MONTHLY *investment* BRIEF

ODDO BHF
ASSET MANAGEMENT

Europe's comeback and the hope for a near end to the interest rate hike cycle

Financial markets got off to a good start in 2023. Since the beginning of the year, the broad US stock index S&P 500 has risen by more than 8% in US dollar terms and the Euro Stoxx 50 by more than 11% in euro terms. **Where are opportunities arising now that valuations have gone up? What risks loom?**

Equities - Europe more attractive than the US

In our main scenario, we expect a slowdown in global economic growth compared to last year, with the supply shock of 2022 likely to lead to stagflation in 2023. Inflation will remain high against a backdrop of low growth. However, the outlook for the eurozone has considerably brightened lately. A severe energy crisis will most likely be averted, at least this winter. Gas inventories in Europe are well stocked. In addition, the surprising decision by the Chinese government last December to end its zero-covid policy should have a positive impact on global growth. We currently prefer European equities over their American peers. There are several reasons to invest more in European stocks: with a price-to-book ratio of 1.7, European equities are trading close to their long-term average valuation levels, whereas equities in the US, with a price-to-book ratio of 4.1, are valued significantly higher than their long-term average. The euro is also likely to appreciate against the USD, as interest rate differentials between the dollar area and the eurozone are expected to narrow. The interest rate hike cycle in the eurozone will probably last longer than in the US, the ECB having only started raising rates in July 2022 - four months after the Fed. Moreover, purchasing power parity argues for an appreciation of the euro. The supply shock has led to a flight to the US dollar. With the end of the supply shock, this trend should reverse. European companies should also benefit disproportionately from the stabilisation of global supply chains.

Bonds - Gradual extension of duration

In our main scenario, we assume that inflation rates have peaked, although inflation remains well above the ECB's and the Fed's 2% target. At 5.2% in the eurozone and 5.7% in the US, core inflation (headline inflation excluding energy and food) remains too high. We expect the rate hike cycle to end earlier in the US than in Europe. The Fed will likely raise interest rates by another 50 basis points by May 2023. In the eurozone, we expect the deposit rate to rise from 2.5% to 3.5% by July 2023. Having kept duration short in 2022, we now see the time for a gradual increase in residual maturities towards neutral levels as the end of the rate hike cycle approaches.

We find investments in corporate bonds to be particularly attractive at the moment, as not only have interest rates risen significantly, but corporate bonds are again offering attractive risk premiums above the risk-free interest rate.

Alternative scenarios - opportunities & risks

It is often helpful to run scenario analyses: we assign a 70% probability to the above base case scenario. We expect a more negative scenario with a 20% probability, whereby the energy crisis in Europe would worsen again. Rising energy prices would put European companies at a disadvantage in global competition and rob consumers of additional purchasing power. In the wake of this, inflation would remain stubbornly high, forcing the ECB to raise interest rates more sharply than in the main scenario, triggering a full-blown recession. In that situation, "cash would probably be king" again. We also pay attention to geopolitical risks, which include an intensification of the war in Ukraine and escalating tensions between China and Taiwan. In the US, the dispute between Democrats and Republicans over the debt ceiling could also lead to a temporary credit default. The list of possible "black swan events", i.e., highly unpredictable events but with potentially severe consequences, is currently unusually long.

Source: ODDO BHF AM, comments as of 09/02/2023

We expect a more positive scenario with a 10% probability. We all hope for an end to the war in Ukraine. Although we have been assuming a prolonged military conflict since the beginning of the war, the hope that human suffering in Ukraine will end in a timely manner cannot and should not be abandoned. We currently expect the world's second largest economy to grow by "only" 4.7% in 2023. However, China's reopening could lead to significantly higher growth should global supply chains settle and domestic consumption pick up strongly.

We have already switched back from an underweighted equity positioning, taken before the outbreak of the war in February 2022, to a neutral equity positioning in July 2022. Weighing up the different scenarios, we are more constructive overall. We remain in a neutral but more constructive equity positioning and, as active investors, rely on allocation decisions that we can justify well: we prefer European equities, we expect the euro to appreciate against the US dollar, we are gradually lengthening the duration of our bond portfolio in anticipation of a near end to the interest rate hike cycle, and we are increasingly focusing on corporate bonds, which again offer attractive risk premiums above the risk-free interest rate.

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Global Co-CIO, ODDO BHF

LAURENT DENIZE
Global Co-CIO, ODDO BHF

Source: ODDO BHF AM, comments as of 09/02/2023

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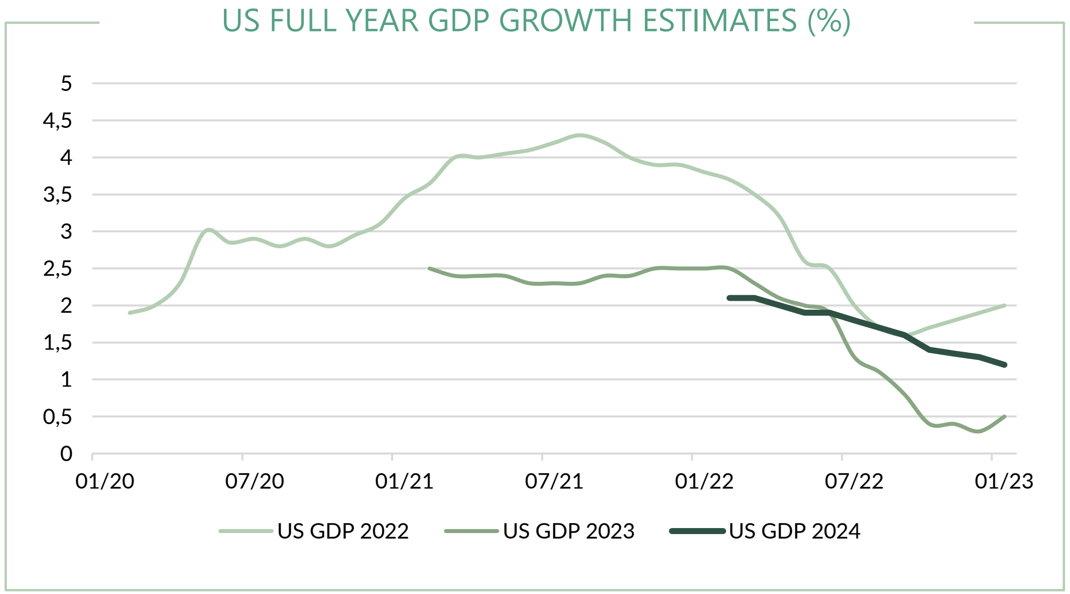
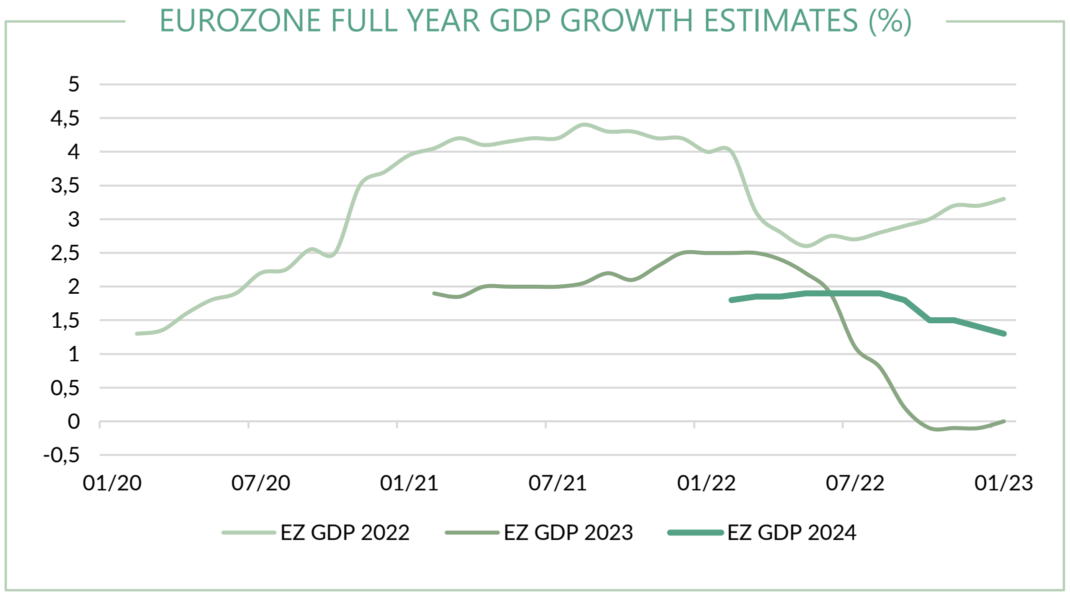
01

MACROECONOMIC *outlook*

Growth outlook
GROWTH MOMENTUM IS REBOUNDING



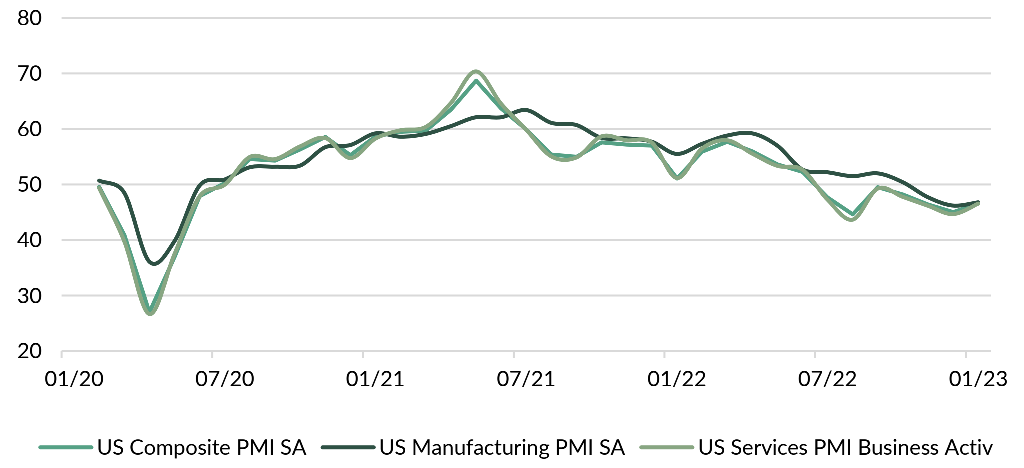


- GDP forecasts for 2023 have stabilized and slightly rebounded after a steep decline
- However, there is a growing divergence as the US forecasts basically stagnate while the Eurozone and China enjoy visible upgrades to growth estimates
- For the Eurozone, the range of 2023 GDP forecasts has widened considerably to a current -1% to 1.2% band

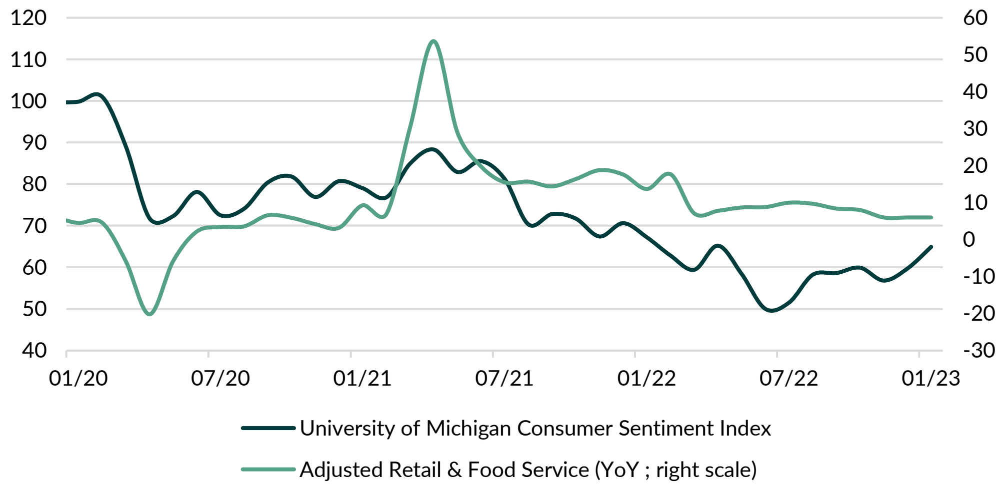
Sources: ODDO BHF AM SAS, Bloomberg, data as of 31/01/2023

USA
WAS DECEMBER WEAKNESS A HEAD FAKE?

