

OCTO CREDIT COURT TERME - B

Management report - March 2025

OCTO AM

Part B - FR0011299429

Net Asset Value : 1106,77 EUR

ASSET UNDER MANAGEMENT : 151,49 million EUR

INVESTMENT COMMENTARY

It seems a long time ago that investors' attention was focused entirely on monetary policy developments and their macroeconomic consequences on both sides of the Atlantic.... The month of March was a striking reminder that Trump's return to power and its implications continue, directly or indirectly, to blur investors' traditional analysis grids and fuel market volatility, much more than the decisions taken by central bankers. While the main driver of credit markets, and even more so rate markets, was the decision taken by the German Parliament to relax the constitutional constraint on the country's debt capacity, it is hard to overlook the fact that this decision, which was necessary in view of the weaknesses of the German economic model revealed by the successive crises of the post-CoVID era, was accelerated by the shadow cast over Europe by an American administration in a hurry to sweep away 70 years of shared history. This German decision not only weighed heavily on interest rates over the period (with all European 10-year yields diverging by more than 30bp, in line with the 33bp divergence observed on the Bund) but is also likely to exert sustained upward pressure on all European long-term yields. Further, the drivers of the negative trends in credit spreads over the period are to be found in the fears aroused by the decisions and announcements of the new Trump administration, both domestically - as evidenced by the growing fears that the United States was heading for stagflation - and internationally - with the announcement of a tariff 'Liberation Day' on 2 April - (the X-Over diverged by 35bp excluding roll-related skew). With all these factors pulling in the same direction, it is not surprising that all market segments posted negative performances over the period, although the riskiest categories outperformed, between partial absorption of rate movements by the credit spread cushion and the "confinement" of macroeconomic and price fears to the last few days of the month. The iBoxx Sovereign thus once again posted the weakest performance at -1.81% over the month, while the iBoxx HY limited its loss to -0.96% and the iBoxx Hybrids to -0.85%.

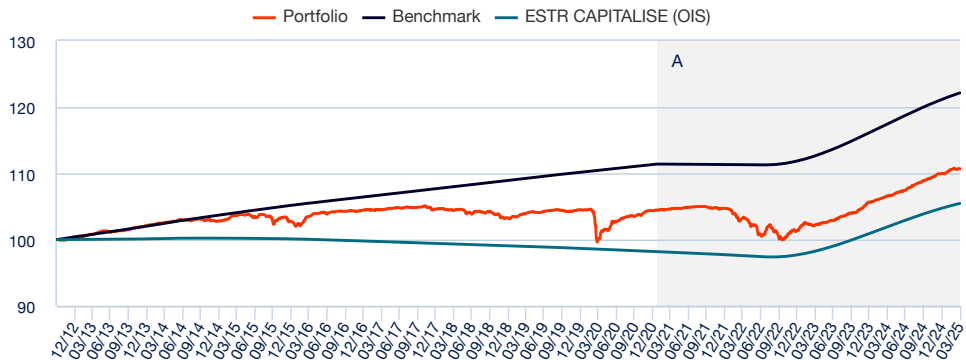
Against this backdrop, the short maturity of the Octo Crédit Court Terme fund meant that it was virtually immune to the market downturn. The German 2-year rate remained stable at 2.02% despite high volatility over the month, while the 3-month Euribor tightened by 15bps to 2.33%.

During the month, we invested our cash in securities offering attractive premiums on short maturities, such as PPF Telecom 3.125% 03/2026 at a yield of 3.22% in the Investment Grade segment and Elior 3.75% 07/2026 at 3.92% in the High Yield segment (the bond having already been refinanced).

With an average maturity of 1.5 years and an average BBB rating, the portfolio's yield to maturity of 3.60% offers a premium of 90bps over the average for equivalent bonds (source: Octo, Bloomberg).

