

OCTO CREDIT ISR COURT TERME - B

Management report - August 2024



OCTO AM

GÉRANT OBLIGATAIRE VALUE



Part B - FR0011299429

Net Asset Value : 1085,18 EUR

ASSET UNDER MANAGEMENT : 119,33 million EUR

INVESTMENT COMMENTARY

The month of August saw a return to volatility, even more marked as low summer liquidity reinforced the effects of the (geo)political and economic uncertainties weighing on investor decisions. But it was also marked by a shift in market concerns, from inflationary issues to an assessment of the dynamism of the European and US economies, and more broadly of central bankers' ability to achieve a soft landing for these two zones. As inflation has fallen further, expectations of rate cuts have increased, particularly in the US, with markets anticipating no less than 4 rate cuts by the end of the year, compared with 2 or 3 expected by the ECB. At the same time, political uncertainties and persistent geopolitical risks are making it harder for many companies to predict their future, and they are even more cautious in view of a mixed summer earnings season.

Against this backdrop, bond markets were able to demonstrate their quality as safe-haven assets (as evidenced by the remarkable resilience of credit spreads), all performing as they benefited from rate cuts expectations, which although they appear to have been largely taken into account in the level of long rates (with the German 10-year rate stabilizing at 2.30% at the end of the month), continue to fuel the fall in short rates (-14bps on the German 2-year rate over the month). In terms of performance, the iBoxx HY index was the best performer in the asset class, at +0.97%, followed by the iBoxx Sovereign at 0.38% and the iBoxx Investment Grade at 0.21%.

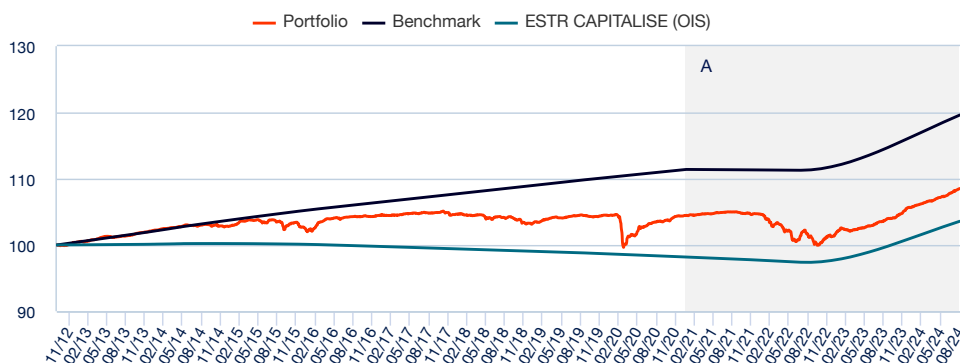
Against this backdrop, the Octo Crédit ISR Court Terme fund benefited from an attractive carry and news of short rates to achieve a performance of 0.42%.

The €ster stabilized at 3.65%, while the 3-month Euribor tightened by 15bp to 3.49%, in line with the German 2-year rate. We maintained a broad diversification of 100 issuers, 53% corporate and 45% financial. We reinvested our cash in new short bonds such as Ferrovial 1.375% 03/2025 at 3.70% yield in the Investment Grade segment, and Volitalia 1% 01/2025 in the High Yield segment at 6.20% yield, bearing in mind that these two bonds have already been refinanced.

With an average maturity of 1.4 years and an average BBB rating, the portfolio's yield to maturity of 4.16% offers a premium of 75bps over the average for equivalent bonds (source: Octo, Bloomberg)

	YTD	1 month	3 months	6 months	1 year	3 years	Since
Since	29/12/2023	31/07/2024	31/05/2024	29/02/2024	31/08/2023	31/08/2021	01/10/2012
Portfolio	2.68%	0.38%	1.22%	2.16%	4.68%	3.38%	8.52%
Benchmark	2.99%	0.35%	1.07%	2.21%	4.50%	7.42%	19.61%

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
2019	0.15%	0.30%	0.20%	0.25%	-0.14%	0.14%	0.17%	0.13%	-0.13%	-0.14%	0.12%	0.10%	1.16%
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%	-	-	-	-	2.68%

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	0.54%	1.33%	1.38%
Volatility BENCH	0.02%	0.27%	0.17%
Sharpe ratio PTF	1.30	-0.60	0.14
Max. drawdown	-0.12%	-4.82%	-5.21%
Recovery time	4	414	1351
Best month % PTF	0.69%	1.30%	1.45%
Tracking Error Ex Post Valeur PTF	0.54	1.26	1.37

	PTF
Average maturity (year)	1.36
Average rating	BBB
Yield to maturity	4.16%
Yield to worst	3.91%
Spread duration	1.06
Modified duration	0.99
Number of issuers	100
Number of holdings	112

