MONTHLY *investment* BRIEF

ODDO BHF ASSET MANAGEMENT

Waiting for a clear signal

The 2022/2023 period was marked by a meteoric rise in money-market rates, from 0% to 5% in just a few months in the United States. However, the bond market has not kept up, with US 10-year yields now around 3.5%. Investors are thus sending a signal that a recession is near. But are they really doing that?

Before answering this question, it is essential to look at the quality of the historical signals sent by the interest-rate markets.

Are inflation and the yield curve still good signals of trends in long-term rates?

The inflation signal

The latest surge in oil prices, following OPEC+'s announcement of production cuts, shows the extent to which bond markets are struggling to assess supply shocks, reinforcing recent warnings from central banks that inflation is far from being contained. Break-even inflation expectations for the U.S. average less than 3% per year over the next year, even though it has remained at the very high level of 7.8% over the past 12 months. Given that central bank rate hikes have little effect on the exogenous drivers of inflation, the current paradox between fiscal stimulus and monetary tightening further complicates the task of economists and investors in modelling the path of inflation, both in its so-called transitory nature and in how much it is decelerating. Clearly, inflation remains, along with growth, one of the key parameters for estimating the level of long-term rates.

The yield curve signal

Other, formerly reliable bond signals also seem to have been altered. Inverted yield curves and swap contracts, which at the end of February priced in two key rate hikes in the United States for 2023, are now projecting three cuts.

Central banks artificially raised the price of government bonds during the years of quantitative easing. This was supported by regulations designed to prevent a repeat of the 2008 crisis by forcing banks to hold large amounts of those bonds. These amounts have disproportionately inflated captive demand from pension funds, insurers, index funds and even central banks' foreign-exchange reserves.

For more than a year, central bank holdings have been reversing course at a rate not seen since the 1980s. Yet even after the recent rise in yields, bond prices are still being driven by this inelastic demand. At the time, investor leverage was very low. Since then, regulation, or lack of it, has allowed unreasonable multiples for the same amount of committed capital.

The risk is therefore a deflation of this bubble. Although the probability of a soft landing has decreased significantly, the global economy should avoid a sharp recession. If so, it is unlikely that 10-year rates will remain at their current levels, unless underlying inflation collapses, which is not in our central scenario. In essence, U.S. long rates are too low. The equilibrium level is closer to 4% than to 3%.

What is the best positioning?

Rates

With the recent rise in short-term rates, positioning on 1 or 2-year rates on both sides of the Atlantic appears to us to be an excellent investment, as long as it is risk-adjusted. If a strong recession materialises, central banks will have no choice but to capitulate and lower key rates. The short end of the curve would be the main beneficiary. Only a deflation scenario would push long rates much lower. We are not there yet. We therefore recommend that you limit your bond duration on the long end of the curve and reposition your investments on the short end.

Source: ODDO BHF AM, comments as of 11/04/2023

Credit

In the credit sphere, the situation is complex. The duration parameter is very important for investment-grade bonds, but much less so for high-yield bonds. Does this mean that we should overweight high yield in this configuration? No, but for other reasons. The recent financial instability will limit the supply of bank credit and push up default rates. "Zombie" companies will be squeezed between pressure on margins and an increase in financing costs, which for some of them will be fatal. We therefore prefer the Investment Grade segment.

Equities

All else being equal, if long-term interest rates rise, the present value of discounted cash flows will fall. This does not bode well for equities, unless we see a rise in earnings. However, this is not the current trend. A squeeze on margins will set in across all sectors with the ongoing slowdown in consumption. Less excess savings, lower purchasing power with resilient core inflation, and a labour market that should slowly normalise are the main elements of a more challenging scenario ahead for companies. The focus should be on stocks of companies that generate enough growth to limit the impact of rates. In this sense, the technology sector has some real appeal.

Conclusion

Patience is a virtue. The good news is that the current context allows you to increase your capital by capturing carry in "short-dated" products. At 3% or 5%, depending on the geographical area, the current yield does not yet cover inflation but it does more than limit the damage. And without risk. Not such a bad prospect for a few weeks, until we finally see a real signal.

LAURENT DENIZE
Global Co-CIO, ODDO BHF

Source: ODDO BHF AM, comments as of 11/04/2023

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02 MARKET ANALYSIS

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FIXED INCOME
COMMODITIES & CURRENCIES

03 CURRENT CONVICTIONS

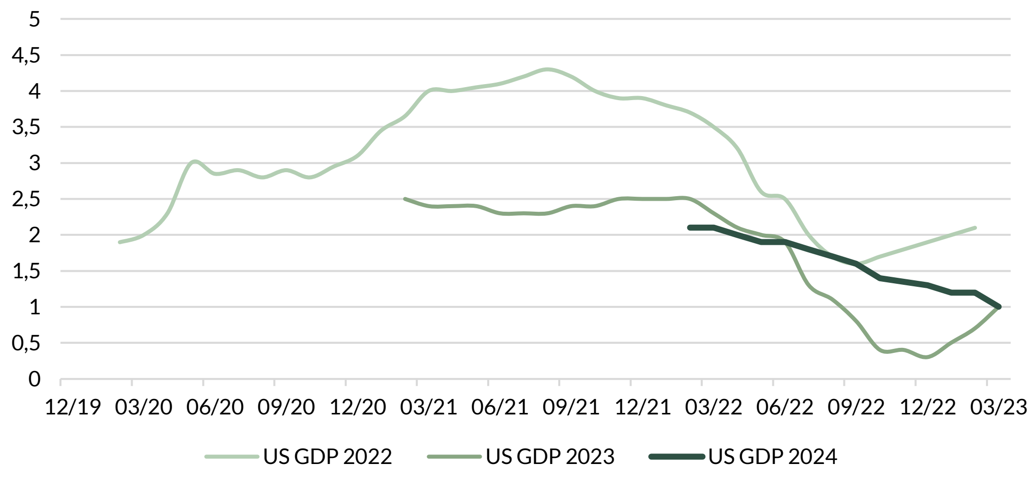
01

MACROECONOMIC *outlook*

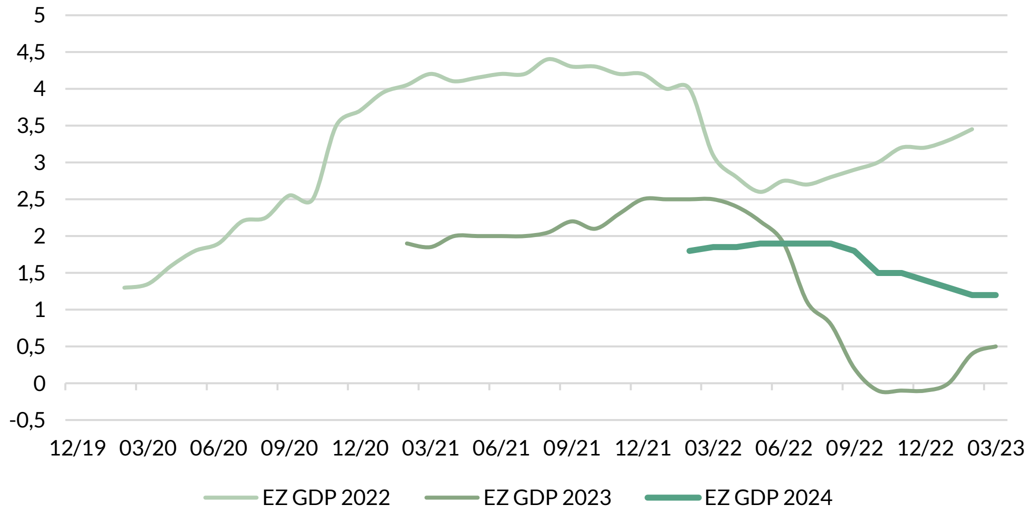
Growth outlook

2024 FORECASTS CONVERGE TO 2023 PROJECTIONS

US FULL YEAR GDP GROWTH ESTIMATES (%)



EUROZONE FULL YEAR GDP GROWTH ESTIMATES (%)



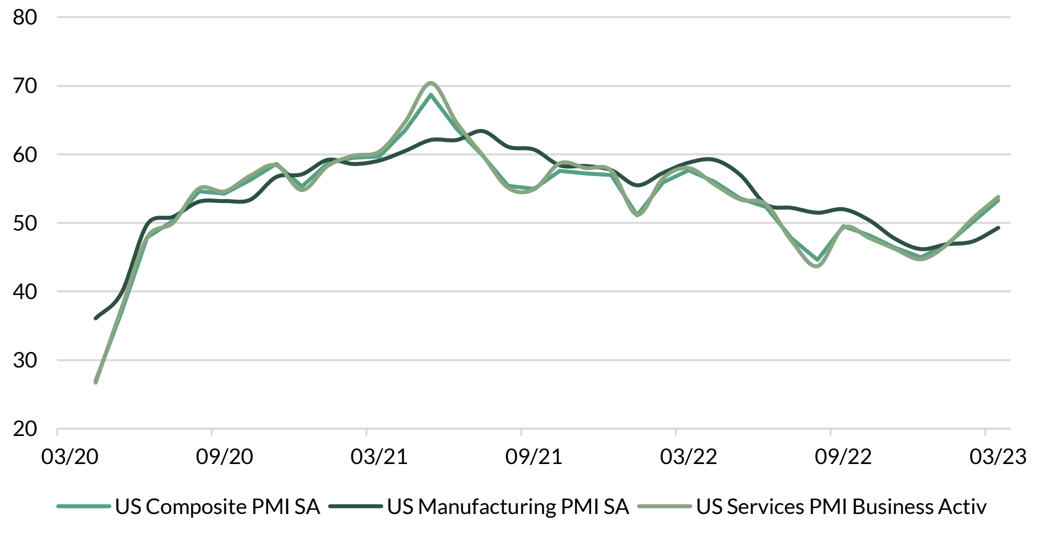
- The recent drag from the underlying banking woes have yet not shown up in 2023 forecasts
- However, the risks of disappointment increase for the end of 2023 and the consensus is revised downwards for 2024