PMI SERVICES & MANUFACTURER



RETAIL SALES & CONSUMER CONFIDENCE

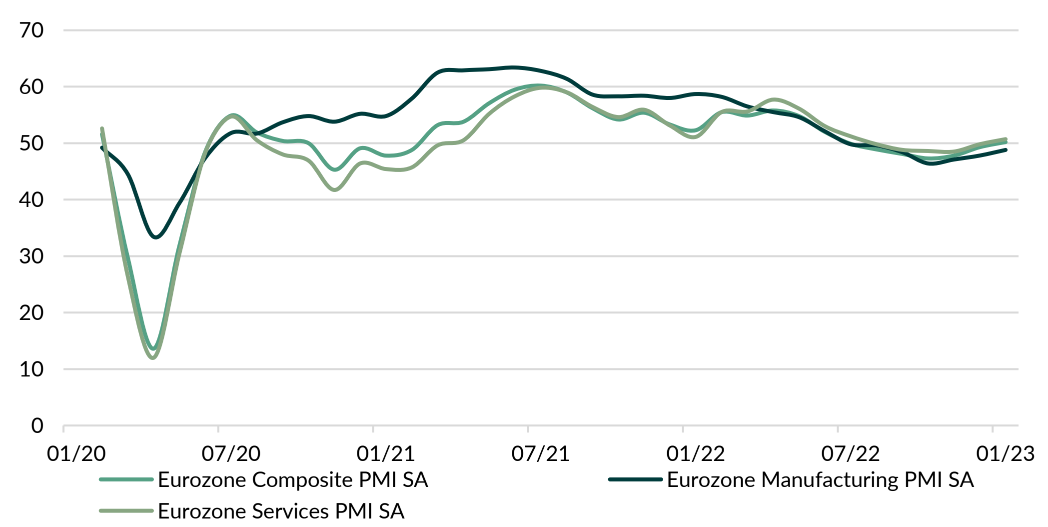


- A whopping January nonfarm payroll report (>500 k jobs added, 3,4% unemployment rate, increased hours worked) plus a complete reversal of the weakness in the ISM services gauge raise doubts about the December data soft patch
- However, given seasonal adjustments and a cold spell in December it is too early to tell if there is a lasting reacceleration in economic momentum
- In any case, the labor market appears still much too strong for the FED's comfort. On top of the nonfarm payroll surprise, Jolts job openings and weekly jobless claims posted very strong readings
- We still look for a successive softening in US momentum over the next months with a high recession probability

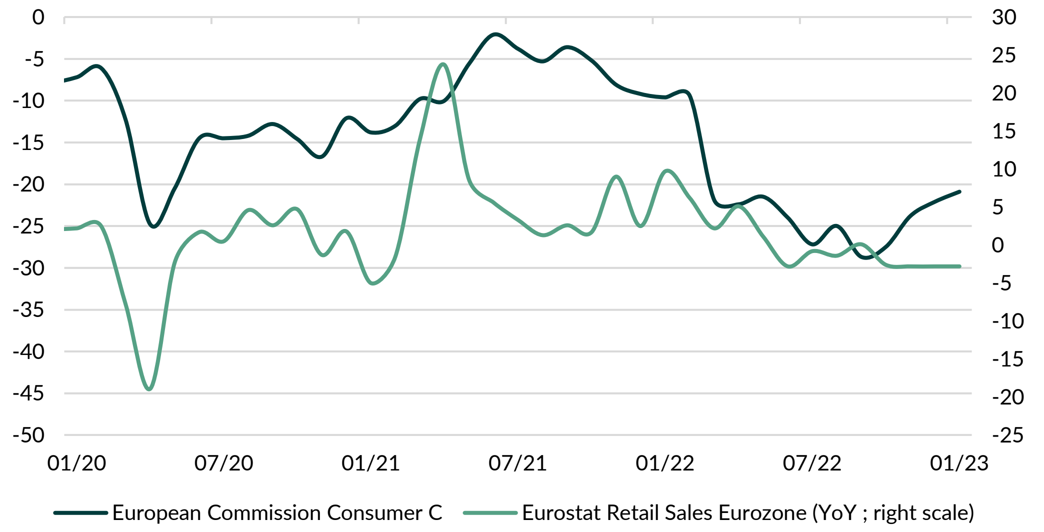
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/01/2023

Europe
RECESSION? WHAT RECESSION?

PMI SERVICES & MANUFACTURER



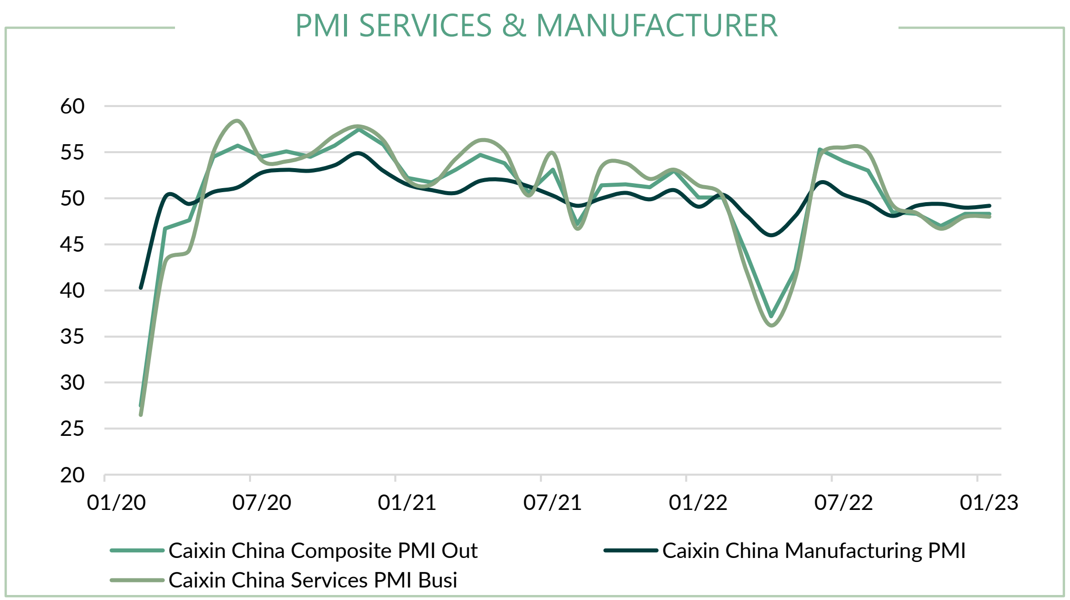
RETAIL SALES & CONSUMER CONFIDENCE

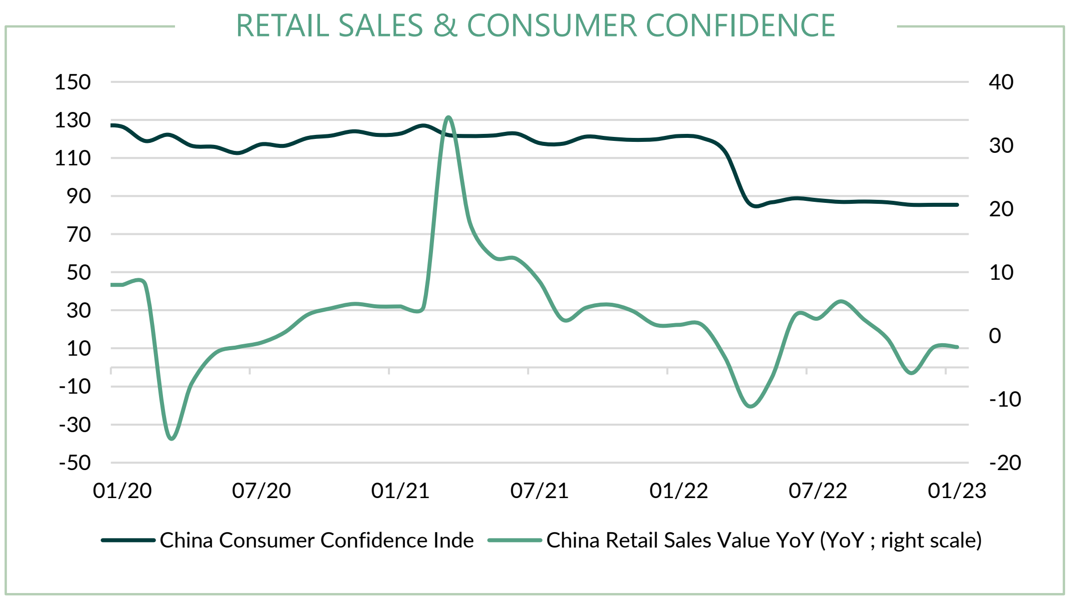


- According to preliminary data, the Eurozone escaped a contraction in Q4 and posted a slim advance of 0,1% in GDP QoQ
- Sentiment and partly hard data has improved and shows a slightly rebounding Eurozone economy
- Germany remains the laggard as the larger manufacturing sector had to cope with energy dependency
- December industrial production data was indicative of that and slumped 3.1% MoM due to temporary production stops

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/01/2023

China
REOPENING GAINING TRACTION



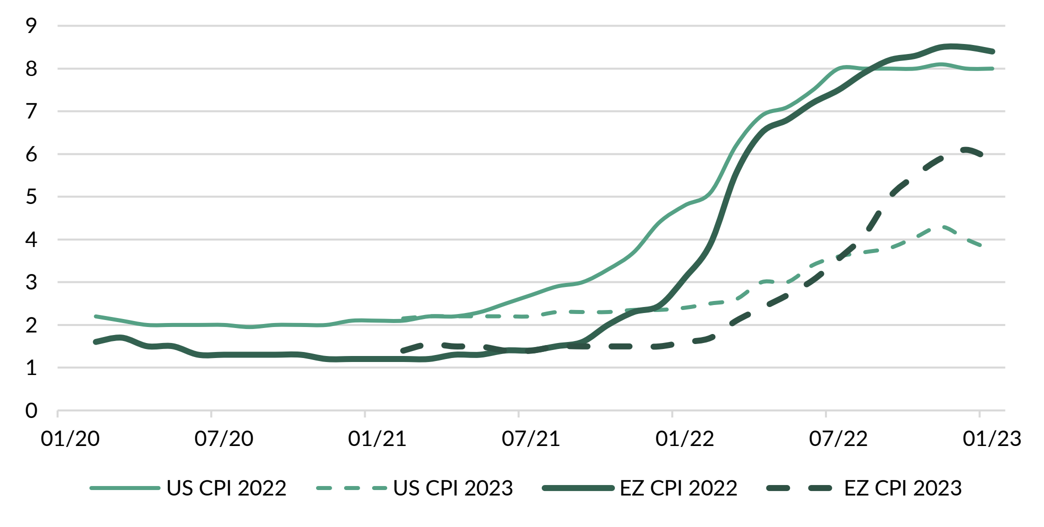


- Caixin PMI for January has been surprising to the upside
- The composite index climbed back into the expansionary level (52.9) mostly supported by a strong showing of the services component
- Hard December data had also been on a more resilient footing than feared
- That led to a flat 4th quarter GDP QoQ and 2.9% growth for 2022
- 2023 GDP will be much better, but the deflating property bubble remains a serious structural drag

