

# MONTHLY *investment* BRIEF

## *A lull under pressure*

Financial markets are currently heavily shaped by events that are largely unpredictable and difficult for investors to control. The opening of negotiations aimed at a ceasefire, combined with the U.S. blockade of Iranian ports, has rekindled hopes of a de-escalation of the conflict with Iran. These expectations remain fragile, however, and could quickly be disappointed should the talks fail. While the White House's shifting positions on the state of the negotiations may create short-term opportunities, their relevance remains limited for long-term investors—a category to which we belong.

More fundamentally, the first few weeks of the conflict have already clouded global growth prospects and increased inflationary risks. In its World Economic Outlook published in mid-April, the International Monetary Fund (IMF) forecasts weaker growth, even in the best-case scenario of a swift end to the conflict: the growth forecast has been revised down from 3.2 to 3.1 percent while inflation could reach 4.4 percent.

A prolonged closure of the Strait of Hormuz would have far more severe consequences for both growth and inflation. Although we believe that a lasting ceasefire agreement between the U.S. and Iran remains more likely than a resumption of hostilities, the economic and financial repercussions of the conflict would remain significant even in the event of rapid stabilization.

In both the U.S. and Europe, bond markets no longer anticipate near-term interest rate cuts. In the euro area, several rate hikes are even expected. Financial markets thus appear to be at an inflection point on the threshold of a new market environment characterized by structurally higher interest rates than in the pre-Covid period, geopolitical uncertainty, and major technological upheavals whose sectoral implications remain partly undetermined.

### **A sharp reaction in bond markets**

Despite this uncertain backdrop, equity markets have generally shown resilience, even as volatility has repeatedly spiked. Bond markets, by contrast, have reacted far more strongly: short-term and long-

term interest rates have risen worldwide. Unlike in other geopolitical crises, this development has not led to a sustained flight into safe-haven government bonds.

This dynamic is primarily driven by structural factors such as high government deficits, increasing government financing needs, and a persistently larger supply of bonds. For investors, this means that duration risk is once again playing a more significant role and should be given greater attention.

### **A moment of truth for artificial intelligence**

At the same time, AI is entering a pivotal phase. Investors are now seeking to distinguish future winners from players that could come under pressure. The investment wave linked to AI is very real—as are the substantial amounts committed by large U.S. technology companies to data centers, chips, and infrastructure.

A deeper analysis, however, highlights several areas of risk: Financing needs are growing faster than revenues generated, while leverage is increasing. A growing share of this expansion is being funded through new debt issuance, even in the high-yield bond segment. While there are no clear signs of an imminent bursting of the AI bubble, the risk of overinvestment continues to grow. The key question remains whether productivity and profits can keep pace with the particularly rapid pace of investment.

More fundamentally, this technological upheaval will redefine sectoral balances. AI will not only drive economic growth; it will profoundly transform existing business models. Industries with highly standardized processes are particularly affected - including parts of the financial sector. At the same time, major technology companies are gradually extending their solutions across the entire value chain, thereby intensifying competition with established providers.

In this context, broad sector diversification is more essential than ever for investors. Finally, an additional source of tension is emerging in the private debt market: data points to an increase in repayments by large private debt funds, as well as heightened pressure on refinancing transactions,



particularly those related to data center financing. At this stage, however, the risk remains contained: compared to the traditional banking system, the economic weight is still limited (4–5% of total outstanding credit), and no systemic crisis is emerging on the horizon.

### What does this mean for the investment strategy?

The current environment is best characterized as a pause within an otherwise turbulent landscape. Market direction remains uncertain. Neither a recession nor a sustained bear market represents our base-case scenario at this stage, despite unresolved geopolitical tensions. The risk of a significant resurgence in inflation driven by second round effects appears limited. That said, this is not an environment conducive to aggressive positioning. The priority is capital preservation rather than the pursuit of outsized gains.

In practical terms, this calls for shorter bond maturities, selective profit taking in assets that have appreciated sharply, and a reallocation toward securities that have lagged thus far. A balanced exposure across cyclical and defensive segments remains essential. European industrials and materials companies, selected U.S. industrial and defense names, and European financials currently present attractive opportunities. Conversely, caution is warranted in certain defensive consumer sectors and in companies whose business models are particularly exposed to disruption linked to artificial intelligence.

In summary, we maintain a slight overweight in equities and continue to favor long term structural themes such as artificial intelligence, defense, and electrification. However, these themes are evolving rapidly and can no longer be accessed passively through broad market exposure. Recent conflicts

illustrate how technological shifts—such as the replacement of traditional heavy equipment by drones—can quickly redefine winners and losers. Allocations should therefore focus on those best positioned to benefit from these structural changes.

The key drivers identified at the start of the year remain intact. Fiscal stimulus and accommodative financial conditions should continue to support asset price reflation and a momentum driven market. Short term disruptions are inevitable, but it is the broader trajectory that ultimately matters.

The market is not in crisis; it is in transition. Ignoring this reality risks poor decision making. Acknowledging it, however, allows investors to focus on what matters most: building more resilient, future proof portfolios.



LAURENT DENIZE  
Global Co-CIO, ODDO BHF



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## OUR FOCUS SOLUTION: ODDO BHF GLOBAL NAVIGATOR

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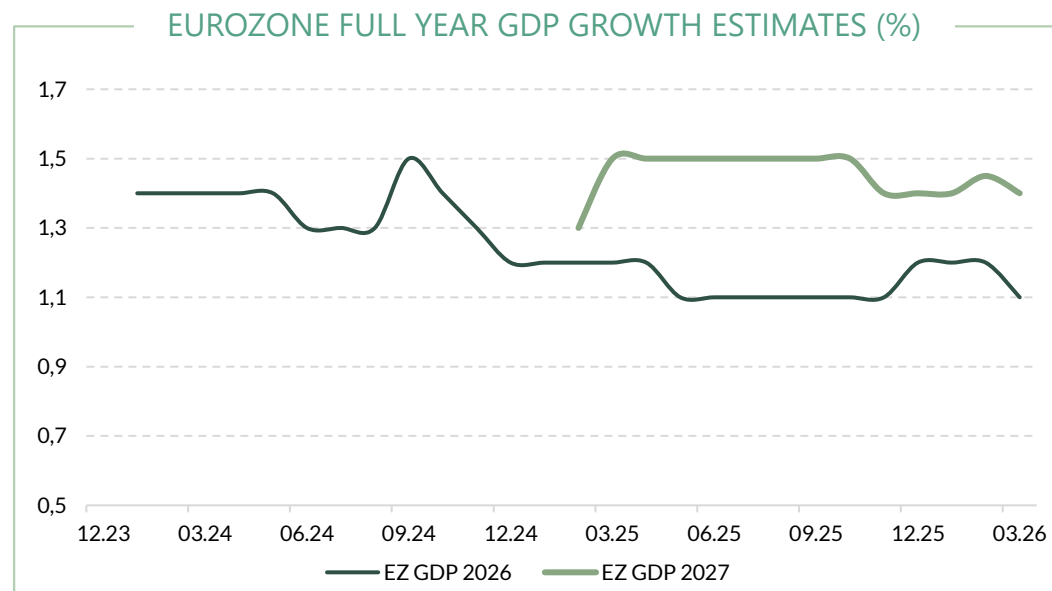
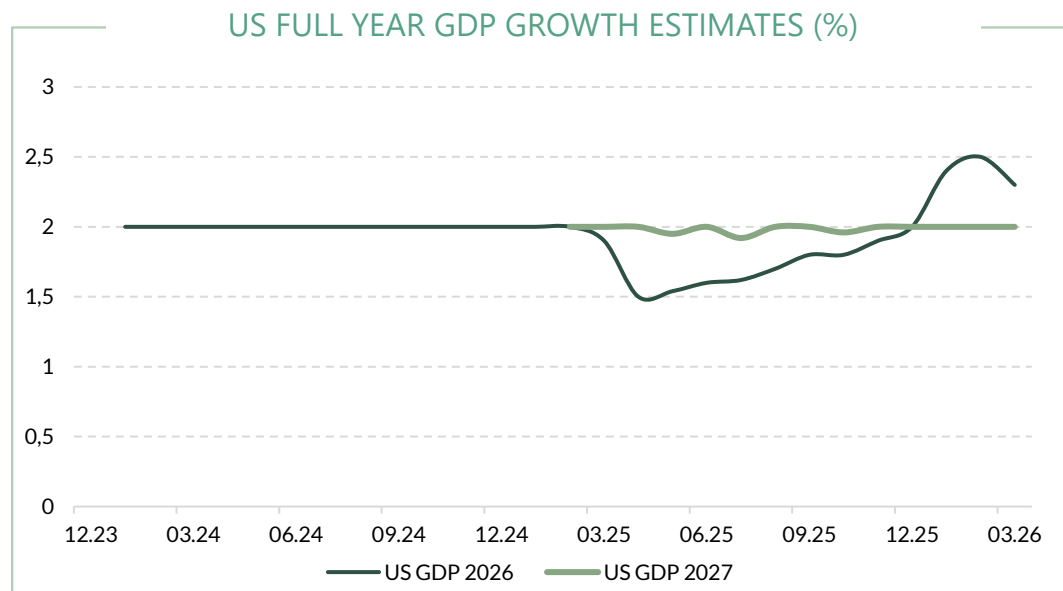
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MACROECONOMIC  
*outlook*



# Growth outlook

## FIRST ADJUSTMENTS

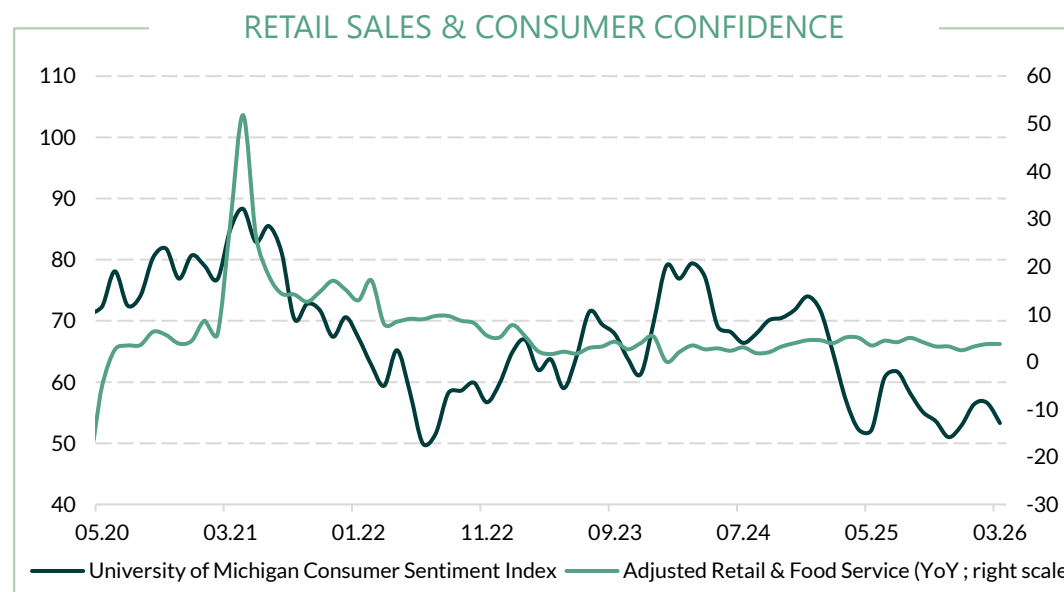
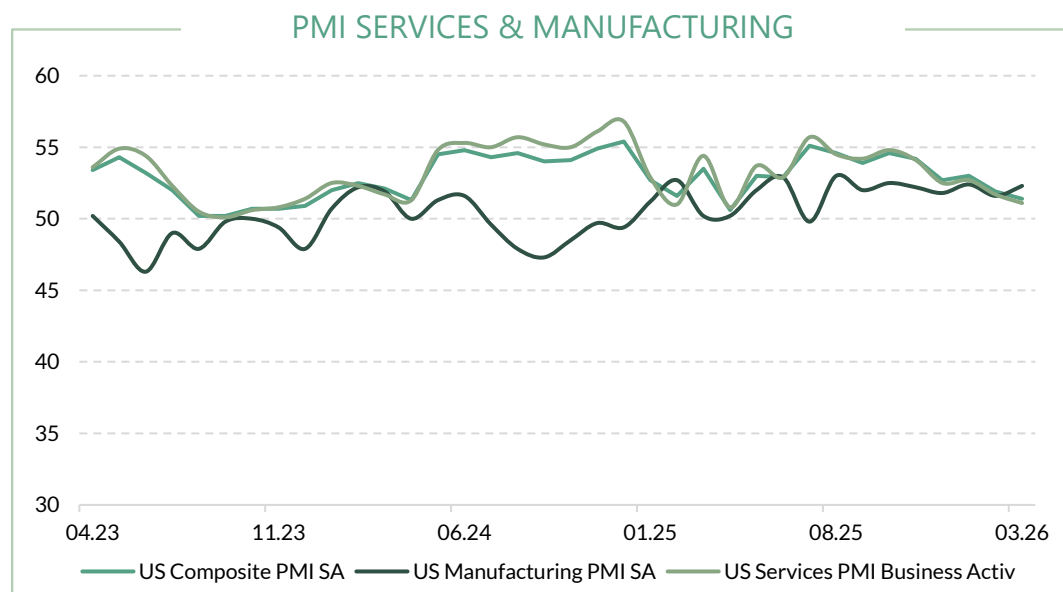


- Supply disruptions due to the Middle East war start to tentatively show-up in the economic data
- Given the uncertainty over ongoing truce negotiations and the impact of disruptions, growth downgrades have been minor, so far