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/03/2023

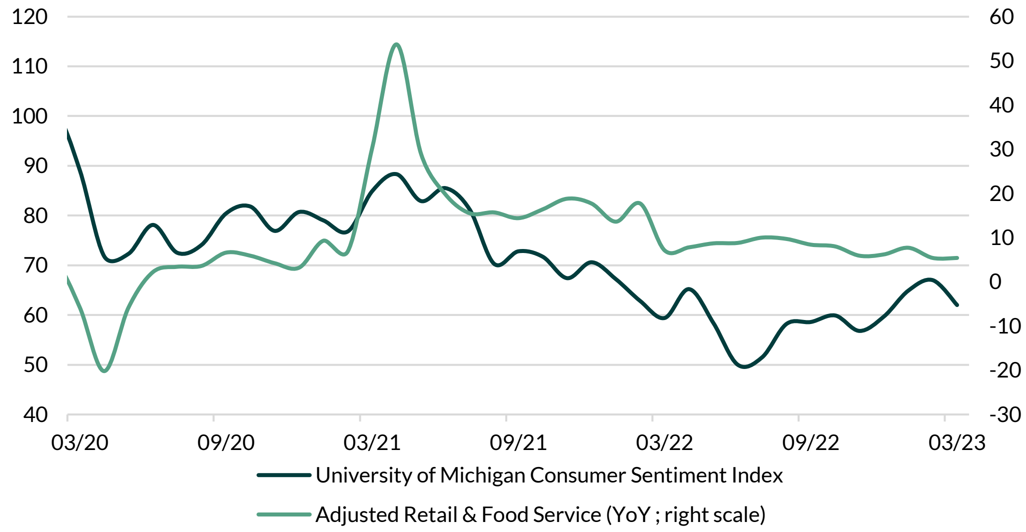
USA

DESPITE STRONG HARD DATA, GROWING UNCERTAINTIES ON MANUFACTURING

PMI SERVICES & MANUFACTURER



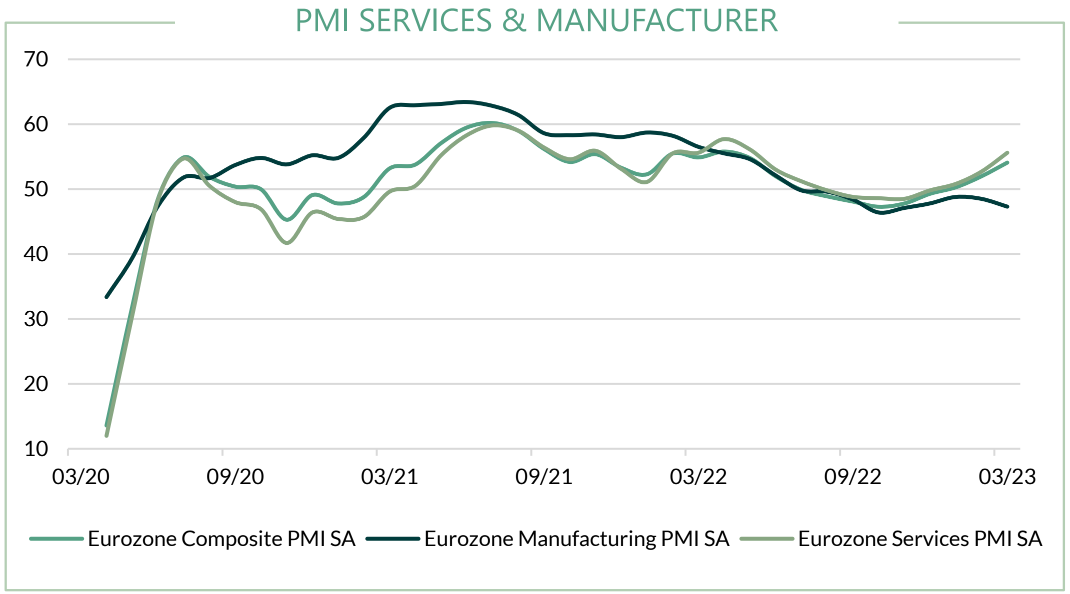
RETAIL SALES & CONSUMER CONFIDENCE

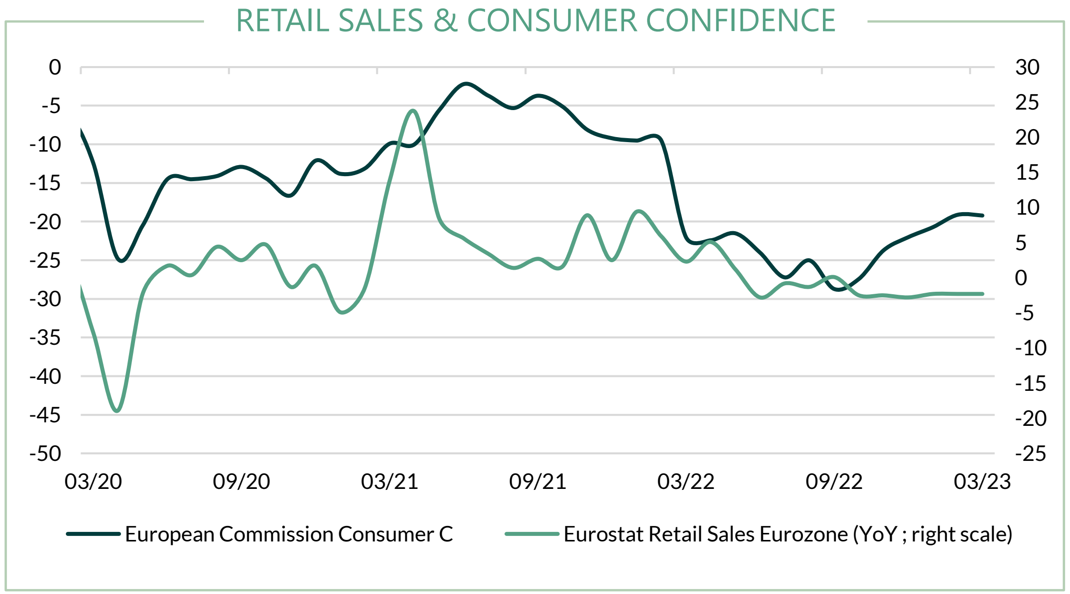


- While Q1 growth projections from the Atlanta Fed still run at 2,5% recent indicators signal fading momentum
- The ISM manufacturing survey was again weaker and well below the expansionary threshold at 46,3. All subcomponents signaled stalling to lower activity
- The labor market, though remains a source of strength and props up consumer demand for the time being
- We look for a successive softening in US economic momentum, driven by the most aggressive hiking cycle in decades and its repercussions on real estate, the banking sector and finally demand

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/03/2023

Europe
REBOUND OR SUSTAINED RECOVERY?



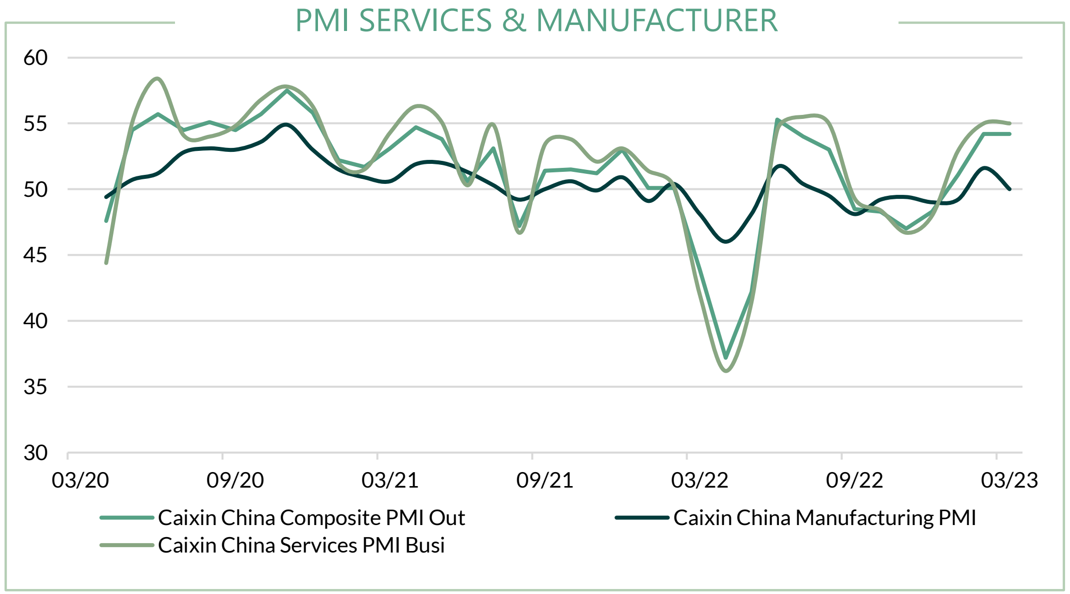


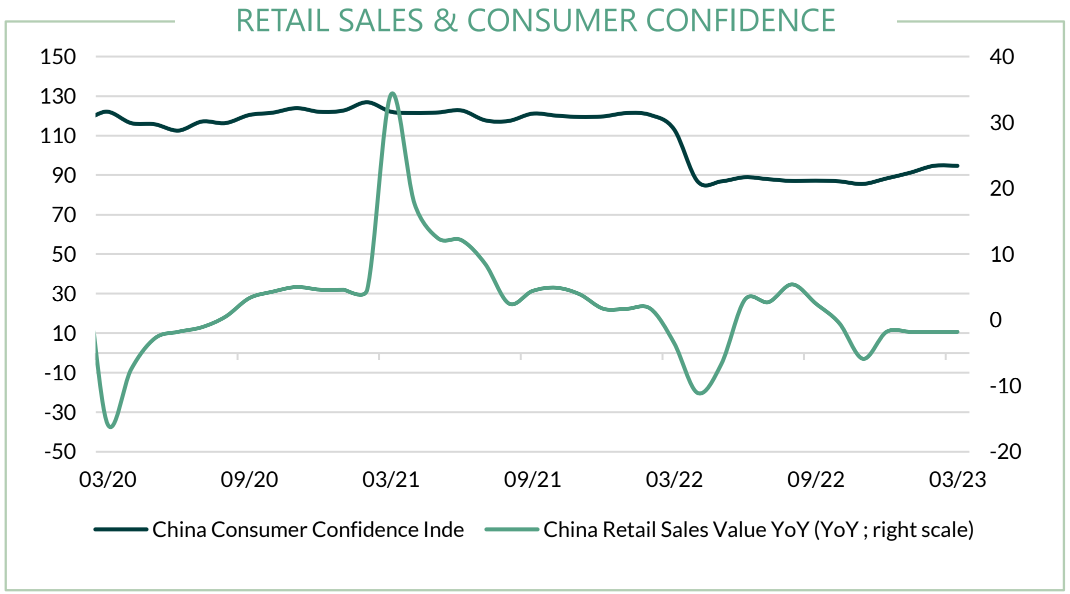
- The composite PMI for March improved again to 54,1 after 52 in February
- At the sector level, services continue to be the driving factor while manufacturing is merely improving and remains nailed below the 50-mark
- In Germany, the IFO Index send reassuring news with the expectation component rising six times in a row
- Although the better economic momentum may continue for a while, the ECB hiking cycle and a possibly upcoming US recession should limit any lasting recovery

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/03/2023

China

REOPENING IS TAKING A BREATHER





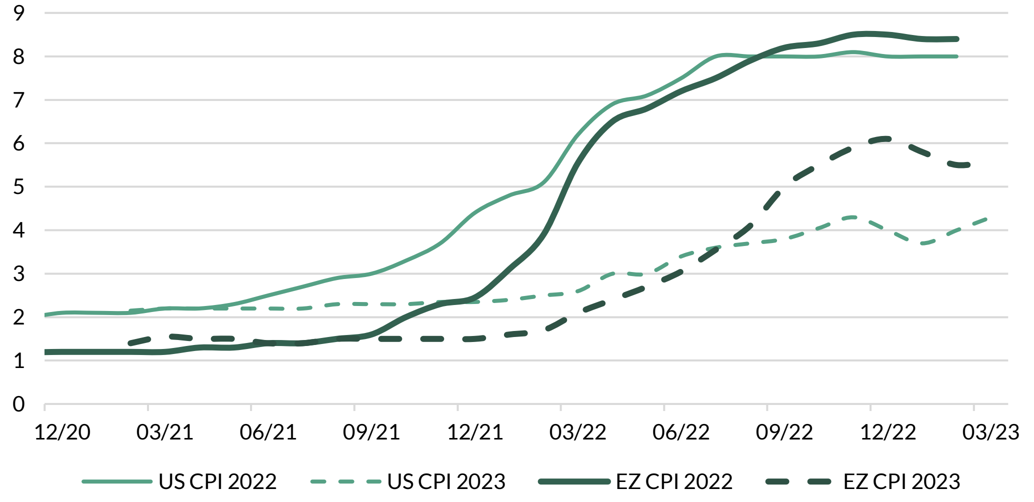
- The PMI for March rose again to 57, following a sharp increase in February
- The improvement was solely led by the service sector, while manufacturing started to stall
- Also, the property market flags indicative signs of life with new home prices rising MoM in February after having fallen since September 2021
- Despite the recent strong growth momentum in the service sector, manufacturing is still not showing any significant improvement
- Structural drags like the fallout from the property market excesses are still acting as brakes

