ODDO BHF

Investment Strategy

THE TRIANGLE OF UNCERTAINTY: AI, FED AND ELECTIONS

September 2026

LAURENT DENIZE – CO-CHIEF INVESTMENT OFFICER ODDO BHF

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The key question for your asset allocation:
A HEALTHY RESPITE OR A CONTINUATION OF THE RALLY?

THE „RESPITE“ SCENARIO

- An AI-focused hedge fund with $45 billion in assets and leverage reaching 400% was forced to liquidate its entire public portfolio in July.
- 1.2 million leveraged accounts in South Korea faced margin calls; two stocks made up 67% of the MSCI Korea index.
- Alphabet reported negative free cash flow for the first time since its IPO; Meta is now paying more to borrow.
- Higher long-term rates are driving up financing costs, which are now exceeding the expected future return on invested capital.

BULLISH SCENARIO

- Hyperscalers’ capital spending is expected to reach about $725 billion in 2026, up 77%, and exceed $1 trillion in 2027.
- The industrial/technological revolution of Artificial Intelligence is still in its early stages, and macroeconomic indicators remain broadly supportive.
- All hyperscalers continue to cite supply, not demand, constraints. Nvidia expects FY28 revenue at $700bn (+70%)
- Normalisation of geopolitical/political risk

This does not constitute investment advice

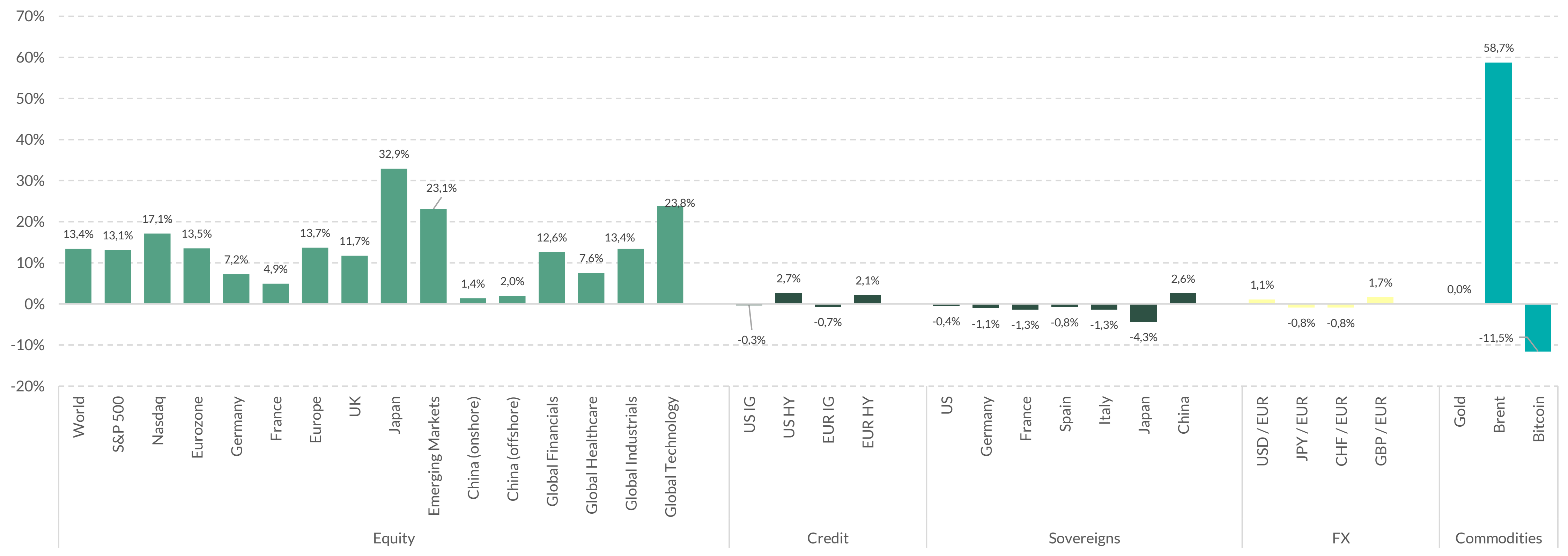
Source: ODDO BHF. Data as of 31/08/2026

01

H1 2026 REVIEW:
A HALF-YEAR THAT CALLS FOR A NEW PLAYBOOK

H1 2026 review
A FIRST HALF-YEAR IN RISK-ON MODE

2026 YEAR-TO-DATE PERFORMANCE OF THE MAIN ASSET CLASSES IN LOCAL CURRENCY

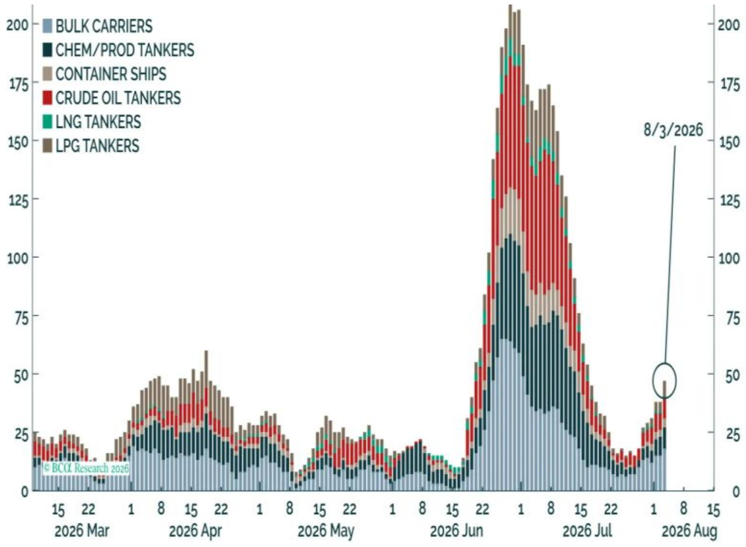


Source: ODDO BHF. Data as of 31/08/2026. Performance calculated in local currency.

H1 2026 review
THE THREE EVENTS RESHAPING THE INVESTMENT PLAYBOOK

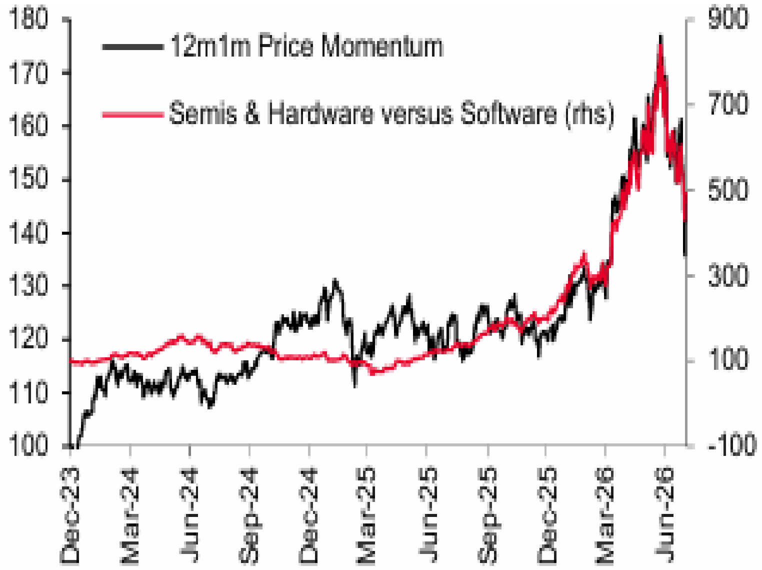
01
STRAIT WAR

TRAFFIC TRENDS IN THE STRAIT OF HORMUZ



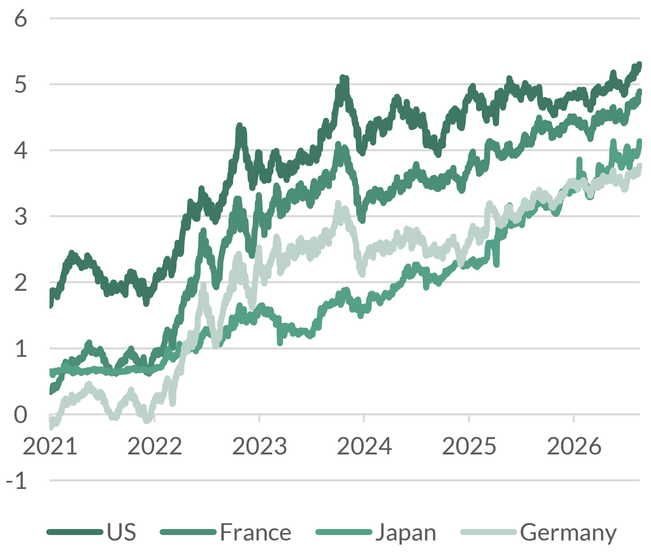
02
TECH CONCERNS

PERFORMANCE AND MOMENTUM OF THE SEMICONDUCTOR SECTOR VS. SOFTWARE



03
THE SURGE IN LONG-TERM RATES

30-YEAR RATES OF THE WORLD'S MAIN COUNTRIES



This does not constitute investment advice
Source: ODDO BHF. Data as of 31/08/2026

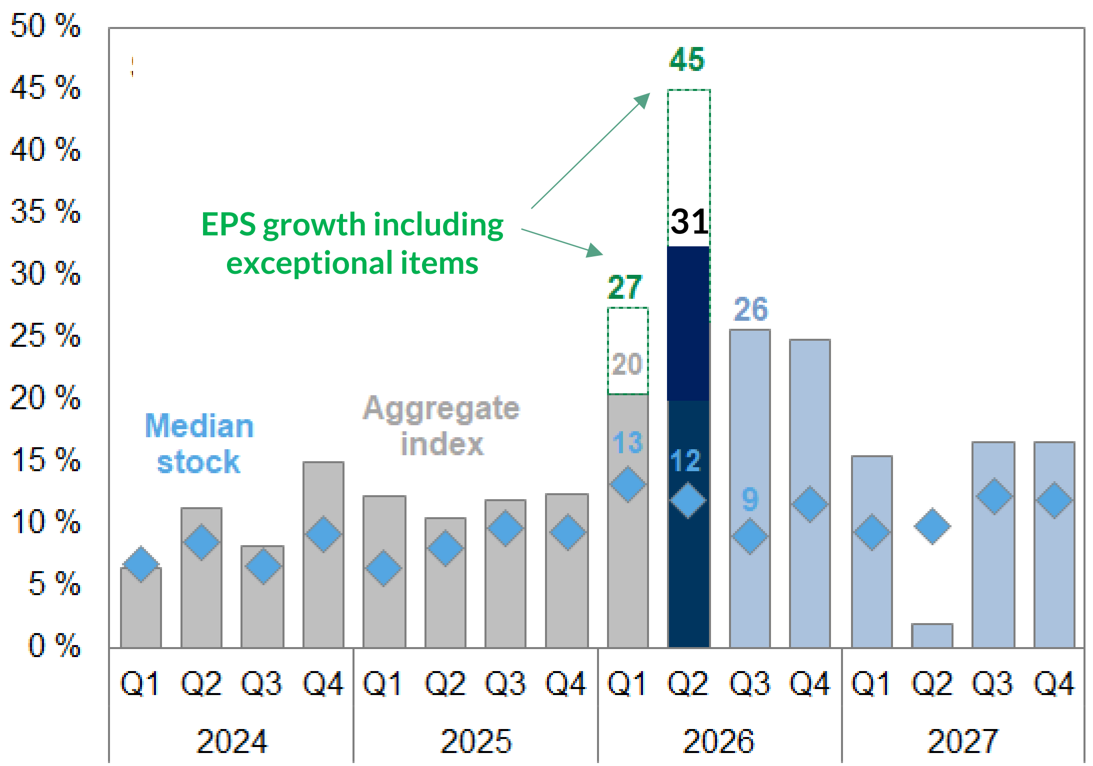
03

EQUITIES: SO FAR, SO GOOD…

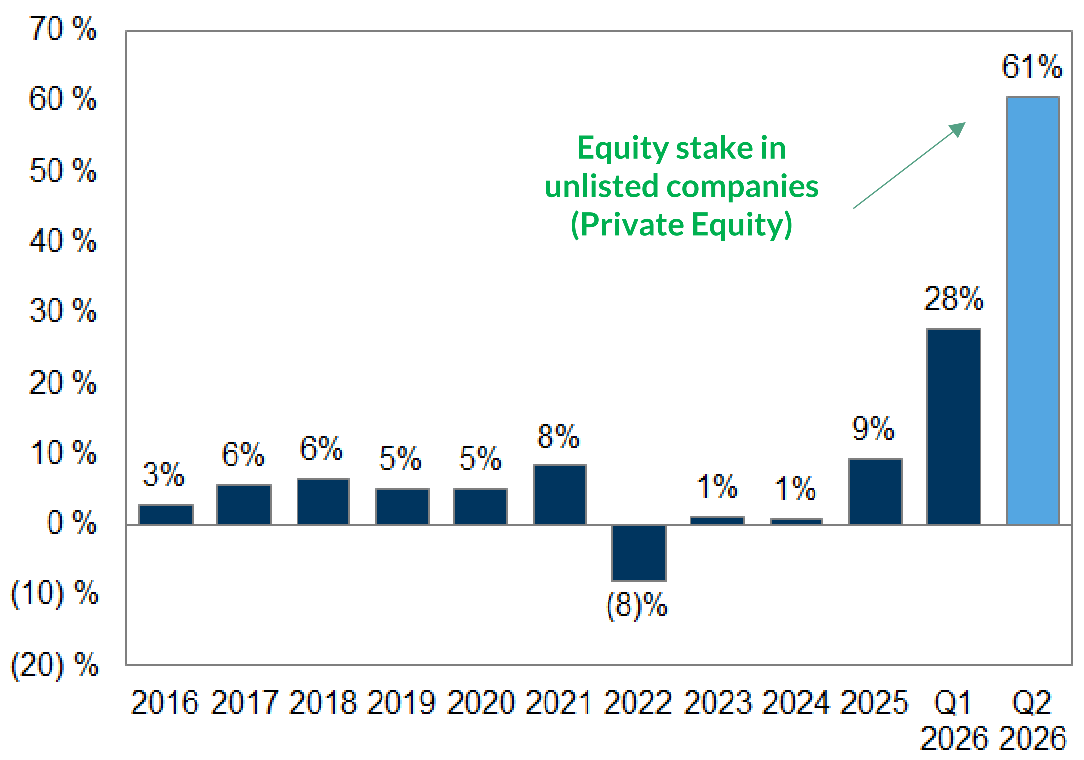
US equities – Q2 2026 earnings season

EXCEPTIONAL RESULTS…BOOSTED BY EXCEPTIONAL ITEMS

TREND IN EPS GROWTH FOR US EQUITIES (S&P 500) INCLUDING AND EXCLUDING EXCEPTIONAL ITEMS



PERCENTAGE REPRESENTED BY EXCEPTIONAL ITEMS IN THE NET INCOME OF US HYPERSCALERS*



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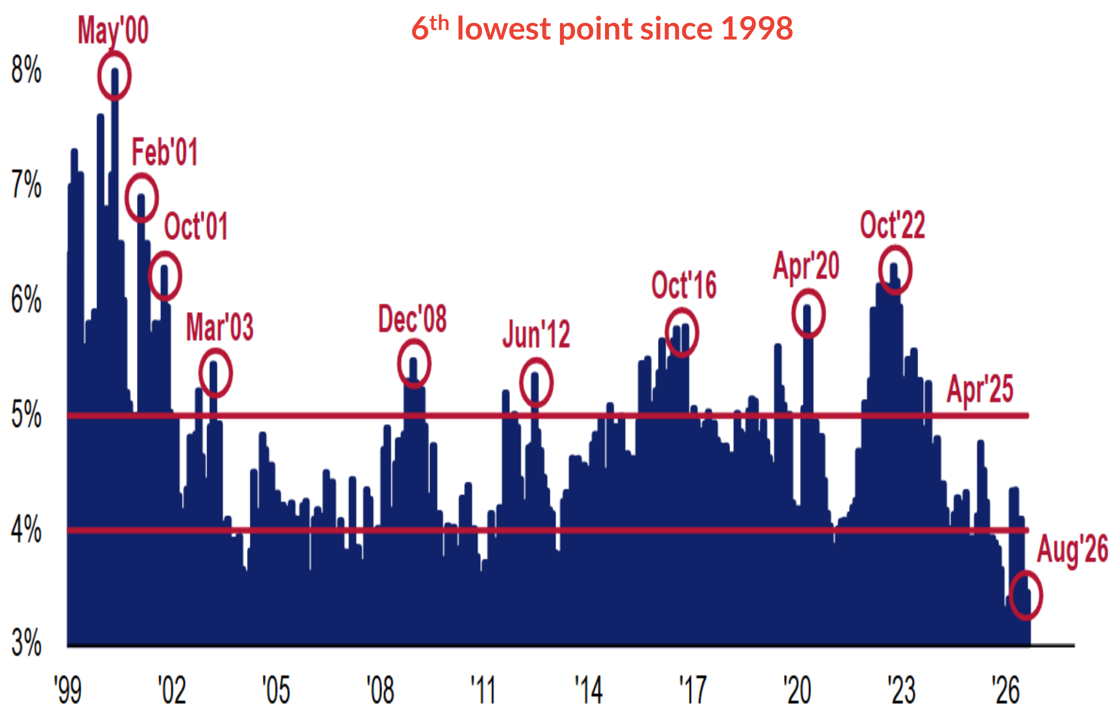
Source: ODDO BHF, Goldman Sachs. Data as of 31/08/2026. * A "Hyperscaler" is a large company that provides cloud computing, storage, and computing power services using gigantic global data centers. The main market players are Amazon Web Services (AWS), Microsoft Azure, Google Cloud Platform (GCP), Meta, and Oracle

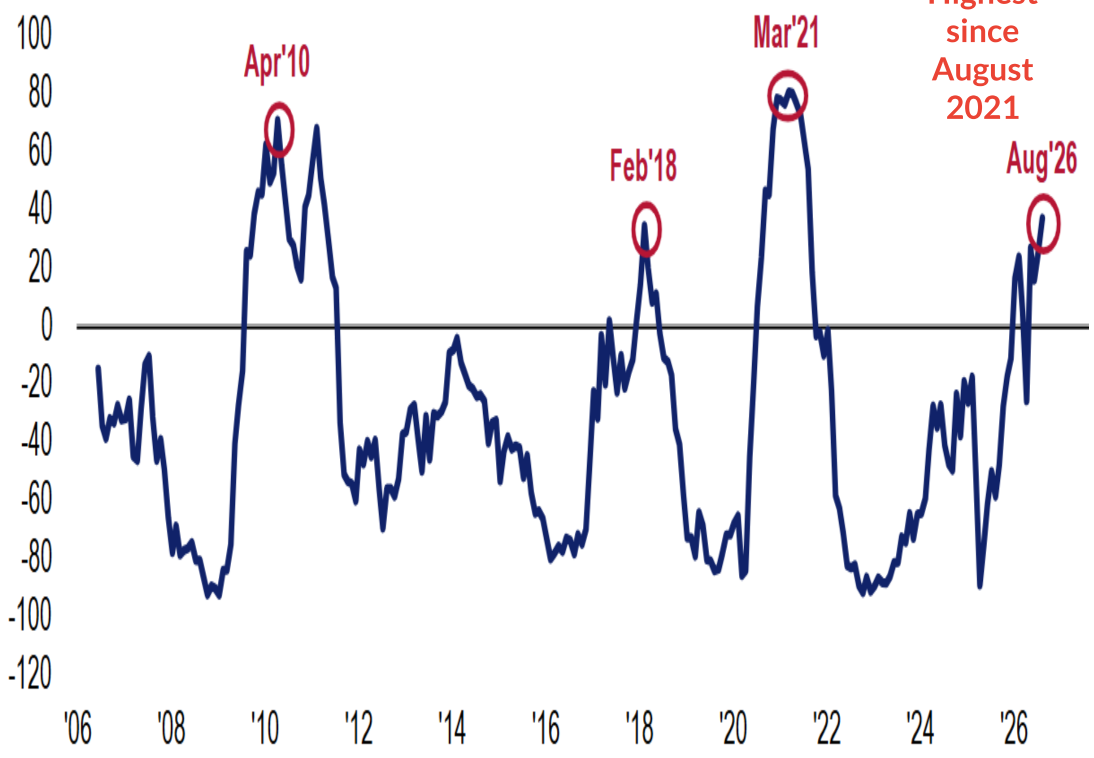
US equities – sentiment

BUT... BEWARE OF EXCESSIVE OPTIMISM

CHANGE IN CASH LEVELS IN GLOBAL FUND MANAGERS' PORTFOLIOS



ANSWER TO THE QUESTION: **"WILL GLOBAL EQUITY EPS GROWTH BE >10% OVER THE NEXT 12 MONTHS?"**

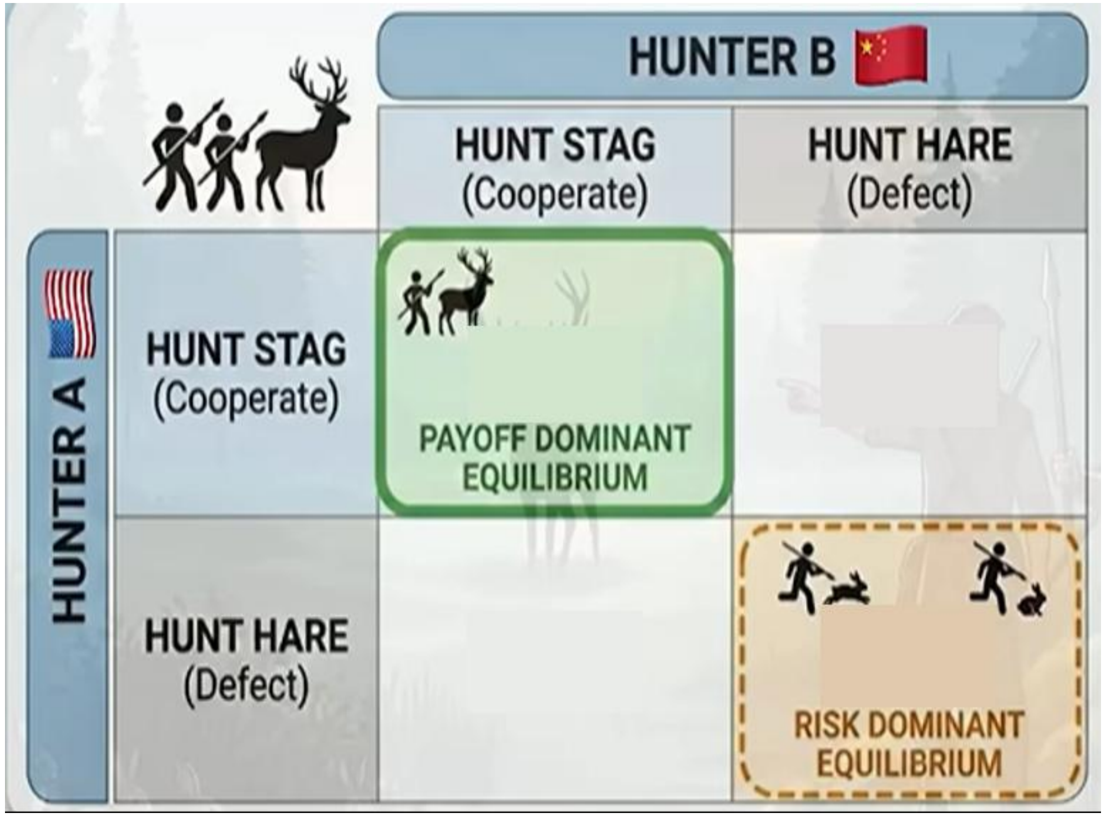


This does not constitute investment advice

Source: ODDO BHF, BoAML. Data as of 31/08/2026

Artificial intelligence
UNDERSTANDING THE RACE FOR SUPERINTELLIGENCE

GAME THEORY: COMPARISON BETWEEN STAG HUNT AND HARE HUNT



COMPARISON BETWEEN US AND CHINESE STRATEGIES

	United States	China
Investments	Private AI investment - 23x higher than China	Deploy AI that is good enough to achieve a 70% adoption rate by the industry within 20 years
Strategy	Pursuit of AGI/ASI. Closed frontier models (Claude, OpenAI)	Widely used open-source models
Volume & costs	Lower token volumes; higher API costs	Chinese LLMs dominate global token volume, at a fraction of the cost of U.S. APIs

This does not constitute investment advice

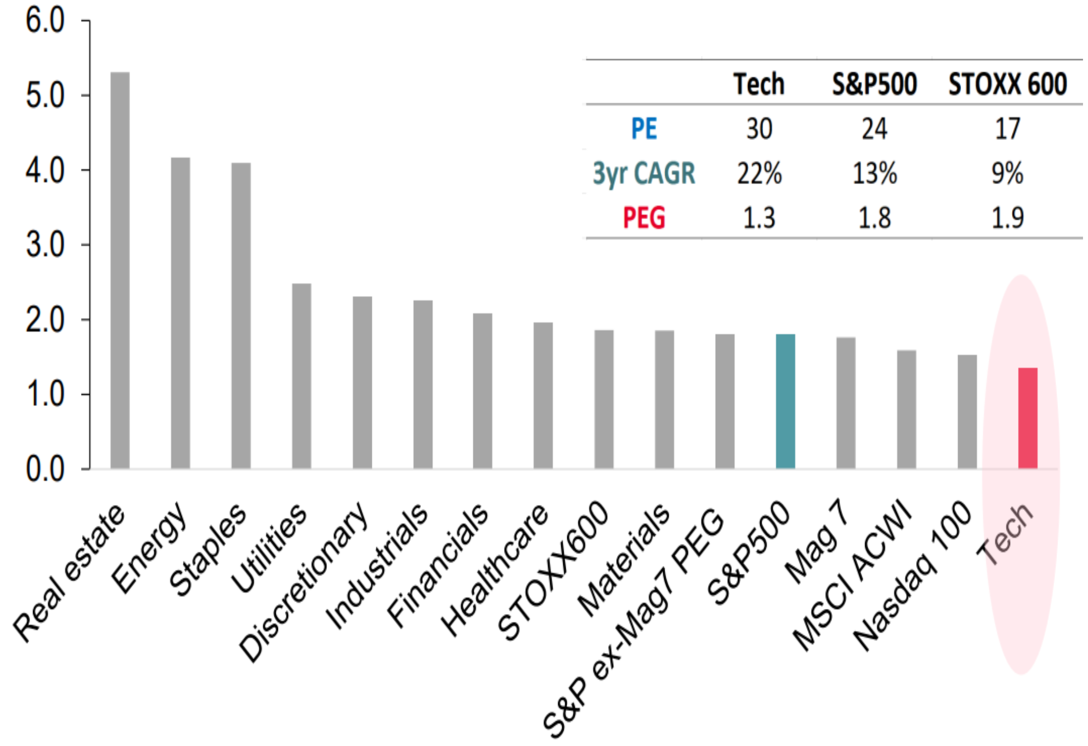
Source: ODDO BHF, Gavekal, BCA Research. Data as of 31/08/2026

