

Ellipsis European Convertible Fund Share I (EUR)

FR0010868802

PERFORMANCE AS OF 30/04/2024 NAV: 1 328 816.22 €

Past performance does not predict future returns. Markets may evolve very differently in the future. However, they can help you assess how the fund has been managed in the past. Performance net of fees, dividends and coupons reinvested.

Aggregate performance

	1 month	3 months	YTD
Fund	0.14%	3.63%	3.25%
Benchmark	-0.28%	3.37%	3.14%

Annualised performance

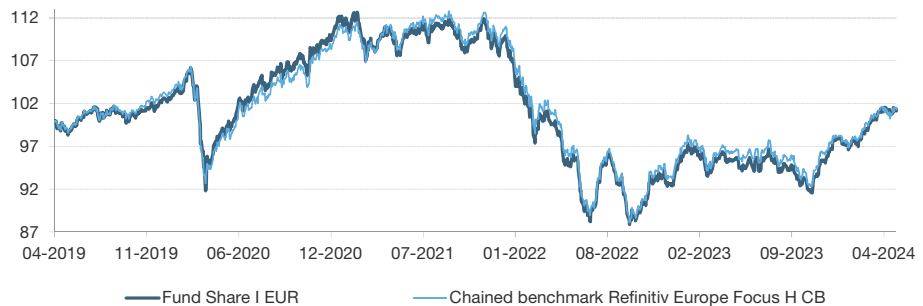
	1 year	3 years	5 years	10 years
Fund	6.30%	-2.79%	0.23%	0.91%
Benchmark	4.99%	-2.81%	0.27%	-

Historical performance

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	6.02%	-15.69%	-1.14%	8.48%	9.92%	-6.29%	6.58%	-1.76%	5.99%	1.18%
Benchmark	5.37%	-15.74%	0.85%	6.68%	10.49%	-4.89%	3.53%	-0.41%	7.60%	4.58%

Fund - Share I EUR Chained benchmark Refinitiv Europe Focus H CB

CHANGE IN NET ASSET VALUE OVER 5 YEARS



FUND MANAGER COMMENTS

For the third time this year, American inflation has exceeded analysts' expectations. The PCE index, closely monitored by the Fed, stood at +3.7% in Q1, well above the Q4 level (+2.0%). Disinflation appears to have stalled in the US. Today, markets are no longer betting on more than one interest rate cut in 2024, compared to the seven expected at the beginning of the year. Long-term expectations have also adjusted, with a nearly 50bp increase in T-Bond yields over the month. The strength of the economy seems to easily adapt to the restrictive monetary environment. April's data shows that domestic demand remains strong. Real estate and the job market continue to surprise on the upside. While European bond markets have been affected by contagion, the inflationary environment there seems less concerning. Despite the monetary turbulence in April, the ECB maintains its anticipation of cutting interest rates in June. However, one can question the sustainability of inflation decline when considering the American example – which Europe has so far followed with delay. Economic indicators for the eurozone have shown a rebound in economic activity, driven by the services sector, and a reduction in the gap between the core and the periphery.

In this context, equities decrease by -0.94% (STOXX Europe 600), HY corporate bonds are stable (ICE BofA Euro HY) and IG corporate bonds are down -1.07% (iBoxx Euro Non Financials BBB). Over the month, the fund improves by +0.14% compared to -0.28% for the Refinitiv Europe Focus hedged.

This month performance was led by Prysmian (+12bps) which announced the acquisition of Encore Wire (€3.9bn deal) that will broaden its US footprint.

Schneider Electric (+7bps) rose after posting good quarterly results despite rumours of a potential dilutive deal with Bentley System. BNP Paribas (+5bps) showed that market fears of a negative turn in the earnings outlook were overdone as better revenue growth led to positive earnings revision. The performance was partially offset by the semiconductor sector (STMicro -17bps, BE Semi -3bps). ST Micro once again revised down its annual guidance by -12%/-35% for sales/EBIT. The cut is coming from the ongoing industrial destocking and also from a lower Silicon Carbide contribution in the automotive division.

Two small primary deals contributed to the fund performance this month with DocMorris (CHF 115m) and Medartis (CHF 200m) issuances. These deals came with attractive terms both with 3% coupon and premium around 30%.

