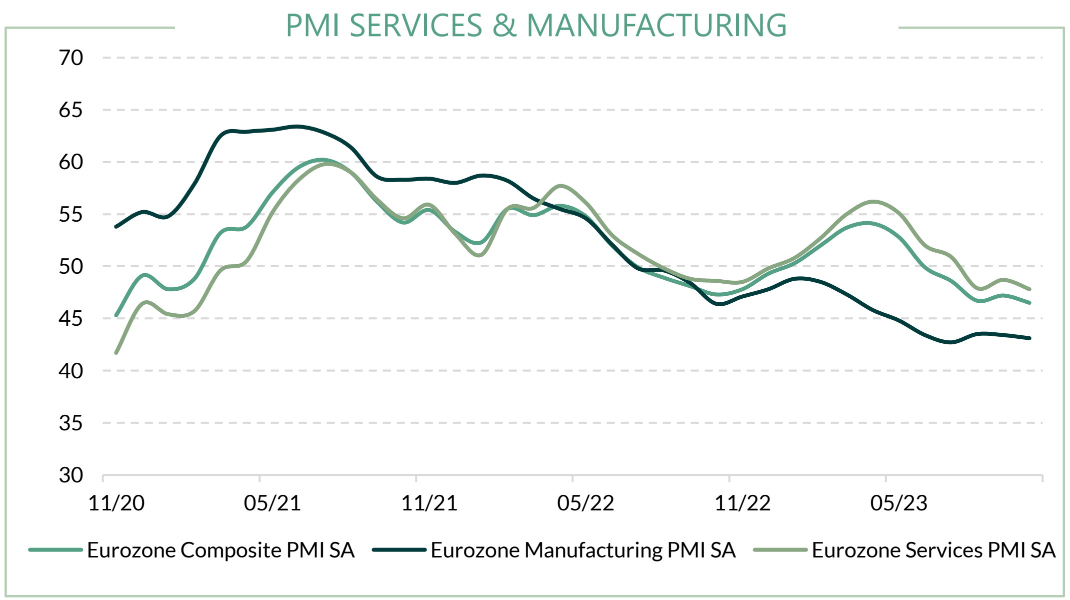
RETAIL SALES & CONSUMER CONFIDENCE

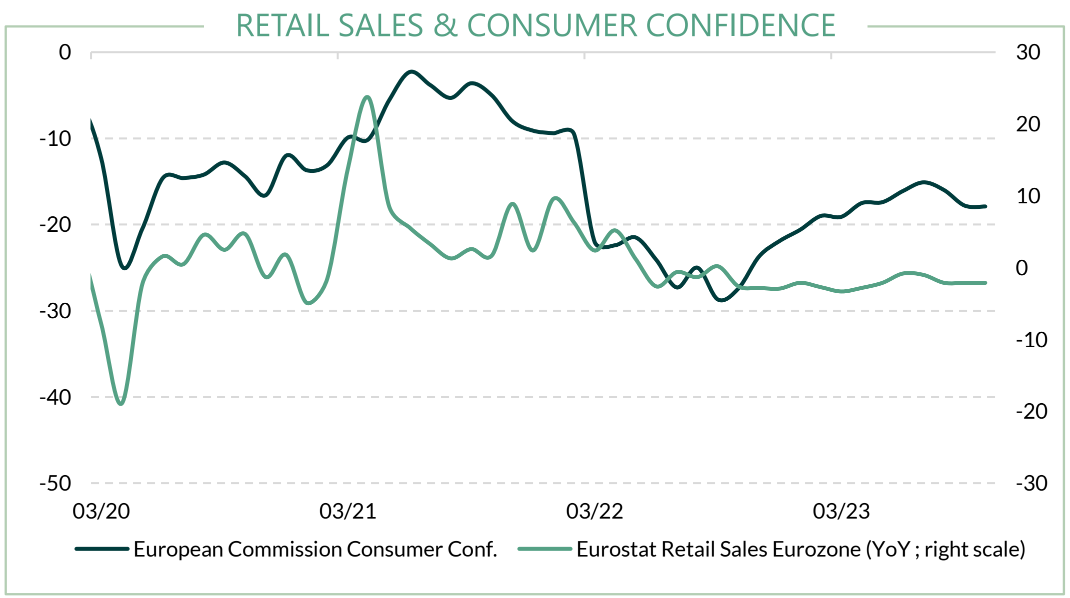


- Q3 GDP has posted a remarkable 4,9% qoq ar print which however looks not to be sustainable
- Recent data like lower ISM surveys has been weakening, suggesting a modest start into Q4
- Some of the special contributors that have propped up the economy are slowly fading as the aggressive tightening cycle works itself through the system:
  - The housing sector, although supported by a supply shortage, again shows signs of weakness
  - Manufacturing remains depressed and the service sector continues to slow successively
  - Excess savings are fading
  - The labor market is showing tentative supply normalization
  - Companies pricing power and margins are being squeezed

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2023

Europe
WINTER AT THE DOORS



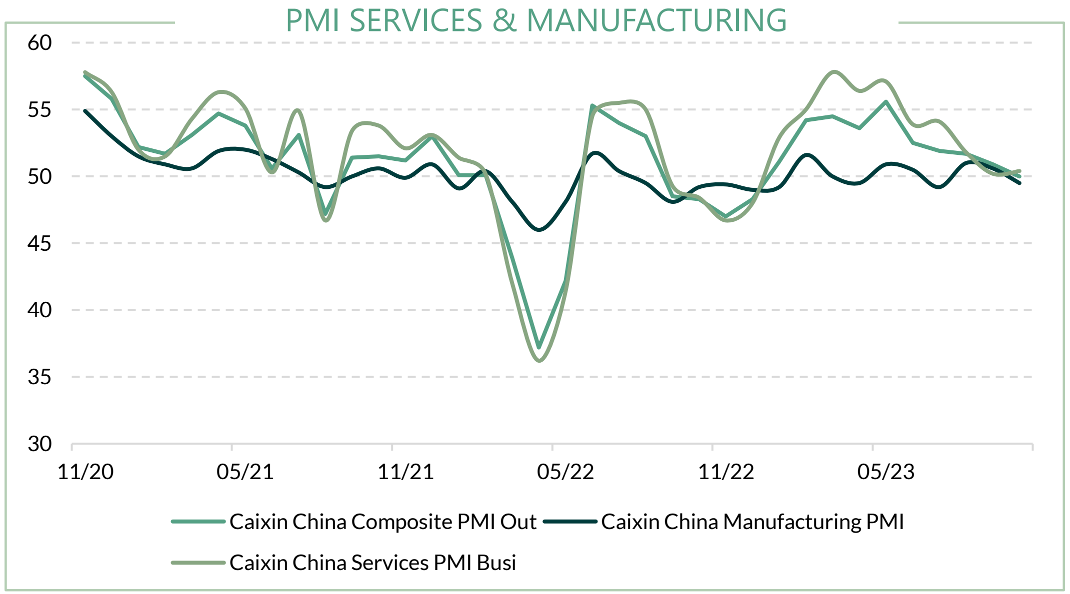


- The Eurozone PMI composite for October declined again posting weaker results for 6 months in a row while staying below 50 for 5 months
- Hard data has recently joined the trend suggested by PMIs, but still shows a slightly better path
- Consumer spending is still holding up supported by tight labor markets, wage increases, saving reserves and improving real consumer incomes as inflation recedes
- We still see the risk for the economy tilted to the downside as the ECB hiking cycle works itself increasingly through the system

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2023

China

EXPORTING DISINFLATION AGAIN

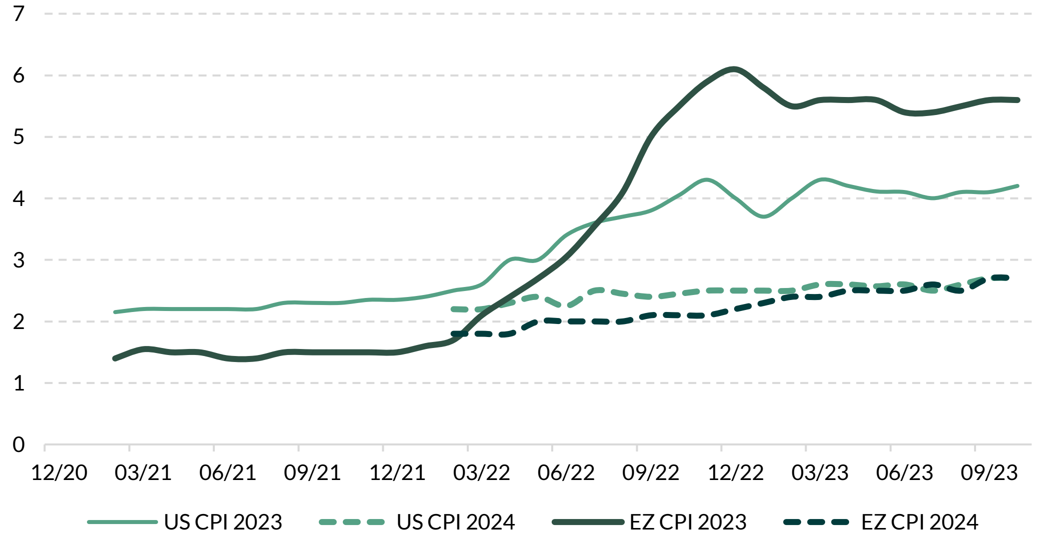


- Recent data has shown some signs of stabilization, but PMIs were on the weaker side again
- The ongoing adjustment in the property market remains a big structural brake on any cyclical improvement
- While the government has announced to increase infrastructure measures and monetary stimulus, these are rather reactive and more aimed to put a floor under the economy instead of lifting it materially
- Meanwhile, disinflation in PPI and CPI reflects the dire domestic demand situation

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2023

Inflation expectations
ANCHORED

US & EUROZONE: FULL YEAR CPI GROWTH ESTIMATES (%)