Artificial intelligence
NOT A VALUATION BUBBLE

COMPARATIVE VALUATION LEVEL IN 24-MONTH FORWARD PRICE/EARNINGS RATIO OF TECH BUBBLE PLAYERS

MAGNIFICENT 7: 7 Magnificents	Market weight	Market Cap ($ Bn)	*24m fwd P/E
Magnificent 7 (2025)			
NVIDIA	8.0%	4686	18.8
Apple	6.8%	4001	28.1
Alphabet	5.9%	3501	22.7
Microsoft	4.9%	2889	18.2
Amazon	3.8%	2239	21.3
Tesla	2.6%	1536	147.5
Meta Platforms	2.4%	1398	18.1
Magnificent 7 (2025) Aggregate	**34.4%**	**20250**	**22.6**
Tech Bubble Leaders (2000)			
Microsoft	4.5%	581	53.2
AGGREGATED TECH LEADERS BUBBLE (2000)	4.2%	543	101.7
Intel	3.6%	465	42.1
Oracle	1.9%	245	84.6
IBM	1.7%	218	23.5
Lucent	1.6%	206	37.9
Nortel Networks	1.5%	199	86.4
Tech Bubble Leaders (2000) Aggregate	**19.0%**	**2457**	**52.0**

LONG-TERM EVOLUTION OF THE PRICE/EARNINGS RATIO (PEG) ACROSS DIFFERENT US MARKETS AND SECTORS



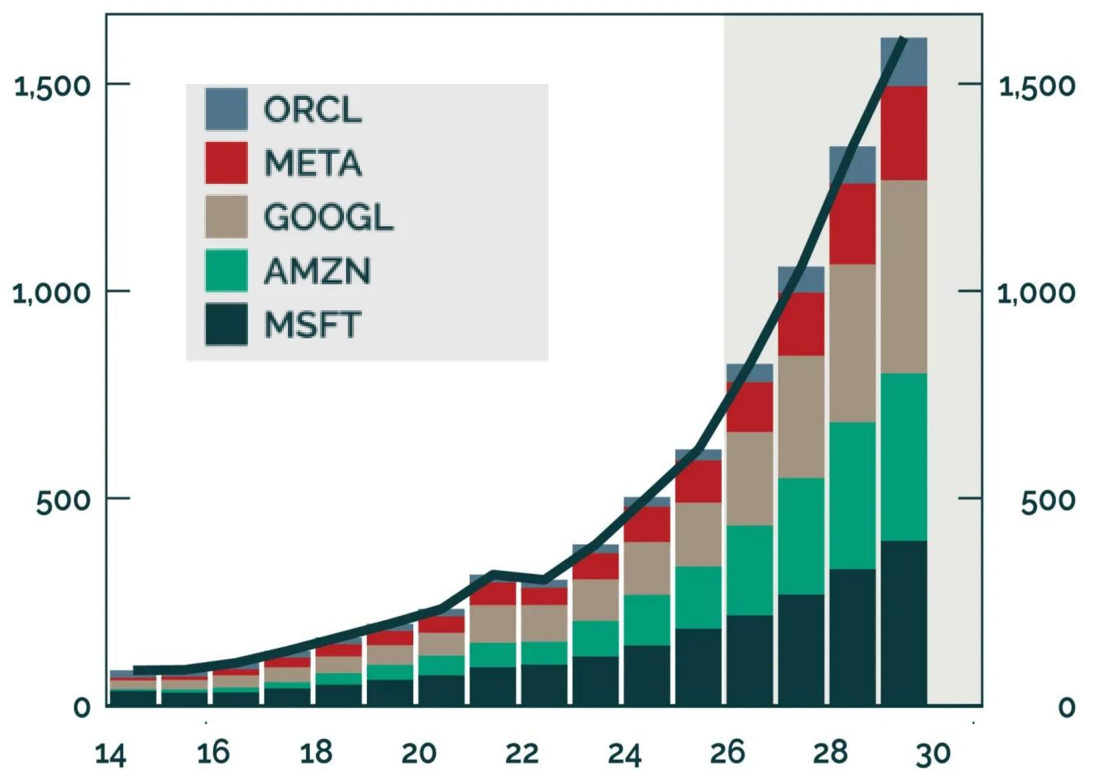
This does not constitute investment advice

Source: ODDO BHF, Goldman Sachs, Société Générale. Data as of 31/08/2026

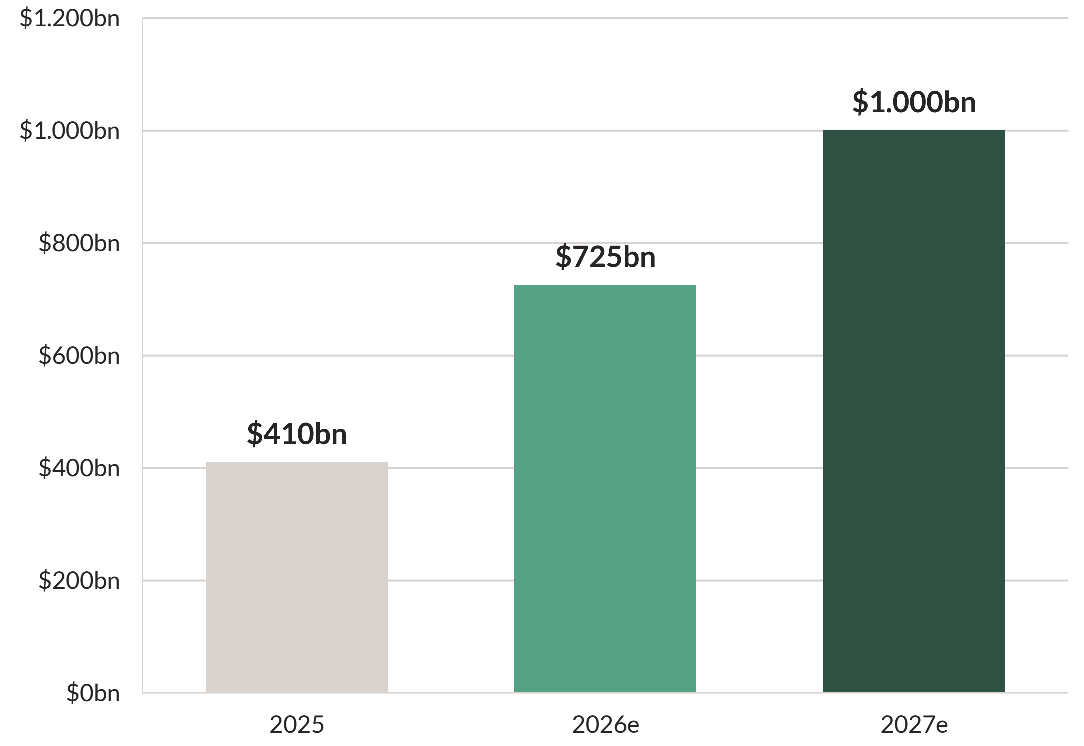
Artificial intelligence

A SURGE IN CAPEX DRIVEN BY HIGH HOPES FOR RETURNS

EXPECTED OPERATING INCOME OVER THE COMING YEARS
FOR US HYPERSCALERS*



CHANGE IN INFRASTRUCTURE INVESTMENT (CAPEX)
BY US HYPERSCALERS*



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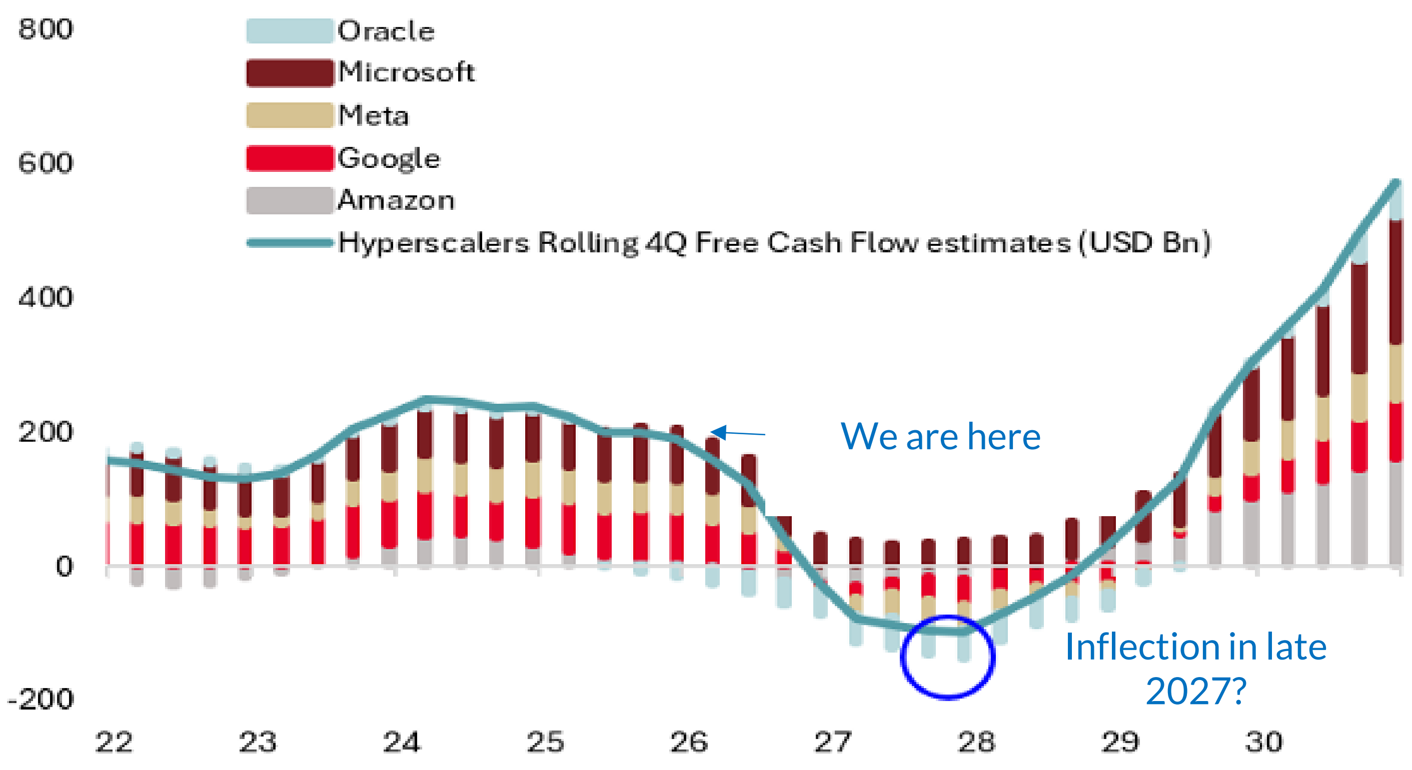
Source: ODDO BHF, BCA Research. Data as of 31/08/2026. * A "hyperscaler" is a large company that provides cloud computing, storage, and computing power services using gigantic global data centers. The main market players are Amazon Web Services (AWS), Microsoft Azure, Google Cloud Platform (GCP), Meta, and Oracle

Artificial intelligence
MARKET FOCUS HAS SHIFTED BEYOND EARNINGS GROWTH …

QUARTERLY NET CASH FLOW TRENDS OF US HYPERSCALERS* SINCE 2022



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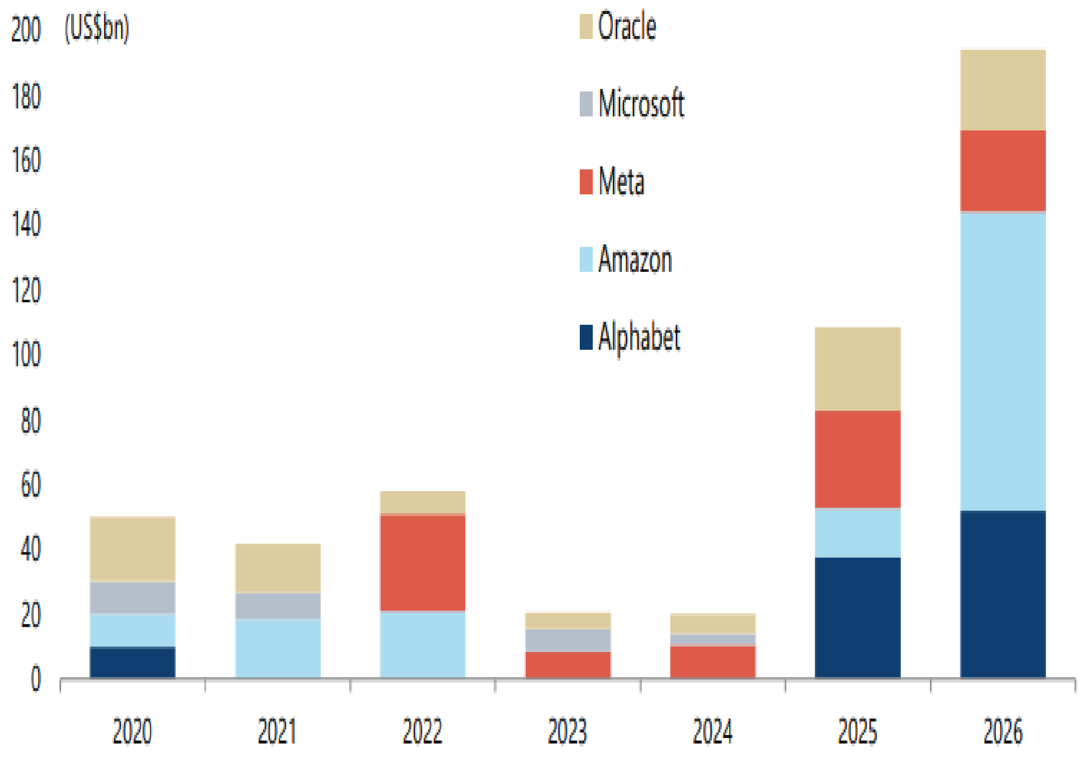
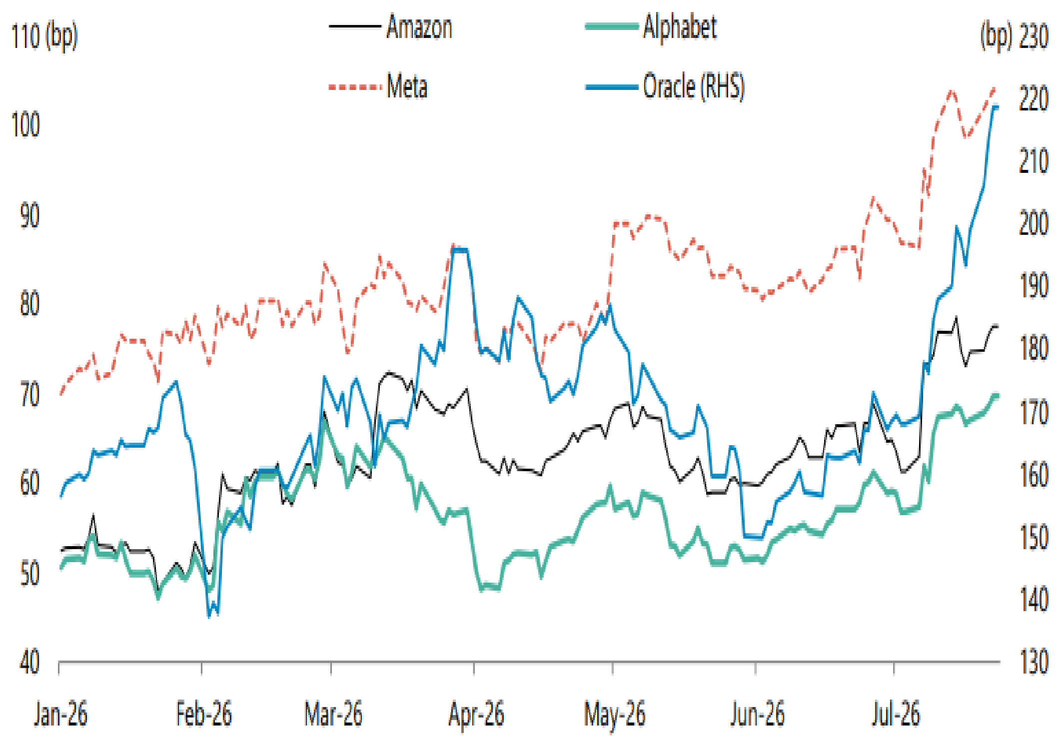
US equities – artificial intelligence

…TO A NEW CONCERN: FUTURE FINANCING NEEDS…

BOND ISSUES BY US HYPERSCALERS* SINCE 2020



SPREADS VS. US 10-YEAR SOVEREIGNS ON 10-YEAR BONDS ISSUED BY AMAZON, META, ALPHABET, AND ORACLE



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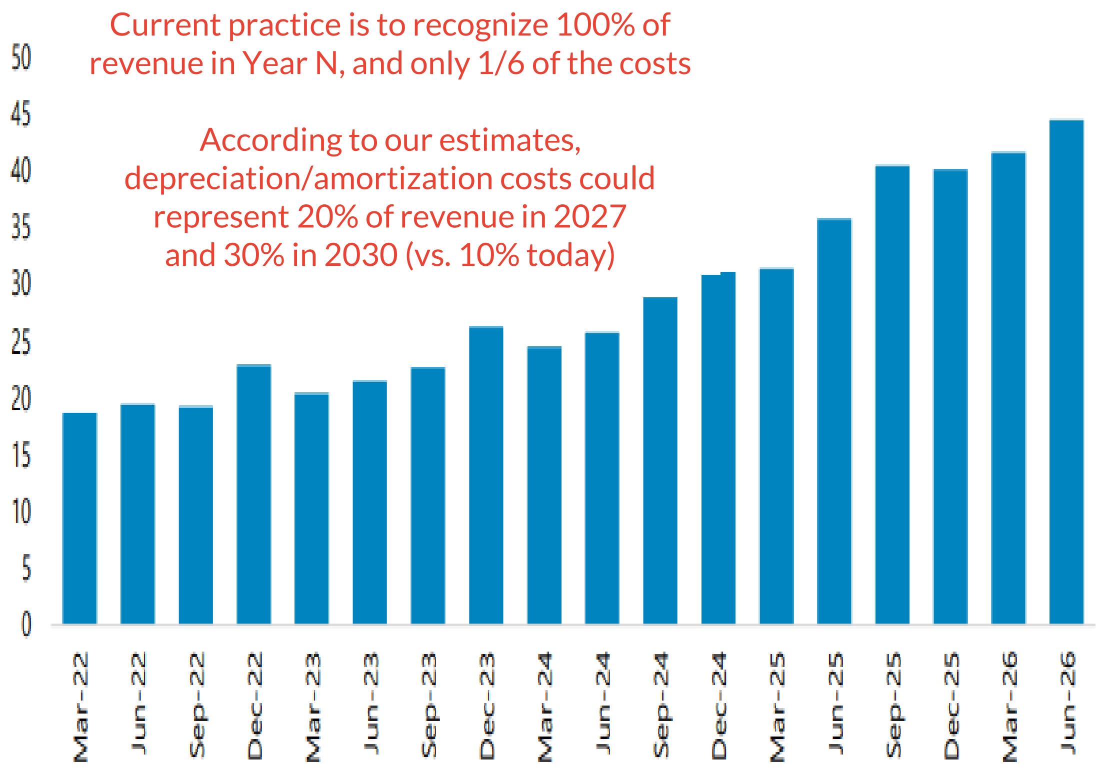
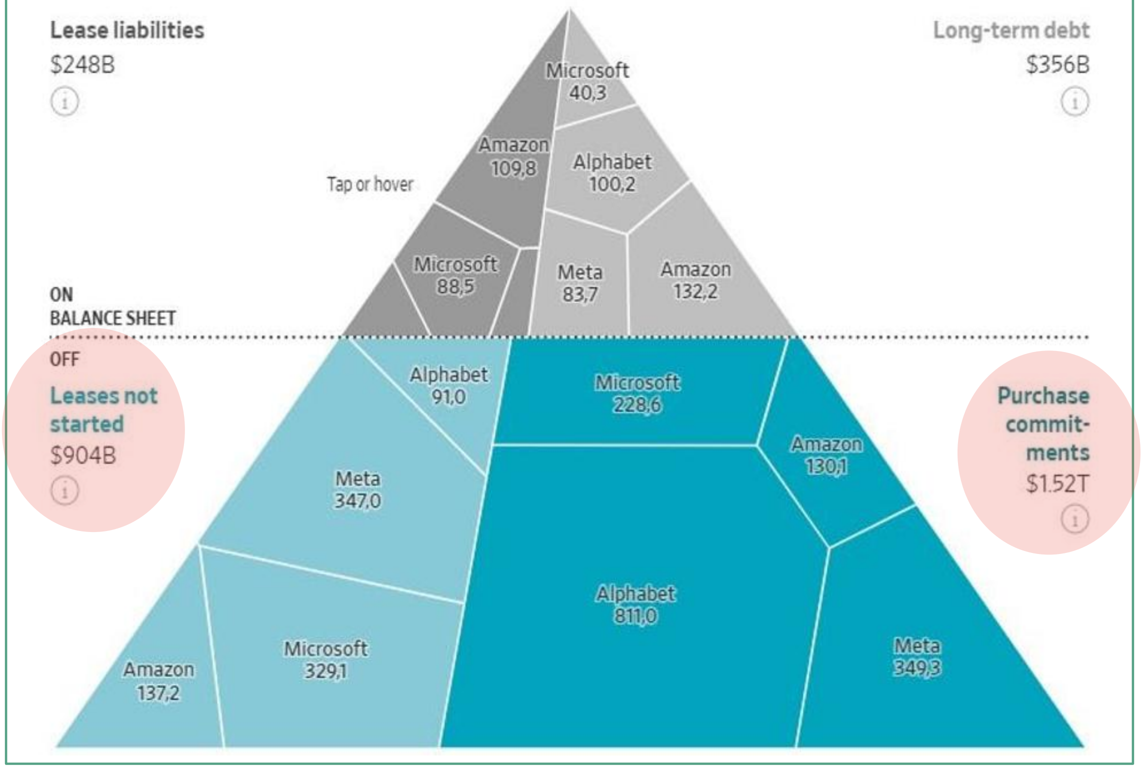
Artificial intelligence
...AND "BALANCE SHEET ENGINEERING"

QUARTERLY DEPRECIATION EXPENSE TREND FOR US HYPERSCALERS* (IN BILLIONS OF DOLLARS)



DETAILS OF RECOGNIZED ON-BALANCE-SHEET AND OFF-BALANCE-SHEET COMMITMENTS FOR ALPHABET, AMAZON, META, AND MICROSOFT



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Artificial intelligence
THE VALUATION DILEMMA CALLS FOR SOME CAUTION