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/03/2023

Inflation expectations

ANCHORED BUT HIGH, MAKING CENTRAL BANKS UNCOMFORTABLE

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



YOY CPI ESTIMATES

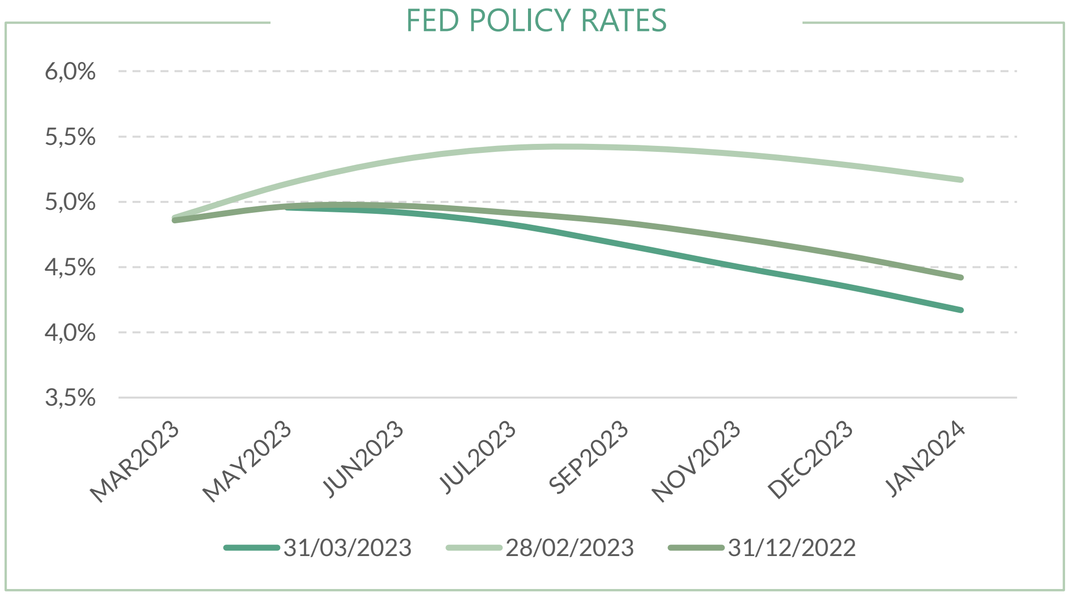
CPI YoY	Mar-23	Feb-23	1Y trend	5Y average	20Y average
Canada		5,2		3,1	2,7
U.S.		6,0		1,9	3,2
Brazil		5,6		2,9	7,8
Mexico		7,6		2,6	6,8
Chile		12,0		2,8	
Eurozone	6,9	8,5		1,8	2,5
Germany	7,4	8,7		1,8	2,2
France	5,6	6,3		1,3	2,0
Italy	7,7	9,1		1,6	2,6
Poland	16,2	18,4		3,5	
Sweden		12,0		2,0	2,2
Switzerland	2,9	3,4		0,5	0,7
U.K.		10,4		2,0	3,0
India		6,4		2,9	7,9
Indonesia	5,0	5,5		1,4	9,3
Malaysia		3,7		0,7	
Japan		3,3		0,4	0,3
South Korea		4,8		1,1	3,0
China		1,0		0,8	2,4
Hong Kong		1,7		0,8	1,6

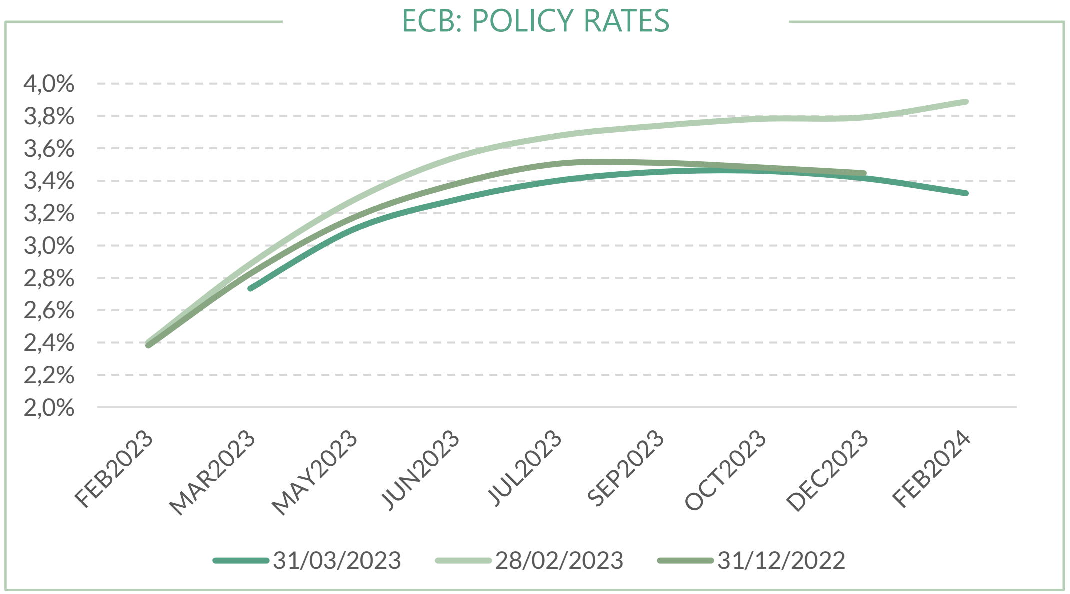
- Surveys of long run inflation expectations remain fairly muted and unchanged
- Inflation break even rates have normalized a bit after strong surge in early March and are back into the range of around 2,4% for 10-year tenors (10-year Germany)

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 03/04/2023

FED & ECB policies

ROLLERCOASTER RIDE FOR TERMINAL RATE EXPECTATIONS



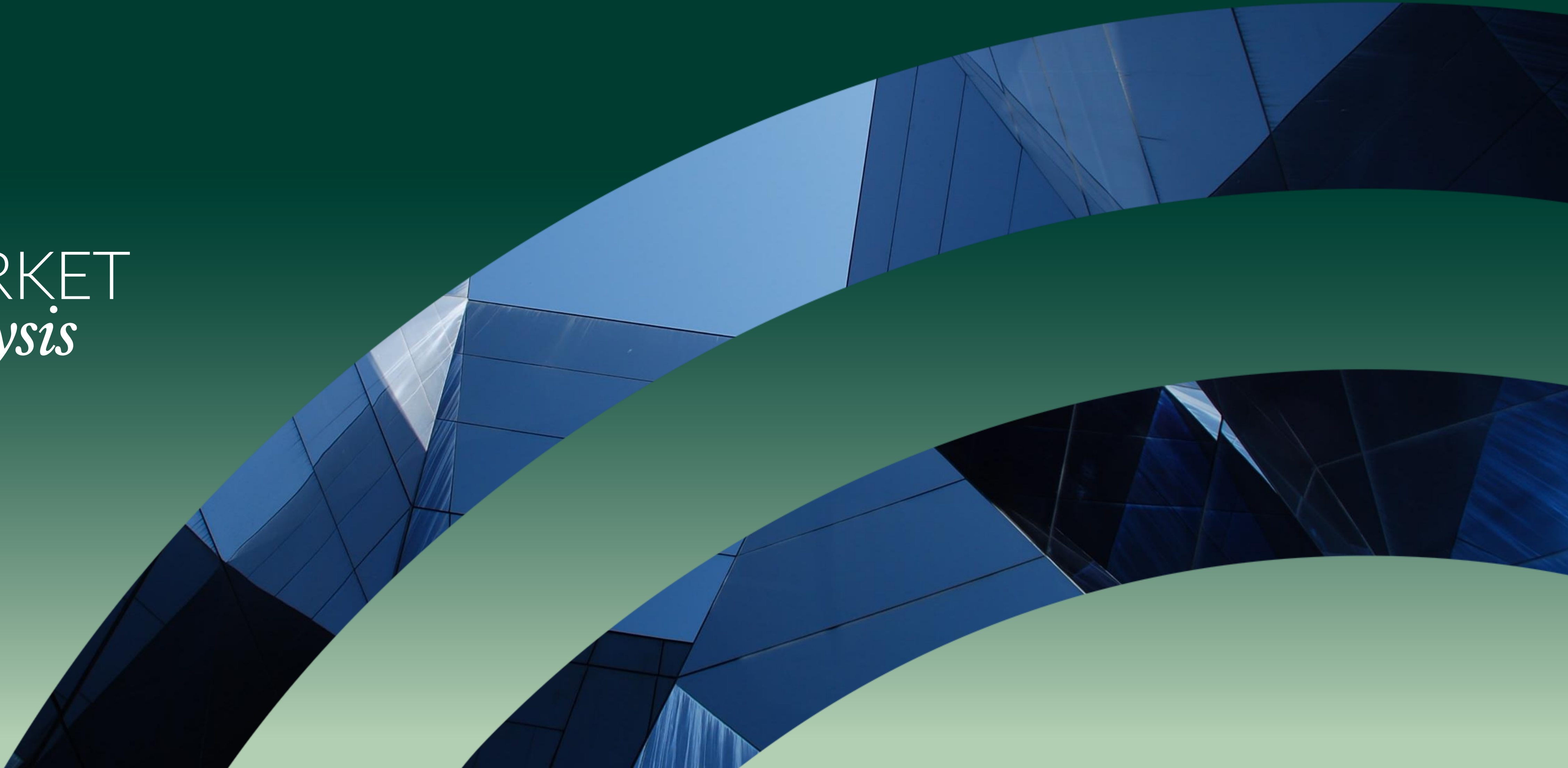


- The banking woes have led to an enormous and unprecedented volatility in central bank rate expectations
- While expectations assumed the ECB rate to finally climb to above 4% and 5,7% for Fed funds, they now stand at 3,5% and 5% respectively
- The Fed appears to be done in this hiking cycle, but current massive and early cuts already starting in June are very unlikely
- Monetary desynchronization as reflected in money market rates expectations is also rather unlikely
- Therefore, the ECB is expected to be close to the peak in rates with a certain likelihood of a final 25bp hike in May

