MONTHLY *investment* BRIEF

ODDO BHF ASSET MANAGEMENT

The "Rentier" is doing better

While we ended 2022 with expectations of zero growth, or even a moderate recession, the global economy has surprised us. So much so, that we are now shifting from fears of little to no growth to the complete opposite: fears of too much growth, which could force central banks to raise rates more than expected to tame inflation.

This fear is particularly palpable in the United States. The core PCE deflator rose by 0.6% in January, compared with forecasts for a 0.4% increase. The prices paid component of the ISM manufacturing index jumped to 51.3 from 44.5 last month.

Since the start of February, the market's estimate of the terminal rate of the Fed has risen by 60 basis points to 5.50%, causing the yield on 10-year Treasury bonds to rise by 67bp, from 3.40% to 4.07%.

We had significantly reduced the duration of our portfolios in response to the series of inflationary shocks over the past three years. It is now appropriate to consider extending it, notably through a potential repositioning on US sovereign bonds

What is the relationship between the central banks' rate and the yield on 10-year Treasury?

The Federal Reserve will update its economic and interest rate projections at its meeting later this month. Investors will certainly have a clearer idea of the future path of federal funds rates. However, a great deal of uncertainty will remain as to how much the 10-year US Treasury yield will rise.

For example, during the 2004-2006 tightening cycle, the federal funds rate reached 5.25% and the 10-year Treasury yield peaked at about the same level. Today, the Fed is poised to raise short term rates to similar levels, but the 10-year Treasury yield remains much lower.

Should we expect the 10-year Treasury yield to jump to 5% this time around? Probably not.

To understand why, we can use a simple model to estimate the 10-year Treasury yield based on the Federal funds rate, inflation expectations and potential GDP growth. The model shows that the main difference between the mid-2000 and today, is that potential GDP growth is much lower, implying a lower breakeven interest rate.

If we hold inflation expectations (2.5% from the break-even inflation market data) and potential GDP growth constant (1.5%) and assume that the federal funds rate increases to 5.25%, the model shows a 10-year Treasury yield at around 4%. Even if we push the expected federal funds rate to 6%, the value estimated by the model only just reaches 4.25%. The sensitivity to short term rates decreases as rates rise, which is intuitive.

Based on this analysis, and all else being equal, it is safe to say that any move above 4% in the 10-year Treasury yield is a buying opportunity.

What about inflation and growth assumptions?

Our chief economist forecasts 1.5% US growth in 2023. We will not take active bets on inflation but use the 10-year break-even point.

Should inflation rise again significantly, the decision to increase duration would obviously need to be reconsidered.

On the other hand, the risk of a recession cannot be ruled out for 2024, although it's been considerably reduced for 2023. The risk is therefore to the downside on growth, which makes it all the more favourable to reweight bonds.

Source: ODDO BHF AM, comments as of 08/03/2023

Moreover, let's not forget that a 4% yield also provides carry and can partially or even totally limit capital loss in case of rising rates. As long as rates do not rise above 4.42%, you will not lose any money on 31 December 2023, an assumption that seems quite reasonable in the current context.

Which strategy by asset class?

Equities: We remain constructive but a little more cautious due to the recent rebound. We are returning to a neutral or even a slightly underweight position, particularly on US equities. Let's also keep in mind that the effects of monetary tightening will soon start to be felt and may weigh on growth and thus, margins. Today, we consider that the 5.4% return offered by US equities (with a forward 12-month earnings multiple of 18.5x) does not offer any relative value compared to... risk-free cash, which should soon offer the same returns.

The situation of the European market is a bit different. The Eurostoxx 50 offers a return prospect of 8% well above money market rates or even bonds, including high-yield bonds close to 6%. We thus recommend our clients: (1) to give preference to eurozone equities, (2) to reassess growth stocks at a reasonable price, but (3) still not to reposition on small-cap stocks. Outside Europe, we remain positive on domestic Chinese and Japanese equities.

Bonds: In credit, we are reducing the overall duration of portfolios and are positioning towards shorter maturities, also known as short duration. In that sense, we are reducing our exposure to credit risk after an impressive spread tightening. On the other hand, we are lengthening the duration of portfolios that hold mainly US sovereign bonds. Adding duration offers diversification and carry.

Risk management: For those who can, it is also possible to add convexity to portfolios by buying put options on equity indices. Volatility has dropped significantly and with a few tens of basis points, it is now possible to effectively hedge a portfolio in case of a market correction. Conversely, you will still benefit from exposure to risky assets if equity markets continue rising.

In conclusion, it is time to be a bit more cautious and favour the carry trade once again. The interest rate environment is evolving so fast that it offers arbitrage opportunities to build highly diversified, robust portfolios that are much less risky than in periods of zero interest rates. The rentier can breathe again!

LAURENT DENIZE
Global Co-CIO, ODDO BHF

Source: ODDO BHF AM, comments as of 08/03/2023

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02 MARKET ANALYSIS

EQUITIES
FIXED INCOME
COMMODITIES & CURRENCIES

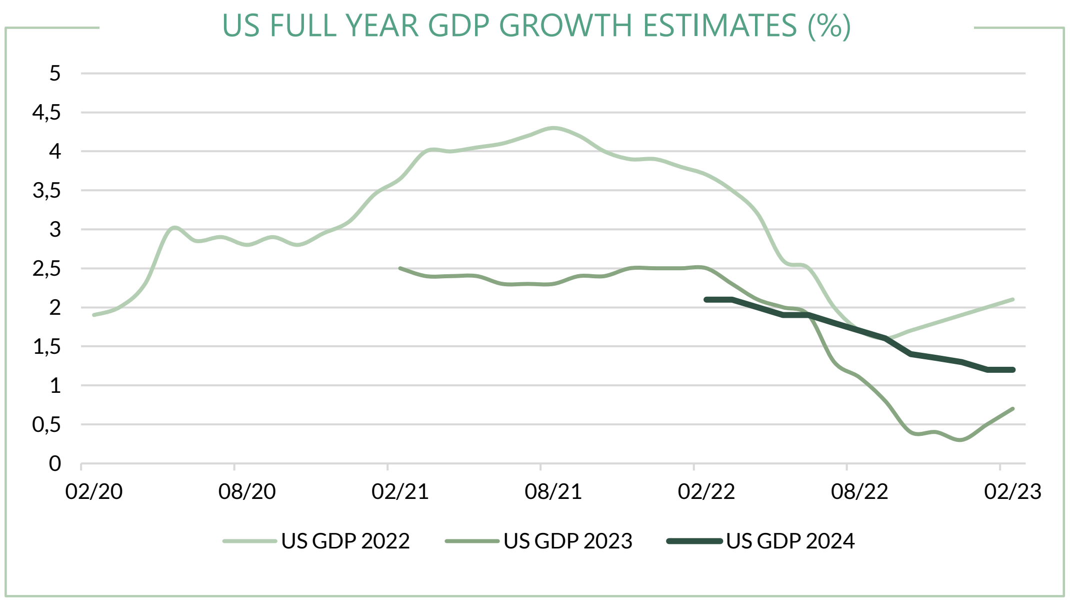
03 CURRENT CONVICTIONS

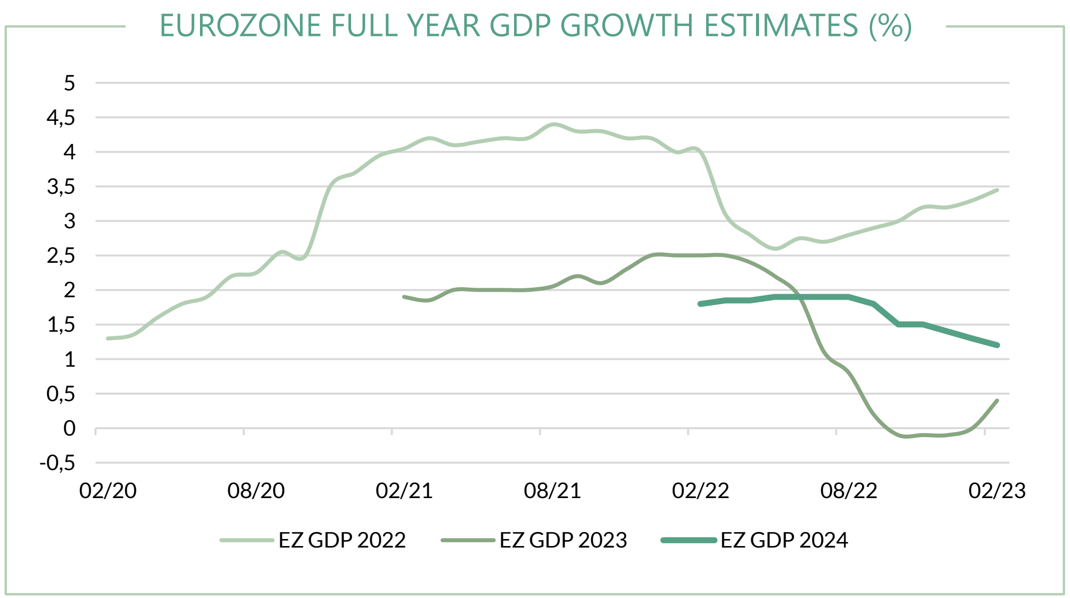
01

MACROECONOMIC *outlook*

Growth outlook

GROWTH REBOUND CONTINUES FOR THE MOMENT



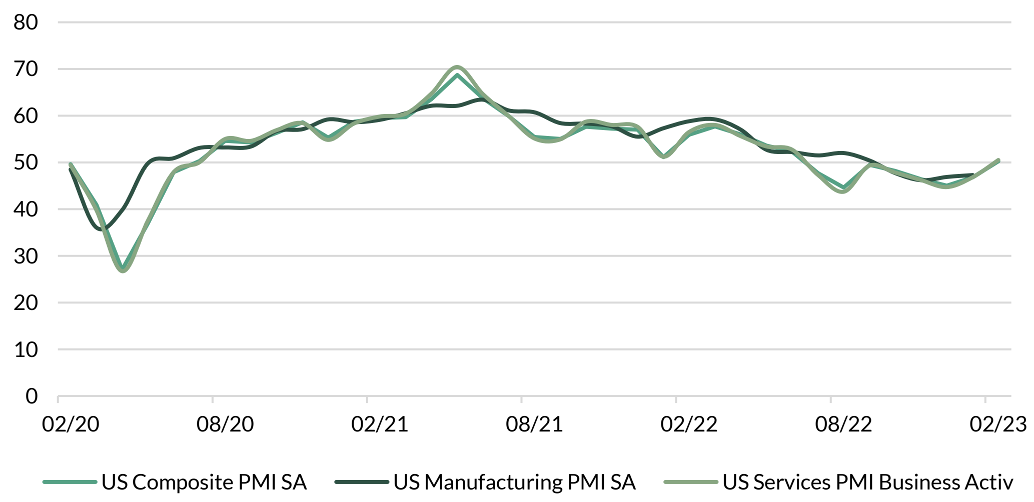


- GDP forecasts for 2023 have further rebounded after a steep decline in 2022
- In January and February US forecasts have caught-up to the more upbeat readings for the Eurozone
- The range of Eurozone GDP forecasts for 2023 has widened considerably and is currently between -0,5% to 1.2% band