CHANGE IN THE 12-MONTH **FORWARD** PRICE/EARNINGS RATIO FOR US HYPERSCALERS*

CHANGE IN THE **CURRENT** NET CASH FLOW / MARKET CAPITALIZATION RATIO FOR US HYPERSCALERS*

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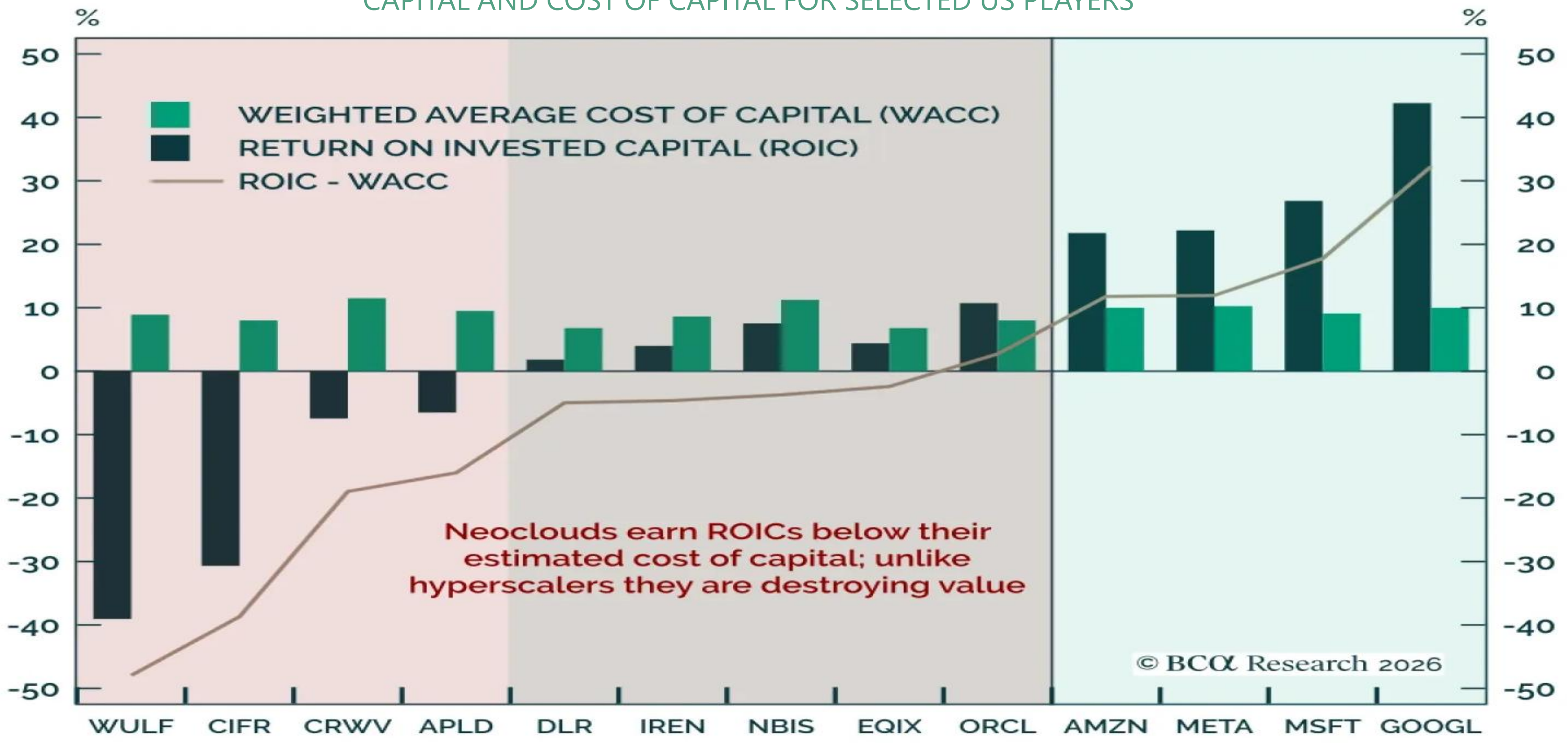
Artificial intelligence

BUT THE KEY REMAINS: ROIC > WACC... FOR THE MAJOR PLAYERS

COMPARISON OF THE SPREAD BETWEEN RETURN ON INVESTED CAPITAL AND COST OF CAPITAL FOR SELECTED US PLAYERS



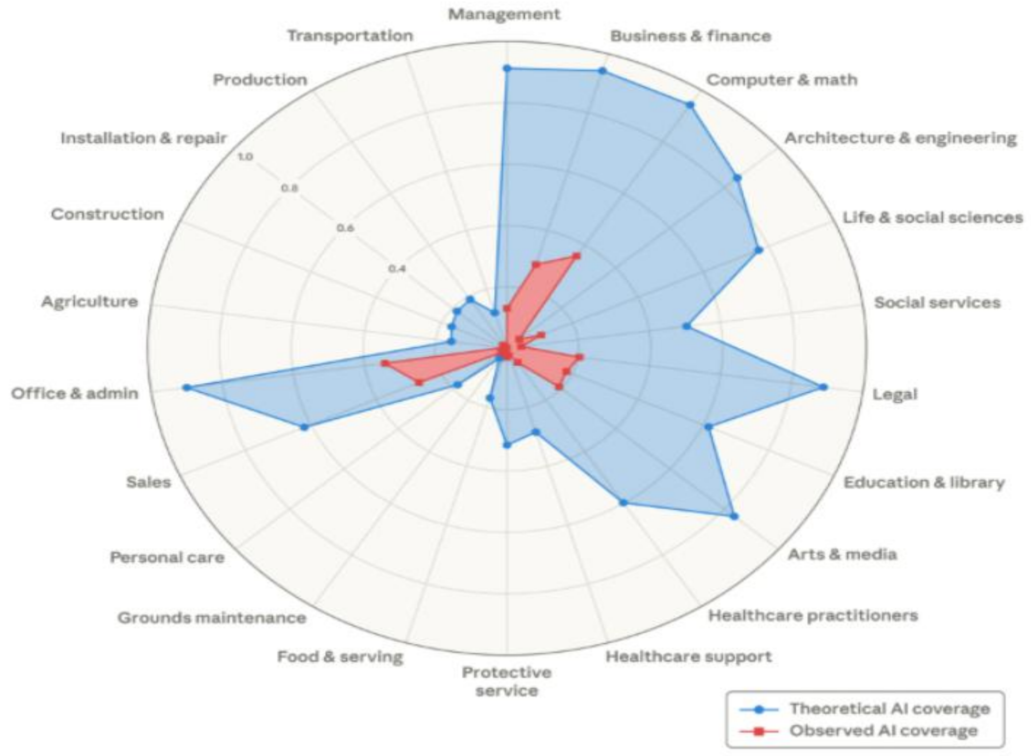
This does not constitute investment advice

Source: ODDO BHF, Gavekal, BCA Research. Data as of 31/08/2026

Artificial intelligence

STAY THE COURSE BUT TRIM SEMI/HARDWARE SLIGHTLY

ACTUAL USE OF ARTIFICIAL INTELLIGENCE ACROSS DIFFERENT SECTORS AND ESTIMATED THEORETICAL POTENTIAL



AN EXAMPLE OUTSIDE THE TECH ECOSYSTEM: TWIST BIOSCIENCE

specialized in DNA synthesis on silicon chips.
Three activities:

1. synthetic genes/proteins (boosted by AI in drug discovery),
2. NGS sequencing,
3. diagnostics.

Q3 FY2026 revenue: $118.4M (+23%), still loss-making but targeting EBITDA breakeven in Q4

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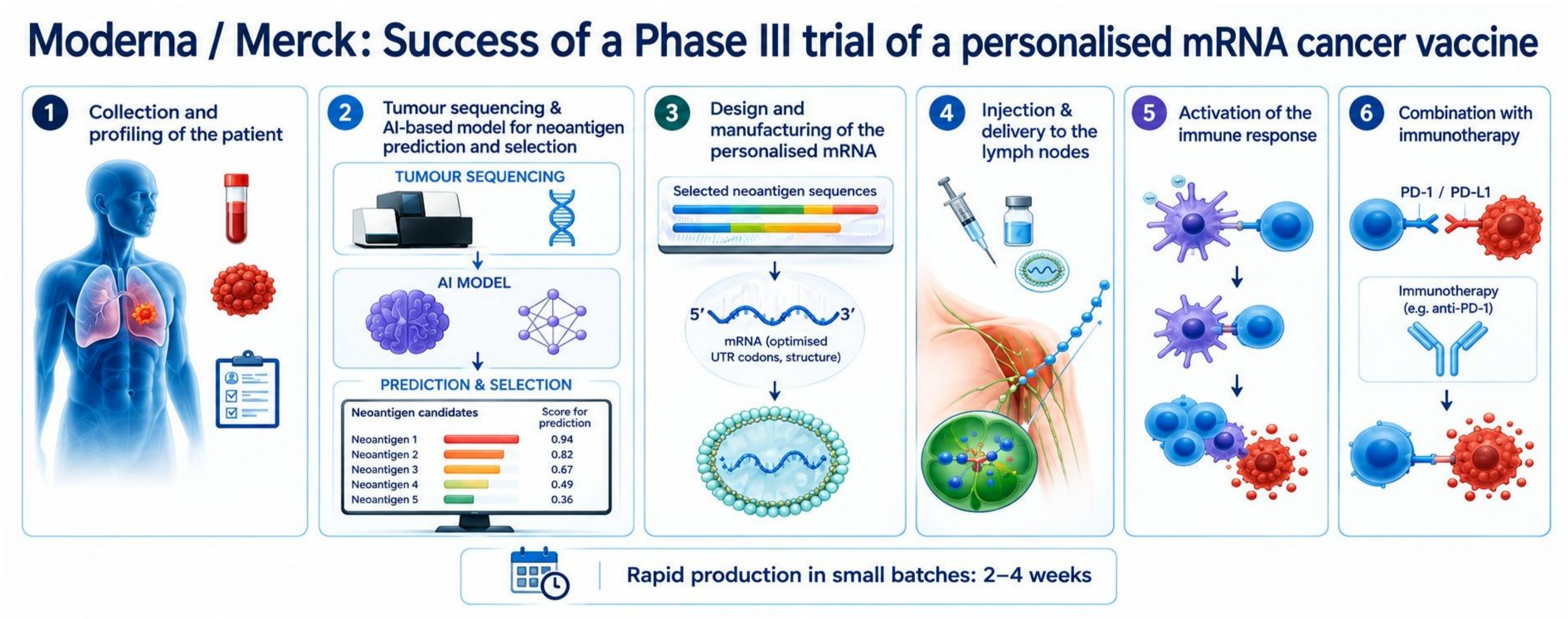
Artificial intelligence

DIVERSIFY :CLOSE TO A "CHATGPT" MOMENT IN HEALTHCARE

A NEW ERA FOR CANCER VACCINES?



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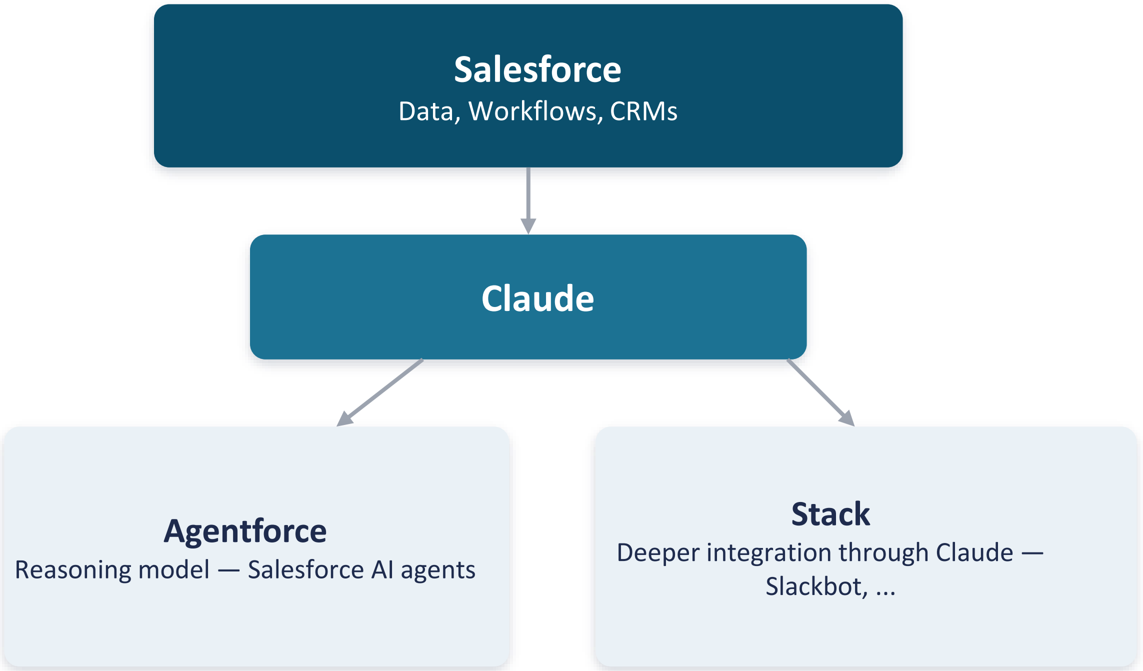
Artificial intelligence

DIVERSIFY: THE END OF THE "SAASPOCALYPSE"?

DEAL BETWEEN SALESFORCE AND ANTHROPIC



Key takeaway — a salesperson can view and edit Salesforce data live without ever opening the Salesforce app: they stay in Claude (or Slack).

CHANGE IN SAAS INDEX PERFORMANCE (YTD)

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Source: ODDO BHF, BCA Research, Jefferies. Data as of 31/08/2026. * A "hyperscaler" is a large company that provides cloud computing, storage, and computing power services using gigantic global data centers. The main market players are Amazon Web Services (AWS), Microsoft Azure, Google Cloud Platform (GCP), Meta, and Oracle

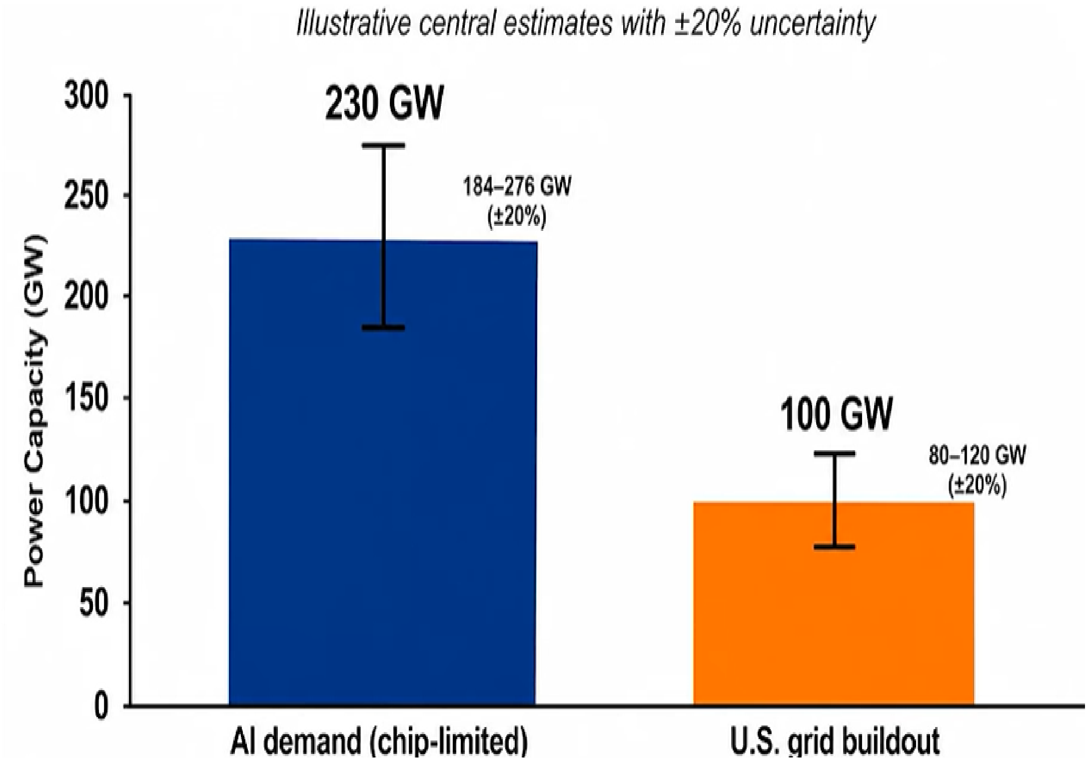
04

BEYOND AI:
WHERE ELSE TO INVEST?

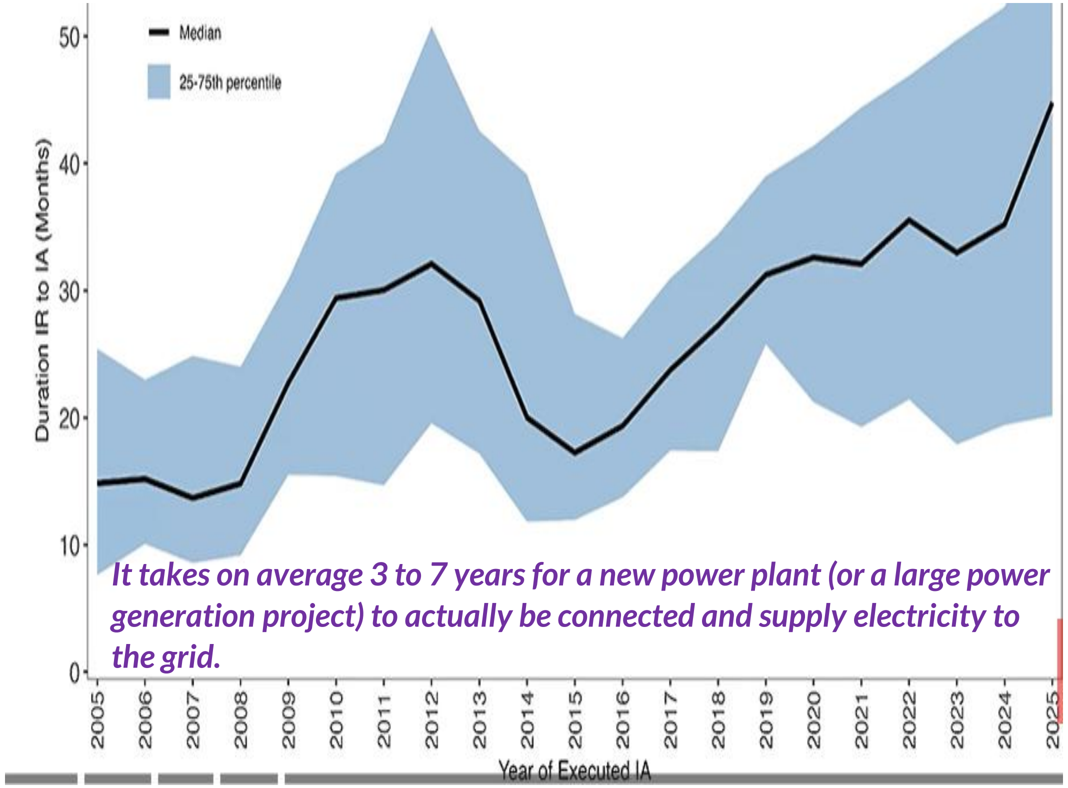
Electrification: physical capacity constraints

GROWING BOTTLENECKS

FORECASTS FOR DATA CENTER ELECTRICITY CONSUMPTION IN GW VS. EXPECTED INVESTMENTS FOR 2030



TIME TO GRID CONNECTION FOR ELECTRICITY GENERATION (MONTHS)



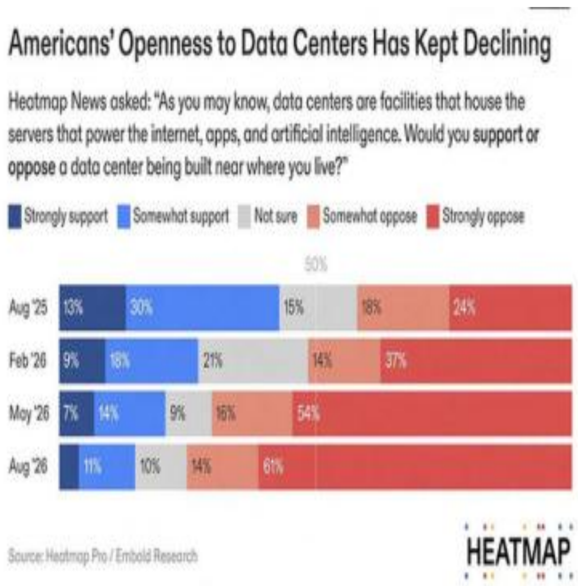
It takes on average 3 to 7 years for a new power plant (or a large power generation project) to actually be connected and supply electricity to the grid.

This does not constitute investment advice

Source: ODDO BHF, IEA. Data as of 31/08/2026

Energy, infrastructure, and the role of SpaceX

HOW AI, ENERGY, AND SPACE INFRASTRUCTURE ARE LINKED



SpaceX changes the equation

- Capacity already leased to Google and Anthropic (~$1.25bn/month)
- Next step: orbital compute
- Starlink + Starship
- Free sunlight
- Natural cooling
- Free from terrestrial network constraints

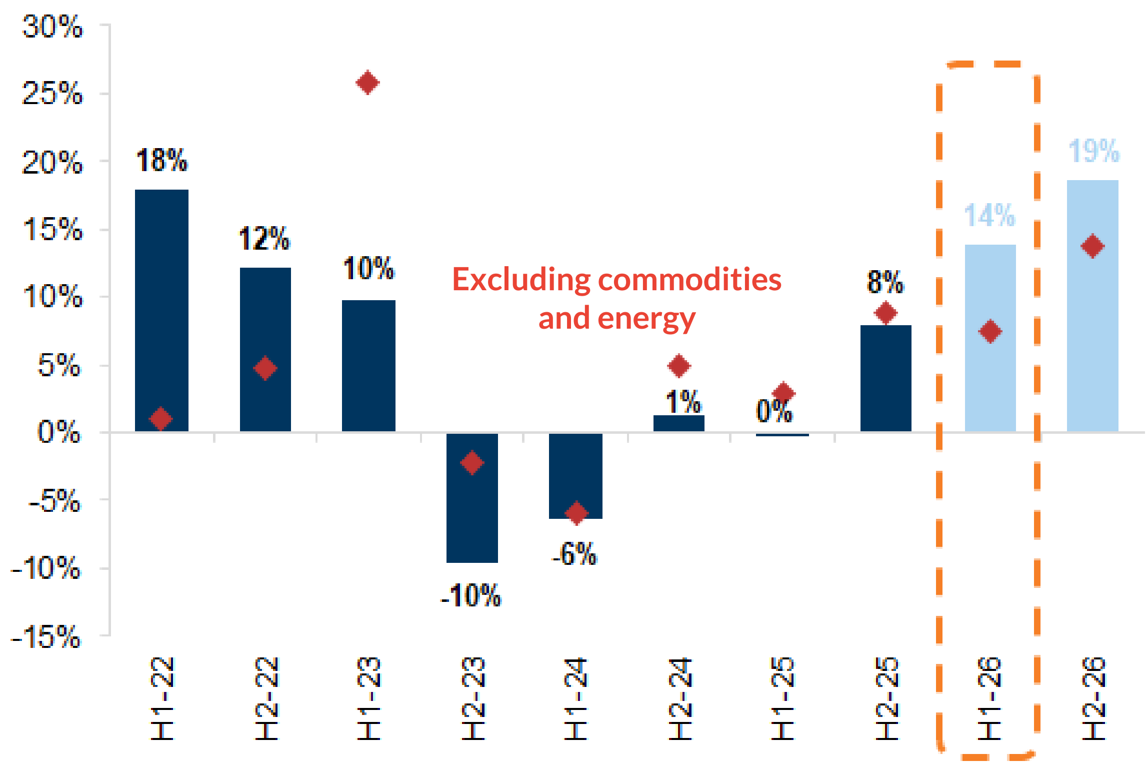
This does not constitute investment advice

Source: ODDO BHF, IEA. Data as of 31/08/2026

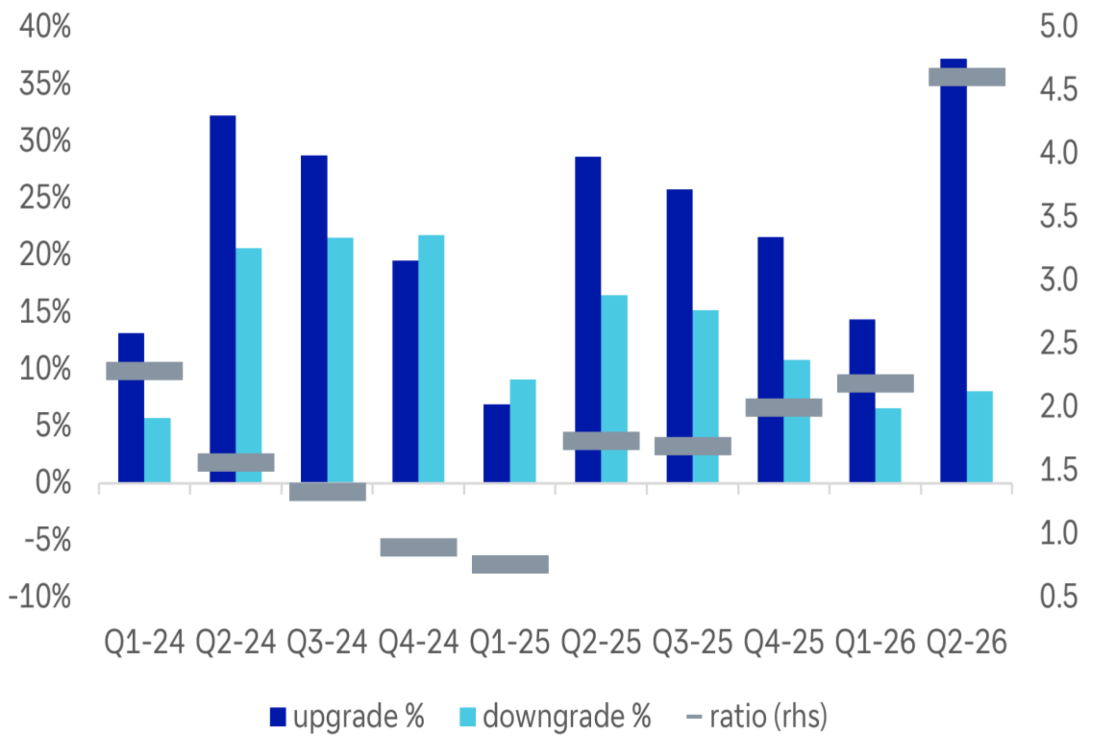
European equities – earnings momentum

STRONGEST EARNINGS GROWTH IN 3 YEARS IN Q2 2026...