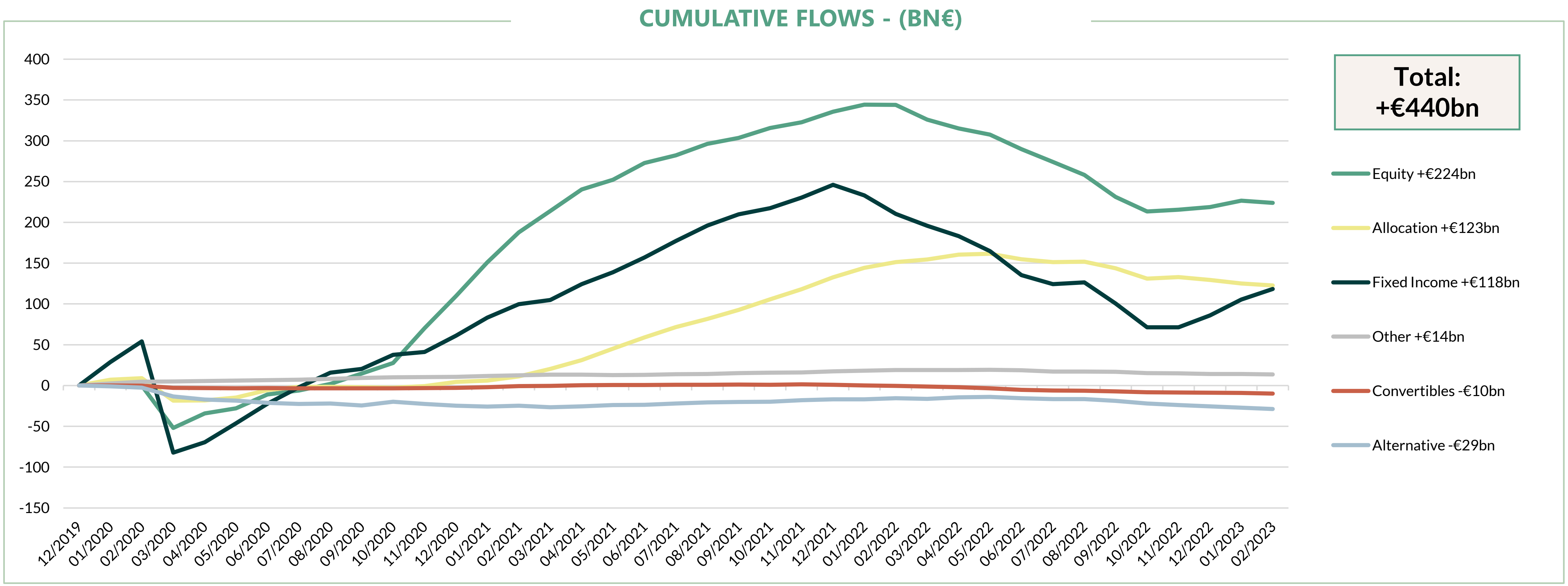
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 03/04/2023

02

MARKET *analysis*

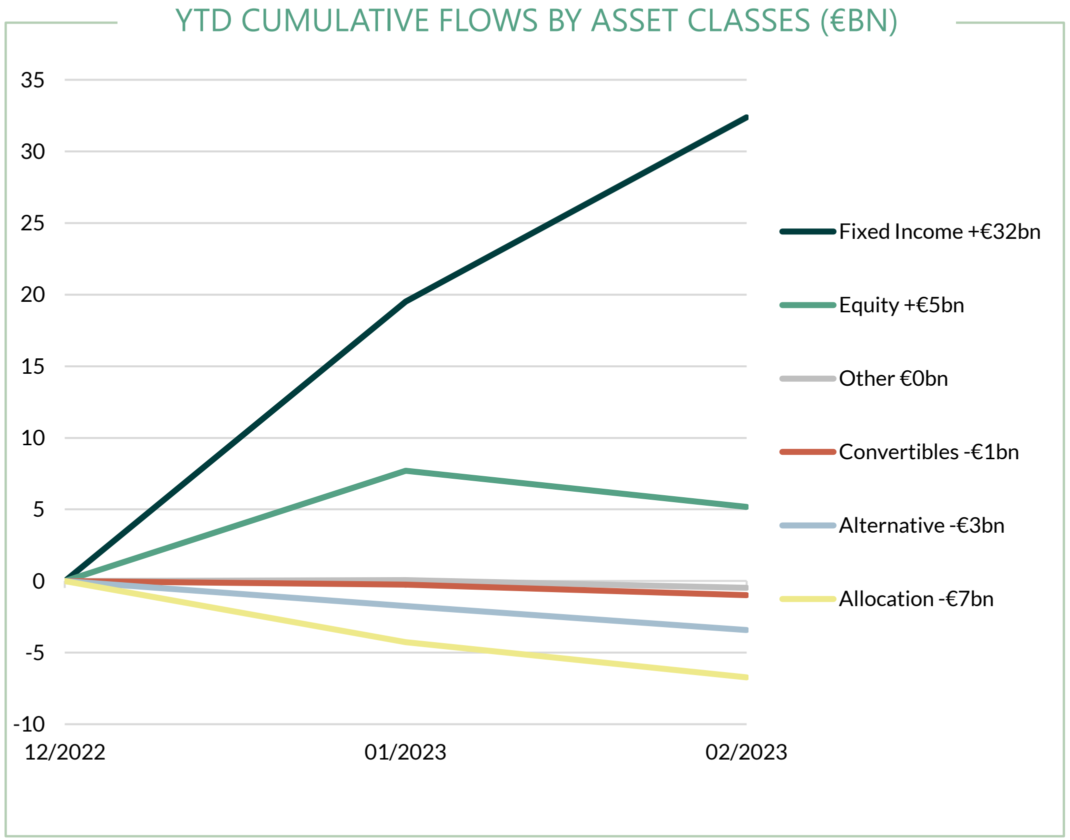


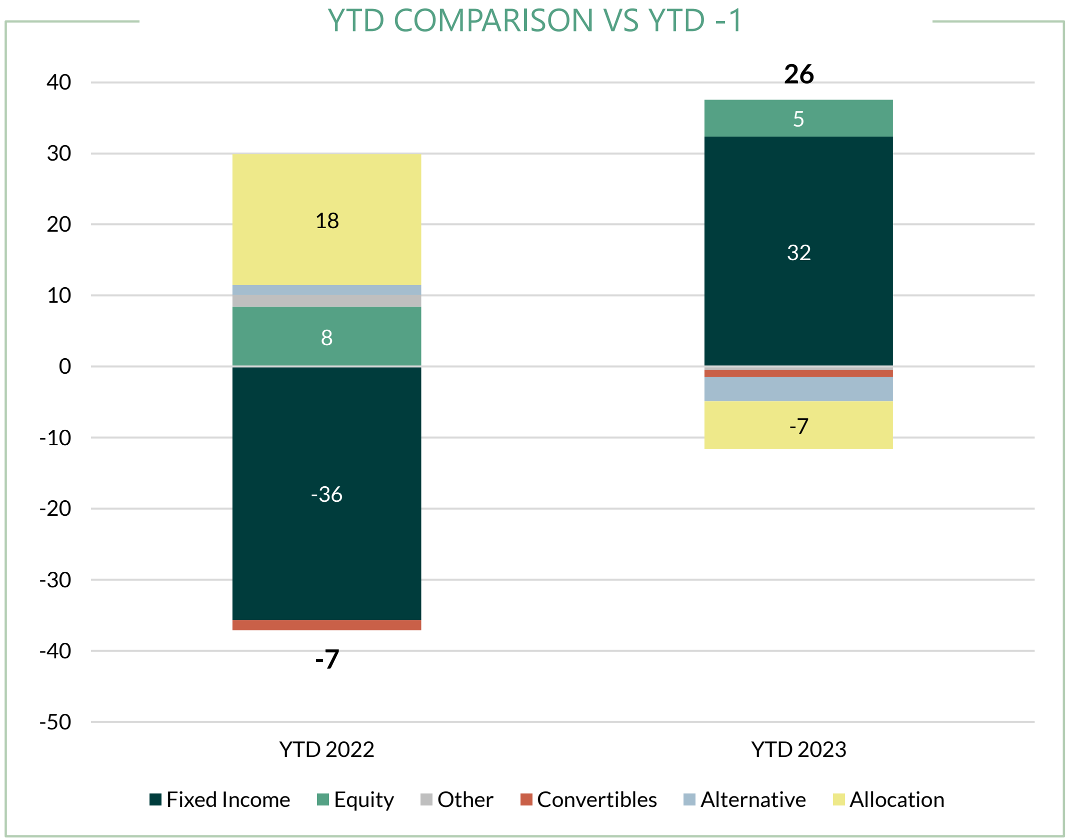
3-year cumulative mutual fund flows (€bn)
FIXED-INCOME GATHERING INFLOWS



Source: Morningstar. Data as of 28/02/2023 (Europe OE ex ETF ex MM ex FoF ex Feeder (domiciled, most compr)

YTD European mutual fund flows

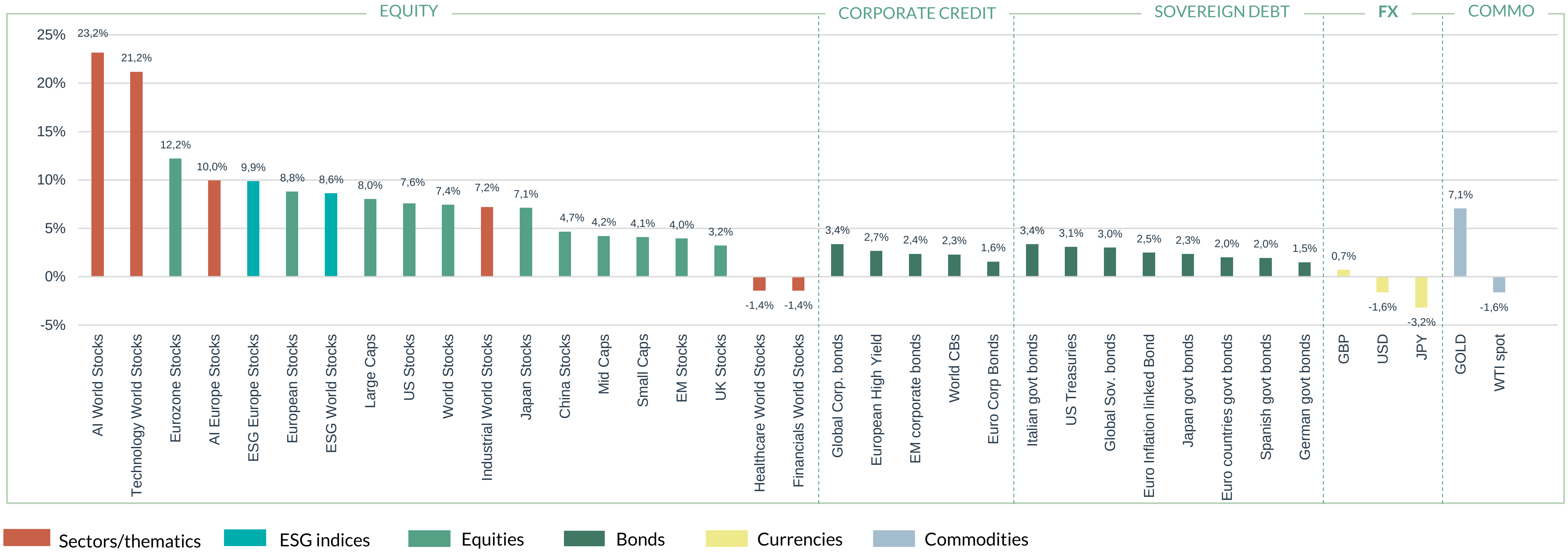




Source : Morningstar. Data as of 28/02/2023 (Europe OE ex ETF ex MM ex FoF ex Feeder (domiciled, most compr)