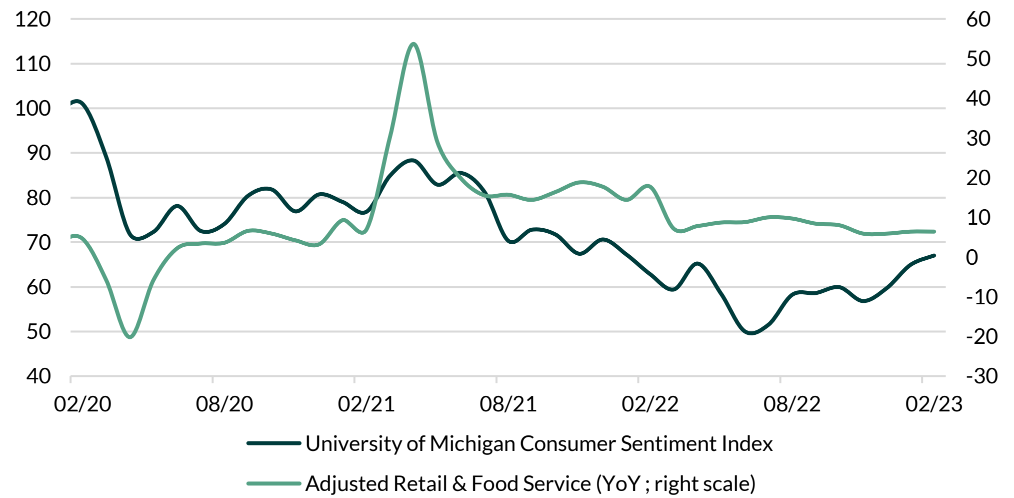
Sources: ODDO BHF AM SAS, Bloomberg, data as of 28/02/2023

USA
IMMINENT SLOWDOWN

PMI SERVICES & MANUFACTURER



RETAIL SALES & CONSUMER CONFIDENCE

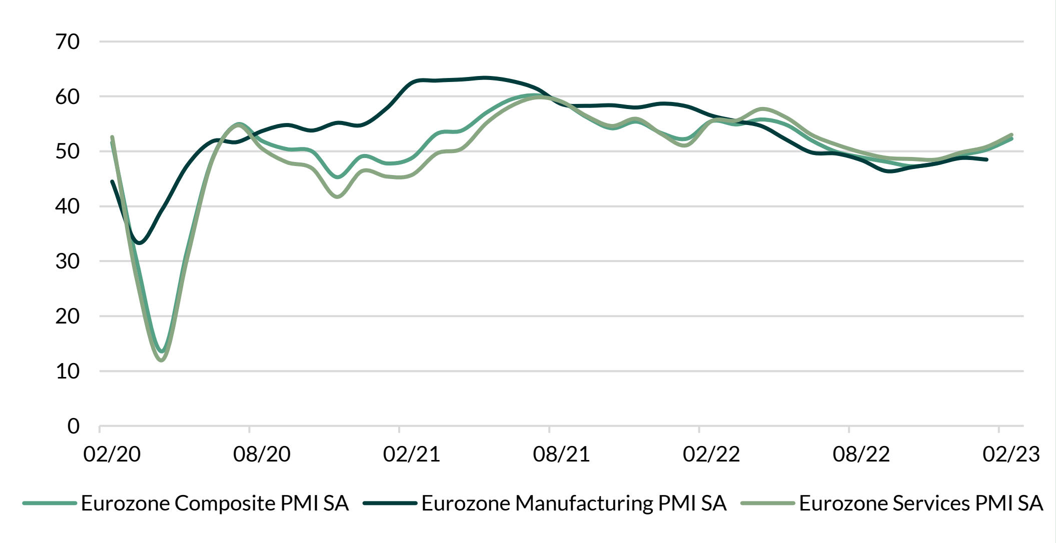


- The US has seen a meaningful growth acceleration after the December weakness, but not on all accounts
- While the ISM service gauge has rebounded well above the expansionary level to 55,1 in February, manufacturing indicators remain relatively sluggish with the ISM manufacturing PMI only improving to 47,7 and most of the regional Fed surveys stalling or even falling back in February
- The labor market remains a source of strength, but the surge in January non-farm payrolls is likely to fade
- We still look for a successive softening in US economic momentum over the next months with a high recession probability into the later 2nd half of 2023

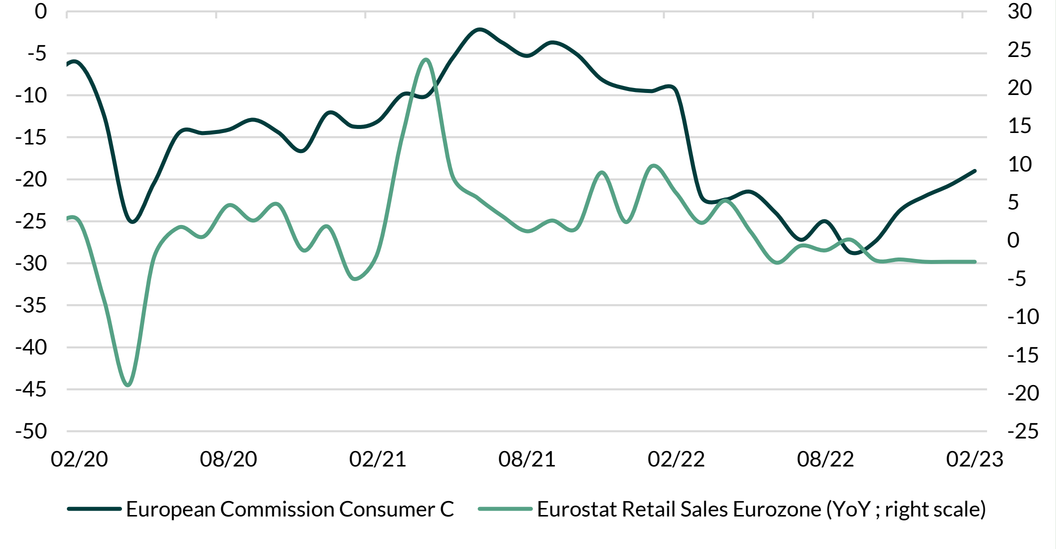
Sources: ODDO BHF AM SAS, Bloomberg | Data as of 28/02/2023

Europe
REBOUND OR SUSTAINED RECOVERY?

PMI SERVICES & MANUFACTURER



RETAIL SALES & CONSUMER CONFIDENCE



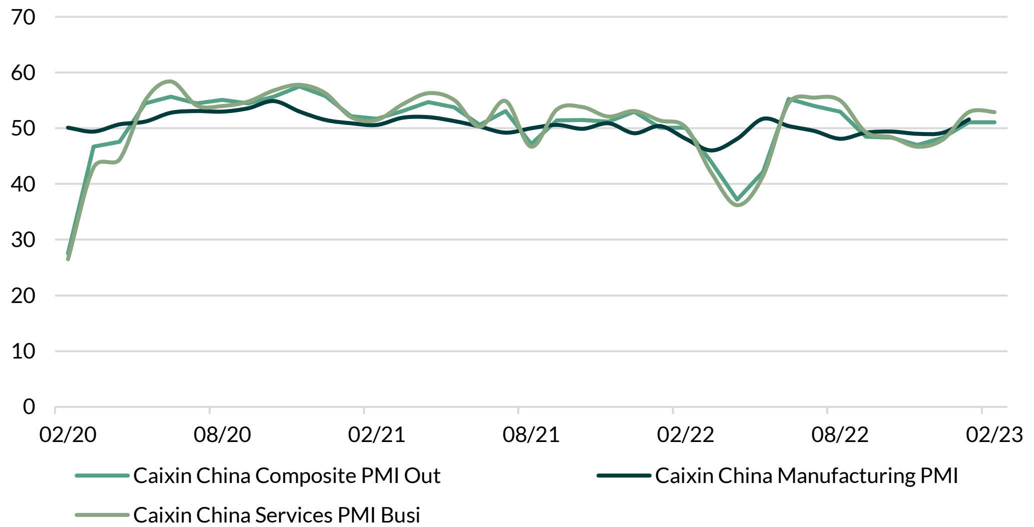
- Sentiment and hard data have improved thanks to a sharp decline in energy and gas prices, mitigating government interventions, and very mild weather conditions
- The composite PMI has clawed back its way to the June 2022 level at 52
- At the sector level services continue to prop-up the overall reading, while manufacturing at 48,5 remains in contractive territory
- Germany continues to lag behind, as its comparatively larger manufacturing sector struggles to cope with increased energy dependence
- Although the better economic momentum may continue for a while, higher ECB rates and a possibly upcoming US recession should limit any lasting recovery

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 28/02/2023

China

REOPENING GAINING TRACTION

PMI SERVICES & MANUFACTURER



RETAIL SALES & CONSUMER CONFIDENCE

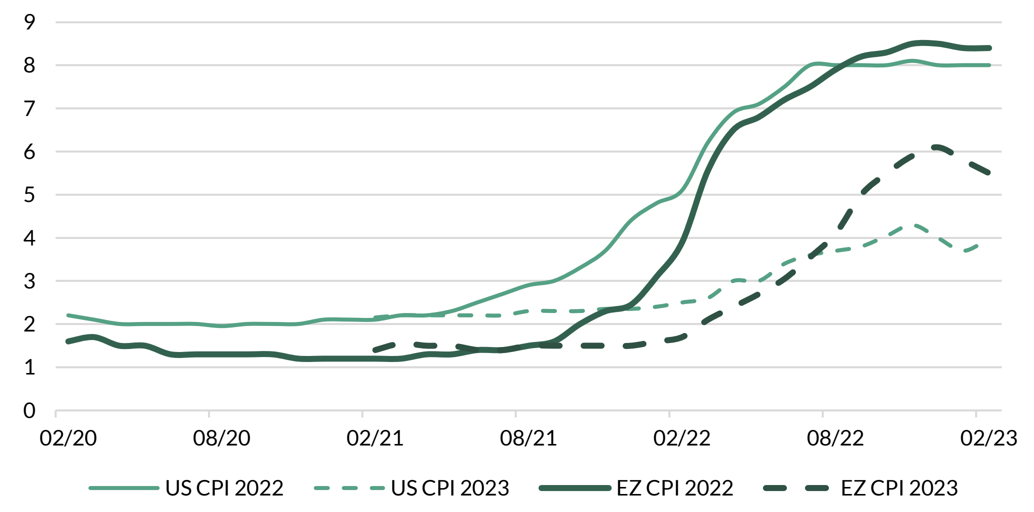
- Caixin and official PMI data for February surprised strongly to the upside
- The composite index jumped to a multi-year high of 56,4, again led higher by a decent improvement in the services indicator
- Also, the property market flags indicative signs of life with new home prices staying unchanged MoM in January after having fallen since September 2021
- The new growth target of around 5% was perceived by investors as not being ambitious enough, but odds for a better growth in 2023 are quite high
- Despite the recent strong growth momentum, China remains structurally haunted by the fallout from the property market excesses