CHANGE IN REPORTED AND CONSENSUS EPS GROWTH FOR EUROPEAN EQUITIES (STOXX 600)



PERCENTAGE OF COMPANIES THAT RAISED AND LOWERED THEIR 2026 EARNINGS GUIDANCE IN EUROPE (STOXX 600)



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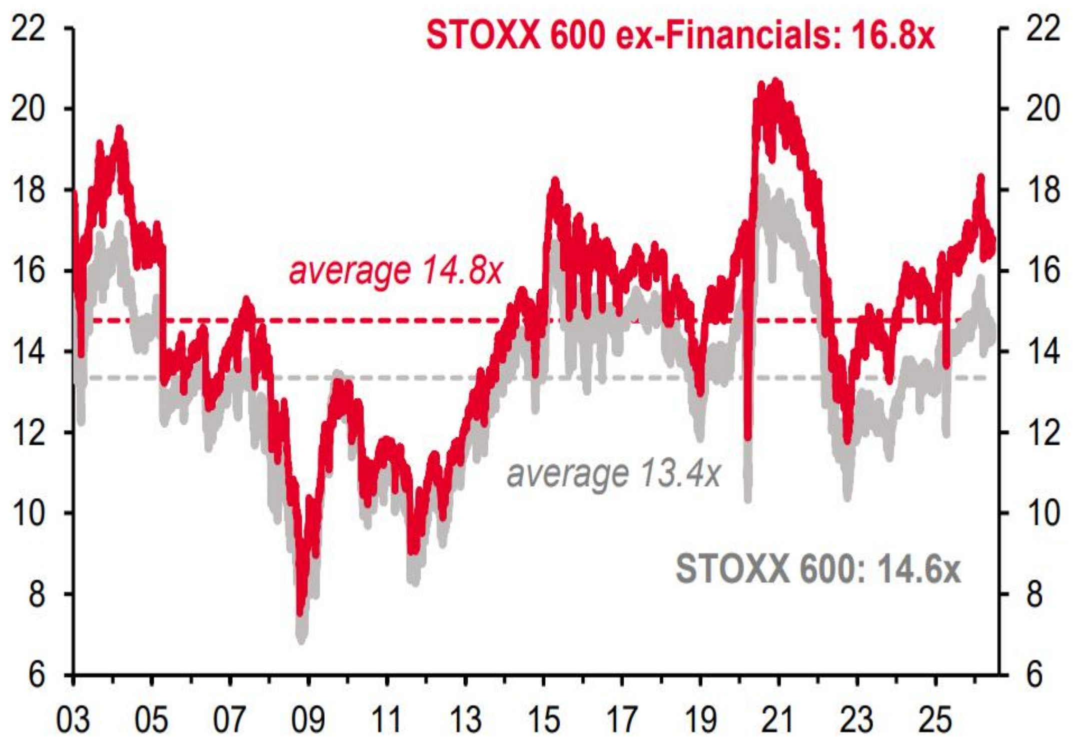
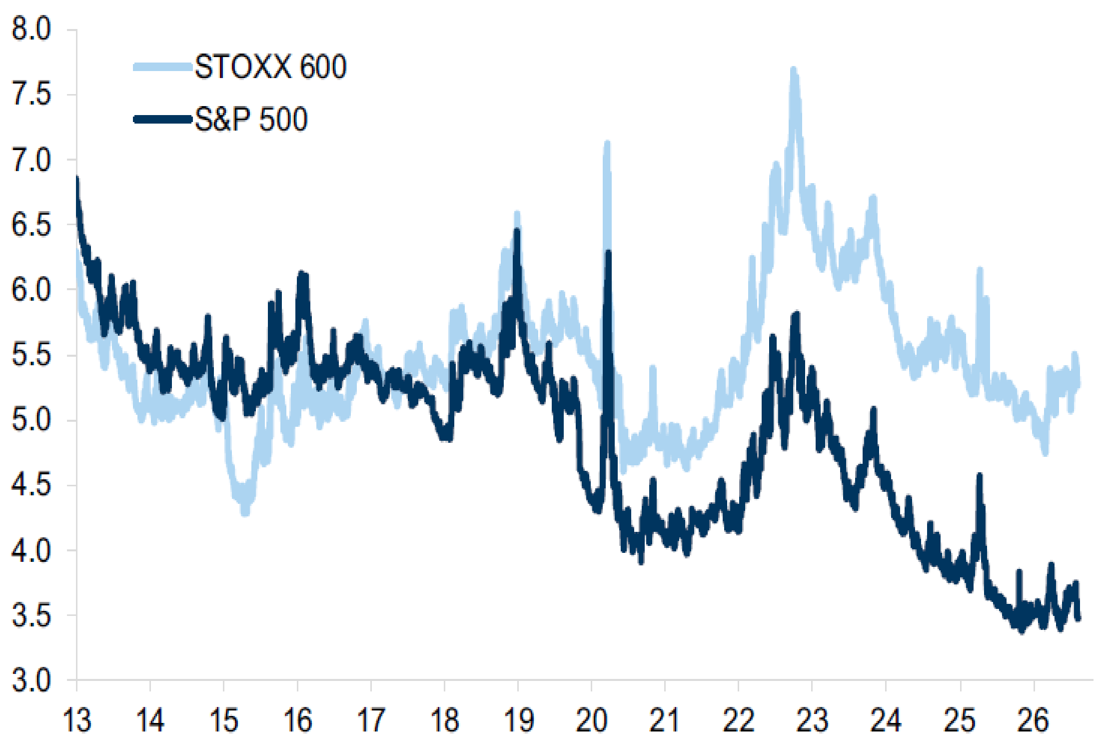
Source: ODDO BHF, Goldman Sachs. Data as of 31/08/2026

European equities – valuation
ATTRACTIVE IN FREE CASH FLOW TERMS

TREND IN THE 12-MONTH FORWARD PRICE/EARNINGS RATIO FOR THE STOXX 600 INCLUDING AND EXCLUDING FINANCIALS



COMPARATIVE TREND IN THE NET CASH FLOW / MARKET CAPITALIZATION RATIO FOR EUROPE AND THE UNITED STATES



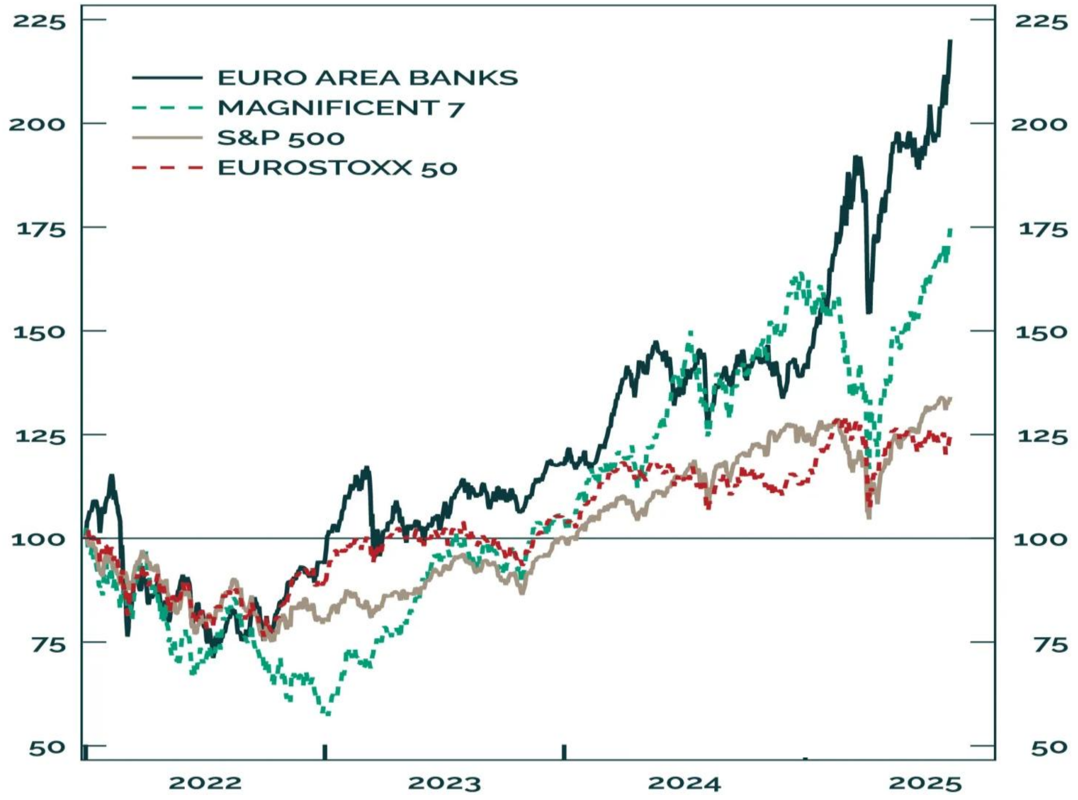
This does not constitute investment advice

Source: ODDO BHF, Société Générale, Goldman Sachs. Data as of 31/08/2026

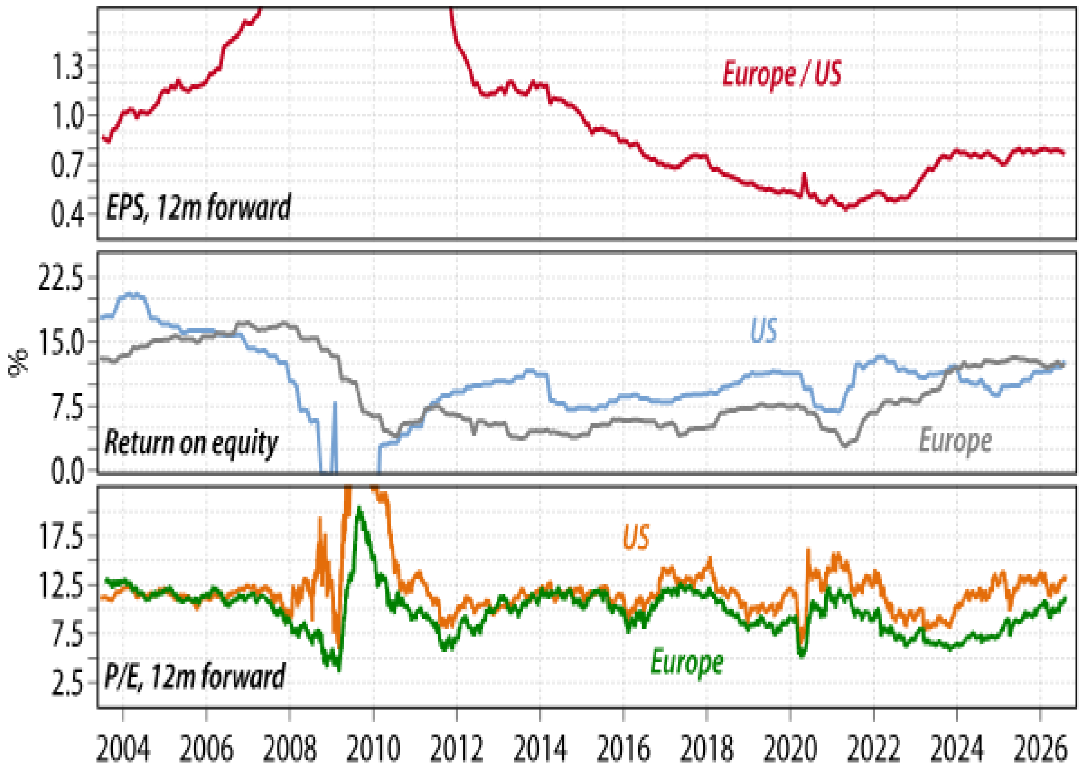
European equities – preferred sectors

BANKS REMAIN A KEY CONVICTION

RELATIVE PERFORMANCE OF DIFFERENT EQUITY MARKETS AND SECTORS



FINANCIAL AND VALUATION RATIOS FOR THE BANKING SECTOR IN EUROPE AND THE UNITED STATES (MSCI INDICES)

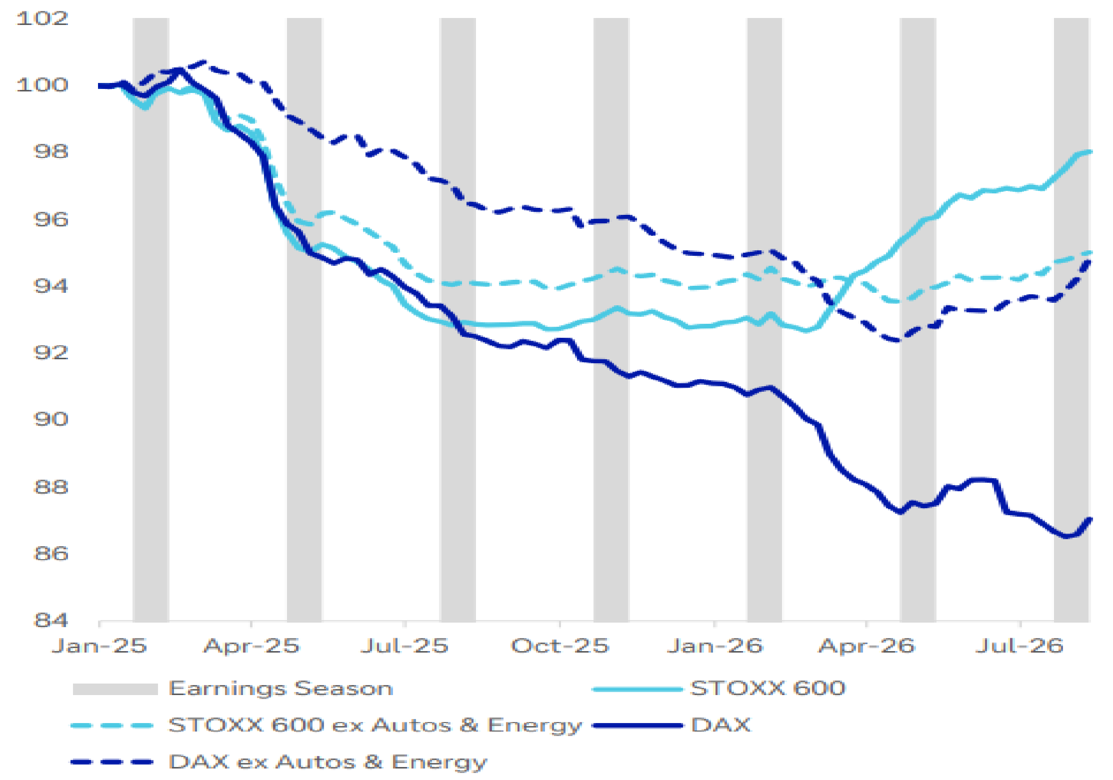


This does not constitute investment advice

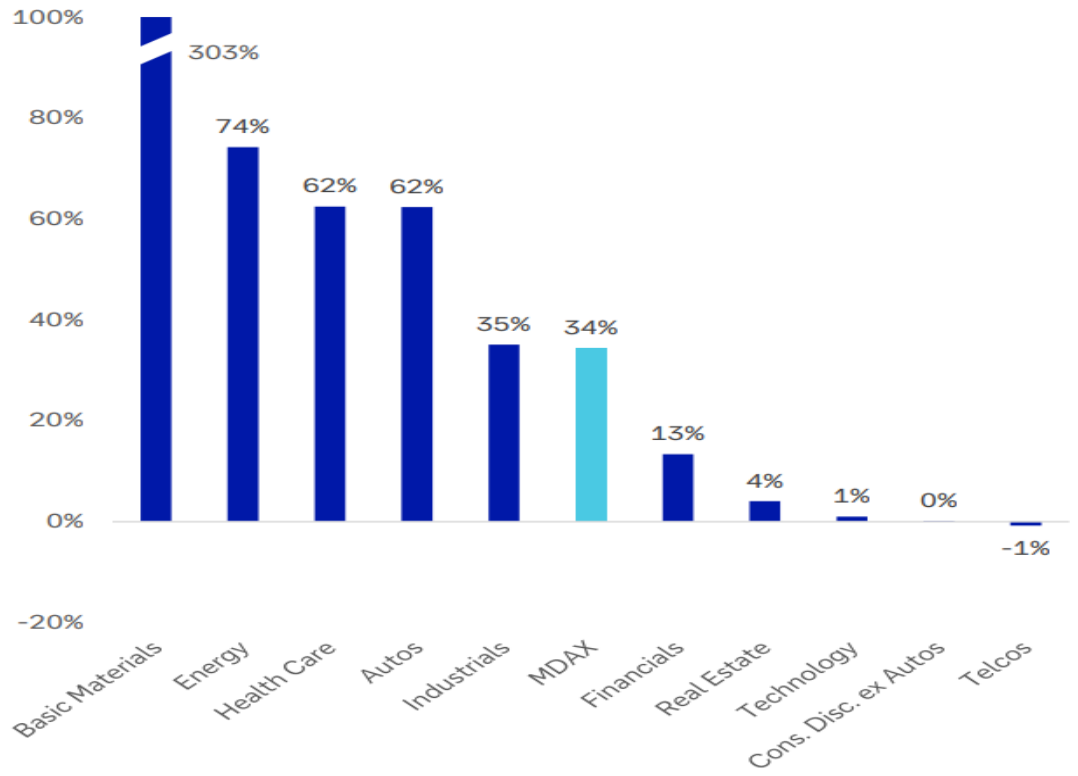
Source: ODDO BHF, BCA Research, Gavekal. Data as of 31/08/2026

Preferred regions: Germany
„DEUTSCHLAND IST ZURÜCK"

REVISION TREND IN 2026E EARNINGS SEQUENCES FOR THE GERMAN INDEX (DAX)



EXPECTED 2026E EPS GROWTH BY SECTOR WITHIN THE GERMAN MID-CAP INDEX (MDAX)



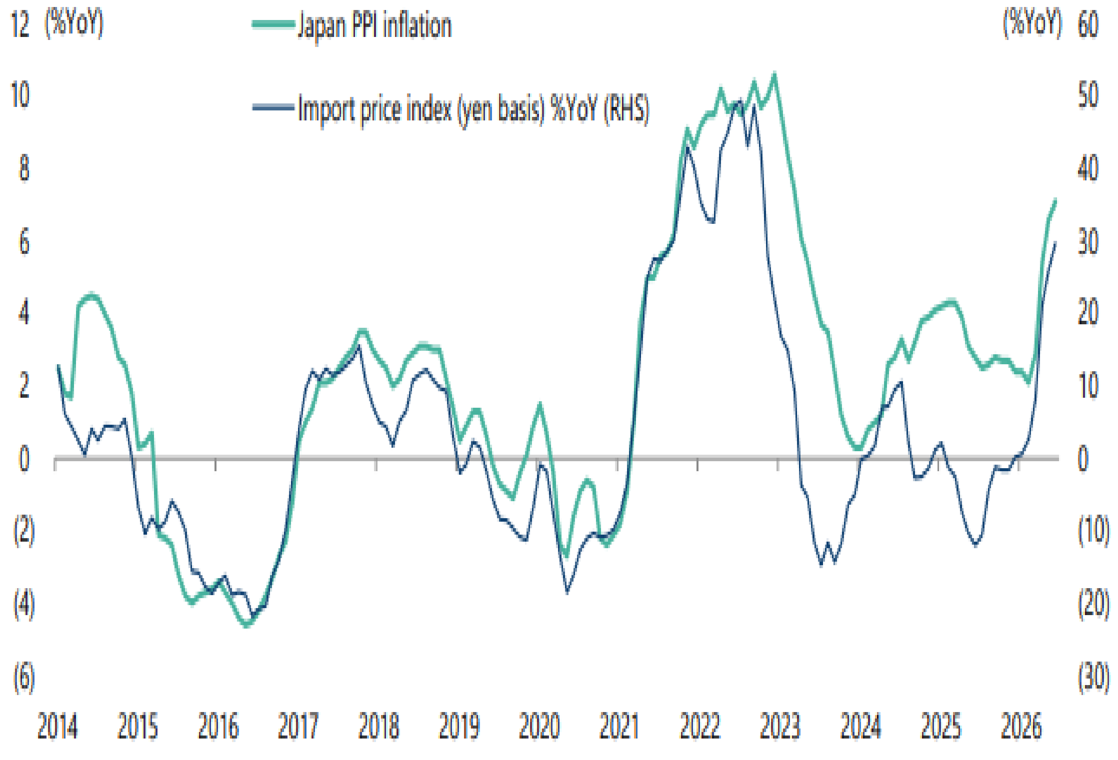
This does not constitute investment advice

Source: ODDO BHF, Deutsche Bank. Data as of 31/08/2026

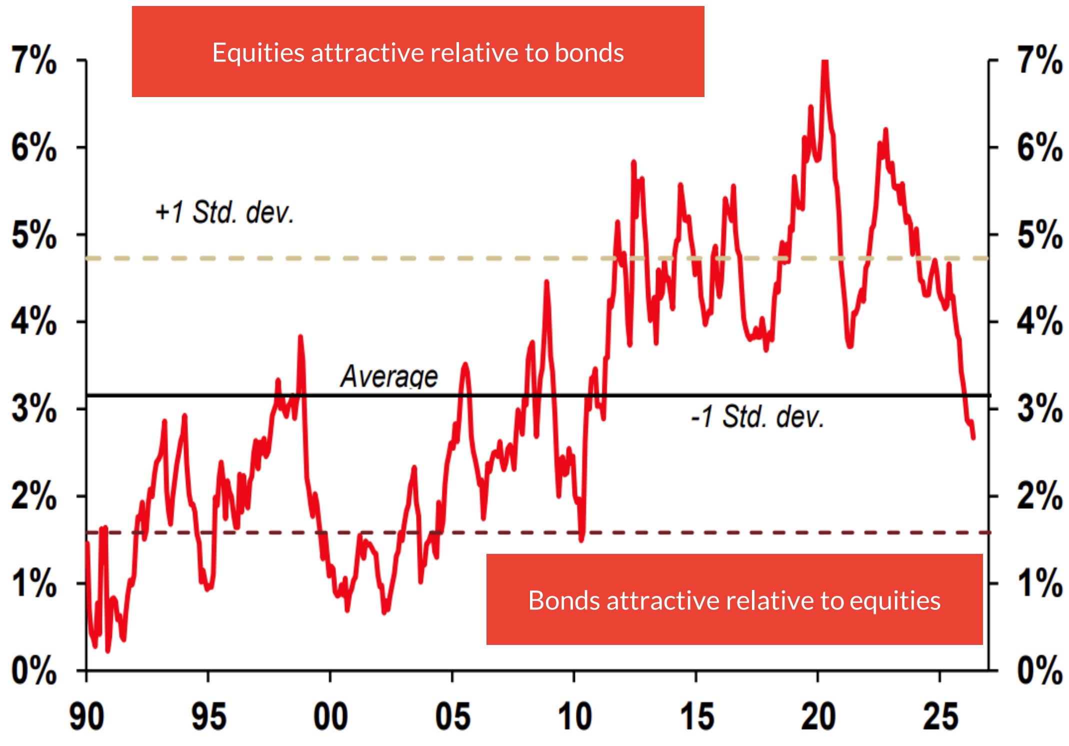
Preferred regions: Japan

REFORMS AND FISCAL STIMULUS COME AT A COST

CHANGE IN PPI INFLATION IN JAPAN AND IMPORT PRICES SINCE 2014



TREND IN THE EQUITY RISK PREMIUM IN JAPAN (DIFFERENCE BETWEEN EXPECTED EQUITY RETURNS AND THE JAPANESE 10-YEAR YIELD)



This does not constitute investment advice

Source: ODDO BHF, Jefferies, Société Générale. Data as of 31/08/2026

China

AN INNOVATIVE HUB SUITED TO ACTIVE MANAGEMENT

CMTX CORP IPO ON SHANGHAI'S "STAR" MARKET ON 27 JULY 2026

+466%

CXMT Corp on its first trading day

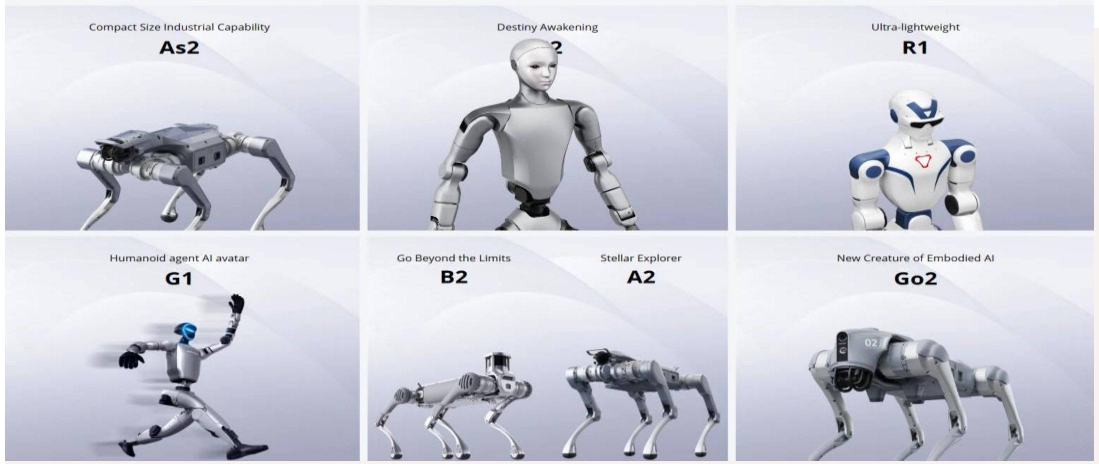
7.67%

Global DRAM market share in 2025. 4th largest player worldwide by capacity. 1st Chinese player.