Year-to-date performances of asset classes

BUOYED BY FALLING YIELDS, TECH KEEPS ON OUTPERFORMING



Past performances are not a reliable indicator of future performances and are not constant over time.
Sources: Bloomberg and BoA ML as of 31/03/2023; performances expressed in local currencies

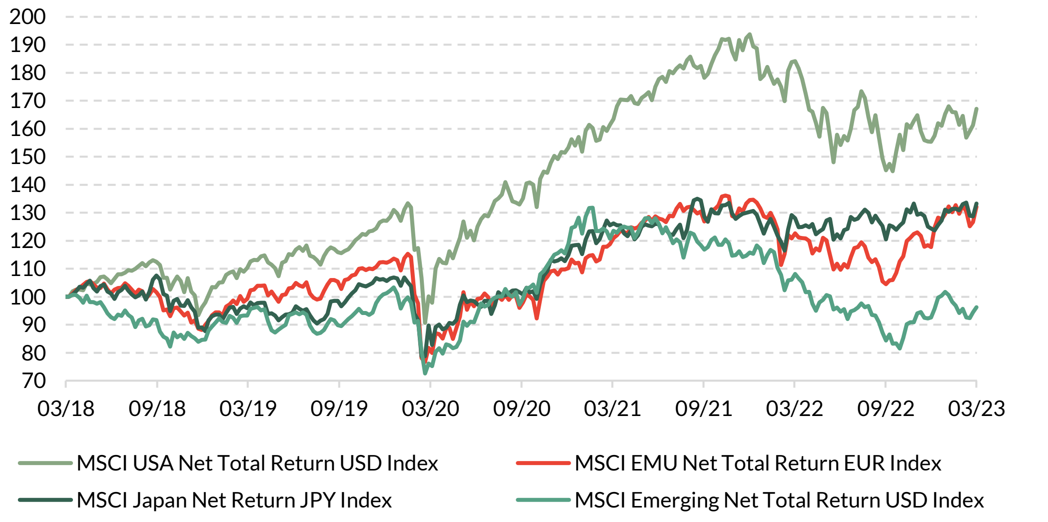
01

EQUITIES

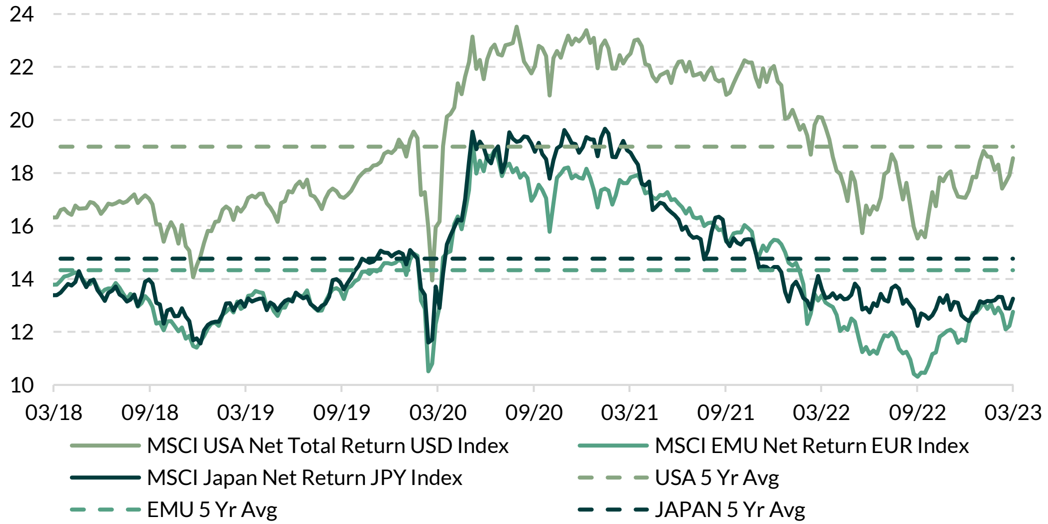
Equities

EQUITIES (TEMPORARILY?) RESCUED BY PLUNGING YIELDS

5-YEAR EQUITY MARKET PERFORMANCE



5-YEAR PRICE/EARNING RATIO

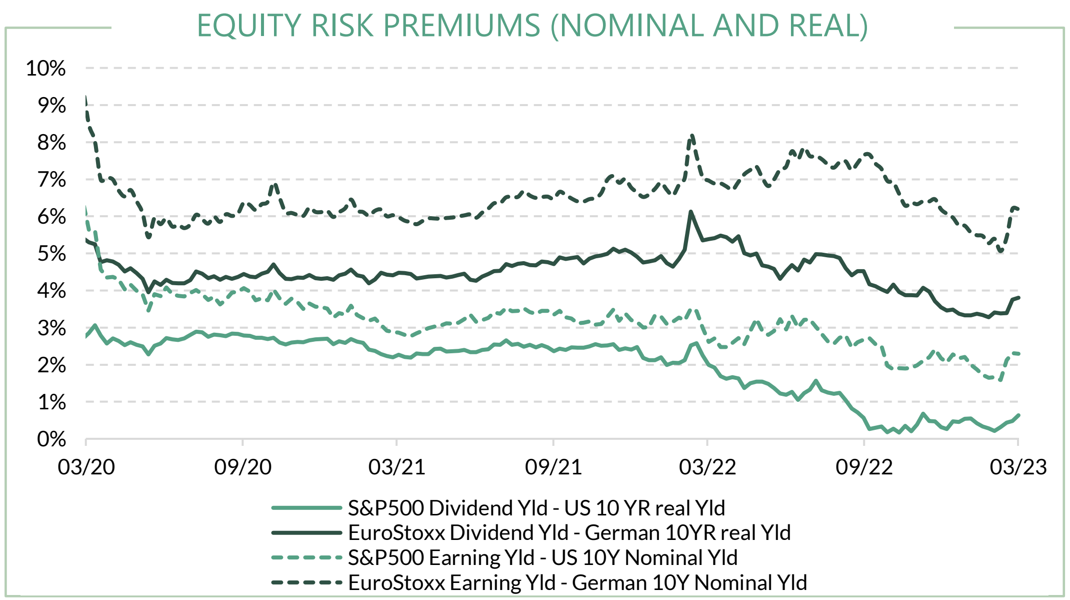


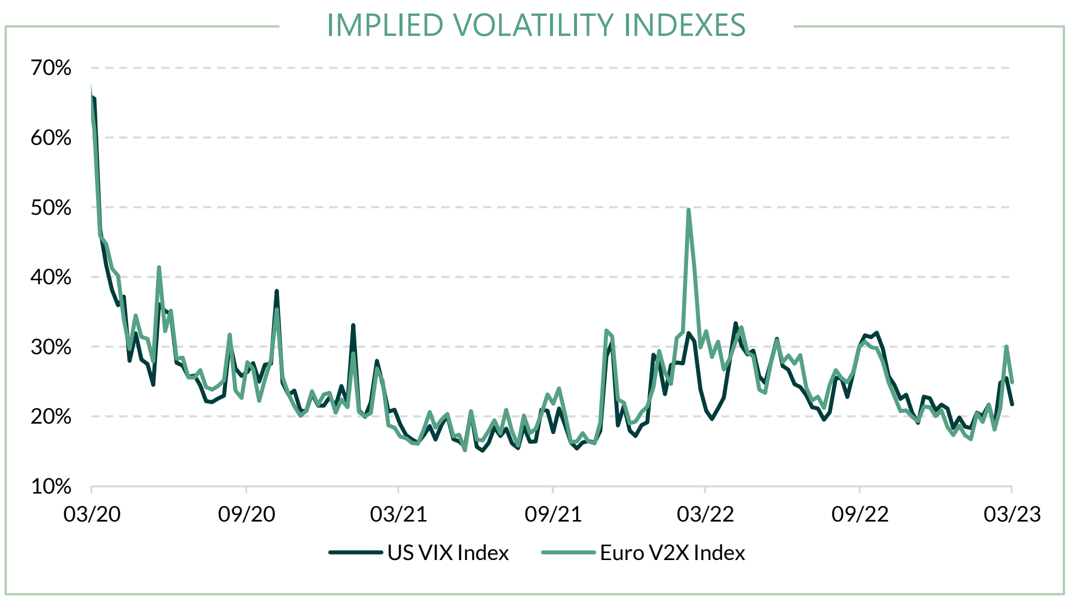
- The fixed-income rally was the main explanatory factor for the positive monthly returns posted by most indexes.
- In the US, performances ranges from -5% for the small-cap (domestic and value biased) Russell 2000 to +9% for the Nasdaq 100, with S&P500 rebounding +3%.
- With strong currencies appreciation vs USD, most other developed markets posted more tepid positive returns (EuroStoxx +0.3%, Topix +0.5%...)
- Fears of drying liquidity spilled globally, underperformance of small-caps was not restricted to the US: EuroStoxx Small -3%, FTSE250 -5%.

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 31/03/2023

Risk premiums & volatility

A MODERATE AND SHORT-LIVED VOLATILITY SPIKE





- Fast response from CBs and regulators to angsts about banks' deposits helped alleviate the risk-off mood.
- Equity indexes' implied volatilities remain close to historical lows compared to levels reached in the FX or even more so the govies universe.
- The significant fall of long-term sovereign yields indeed helped replenish equity risk premiums, that had fallen to tight levels previously.

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 24/03/2023

European equities – sectors overview

BANKS AND REAL ESTATE, INCREASINGLY LINKED FATES?