# USA

## INFLATION IS CONSUMER CONCERN NO 1

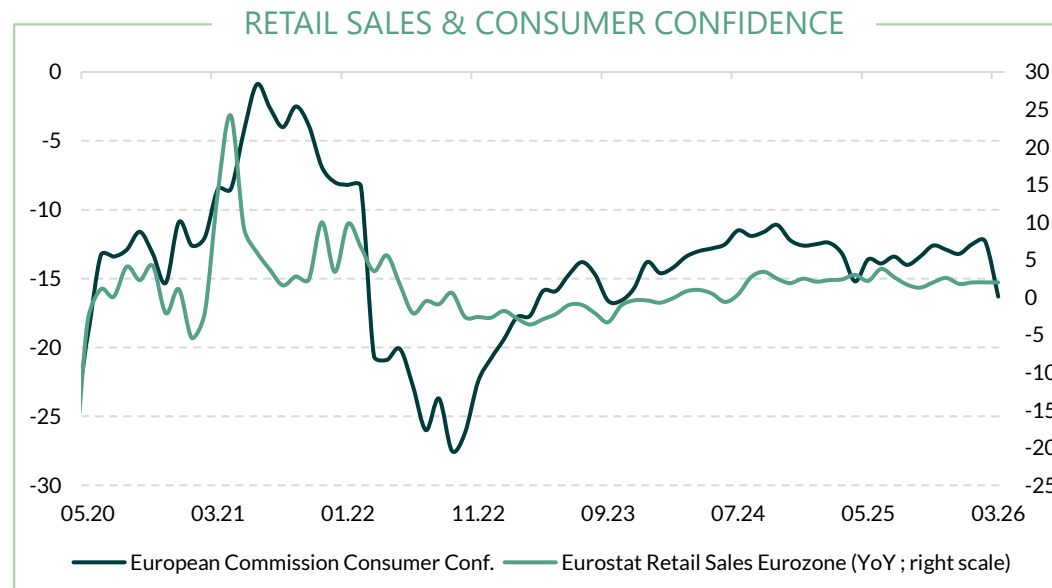
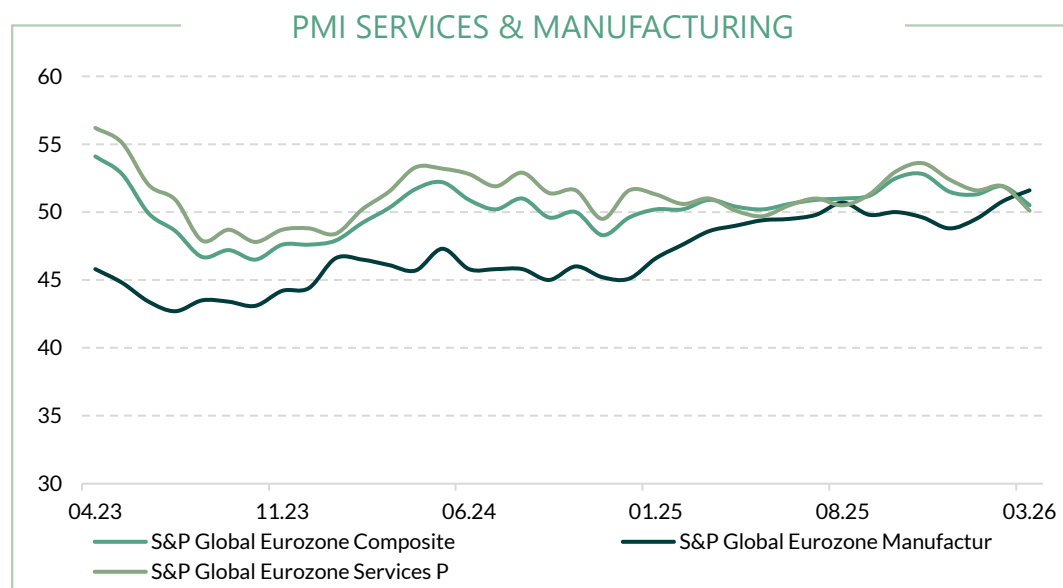


- First impacts of the Iranian war popped up in ISM data. The services component declined two points with a notable deterioration in the employment survey and a surge in prices paid
- The manufacturing ISM improved slightly, but for the wrong reason as delivery times lengthened quite a bit, suggesting tentative supply disruptions
- The labor report for March showed a meaningful improvement in newly created jobs which rose by 178 k. Moreover, job growth broadened out from education and health services where the growth had been concentrated so far
- Although the US, as a net energy exporter is less vulnerable to the recent oil spike, a turn in financial conditions and higher inflation could erode real incomes of consumers



# Europe

## A SETBACK SO FAR, NOT A PIVOT

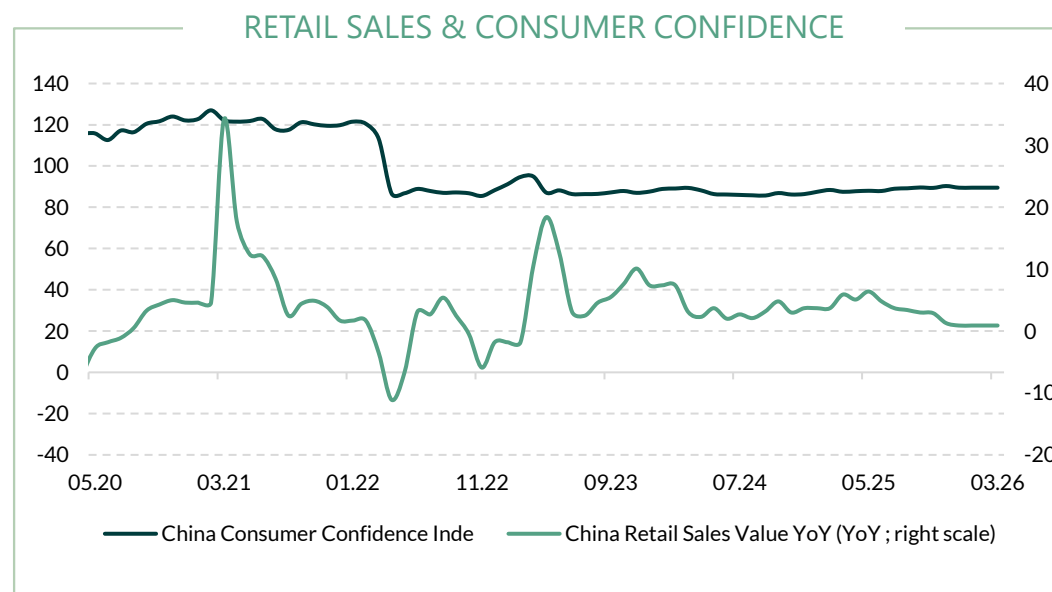
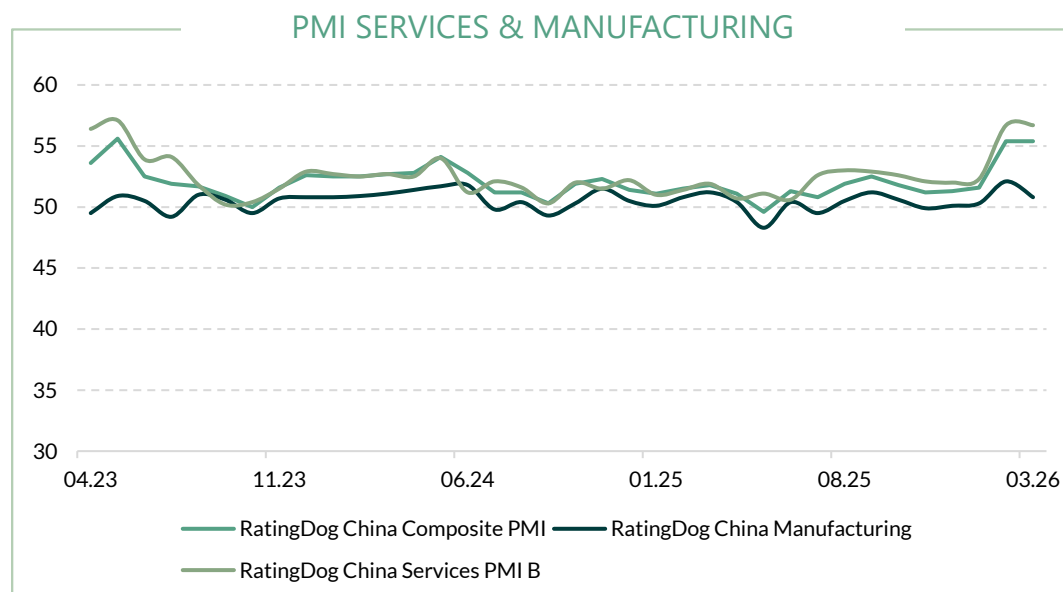


- PMIs in March have shown first signs of disruptions and higher input prices
- Also, delivery times increased giving manufacturing PMIs a push. That is basically rather a sign for supply disruptions than healthy demand
- It remains to be seen how strong the drag on hard data will be. Should the recent ceasefire lead to a near-term opening of the Strait of Hormuz, Eurozone growth should only hit a temporary air pocket



# China

## VULNERABLE TO DISRUPTIONS

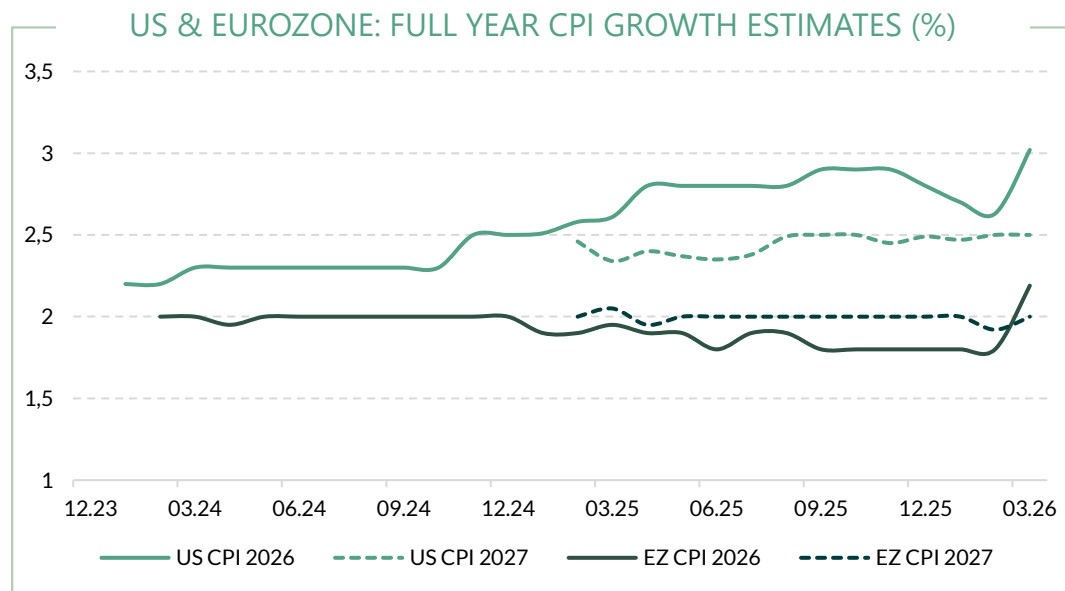


- While the official PMI for March crawled back its way above the expansionary line (50.4), the RatingDog measure took an almost 4-point hit to 51.5. This decline stemmed from the manufacturing as well as the service side and shows that sentiment has already been impacted
- The property market remains in a dire state, although some indicators like the growth of completed investment in real estate have shown a decelerating fall recently



# Inflation expectations

## STILL TRUST IN CENTRAL BANKS



YOY CPI ESTIMATES

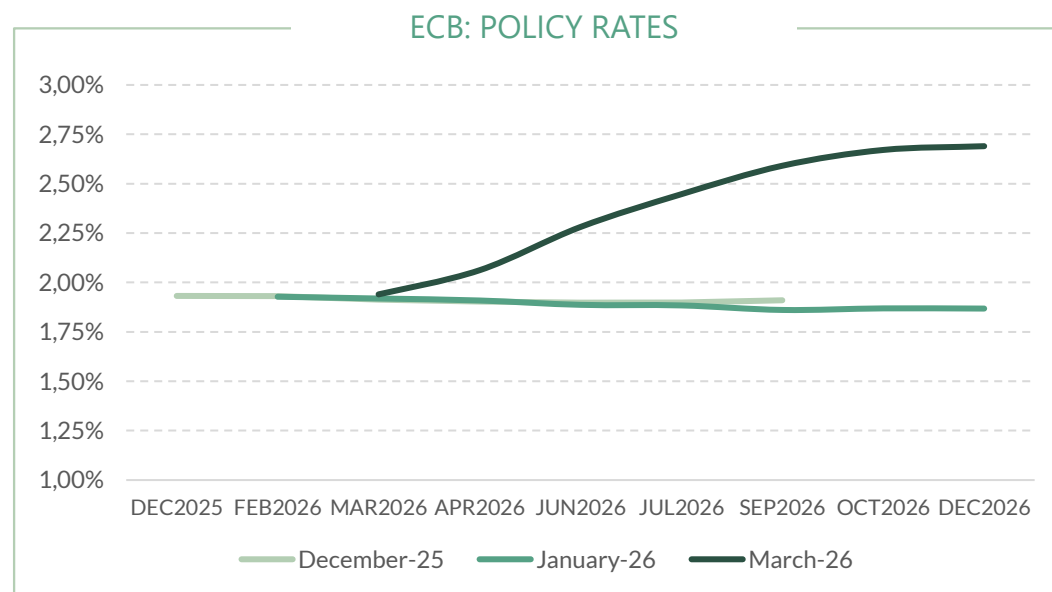
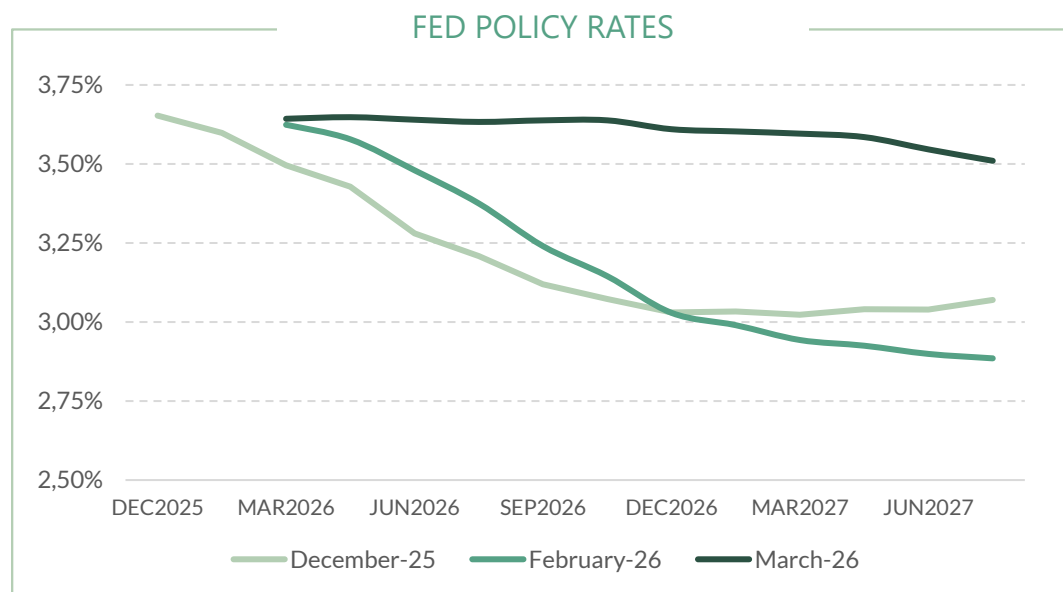
	Headline Inflation Rate (%)	Inflation Rate (%)			Inflation Forecasts (%)		Policy Rate (%)		Money Supply (y/y %)		Output Gap (%)
		Target	Actual	Diff	Annual Forecast	Diff	Nominal	Real	Narrow	Broad	
US	2.4	2.0	2.8	0.8	3.02	1.0	3.75	1.35	-4.01	4.9	-0.1
Euro Area	2.5	< 2.0	2.5	0.5	2.19	0.19	2.15	-0.35	4.8	3	-
Japan	1.3	2.0	1.3	-0.7	2	0	0.75	-0.55	-10.6	1.7	0.4
UK	3	2.0	3.0	1.0	2.73	0.7	3.75	0.75	-	3.6	0.2
Canada	1.8	1.0-3.0	1.8	In range	2.4	In range	2.25	0.45	6.48	3.61	0.1
Australia	3.7	2.0-3.0	3.7	0.7	3.7	0.7	4.1	0.4	-15.1	7.74	-0.2
New Zealand	3.1	1.0-3.0	3.1	0.1	2.3	In range	2.25	-0.85	10.8	4.2	-3.5
Switzerland	0.1	<2.0P	0.1	In range	0.5	In range	0	-0.1	1.57	4.86	0.5
Denmark	0.7	-	0.7	0.7	1.3	1.3	1.75	1.05	3.67	-12.61	0.6
Norway	2.7	2.0	2.7	0.7	2.42	0.4	4	1.3	9.2	7.9	0.1
Sweden	0.3	2.0	0.3	-1.7	0.7	-1.3	1.75	1.45	-2.49	4.95	-1.2