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/01/2023

Inflation expectations
ANCHORED

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



YOY CPI ESTIMATES

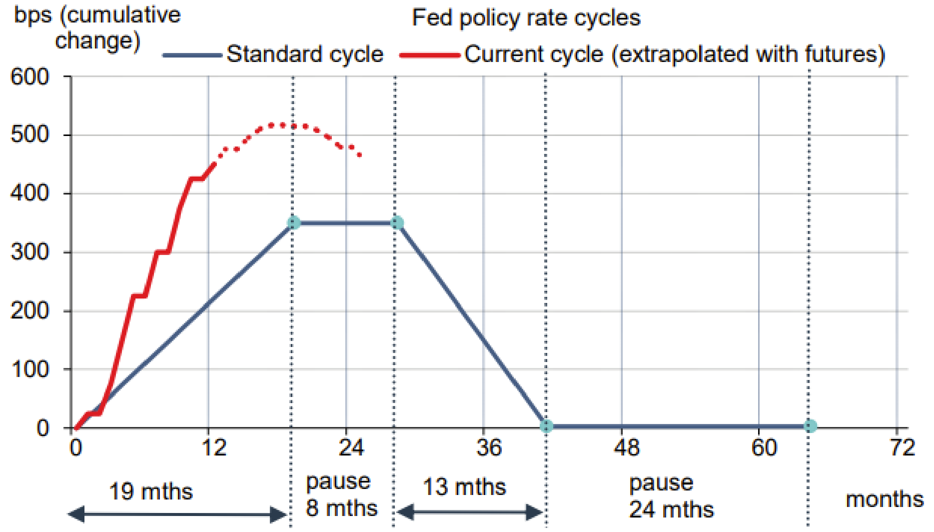
CPI YoY	Jan-23	Dec-22	1Y trend	5Y average	20Y average
Canada		6,3		3,2	2,7
U.S.		6,5		1,9	3,1
Brazil		5,8		2,8	7,8
Mexico		7,8		2,6	6,9
Chile		12,8		2,8	
Eurozone		9,2		1,6	2,5
Germany		8,6		1,6	2,2
France	6	5,9		1,1	1,9
Italy		11,6		1,7	2,6
Poland		16,6		3,1	
Sweden		12,3		2,0	2,1
Switzerland		2,8		0,4	0,7
U.K.		10,5		1,9	3,0
India		5,7		2,9	8,1
Indonesia	5,3	5,5		1,5	10,3
Malaysia		3,8		0,7	
Japan		4,0		0,5	0,3
South Korea		5,0		1,1	3,1
China		1,8		1,0	2,4
Hong Kong		2,0		0,9	1,6

- Thanks to late but bold Central Bank actions long-run inflation expectations remain fairly muted
- Inflation break-even rates are echoing those expectations and have basically been oscillating around a 2.5% level over the last months

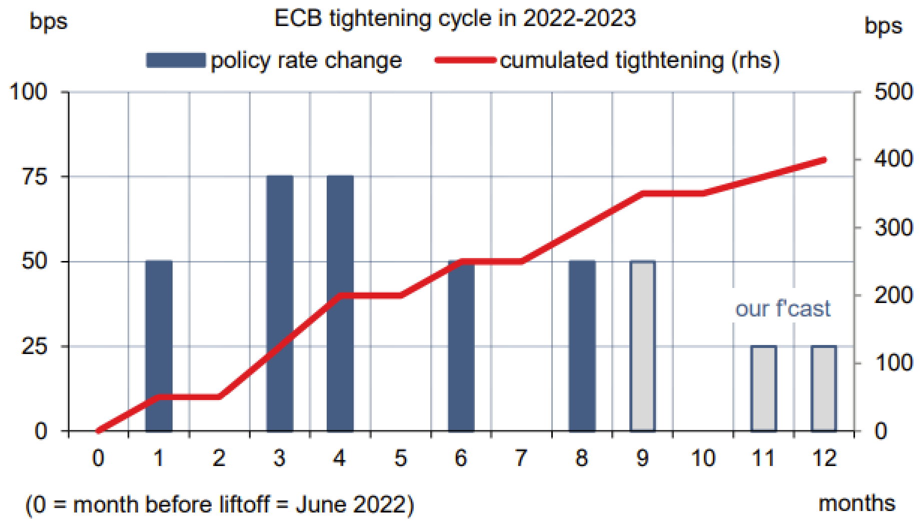
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/01/2023

FED & ECB policies
COMING CLOSE

FED POLICY RATES



ECB: POLICY RATES

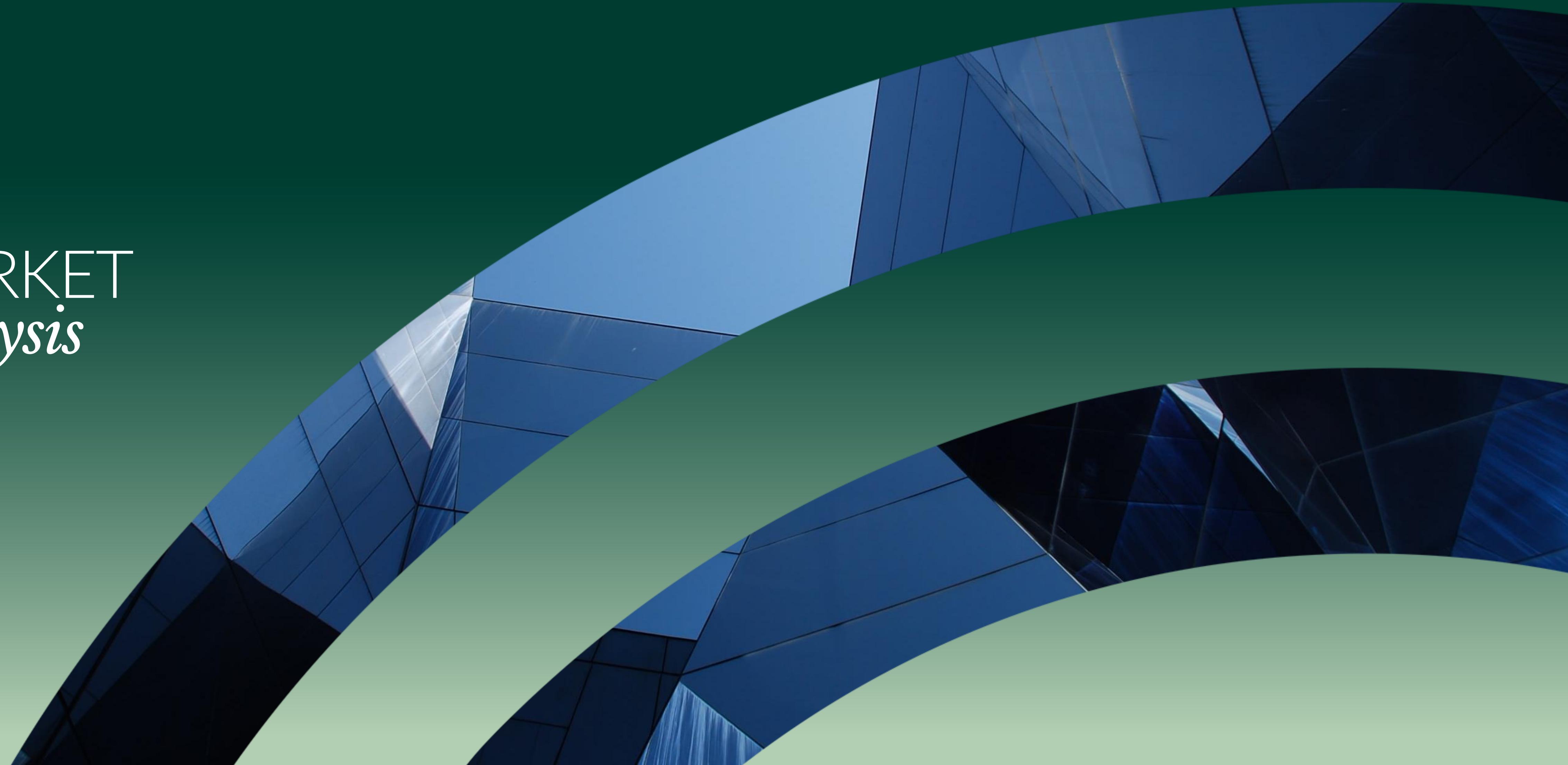


- At its February meeting the ECB pointed to further necessary hikes but also hinted to more data dependency after a 50bp hike at the March meeting
- Given that headline inflation may have fallen significantly at the time of the May meeting, another 25bp hike could mark the final hike
- While the FED seems to be on course for two final 25bp hikes bringing the funds to 5,25%, Jerome Powell did not push back against early and elevated rate cut expectations or the significant easing of financial conditions
- This indicates a more balanced view and higher confidence in disinflationary forces