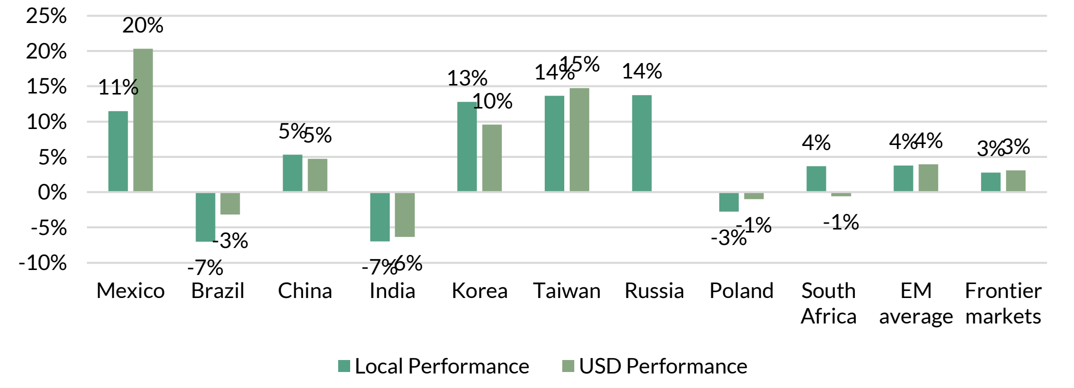
EUROPEAN SECTORS	WEIGHT	PERFORMANCE		EPS GROWTH		VALUATION			
						P/E 12m	Div Yield	EV/EBITDA	Price/Book
	%	1m %	YTD %	2022	2023	12m	12m	12m	12m
STOXX Europe 600		-0,7%	8%	12%	3%	12,6 x	3,6%	8,6 x	1,8 x
Commodities									
Energy	5,20%	-6,6%	-2%	117%	-20%	6,6 x	4,9%	3,3 x	1,1 x
Basic Resources	2,90%	-5,5%	-5%	-1%	-31%	9,1 x	5,6%	4,9 x	1,2 x
Cyclicals									
Automobiles & Parts	2,70%	-1,0%	17%	19%	-9%	6,2 x	5,1%	5,3 x	0,8 x
Chemicals	2,80%	-0,5%	7%	3%	-22%	15,8 x	3,4%	8,8 x	1,8 x
Construction & Materials	3,80%	-1,1%	14%	9%	-2%	14,2 x	3,2%	8,2 x	1,8 x
Industrial Goods & Services	14,00%	0,3%	12%	20%	-5%	17,0 x	2,6%	9,9 x	2,7 x
Media	1,80%	0,6%	12%	8%	8%	16,8 x	2,7%	10,8 x	2,9 x
Technology	7,30%	5,2%	19%	4%	48%	22,8 x	1,3%	15,0 x	4,0 x
Travel & Leisure	1,40%	1,6%	20%	157%	78%	18,2 x	1,5%	8,2 x	2,7 x
Consumer Products and Services	6,30%	5,9%	21%	10%	6%	25,1 x	1,9%	14,2 x	4,3 x
Financials									
Banks	9,30%	-13,7%	4%	8%	16%	6,4 x	7,1%		0,6 x
Insurance	5,30%	-5,5%	1%	-14%	42%	9,3 x	5,8%	31,4 x	1,5 x
Financial Services	4,00%	-4,9%	6%	-82%	216%	11,9 x	3,4%	8,4 x	1,2 x
Real Estate	1,90%	-11,2%	-4%	16%	0%	11,7 x	5,1%	21,0 x	0,7 x
Defensives									
Health Care	14,70%	2,8%	3%	4%	6%	17,5 x	2,5%	12,3 x	3,3 x
Food Beverage and Tobacco	6,40%	2,2%	4%	11%	6%	16,2 x	3,3%	11,7 x	2,7 x
Personal Care Drug and Grocery Stores	2,10%	3,2%	8%	4%	3%	16,7 x	3,2%	8,6 x	2,7 x
Retail	1,10%	0,2%	18%	-2%	4%	16,9 x	3,3%	7,8 x	2,5 x
Telecommunications	3,00%	1,1%	13%	53%	3%	13,4 x	4,7%	6,5 x	1,3 x
Utilities	3,90%	3,3%	6%	19%	-3%	13,1 x	4,7%	8,0 x	1,6 x

Past performances are not a reliable indicator of future performances and are not constant over time
Sources: ODDO BHF AM SAS, Goldman Sachs, 03/04/2023

Emerging markets

FAR FROM THE BANKING STRESS, PARTLY BUOYED BY US YIELDS

YTD EQUITY PERFORMANCE ON MAJOR EMERGING MARKETS

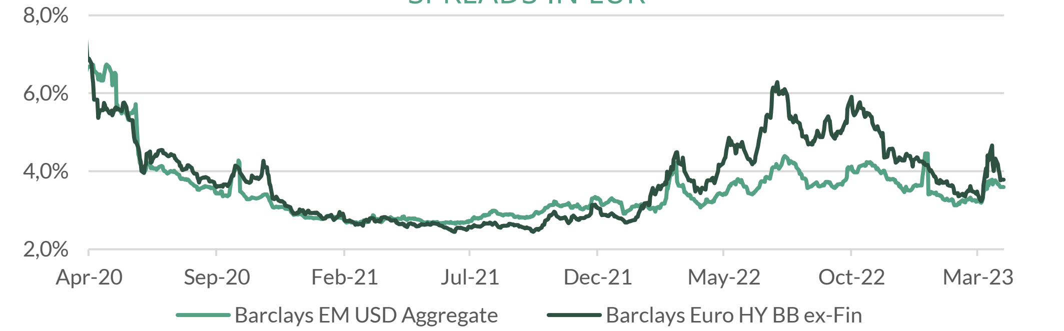


EPS (INCLUDING LOSSES) GROWTH & PE (LOCAL CURRENCY)

Emerging	PE 12mth fwd	Current Fiscal Year est EPS Growth	Next Fiscal Year est EPS Growth	Dividend Yield (trailing 12m)
MSCI EM	12,4	0%	17%	3,2%
MSCI CHINA	11,1	22%	15%	2,4%
MSCI KOREA	15,8	-38%	58%	1,9%
MSCI INDIA	20,2	19%	20%	1,4%
MSCI INDONESIA	12,8	10%	5%	3,8%
MSCI PHILIPPINES	13,7	7%	14%	2,1%
MSCI MALAYSIA	13,2	16%	7%	4,2%
MOEX Russia Index	*2,1*	*23%*	*-6%*	*8,4%*
WSE WIG INDEX	7,2	-21%	7%	3,3%
MSCI TURKEY	3,2	39%	15%	4,8%
MSCI SOUTH AFRICA	10,7	-15%	9%	4,3%
MSCI BRAZIL	6,8	-18%	3%	10,1%
MSCI COLOMBIA	5,0	-22%	2%	9,1%
MSCI MEXICO	13,3	-6%	10%	3,5%

- While the banking sector lost -12% in the developed world index, MSCI Emerging Banks posted a +1% monthly return.
- Across countries, performances range from -8% in Istanbul and -3% in Sao Paulo, to +3% in Hong-Kong and Seoul.
- A moderate spread widening on hard-currency EM debt compared to developed credit.

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



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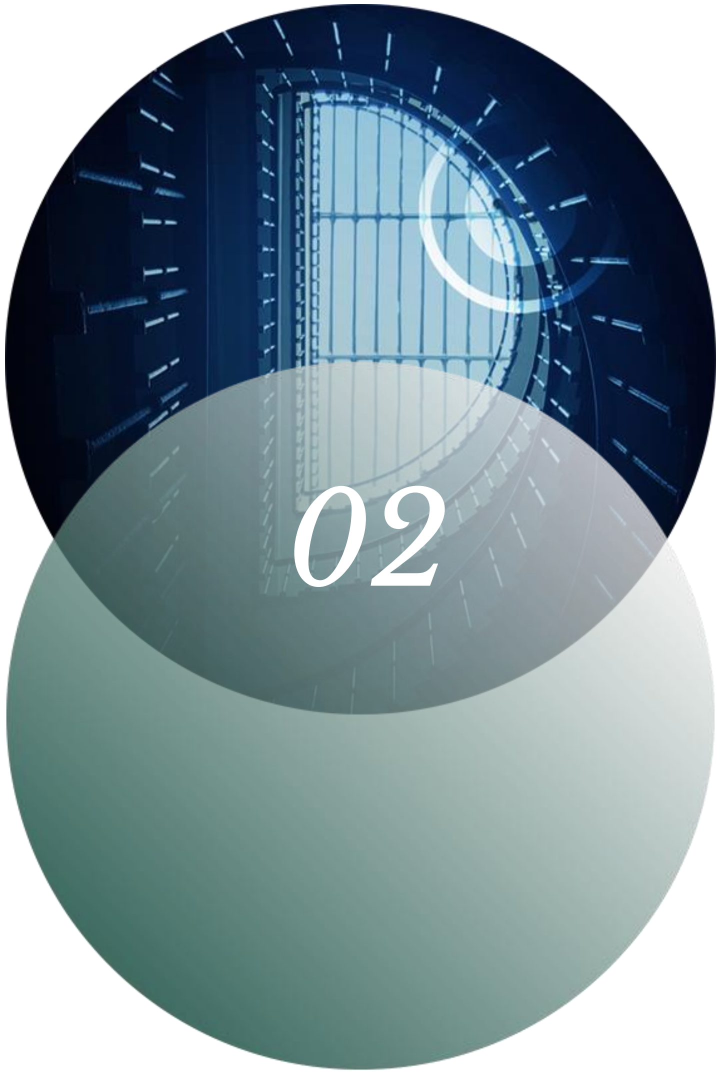
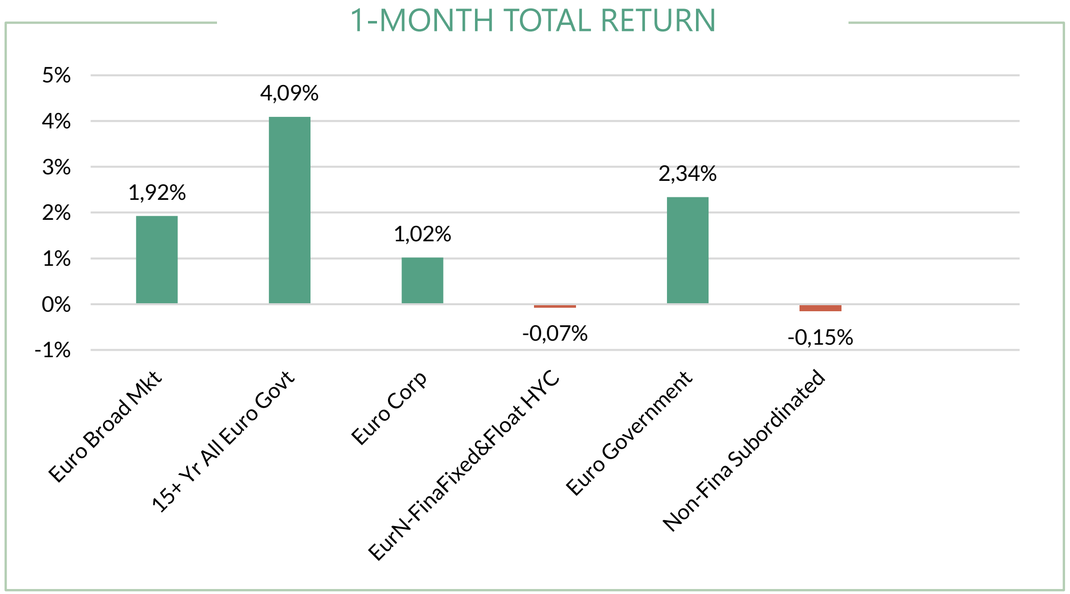
Sources: Bloomberg, ODDO BHF AM SAS | Data at 03/04/2023