	YTD	1 month	3 months	6 months	1 year	3 years	Since
Since	31/12/2024	28/02/2025	31/12/2024	30/09/2024	28/03/2024	31/03/2022	01/10/2012
Portfolio	0.63%	-0.08%	0.63%	1.62%	3.83%	7.12%	10.68%
Benchmark	0.81%	0.26%	0.81%	1.76%	4.01%	9.74%	22.14%

PERFORMANCE



A : Until 20/01/2021, the benchmark was the Eonia capitalized +1.5%. Since 21/01/2021, the benchmark is the €STR capitalized +0.5%.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AN
2020	0.00%	-0.27%	-3.87%	1.45%	0.39%	0.67%	0.49%	0.26%	0.02%	0.12%	0.65%	0.07%	-0.10%
2021	0.04%	0.02%	0.18%	0.09%	0.01%	0.12%	0.09%	0.01%	-0.05%	-0.19%	-0.14%	0.13%	0.32%
2022	-0.32%	-0.97%	-0.03%	-0.69%	-0.41%	-1.63%	1.30%	-0.51%	-1.19%	0.26%	0.74%	0.17%	-3.25%
2023	0.95%	0.04%	-0.08%	0.24%	0.16%	0.27%	0.44%	0.28%	0.34%	0.26%	0.64%	0.69%	4.33%
2024	0.27%	0.23%	0.35%	0.19%	0.39%	0.24%	0.60%	0.38%	0.36%	0.28%	0.45%	0.25%	4.06%
2025	0.35%	0.36%	-0.08%	-	-	-	-	-	-	-	-	-	0.63%

INVESTMENT OBJECTIVE

The fund's two objectives consist in outperforming the capitalized Ester index by 0.5% net of fees per year and implementing a socially responsible investment ("SRI") strategy over a minimum investment horizon of 6 months by selecting, from primarily euro-denominated securities, those notes which have the best upside in the short term. The fund's sensitivity to the interest rate risk is contained within a range of 1-2, through discretionary management.



RISK AND RETURN

	1 year	3 years	10 years
Volatility PTF	0.47%	1.24%	1.38%
Sharpe ratio PTF	0.88	-0.24	0.11
Max. drawdown	-0.17%	-3.33%	-5.21%
Recovery time	-	292	1351
Best month % PTF	0.60%	1.30%	1.45%
Tracking Error Ex Post Valeur PTF	0.46	1.19	1.37

	PTF
Average maturity (year)	1.52
Average rating	BBB
Yield to maturity	3.60%
Yield to worst	3.33%
Spread duration	1.07
Modified duration	0.98
Number of issuers	114
Number of holdings	137

DIVESTMENT DELAY

% in day	98.91%
% in 3 days	100%
% in 5 days	100%

CONTACT

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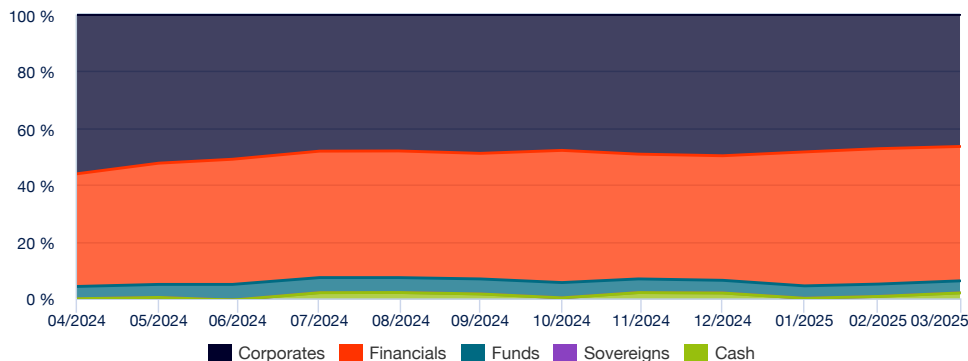
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RCS Paris 532 483 294
Code NAF 6430Z