Sources: ODDO BHF AM SAS, Bloomberg, ODDO BHF Securities, Thomson Reuters, BCE

02

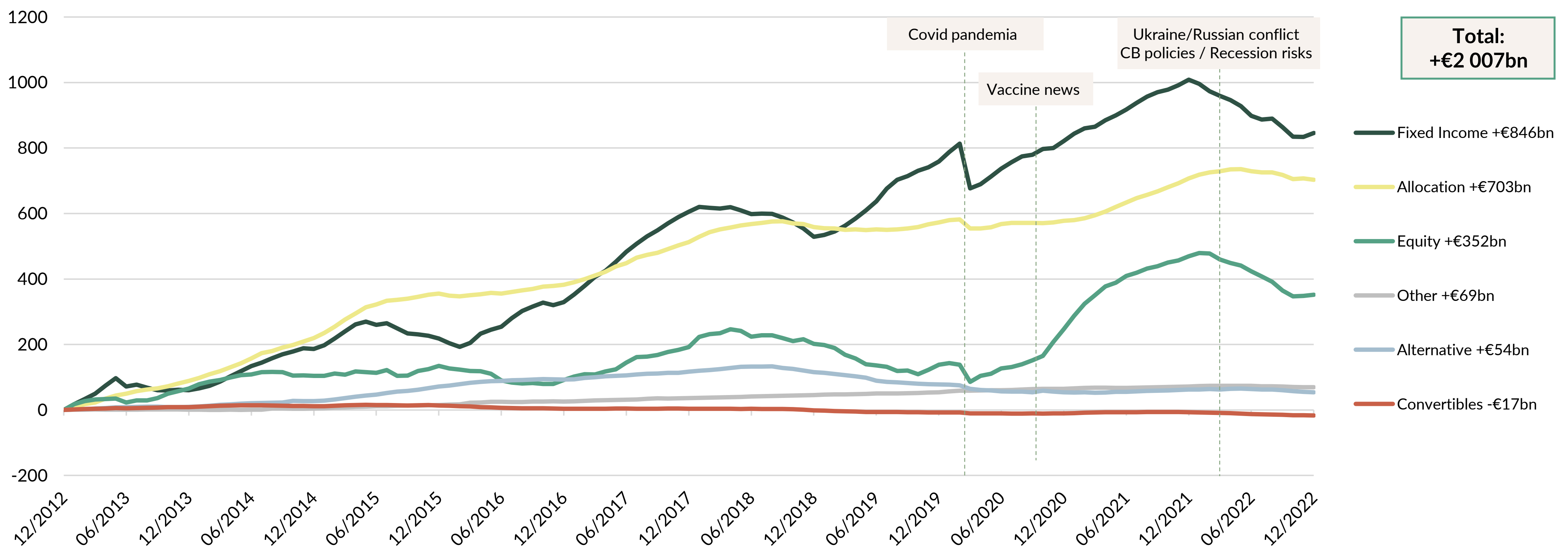
MARKET *analysis*



Mutual funds – 10-year cumulative flows

AMONG MASSIVE OUTFLOWS, ALLOCATION FUNDS WERE RESILIENT

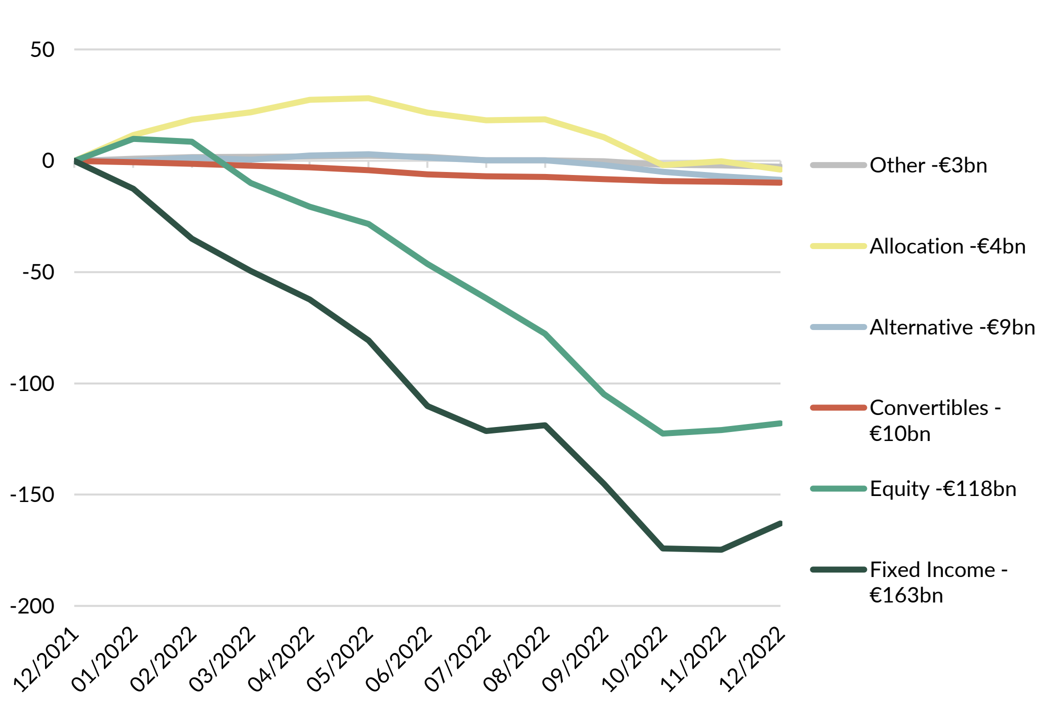
ASSET CLASSES – CUMULATIVE FLOWS - (BN€)



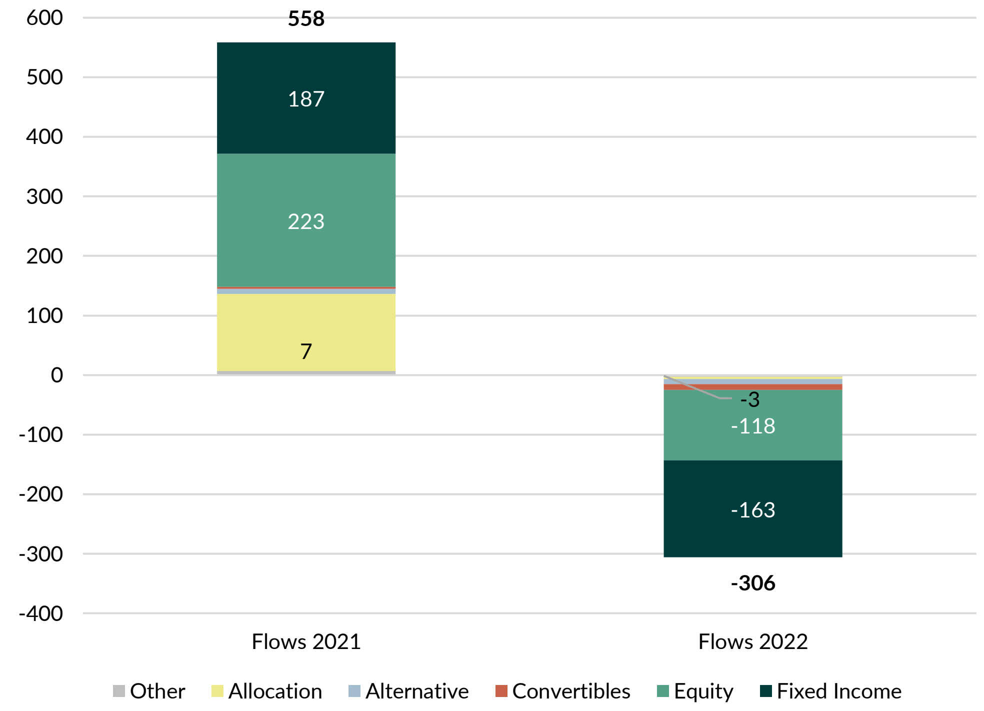
Source : Morningstar. Data as of 31/12/2022 (Europe OE ex ETF ex MM ex FoF ex Feeder (domiciled, most compr)

YTD European mutual fund flows
WITH HIGHER YIELDS, BONDS EVENTUALLY GET INFLOWS

YTD CUMULATIVE FLOWS BY ASSET CLASSES (€BN)

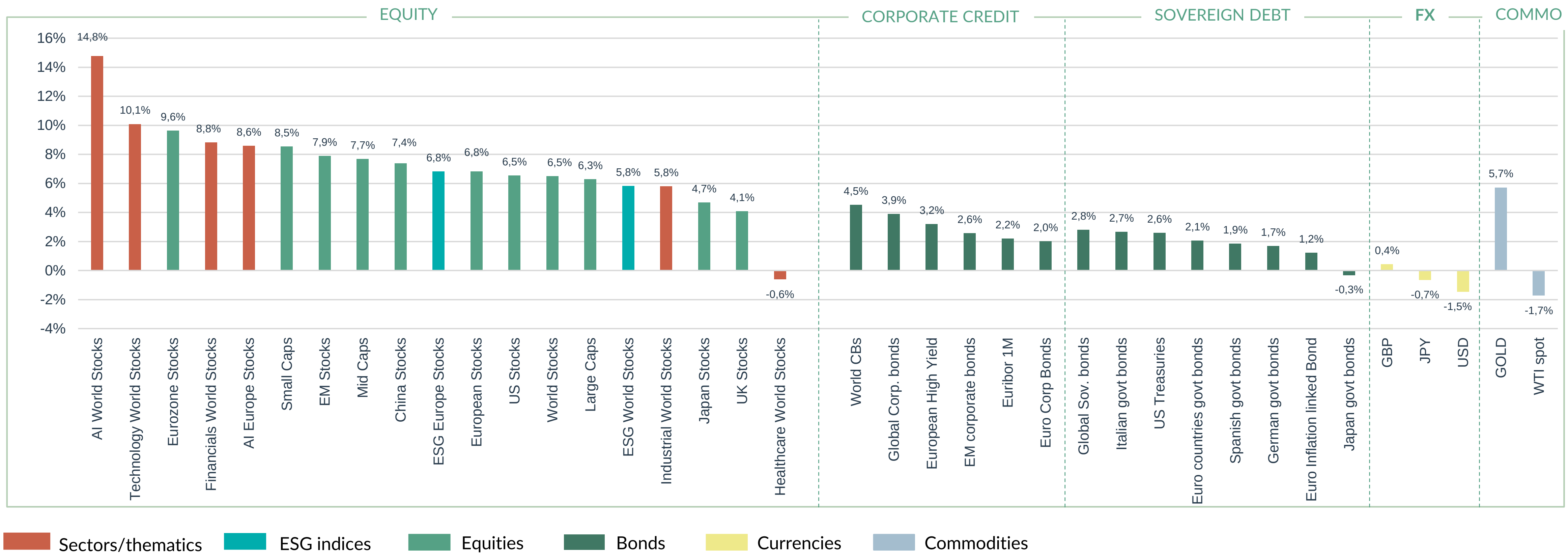


YTD COMPARISON VS YTD -1



Source : Morningstar. Data as of 31/12/2022 (Europe OE ex ETF ex MM ex FoF ex Feeder (domiciled, most compr)

Year-to-date performances of asset classes



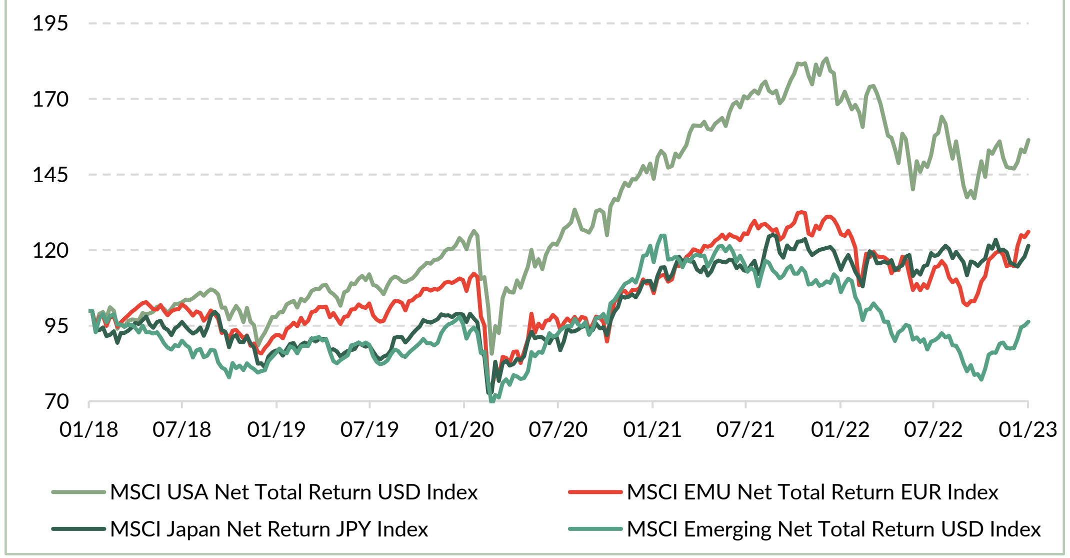
Past performances are not a reliable indicator of future performances and are not constant over time.
Sources: Bloomberg and BoA ML as of 31/01/2023; performances expressed in local currencies