- Longer-term inflation expectations as measured by break-even rates or inflation swaps have been fairly well behaved and are still close to 2%, while 1-year swaps have surged in sympathy with spot oil prices



# FED & ECB policies

## WILD SWINGS



- In the wake of spiking energy prices and the recent ceasefire talks, ECB policy pricing went from flat to embedding three hikes and back to two at the point of writing (8<sup>th</sup> April)
- Although, an insurance hike by the ECB can not be excluded we would view that as a possible policy error because the inflation hump will be basically supply driven and inflation expectation remain anchored
- FED cut bets have been pared back to roughly one from three
- We see the FED staying put for the time being, in order to assess the incoming inflation/growth mix

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 01/04/2026

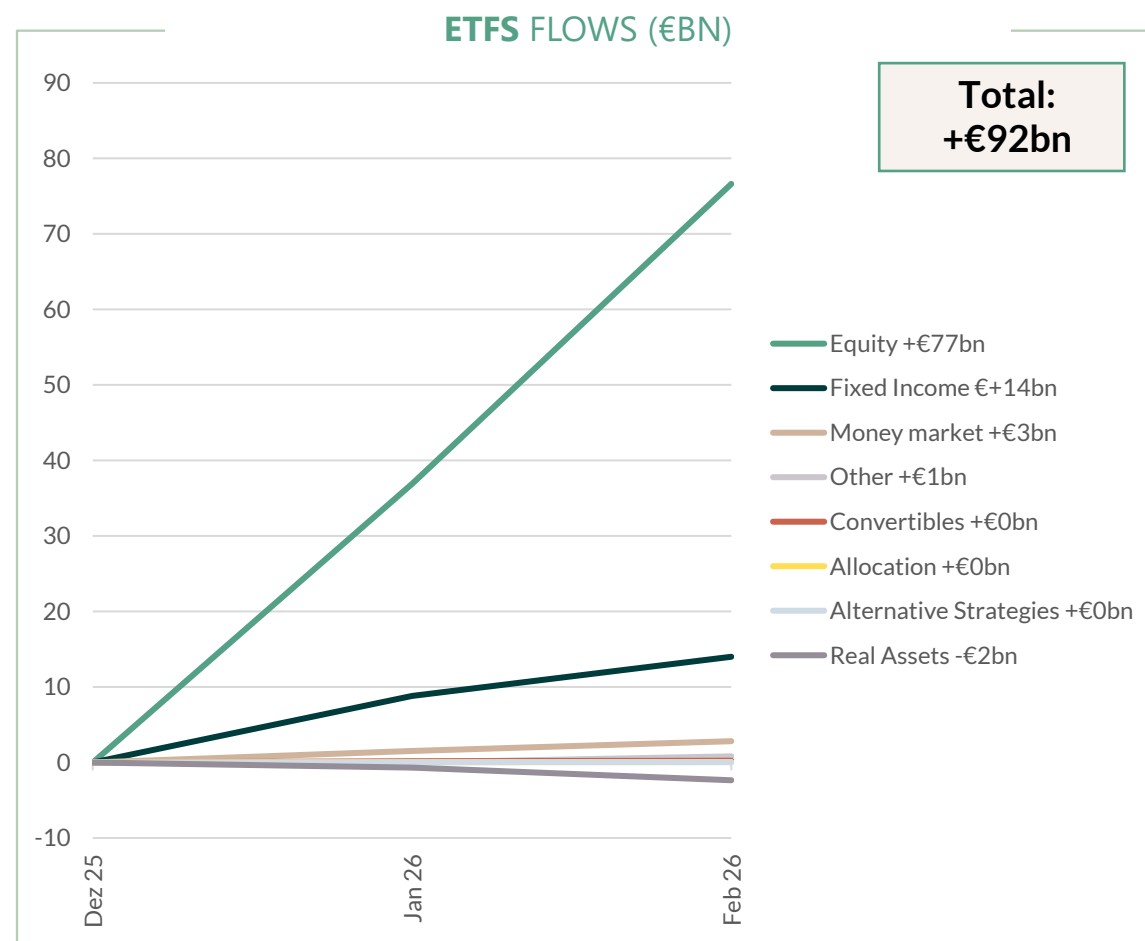
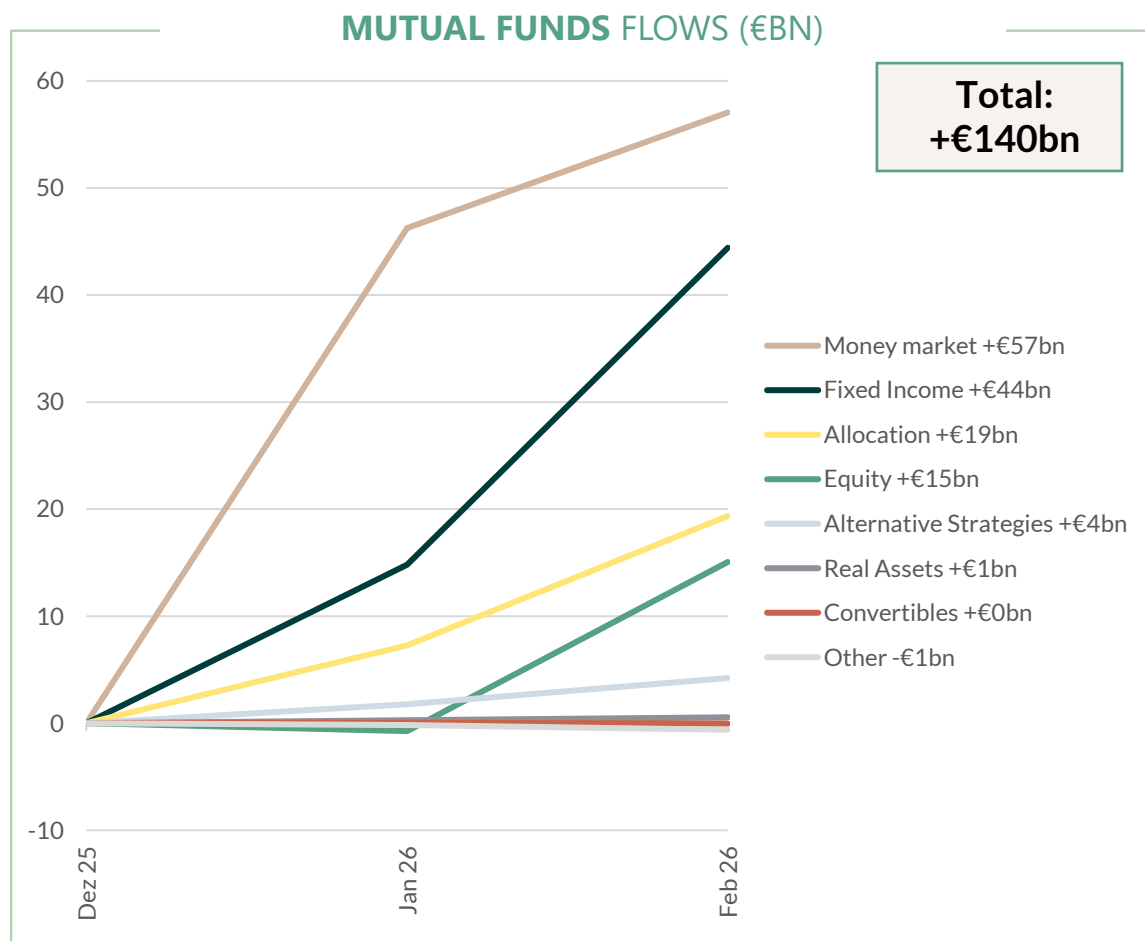


02

MARKET  
*analysis*



# Flows evolution | Mutual funds & ETFs | YTD 2026



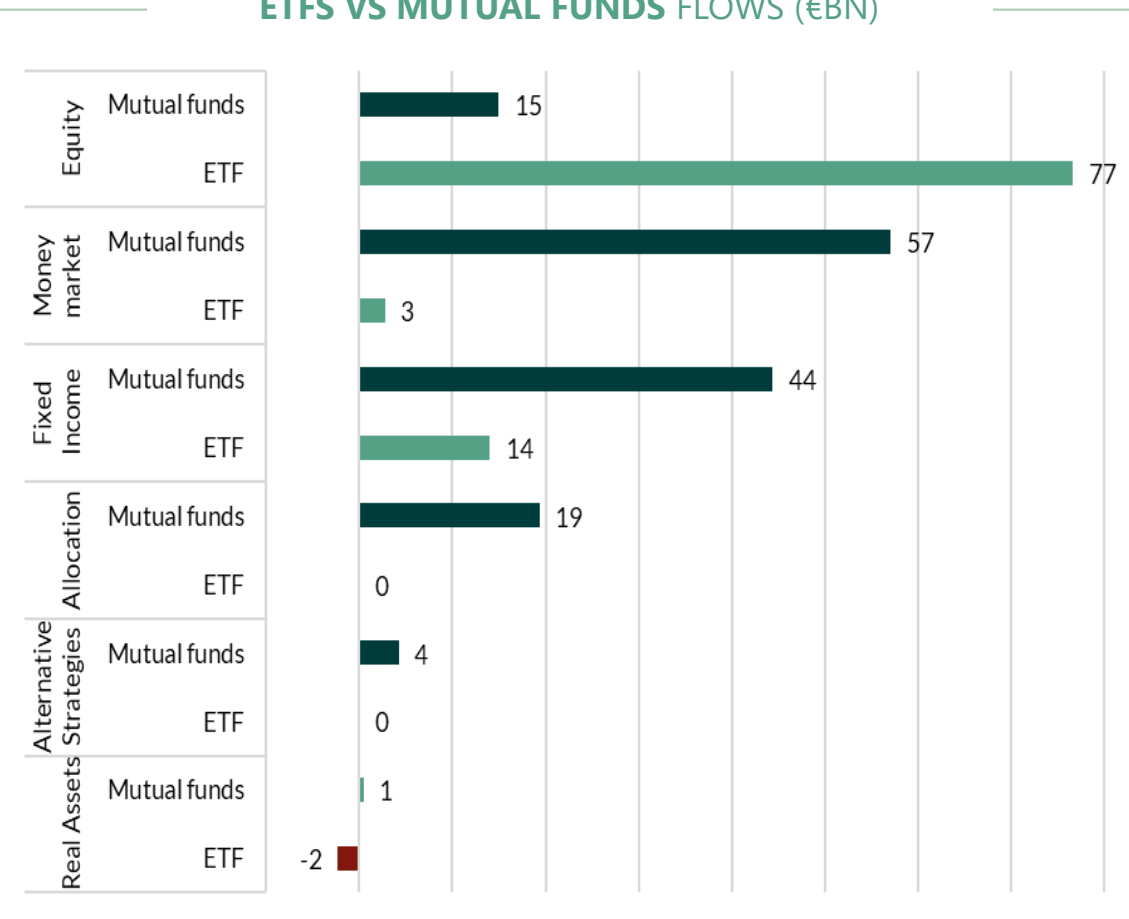
Source : Morningstar. Data as of 28/02/2026 (Europe OE & ETF & MM)



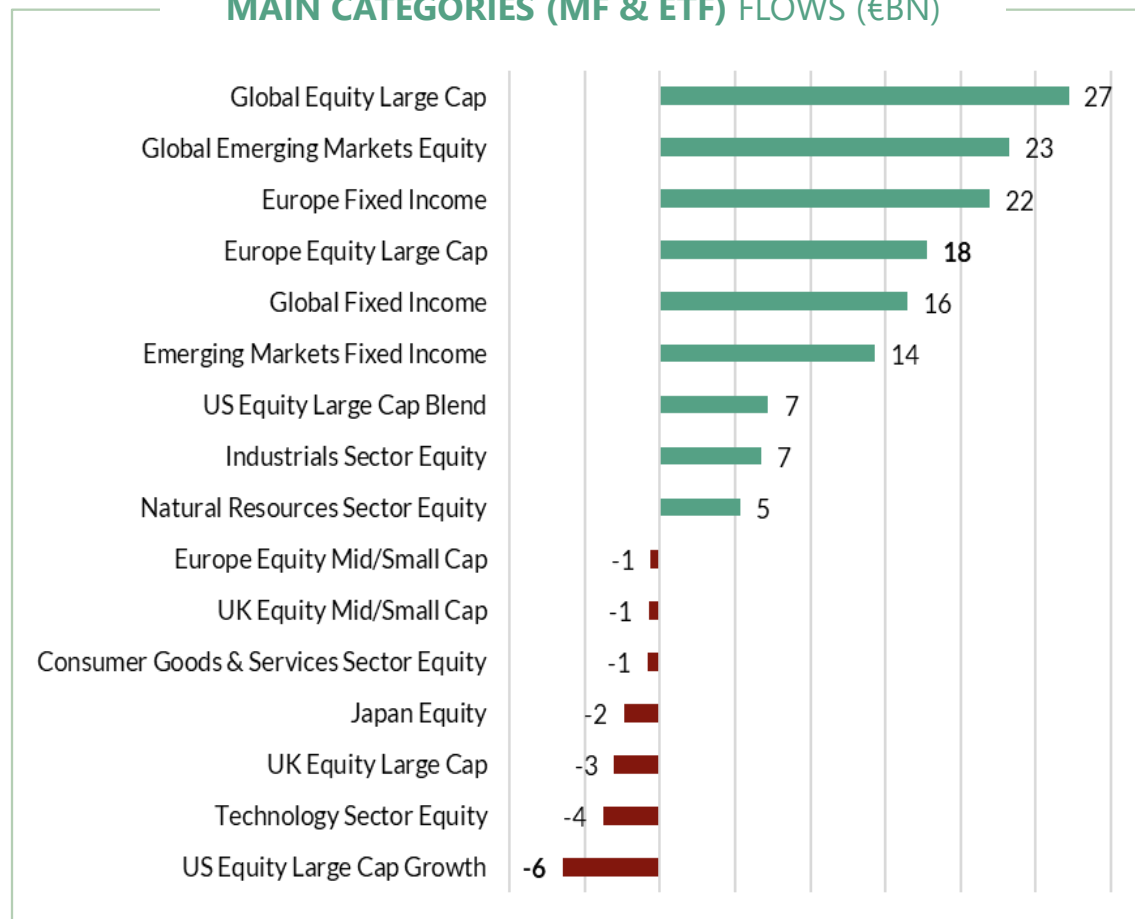
# Flows evolution | Mutual funds & ETFs | YTD 2026