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 28/02/2023

Inflation expectations

MARKETS BACK TO EXPECTING SUSTAINED INFLATION

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



YOY CPI ESTIMATES

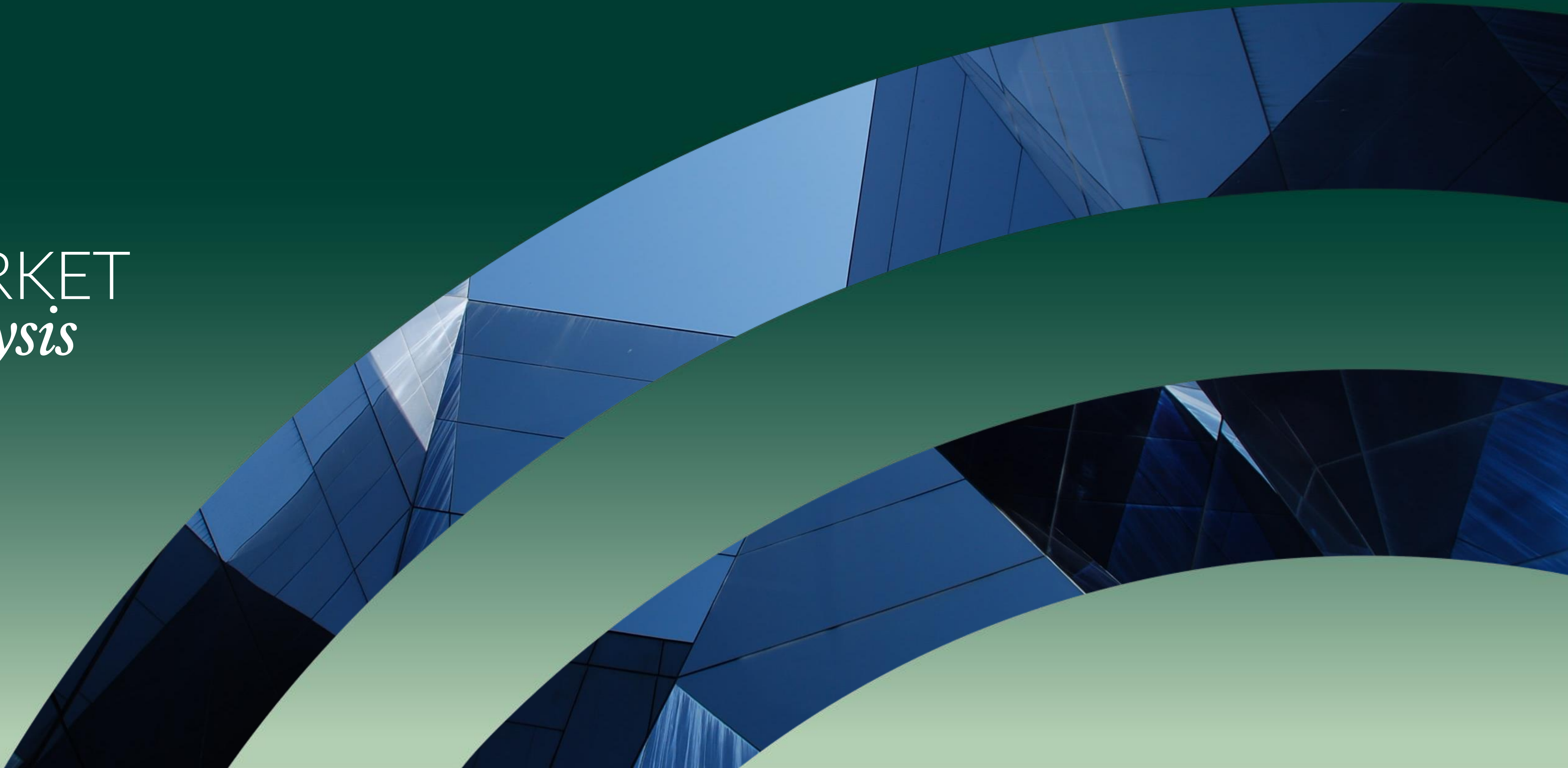
CPI YoY	Feb-23	Jan-23	1Y trend	5Y average	20Y average
Canada		5,9		3,2	2,7
U.S.		6,4		1,9	3,1
Brazil		5,8		2,8	7,8
Mexico		7,9		2,6	6,8
Chile		12,3		2,8	
Eurozone		8,6		1,7	2,5
Germany	8,7	8,7		1,7	2,2
France	6,2	6,0		1,2	2,0
Italy		10,0		1,6	2,6
Poland		17,2			
Sweden		11,7		2,0	2,1
Switzerland		3,3		0,5	0,7
U.K.		10,1		1,9	3,0
India		6,5			
Indonesia	5,5	5,3		1,4	10,0
Malaysia		3,7		0,7	
Japan		4,3		0,5	0,3
South Korea		5,2		1,2	3,0
China		2,1		1,0	2,4
Hong Kong		2,4		0,9	1,6

- Surveys of long-run inflation expectations remain fairly muted and unchanged
- But inflation break-even rates have surged over the last six weeks by more than 50bps (10-year Germany) contributing to almost all the upside move in nominal rates

Sources: ODDO BHF AM SAS, Bloomberg | Data as of 01/03/2023

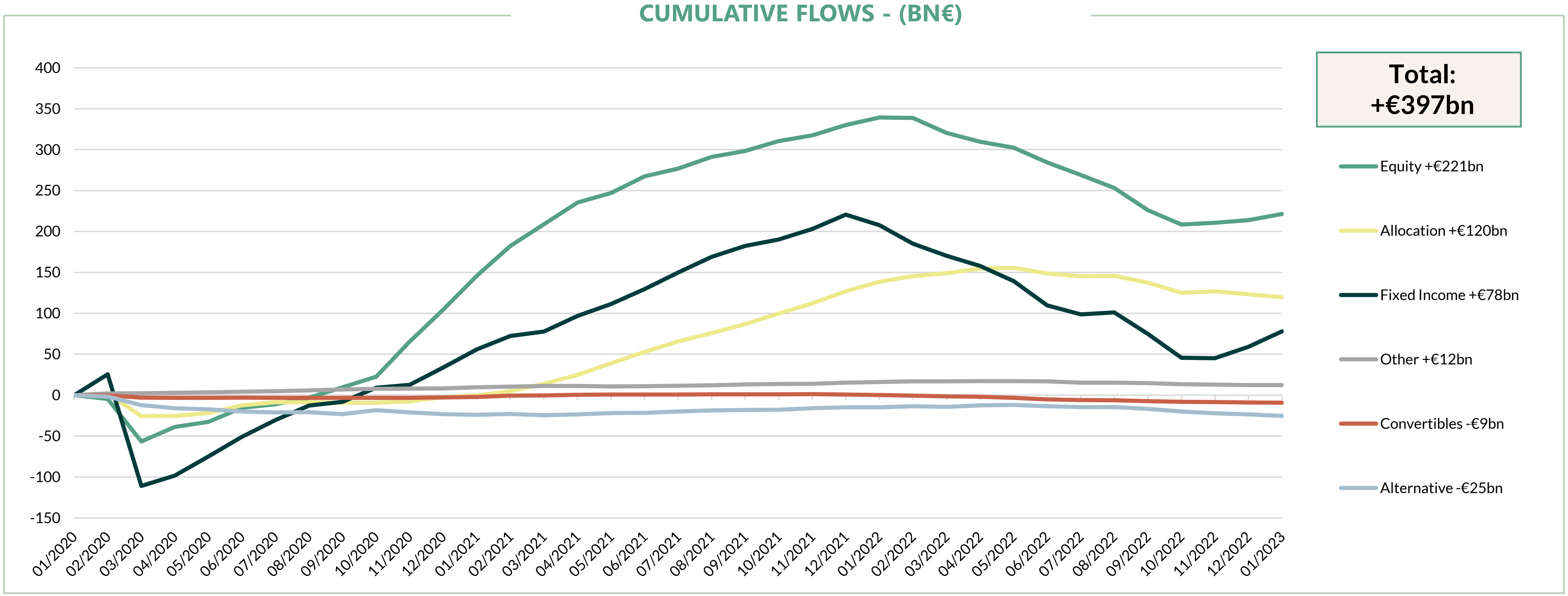
02

MARKET *analysis*



3-year cumulative mutual fund flows (€bn)

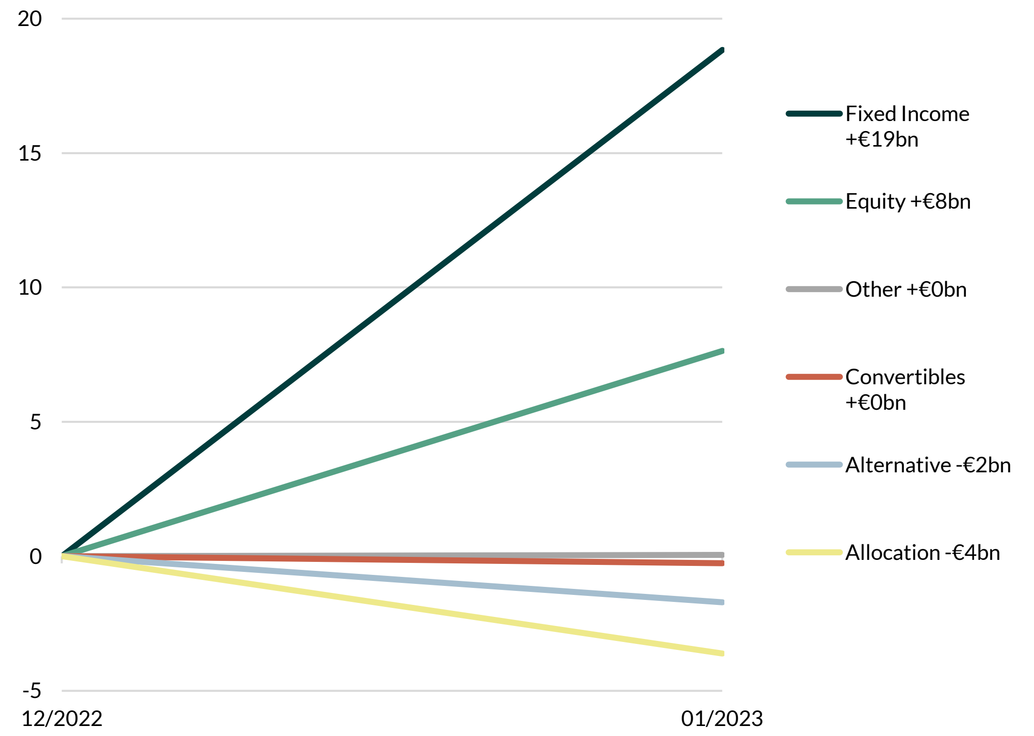
CASH EVENTUALLY REINVESTED INTO STOCKS AND BONDS