Agrément AMF n° FCP20230097

Morningstar rating ©

Morningstar Overall 4 stars
Rating ©

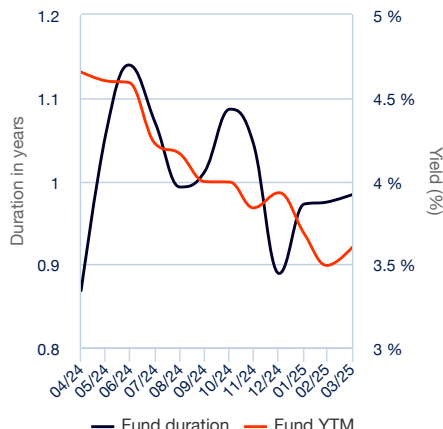
EVOLUTION OF THE PORTFOLIO STRUCTURE



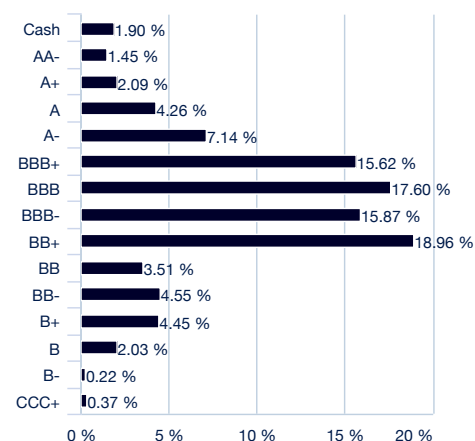
TOP 10 ISSUERS

	% Ptf
KBC GROUP NV	1.65%
MEDIOBANCA BANCA CRED FIN SPA	1.36%
ERSTE GROUP BANK AG	1.24%
BPER BANCA SPA	1.15%
PERMANENT TSB GRP HDGS PLC	1.11%
AIB GROUP PLC	1.10%
BANCO BPM SPA	1.06%
ARAMARK INTL FINANCE SARL	1.06%
AUTOSTRAD PER L ITALIA SPA	1.06%
ABANCA CORP BANCARIA SA	1.04%

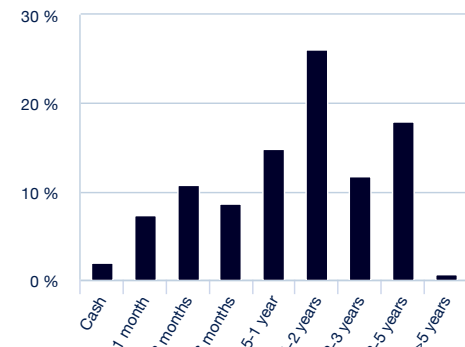
HISTORICAL DURATION/YIELD



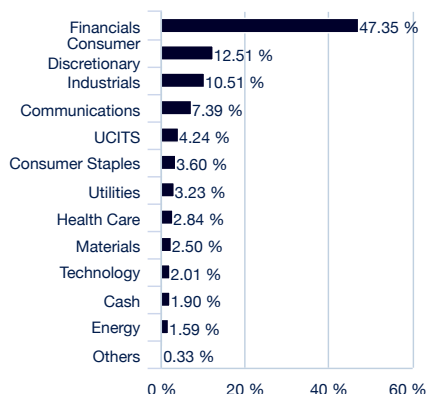
BREAKDOWN BY RATING



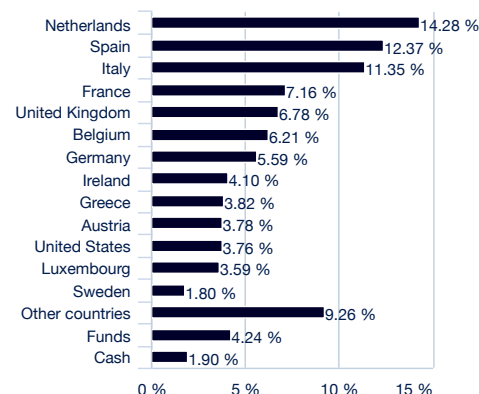
BREAKDOWN BY MATURITY



BREAKDOWN BY SECTOR



GEOGRAPHIC ALLOCATION



BREAKDOWN BY COUPON TYPE

	% Ptf
Fixed	58.08%
Variable	27.89%
Floating	4.49%
Zero-coupon	2.72%
STEP CPN	0.35%

NET CURRENCY EXPOSURE

	% Ptf
EUR	99.85%
USD	0.15%
GBP	0.00%
CHF	0.00%
Others	-

NET EXPOSURE ON DERIVATIVES

	Expo% Ptf
Total	-

CHARACTERISTICS

ISIN CODE	Share B - FR0011299429
BLOOMBERG CODE	OCTCTB FP
Approval date	21/08/2012
Approval reference	FCP20120315
Forme Juridique	FCP
NAV calculation frequency	Daily
Subscriptions / redemptions	Daily, before 11:00 am
Payment delivery	D+3
Custodian	SOCIETE GENERALE

Type of shares	Capitalization
Decimalisation	Thousandth of a unit
Minimum (initial) investment	1000 €
Subscription fees	2 %
Ongoing charges	0.00%
Fee on outperformance	20 %
Exit charge	-
Benchmark	100% ESTER CAPITALIZED + 0.5%
Recommended investment horizon	6 months

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