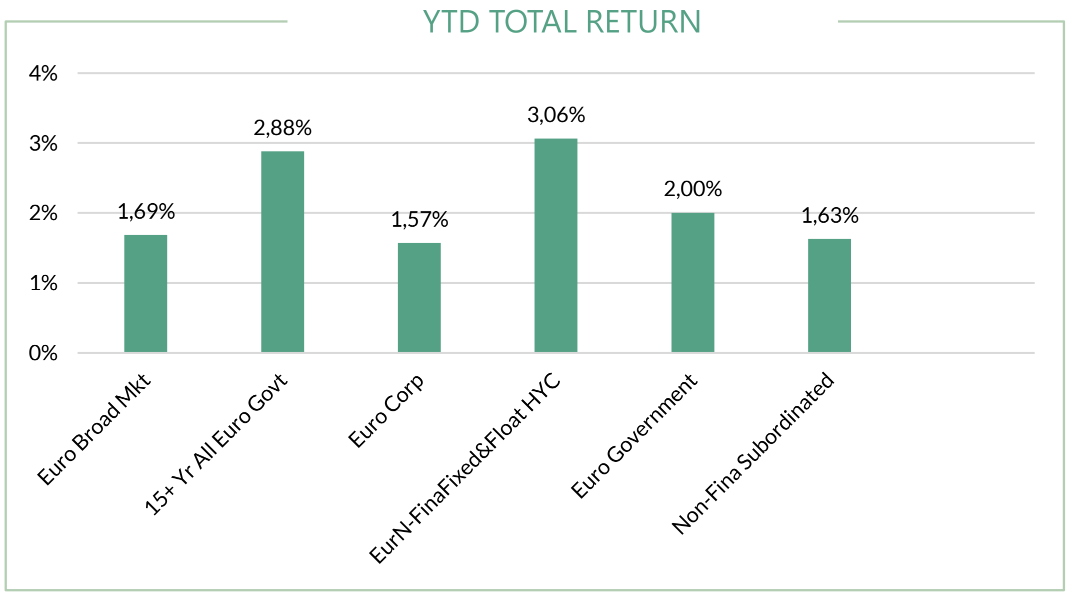


02 FIXED INCOME

Performance fixed income segment

GOOD PERFORMANCE MASKS INCREDIBLE DAILY VOLATILITY

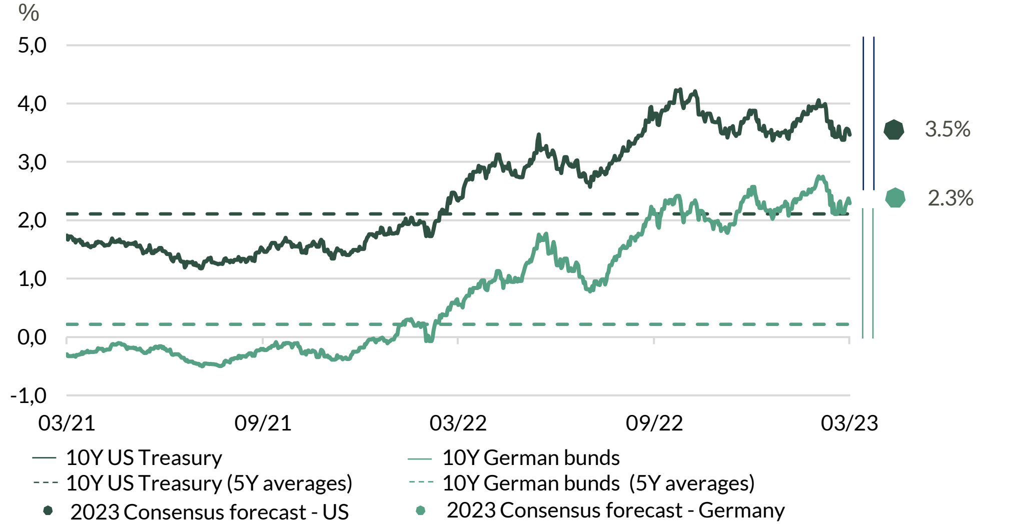




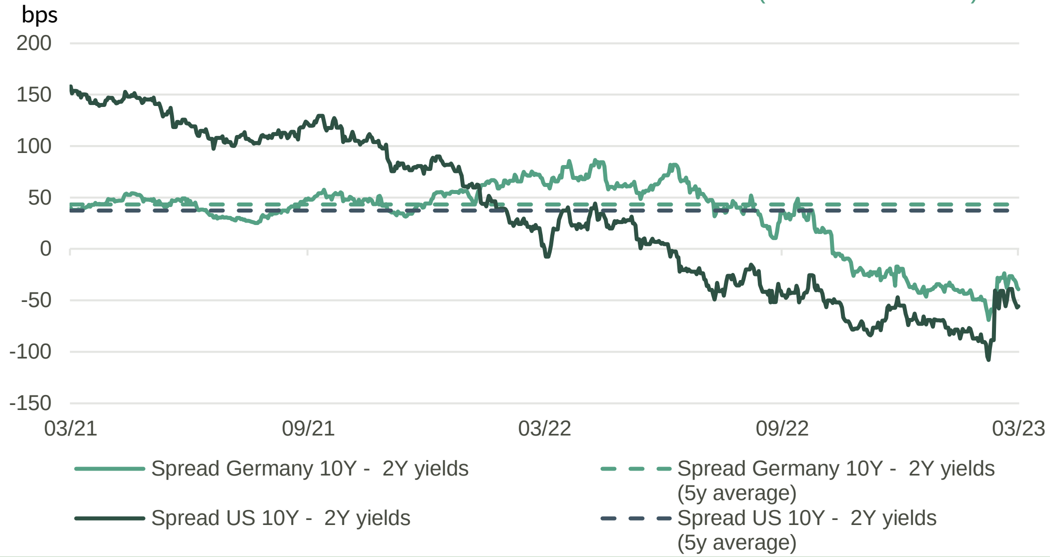
Past performances are not a reliable indicator of future performances and are not constant over time
Source: ODDO BHF AM, Bloomberg, data as of 31/03/2023

Rates
YIELDS MAY DECLINE FROM HERE

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



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

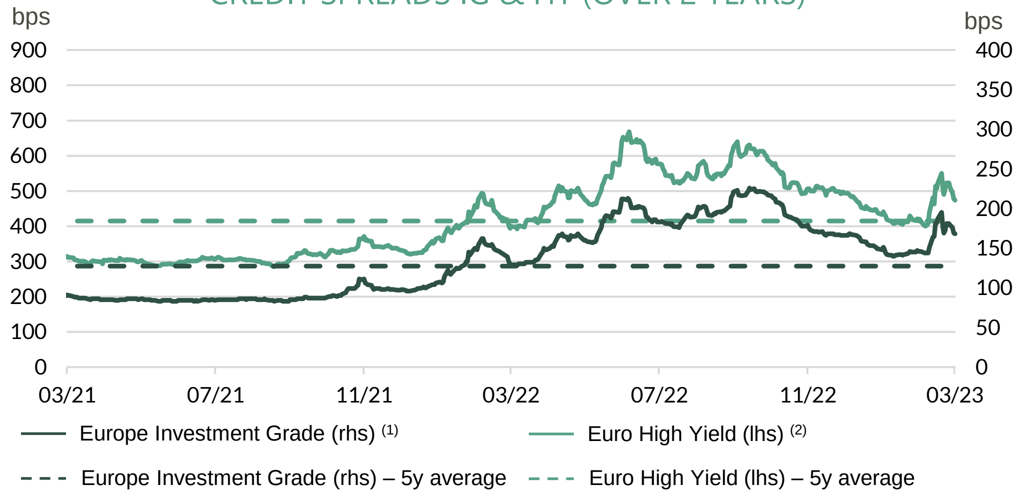


- While US 10-year treasuries have already rallied 100bp from their high of 4,4%, 10-year Bunds still appear to be stuck in a 2% to 2,75% range
- Falling inflation prints, cooling activity data and the perception that the ECB has done its job or is fairly close to it should stabilize Bund yields before they join US treasuries in the downtrend
- Curve steepening positions are becoming attractive as the end of the hiking cycle approaches
- For now, we actively underweight the 30-year sector vs 10-years, but stay neutral on 10-2 years

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 31/03/2023; RHS: Data as of 31/03/2023

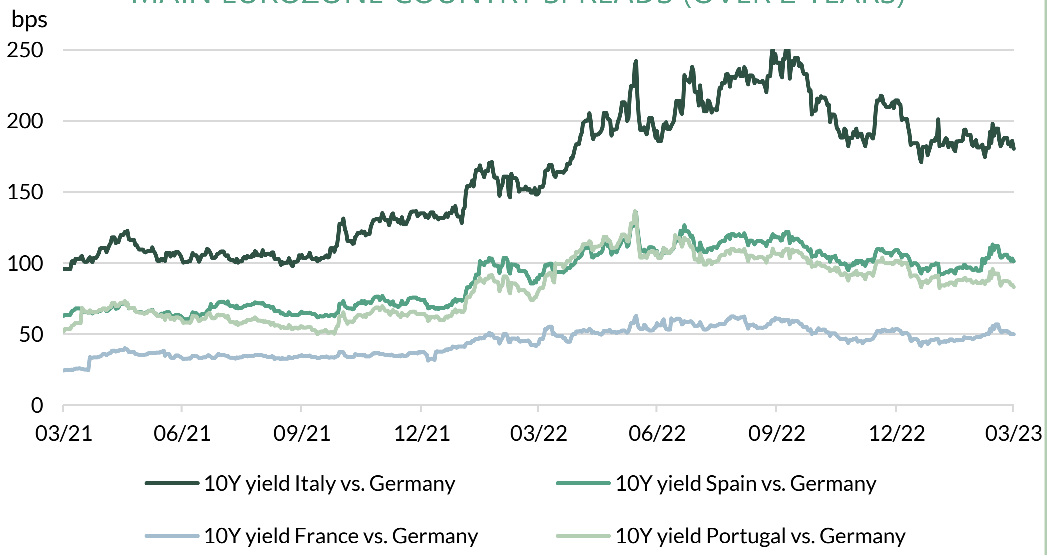
Credit Spreads
CARRY ON

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)