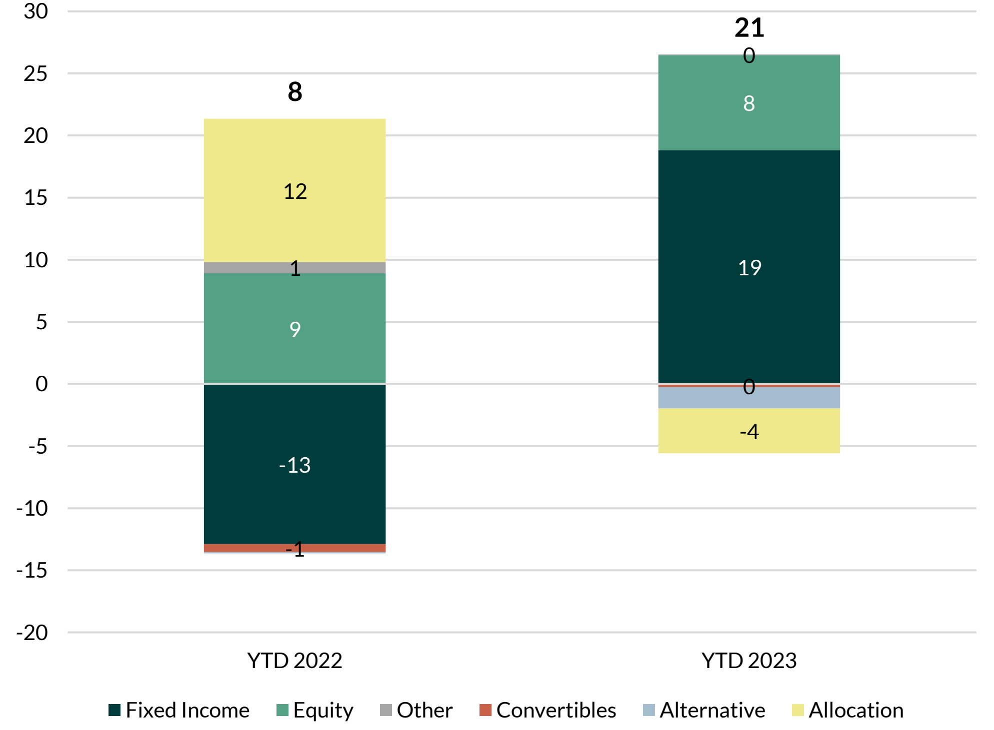
Source : Morningstar. Data as of 31/01/2023 (Europe OE ex ETF ex MM ex FoF ex Feeder (domiciled, most compr)

YTD European mutual fund flows

YTD CUMULATIVE FLOWS BY ASSET CLASSES (€BN)



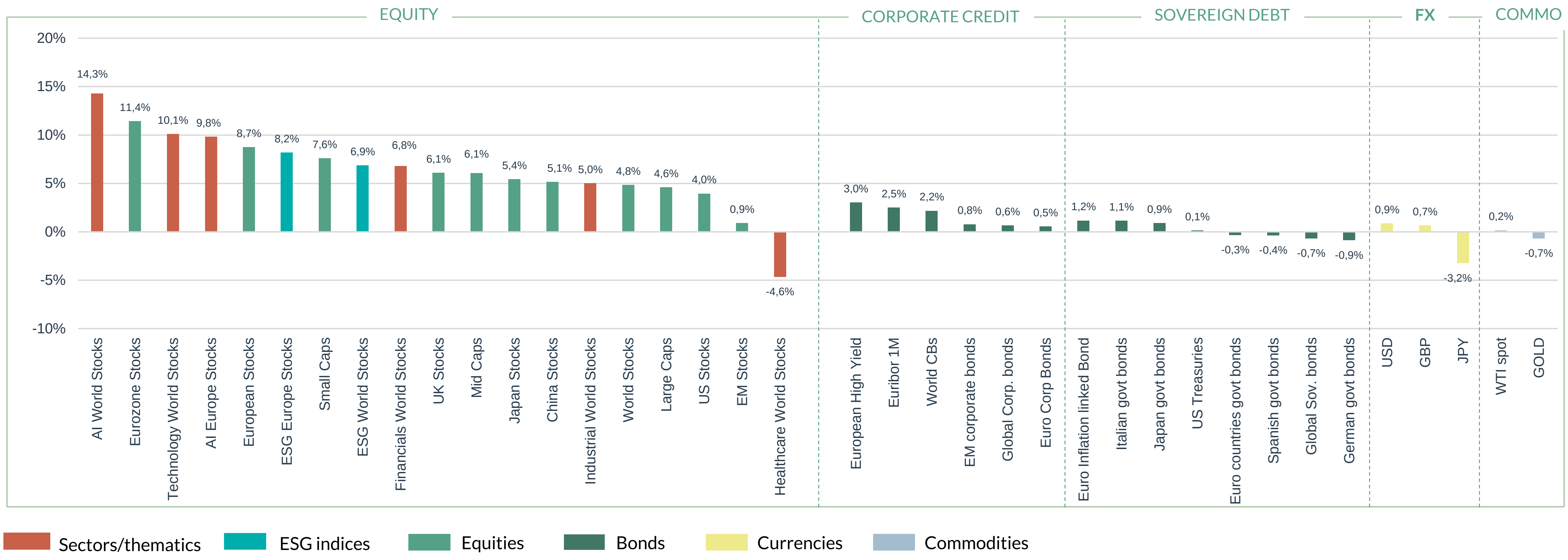
YTD COMPARISON VS YTD -1



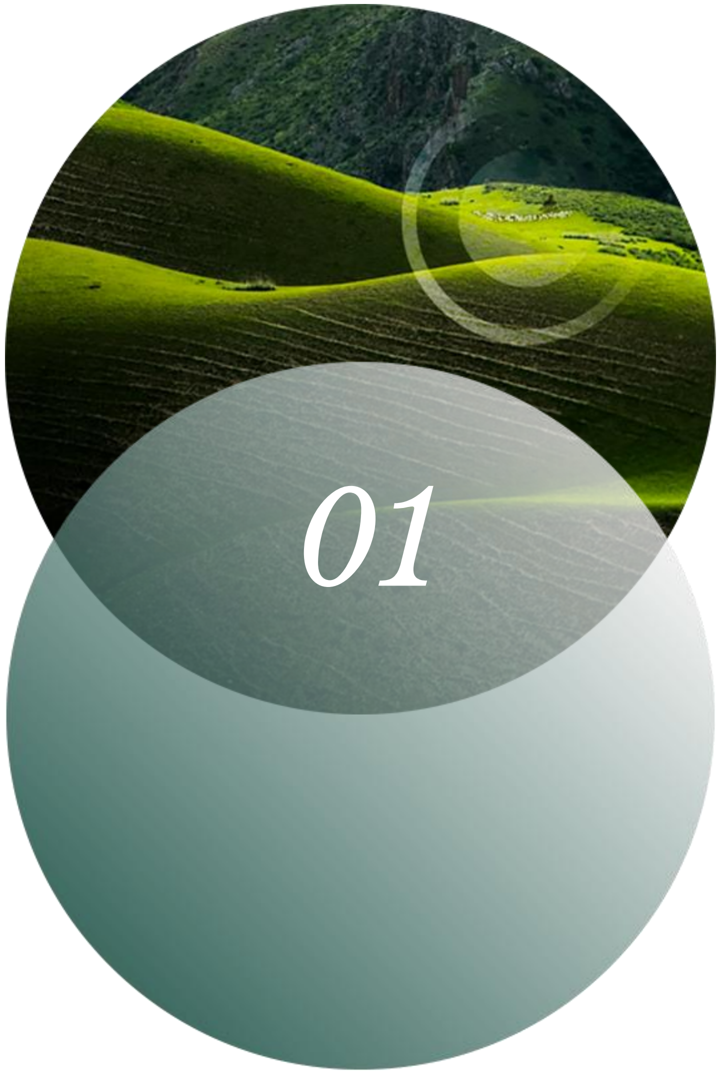
Source : Morningstar. Data as of 31/01/2023 (Europe OE ex ETF ex MM ex FoF ex Feeder (domiciled, most compr)

Year-to-date performances of asset classes

TECH & EUROPEAN STOCKS LEADING THE PACK



Past performances are not a reliable indicator of future performances and are not constant over time.
Sources: Bloomberg and BoA ML as of 28/02/2023; performances expressed in local currencies