YOY CPI ESTIMATES

11/3/2023

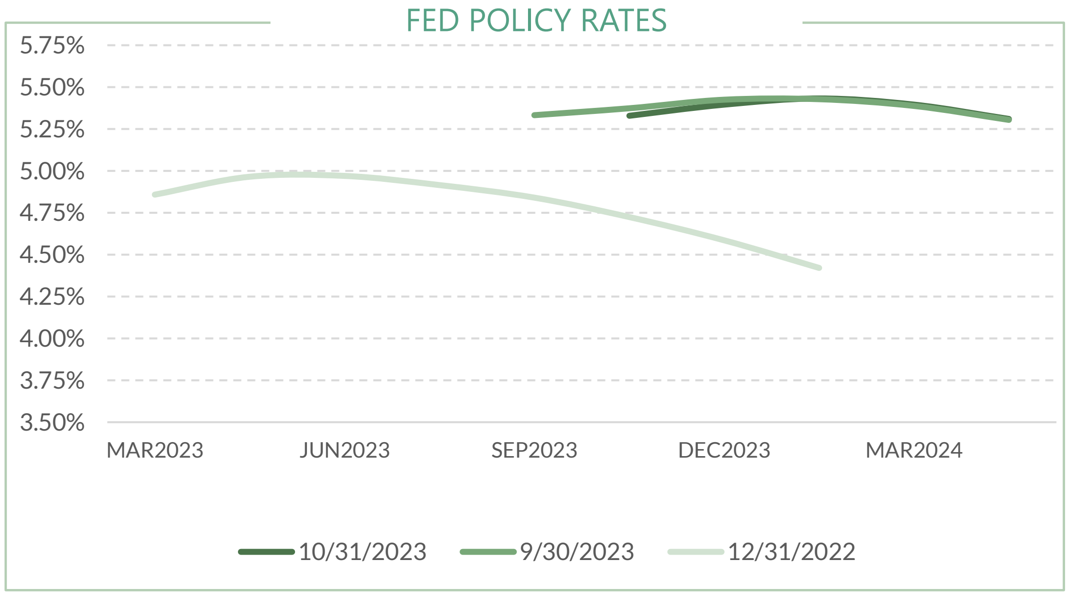
		CPI YoY	Oct-23	Sep-23	1Y trend	5Y average	20Y average
Canada	CACPIYOY Index	Canada		3.8		3.5	2.8
U.S.	CPI YOY Index	U.S.		3.7		2.0	3.2
Brazil	BZPIIPCY Index	Brazil		5.2		2.8	7.9
Mexico	MXCPYOY Index	Mexico		4.5		2.6	6.4
Chile	CNPINSYO Index	Chile		5.1		2.9	
Eurozone	ECCPEMUY Index	Eurozone	2.9	4.3		1.8	2.6
Germany	GRCP20YY Index	Germany	3.8	4.5		1.8	2.4
France	FRCPIYOY Index	France	4	4.9		1.3	2.1
Italy	ITCPNICY Index	Italy	1.8	5.3		1.6	2.6
Poland	POCPIYOY Index	Poland	6.5	8.2		#VALUE!	
Sweden	SWCPYOY Index	Sweden		6.5		2.1	2.3
Switzerland	SZCPIYOY Index	Switzerland	1.7	1.7		0.5	0.8
U.K.	UKRPCJYR Index	U.K.		6.7		2.2	3.1
India	INFUTOTY Index	India		5.0		2.8	7.6
Indonesia	IDCPIY Index	Indonesia	2.6	2.3		1.4	7.3
Malaysia	MACPIYOY Index	Malaysia		1.9		0.8	
Japan	JNCPIYOY Index	Japan		3.0		0.6	0.4
South Korea	KOCPIYOY Index	South Korea	3.8	3.7		1.2	3.1
China	CNCPIYOY Index	China		0.0		0.8	2.4
Hong Kong	HKCPIY Index	Hong Kong		2.0		0.8	1.6

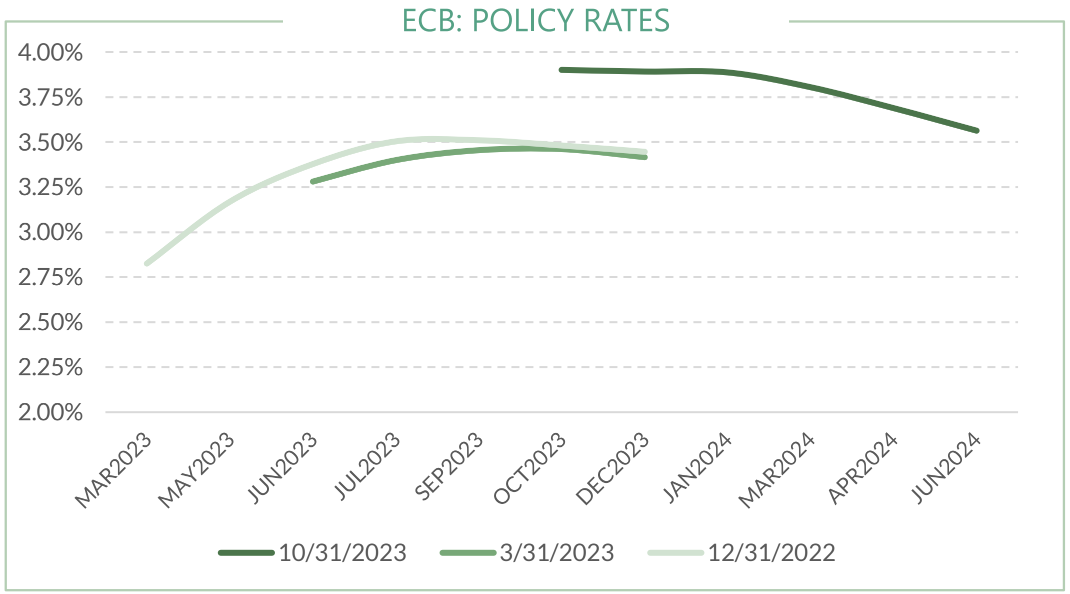
- Surveys of long run inflation expectations remain fairly muted and barely unchanged
- Inflation break even rates in the Eurozone have recently slipped to the lowest point this year (2,12%), while 10-year TIPS are well within the established range of 2,25% - 2,5%

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2023

FED & ECB policies

HIGH FOR LONG MANTRA WILL BE CHALLENGED



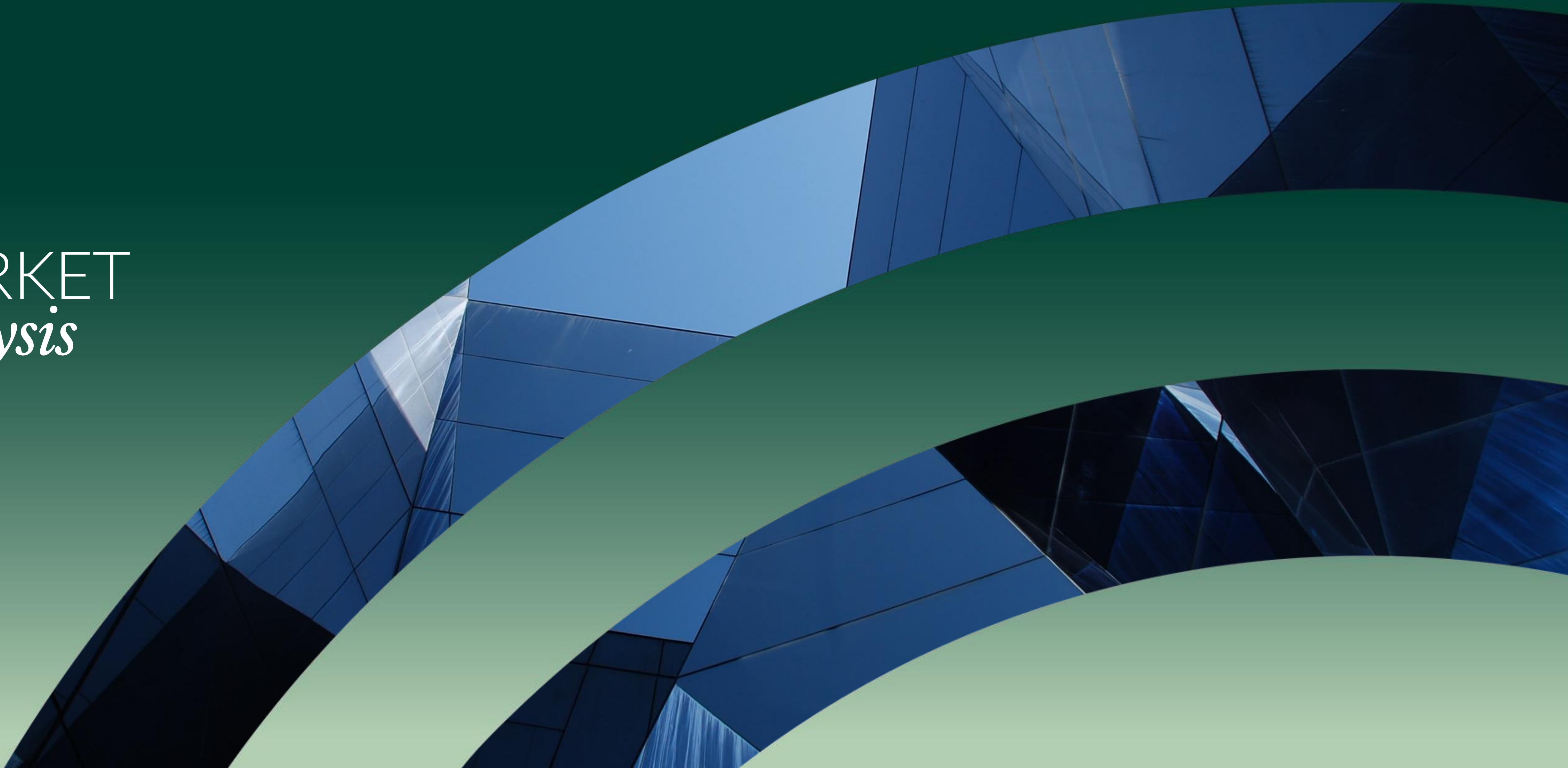


- Recent CB meetings mostly ended up in prolonging the rate pause with the exception of the RBA which opted for a 25bp hike
- Despite the pause and a slightly dovish tone by Mr. Powell the FED was eager to keep any rate hike probability alive for December or January 2024
- Given the ongoing disinflation, at least some technical payback from the strong Q3 and the recent tightening of financial conditions this has a low probability
- The ECB is done on hikes and might tweak its tone to more dovish over the next couple of months
- PEPP unwinding has been not on the agenda so far but should be something to address in spring 2024
- Central Banks seem to put too much emphasis on current core inflation readings and might therefore already be in overtightening territory
- This is a risk especially for the ECB as Germany appears already to be in a recession and the Eurozone as a whole at best in stagnation