UNITREE IPO ON SHANGHAI'S "STAR" MARKET ON 19 AUGUST 2026

+460%

Unitree on its first trading day



60%

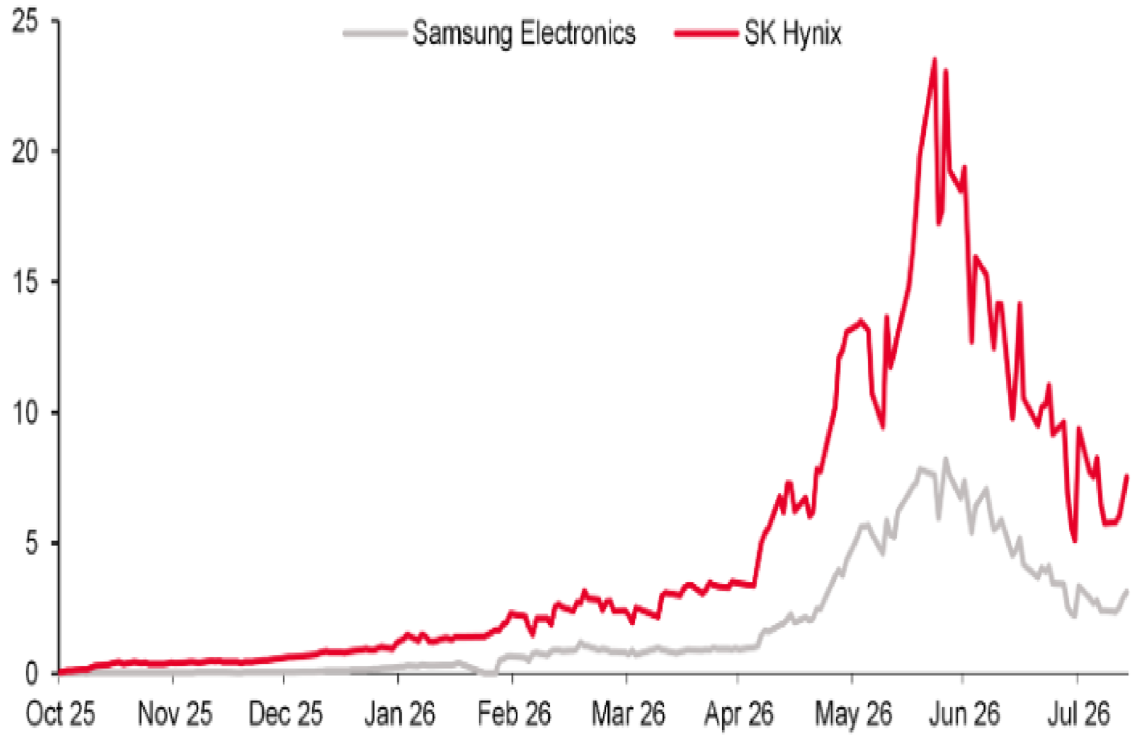
Global market share of Unitree in quadruped robots. Top 5 in humanoid robots. Market estimated at $5 trillion and 1 billion humanoid robots by 2050

This does not constitute investment advice

Source: ODDO BHF. Data as of 31/08/2026

South Korea
SOME IMPROVEMENT, BUT LIKELY TEMPORARY

COMPARATIVE TREND IN OUTSTANDING ASSETS IN LEVERAGED ETFS ON SAMSUNG ELECTRONICS AND SK HYNIX



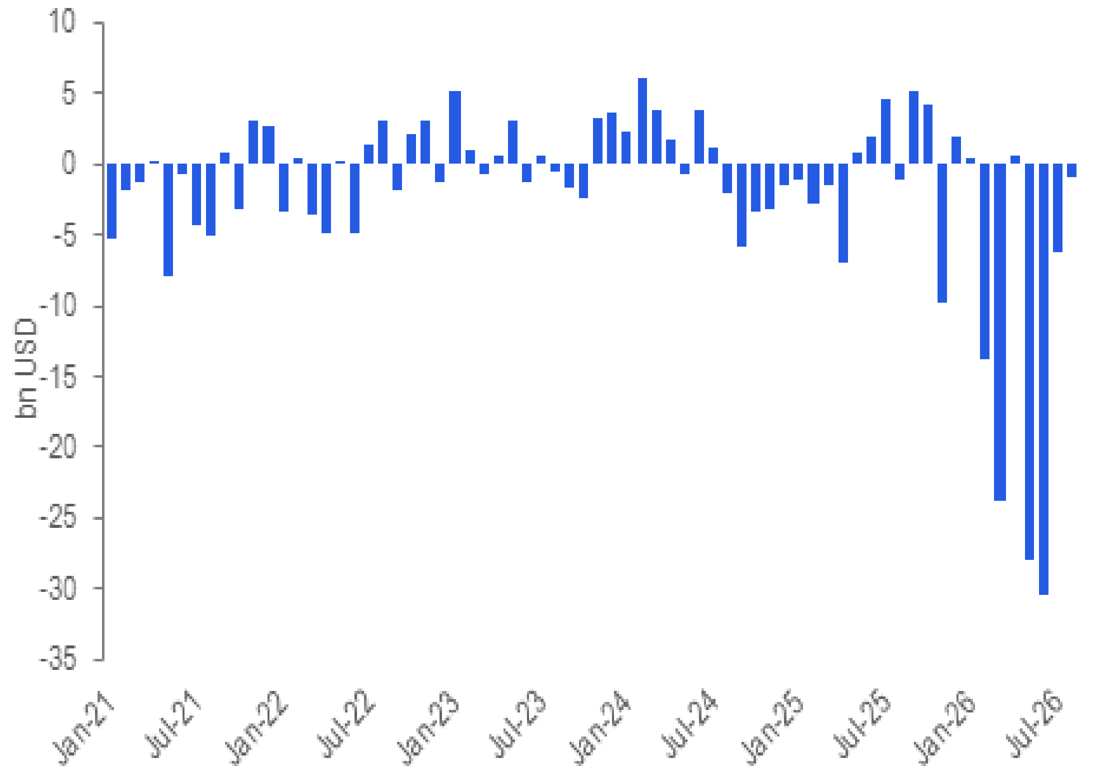
TREND IN MARGIN FINANCING ON THE SOUTH KOREAN STOCK MARKET (IN $BN)

This does not constitute investment advice

Source: ODDO BHF, Société Générale. Data as of 31/08/2026

South Korea
NEGLECTED DESPITE COMPELLING VALUATIONS

TREND IN FOREIGN INVESTORS' EQUITY FLOWS INTO THE KOREAN EQUITY MARKET (IN USD BILLIONS)



VALUATION OF THE KOREAN MARKET VS. THE EMERGING MARKETS INDEX (12-MONTH FORWARD PRICE/EARNINGS RATIO)

This does not constitute investment advice

Source: ODDO BHF, Citi. Data as of 31/08/2026

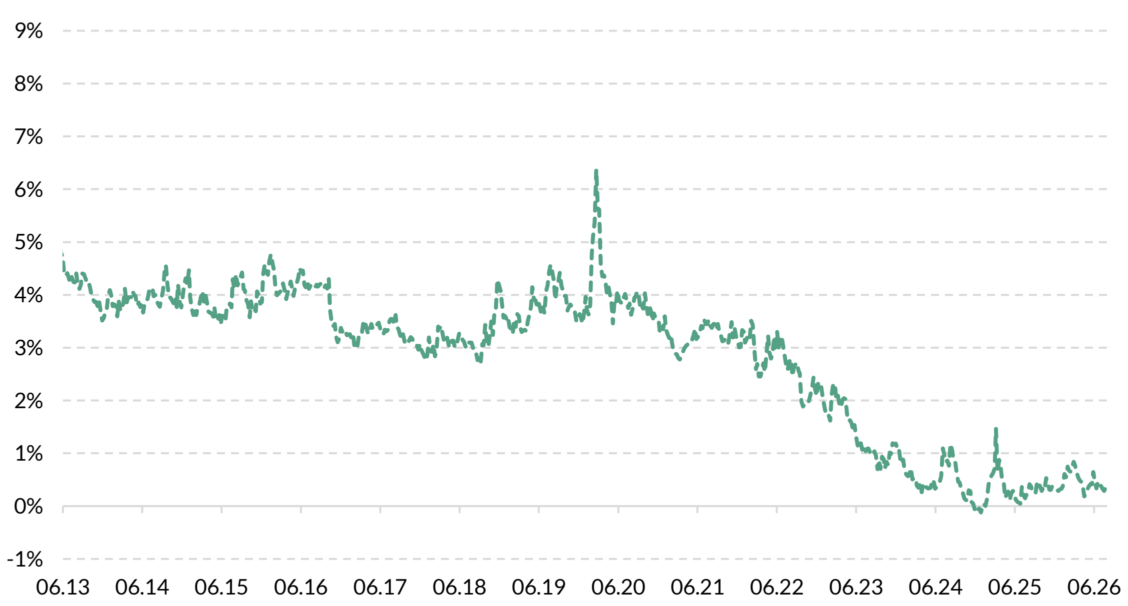
06

RATES: WHAT IF THE MARKET WERE EFFICIENT?

World

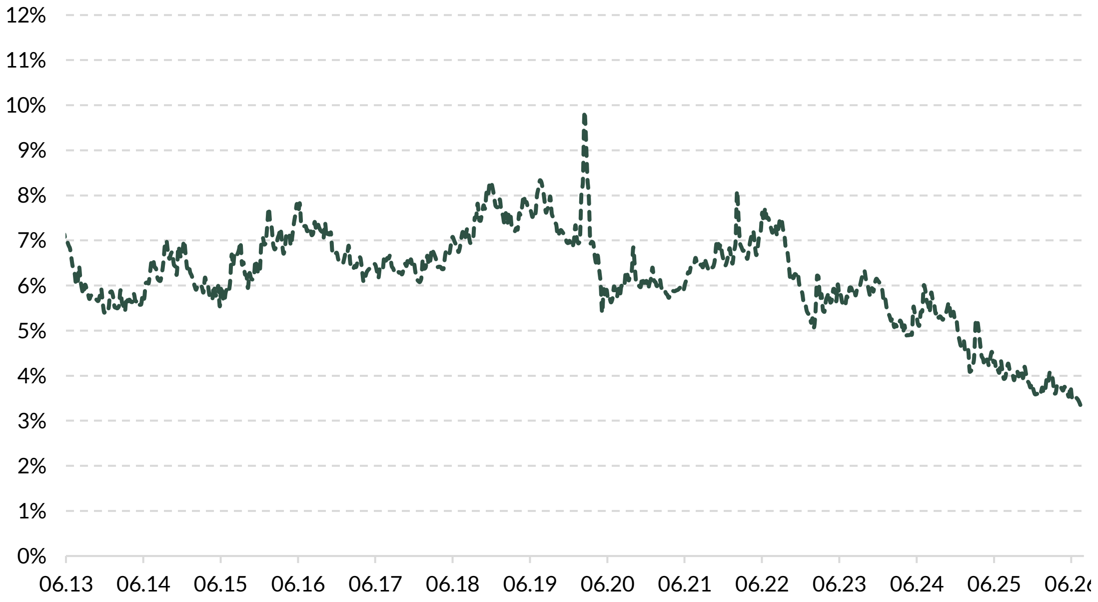
RATES: THE MARKET HAS JUST PRICED IN GROWTH AND INFLATION

US MARKET RISK PREMIUM



S&P500 Earnings Yield - US 10Y Nominal Yield

EUROZONE RISK PREMIUM



EuroStoxx Earnings Yield - German 10Y Nominal Yield

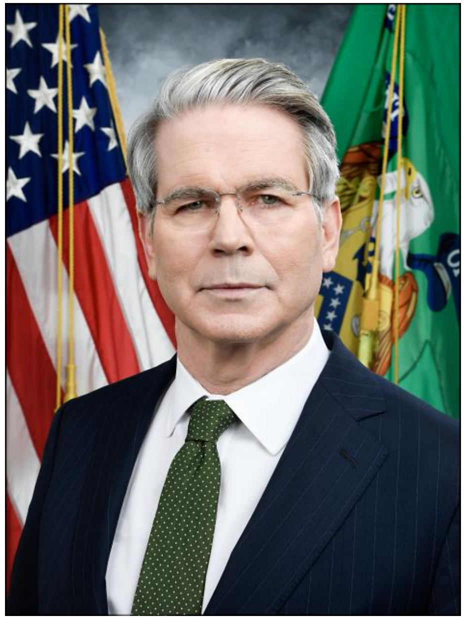
This does not constitute investment advice

Source: ODDO BHF. Data as of 31/08/2026

United States
THE MAGNIFICENT 3: A TOXIC TRIO AT THE HELM

DONALD TRUMP
President of the United States

MR. UNPREDICTABLE



SCOTT BESSENT
Secretary of the Treasury

MR. PANIC

KEVIN WARSH
Fed Chair

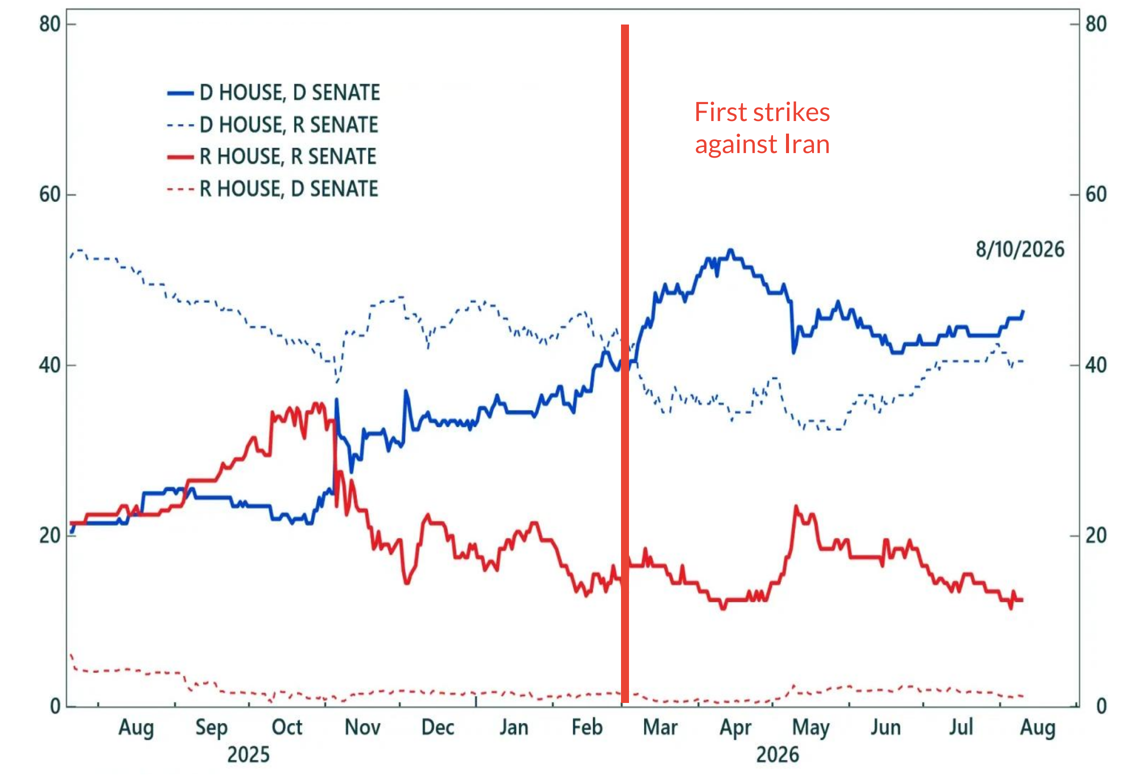
MR. OPAQUE

This does not constitute investment advice
Source: ODDO BHF. Data as of 31/08/2026

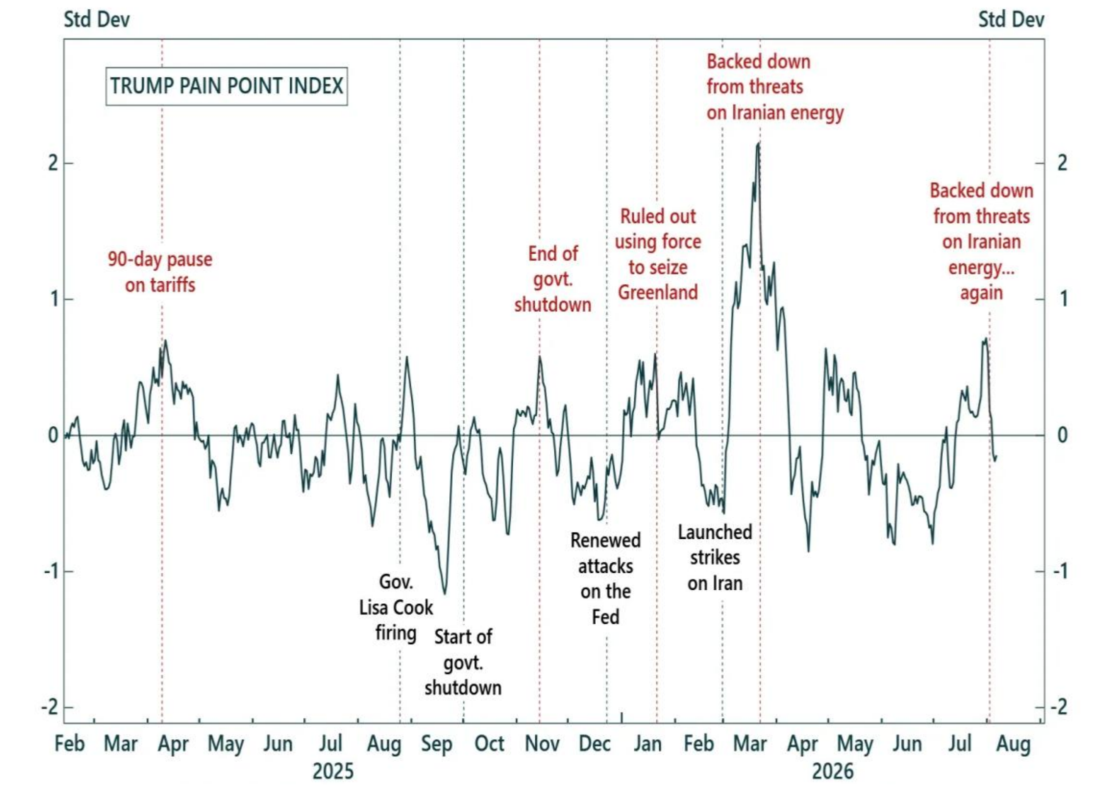
The midterm elections: not an issue?

EXCEPT IN THE EVENT OF IMPEACHMENT

TREND IN REPUBLICANS' AND DEMOCRATS' CHANCES OF WINNING THE SENATE AND THE HOUSE OF REPRESENTATIVES



DONALD TRUMP "PAIN" INDICATOR CALCULATED USING NUMEROUS INDICATORS*



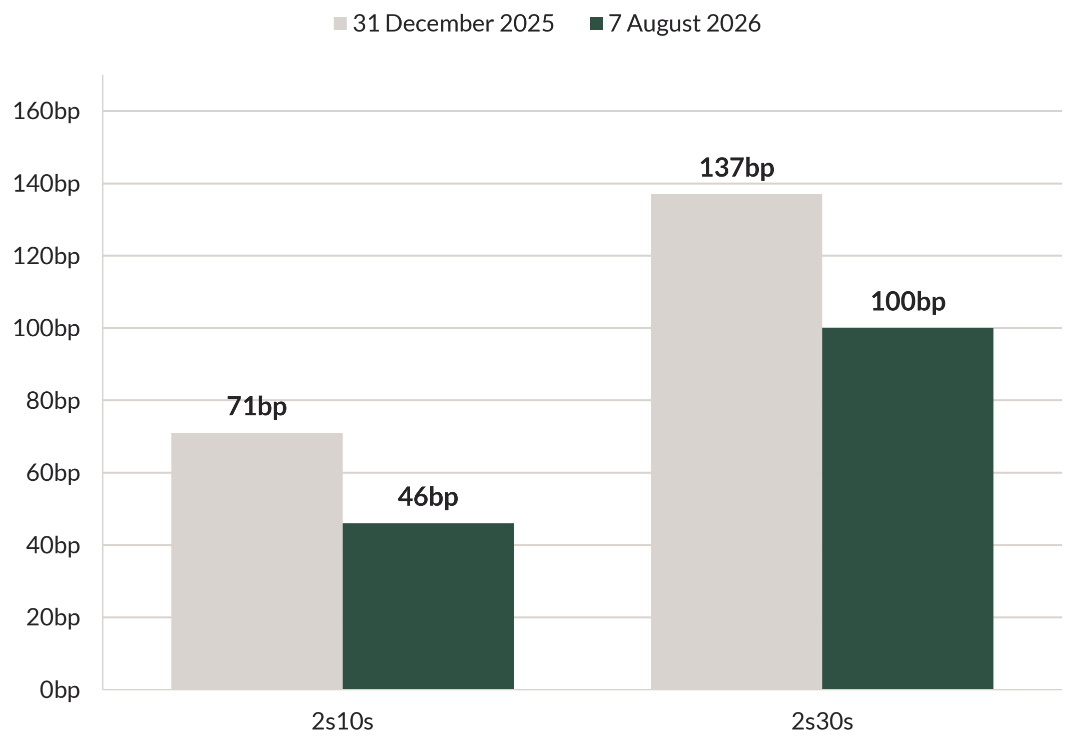
This does not constitute investment advice

Source: ODDO BHF, BCA Research. Data as of 31/08/2026. * The Donald Trump pain indicator calculated by BCA Research takes into account the 1-month change in numerous factors, including the performance of the S&P 500, changes in interest rates, changes in mortgage rates, gasoline prices, inflation, popularity...

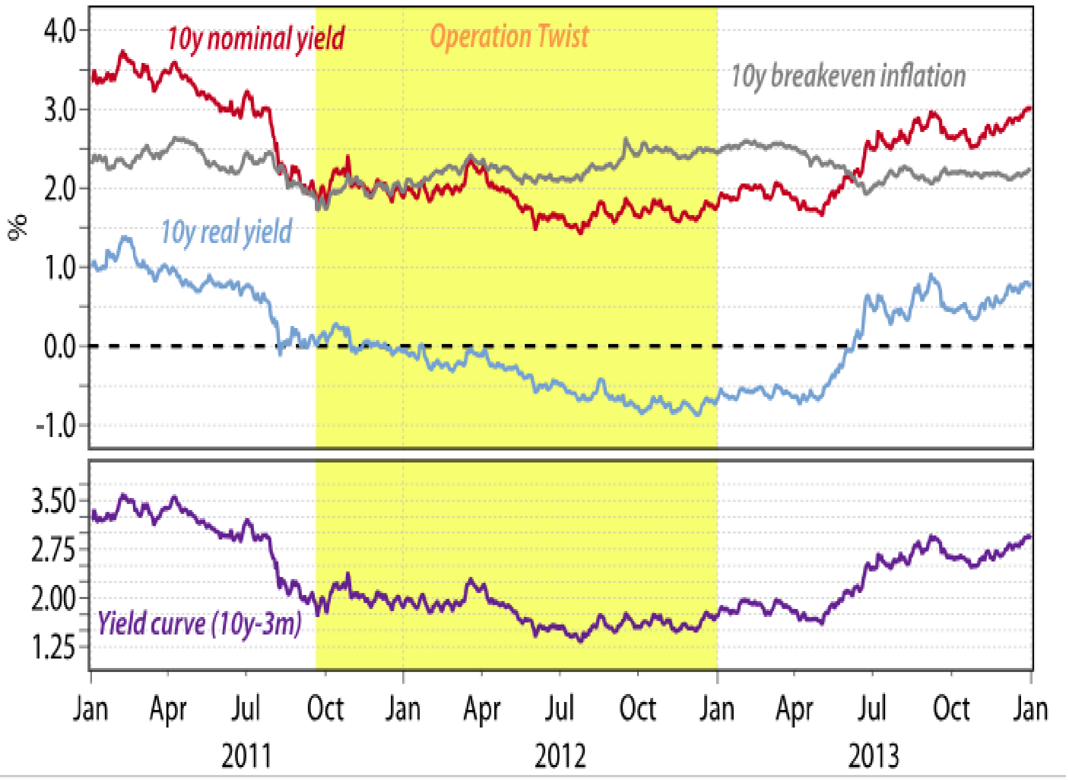
United States

"BEAR FLATTENING" SUPPORTED BY AN "OPERATION TWIST"?...

CHANGE IN THE SLOPE OF THE US YIELD CURVE AT END-2025 AND TODAY



MARKET IMPACT OF THE 2011-2012 OPERATION TWIST



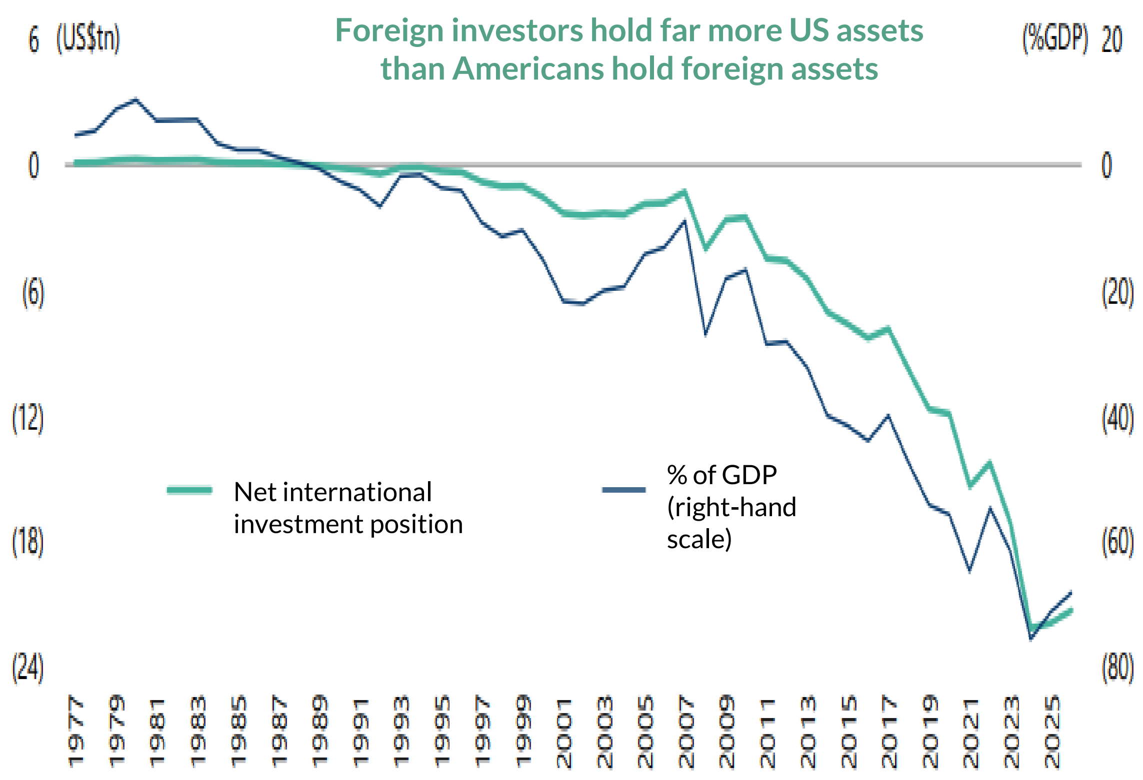
This does not constitute investment advice

Source: ODDO BHF, BCA Research. Data as of 31/08/2026

United States

SIMPLE SKEPTICISM OR THE ONSET OF A "SELL AMERICA" TRADE?