01

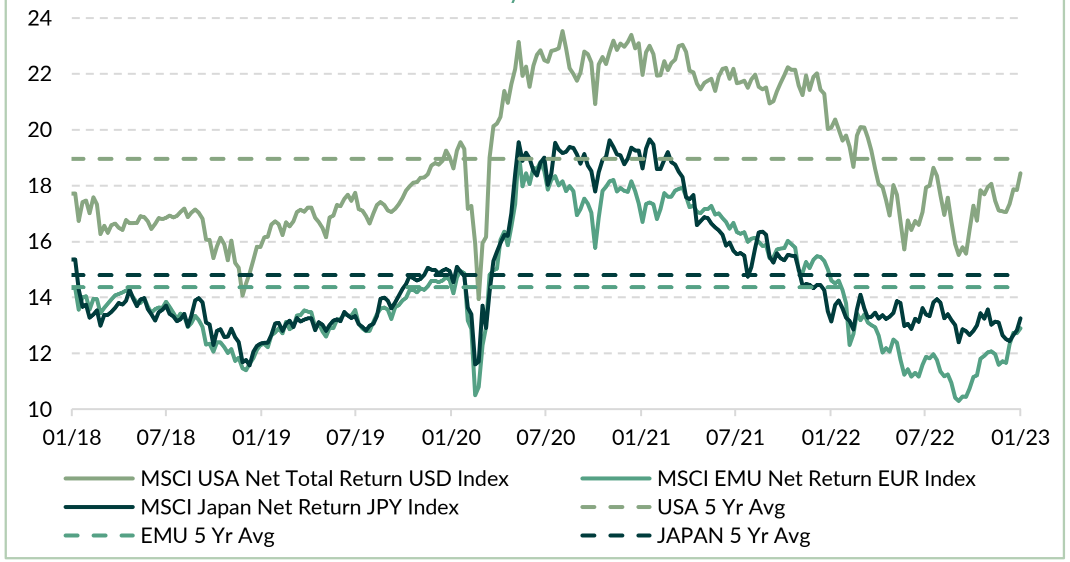
EQUITIES

Equities
A SHARP AND GLOBAL REBOUND

5-YEAR EQUITY MARKET PERFORMANCE



5-YEAR PRICE/EARNING RATIO



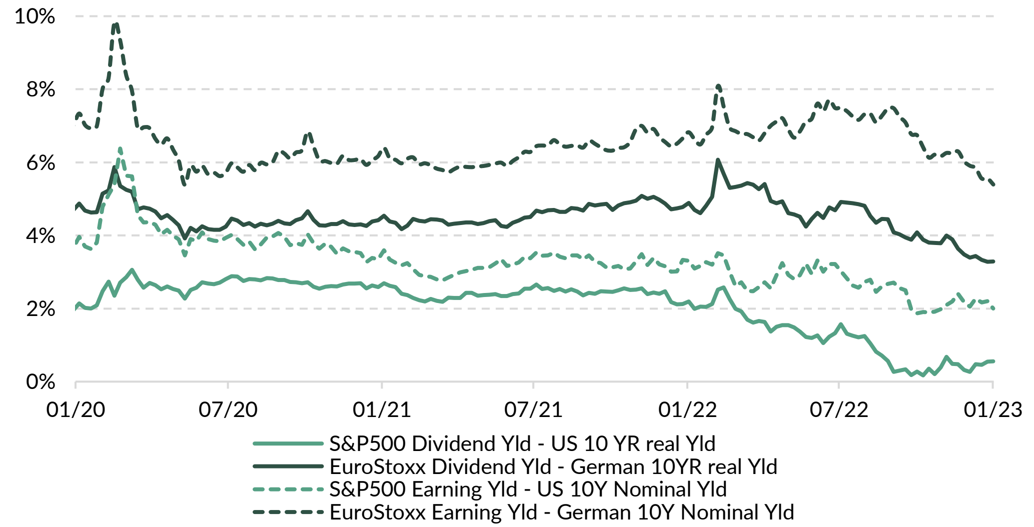
- European and EM markets initially massively overperformed, thanks to improving energy prices, and zero-Covid policy reversal in China.
- While the initial reaction of the US tech sector to declining bond yields was initially muted, the Nasdaq rally eventually gathered steam during the last weeks (+14% YtD)
- Most of the price gains came from re-rating, while earning expectations were rather stable on average.

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 27/01/2023

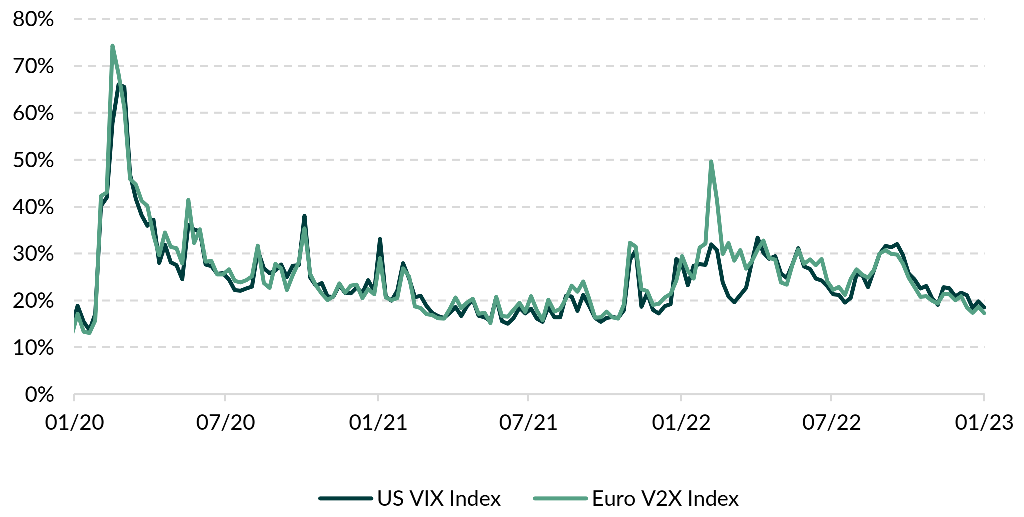
Risk premiums & volatility

FALLING VOLATILITIES AND YIELDS BOOST RISKY ASSETS' PRICES

EQUITY RISK PREMIUMS (NOMINAL AND REAL)



IMPLIED VOLATILITY INDEXES



- The re-rating of US indexes was broadly in line with the decrease of long-term yields, the risk premium being stable around historically low levels.
- In other markets, the risk premium has significantly decreased, but there seems to be some room left for further tightening.
- Across most asset classes (but not much for FX), volatilities keep on steadily declining. For equities, they reach the lowest level since Jan 22.

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 27/01/2023

European equities – sectors overview

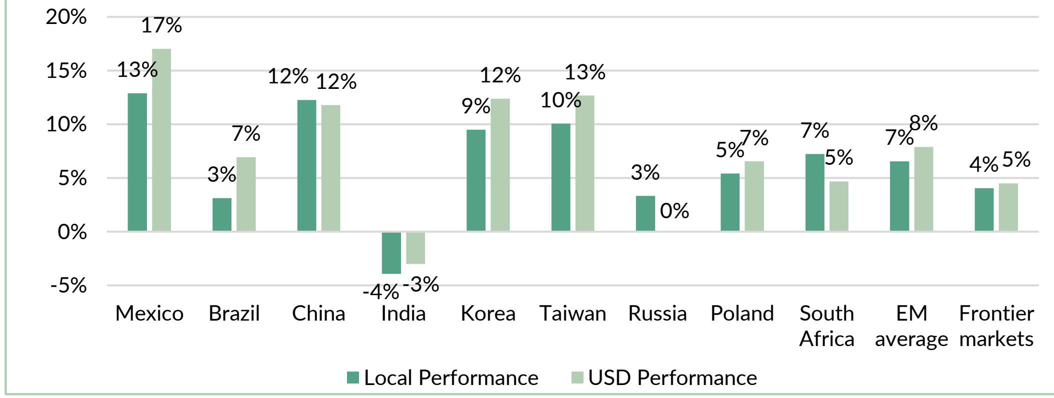
RECEDING FEARS OF OVERTIGHTENING SERVES CYCLICALS WELL

EUROPEAN SECTORS	WEIGHT	PERFORMANCE		EPS GROWTH		VALUATION			
						P/E 12m	Div Yield	EV/EBITDA	Price/Book
	%	1m %	YTD %	2022	2023	12m	12m	12m	12m
STOXX Europe 600		**6,7%**	**7%**	**14%**	**1%**	**12,8 x**	**3,4%**	**8,7 x**	**1,8 x**
Commodities									
Energy	5,0%	0,3%	0%	119%	-19%	6,6 x	4,4%	3,3 x	1,2 x
Basic Resources	3,1%	6,2%	6%	2%	-31%	9,7 x	5,1%	5,4 x	1,4 x
Cyclicals									
Automobiles & Parts	2,6%	11,1%	11%	17%	-15%	6,3 x	5,0%	5,5 x	0,8 x
Chemicals	4,2%	5,2%	5%	5%	-16%	17,8 x	2,8%	10,3 x	2,2 x
Construction & Materials	3,7%	11,6%	12%	3%	0%	14,6 x	3,2%	8,2 x	1,8 x
Industrial Goods & Services	13,6%	7,8%	8%	20%	-3%	16,7 x	2,6%	10,0 x	2,7 x
Media	1,7%	6,5%	6%	7%	8%	16,5 x	2,8%	10,7 x	2,9 x
Technology	7,3%	14,3%	14%	6%	21%	22,2 x	1,3%	15,0 x	3,7 x
Travel & Leisure	1,4%	14,9%	15%	149%	94%	19,1 x	1,4%	8,2 x	2,7 x
Consumer Products and Services	6,3%	15,2%	15%	10%	11%	23,7 x	1,9%	13,6 x	4,2 x
Financials									
Banks	8,8%	13,6%	14%	6%	10%	7,7 x	5,9%		0,7 x
Insurance	5,3%	6,2%	6%	-8%	31%	9,9 x	5,4%	31,6 x	1,4 x
Financial Services	3,9%	7,6%	8%	-64%	63%	11,6 x	3,3%	48,4 x	1,2 x
Real Estate	1,9%	9,4%	9%	5%	-1%	14,8 x	4,6%	22,6 x	0,8 x
Defensives									
Health Care	14,8%	0,2%	0%	7%	7%	16,9 x	2,5%	12,2 x	3,2 x
Food Beverage and Tobacco	6,4%	0,9%	1%	10%	8%	15,9 x	3,3%	11,7 x	2,7 x
Personal Care Drug and Grocery Stores	2,1%	2,3%	2%	2%	5%	16,0 x	3,3%	8,8 x	2,6 x
Retail	1,1%	14,8%	15%	-2%	2%	17,1 x	3,4%	7,7 x	2,5 x
Telecommunications	2,9%	6,9%	7%	52%	4%	12,8 x	5,0%	6,4 x	1,2 x
Utilities	3,9%	1,7%	2%	20%	5%	12,6 x	4,8%	8,2 x	1,5 x

Past performances are not a reliable indicator of future performances and are not constant over time
Sources: ODDO BHF AM SAS, Goldman Sachs, 07/02/2023