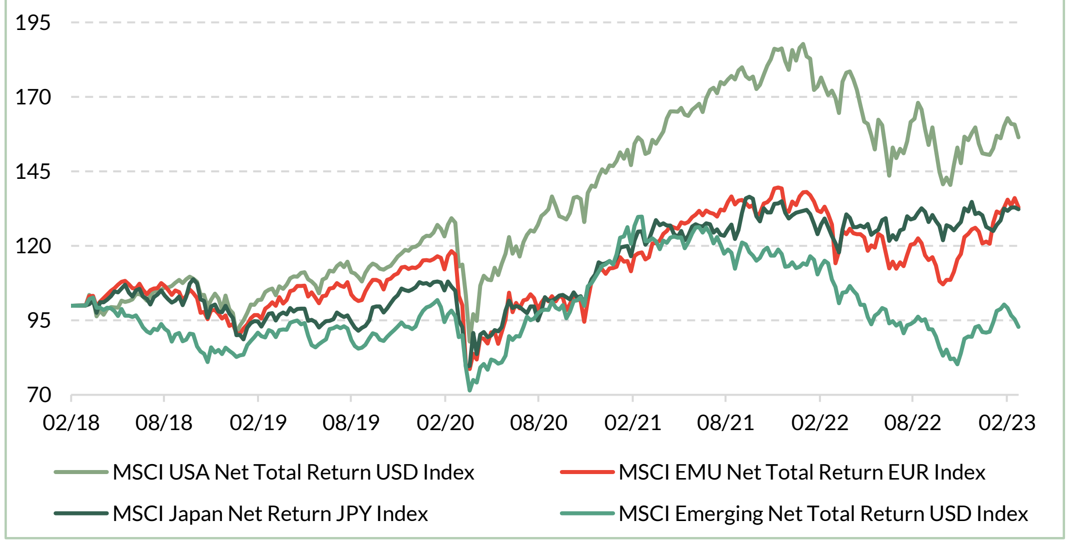


EQUITIES

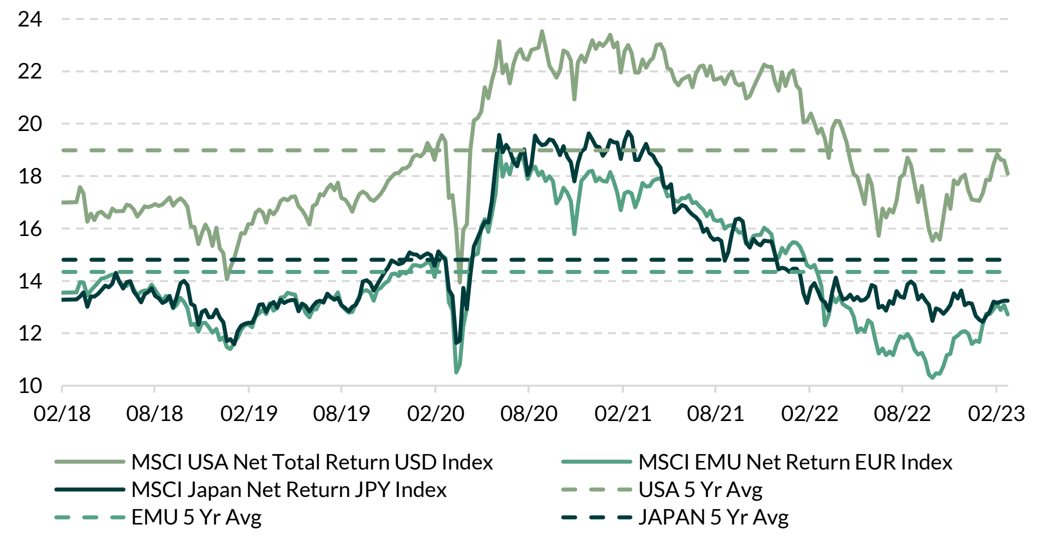
Equities

EUROZONE OUTPERFORMANCE, START OF A SUSTAINABLE TREND

5-YEAR EQUITY MARKET PERFORMANCE



5-YEAR PRICE/EARNING RATIO



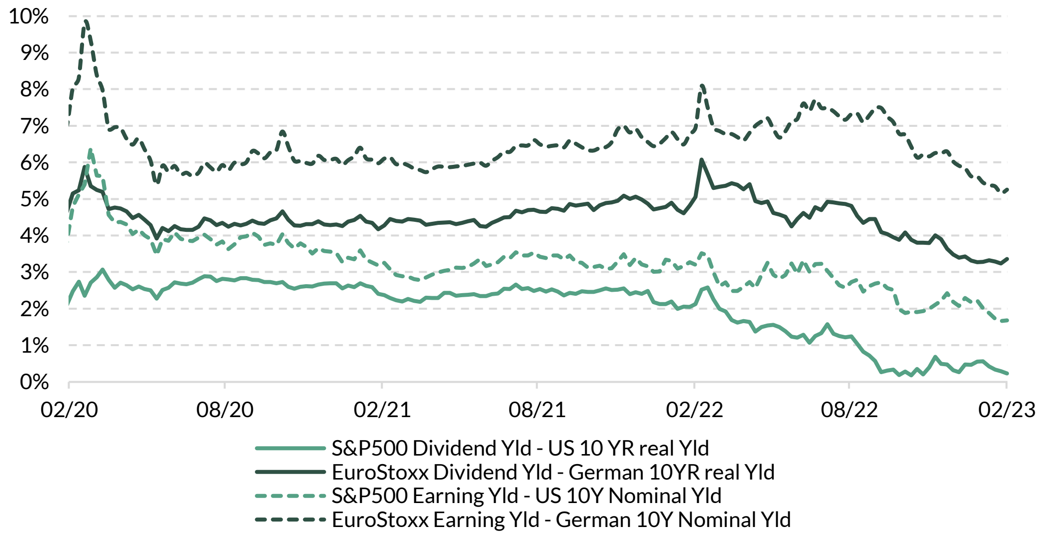
- With emerging equity indices falling sharply in February (MSCI EM -7% in USD), Eurozone indices now appear the lone clear YtD overperformers.
- EuroStoxx gained 2%, with Spain (+4%) and Italy (+3%) jumping the most. After a slow start, small-caps joined the rally (€Stoxx Small +3%).
- Despite the upward move of US yields, Nasdaq was flat over the month, while S&P 500 lost -3%.
- Among emerging indices, Chinese H-Shares (-11%) and Brazilian Bovespa (-7%) fell the most. The tech-heavy Taiwan TAIEX increased +2%.

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 24/02/2023

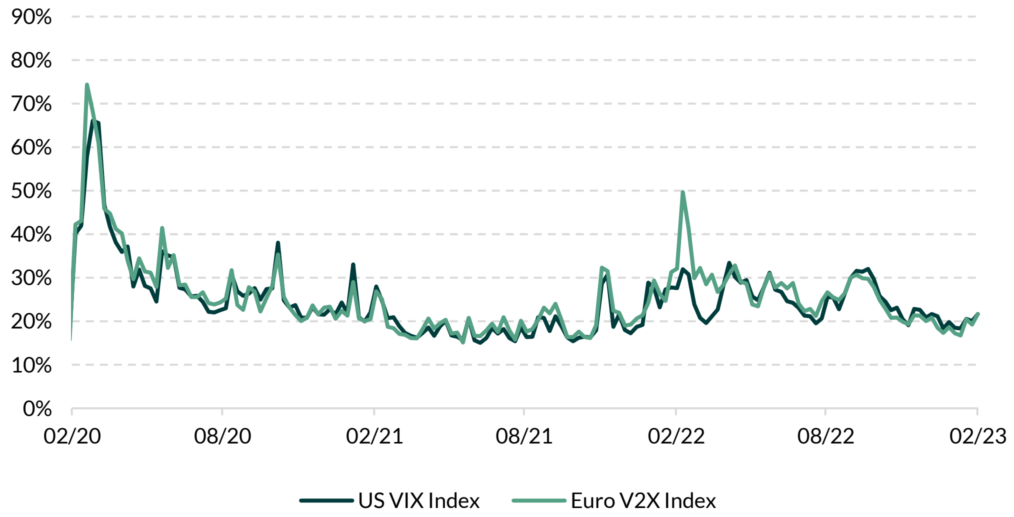
Risk premiums & volatility

RISK PREMIUMS LESS AND LESS ATTRACTIVE

EQUITY RISK PREMIUMS (NOMINAL AND REAL)



IMPLIED VOLATILITY INDEXES



- While volatilities rose somewhat, on the back of renewed fears of central banks extra hawkishness, Price/earning ratios were rather stable in the US and European markets.
- With sovereign yields rebounding, equity risk premia kept on getting tighter.
- As the move in yields was partly (US) or mostly (in Europe) explained by the move in inflation breakevens, the tightening of risk premia in real terms is less drastic.

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Sources: ODDO BHF AM SAS, Bloomberg | Data as of 24/02/2023

European equities – sectors overview

AUTO & BANKS LEADING THE RALLY

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		1,3%	9%	12%	3%	13,1 x	3,5%	8,6 x	1,8 x
Commodities									
Energy	5,2%	3,4%	5%	117%	-19%	6,8 x	4,6%	3,3 x	1,2 x
Basic Resources	2,9%	-7,4%	0%	-1%	-32%	9,3 x	5,6%	5,0 x	1,3 x
Cyclicals									
Automobiles & Parts	2,7%	6,1%	18%	19%	-15%	6,5 x	4,8%	5,5 x	0,8 x
Chemicals	2,8%	2,0%	7%	3%	-23%	15,7 x	3,4%	8,9 x	1,8 x
Construction & Materials	3,8%	2,5%	16%	7%	-2%	14,8 x	3,1%	8,1 x	1,9 x
Industrial Goods & Services	14,0%	2,4%	11%	20%	-4%	17,1 x	2,6%	10,0 x	2,7 x
Media	1,8%	4,2%	11%	7%	9%	17,0 x	2,7%	10,9 x	3,0 x
Technology	7,3%	-2,2%	14%	4%	23%	22,0 x	1,3%	14,7 x	3,8 x
Travel & Leisure	1,4%	0,8%	18%	157%	73%	18,7 x	1,4%	8,1 x	2,7 x
Consumer Products and Services	6,3%	-0,7%	14%	10%	8%	24,2 x	1,9%	13,6 x	4,2 x
Financials									
Banks	9,3%	6,5%	20%	8%	15%	7,5 x	6,1%		0,7 x
Insurance	5,3%	-0,1%	7%	-14%	41%	9,8 x	5,5%	31,4 x	1,5 x
Financial Services	4,0%	1,4%	11%	-82%	203%	11,9 x	3,2%	45,4 x	1,2 x
Real Estate	1,9%	-3,6%	8%	15%	0%	13,1 x	4,7%	22,0 x	0,8 x
Defensives									
Health Care	14,7%	-0,6%	0%	4%	8%	17,1 x	2,5%	12,2 x	3,2 x
Food Beverage and Tobacco	6,4%	2,1%	1%	11%	6%	16,2 x	3,3%	11,7 x	2,6 x
Personal Care Drug and Grocery Stores	2,1%	3,3%	5%	4%	3%	16,3 x	3,2%	8,4 x	2,6 x
Retail	1,1%	2,9%	18%	-2%	1%	17,2 x	3,3%	7,6 x	2,5 x
Telecommunications	3,0%	4,6%	12%	49%	5%	13,4 x	4,7%	6,4 x	1,3 x
Utilities	3,9%	0,1%	3%	18%	4%	13,1 x	4,8%	8,4 x	1,6 x