DIVESTMENT DELAY

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

CONTACT

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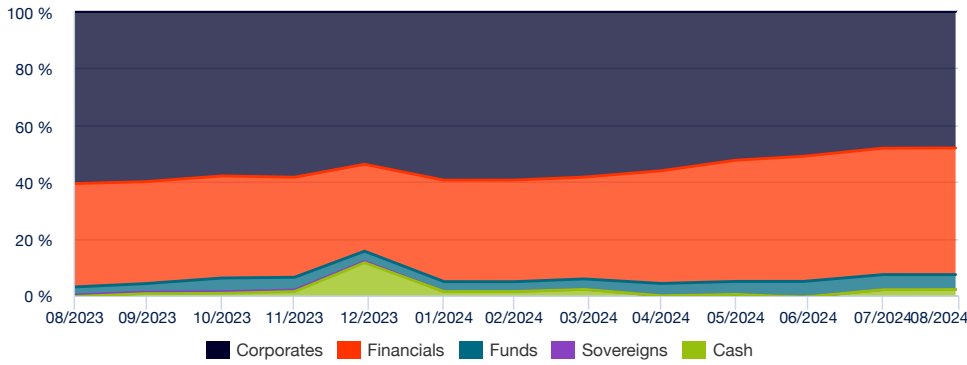
SA au Capital de 500 000 €
RCS Paris 532 483 294
Code NAF 6430Z

Agrément AMF n° FCP20230097

Morningstar rating ©

Morningstar Overall 4 stars
Rating ©

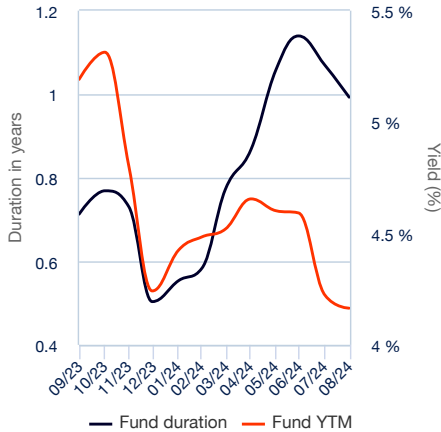
EVOLUTION OF THE PORTFOLIO STRUCTURE



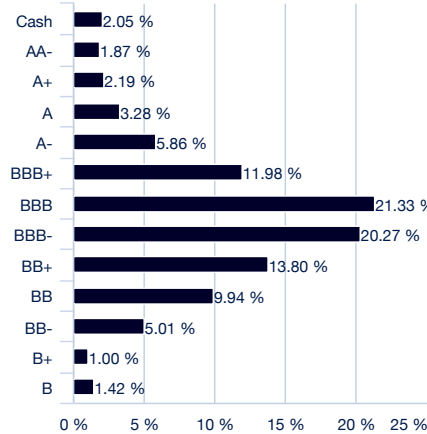
TOP 10 ISSUERS

Issuer	% Ptf
BANCO BPM SPA	1.46%
AUTOSTRADE PER L ITALIA SPA	1.33%
BANCO DE CREDITO SOCIAL COO SA	1.31%
TEREOS FINANCE GROUPE I SA	1.30%
ABANCA CORP BANCARIA SA	1.29%
UNICAJA (M PIE ROND)	1.29%
BANCO COMERCIAL PORTUGUES SA	1.28%
FORVIA	1.27%
BANCO DE SABADELL SA	1.26%
CAIXABANK SA	1.25%

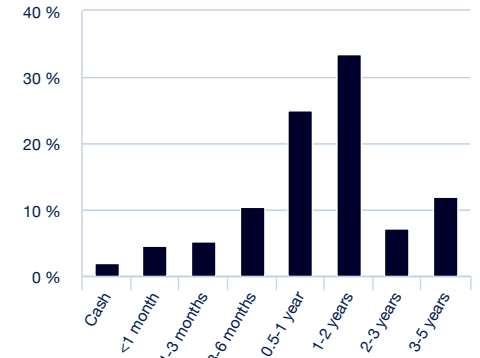
HISTORICAL DURATION/YIELD



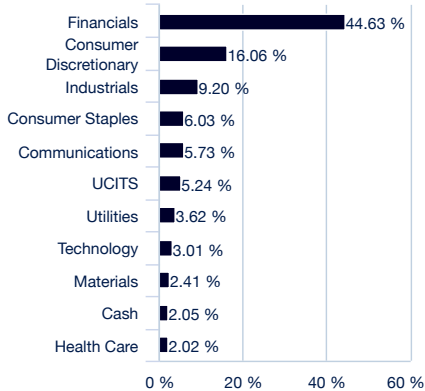
BREAKDOWN BY RATING



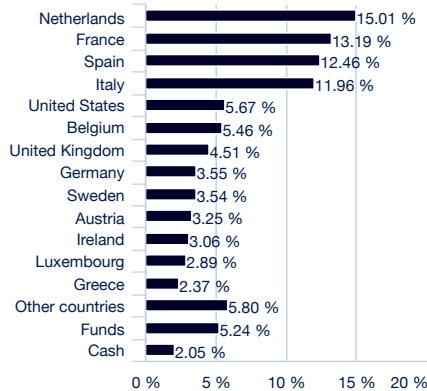
BREAKDOWN BY MATURITY



BREAKDOWN BY SECTOR



GEOGRAPHIC ALLOCATION



BREAKDOWN BY COUPON TYPE

Coupon Type	% Ptf
Fixed	61.47%
Variable	22.57%
Zero-coupon	5.54%
Floating	3.13%

NET CURRENCY EXPOSURE

Currency	% Ptf
EUR	99.80%
USD	0.19%
CHF	0.01%
GBP	0.00%
Others	0.00%

NET EXPOSURE ON DERIVATIVES

Category	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	1.00%
Fee on outperformance	20 %
Exit charge	-
Benchmark	100% ESTER CAPITALIZED + 0.5%
Recommended investment horizon	6 months

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