Emerging markets
ASIAN MARKETS OVERPERFORMANCE

YTD EQUITY PERFORMANCE ON MAJOR EMERGING MARKETS

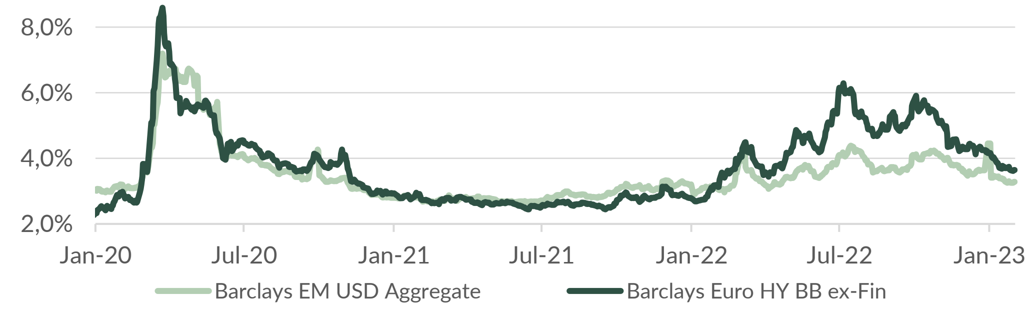


EPS (INCLUDING LOSSES) GROWTH & PE (LOCAL CURRENCY)

Emerging	PE 12mth fwd	2022/2021 EPS growth	Current Fiscal Year est EPS Growth	Next Fiscal Year est EPS Growth	Dividend Yield (trailing 12m)
MSCI EM	11,2	-5%	0%	-5%	3,1%
MSCI CHINA	13,5	-16%	4%	19%	2,3%
MSCI KOREA	5,7	-1%	14%	-37%	2,0%
MSCI INDIA	24,1	24%	3%	16%	1,5%
MSCI INDONESIA	13,2	52%	4%	2%	2,6%
MSCI PHILIPPINES	17,4	41%	-12%	16%	1,9%
MSCI MALAYSIA	15,3	-15%	7%	12%	4,1%
MOEX Russia Index	*1,9*	*21%*	*26%*	*-10%*	*10,7%*
WSE WIG INDEX	7,6	69%	-19%	-9%	3,1%
MSCI TURKEY	3,4	286%	36%	-9%	2,1%
MSCI SOUTH AFRICA	11,4	31%	-14%	14%	4,1%
MSCI BRAZIL	6,0	4%	-1%	-20%	9,6%
MSCI COLOMBIA	6,3	114%	-23%	4%	7,2%

- Apart from Mexico, where the Peso kept on soaring, most of the equity action took place in Asia.
- The tech and cyclicals biased markets as Korea and Taiwan fared especially well.
- After some initial outperformance of Hong-Kong H-shares, Shanghai CSI 300 did catch up.

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



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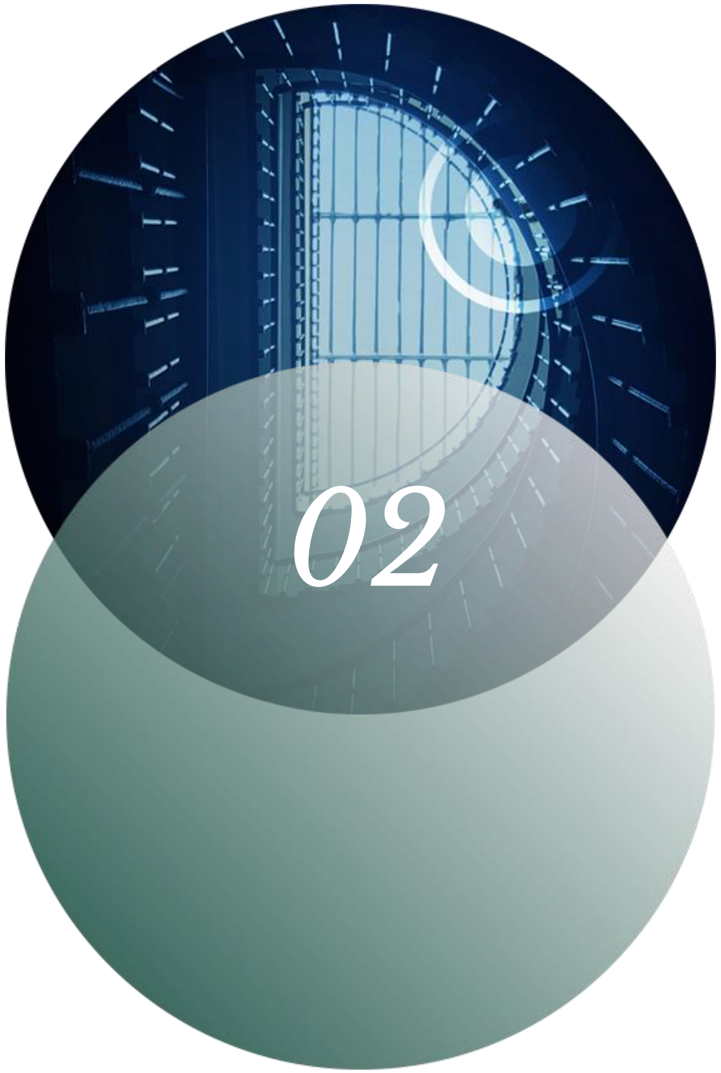
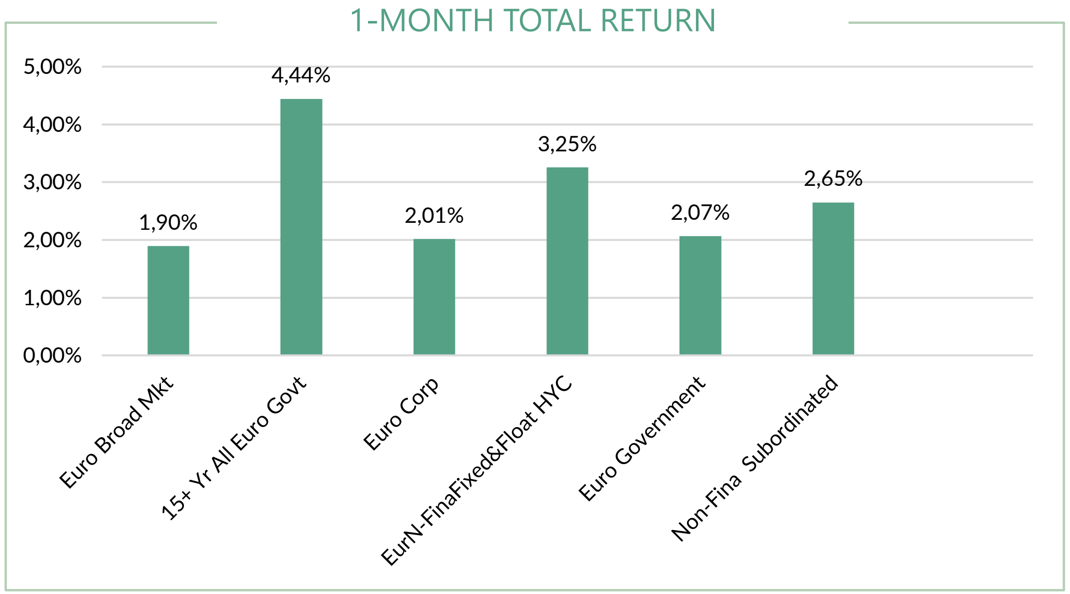
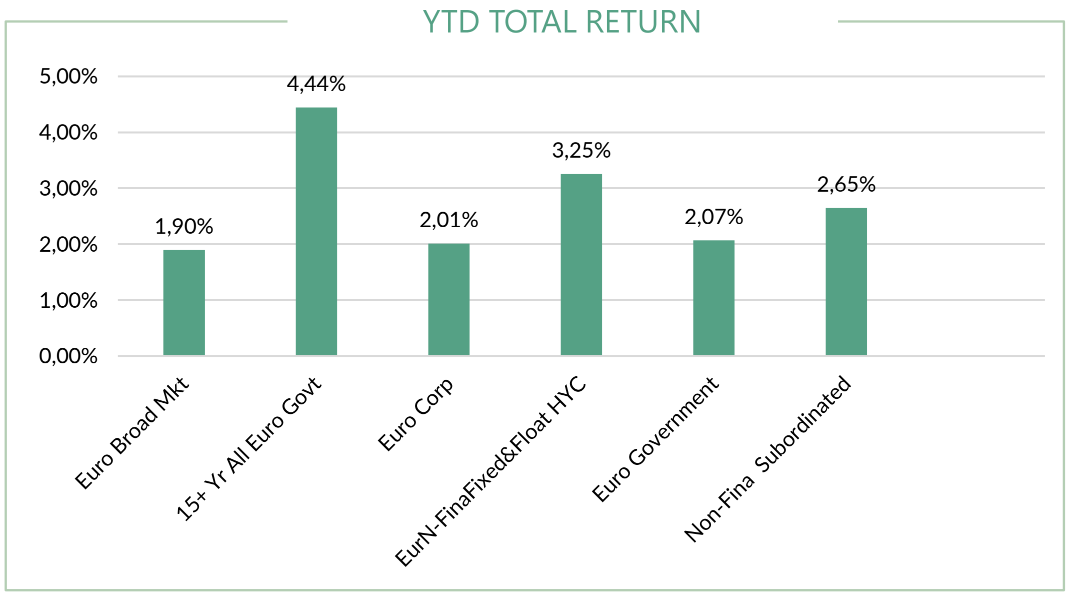
Sources: Bloomberg, ODDO BHF AM SAS | Data at 31/01/2023



FIXED INCOME

Performance fixed income segment
OFF TO A PROMISING START

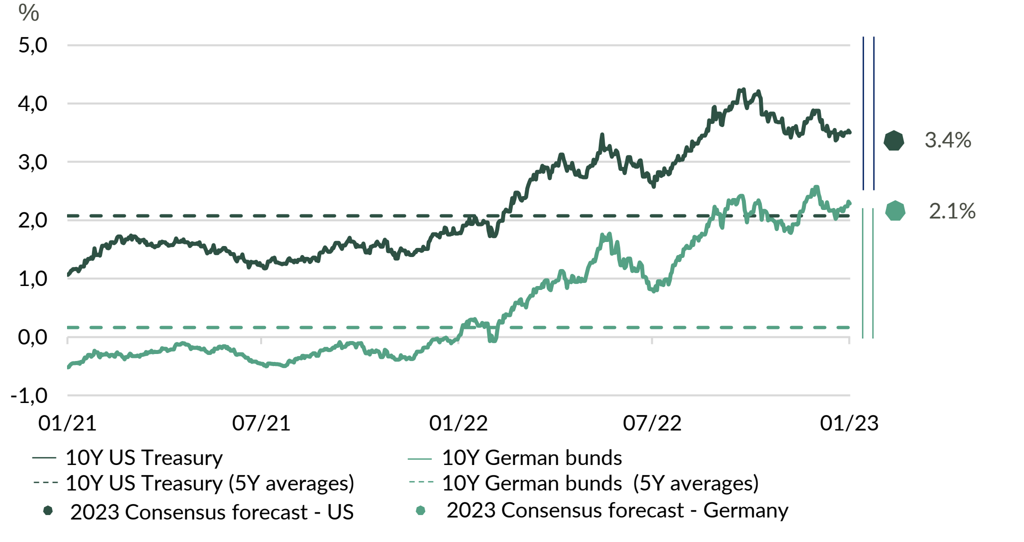




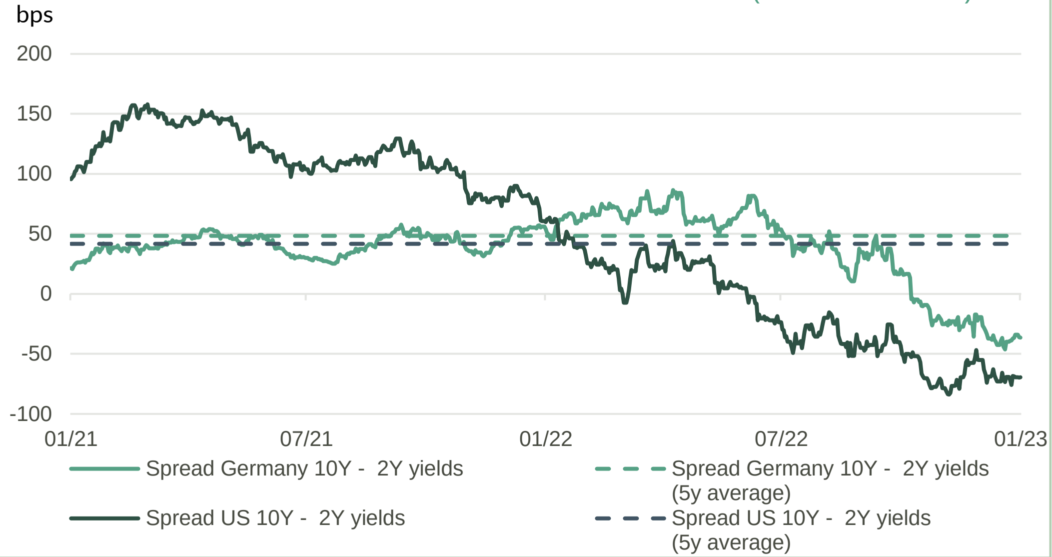
Past performances are not a reliable indicator of future performances and are not constant over time
Source: ODDO BHF AM, Bloomberg, data as of 31/01/2023