## EQUITY ETF & FIXED INCOME MUTUAL FUNDS LEADING

ETFs VS MUTUAL FUNDS FLOWS (€BN)



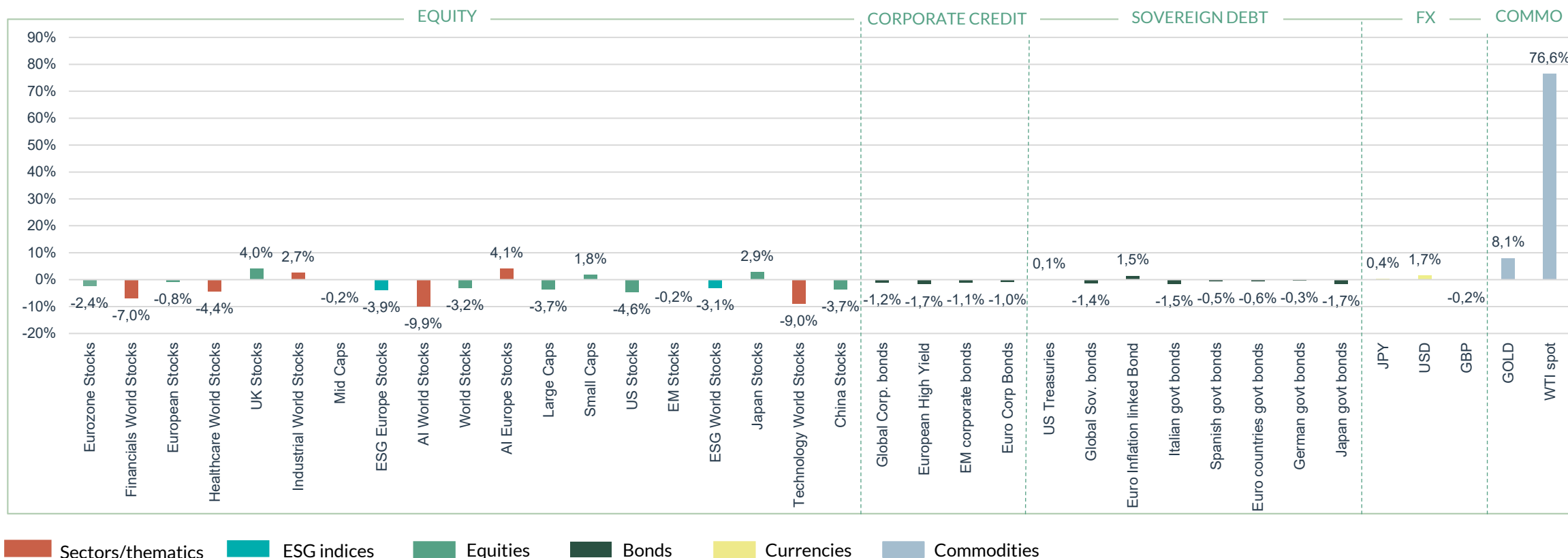
MAIN CATEGORIES (MF & ETF) FLOWS (€BN)



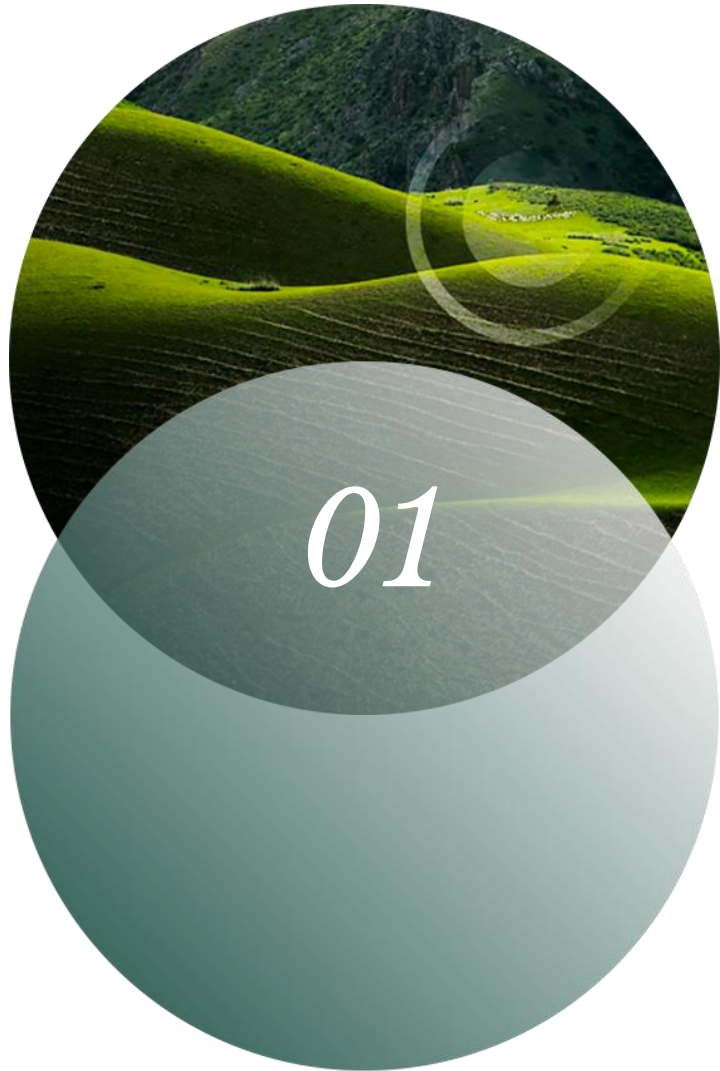
Source : Morningstar. Data as of 28/02/2026 (Europe OE & ETF & MM)



# Year-to-date performances of asset classes



Past performances are not a reliable indicator of future performances and are not constant over time.  
 Sources: Bloomberg and BofA ML as of 31/03/2026; performances expressed in local currencies

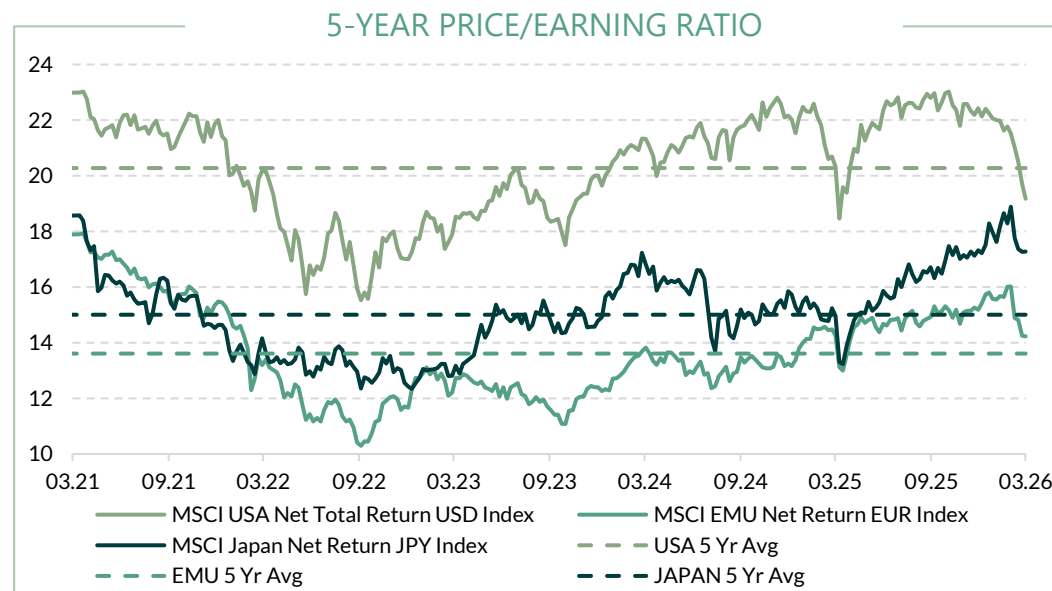
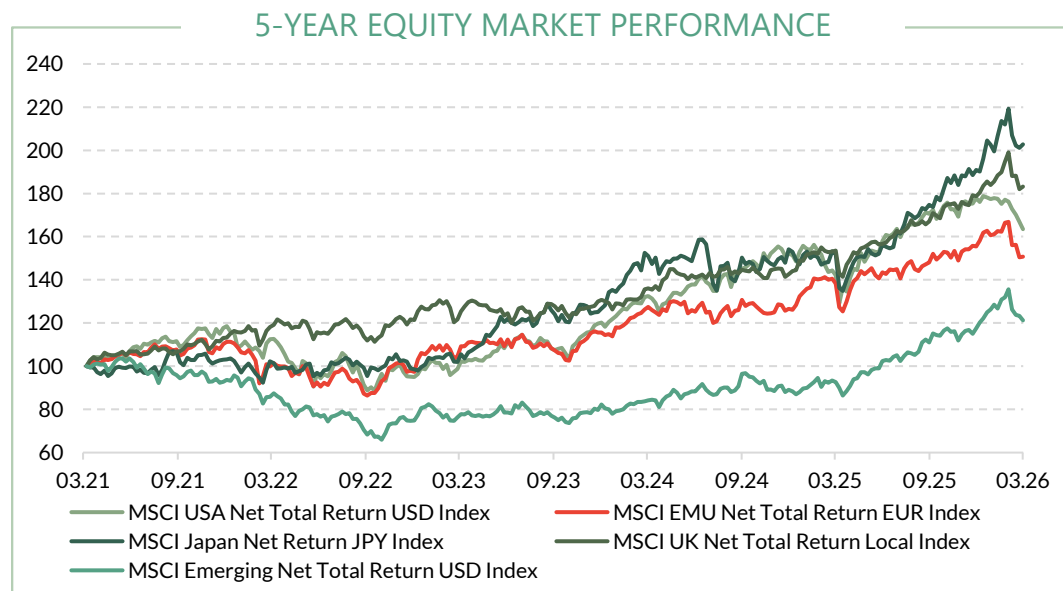


# EQUITIES



# Equities

## GLOBAL DOWNTURN FOR EQUITY INDICES



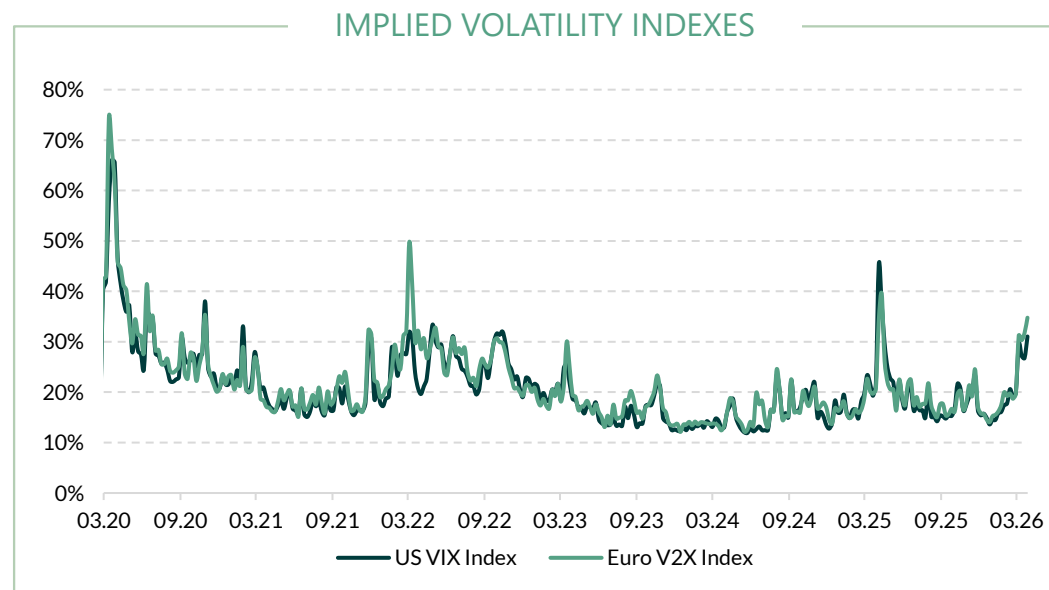
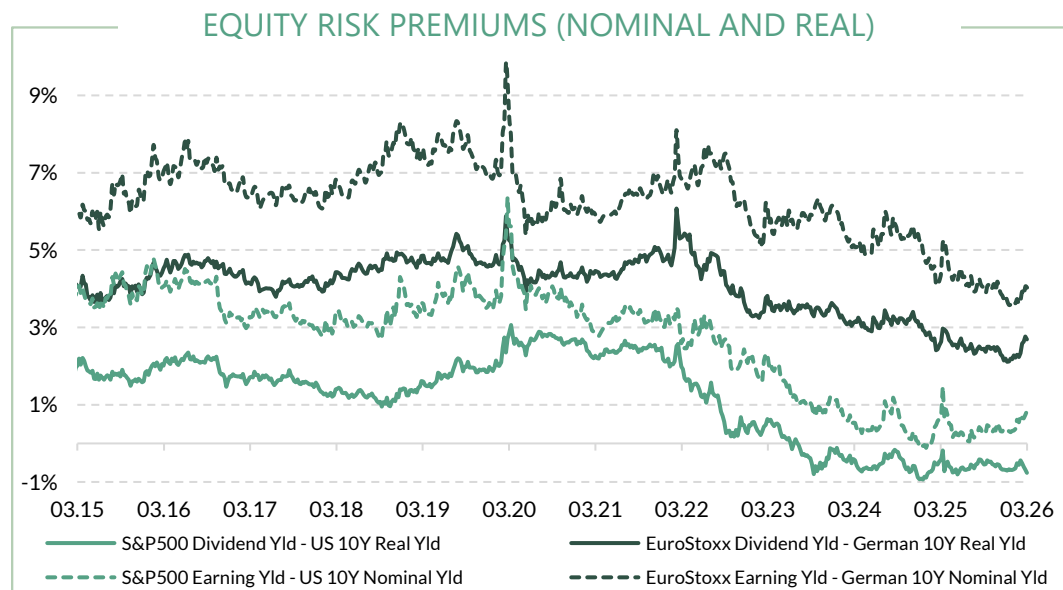
- Every major index posted negative performance in March, with US indices exhibiting more resilience (S&P500 -5%, Nasdaq -5%) than other developed peers (Topix -11%, EuroStoxx50 -9%).
- With no major downwards revisions of expected earnings yet, this move leaves global equities valuation with substantially lower valuations multiples' levels.