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2023

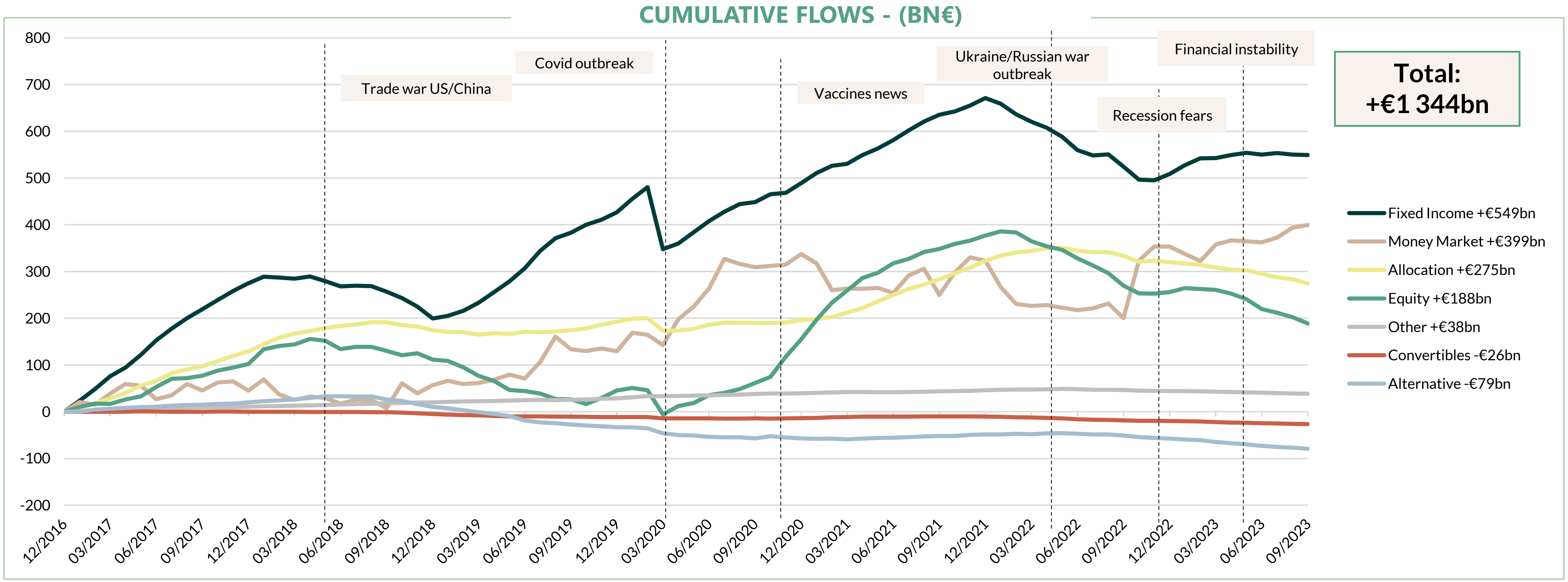
02

MARKET *analysis*



Cumulative mutual fund flows (€bn) since 2017

NO RESPITE FOR EQUITIES

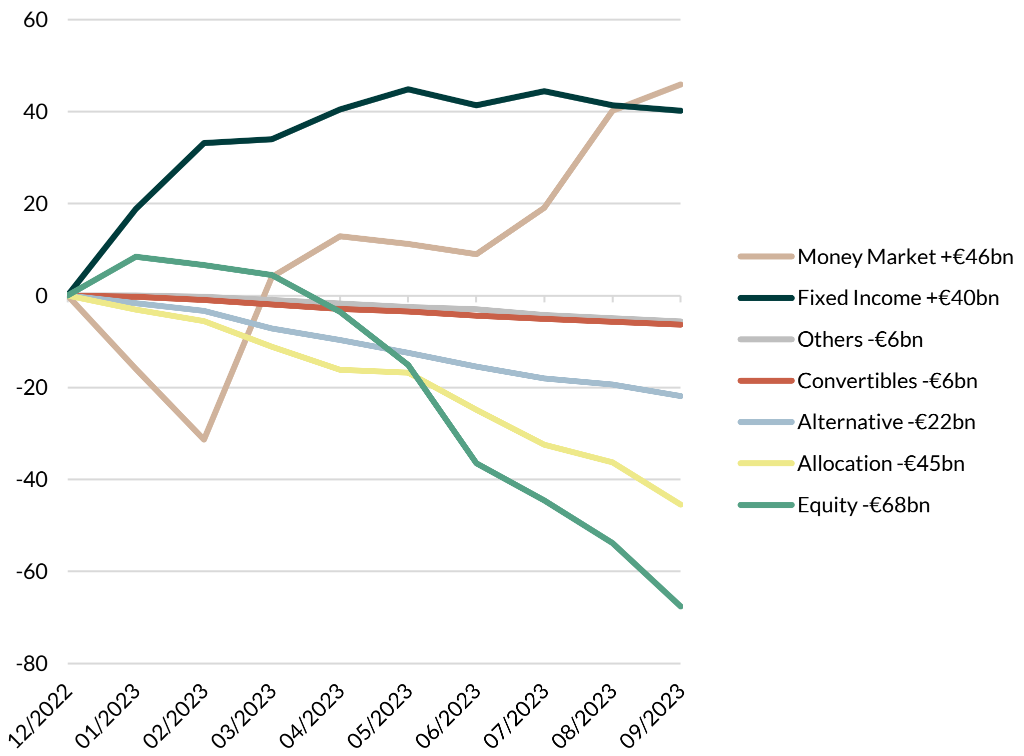


Source: Morningstar. Data as of 30/09/2023 (Europe OE ex ETF ex MM ex FoF ex Feeder (domiciled, most compr)

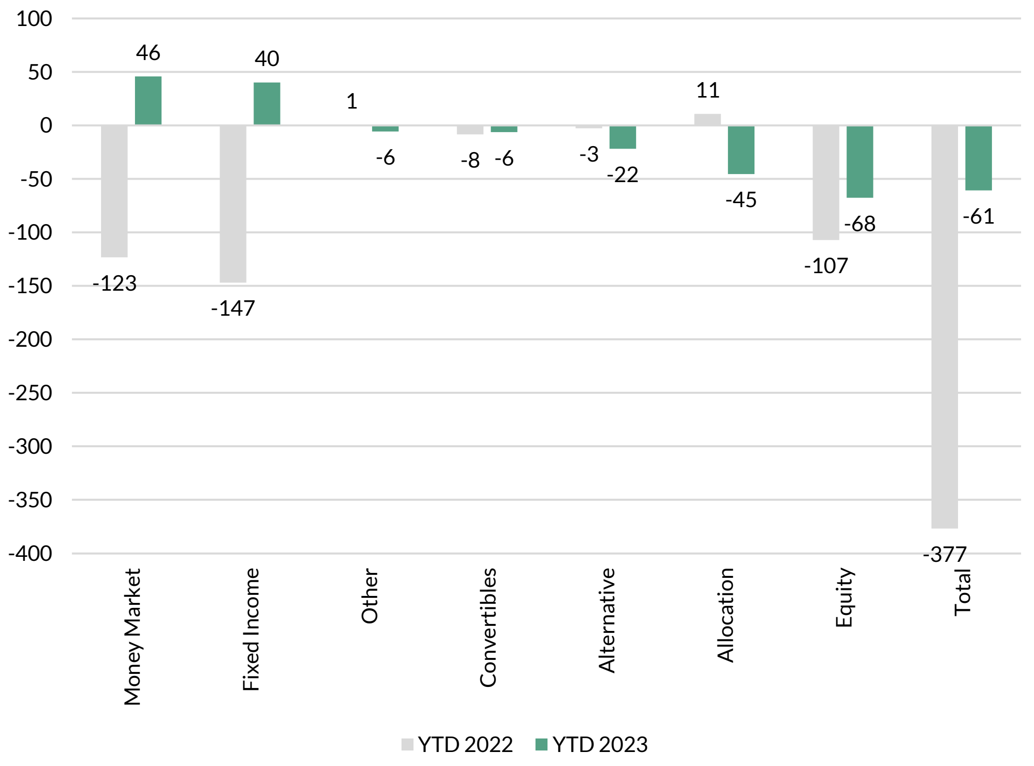
YTD European mutual fund flows

MONEY MARKET NOW TAKING THE LION'S SHARE

YTD CUMULATIVE FLOWS BY ASSET CLASSES (€BN)