US NET INTERNATIONAL INVESTMENT POSITION IN TRILLIONS OF DOLLARS AND AS A % OF GDP (RIGHT-HAND SCALE)*



CHANGE IN AMOUNTS OF TREASURY BONDS HELD BY FOREIGN INVESTORS OF ALL TYPES SINCE FEBRUARY 2026

TOTAL: $9,300bn	-2%
SAUDI ARABIA	-11%
GERMANY	-9%
CHINA	-9%
JAPAN	-10%

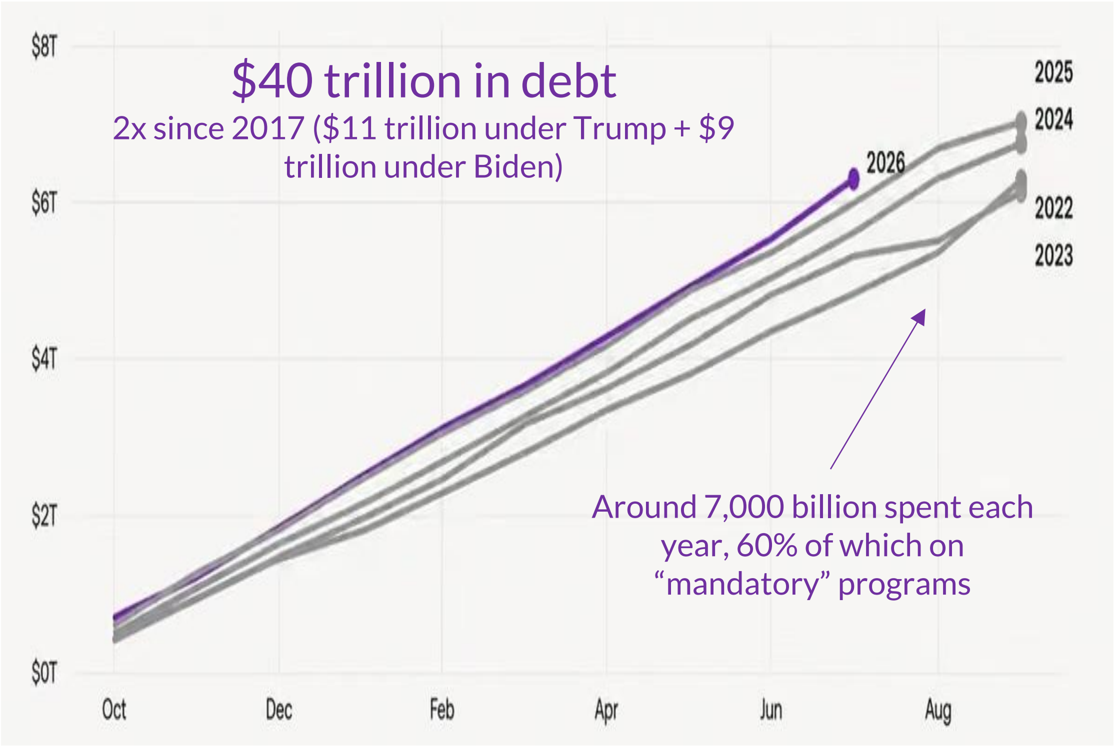
This does not constitute investment advice

Source: ODDO BHF, Jefferies. Data as of 31/08/2026. * difference between what the US owns abroad (foreign assets held by US institutions and residents, and what foreigners own in the US (US assets held by non-US investors)

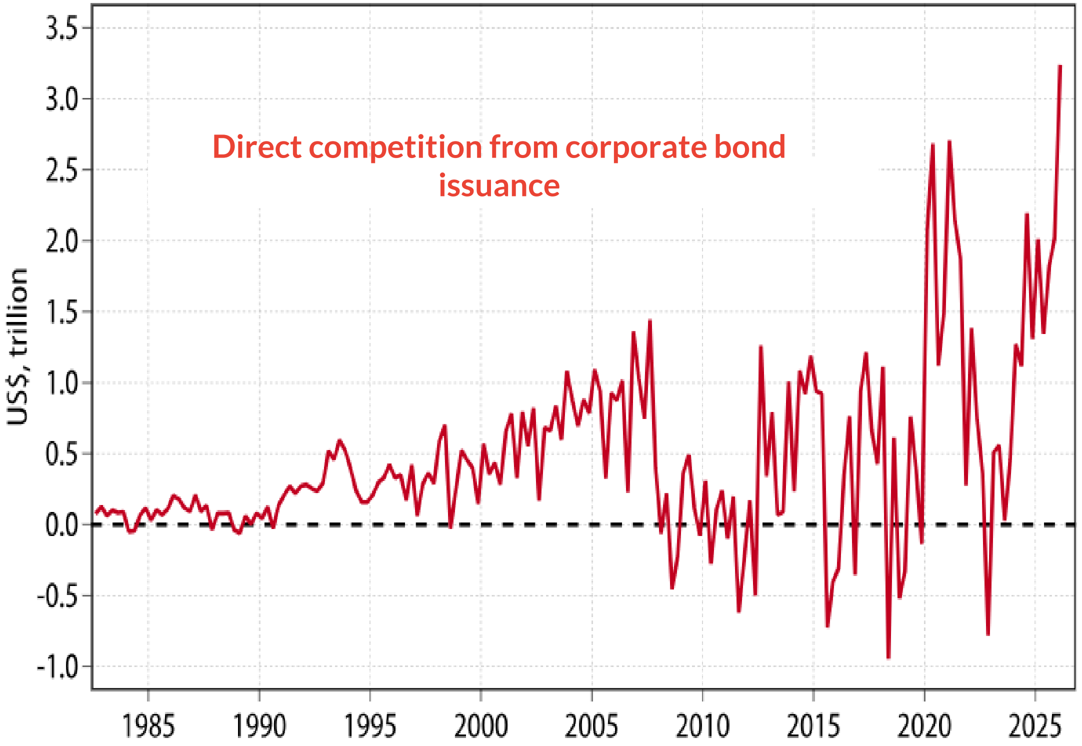
United States

TERM PREMIUM IS NOT FULLY REFLECTING THE NEW CONTEXT

CUMULATIVE MONTHLY US FEDERAL SPENDING OVER THE PAST 5 YEARS



CHANGE IN NET ISSUANCE AMOUNTS (EQUITIES + BONDS) OF THE NON-FINANCIAL SECTOR IN THE US



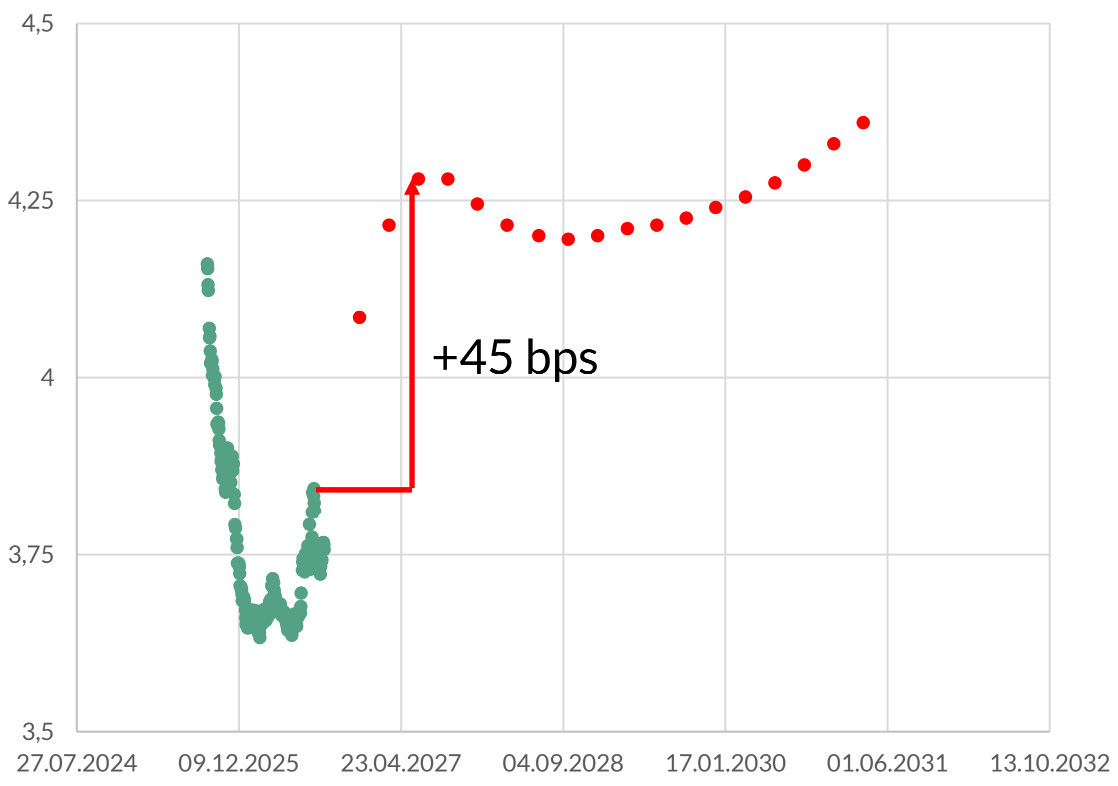
This does not constitute investment advice

Source: ODDO BHF, Gavekal, US Department of the Treasury. Data as of 31/08/2026

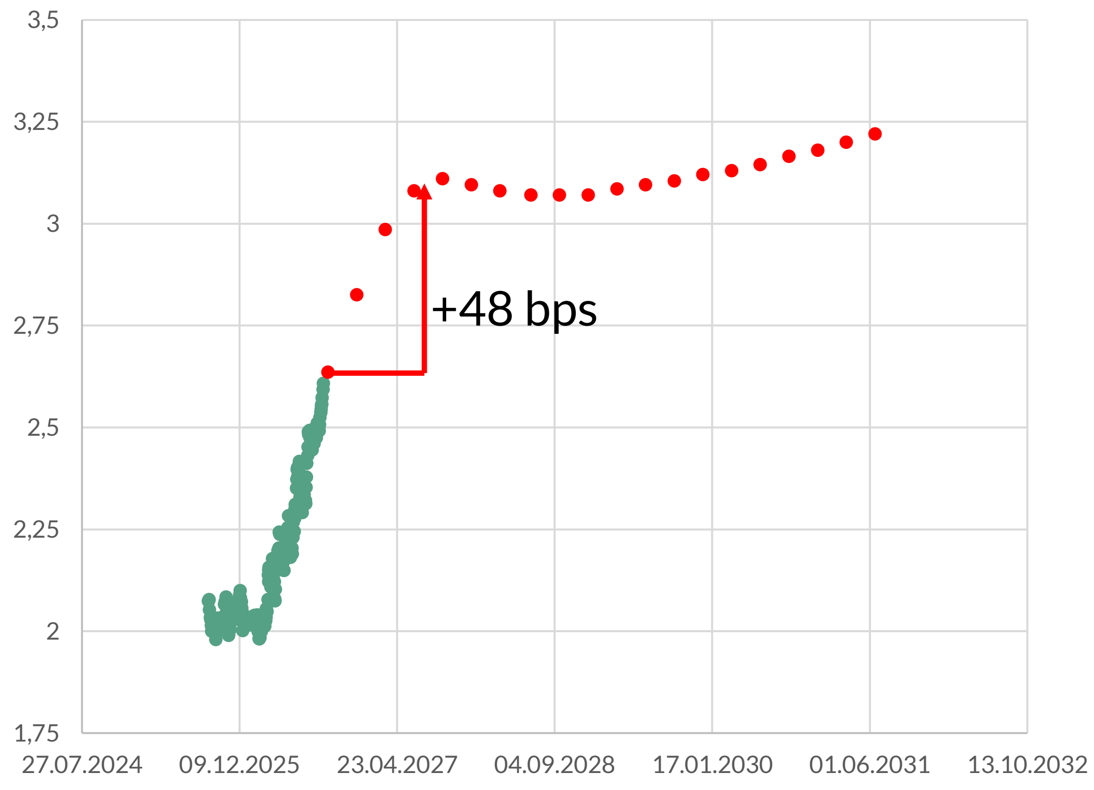
World

RATE HIKES PRICED INTO SHORT-TERM RATES

US$ 3-MONTH SOFR AND EXPECTATIONS FOR THE NEXT 5 YEARS



3-MONTH EURIBOR AND EXPECTATIONS OVER THE NEXT 5 YEARS



This does not constitute investment advice

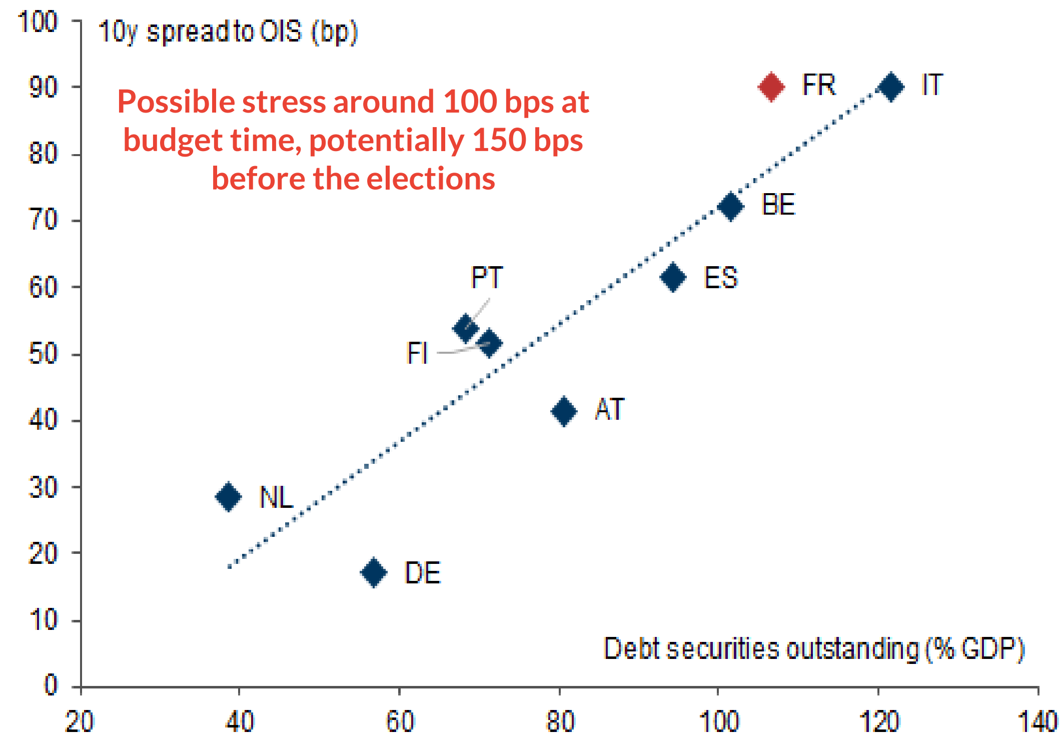
Source: ODDO BHF. Data as of 31/08/2026

France

THE GREAT DOWNGRADING, HIGH-STAKES ELECTIONS

CHANGE IN THE RISK PREMIUM ON 10-YEAR FRENCH GOVERNMENT DEBT VERSUS OTHER EURO AREA COUNTRIES

MAPPING OF THE MAIN EURO AREA COUNTRIES BY DEBT-TO-GDP RATIO AND 10-YEAR SPREAD - RISK-FREE RATE



This does not constitute an investment recommendation

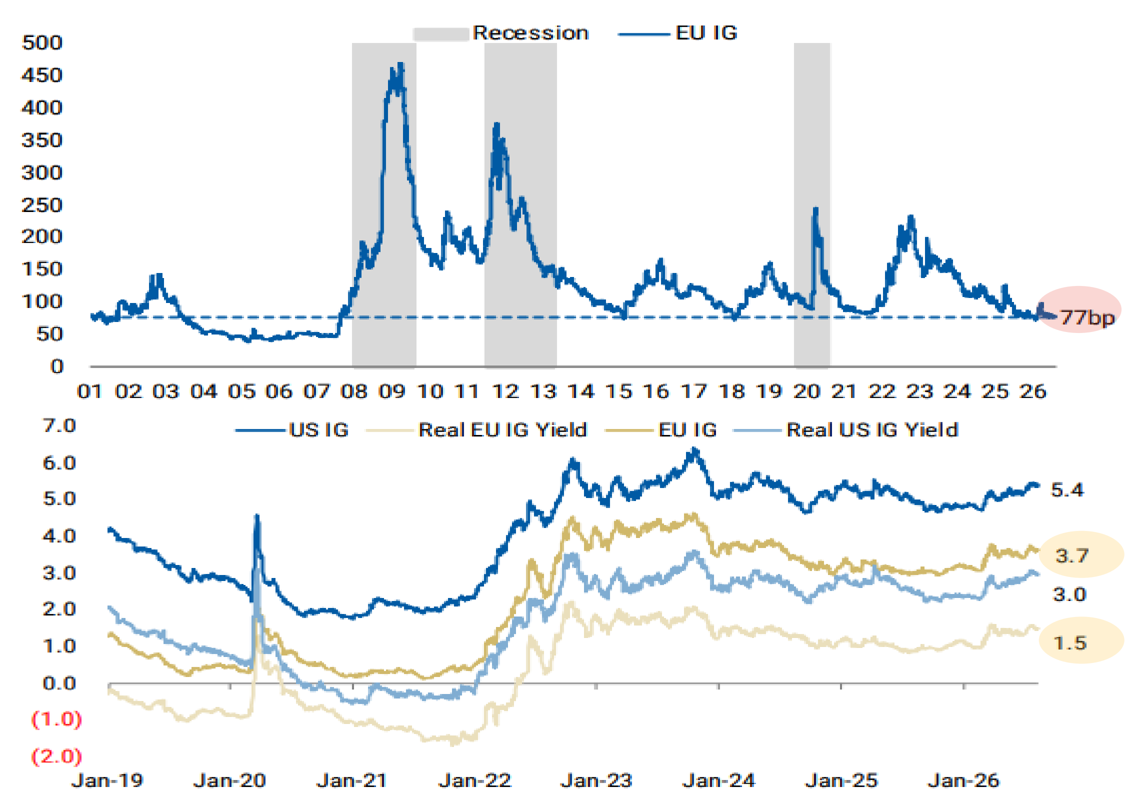
Source: ODDO BHF, Goldman Sachs. Data as of 31/08/2026

07

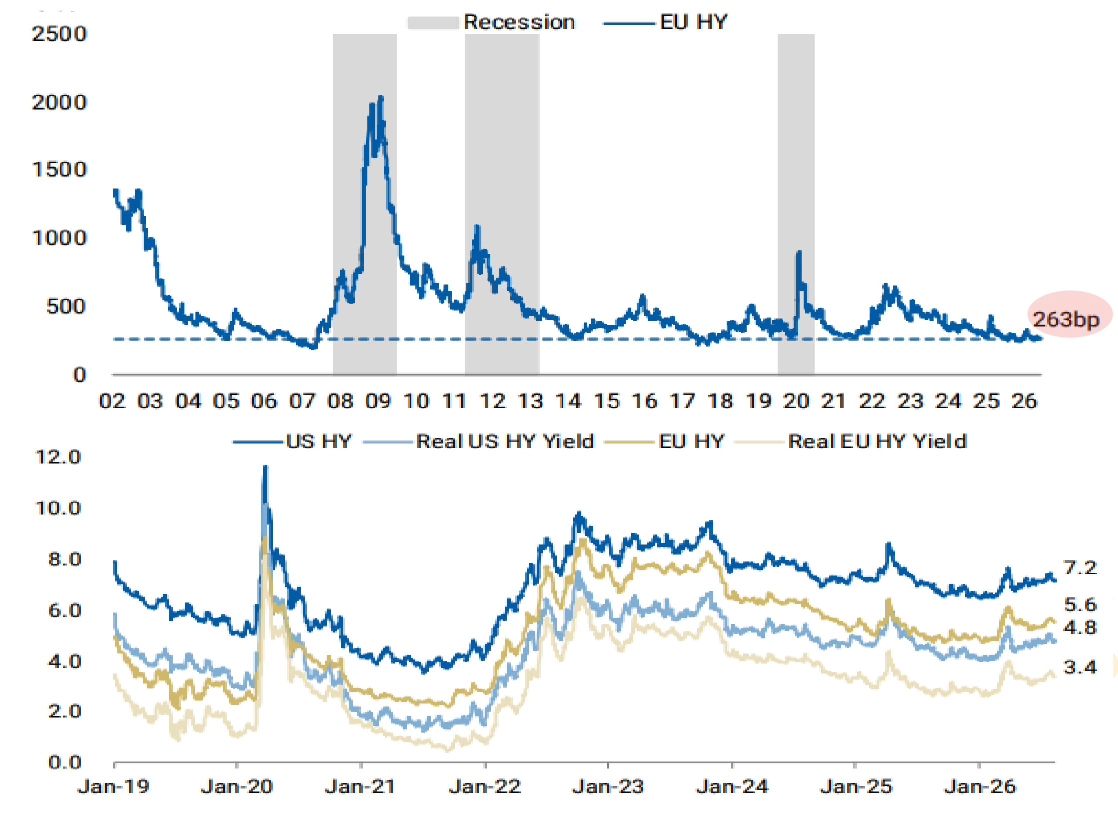
CREDIT: EXPENSIVE & FEW OPPORTUNITIES

Global
EXTREMELY TIGHT SPREADS

CHANGE IN RISK PREMIUM AND YIELD ON EUROPEAN **INVESTMENT GRADE CREDIT**



CHANGE IN RISK PREMIUM AND YIELD ON EUROPEAN **HIGH YIELD CREDIT**

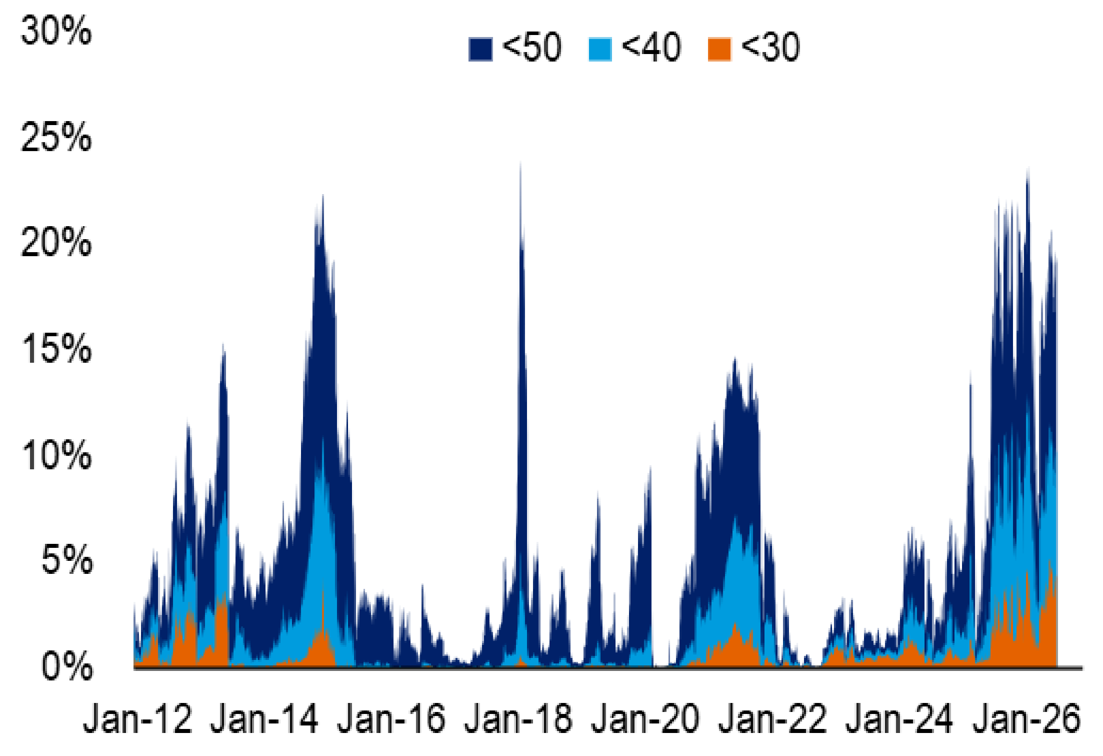


This does not constitute investment advice

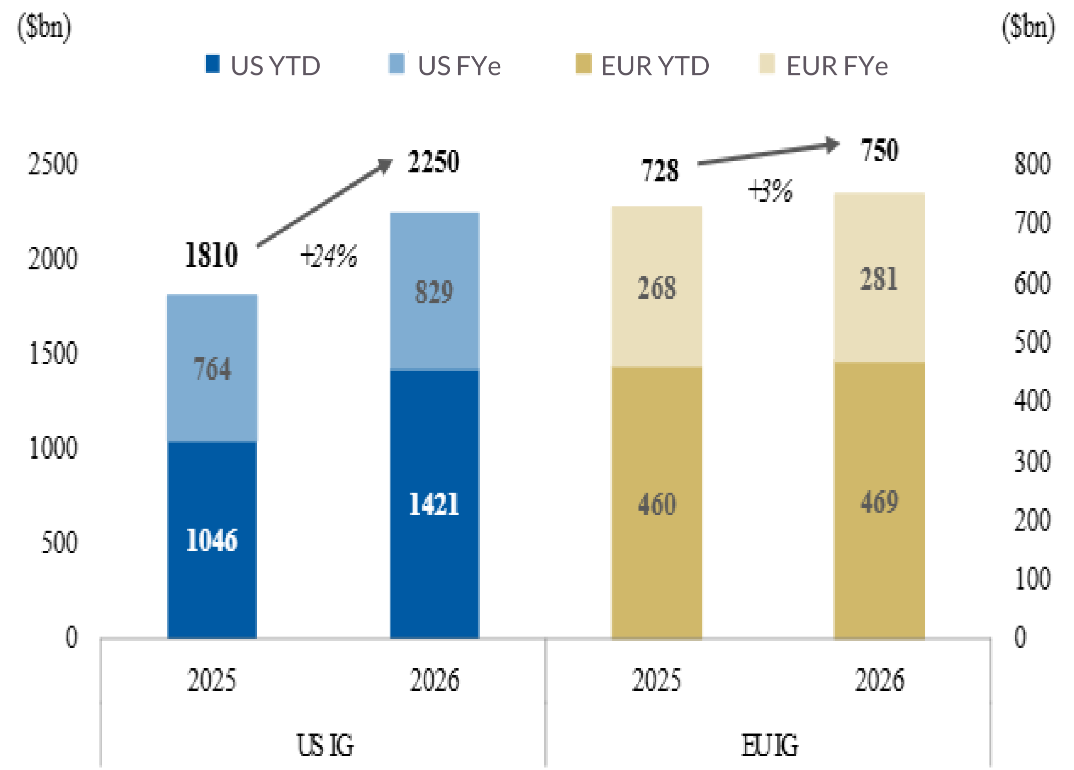
Source: ODDO BHF, Morgan Stanley. Data as of 31/08/2026