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 31/03/2026



# Risk premiums & volatility

## SIGNIFICANT RISK-OFF MOVE BUT FAR FROM PANIC-MODE



- Despite the large correction endured by equity markets, as sovereign yield curves also moved significantly higher over the period, equity risk premia estimates moved up only marginally.
- Implied volatilities bounced up, across most asset classes, with VIX peaking temporarily above 30%.

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 31/03/2026



# European equities – sectors overview

EUROPEAN SECTORS	PRICE PERFORMANCE			EPS GROWTH			VALUATION				
	%	1m %	YTD %	2025	2026	2027	P/E 12m	Div Yield	FCF Yield	EV/EBITDA	Price/Book
<b>STOXX Europe 600</b>		-8.0%	-2%	2%	12%	12%	14.1 x	3.5%	5.0%	9.5 x	2.1 x
<b>Commodities</b>											
Energy	6.7%	14.5%	36%	-17%	18%	10%	14.2 x	3.6%	6.8%	5.9 x	1.9 x
Basic Resources	2.7%	-9.6%	10%	-5%	51%	13%	13.2 x	3.4%	5.4%	6.3 x	1.6 x
<b>Cyclicals</b>											
Automobiles & Parts	1.6%	-12.7%	-14%	-73%	348%	27%	7.9 x	4.7%	7.5%	6.4 x	0.6 x
Chemicals	2.2%	-2.3%	7%	-9%	16%	13%	18.8 x	3.3%	4.7%	9.8 x	2.0 x
Construction & Materials	3.7%	-12.1%	-5%	-16%	16%	13%	15.4 x	3.1%	6.5%	8.2 x	2.2 x
Industrial Goods & Services	15.6%	-11.8%	-3%	3%	15%	15%	19.4 x	2.4%	4.7%	11.2 x	3.4 x
Media	0.6%	-9.6%	-18%	-3%	4%	10%	10.7 x	4.4%	9.0%	6.7 x	1.5 x
Technology	7.8%	-9.4%	-4%	5%	18%	21%	21.6 x	1.4%	3.9%	15.1 x	4.6 x
Travel & Leisure	0.9%	-9.8%	-12%	15%	5%	13%	9.6 x	3.4%	8.7%	5.5 x	2.3 x
Consumer Products and Services	4.0%	-14.1%	-19%	-2%	14%	16%	20.3 x	2.6%	4.5%	11.4 x	3.0 x
<b>Financials</b>											
Banks	13.3%	-10.7%	-7%	9%	8%	12%	8.9 x	5.8%	-		1.2 x
Insurance	5.8%	-4.6%	-5%	14%	7%	8%	11.1 x	5.5%	6.2%		1.9 x
Financial Services	4.3%	-6.4%	-7%	6%	5%	3%	11.1 x	3.4%	4.9%		1.4 x
Real Estate	1.6%	-14.3%	-6%	10%	8%	5%	13.5 x	5.0%	3.0%	19.2 x	0.8 x
<b>Defensives</b>											
Health Care	13.4%	-8.2%	-3%	8%	3%	11%	15.9 x	2.7%	5.0%	11.3 x	3.2 x
Food Beverage and Tobacco	4.7%	-9.0%	-1%	-3%	4%	8%	14.4 x	3.9%	6.7%	10.6 x	2.5 x
Personal Care Drug and Grocery Stores	1.9%	-14.1%	-4%	-3%	5%	8%	14.6 x	3.7%	6.1%	8.3 x	3.0 x
Retail	1.1%	-11.7%	-10%	4%	12%	11%	15.3 x	3.8%	6.2%	8.0 x	3.0 x
Telecommunications	3.2%	-3.7%	16%	25%	12%	13%	17.0 x	3.8%	8.6%	6.9 x	1.8 x
Utilities	4.9%	-3.4%	12%	9%	8%	8%	15.6 x	4.0%	-1.4%	9.2 x	1.9 x

Past performances are not a reliable indicator of future performances and are not constant over time

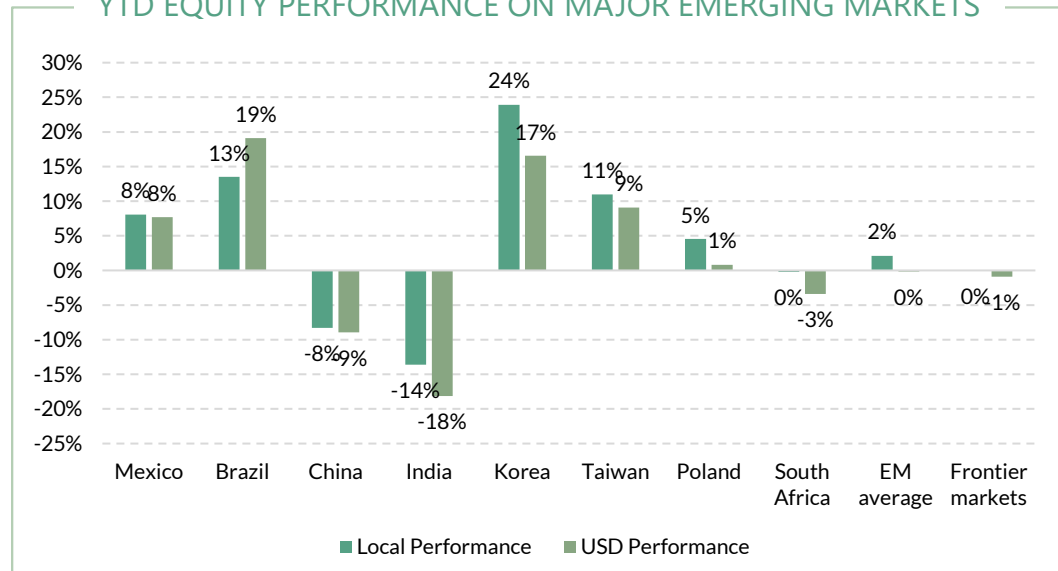
Sources: ODDO BHF AM SAS, Goldman Sachs, 01/04/2026



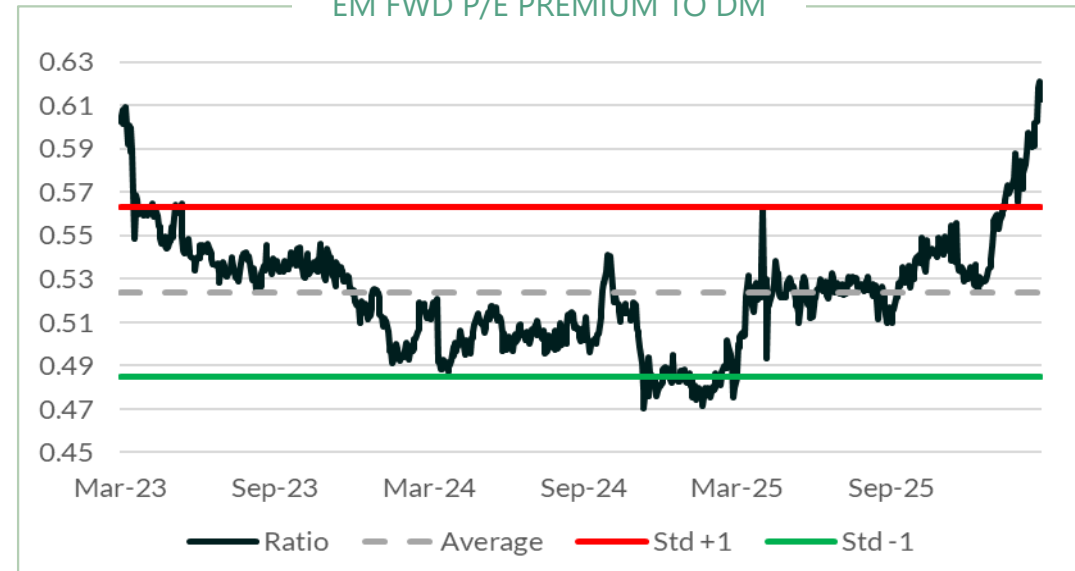
# Emerging markets

## WILD MOVES AND WIDE DISPERSION

YTD EQUITY PERFORMANCE ON MAJOR EMERGING MARKETS



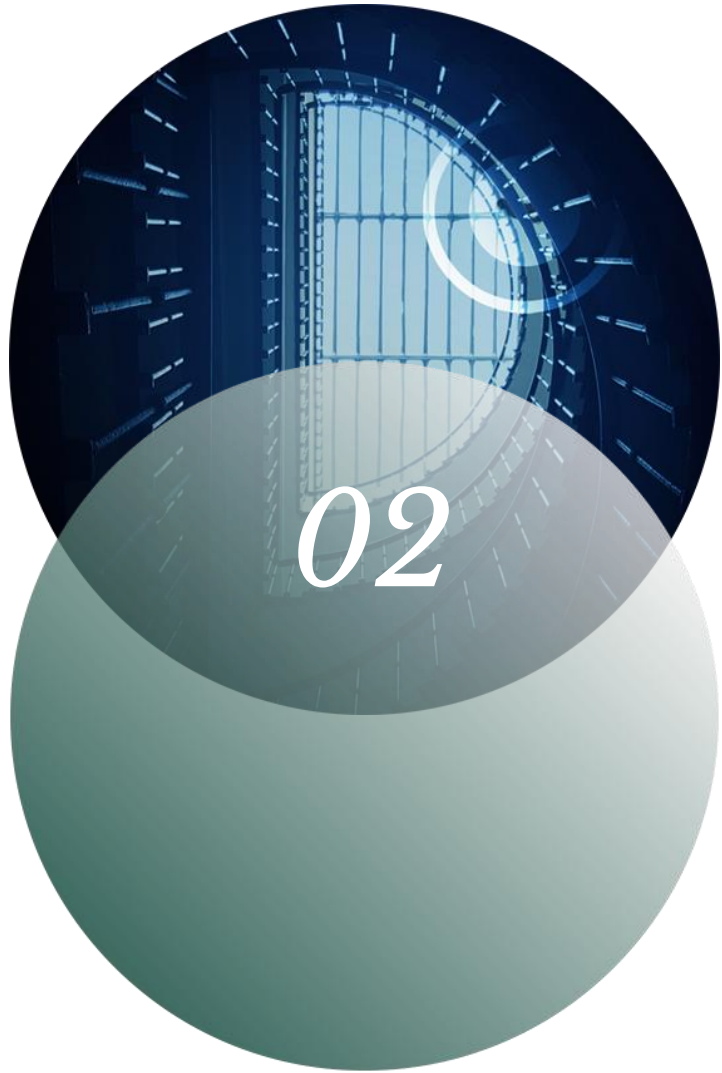
EM FWD P/E PREMIUM TO DM



- MSCI Emerging (in USD) lost -13%, underperforming developed indices.
- Fears of disruptions of supply-chains for critical raw materials and attractive profit-taking after stellar 2025 and YTD performances fueled a -19% crash in the Korean Kospi.
- Apart from rather good resilience from Chinese indices, Asia (Jakarta -14%, Sensex -11%...) strongly underperformed Latin America (Mexico BMV -4%, Brazil Bovespa -0%).

Past performances are not a reliable indicator of future performances and are not constant over time

Sources: ODDO BHF AM SAS, Bloomberg, JP Morgan | Data as of 31/03/2026

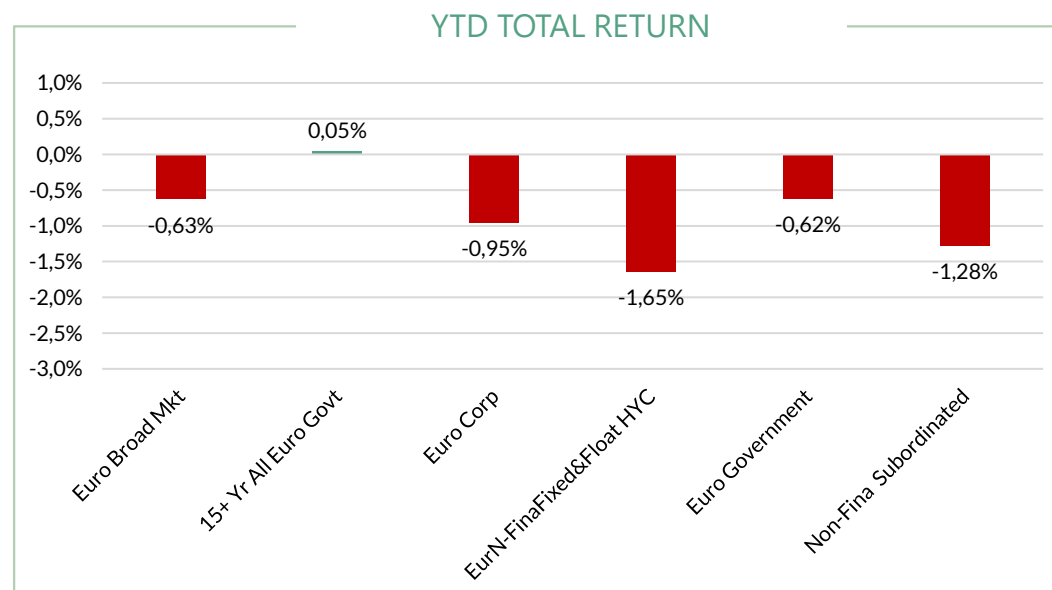
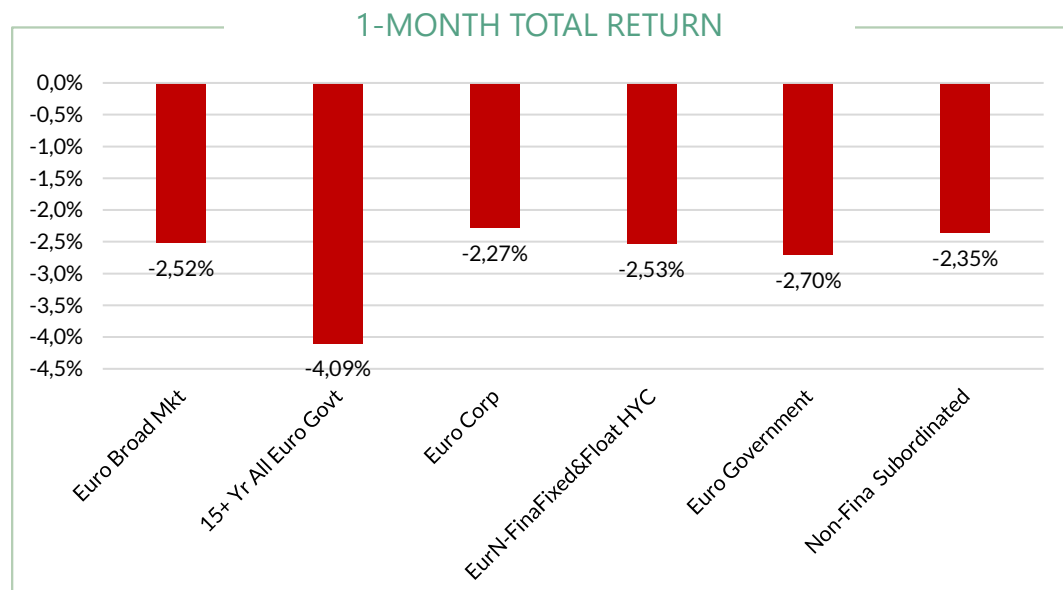