The fund has an equity sensitivity of +31.6% and a distance to the floor of +11.1%.

Focus ESG: As consumers become more and more reliant on fashion items produced in China, carbon emissions are increasing significantly. Indeed, to cope with the increasing demand, ultra-fast-fashion giants Shein and Temu (the latter belongs to PDD) are gradually switching from shipping by sea to air freight, which enables them to reduce delivery times between China, where their products are designed and produced, and their client locations (ie Western world). This move will reduce delivery times from 5 to 6 weeks by ship to just a few days by air. According to figures gathered by Reuters, Shein and Temu products shipping account for 1/3 of the world long haul cargo volumes with almost 5,000 tonnes of products each per day (1,000 for Apple).

ELLIPSIS AM
Kepler Cheuvreux

ADVERTISING COMMUNICATION

REPORTING CONVERTIBLE BOND FUNDS

April 2024

AUM(Mln €): 225.8

Fact sheet

Management approach

A discretionary directional fund providing exposure to all convertible bonds in the European market, regardless of their profile (high yield, bond, balanced and equity profiles), while taking into account ESG exclusion and integration criteria.

Benchmark indicator

Refinitiv Europe Focus Hedged Convertible Bond Index EUR*

Recommended investment period
5 years

SFDR classification

Article 8 (funds promoting environmental or social characteristics)

Fund managers

Nicolas SCHRAMECK
Sébastien CARON
Pénélope DUGAS
Cyril BATKIN

Notation

As of 31/03/2023
Convertible Bond - Europe



As of 31/03/2024
Bond Convertible Europe



SRI risk indicator

1	2	3	4	5	6	7
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With lower
risk

With
higher risk

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* Benchmark indicator as of 23/11/2022: EUR unit classes = Refinitiv Europe Focus Hedged Convertible Bond Index EUR (Bloomberg ticker: UCBIFX21) / CHF unit classes = Refinitiv Europe Focus Hedged Convertible Bond Index CHF (Bloomberg ticker: UCBIFX34) / USD unit classes: Refinitiv Europe Focus Hedged Convertible Bond Index USD (Bloomberg ticker: UCBIFX10). From 01/04/2019 to 22/11/2022: ECI Europe Hedged EUR-H/CHF-H/USD-H according to the corresponding currency of the unit class. Before 31/03/2019 : ECI Europe.

April 2024

Data at 30/04/24

TECHNICAL FEATURES

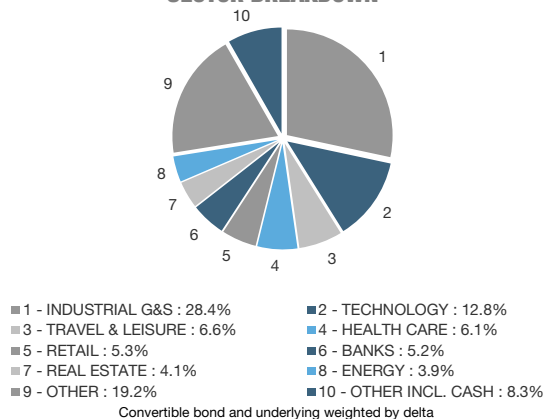
	Fund		
Average rating	BBB-	Equity Sensitivity	31.6%
Yield	0.1%	Convexity (equities +20%)	7.4%
Running Yield	1.2%	Convexity (equities -20%)	-5.4%
Rate Sensitivity	1.9		
Average spread	143		
Spread sensitivity	1.7		
Distance to bond floor	11.1%		
Annualised Net Premium	76.5		

Average spread: issuer risk estimated by Refinitiv - Spread sensitivity expressed for a 100bps widening in the average spread