Europe – investment grade
UNATTRACTIVE, BUT LESS OVERSUPPLIED THAN THE US

PERCENTAGE OF EURO BONDS TRADING BELOW 50BPS, 40BPS, AND 30BPS



ISSUANCE YEAR-TO-DATE AND IN 2025 FOR THE EUROPEAN AND US MARKETS (IN USD BILLIONS)

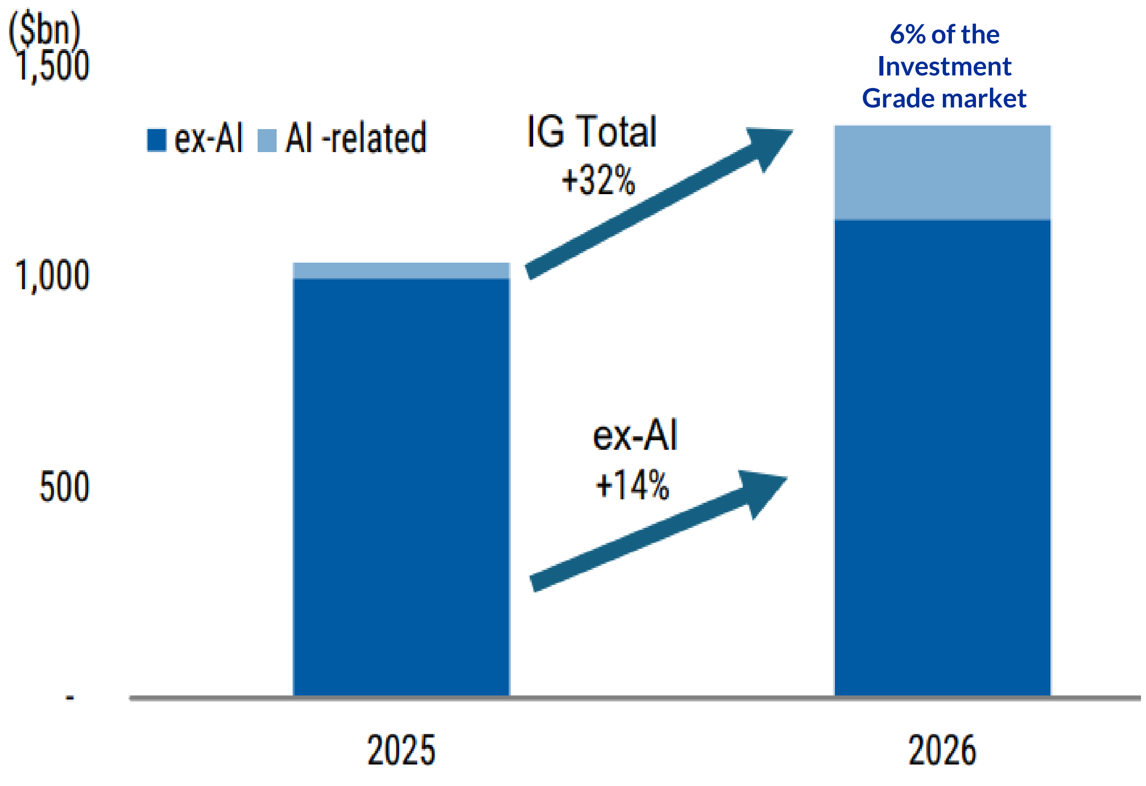


This does not constitute investment advice

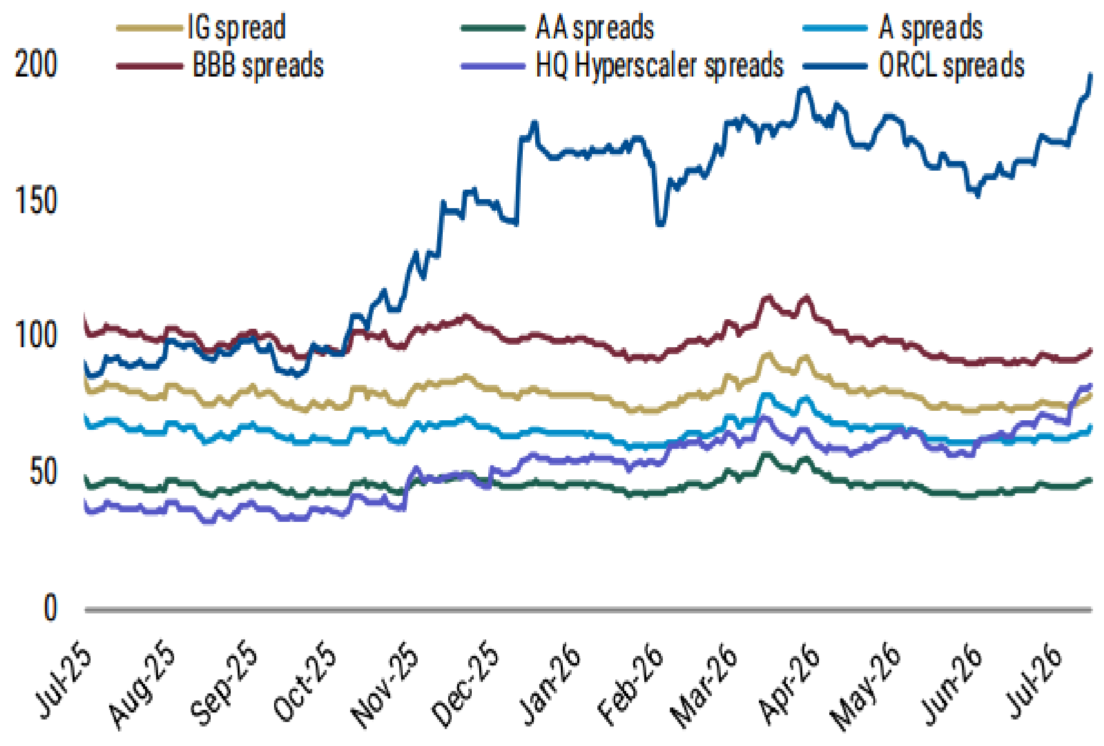
Source: ODDO BHF, Morgan Stanley, BoAML. Data as of 31/08/2026

US – investment grade
A MARKET FLOODED BY AI ISSUANCE

BREAKDOWN OF US INVESTMENT GRADE ISSUANCE BY THEME IN 2025 AND YTD 2026



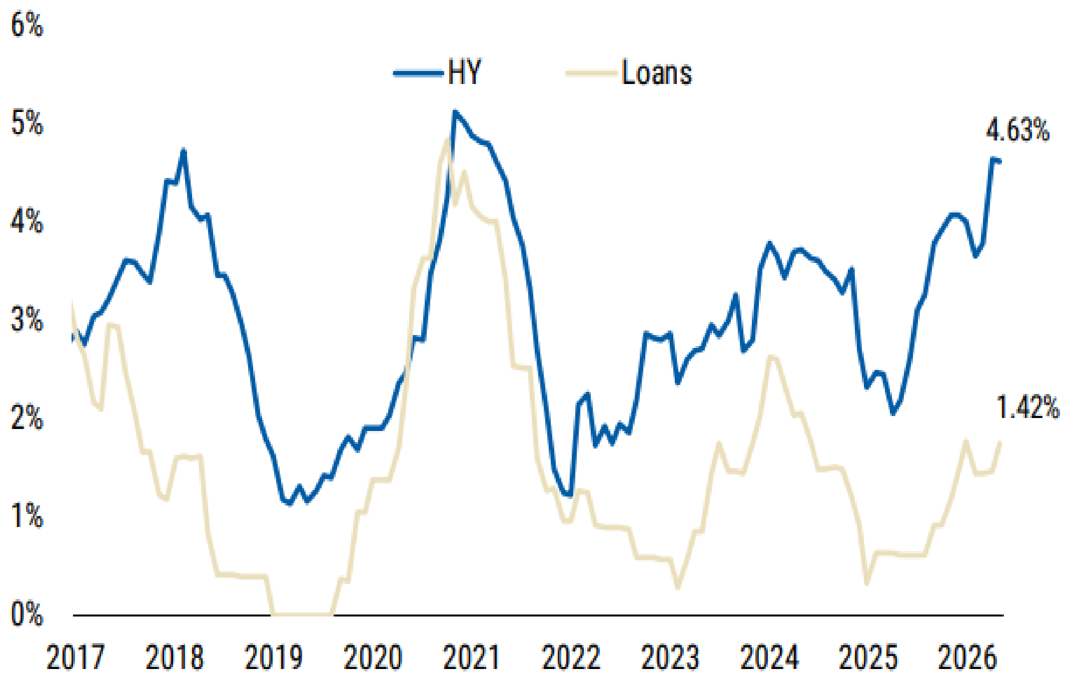
CHANGE IN SPREADS ON US INVESTMENT GRADE CREDIT AND US HYPERSCALERS* (INCLUDING AND EXCLUDING ORACLE)



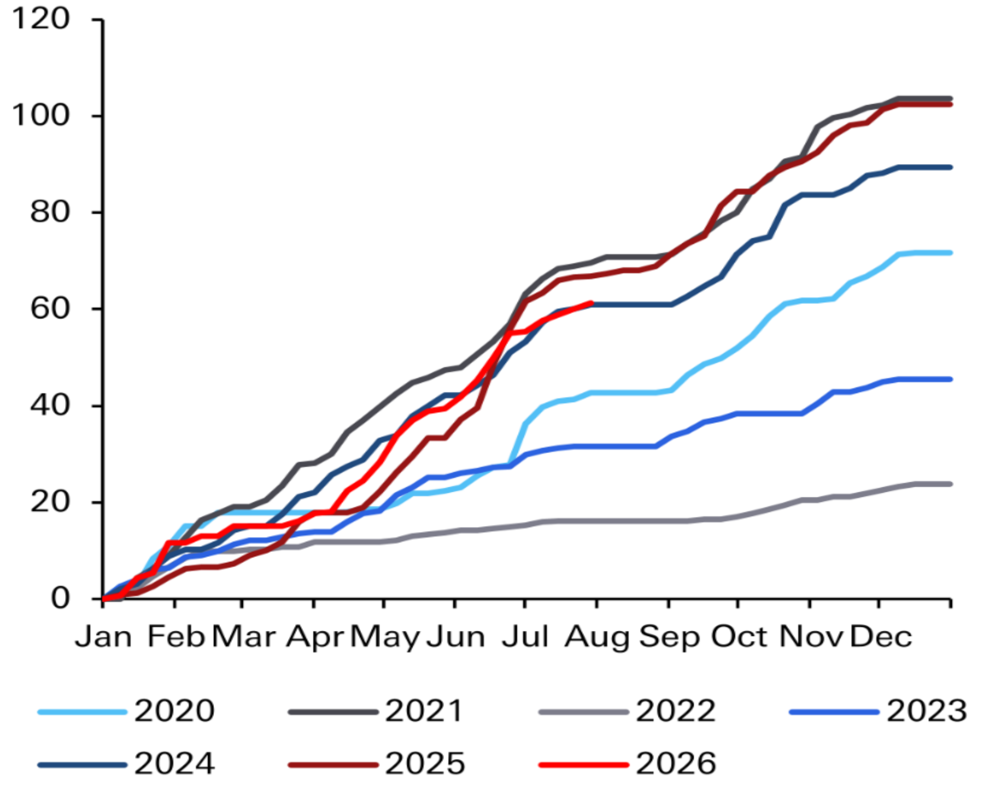
This does not constitute investment advice
Source: ODDO BHF, Morgan Stanley. Data as of 31/08/2026

Europe – high yield
RISING DEFAULT RATES, THE RETURN OF CREDIT ANALYSIS

CHANGE IN DEFAULT RATES ON EUROPEAN CREDIT OVER A ROLLING 12-MONTH PERIOD (HIGH YIELD AND BANK LOANS)



CHANGE IN ISSUANCE ON THE EUROPEAN HIGH YIELD MARKET OVER THE LAST 7 YEARS



This does not constitute investment advice

Source: ODDO BHF, Morgan Stanley. Data as of 31/08/2026

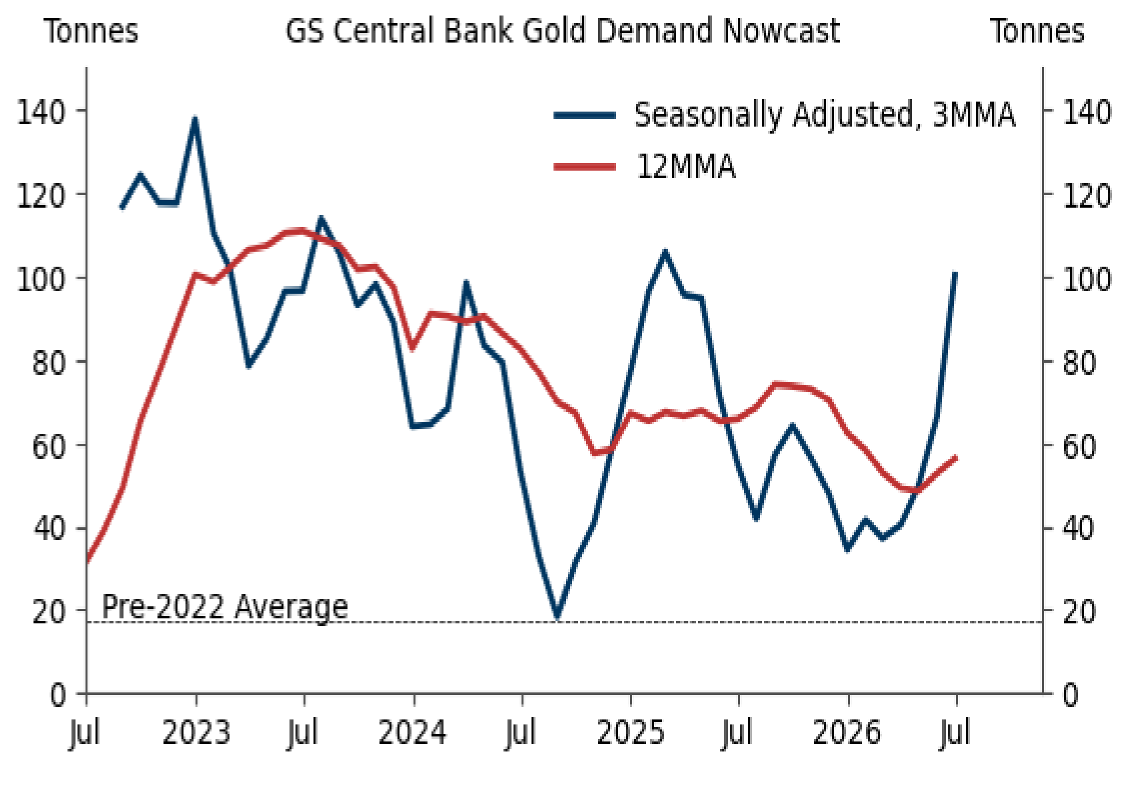
08

DIVERSIFICATION: GOLD, PRECIOUS METALS, YEN, AND OIL

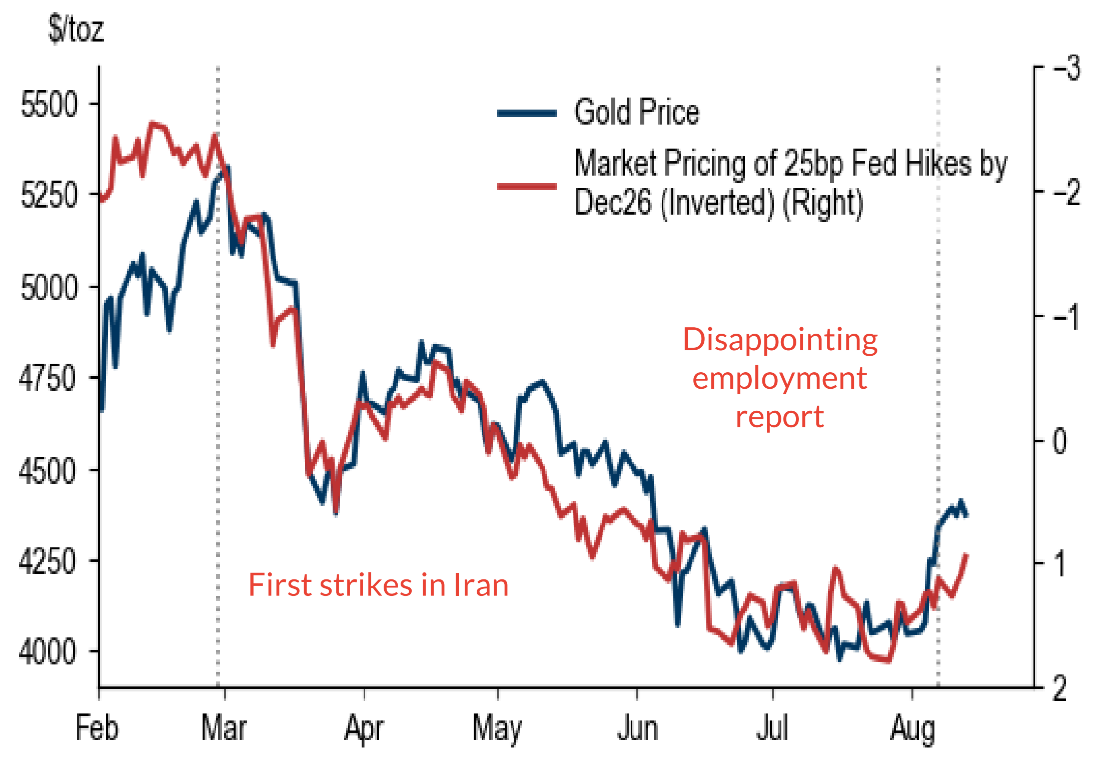
Gold

WE REMAIN CONSTRUCTIVE

CHANGE IN ANNUAL CENTRAL BANK GOLD DEMAND OVER ROLLING 3 MONTHS AND ROLLING 12 MONTHS



GOLD PRICE TRENDS AND EXPECTATIONS FOR THE NUMBER OF FED RATE HIKES BEFORE END-2026 (INVERTED SCALE)



Past performance is not indicative of future performance and is not constant over time

Source: ODDO BHF, Goldman Sachs. Data as of 31/08/2026

Industrial metals
COPPER: A LONG-TERM CONVICTION

KEY FIGURES FOR THE GLOBAL COPPER MARKET

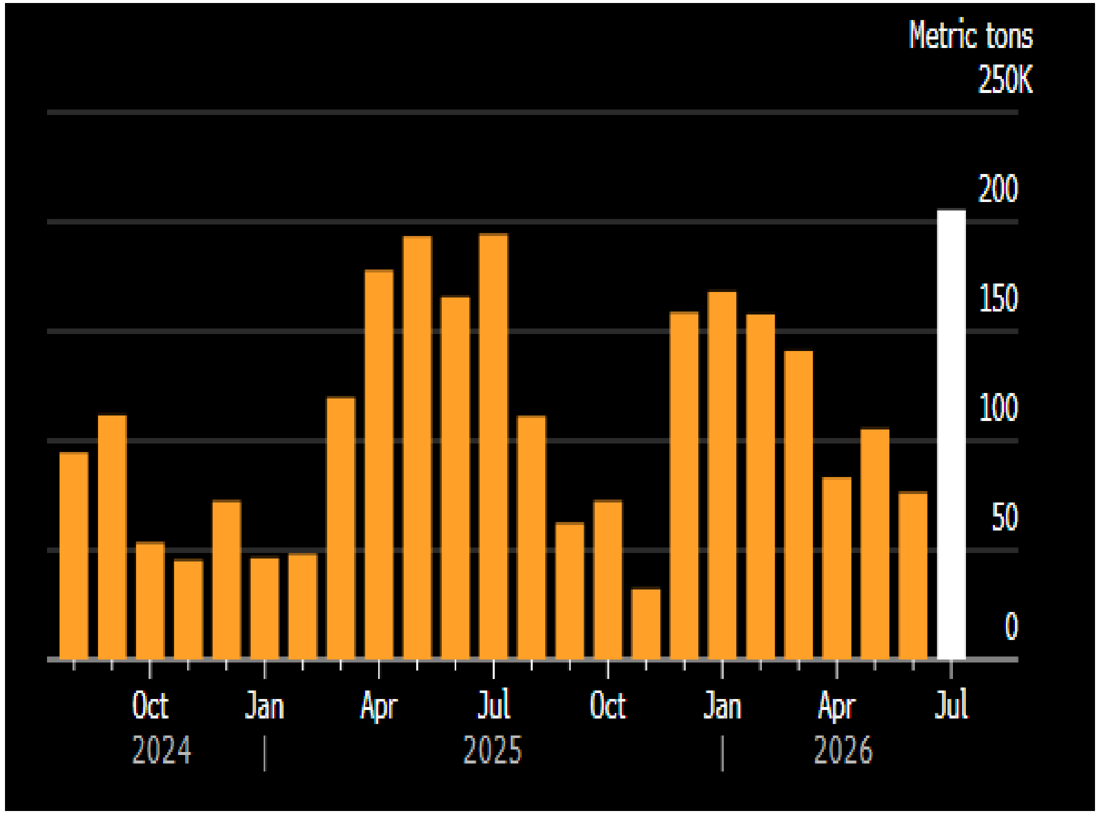
42 Mt
Global copper demand by 2040, or +50% vs. current levels

2–3x
Copper needs of an electric vehicle compared with those of an internal combustion engine vehicle

30%
Potential copper supply deficit by 2035, according to the IEA

$14,500/t
Record copper price reached in January 2026

COPPER SHIPMENT VOLUMES IN TONNES

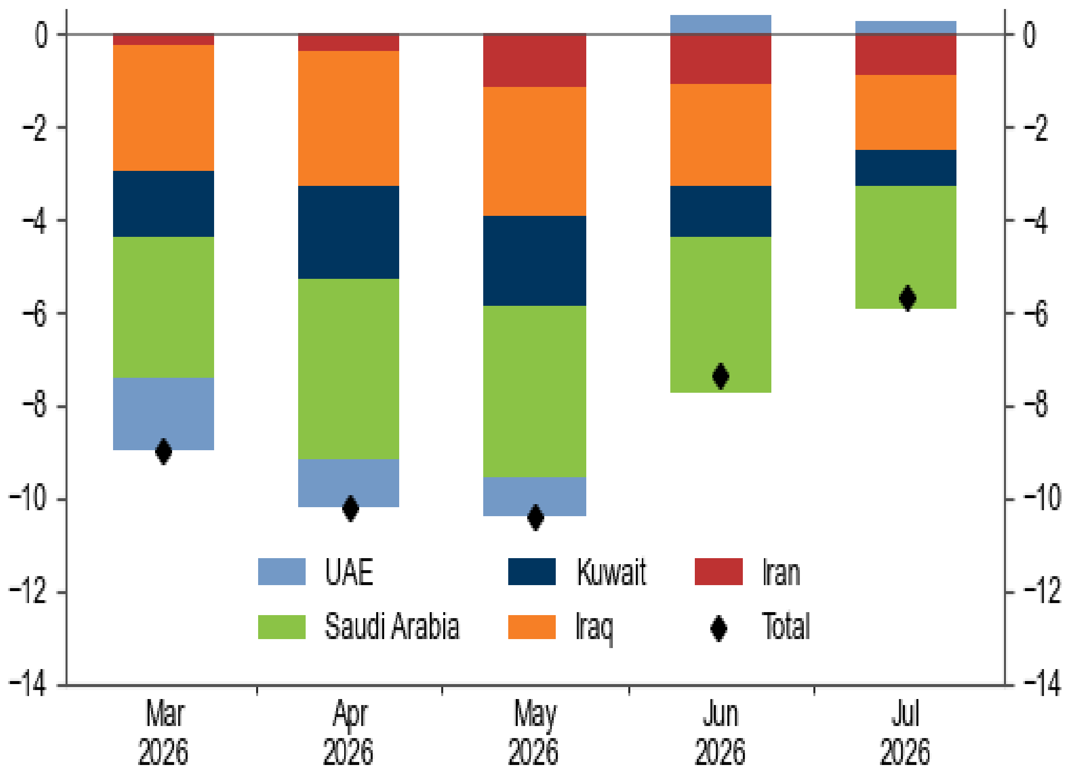


This does not constitute investment advice
Source: ODDO BHF. Data as of 31/08/2026