# FIXED INCOME



# Performance fixed income segments

## BEARISH FLATTENING HIT BONDS



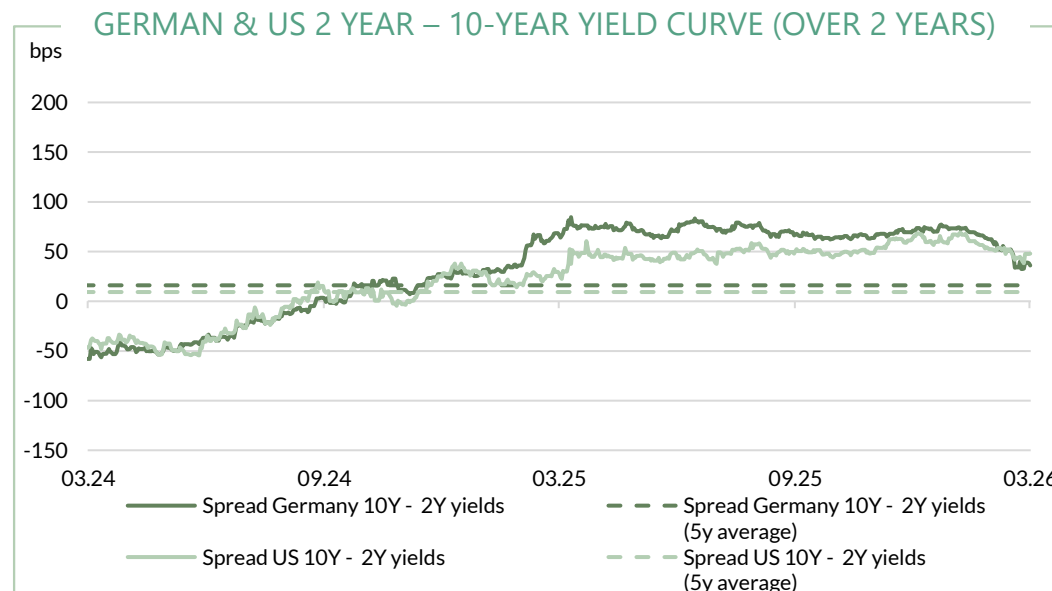
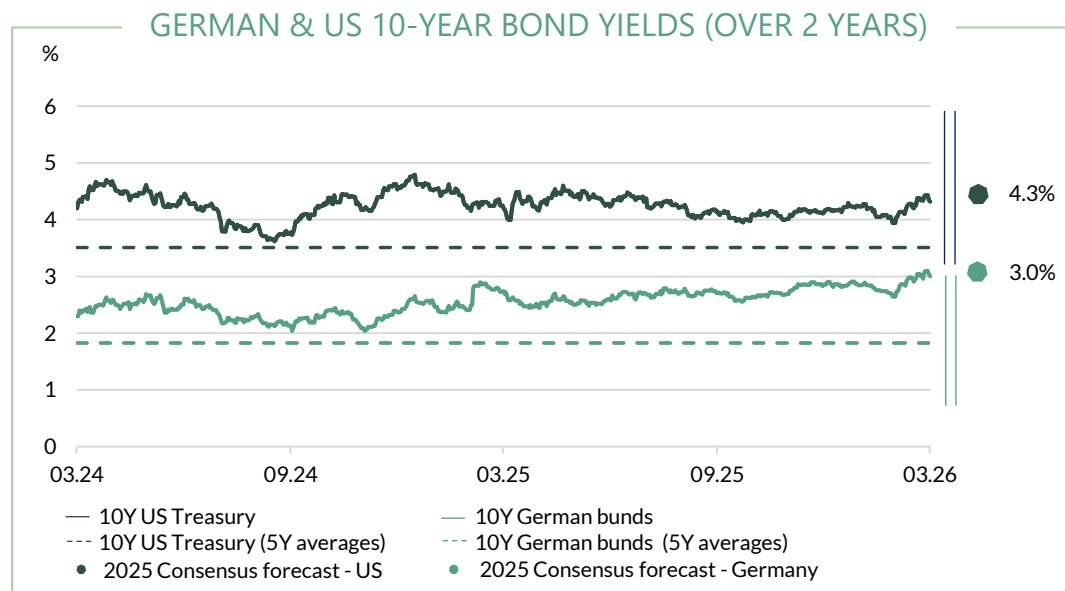
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Source: ODDO BHF AM, Bloomberg, data as of 31/03/2026



# Rates

## LEANING AGAINST THE WIND



- Even after the 23bp rally of 8<sup>th</sup> April, 2-year Bunds are almost 50bp higher than at the start of the Iran war
- This level still creates opportunities as the embedded rate hike expectations appear to be out of sync with growing growth risks
- Longer curve tenors could be temporarily vulnerable to higher inflation prints over the next months, but should be supported by growth concerns, eventually

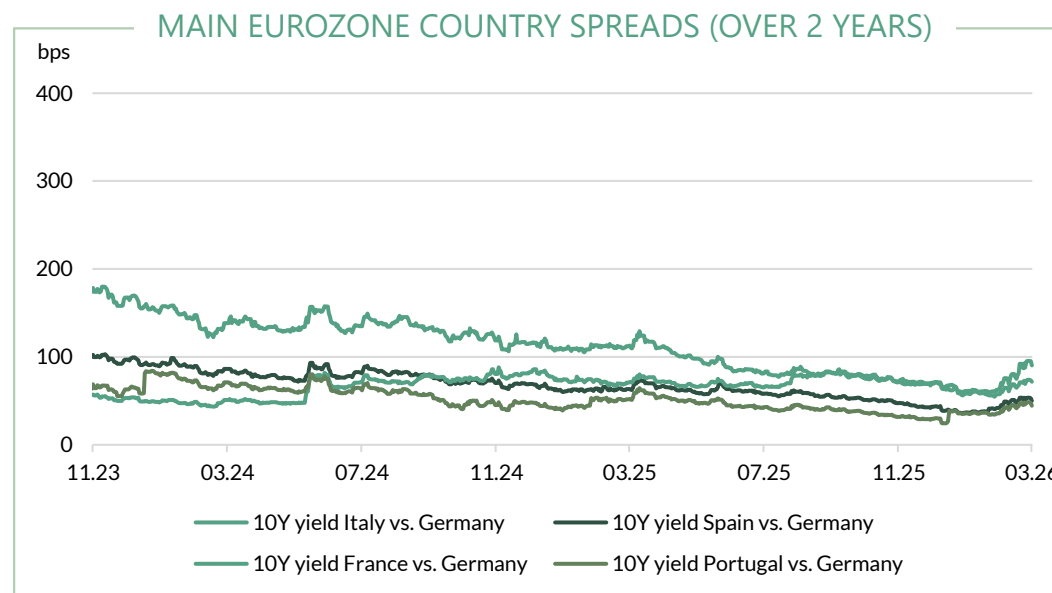
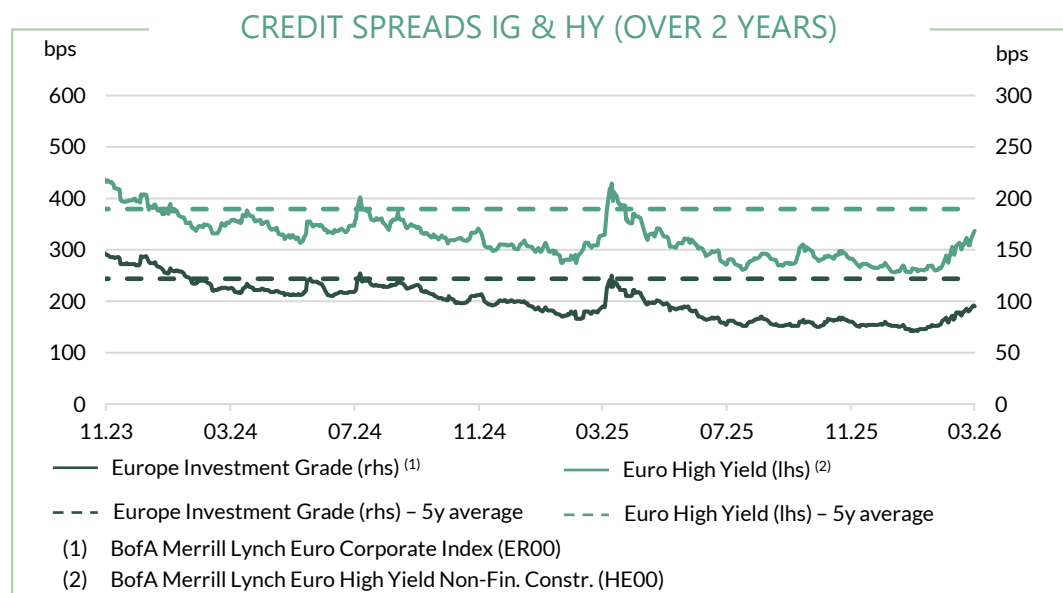
Past performances are not a reliable indicator of future performances and are not constant over time.

Bloomberg Economic Forecast | Sources: ODDO BHF AM SAS, Bloomberg | LHS: Data as of 31/03/2026; RHS: Data as of 31/03/2026



# Credit Spreads

## RISK OFF MOVE REVERSES PARTLY IN APRIL



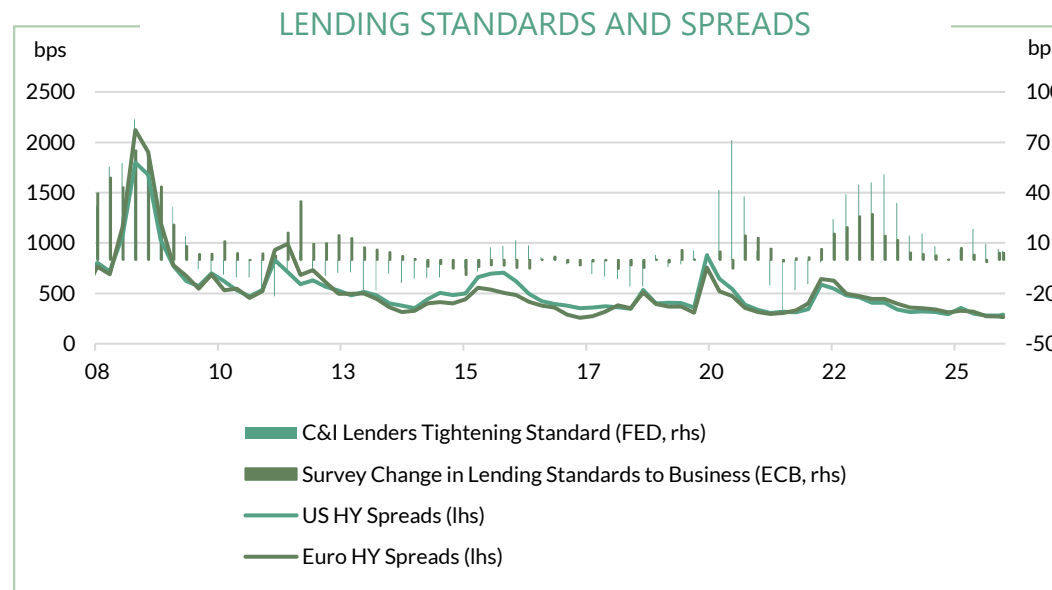
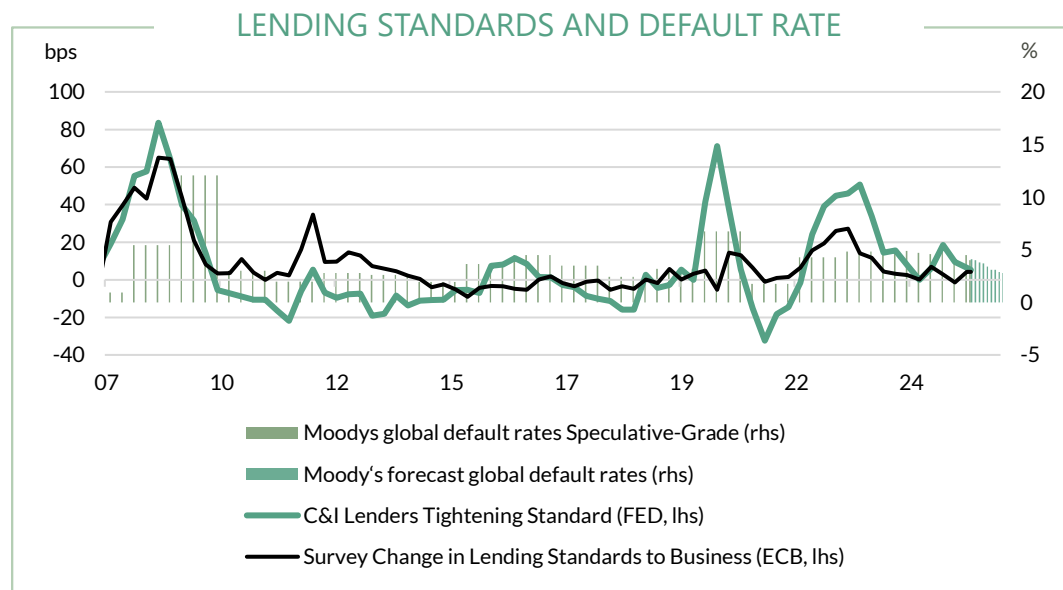
- Spreads of investment grade corporate and high yield bonds compressed again in April after the US-Iran ceasefire eased concerns of an economic downturn
- At roughly 100bp index spread, investment grade corporates offer decent carry but are still not cheap
- Peripheral government spreads even displayed higher volatility in sync with oil price gyrations

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 31/03/2026



# Financial conditions IN THE GRIP OF FINANCIAL MARKETS



- Extremely supportive financial conditions have very much supported US consumers
- A flatish path or even a decline would put that push at risk

Sources: Fed, ECB, Bloomberg | Moody's as of 31/12/2025, Lending Standard & Survey Change as of 31/01/2026, Spreads as of 31/12/2025