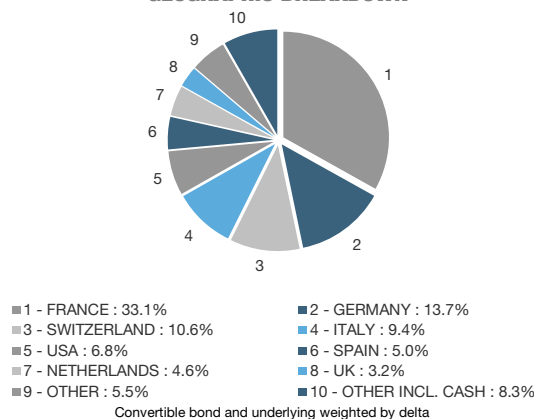
RISK ANALYSIS

	1 year		3 years		5 years	
	Fund	Index	Fund	Index	Fund	Index
Annualised Volatility	5.0%	4.9%	6.7%	6.7%	6.8%	6.6%
VaR 95% (1 month)	-2.2%	-2.4%	-3.2%	-3.3%	-3.2%	-3.1%
Max DrawDown	-5.3%	-5.5%	-21.5%	-21.9%	-22.0%	-21.9%
Sharpe Ratio	0.43	0.28	neg.	neg.	neg.	neg.

SECTOR BREAKDOWN



GEOGRAPHIC BREAKDOWN

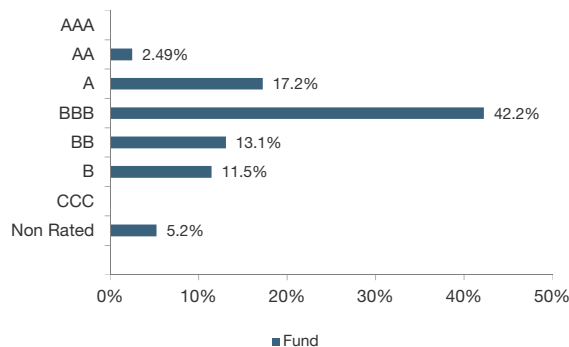


TOP 5 INVESTMENTS

	Weight	
Worldline 0% 20/25	4.83%	FRANCE INDUSTRIAL G&S
STMicro 0% USD 20/27	3.94%	SWITZERLAND TECHNOLOGY
Qiagen 1% USD 18/24	3.68%	USA HEALTH CARE
C 1 04/09/29	3.16%	FRANCE CONSUMER P&S
Just Eat Takeaway.com 0% 21/25	3.14%	NETHERLANDS TECHNOLOGY

Sector and country of the CB's underlying. Country of risk and not a listing country is mentioned.

RATING BREAKDOWN



PRACTICAL INFORMATION

Characteristics

Underlying
European convertible bonds
Reference currency
EUR
Launch date of the fund
3/23/2010
Launch date of the share
1/5/2011
Income distribution
Capitalisation
Depositary - Accountant - Valuator
Société Générale SA
Auditor
PricewaterhouseCoopers Audit
Countries of registration
France - Italy - Luxembourg - Spain - Switzerland

Terms and fees

NAV Frequency
Daily ⁽¹⁾
Minimum initial subscription
EUR 1 000 000
Initial NAV
EUR 1 000 000
Subscription / Redemption cut off
11h00 D / 11h00 D
Non retained fees subscription
0.00%
Transaction fees
Fee excl.taxes, payable on each transaction
(Ellipsis AM: fee <EUR50 / Depositary: fee
Management fees
Max 0.80%
Outperformance fees
15% inclusive of tax of the annual outperformance
net of fees of the fund vs benchmark, once the
underperformance of the last 5 years has been
compensated



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ELLIPSIS AM - 112 avenue Kléber - 75116 Paris. A fund management company certified by the AMF under n°GP-11000014 - Limited liability company with management board and supervisory board, with a share capital of EUR2,307,300 - RCS Paris 504 868 738
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Additional information for Switzerland: the state of the origin of the fund is France. In Switzerland, the representative is ACOLIN Fund Services SA, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17 quai de l'île, CH-1204 Genève. The prospectus, the Key Investor Information Documents, the fund regulation or the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative. This is an advertising document. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

The content of this document should not be understood as an investment recommendation, neither within the meaning of the European Market Abuse Regulation MAR 596/2014, nor within the meaning of MiFID2 2014/65/EU. References to instruments or issuers are illustrative only and not forward-looking. These opinions are based on the expertise of Ellipsis AM's portfolio managers. These portfolios may be exposed to the sectors, strategies and instruments mentioned, and future management decisions are not constrained by the statements and analyses reported and may even go in the opposite direction.

(1) Except French bank holidays and/or TARGET closing days.