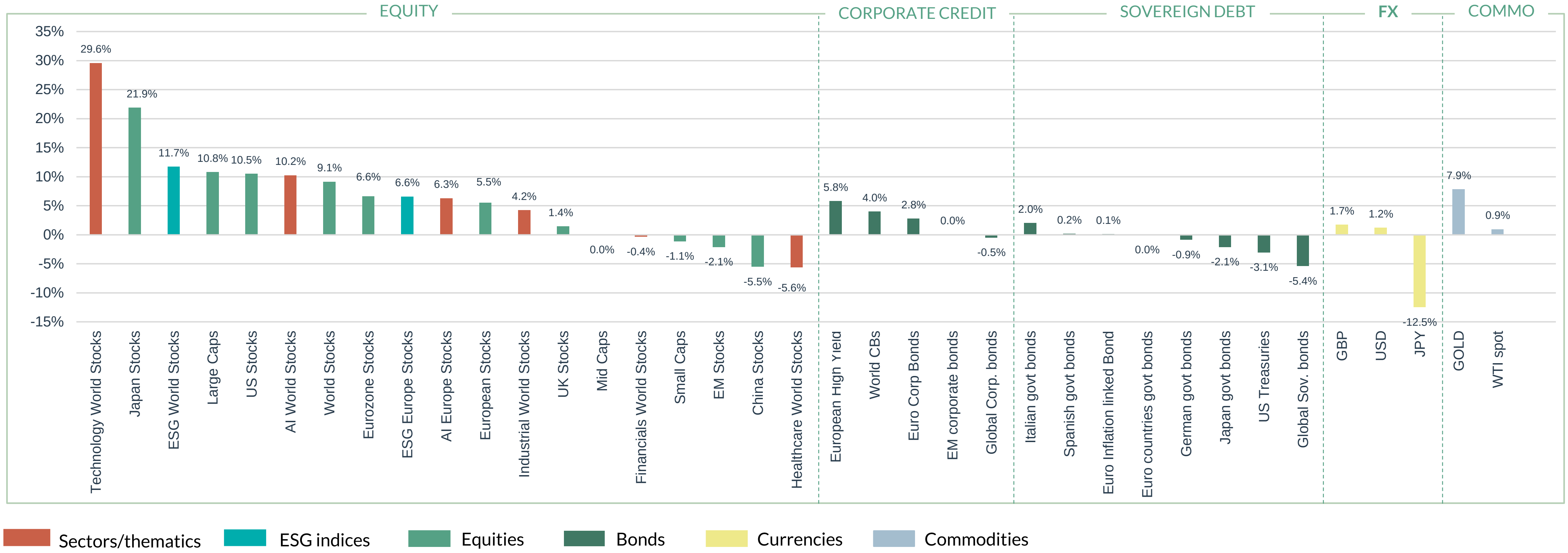
YTD COMPARISON VS YTD -1



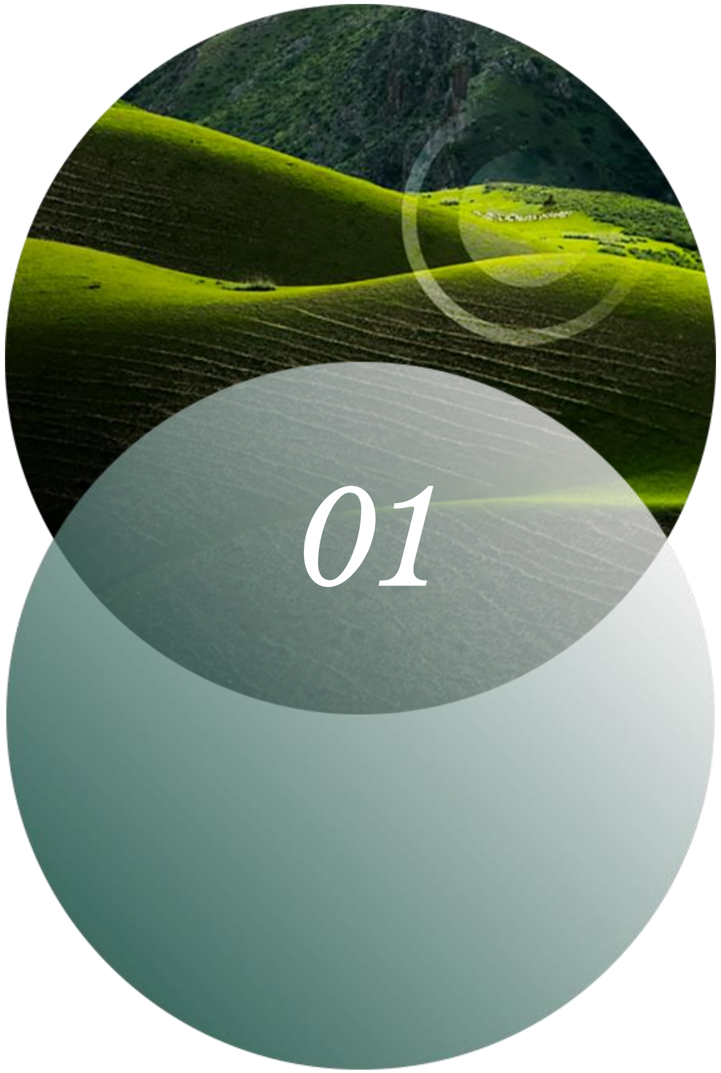
Source : Morningstar. Data as of 30/09/2023 (Europe OE ex ETF ex MM ex FoF ex Feeder (domiciled, most compr)

Year-to-date performances of asset classes

TECH & GOLD UNDETERRED BY YIELDS' TENSIONS



Past performances are not a reliable indicator of future performances and are not constant over time.
Sources: Bloomberg and BoA ML as of 31/10/2023; performances expressed in local currencies

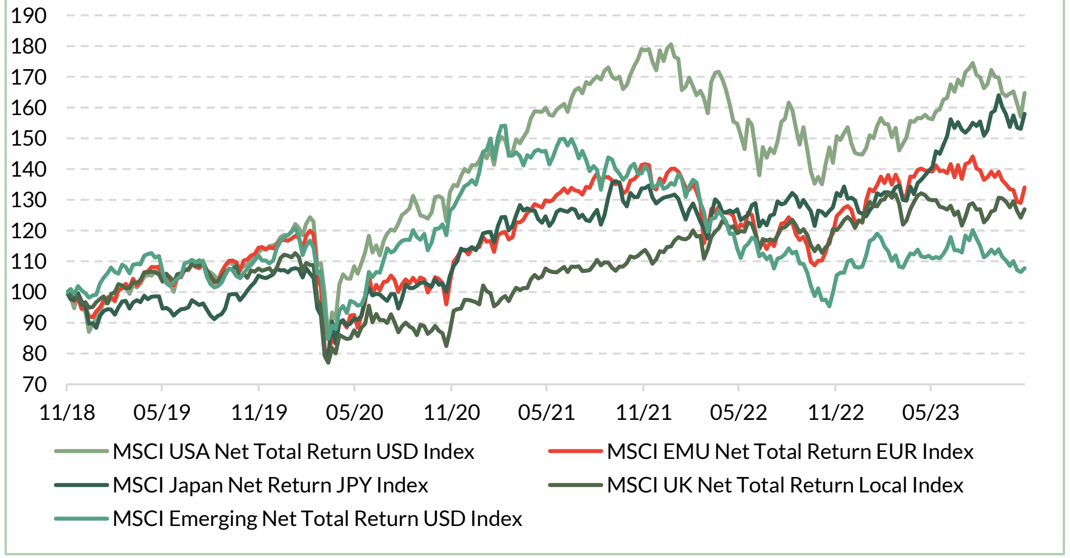


01 EQUITIES

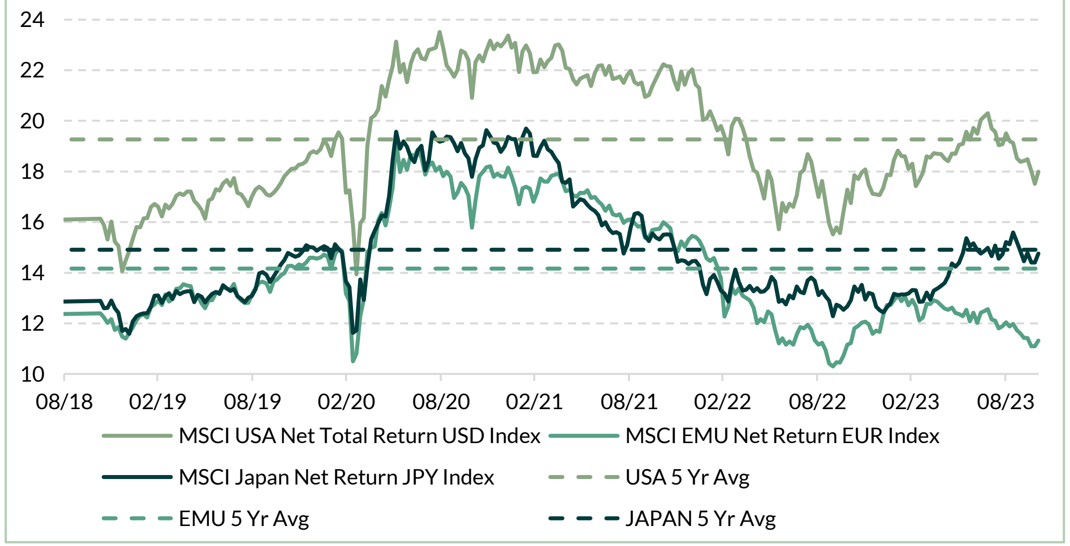
Equities

GLOBAL EQUITIES STILL UNDER PRESSURE

5-YEAR EQUITY MARKET PERFORMANCE



5-YEAR PRICE/EARNING RATIO



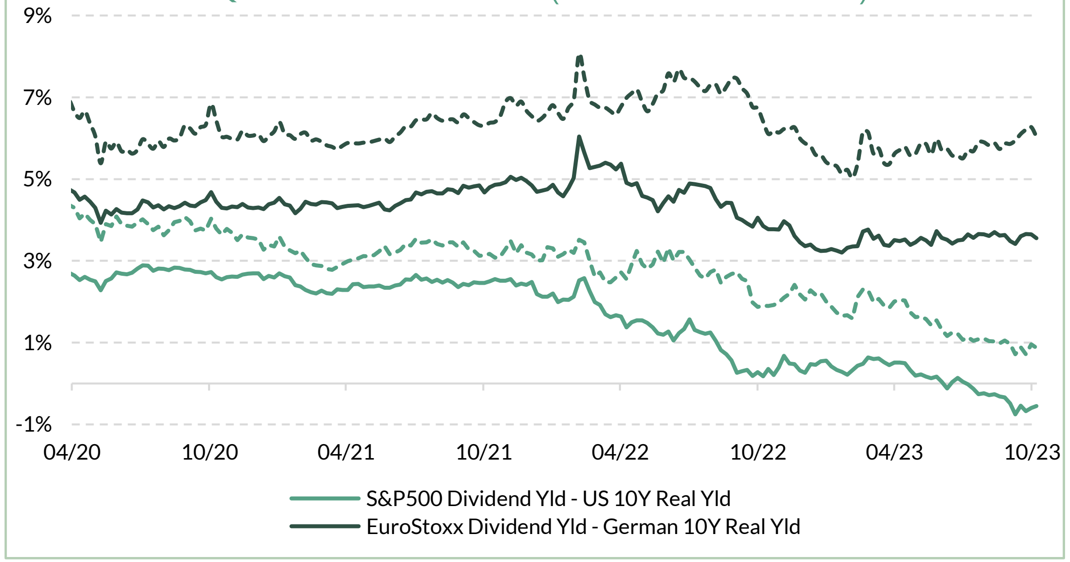
- The vast majority of country indexes posted significantly negative monthly returns.
- US large cap were quite resilient (S&P500 and Nasdaq lost -2%), while mid-caps and small-calls sold-off (S&P400MID -5%, Russell 2000 -7%). This underperformance also happened in most other geo. areas (i.e. EuroStoxx Small -6%, FTSE 250 -7%).
- With Q3 earning season under way, and very dispersed releases, average earnings were in line or slightly above expectations. Expected forward earnings remained stable, leading to apparently cheaper valuation multiples

Past performances are not a reliable indicator of future performances and are not constant over time
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2023

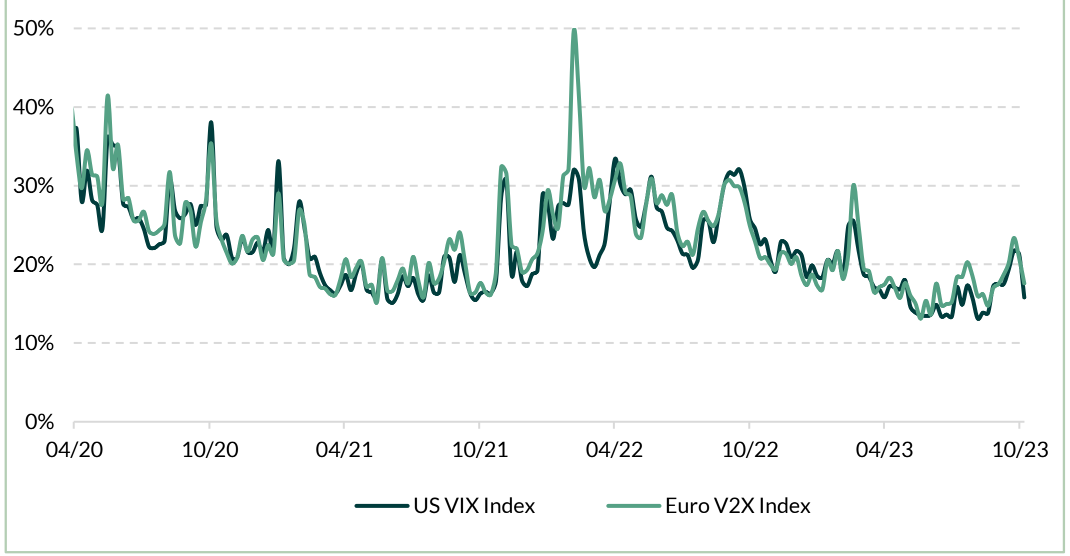
Risk premiums & volatility

STABLE RISK PREMIA, DESPITE INCREASED RISKS?