Rates
THE WORST IS BEHIND US

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



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

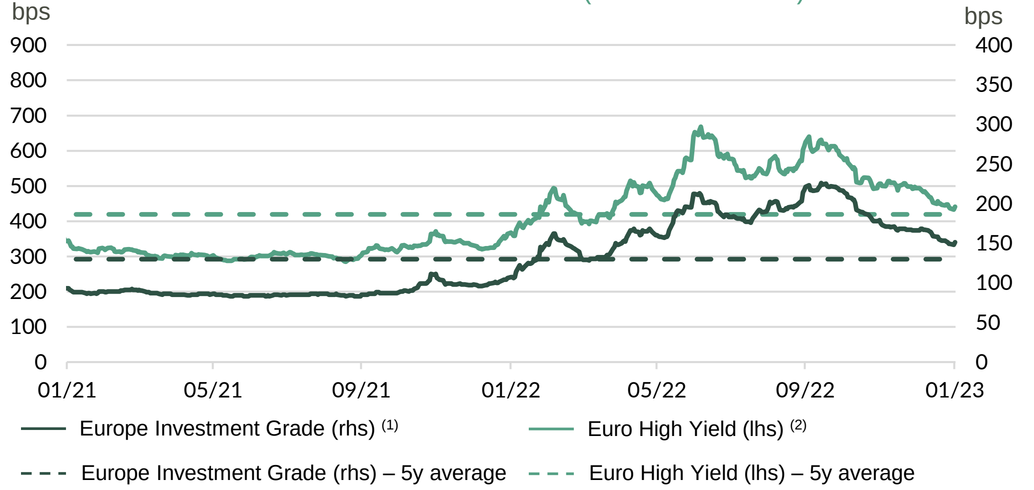


- Hopes for an imminent end of the hiking cycle and stronger disinflation have stopped the yield increase in 10-year Bunds to a 2% - 2.5% range
- Longer tenors in US-Treasuries already have rallied by around 70bp from their autumn highs
- Increasing confidence in an ECB pause, strong reliefs on headline inflation from March on and defensive positioning should help to stabilize yields in the range before embarking on a downward trend
- Curve steepening positions are too early except for the very long end where flattening has faded and partly reversed like for Spanish or French 30-10 year spreads

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 31/01/2023; RHS: Data as of 31/01/2023

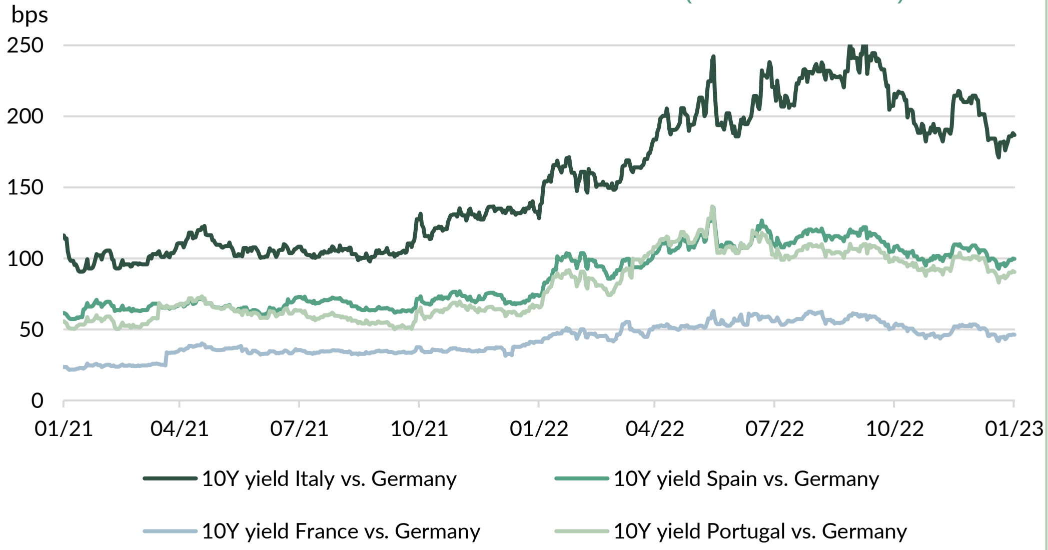
Credit Spreads
CARRY ON

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)

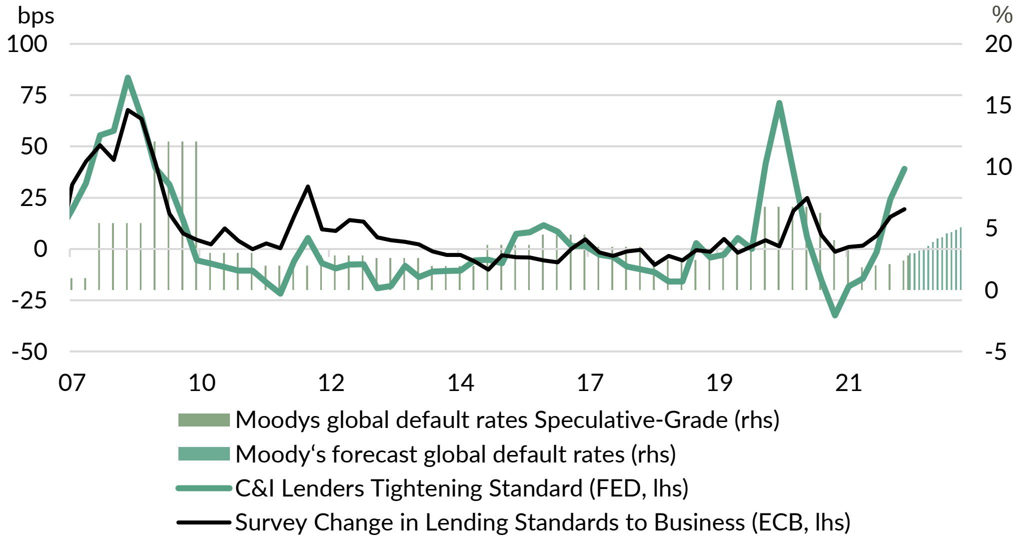


- Credit spreads continued to tighten despite a heavy new issue pipeline in investment grade
- Credit remains in a sweet spot for now as the economy is slightly rebounding, rate volatility has meaningfully decreased and demand for spread and absolute yield is still brisk
- Peripheral spreads have tightened in sync with the overall move
- However, we stay underweight Italy given headwinds from heavy supply and the start of quantitative tightening in the Eurozone

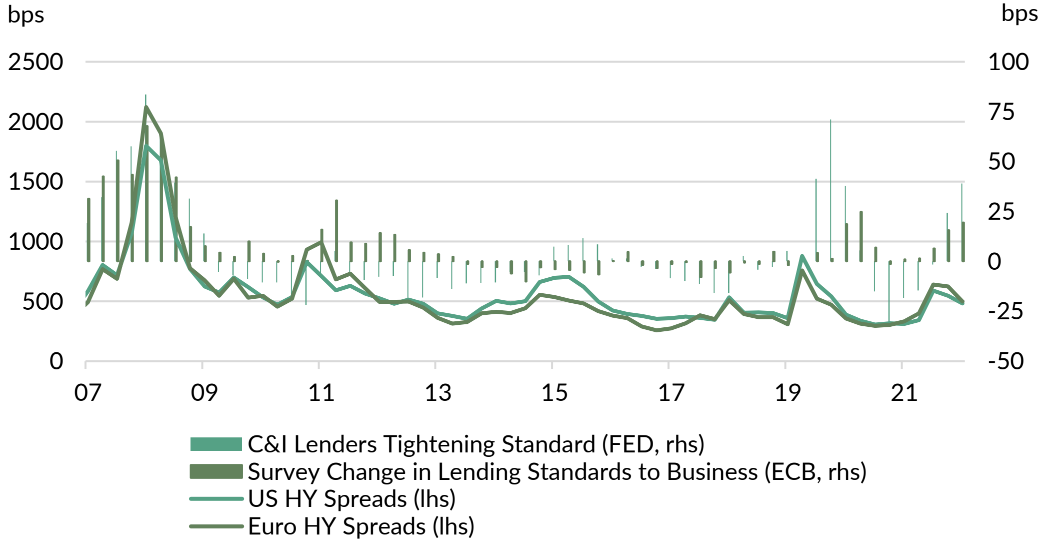
Past performance is not a reliable indicator of future performance and is not constant over time.
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/01/2023