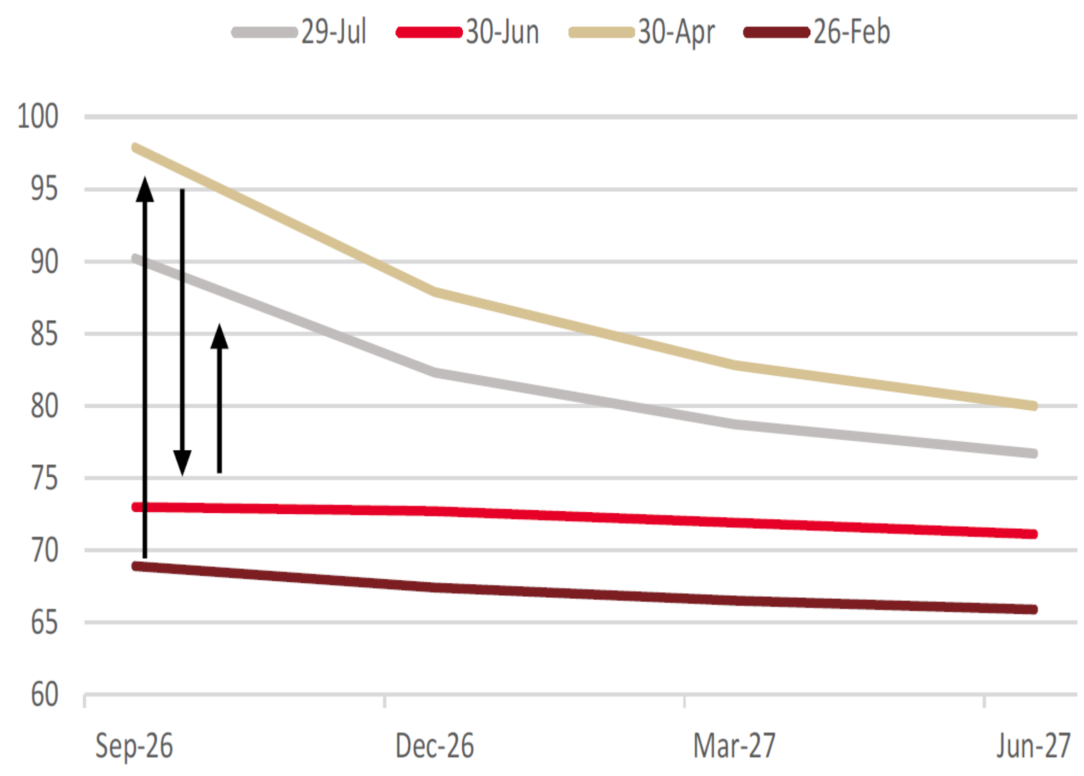
Oil

PRICES COULD NORMALISE FAIRLY QUICKLY IF TENSIONS EASE

CHANGE IN THE NUMBER OF MILLION BARRELS/DAY NOT PRODUCED IN THE PERSIAN GULF SINCE THE OUTBREAK OF THE CONFLICT



CHANGE IN BRENT PRICE FORWARD CURVES



This does not constitute investment advice

Source: ODDO BHF, Goldman Sachs, Société Générale. Data as of 31/08/2026

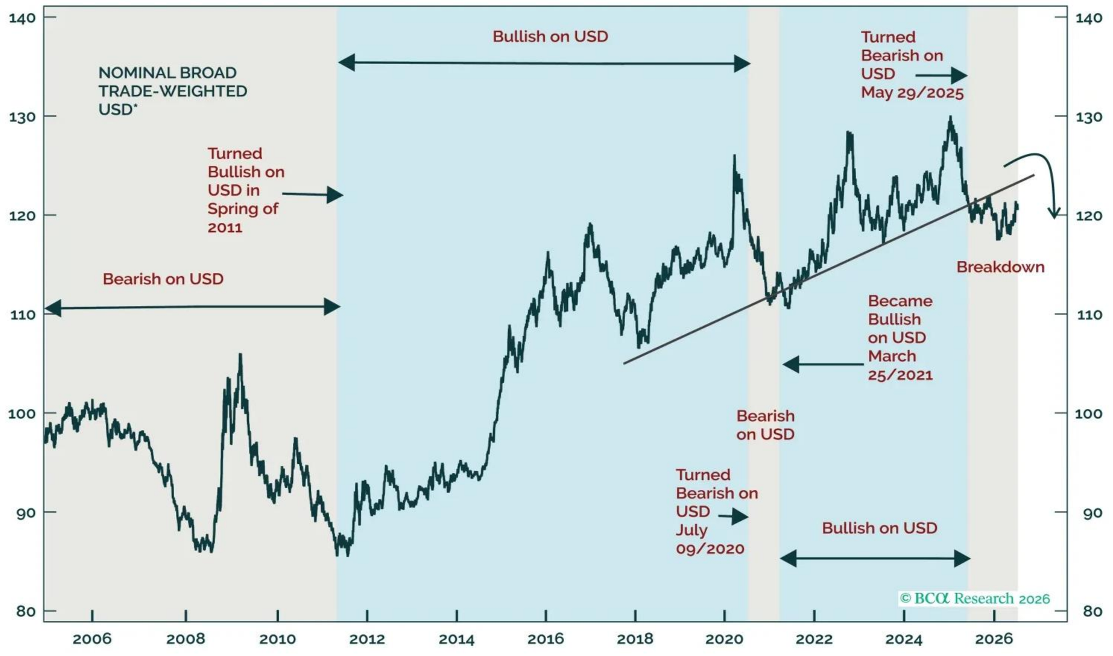
Dollar

NO CLEAR SHORT-TERM TREND, BUT THE DECLINE IS TAKING HOLD

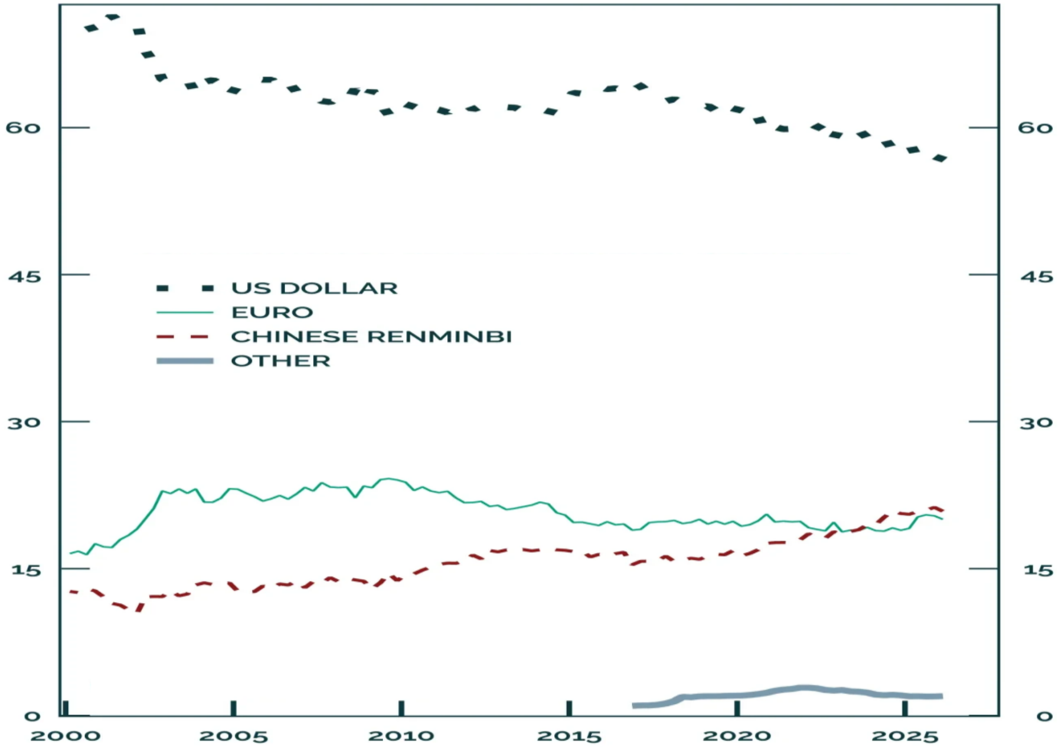
EURO/DOLLAR EXCHANGE RATE SINCE 2016

1.157

as of 02/09/2026



COMPOSITION OF GLOBAL FOREIGN EXCHANGE RESERVES BY CURRENCY

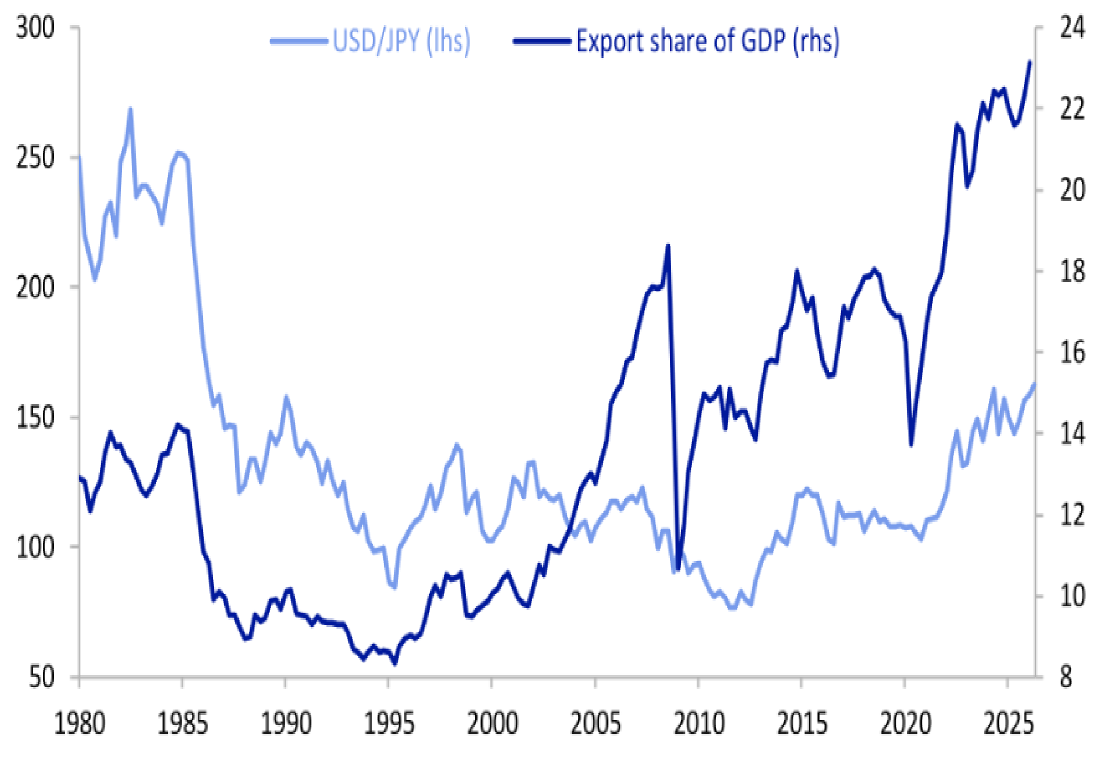


This does not constitute investment advice

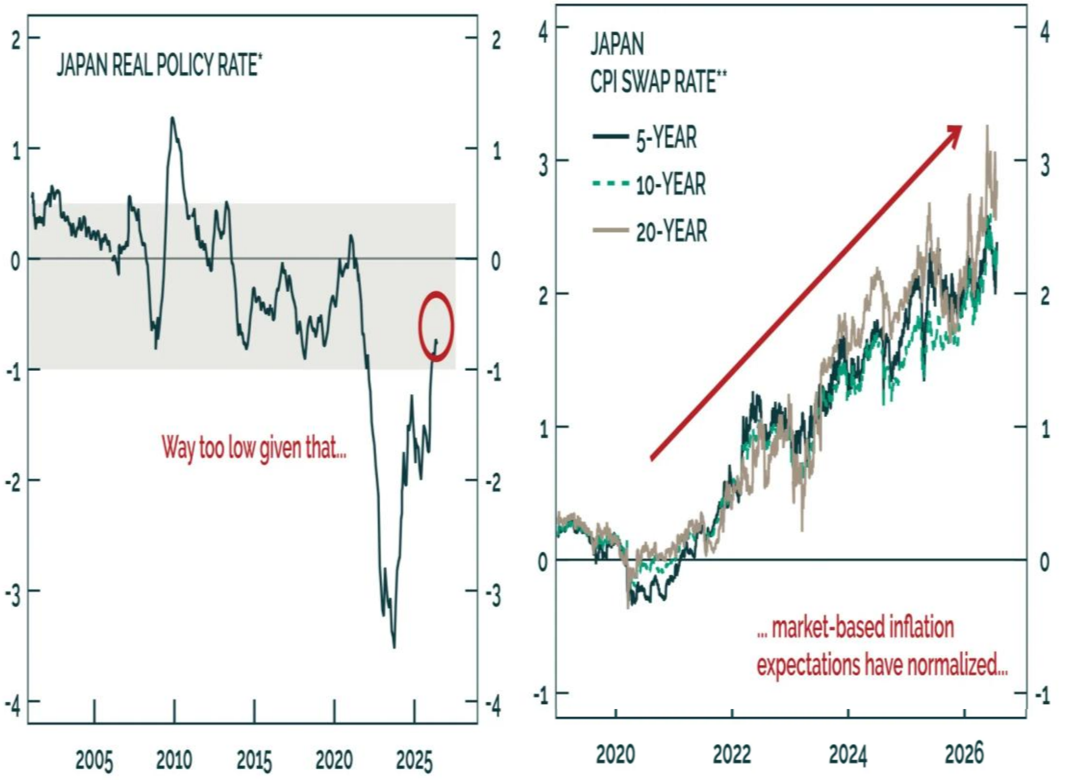
Source: ODDO BHF, BCA Research. Data as of 31/08/2026

Yen
CURRENT SITUATION HARD TO SUSTAIN IN THE LONG RUN

SHARE OF EXPORTS IN GDP AND JPY/USD PARITY



US-JAPAN SHORT-TERM RATE DIFFERENTIAL (RIGHT-HAND SCALE) AND USD/JPY CHANGE (LEFT-HAND SCALE)

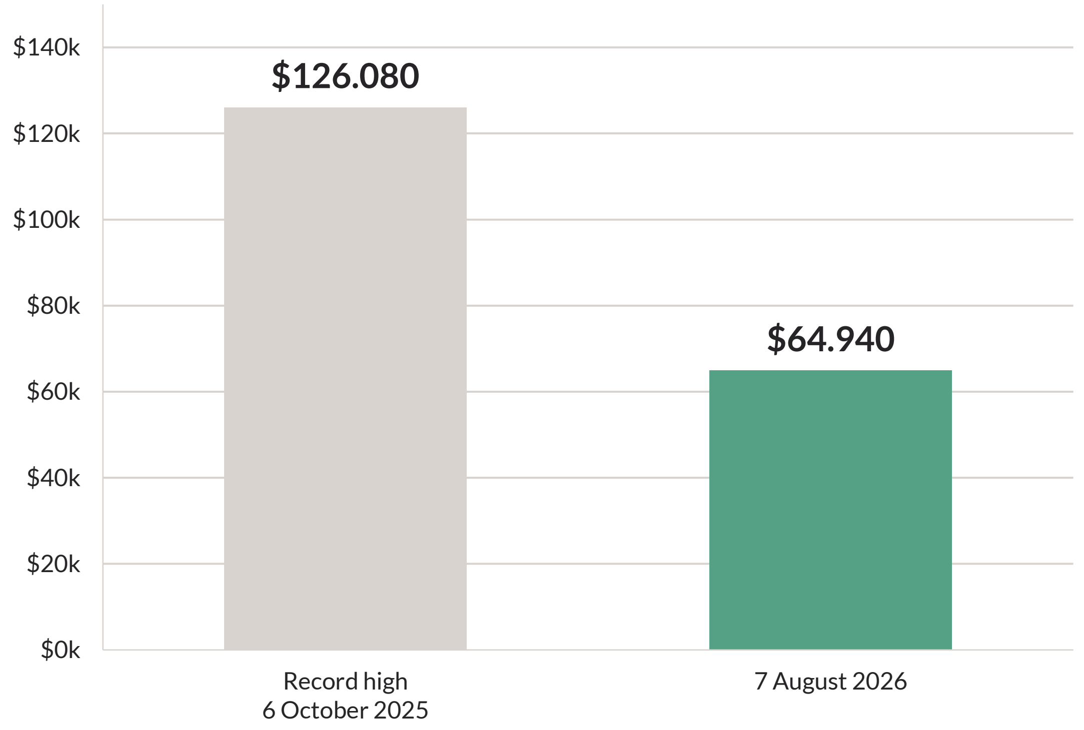


This does not constitute investment advice

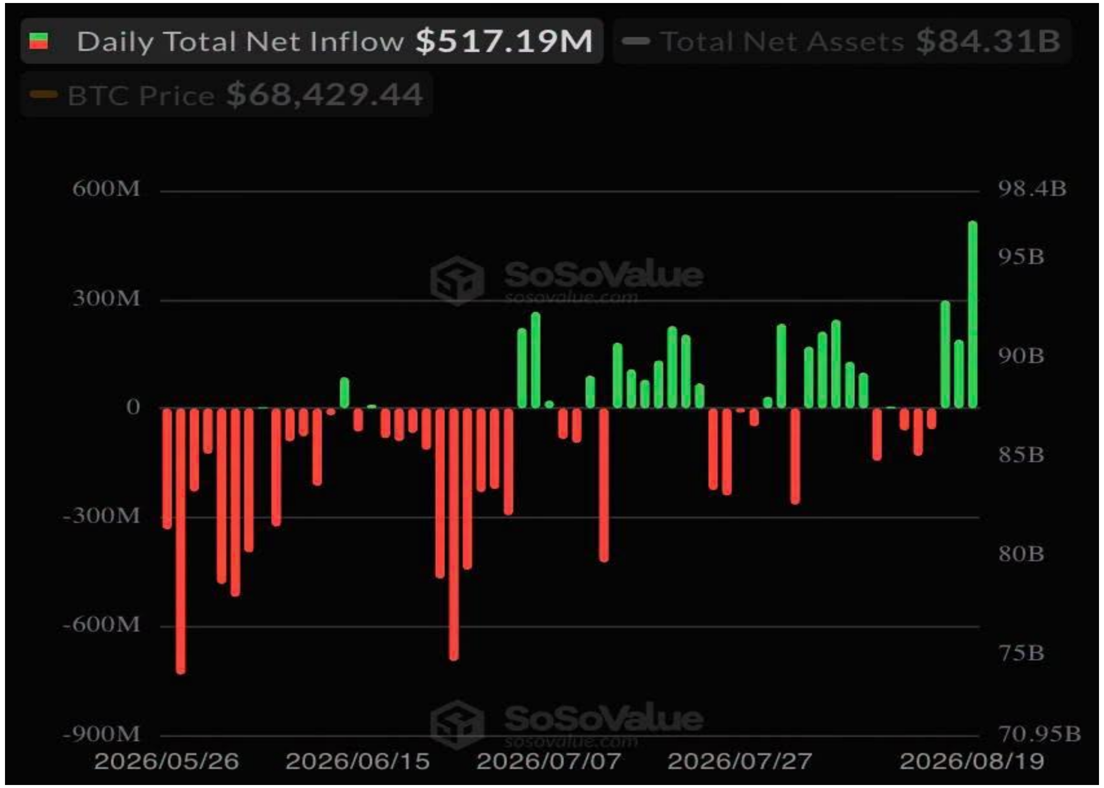
Source: ODDO BHF, Gavekal, BCA Research. Data as of 31/08/2026

Bitcoin and Cryptocurrencies
HAS THE BOTTOM BEEN REACHED?

BITCOIN PRICE BETWEEN ITS PEAK (OCTOBER 2025) AND TODAY



WEEKLY FLOWS IN BITCOIN ETFS WORLDWIDE



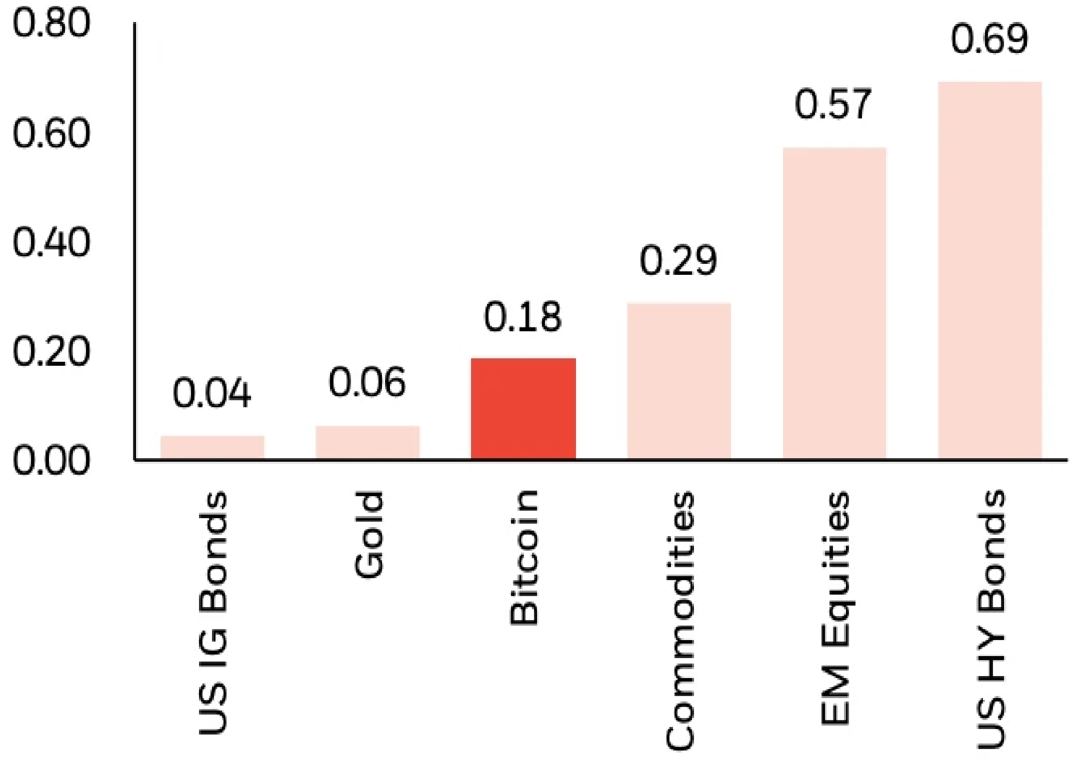
This does not constitute investment advice

Source: ODDO BHF, SosoValue. Data as of 31/08/2026

Bitcoin and Cryptocurrencies
THE MARKET'S PROXY FOR AI AND FED FEARS?

RELATIVE PERFORMANCE OF THE US TECHNOLOGY SECTOR (NASDAQ) AND BITCOIN (BASE 100 = END-2024)

6-MONTH CORRELATION OF THE S&P 500 WITH VARIOUS LISTED ASSET CLASSES (10-YEAR AVERAGE)



This does not constitute investment advice

Source: ODDO BHF, Blackrock. Data as of 31/08/2026

09

CONCLUSION: OPPORTUNITIES EXTEND WELL BEYOND TECH

Conclusion = Respite

REDUCE EXPOSURE TO RISKY ASSETS IN FAVOR OF CASH

EQUITIES

- Beware of excessive optimism and the sharp shifts in market narratives
- Market sentiment, flows, and momentum are key indicators for risk management
- Diversification beyond the US via Europe and Emerging Markets

EUROPEAN EQUITIES

- Preference for industrials, capital goods, defense, mining, financials
- In our view, still too early to rotate massively into lagging sectors (consumer discretionary, healthcare…)
- Risk management remains at the core of the strategy

CREDIT

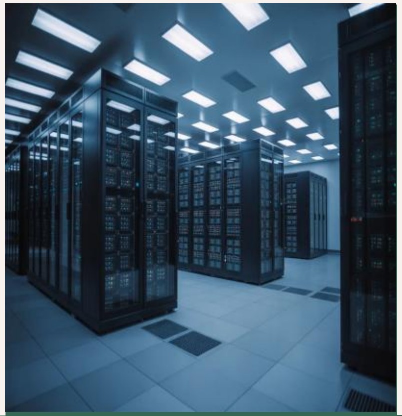
- AI is becoming a core theme within US investment grade, where we recommend exercising extreme caution
- Preference for short-duration EUR credit, particularly high yield over investment grade

US EQUITIES

- AI remains a theme with abundant investment opportunities to capture
- Diversification beyond semiconductors and hardware makes sense
- Broadening exposure beyond AI should be favored

RATES

- The main risk of a market correction stems from the potential surge in long-term yields
- Neutral on duration
- Preference for short end and the 5–7 year segment of the US treasury curve
- Limit exposure to Europe



DIVERSIFICATION

- Gold remains an portfolio diversifier
- The yen should be considered
- No upside expected for the US dollar
- Strategically bearish on oil
- Add industrial metals

This does not constitute investment advice
Source: ODDO BHF. Data as of 31/08/2026

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12, boulevard de la Madeleine - 75440 Paris Cedex 09 France - Tel.: 33 (0)1 44 51 85 00

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