EQUITY RISK PREMIUMS (NOMINAL AND REAL)



IMPLIED VOLATILITY INDEXES



- Although the recent sell-off led to lower equity valuation multiples, the continued rise in long term US yields counterbalanced it and risk premia only stabilized.
- As micro, macro and geopolitical uncertainties seemed on the rise, equity indexes implied volatilities picked up, reaching their highest levels since March.

Past performances are not a reliable indicator of future performances and are not constant over time
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/10/2023

European equities – sectors overview

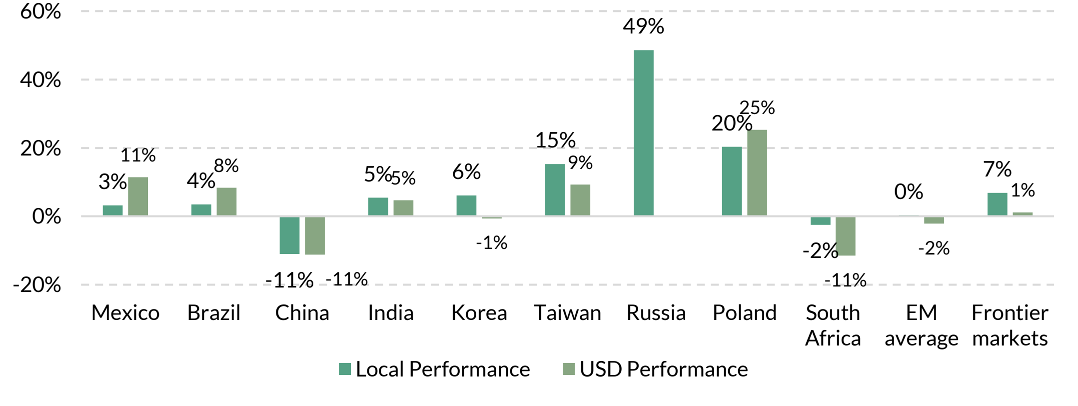
OIL AND DEFENSIVE RALLYING TOGETHER, UNTIL WHEN?

EUROPEAN SECTOR	WEIGHT	PRICE PERFORMANCE		EPS GROWTH		VALUATION				
						P/E 12m	Div Yield	FCF Yield	EV/EBITDA	Price/Book
		1m %	YTD %	2023	2024	12m	12m	12m	12m	12m
STOXX Europe 600		-0.5%	4%	1%	7%	11.7 x	3.9%	6.3%	8.1 x	1.6 x
Commodities										
Energy	4.9%	2.9%	6%	-32%	6%	7.7 x	4.9%	11.5%	3.6 x	1.2 x
Basic Resources	2.7%	-1.1%	-13%	-44%	2%	9.7 x	5.2%	7.0%	5.1 x	1.1 x
Cyclicals										
Automobiles & Parts	2.7%	-4.3%	8%	3%	-3%	5.2 x	5.9%	12.1%	4.9 x	0.6 x
Chemicals	2.8%	1.5%	2%	-40%	24%	16.7 x	3.4%	4.5%	9.0 x	1.7 x
Construction & Materials	3.9%	-0.6%	11%	1%	7%	12.7 x	3.5%	7.5%	7.6 x	1.7 x
Industrial Goods & Services	13.5%	-3.1%	3%	-3%	5%	14.6 x	2.9%	6.3%	8.8 x	2.4 x
Media	1.9%	2.4%	12%	6%	11%	15.9 x	2.9%	6.0%	10.6 x	2.8 x
Technology	7.6%	2.3%	14%	43%	14%	20.6 x	1.4%	3.5%	13.8 x	3.5 x
Travel & Leisure	1.4%	-3.9%	8%	100%	18%	11.8 x	2.3%	7.5%	6.5 x	2.1 x
Consumer Products and Services	6.3%	-0.1%	7%	6%	13%	21.0 x	2.3%	4.7%	11.9 x	3.6 x
Financials										
Banks	8.8%	-2.9%	10%	31%	2%	5.9 x	8.2%	-		0.7 x
Insurance	5.4%	3.0%	4%	33%	13%	9.3 x	5.9%	6.8%	19.1 x	1.5 x
Financial Services	4.1%	-1.3%	6%	37%	5%	11.7 x	3.5%	6.9%	7.6 x	1.2 x
Real Estate	1.8%	2.4%	-4%	-12%	2%	13.6 x	4.9%	5.3%	21.2 x	0.8 x
Defensives										
Health Care	15.8%	-2.6%	2%	7%	12%	16.2 x	2.6%	5.5%	11.7 x	3.1 x
Food Beverage and Tobacco	6.2%	1.9%	-6%	1%	8%	14.5 x	3.7%	6.2%	10.8 x	2.2 x
Personal Care Drug and Grocery Stores	2.2%	-0.8%	1%	2%	9%	14.8 x	3.6%	6.4%	8.3 x	2.5 x
Retail	1.1%	-4.4%	13%	8%	18%	14.0 x	3.7%	6.8%	7.0 x	2.4 x
Telecommunications	2.7%	-0.9%	0%	-14%	32%	12.6 x	5.4%	11.4%	6.0 x	1.1 x
Utilities	4.0%	4.9%	1%	5%	-5%	11.6 x	5.2%	-0.2%	7.5 x	1.4 x

Past performances are not a reliable indicator of future performances and are not constant over time
Sources: ODDO BHF AM SAS, Goldman Sachs, 07/11/2023

Emerging markets

YTD EQUITY PERFORMANCE ON MAJOR EMERGING MARKETS

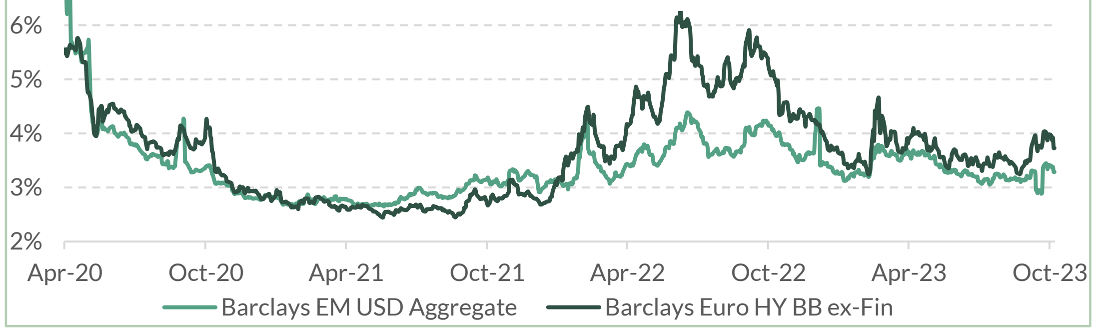


EPS (INCLUDING LOSSES) GROWTH & PE (LOCAL CURRENCY)

Emerging	PE 12mth fwd	Current Fiscal Year est EPS Growth	Next Fiscal Year est EPS Growth	Dividend Yield (trailing 12m)
MSCI EM	12.9	-10%	19%	3.0%
MSCI CHINA	10.6	4%	17%	2.6%
MSCI KOREA	15.9	-43%	66%	2.1%
MSCI INDIA	22.6	18%	18%	1.3%
MSCI INDONESIA	13.8	-3%	10%	4.7%
MSCI PHILIPPINES	11.9	15%	12%	2.6%
MSCI MALAYSIA	14.9	4%	12%	4.6%
MOEX Russia Index	*2.9*	*20%*	*-9%*	*5.2%*
WSE WIG INDEX	8.4	-18%	-2%	2.9%
MSCI TURKEY	5.3	28%	15%	2.9%
MSCI SOUTH AFRICA	11.5	-8%	29%	4.4%
MSCI BRAZIL	7.7	-26%	8%	5.7%
MSCI COLOMBIA	4.7	-16%	-3%	11.5%
MSCI MEXICO	11.9	0%	9%	3.4%

- Contrary to the developed universe, emerging equity indexes were quite dispersed.
- South-Korean Kospi lost -8%, while Warsaw WIG jumped +9% (+13% in USD) on the back of election results leading pro-European parties into power.
- After a tremendous YtD performance, investors took some profits on Mexican Peso (-3.5% vs USD).

EM DEBT SPREADS VS. BB INDUSTRIAL CORPORATE BOND SPREADS IN EUR



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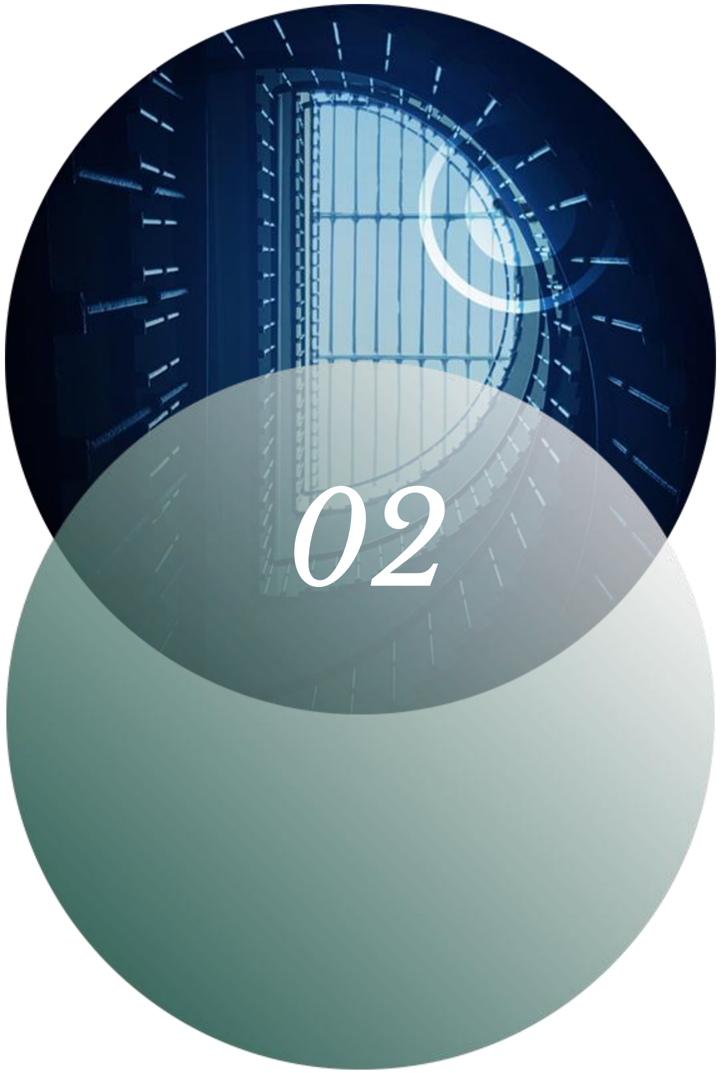
Sources: Bloomberg, ODDO BHF AM SAS | Data at 31/10/2023