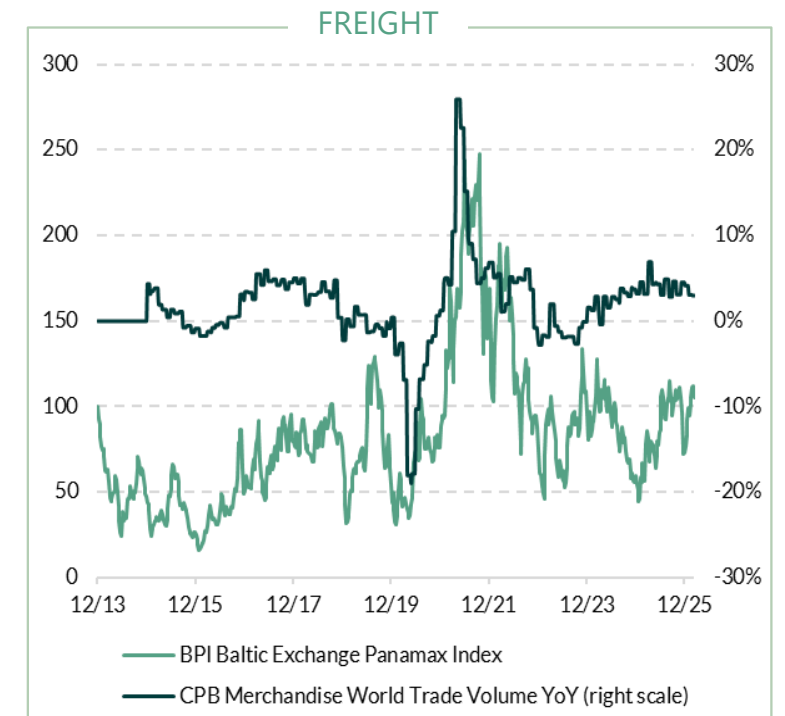
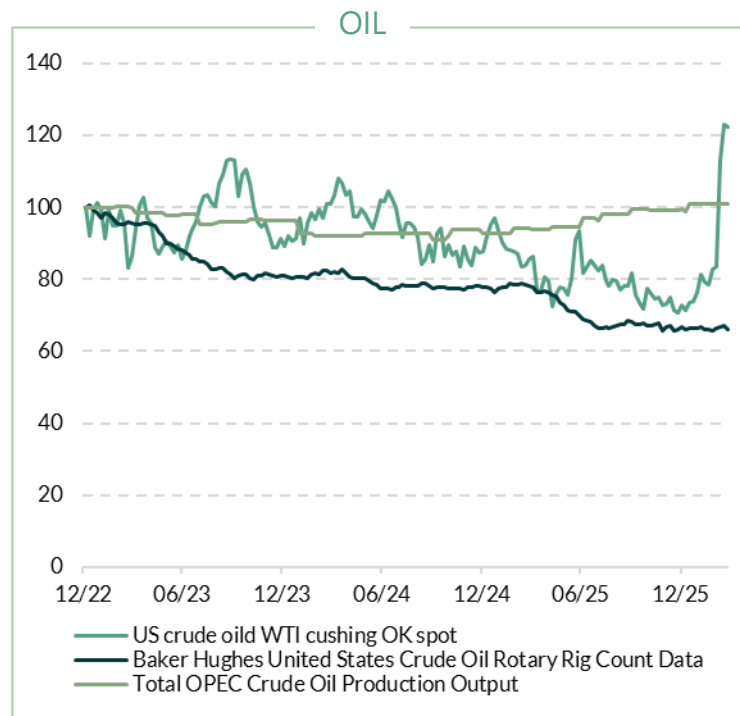
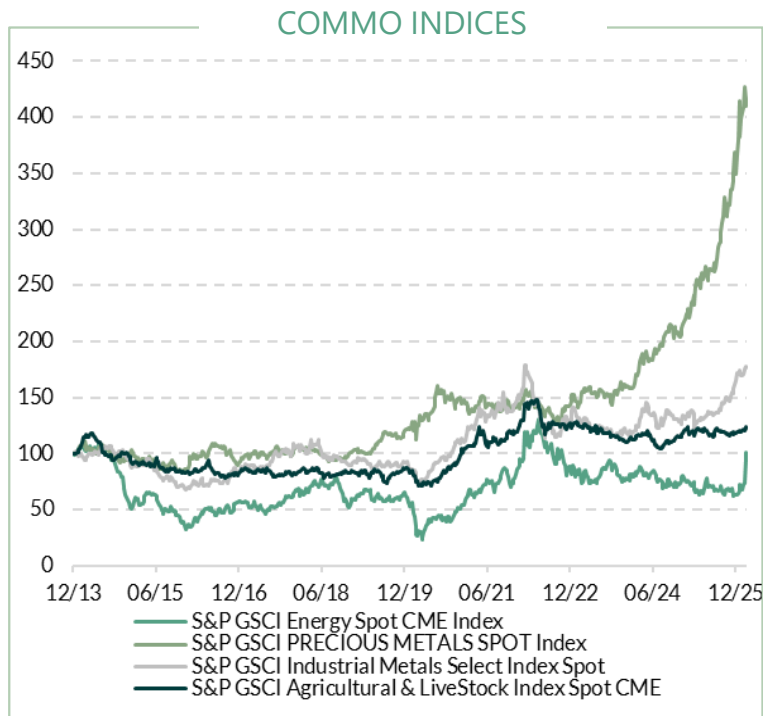


# COMMODITIES & CURRENCIES



# Commodities

## PROTRACTED GEOPOLITICAL STRESS PROPELS ENERGY PRICES HIGHER



- Brent crude surged well past \$100/bbl—its largest monthly rise in decades—prompting coordinated emergency oil-stock releases by the IEA and driving sharp increases in gasoline and especially diesel prices, as global refining capacities dwindled.
- Despite fears of potential larger disruptions (Red Sea?), ocean freight prices' reactions were quite muted vs historical precedents.
- Food prices increased roughly 2–3% in March, led by grains, as fertilizer shortages and disrupted trade routes tightened near-term supply. This came even as institutions like the World Bank reiterated forecasts that aggregate commodity prices could trend toward multi-year lows later in 2026, underscoring a sharp split between short-term geopolitical shocks and longer-term oversupply expectations.

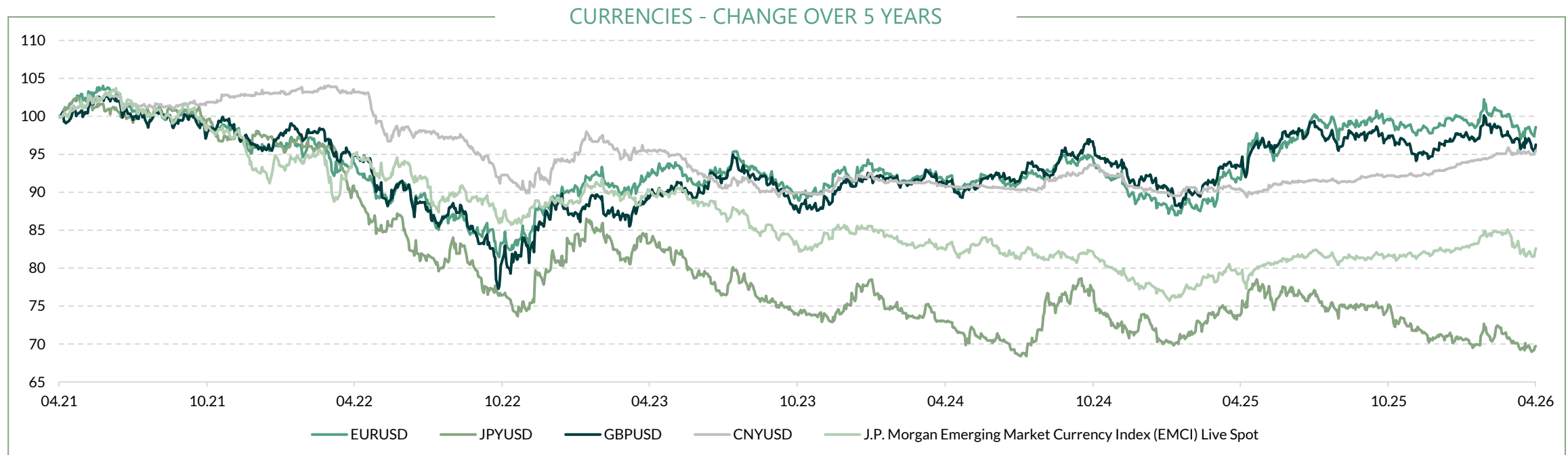
Past performances are not a reliable indicator of future performance and are not constant over time.

Sources: Bloomberg, ODDO BHF AM SAS, JP Morgan | Data at 31/03/2026



# Currencies

## AS STRESS MOUNTED, USD BOUNCED UP



- The greenback appreciated moderately vs every developed currencies, posting +2% gains vs EUR, JPY and GBP.
- The dispersion was more significant in the emerging universe. Brazilian real lost only -1%, buoyed by the search for assets of commodity-exporting countries; while currencies from energy-importing Asian countries fell significantly (Indian rupee -4%, Korean Won -5%, Thai Baht -5%).

Past performances are not a reliable indicator of future performance and are not constant over time.  
Sources: Bloomberg, ODDO BHF AM SAS, JP Morgan | Data at 31/03/2026



03

CURRENT  
*Convictions*





# Scenarios

## OUR 6-MONTH VIEW

### 01 Central scenario

The war in Iran and the related disruptions to supply chains for oil, gas and other crucial commodities lead to an increase in inflation worldwide and might also result in a growth slowdown. However, the risk of second-round effects might be limited given the lack of excessive demand, wage tensions and an already neutral monetary policy. Therefore, the spike in inflation might be contained and temporary. Central banks are in a neutral to slightly hawkish stance. The extent of the growth slowdown will depend on the length of the disruptions in the Gulf. Overall macroeconomic uncertainty is high. Corporate earnings could show some temporary disappointments. The long-term trends in technology and artificial intelligence remain intact.

#### EUROPE

- Growth expectations are mixed given fiscal stimulus programs but a high energy dependency.
- Inflation is picking up leaving the ECB with a slightly hawkish tilt.

#### US

- Growth dynamics slow down but remain at a positive rate. Long-term growth trends in artificial intelligence support GDP growth.
- Disinflation progress is low because of tariffs and the oil price shock. The Fed has a neutral stance.
- Political uncertainty is high.

#### STRATEGY

- Slightly long equities
- Neutral duration
- Neutral credit risk

#### OVERWEIGHT

- Overall equities with a tilt to the US
- Short duration Investment Grade and High Yield
- Money Market

#### UNDERWEIGHT

- Government bonds semi core Europe
- Long duration High Yield in Europe and the US

60%

### 02 Alternative scenario #1

Adverse scenario

- Growth slowdown resulting in a recession given long-lasting disruptions to energy supply and crucial commodities.
- Sentiment in artificial intelligence bursts and valuations are declining.
- Inflation increases strongly despite a weaker economic outlook.
- Long-term interest rates increase amid fiscal worries and inflation.
- Geopolitical risks remain permanently

#### OVERWEIGHT

- Money market
- Short duration IG

#### UNDERWEIGHT

- Equities
- High Yield

30%

### 03 Alternative scenario #2

Upside scenario

- Sustainable resolution to geopolitical risks and no supply chain disruptions in the Gulf and Strait of Hormuz.
- Growth dynamics accelerate.
- Central banks move back to an accommodative stance.
- No sovereign stress.

#### OVERWEIGHT

- Equities
- High Yield

#### UNDERWEIGHT

- Government bonds
- Money market

10%

# Global Equities



		UW	Neutral	OW	Key Messages
Overall Portfolio	Active Risk		➔	➔ 1	Slightly OW given de-escalation in the Iranian war
Regions	DM		➔	➔ 1	
	US	●	● ➔	● ➔ 1	
	Eurozone	●	● ➔	● 0	
	UK	●	● ➔	● ➔ 1	
	Switzerland	●	● ➔	● 0	
	Japan	●	● ➔	● 0	
	EM		➔	➔ 1	
	China	●	● ➔	● ➔ 1	
	Asia Ex-China	●	● ➔	● 0	
	LatAm	●	● ➔	● ➔ 1	
Factors	Large vs. Small	●	● -1	●	
	Value vs. Growth	●	●	● 0	
	Cyclical vs. Defensive	●	●	● 0	
	Momentum vs Low vol	●	●	● 0	

# Fixed Income: Government Bonds



		UW		Neutral	OW		Key Messages	
Overall Portfolio	Active Duration			0			Neutral	
Government Bonds	US	●	●	0	●	●	High uncertainty, '26 FED cuts priced out, ST high correlation to oil prices	
	Core Europe	●	●	0	●	●	3 hikes priced for '26 seems exaggerated, ST high correlation to oil prices	
	Semi Core Europe	●	-1	●	●	●	UW France	
	Peripheral Europe	●	●	0	●	●	High Italian exposure to energy crisis, tactically neutral	
	Switzerland	●	-1	●	●	●	Negative or weak yield as deficit and inflation are close to 0%	
	UK	●	●	0	●	●		
	Japan	●	●	0	●	●		
Emerging Markets	Hard Currency	●	●	●	1	●		
	Local Currency	●	●	0	●	●		
		Flattener		Neutral	Steeper			
Curve Positioning	US 2/10yrs	●	●	●	1	●	Strong bear flattening recently might be overdone	
	US 10/30yrs	●	●	0	●	●	No strong conviction	
	Core Euro 2/10yrs	●	●	●	1	●	Strong bear flattening recently might be overdone	
	Core Euro 10/30yrs	●	●	0	●	●		

Source: ODDO BHF AM, as of 08/04/2026

# Fixed Income: Credit



		UW		Neutral	OW		Key Messages
Overall Portfolio	Active Risk			0			Neutral: high level of uncertainty / contained spread movement so far
IG Credit Risk	Seniors EUR	●	●	0	●	●	
	Subs. EUR	●	●	0	●	●	
	Short Duration EUR	●	●	●	1	●	Lower volatility, very attractive yield
	Switzerland	●	●	●	1	●	
	US	●	●	0	●	●	
HY Credit Risk	HY Benchmark EUR	●	-1	●	●	●	Fundamental environment mixed, still relatively tight valuations
	Short Duration EUR	●	●	●	1	●	Meaningful repricing, attractive yield now
	US	●	-1	●	●	●	Fundamental environment mixed, still relatively tight valuations
Money Market	Euro	●	●	●	1	●	Keep some flexibility given high level of volatility

# FX & Commodities



		UW	Neutral	OW	Key Messages
Currencies	EUR/USD	●	● -1	●	Tactical long USD as a hedge against geopolitical risks
	EUR/GBP	●	●	● 1	Short GBP, on UK fiscal weakness
	EUR/JPY	●	● -1	●	Long JPY, on BoJ rate hikes expectations
	EUR/CHF	●	●	● 0	
Commodities	Gold	●	●	● 1	Reserve diversification by EM central banks, geopolitical tensions and US budgetary stress
	Base Metals	●	●	● 1	Demand coming from energy transition. Favor Copper and aluminum
	Oil	●	●	● 0	Balance between geopolitical risks and normal equilibrium



04

OUR FOCUS SOLUTION:  
*ODDO BHF GLOBAL NAVIGATOR*



# ODDO BHF GLOBAL NAVIGATOR

The **ODDO BHF GLOBAL NAVIGATOR** fund is authorised for sale in the following countries: **France, Germany, Luxembourg and Belgium**. It is not authorised for sale outside these countries.