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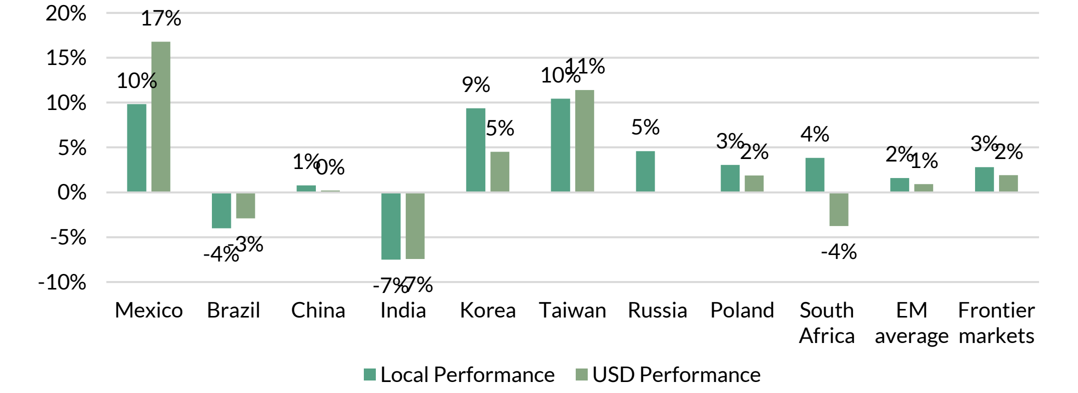
Sources: ODDO BHF AM SAS, Goldman Sachs, 01/03/2023

Emerging markets

EQUITIES SUFFERING – SENSITIVE TO US RATES

YTD EQUITY PERFORMANCE ON MAJOR EMERGING MARKETS

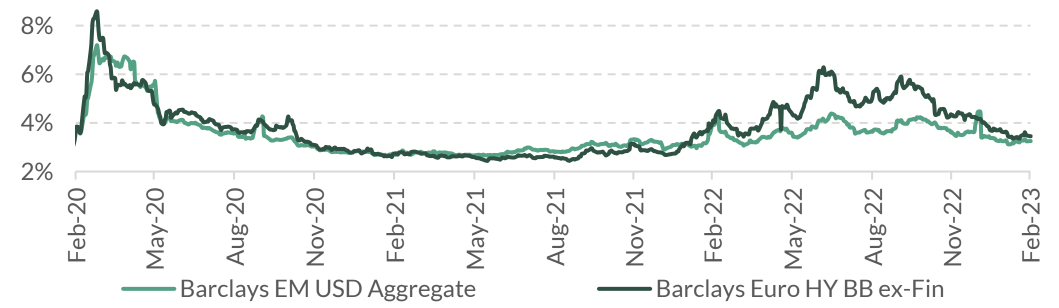


EPS (INCLUDING LOSSES) GROWTH & PE (LOCAL CURRENCY)

Emerging	PE 12mth fwd	Current Fiscal Year est EPS Growth	Next Fiscal Year est EPS Growth	YtD Var of 2021 est EPS
MSCI EM	10,7	-4%	-5%	39%
MSCI CHINA	12,3	2%	18%	15%
MSCI KOREA	9,8	-34%	47%	63%
MSCI INDIA	20,1	19%	19%	39%
MSCI INDONESIA	13,2	6%	2%	26%
MSCI PHILIPPINES	14,9	-1%	8%	24%
MSCI MALAYSIA	13,2	19%	7%	39%
MOEX Russia Index	*2,0*	*23%*	*-3%*	*43%*
WSE WIG INDEX	7,6	-21%	-7%	33%
MSCI TURKEY	3,2	49%	-16%	29%
MSCI SOUTH AFRICA	10,5	-11%	10%	4%
MSCI BRAZIL	5,6	2%	-19%	108%
MSCI COLOMBIA	5,2	-22%	1%	138%
MSCI MEXICO	12,9	-78%	11%	55%

- Emerging currencies fared better than developed ones, on average barely affected by rising US yields.
- Mexican Peso kept on soaring, while most Asian currencies lost some grounds (some significant plunges: Won -7%, Baht -7%, Ringgit -5%).
- After being halted in the wake of the earthquake, Turkish markets proved resilient (Lira -0.4%, Equities up +5%): such moves being partly explained by a temporary ban on gold imports.

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



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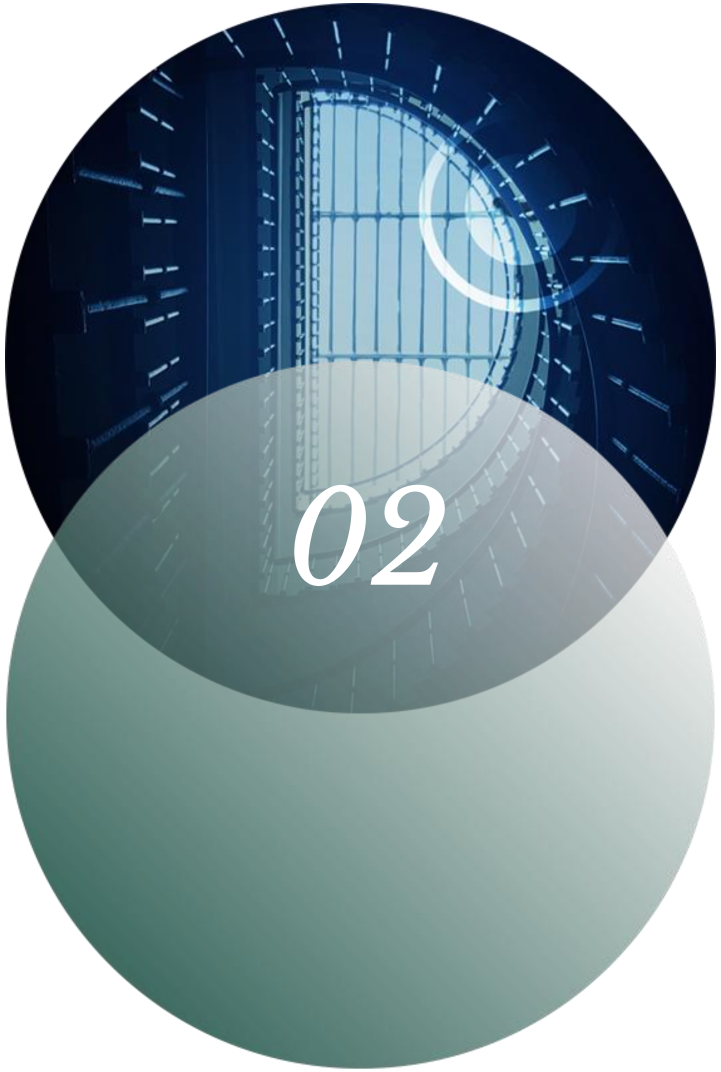
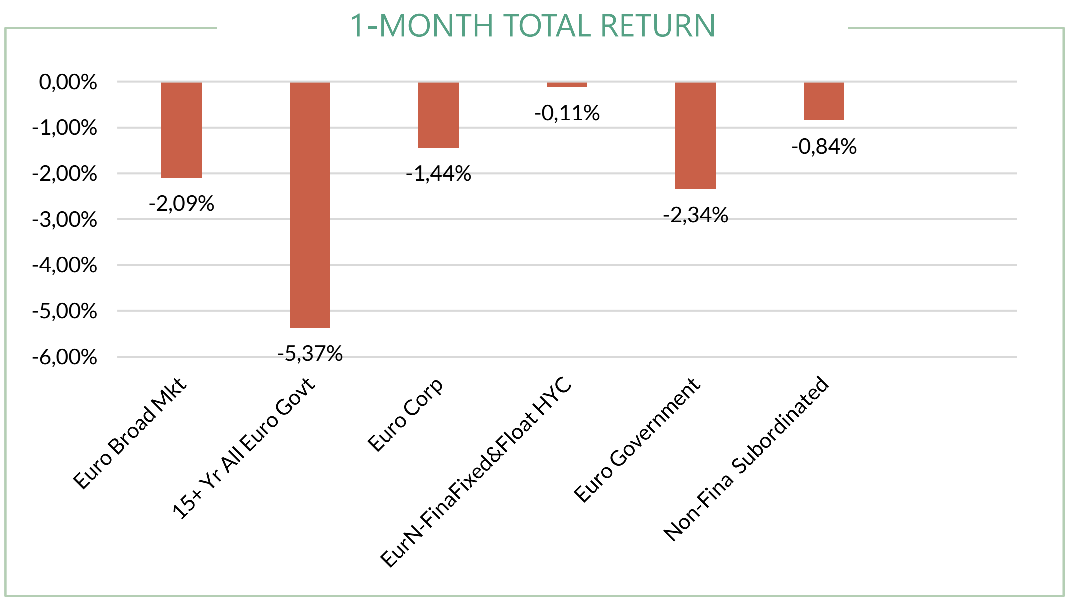
Sources: Bloomberg, ODDO BHF AM SAS | Data at 28/02/2023

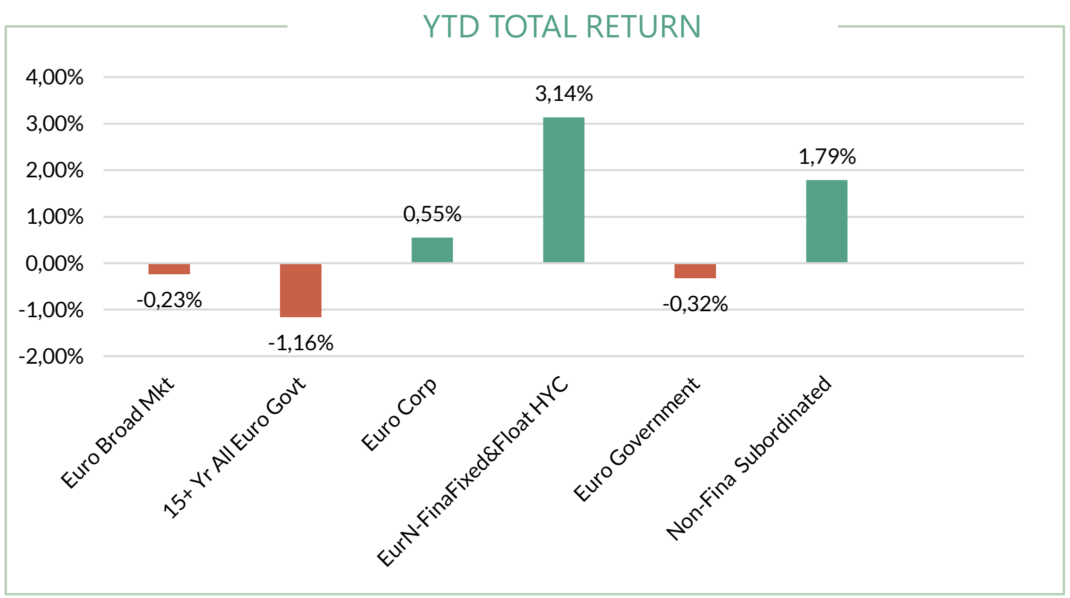


FIXED INCOME

Performance fixed income segment

IS 2023 LIKE 2022?