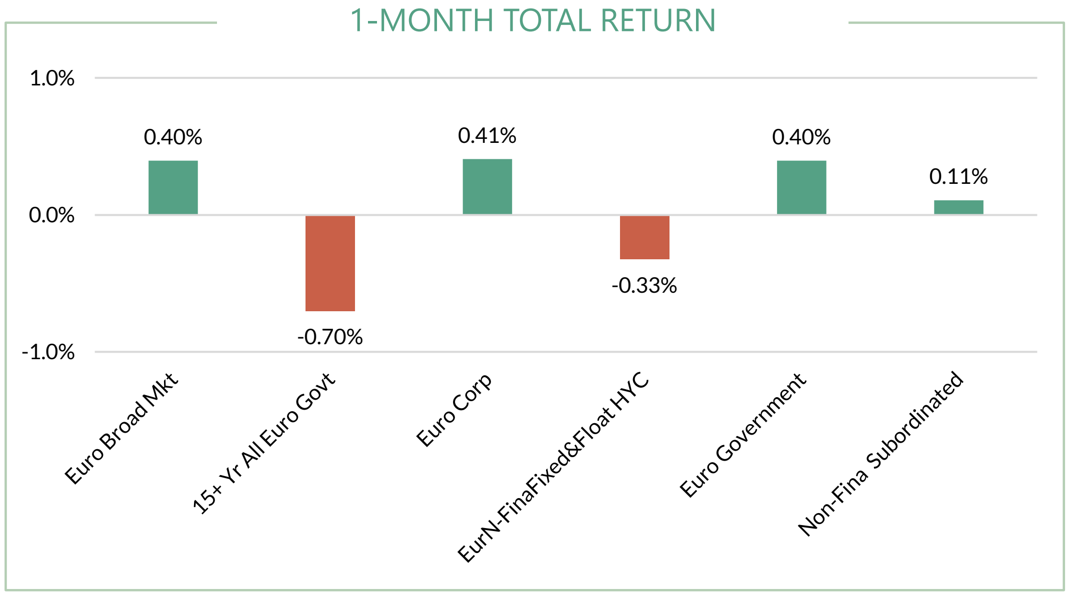


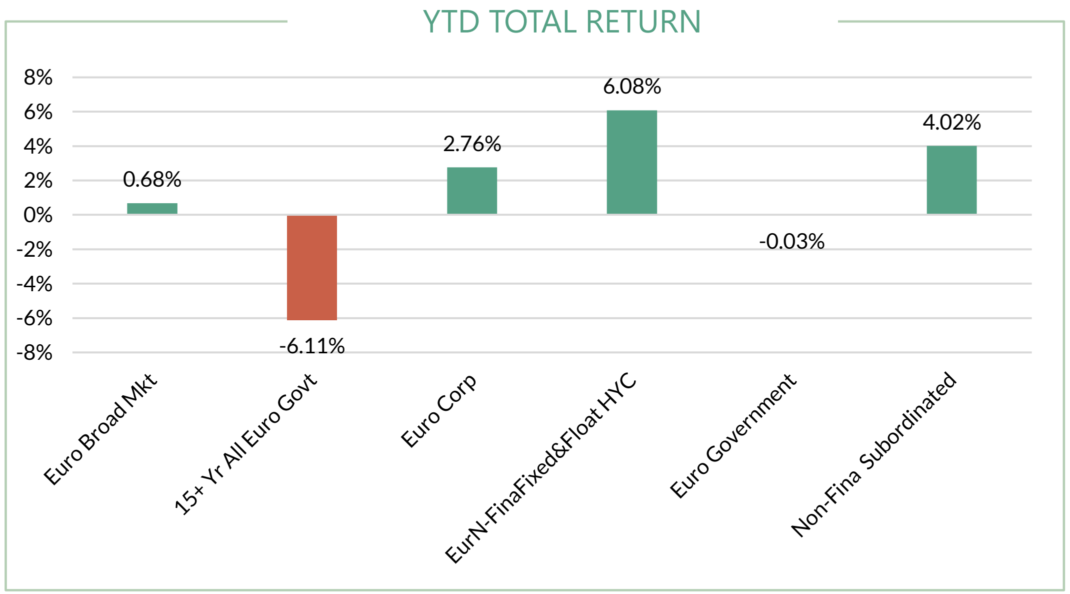
02

FIXED INCOME

Performance fixed income segment

LONG END UNDER PRESSURE AGAIN



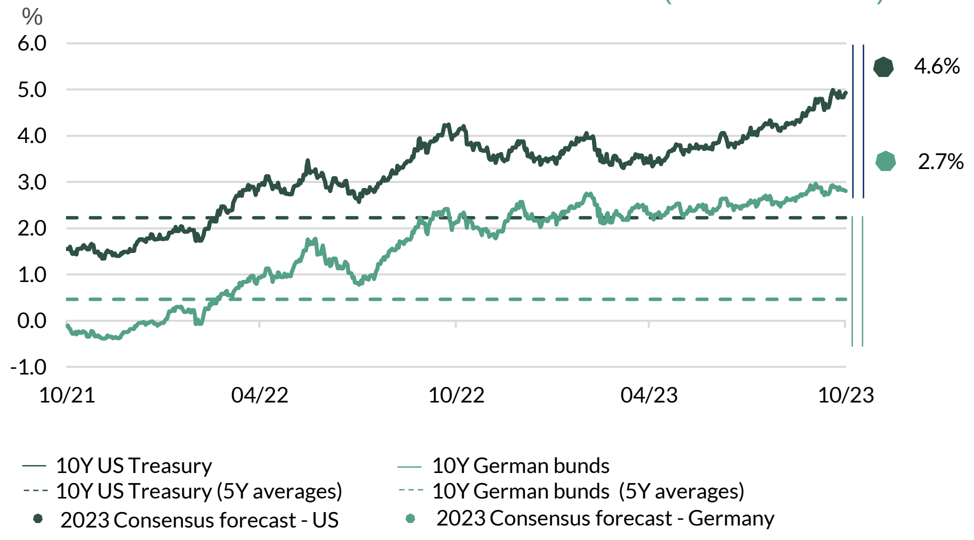


Past performances are not a reliable indicator of future performances and are not constant over time
Source: ODDO BHF AM, Bloomberg, data as of 30/10/2023

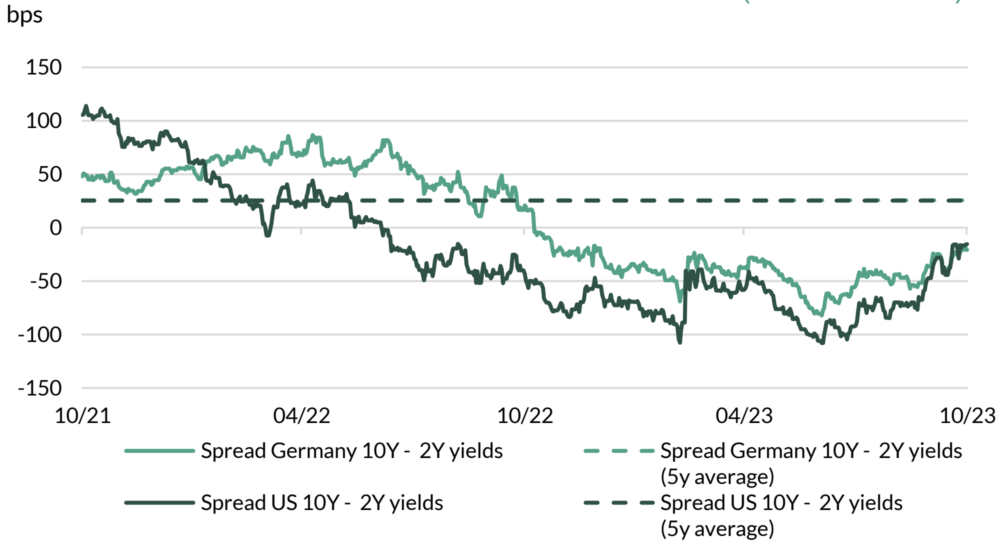
Rates

SHORT-TERM RELIEF OR INFLECTION POINT?

GERMAN & US 10-YEAR BOND YIELDS (OVER 2 YEARS)



GERMAN & US 2 YEAR – 10-YEAR YIELD CURVE (OVER 2 YEARS)

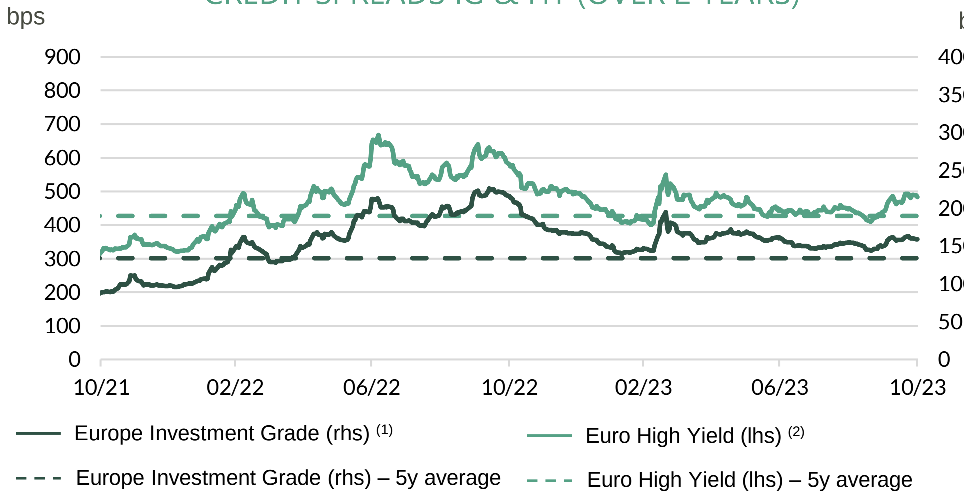


- A mix of more dovish central banks (at least perceived) , weaker US activity data, a less challenging supply schedule than feared and a short-squeeze gave a welcome respite from the multi-year rate high seen in September
- Curves are swinging wildly between bearish steepening and recent bullish flattening with the 10-2 Bund spread now sitting at roughly -40 bp, 20bp tighter than the highs this year
- Given the high recession risk in the Eurozone, continued cyclical disinflation and the peak in the hiking cycle yields look attractive
- For a further significant yield decline after the almost 40bp rebound in 10-year Bund yields from the 3,03% high, it would need however a meaningful weaker labor market, esp. in the US
- We continue to actively underweight the 30-year sector vs 10-years, and looking for steepening entry points on the 10-2 year spread

Past performance is not a reliable indicator of future performance and is not constant over time.
Bloomberg Economic Forecast | Sources: ODDO BHF AM SAS, Bloomberg | LHS: Data as of 10/31/2023; RHS: Data as of 10/31/2023