Financial conditions
SOME IMPROVEMENT

LENDING STANDARDS AND DEFAULT RATE



LENDING STANDARDS AND SPREADS

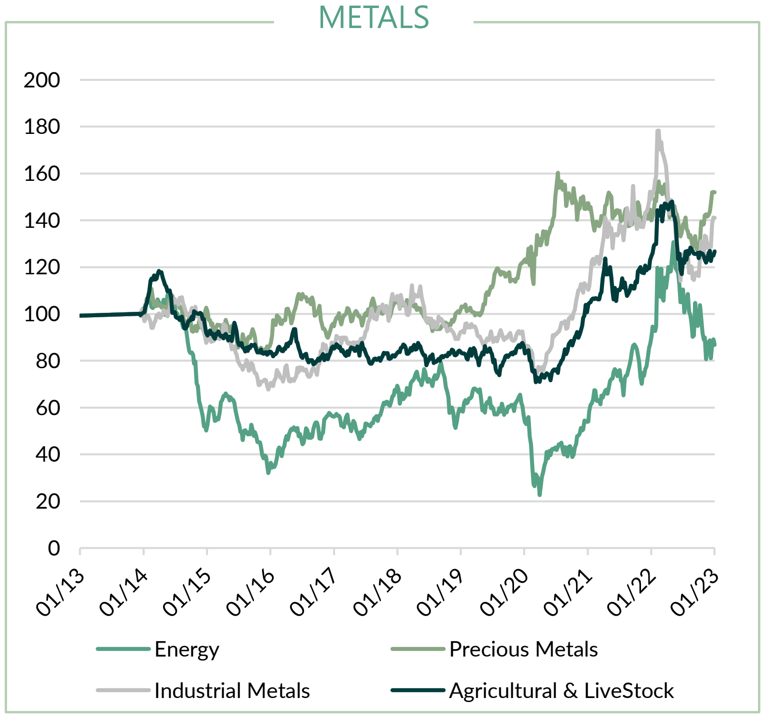


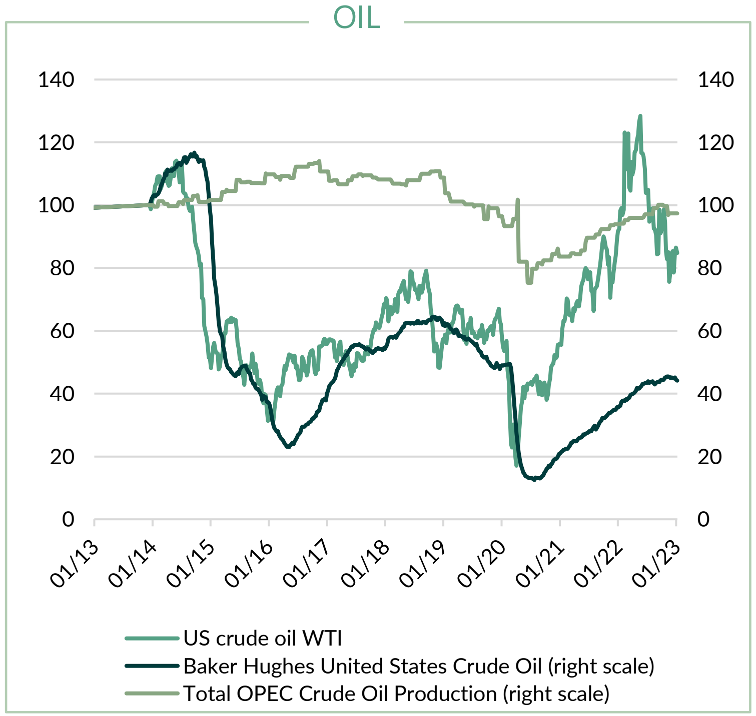
- While credit surveys in the US and Europe have tightened, financial conditions which take into account financial markets, have eased quite significantly over the recent weeks

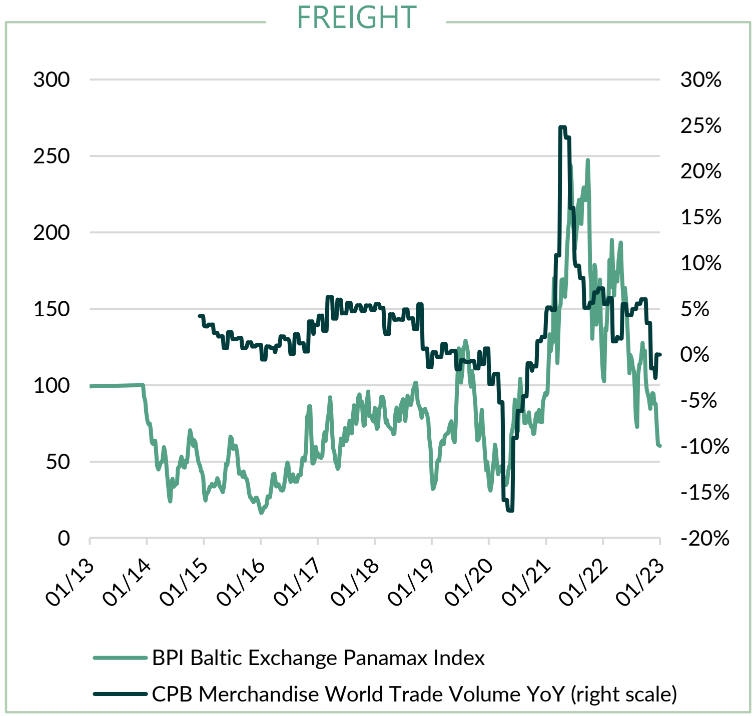
Source: Fed, ECB, Bloomberg | Moody's as of 18/01/2023, Lending Standard & Survey Change as of 31/12/2022, Spreads as of 31/12/2022

COMMODITIES & CURRENCIES

Commodities
GETTING LESS VOLATILE





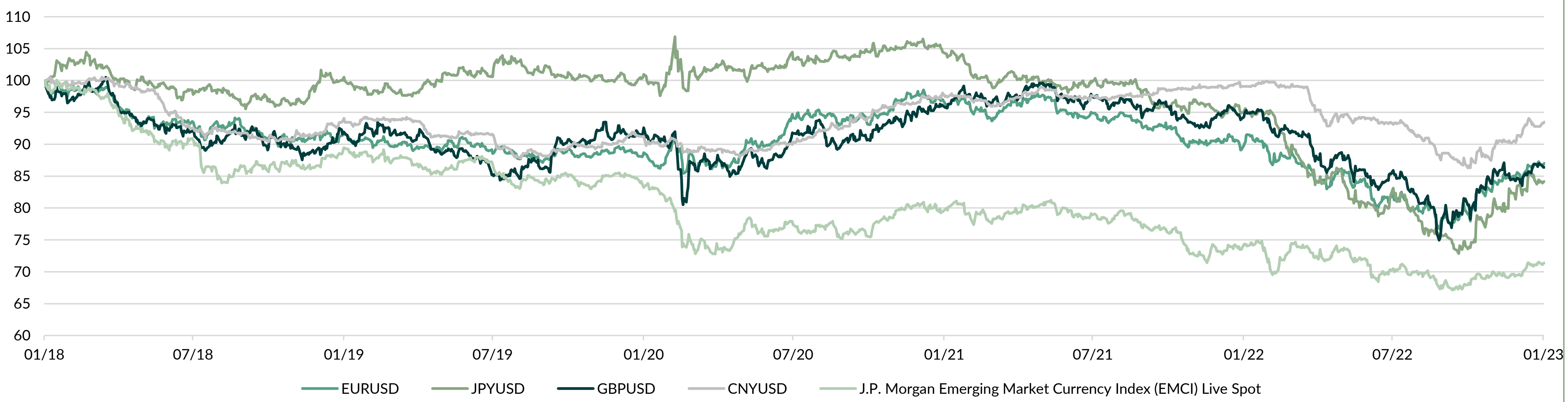


- Despite rosier expectations of global growth, energy and freight prices didn't rebound.
- On the contrary, resilient hard data on growth and enthusiasm stemming form "China reopening" helped prop up industrial metals' prices
- As most currencies did, Gold also appreciated (vs USD: +6%) on the basis of a less hawkish FED narrative.

Past performances are not a reliable indicator of future performance and are not constant over time.
Sources: Bloomberg, ODDO BHF AM SAS | Data at 31/01/2023

Currencies
GLOBAL RALLY VS THE GREENBACK

CURRENCIES - CHANGE OVER 5 YEARS



- The previous JPY rally came to a halt: BoJ did not deviate from its monetary stance in spite of rising CPI prints (+4% YoY, level unseen since 1990).
- With sustained inflationary pressure in the Eurozone cornering the ECB into hawkish speeches, the EUR kept on appreciating.
- Among emerging currencies: MXN +3%, BRL +4%. Hopes of global tourism reopening also keep fueling the Thai Bhat (THB +6%, and +16% in 3 month).

Past performances are not a reliable indicator of future performance and are not constant over time.
Sources: Bloomberg, ODDO BHF AM SAS | Data at 31/01/2023

03

CURRENT *Convictions*

Scenarios
OUR 6-MONTH VIEW

01 Central scenario

Global GDP growth will slow down, but the outlook for the Eurozone has recently somewhat improved: A severe energy crisis was avoided for the time being. In addition, the surprising move from China authorities and exit from zero-Covid policy should result in a positive impact for global growth, and mainly support European corporates. Also, valuations are more attractive in the Eurozone compared to the US. However, central banks remain hawkish, and the full impact of rate increases still has to be seen. So far, corporate earnings are solid, but margins are increasingly at risk. Corporate bond valuations are attractive

EUROPE

- Growth expectations slightly improved recently given China re-opening and less negative impact from energy prices
- Inflation has mostly like seen the peak, but stays highly elevated and core inflation is still increasing
- ECB stays hawkish in order to bring inflation down
- Supply chains are less disrupted
- Equity valuations attractive on a relative basis
- Allocations from global investors should increase

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
- Equity valuations less attractive compared to European equities, equity risk premiums are too low
- Allocations from global investors should decrease

STRATEGY

- Increased diversification
- Benefit from attractive valuations and good cushion in corporate bond markets

OVERWEIGHT

- IG Corporate Bonds
- Short Duration Euro Credit (IG + HY)
- EM equities

UNDERWEIGHT

- US Equities
- Government Bonds

70%

02 Alternative scenario #1

Energy crisis in Europe, sticky inflation and hawkish ECB

- Energy prices stay elevated/start to increase again, and Europe is suffering from a competitive disadvantage, resulting in a loss of consumer and business confidence
- Inflation does not fall to the expected extent, stays sticky despite a weaker economic outlook and hawkish ECB
- Market volatility increases again

OVERWEIGHT

- Alternative strategies
- Cash

UNDERWEIGHT

- Equities
- Credit

20%

03 Alternative scenario #2

Upside scenario

- Energy markets see a further decline of prices, potentially driven by a de-escalation of the Russian/Ukrainian war and/or other factors (e. g. mild weather)
- China re-opening and less disrupted supply chains support global growth, a recession is avoided
- Central banks change their current very 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 03/02/2023

Our current convictions FOR EACH ASSET CLASS

Change from the last GIC meeting

Equities	OVERALL EQUITIES RECOMMENDATION			0		
	Large cap Eurozone			0		
	Mid cap Eurozone			0		
	Small cap Eurozone			0		
	UK		-1			
	USA		-1			
	Emerging markets				1	
	Japan				1	
	China				1	
Currencies	USD/€ (Direction of the USD)	-2				
	YEN/€ (Direction of the YEN)				1	
	GBP/€ (Direction of the GBP)		-1			
	CHF/€ (Direction of the CHF)			0		
Commodities	Gold			0		
	Crude oil				1	

Source: ODDO BHF AM, as of 03/02/2023

Our current convictions
FOR EACH ASSET CLASS

Change from the last GIC meeting

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

Source: ODDO BHF AM, as of 03/02/2023

HOW PERFORMANCE ARE 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

Jan. 23	• On your marks
Sept. 22	• Carry on
Jan. 22	• Make 2022 an opportunity
Sept.21	• “Breathless?”

MONTHLY INVESTMENT BRIEF

Dec. 22	• “And yet...” (a tribute to Charles Aznavour)
Nov 22	• On your marks
Oct. 22	• "Cheap" - a necessary but not sufficient condition
July 22	• It’s all about timing
June. 22	• Bull & Bear – It's not all about recession

MARKET VIEWS

18/01/23	• European equities: Stocks of the Old World are back in demand
18/01/23	• Economic outlook 2023 – After the peak of anxiety
17/01/23	• How does China become a new energy champion?
16/12/22	• Will the US dollar depreciate in 2023?
16/12/22	• Let’s talk (for a change) about disinflation

VIDEOS

Podcast	Investment strategy – September 2022 – Highlights
#LeadWith	• Investment Brief H1 2022
#Moments	• ODDO BHF 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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Established in the form of a simplified joint-stock company with authorised capital of €21,500,000.
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