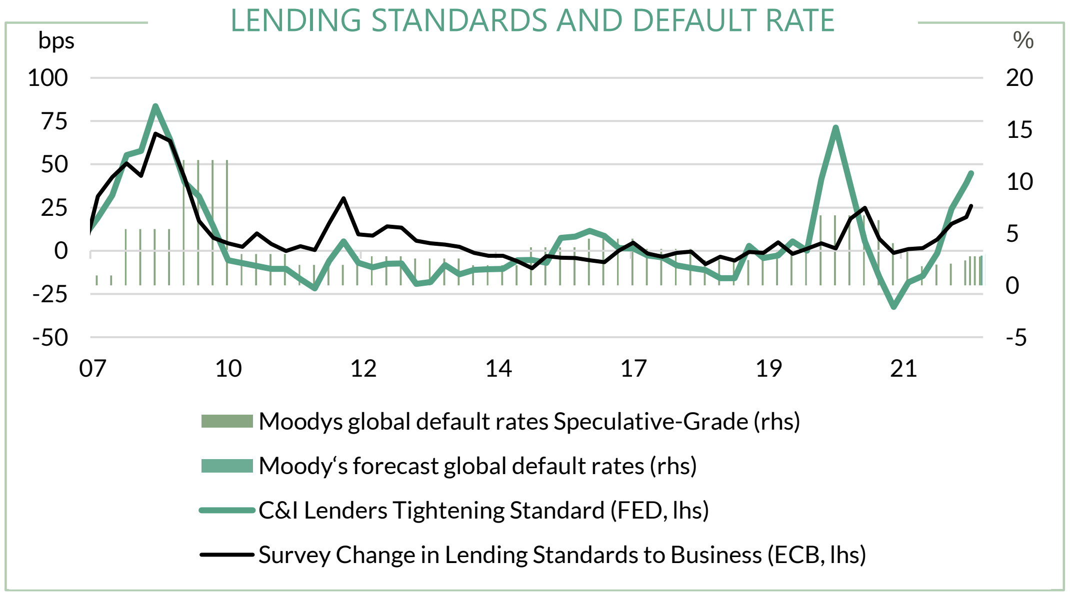


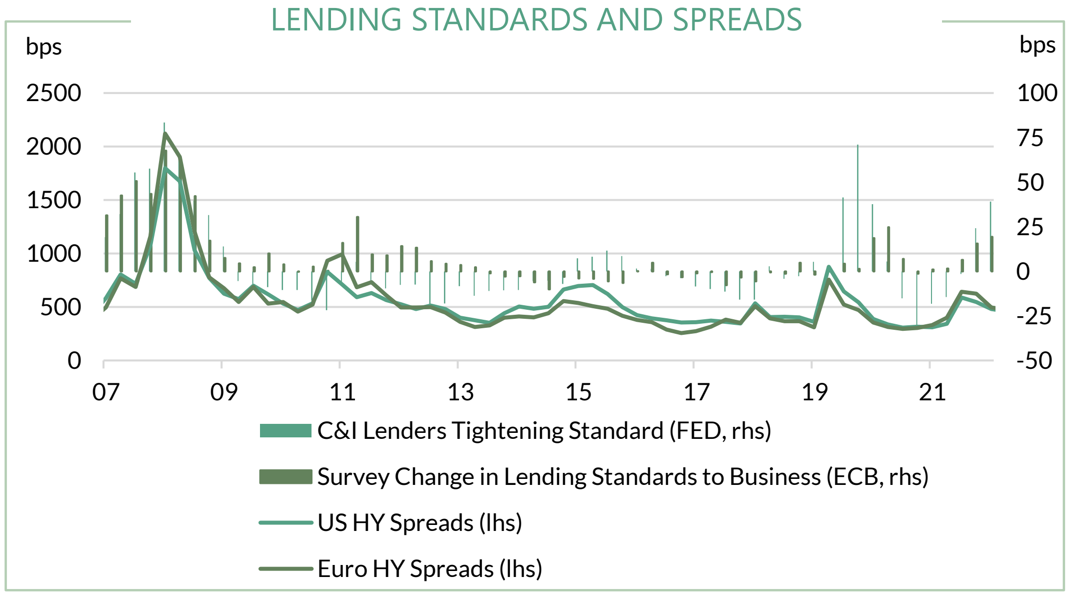
- Credit spreads took a hit amid the recent banking sector fears and propelled all sector investment grade indices to spread levels last seen in November 2022
- Current spread levels around 170bp appear attractive for now as long as the stress in financial markets remains contained
- High yield bonds are more challenged by the underlying banking issues and market liquidity problems
- Despite the recent spread spike in credits peripheral spreads have barely moved
- We stay underweight Italy given headwinds from heavy supply, the start of quantitative tightening in the Eurozone and increasing recession probabilities in the US

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 31/03/2023

Financial conditions

CREDIT AND LOAN AVAILABILITY TO FALTER





- In the US, small and regional banks account for a considerable amount of the overall business with a focus on commercial real estate (around 80%)
- Given ongoing deposit outflow, credit and loan growth is likely to decline acting as a drag on economic momentum
- This comes on top of an already restrictive stance on lending standards as reflected in Fed's March lending survey

Source: Fed, ECB, Bloomberg | Moody's as of 28/02/2023, Lending Standard & Survey Change as of 31/01/2022, Spreads as of 31/03/2023

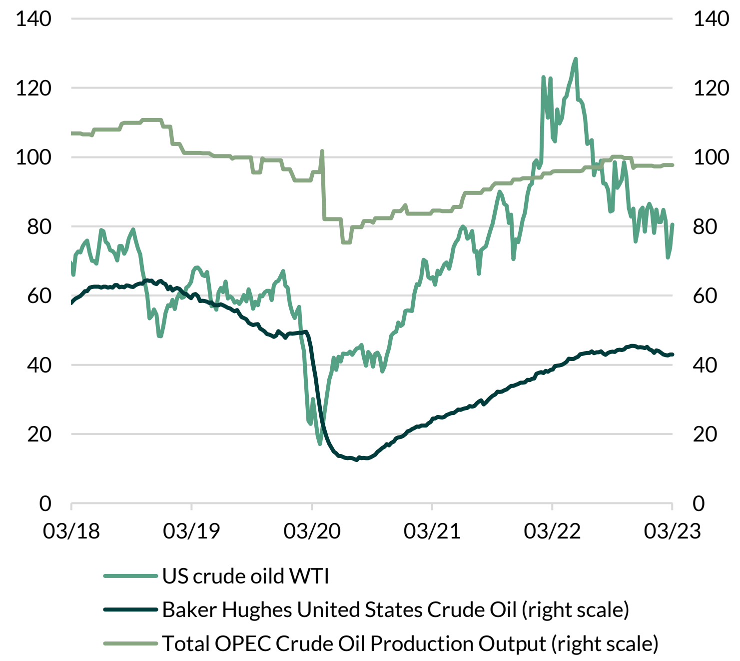
COMMODITIES & CURRENCIES

Commodities

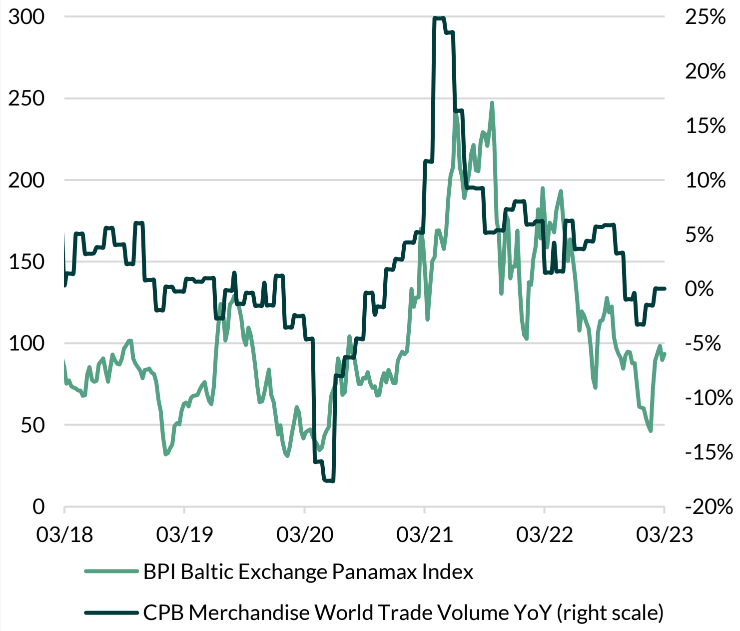
GOLD: « BARBARIAN RELIC* », BUT STILL FASHIONABLE

METALS

OIL



FREIGHT



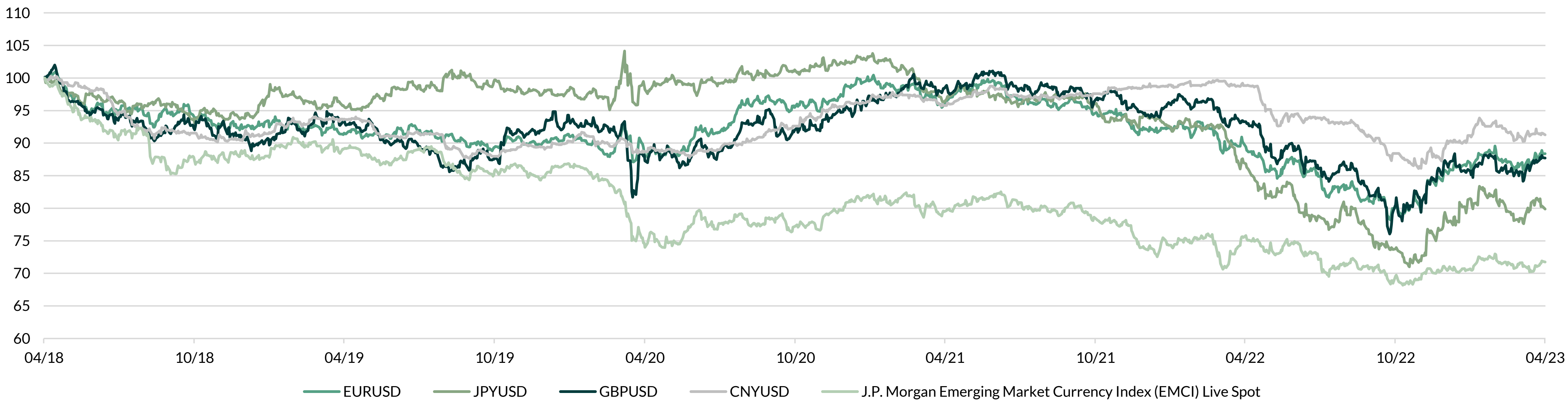
- Energy prices kept moderating (GSCI Energy -4%) and Industrial Metals were close to flat, as economic slowdown angsts resurfaced.
- Even more than non-USD currencies, precious metals got a lift from falling US yields (GSCI precious metals +8%).
- After a serious decline of crude price since last summer highs, global oil production now seem to have reached a plateau or maybe even to start turning south.
- Besides, the prices of agricultural raw materials recorded an increase of 3%,

Past performances are not a reliable indicator of future performance and are not constant over time.
Sources: Bloomberg, ODDO BHF AM SAS | Data at 31/03/2023 |* In the words of John Maynard Keynes (1923) on the gold standard

Currencies

USD DEPRECIATION TREND CONTINUING

CURRENCIES - CHANGE OVER 5 YEARS



- A generalized appreciation vs the greenback.
- Albeit in a less orderly manner than their developed peers, emerging currencies mostly appreciated vs USD in March (among best performers, BRL, THB and ZAR gained +3%).

Past performances are not a reliable indicator of future performance and are not constant over time.
Sources: Bloomberg, ODDO BHF AM SAS | Data at 03/04/2023

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 improved somewhat: 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. However, central banks remain hawkish, and the full impact of rate increases still has to be seen. In addition, the stress in the banking sector could lead to a more restrictive credit supply. So far, corporate earnings are solid, but margins are increasingly at risk.

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
- 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
- Allocations from global investors should decrease

STRATEGY

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

OVERWEIGHT

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

UNDERWEIGHT

- Overall Equities
- Long duration High Yield and Emerging Markets

70%

02 *Alternative scenario #1*

Banking crisis, sticky inflation and hawkish ECB

- Stress in the financial sector leads to a more restrictive credit supply
- Inflation does not fall to the expected extent, stays sticky despite a weaker economic outlook and hawkish ECB
- Market volatility increases

OVERWEIGHT

- Alternative strategies
- Cash

UNDERWEIGHT

- Equities
- Credit

20%

03 *Alternative scenario #2*

Upside scenario

- Resolution of the stress in the financial system and no repercussions to the real economy
- China re-opening and less disrupted supply chains support global growth, a recession is avoided
- Central banks change their current 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 05/04/2023

Our current convictions
FOR EACH ASSET CLASS

Change from the previous GIC meeting*

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

Source: ODDO BHF AM, as of 05/04/2023. *Please note that in this case, the previous meeting was an extraordinary meeting held on 27 March 2023.

Our current convictions
FOR EACH ASSET CLASS

Change from the previous GIC meeting*

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

Source: ODDO BHF AM, as of 05/04/2023. *Please note that in this case, the previous meeting was an extraordinary meeting held on 27 March 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

- Mar 23 • The “Rentier” is doing better
- Feb. 23 • Europe's comeback and the hope for a near end to the interest rate hike cycle
- 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

MARKET VIEWS

- 14/03/23 From TINA to TAPAS: there are alternatives again
- 14/03/23 European outlook, one year after the “Putin shock”
- 15/02/23 • Monetary policy tightening: too much or too little?
- 15/02/23 • Venture Capital – which opportunities?
- 18/01/23 • European equities: Stocks of the Old World are back in demand

VIDEOS

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

SUSTAINABLE INVESTING

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

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