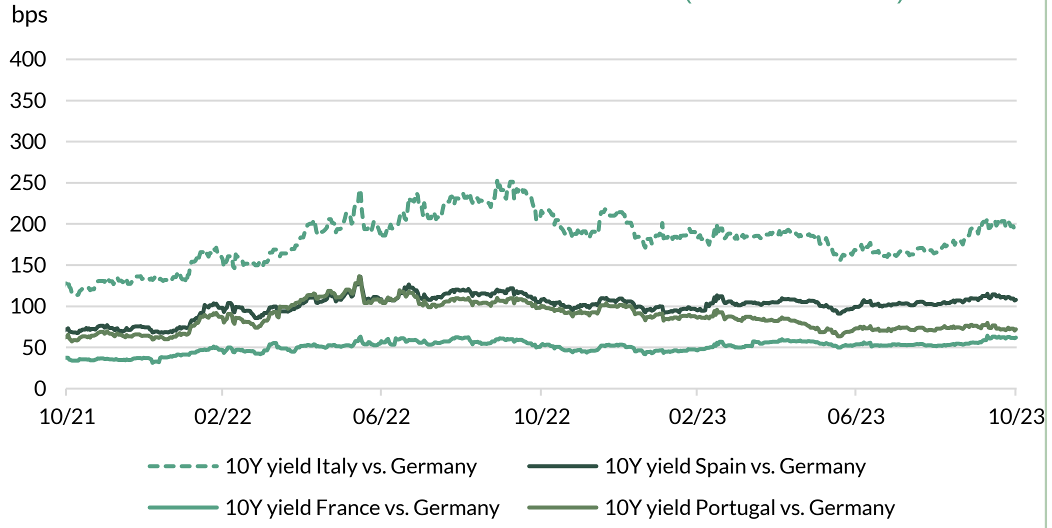
Credit Spreads
RANGEBOUND

CREDIT SPREADS IG & HY (OVER 2 YEARS)



(1) BofA Merrill Lynch Euro Corporate Index (ER00)
(2) BofA Merrill Lynch Euro High Yield Non-Fin. Constr. (HE00)

MAIN EUROZONE COUNTRY SPREADS (OVER 2 YEARS)

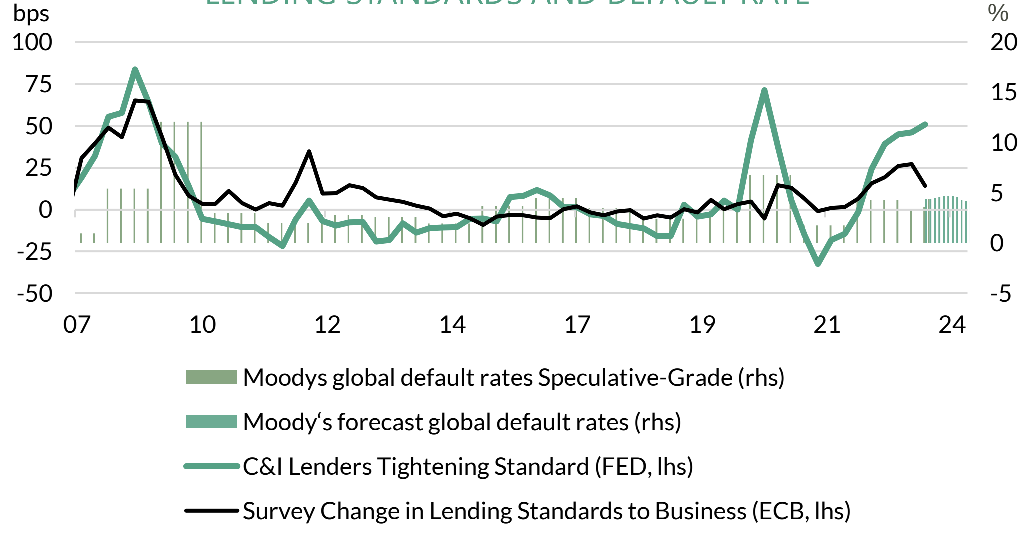


- Credit is currently influenced by the crosscurrents of deteriorating macro data, but on average mostly sufficient company results and a still healthy demand
- At 160bp Investment Grade spreads appear still attractive as long as the economy is not falling off a cliff
- We remain defensive on BTP spreads as the mix of rating reviews, a ballooning deficit, weakening economic data and the discussions on PEPP are a negative backdrop
- Moreover, domestic accounts have heavily bought into BTPs over the last months so that supply may not so easily be digested in 2024

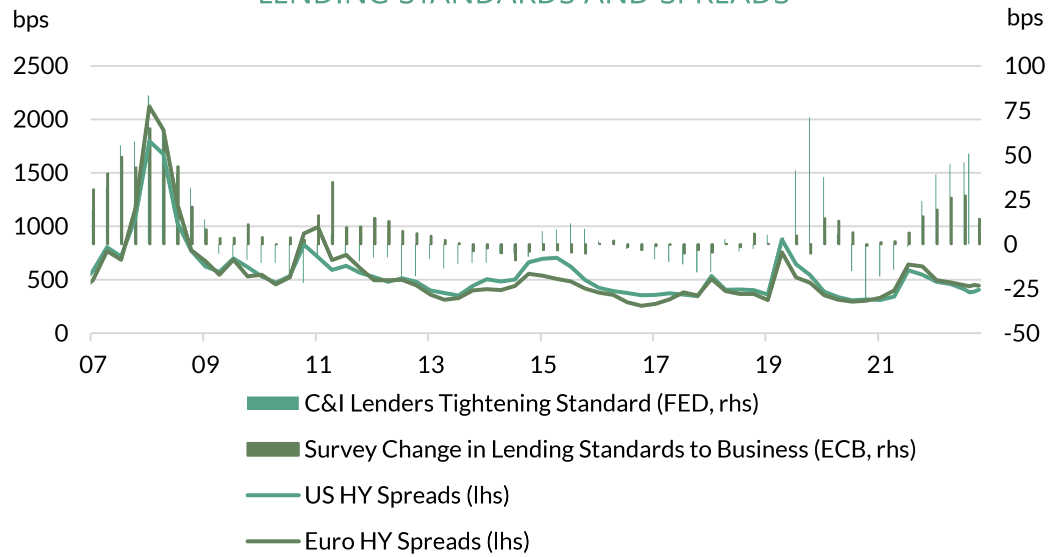
Past performance is not a reliable indicator of future performance and is not constant over time.
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 10/31/2023

Financial conditions
TIGHT

LENDING STANDARDS AND DEFAULT RATE



LENDING STANDARDS AND SPREADS



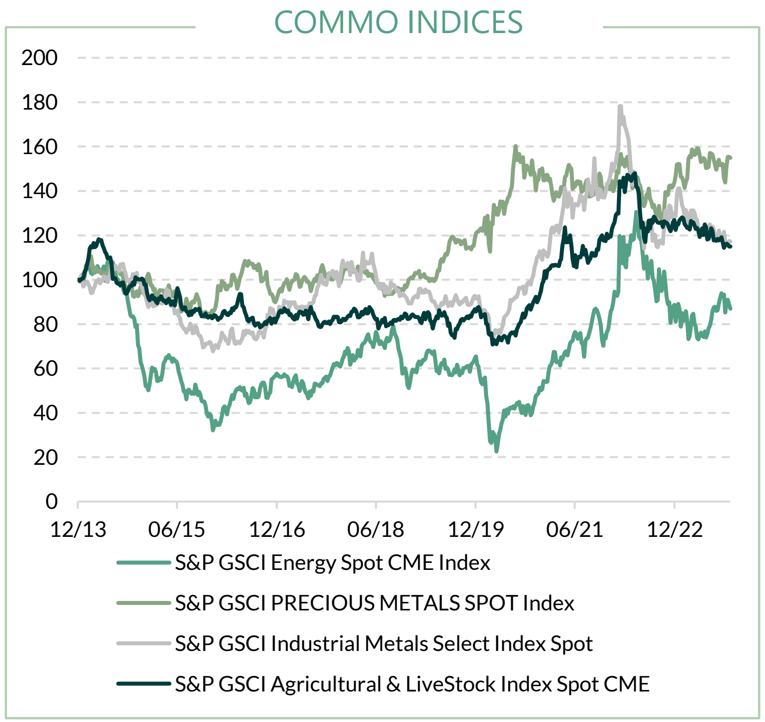
- Market based financial conditions have eased a bit recently after the spike due to sharply rising interest rates
- Survey based credit conditions remain in tightness mode and reflect subdued credit and loan demand, although there was a bit of improvement for the ECB survey as well as for the Fed`s senior loan officer data

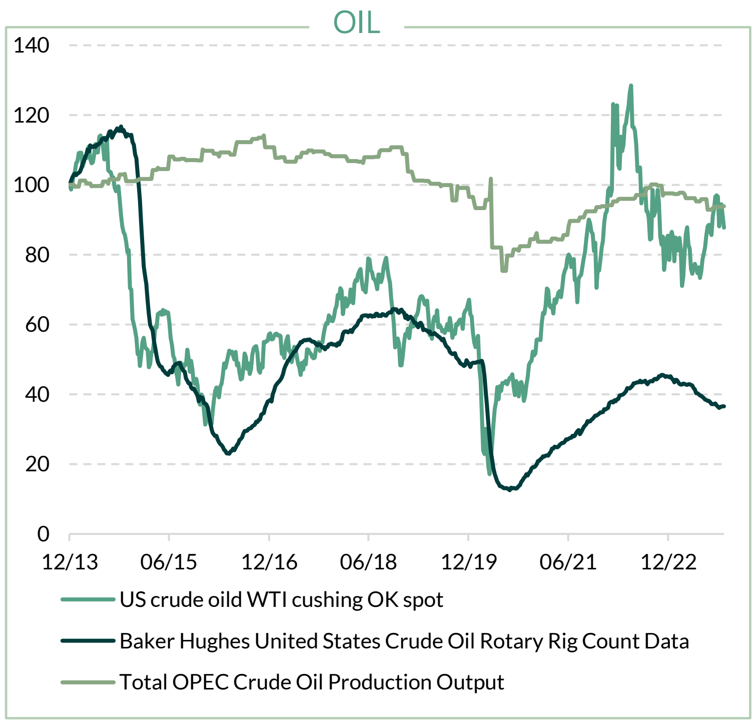
Source: Fed, ECB, Bloomberg | Moody's as of 09/30/2023, Lending Standard & Survey Change as of 09/30/2023, Spreads as of 09/30/2023