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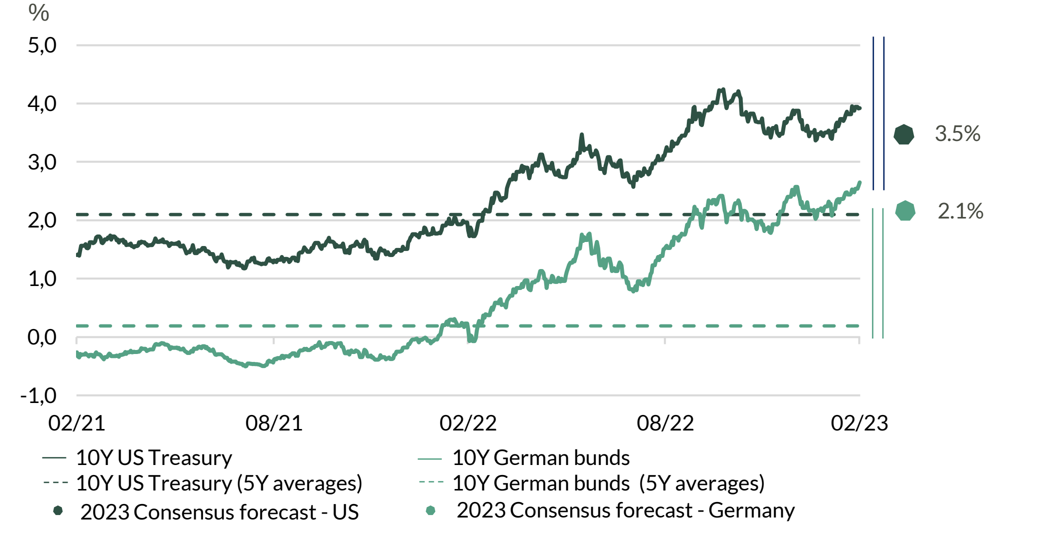
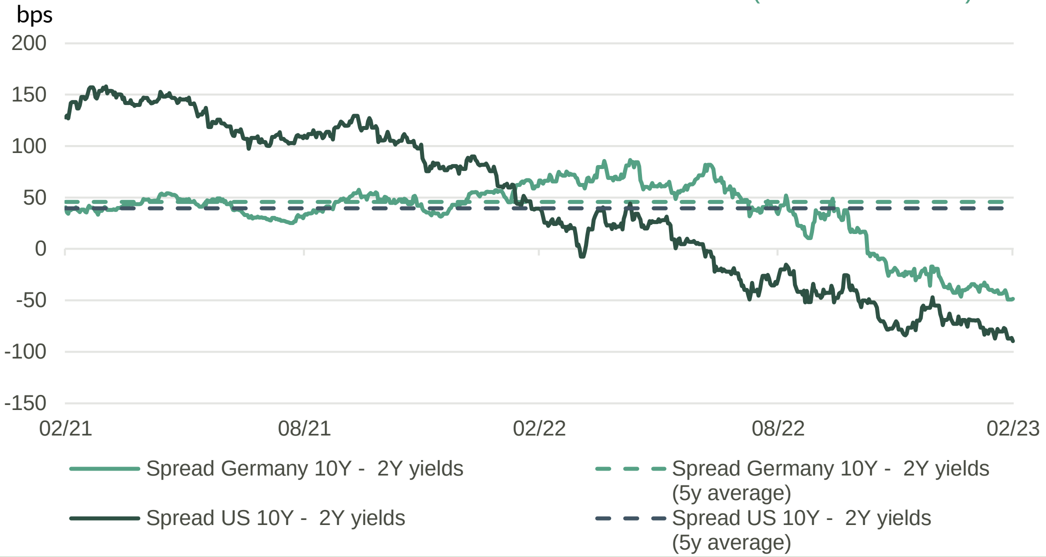
Source: ODDO BHF AM, Bloomberg, data as of 28/02/2023

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)

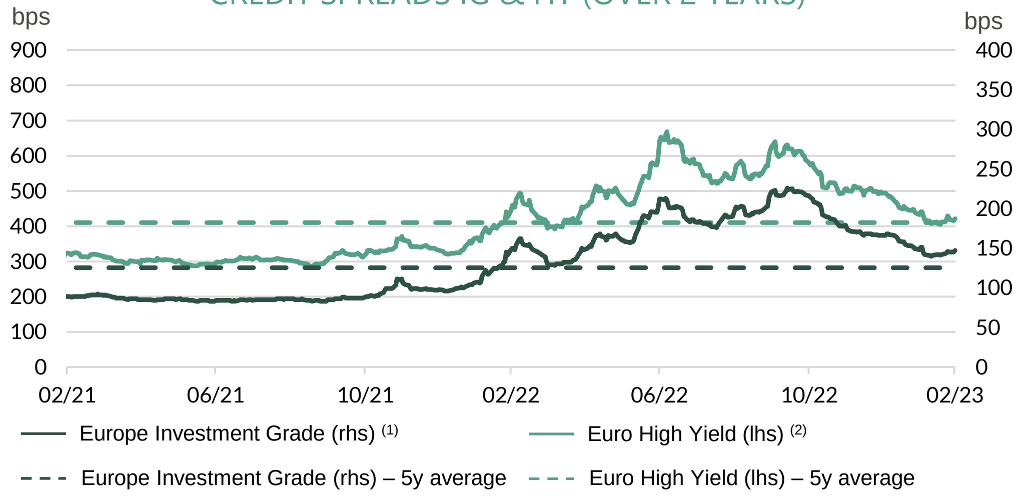


- Hopes for an imminent end of the hiking cycle have been dashed upon stronger inflation readings which pushed 10-year Bunds out of the 2% - 2.5% range to a new cycle high of around 2,75%
- Elevated expectations for terminal rates and likely stronger declines in headline inflation from March on, plus very defensive positioning should help to stabilize yields before they may embark on a downward trend
- Curve steepening positions are becoming more of an option as the 10-2 year Bund inversion reached a record -60bp not seen since mid 1992

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 28/02/2023; RHS: Data as of 28/02/2023

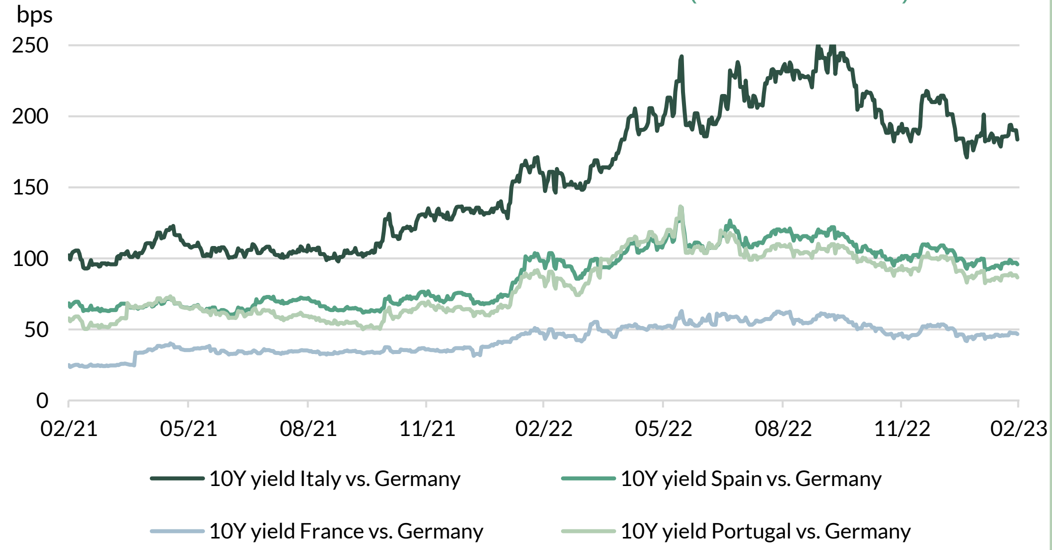
Credit Spreads
CARRY ON

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)