# Main characteristics

## ODDO BHF GLOBAL NAVIGATOR

### KEY CHARACTERISTICS



#### Inception Date

August 2025



#### Benchmark

60% MSCI AC World Index NR  
+ 40% Bloomberg Global  
Aggregate Bond Index



#### AuM

€ 43 M



#### Geographic area

Global



#### SFDR<sup>1</sup>

Article 6



#### SRI<sup>2</sup>

① ② ③ ④ ⑤ ⑥ ⑦

### INVESTMENT STRATEGY SUMMARY

- ODDO BHF Global Navigator is an actively managed multi-asset strategy designed to help investors navigate through the complexities of global markets
- The fund offers a global, flexible allocation across asset classes, regions, sectors, and investment styles with a portfolio of carefully selected UCITS, in particular ETFs
- It includes a proven investment process built on deep asset allocation expertise, with the flexibility to quickly adapt to changing market conditions
- It seeks to achieve a superior risk-adjusted return over its investment horizon through large diversification and disciplined risk management
- Minimum recommended investment horizon: 5 years

### WHY INVEST IN OUR FUND?

- 1 Globally diversified portfolio of equities, bonds, and commodities through carefully selected ETFs**
- 2 A fully flexible approach – with no structural bias towards any region, sector or style – with the aim to participate in emerging or leading trends and global opportunities**
- 3 Team of investment experts with long-standing track-record in managing global allocation funds and fund of funds – combining proven expertise with competitive costs via ETFs**

### MAIN RISKS

Risk associated with discretionary management, risk of capital loss, interest rate risk, equity risk, credit risk, emerging countries risk

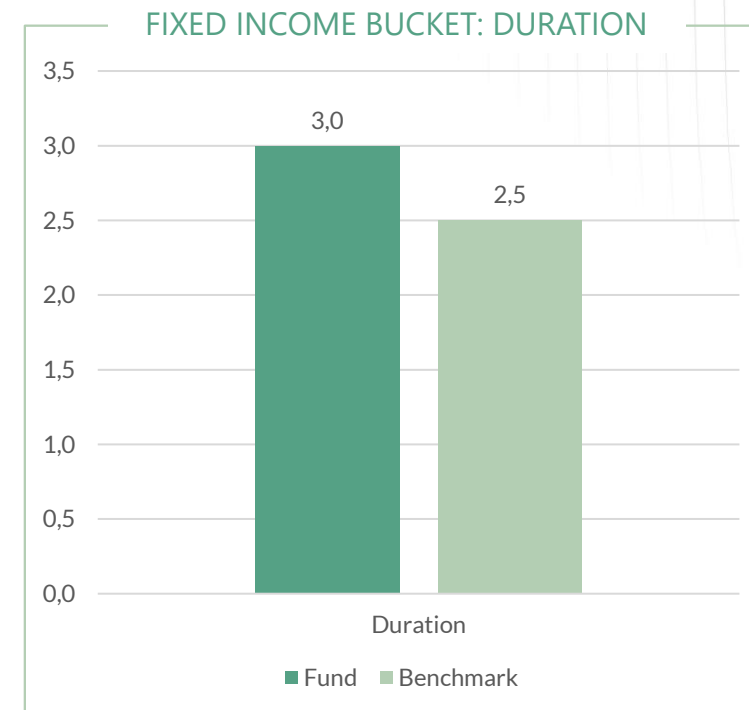
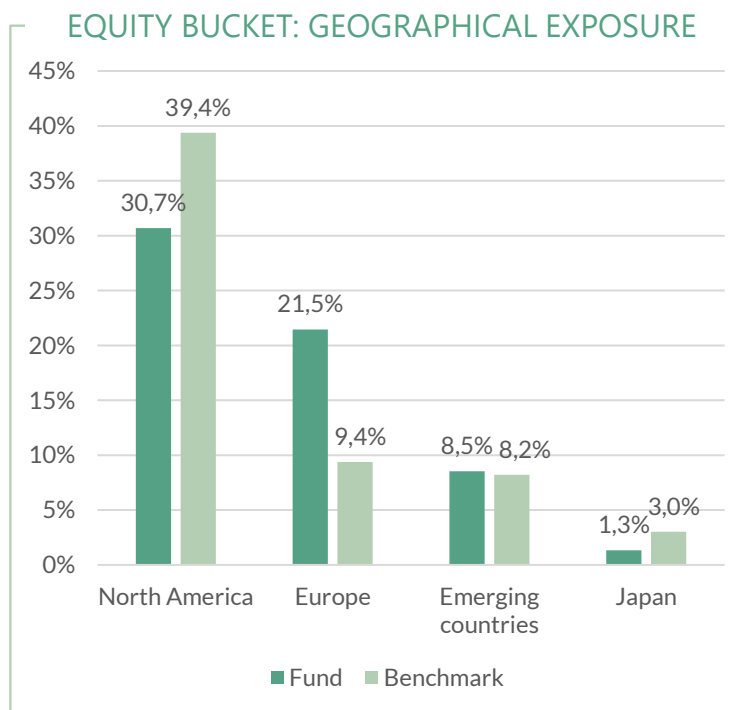
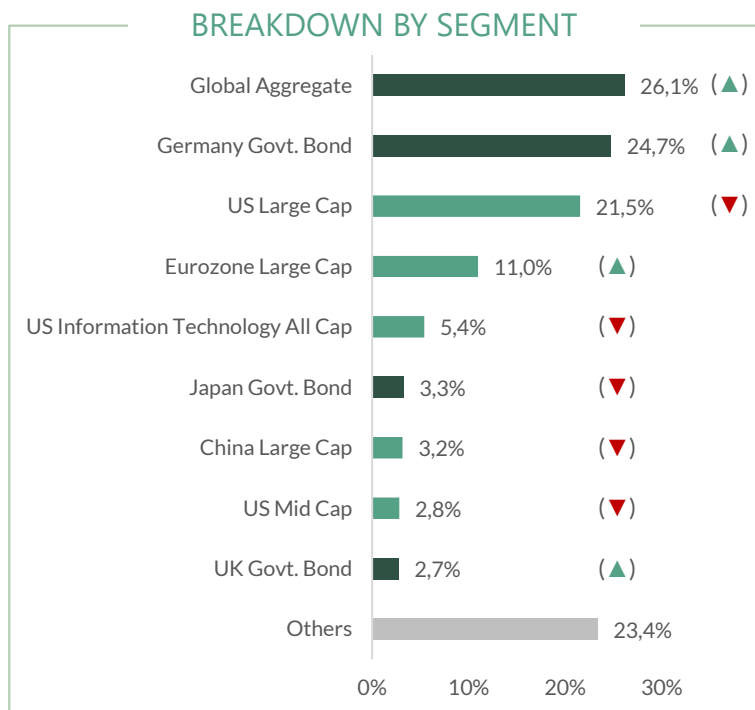
There is no guarantee that the investment objectives will be reached. For detailed information, please refer to the prospectus. It doesn't constitute an investment recommendation. The fund bears a risk of capital loss. Past performance is not a reliable indication of future returns and is not constant over time.

Source: ODDO BHF Asset Management. Data as of 31/03/2026 | <sup>1</sup> A definition of SFDR can be found on page 41 (Glossary). | <sup>2</sup> Synthetic risk indicator in a range between 1 (lowest risk level) and 7 (highest risk level). This indicator is amended accordingly if there are changes in the risk and earnings profile of the fund.



# Our portfolio

## ODDO BHF GLOBAL NAVIGATOR



(▲)(▼)(▶) Change compared to the previous month

**There is no guarantee that the investment objectives will be reached. For detailed information, please refer to the prospectus. It doesn't constitute an investment recommendation. The fund bears a risk of capital loss. Past performance is not a reliable indication of future returns and is not constant over time.**

Source: ODDO BHF AM SAS. Data as of 31/03/2026. | Data in % of total asset. Current equity and bond quotas are net of hedging instruments as of 31/03/2026. Applicable instruments for hedging are among others, futures or options on futures. Please refer to the prospectus for further details.



# Our positioning

## ODDO BHF GLOBAL NAVIGATOR

### FUND COMMENT

**March was dominated by a sudden deterioration in the geopolitical situation in the Middle East**, marked by the elimination of Iran's Supreme Leader, Ali Khamenei, and several key figures from Tehran's political and military leadership during U.S. and Israeli strikes. In retaliation, Iran intensified missile and drone attacks against several Gulf countries hosting U.S. military bases, notably Saudi Arabia, Kuwait and the United Arab Emirates. The Strait of Hormuz, through which nearly 20% of global oil supply and a significant share of liquefied natural gas transit, was almost completely shut down following a series of attacks that paralyzed maritime traffic, triggering a major shock in commodity markets. Brent crude briefly surged close to USD 120 per barrel.

**This spike in energy prices reignited inflationary fears, once again becoming the primary concern for bond markets.** Sovereign yields rose sharply worldwide, driven by a sudden repricing of monetary policy expectations. While no rate hikes were expected from the ECB prior to the crisis, forward curves now price in nearly three additional increases in 2026. In the United States, the two rate cuts initially expected on the Fed Funds at the beginning of the year have been fully priced out. Central banks' decidedly hawkish rhetoric in March reinforced this trend, reaffirming their determination to contain any resurgence in inflation. That said, the magnitude of the repricing may appear excessive in light of signals from commodity markets. While spot prices reacted spectacularly, the relative stability of longer-dated contracts suggests a shock perceived as largely transitory rather than indicative of a lasting reversal in energy costs.

**In this geopolitically driven environment, traditional macroeconomic indicators were largely sidelined.** The latest U.S. employment data, pointing to a sharp contraction in job creation, would normally have weighed on growth expectations and bond curves. However, this cyclical deterioration has largely gone unnoticed in the face of the exogenous shock triggered by the Middle East crisis.

**Over the month, the MSCI World (in local currencies) declined significantly (-6.3%).** All regional indices ended in negative territory, notably the S&P 500 (-5%), the Euro Stoxx (-8.3%) and the Nikkei (-12.7%). Emerging market indices also recorded a sharp correction (with the MSCI Emerging Markets down 13%). In this environment, investors shifted heavily toward energy sector stocks (the MSCI World Energy gaining +11.6% over the month), in line with the trajectory of oil indices (Brent posting a +63% performance over the month, rising from USD 72 to USD 118).

**Against the backdrop of inflationary pressures, sovereign bond markets were particularly volatile, with pressure concentrated on the short end of yield curves.** The yield on the U.S. 10-year Treasury rose by 38 bps to 4.32%, while German Bunds and Schatz (with 10-year and 2-year maturities, respectively) ended the month at 3% and 2.6%, up by 36 bps and 62 bps. In European credit markets, spreads widened amid this broad risk-off move, with Investment Grade spreads increasing by 15 bps to 97 bps, while High Yield settled at 3.5% (+50 bps). Finally, in currency markets, the dollar appreciated against both the euro (+2.2%) and the yen (+1.7%).

**In this context, several tactical adjustments were implemented, although the equity exposure at month-end remained close to the level observed at the end of February (62%).** Following a phase of profit-taking, the portfolio was gradually re-exposed, notably through option positions and the implementation of risk reversals on the Euro Stoxx 50, in a configuration where implied volatility on out-of-the-money put options appeared elevated. The fund was also re-exposed to Korean equities (via the Franklin FTSE Korea ETF), as well as to the European listed real estate sector (via the BNP FTSE EPRA/NAREIT ETF).

**On the bond side, the exposure was increased to 60% following the sharp rise observed on the short end of European yield curves, with the position reinforced through Schatz futures (+21%).** Portfolio duration now stands at 3 years (versus 2.5 years for the benchmark index). Finally, the position invested through the Amundi Equal-weight Commodity ETF was reduced to 1%, allowing for profit-taking after the strong performance of the asset class.

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Source: ODDO BHF AM SAS. Data as of 31/03/2026. | The definitions of Investment Grade and High Yield can be found on page 41 (Glossary). | Commentary written on 01/04/2026.

### INVESTMENT TEAM



**Matthieu BARRIERE, CFA**  
Deputy Head of Asset Allocation



**Arthur TONDOUX, CFA**  
Portfolio Manager - Analyst



# Our latest publications



## INVESTMENT STRATEGIES

- Jan. 26 • [2026: What now? Will the bubble burst or will the bull market continue](#)
- Sept. 25 • [Safety ropes recommended](#)
- Jan. 25 • [The US: An Artificial Paradise?](#)
- Sept 24 • [Time to put your money back to work](#)
- Jan. 24 • [2024: Tempering expectations](#)



## MONTHLY INVESTMENT BRIEF

- [March 2026 - Don't lose track of the goal in the 'fog of war'](#)
- [February 2026 - More noise than signal](#)
- [December 2025](#)
- [November 2025](#)
- [October 2025](#)

Source: ODDO BHF AM



## VIDEOS

- #FocusOn • [Active ETFs: A global trend that is gaining momentum in Europe](#)
- #OnDemand • [Private Equity 101](#)
- #FocusOn • [ODDO BHF Polaris Fund Range](#)
- #Moments • [ODDO BHF Green Planet: the ecological transition, a sustainable investment opportunity](#)



## SUSTAINABLE INVESTING

- [Exclusion Policy](#)
- [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](#)



## MARKET VIEWS

- 23.03.26 • [A few things we know about oil shocks and their consequences](#)
- 18.02.26 • [What is the outlook for interest rates?](#)
- 26.01.26 • [2026 Outlook – The world according to Trump, Year II](#)
- 17.11.25 • [Taxation in France: Are the Gauls crazy?](#)
- 17.11.25 • [Three key messages on the global financial situation: debt, growth, and AI dynamics](#)



# Glossary

## 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.

## SFDR

The EU Sustainable Finance Disclosure Regulation (SFDR) is a set of EU rules which aim s to make the sustainability profile of funds transparent, more comparable and better understood by end investors. Article 6: The management team does not consider sustainability risks or adverse effects of investment decisions on sustainability factors in the investment decision making process. Article 8: The management team addresses sustainability risks by integrating ESG criteria (Environment and/or Social and/or Governance) into its investment decision making process. Article 9: The management team follows a strict sustainable investment objective that significantly contributes to the challenges of the ecological transition and addresses sustainability risks through ratings provided by the Management Company's external ESG data provider.



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**TRANG LE**

Analyst / Junior Portfolio Manager – Asset Allocation  
ODDO BHF AM SAS

### **ODDO BHF Asset Management SAS (France)**

A portfolio management firm certified by the French Financial Markets Authority (AMF) under n°GP 99011.

Established in the form of a simplified joint-stock company with authorised capital of €21,500,000.

Entered into the Paris Register of Trade and Companies under number 340 902 857.

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