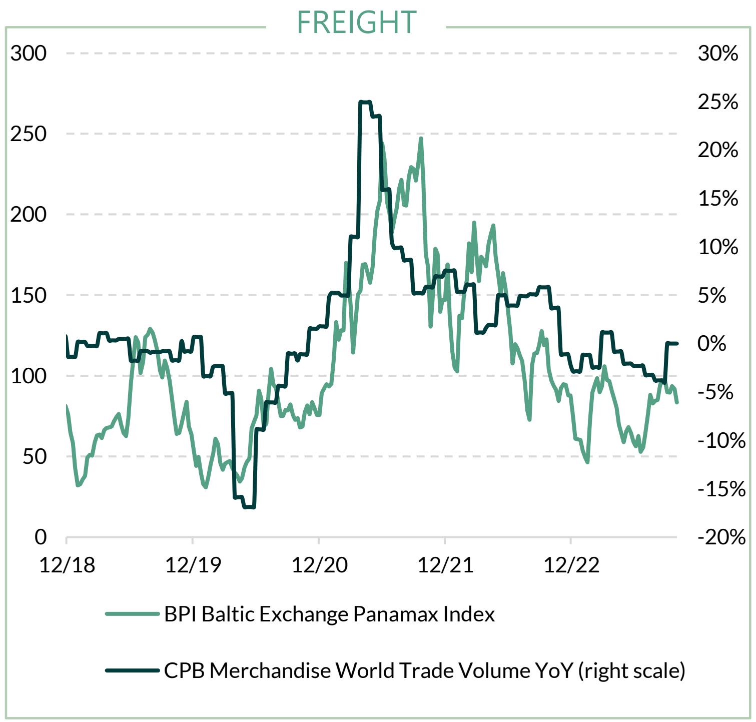
COMMODITIES & CURRENCIES

Commodities

GOLD PLAYED ITS ROLE AS A SAFE HAVEN







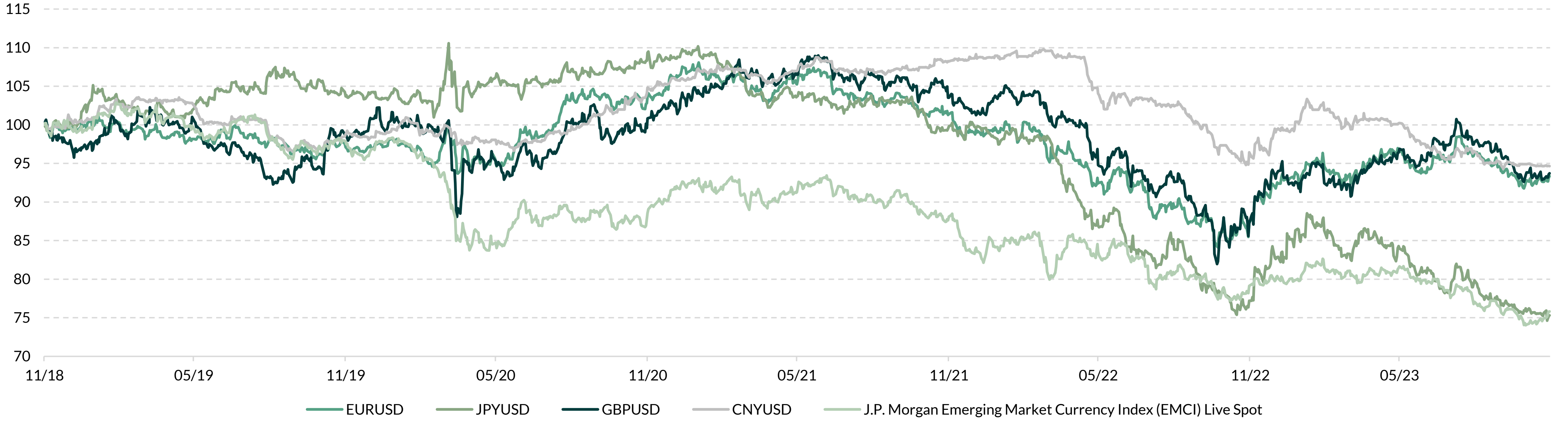
- GSCI precious metals gained +6%, led by Gold (+7%, hovering close to the 2000USD/Oz level).
- Industrial metals (-4% over the month) fall back to the lowest level of the year, while Agricultural products were stable on average.
- GSCI Energy lost -8%, with WTI plunging -11% but Brent just -8%.

Past performances are not a reliable indicator of future performance and are not constant over time.
Sources: Bloomberg, ODDO BHF AM SAS | Data at 31/10/2023

Currencies

A VERY STEADY CHINESE YUAN

CURRENCIES - CHANGE OVER 5 YEARS



- With many central bank now fine-tuning their peak-rate trajectories, global yield curves partially desynchronize, leading to volatile yield differentials which help sustain FX volatilities.
- However, the Chinese Renminbi remain stuck in a tiny corridor (+/- 0.5% around 7.3 per USD) since mid-August.

Past performances are not a reliable indicator of future performance and are not constant over time.
Sources: Bloomberg, ODDO BHF AM SAS | Data at 31/10/2023

03

CURRENT *Convictions*

Scenarios
OUR 6-MONTH VIEW

01 Central scenario

Global GDP growth shows resilience so far but might slow down as PMIs are weakening, especially in the Eurozone. The rebound of China after the exit from the zero-Covid policy is less pronounced than expected but might fuel disinflation further. Central banks are approaching the end of the hiking cycle while the full impact of the rate increases has to be seen. Credit supply is more restrictive and lending standards continue to tighten which could potentially trigger a mild recession. On the positive side, corporate earnings are solid so far with exceptions in the Chemical and Real Estate sector.

EUROPE

- Growth expectations deteriorate with weakening PMIs, especially for manufacturing
- Inflation has mostly like seen the peak, but stays elevated and core inflation is sticky
- ECB stays hawkish in order to bring inflation down
- Supply chains are less disrupted

US

- So far, corporate fundamentals and the labor market remain resilient, but economic sentiment is deteriorating
- While inflation has peaked already, the FED remains committed to the goal of price stability
- Massive issuance volumes of the US Treasury could absorb liquidity of bond markets.

STRATEGY

- Increased diversification
- Benefit from attractive valuations for short-term corporate bonds

OVERWEIGHT

- Short Duration Euro Credit (IG + HY)
- Money Market

UNDERWEIGHT

- Peripheral bonds

70%

02 Alternative scenario #1

Leverage crisis, sticky inflation

- A more restrictive credit supply puts pressure on highly levered companies and the overindebted Real Estate sector
- Inflation does not fall to the expected extent, stays sticky despite a weaker economic outlook and hawkish ECB
- Risk of overtightening by central banks
- Market volatility increases

OVERWEIGHT

- Alternative strategies
- Cash

UNDERWEIGHT

- Equities
- Credit

20%

03 Alternative scenario #2

Upside scenario

- Sustainable resolution of the stress in the financial system and no repercussions to the real economy
- China re-opening and less disrupted supply chains support global growth, a recession is avoided
- Central banks change their current hawkish stance as there is substantial relief from inflation figures

OVERWEIGHT

- Equities, incl. Emerging Markets
- High Yield
- Sovereigns

UNDERWEIGHT

- Alternative Strategies
- Cash

10%

Source: ODDO BHF AM, as of November 7th 2023

Our current convictions FOR EACH ASSET CLASS

Change from the last GIC meeting: → / ←

			Change from the last GIC meeting
Equities	OVERALL EQUITIES RECOMMENDATION	0	→
Equities	Large cap Eurozone	0	→
Equities	Mid cap Eurozone	0	→
Equities	Small cap Eurozone	0	→
Equities	UK	0	→
Equities	USA	0	→
Equities	Emerging markets	0	
Equities	Japan	0	
Equities	China	0	←
Currencies	USD/€ (Direction of the USD)	0	
Currencies	YEN/€ (Direction of the YEN)	1	
Currencies	GBP/€ (Direction of the GBP)	0	
Currencies	CHF/€ (Direction of the CHF)	0	
Commodities	Gold	-1	←
Commodities	Crude oil	0	→

Source: ODDO BHF AM, as of November 7th 2023

Our current convictions FOR EACH ASSET CLASS

Change from the last GIC meeting

Government bonds	OVERALL GOVERNMENT BONDS				1	
	Core Europe				1	
	Peripheral Europe		-1			
	USA				1	
Corporate bonds	OVERALL CORPORATE BONDS			0		
	Investment grade Europe				1	
	Investment grade short duration				1	
	High yield credit short duration					2
	High yield Europe			0		
	High Yield USA		-1			
	Emerging markets			0		
Money Market	Developed markets					2

Source: ODDO BHF AM, as of November 7th 2023

HOW PERFORMANCE IS CALCULATED

Cumulative fund performance is calculated based on dividends reinvested. Annualised performance is determined on an annual, 365-day actuarial basis. A fund's performance relative to its benchmark index is expressed as arithmetic difference. Static indicators are generally calculated on a weekly tick that is taken on Fridays, or failing that, on the day prior to valuation.

VOLATILITY

Volatility is a risk indicator measuring the level of fluctuations observed in a portfolio (or index) over a defined period. It is calculated as annualised standard deviation of absolute returns within a defined period of time.

CREDIT SPREAD (CREDIT PREMIUMS)

The credit spread is the risk premium or the difference between the yields of corporate bonds and that of sovereign bonds with the same characteristics.

INVESTMENT GRADE

Investment-grade bonds are bonds issued by issuers rated between AAA to BBB- by Standard & Poor's or the equivalent.

HIGH YIELD

High-yield bonds are speculative bonds rated lower than BBB- (Standard & Poor's) or the equivalent.

PE (PRICE-EARNINGS RATIO)

A stock's price-earnings ratio is equal to the stock's price divided by the issuing company's earnings per share. It is also called the "earnings multiple". It depends mainly on three factors: the company's forecast earnings growth, the risk associated with these forecasts, and the level of interest rates.

Our latest publications

INVESTMENT STRATEGIES

- Sept. 23 • Hovering flight or losing altitude?
- Jan. 23 • On your marks
- Sept. 22 • Carry on
- Jan. 22 • Make 2022 an opportunity
- Sept.21 • “Breathless?”

MONTHLY INVESTMENT BRIEF

- Oct 23 • The rise in bond yields leads to new opportunities for investors
- July 23 • Legitimate questions
- June 23 • Small is beautiful
- May 23 • Choose your side
- Apr 23 • Waiting for a clear signal
- Mar 23 • The “Rentier” is doing better

MARKET VIEWS

- 09/10/23 • European fiscal risks after the interest rate shock
- 13/09/23 • Economic outlook: a bittersweet cocktail (mostly bitter)
- 12/07/23 • Artificial Intelligence: Hype or Megatrend?
- 10/07/23 • Global economy: the glass is half... (it's up to you to decide)
- 15/06/23 • Five topics that move the markets
- 15/06/23 • Consumer stress test

VIDEOS

- #FocusOn • ODDO BHF China Domestic Leaders
- Podcast • Investment strategy – September 2022 – Highlights
- #LeadWith • Investment Brief H1 2022
- #FocusOn • ODDO BHF Polaris Fund Range
- #Moments • ODDO BHF Green Planet: the ecological transition, a sustainable investment opportunity
- #TalkWith • Ecological transition: challenges & opportunities

SUSTAINABLE INVESTING

- Responsible Investment Policy
- Basics of sustainable investing
- Sustainable investing – ODDO BHF AM's approach
- The ecological transition: a sustainable investment opportunity
- Human Capital – a factor of resilience & differentiation
- ESG: the key to unlocking opportunities in small caps

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