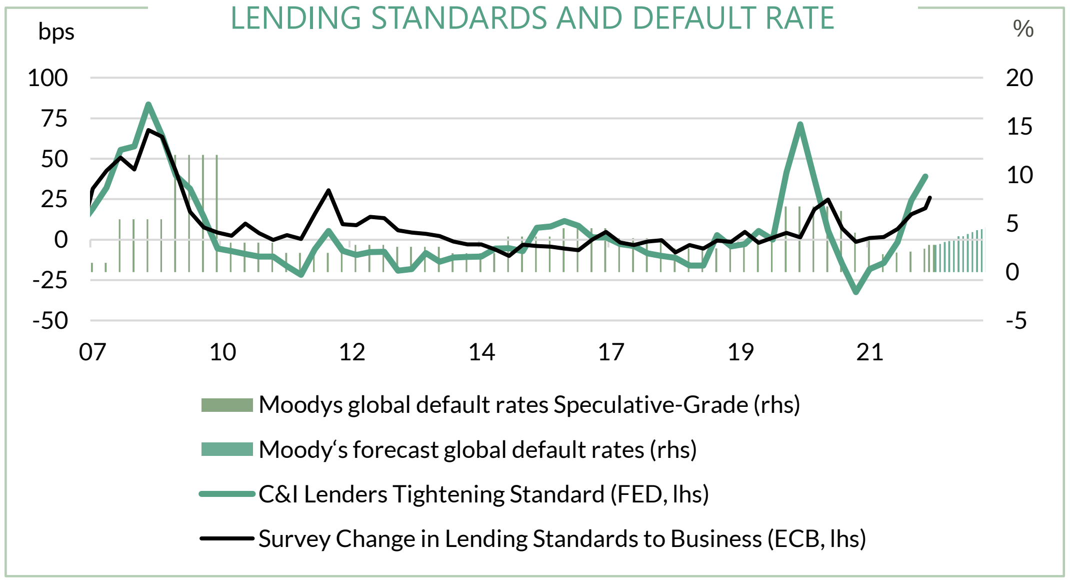


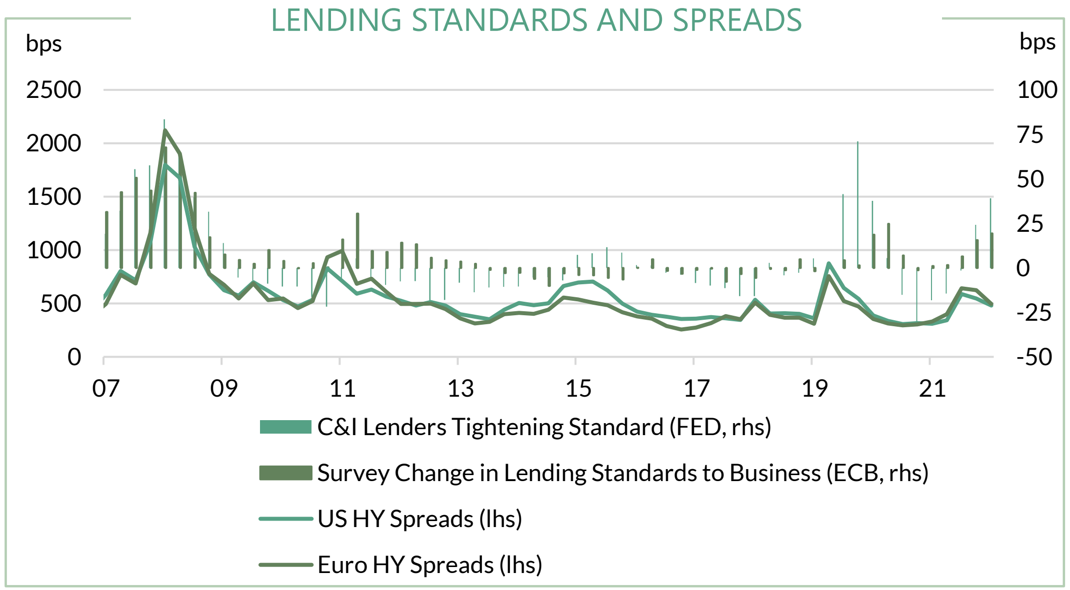
- Credit spreads shrugged off the massive yield spike and remained fairly unchanged amid heavy new supply
- Although, spreads are not high in relation to the pure yield component, absolute levels of yield (approx. 4,4% for an investment grade index), relatively steep credit curves healthy fundamentals and demand favour credit investments for the time being
- Peripheral spreads have basically mirrored the recent credit moves
- However, we stay underweight Italy given headwinds from heavy supply, the start of quantitative tightening in the Eurozone and significant upward revisions in the country's debt ratios

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 28/02/2023

Financial conditions

DIRECT OR INTERMEDIATED FINANCING – TWO DIFFERENT WORLDS





- In the US credit and loan-based measures of lending standards (like the FED loan officer survey) have waved red flags on the ability to receive refinancing
- Contrary to that restrictive picture, market-based indicators (like financial conditions indices) signal the opposite (easy conditions)
- One has to give and probability speaks for the former

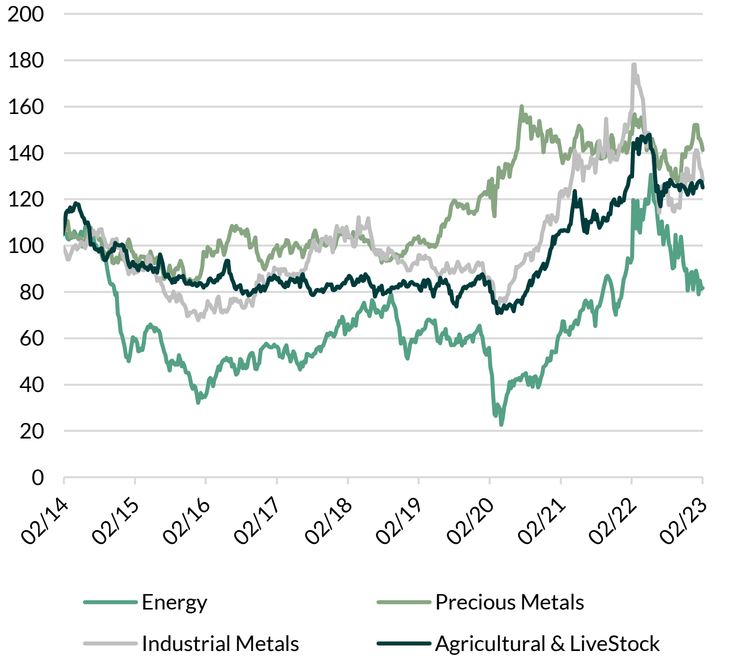
Source: Fed, ECB, Bloomberg | Moody's as of 17/02/2023, Lending Standard & Survey Change as of 31/12/2022, Spreads as of 31/12/2022

COMMODITIES & CURRENCIES

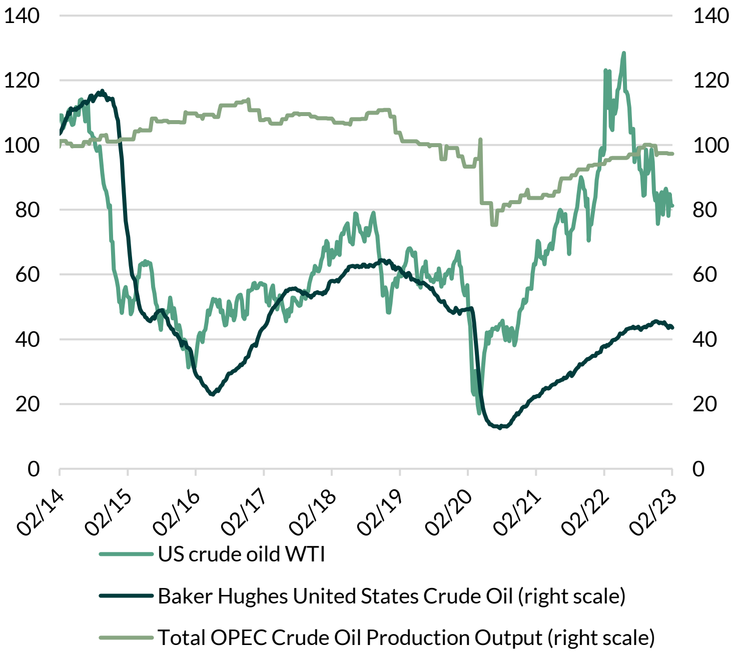
Commodities

CHINESE REOPENING SLOWER THAN ANTICIPATED

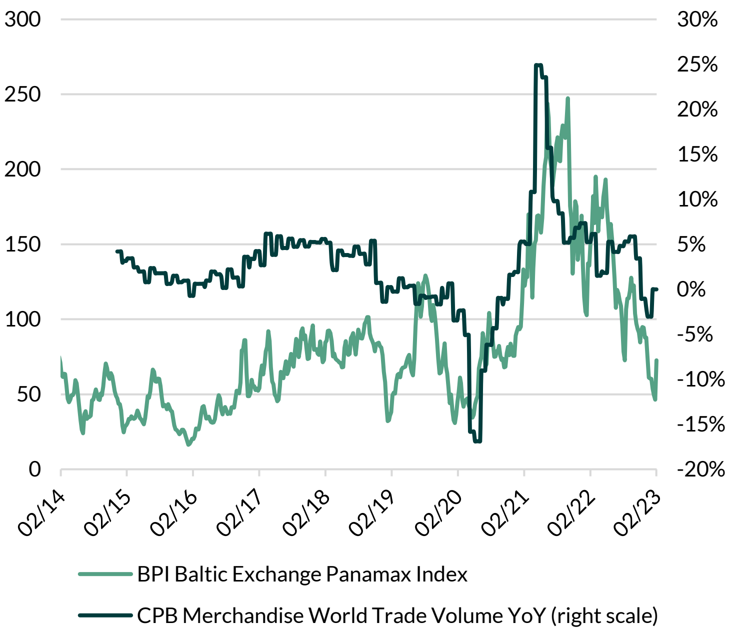
METALS



OIL



FREIGHT



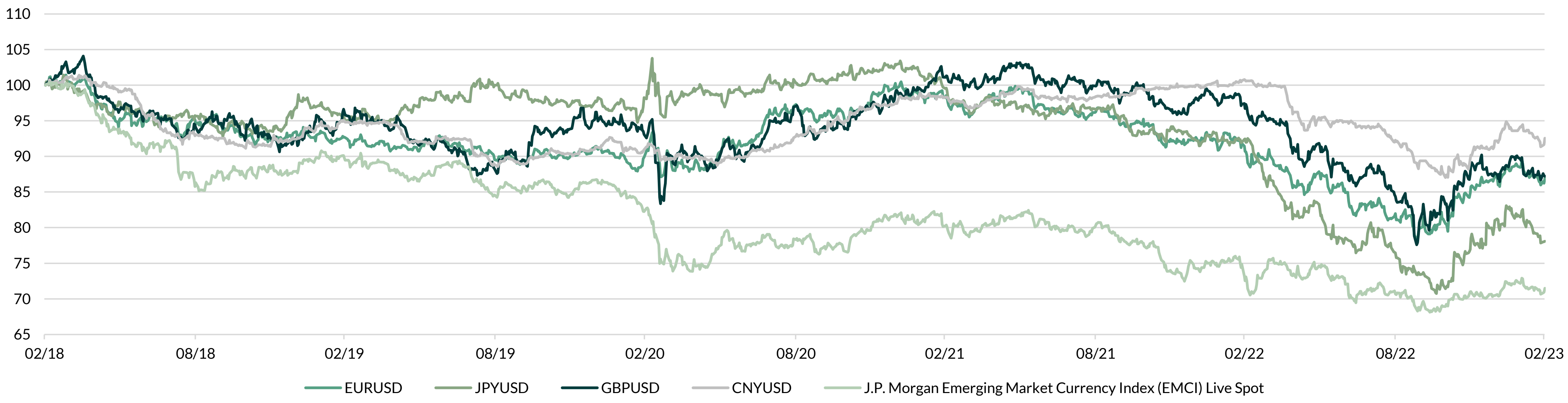
- The GSCI commodity index fell -4%.
- Industrial metals lost -7%, energy -3%, and agricultural products -5%.
- Also suffering from the rising US yields, precious metals posted a -6% return.

Past performances are not a reliable indicator of future performance and are not constant over time.
Sources: Bloomberg, ODDO BHF AM SAS | Data at 24/02/2023

Currencies

USD DEPRECIATION JUST TAKING A BREAK?

CURRENCIES - CHANGE OVER 5 YEARS



- The greenback soared vs most currencies.
- JPY lost -4.5%, as the hope of imminent policy change (in the wake of Ueda replacing governor Kuroda) were pushed back at a latter horizon.

Past performances are not a reliable indicator of future performance and are not constant over time.
Sources: Bloomberg, ODDO BHF AM SAS | Data at 28/02/2023

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 01/03/2023

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			0		
	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 01/03/2023

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 01/03/2023

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

- 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
- June. 22 • Bull & Bear – It's not all about recession

MARKET VIEWS

- 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
- 18/01/23 • Economic outlook 2023 – After the peak of anxiety
- 17/01/23 • How does China become a new energy champion?

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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