



ADVERTISING COMMUNICATION

REPORTING CONVERTIBLE BOND FUNDS

March 2024

AUM(Mln €): 236.79

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 USD*

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

As of 31/03/2024

Bond Convertible Europe



SRI risk indicator



PERFORMANCE AS OF 28/03/2024

NAV: 1 320.62 \$

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	2.02%	3.28%	3.28%
Benchmark	2.25%	3.81%	3.81%

Annualised performance

	1 year	3 years	5 years	10 years
Fund	8.24%	-1.39%	1.68%	1.69%
Benchmark	9.00%	-0.41%	2.61%	-

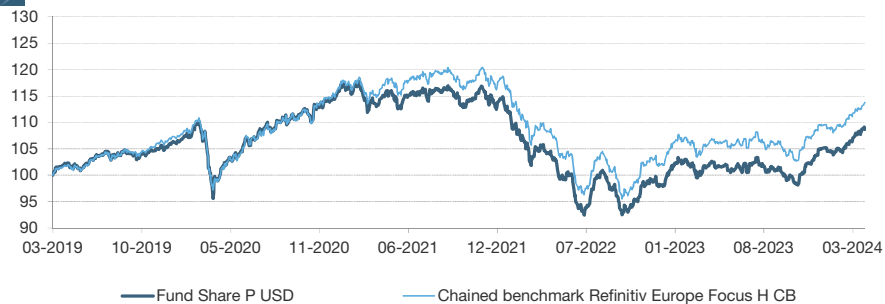
Historical performance

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	7.49%	-14.51%	-1.17%	9.39%	12.02%	-4.69%	7.42%	-1.45%	4.98%	0.39%
Benchmark	7.51%	-13.93%	1.74%	8.81%	12.96%	-4.89%	3.53%	-0.41%	7.60%	4.58%

— Fund - Share P USD

— Chained benchmark Refinitiv Europe Focus H CB

CHANGE IN NET ASSET VALUE OVER 5 YEARS



FUND MANAGER COMMENTS

The data published in March once again confirms the robustness of the environment. However, the global disinflation that is fuelling the market's optimism is going through a period of uncertainty with the recent rise in price indices. This is due to a number of factors: deflation in goods prices is gradually coming to an end (manufacturing activity is rebounding, supply chains are no longer disrupted, shipping and energy prices are rising). In addition, service prices, which are linked to wage trends, remain persistent, and the resilience of the US property market is increasing housing costs. The coming months should reveal whether this is just statistical noise or a more structural trend. Disinflationary impulses are also ongoing: the interest rate environment remains restrictive. Supply-side developments are acting as a bulwark against rising prices. Immigration and labour productivity are keeping unit labour costs down. Excess capacity in China remains a powerful deflationary force. Finally, the rise in oil prices is also having a recessionary effect on demand, which will eventually moderate structural inflation. The central banks seem to remain fairly insensitive to recent data, and are indicating the start of a rate cut in June. Paradoxically, the optimism of central banks could prove them wrong: by being confident about disinflation, they have boosted financial conditions, creating strong support for demand and therefore encouraging price increases.

In this context, equities increase by +4.04% (STOXX Europe 600), HY corporate bonds are up +0.41% (ICE BofA Euro HY) and IG corporate bonds are up +1.16% (iBoxx Euro Non Financials BBB). Over the month, the fund improves by +2.02% (including -50bps swing effect) compared to +2.25% for the Refinitiv Europe Focus hedged.

This month performance was led by Saipem (+49bps) which continued to gain after +31bps in February. This is explained by new project announcement and higher oil prices towards the end of the month. The industrial sector continued its rally with the better manufacturing activity (Safran +37bps, Prysmian +9bps, Evonik +8bps). Separately, BNP Paribas (+27bps) rebounded after its disappointing set of results early February and as it announced additional cost savings of €400m for 2024. Nordex (+16bps) and Neoen (+8bps) also contributed positively to the performance as their annual results reassured on their balance sheet solidity and their project pipelines. The performance was partially offset by the semiconductor sector. SOITEC (contrib -14bps, stock -20%) issued a profit warning at the end of the month flagging a slower recovery than expected in the smartphone market and guided for a 2024/2025 revenue and EBITDA 20% below market expectations. BE Semi (-4bps) raises some concerns on the hybrid bonding outlook after a news broke implying that it was likely not to be used in the next node of HBM (High Bandwidth Memory).

The fund has an equity sensitivity of +31.2% and a distance to the floor of +8.8%.

Focus ESG: Is China a villain or a saint when it comes to climate change? As China emits more than a quarter of the world's greenhouse gases each year the villain case seems straightforward. Let's not forget that Western countries outsourced most of their manufacturing (and thus their emissions) to China. Nevertheless, China has installed more renewable power than any other country (+293GW in 2023), established incentive policies to promote green products and expect to reach its peak in emissions by 2030. The world's largest emitter of carbon dioxide is also its top source of green technology. Chinese companies make 90% of the world's solar cells, 60% of its lithium-ion batteries and over half of its electric vehicles. But there is a big problem: 50% of China's energy still comes from coal (down from 70% in 2011) and new coal capacity continued to be added every year (+47GW in 2023, +28GW in 2022).

* 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.

March 2024

Data at 28/03/24

TECHNICAL FEATURES

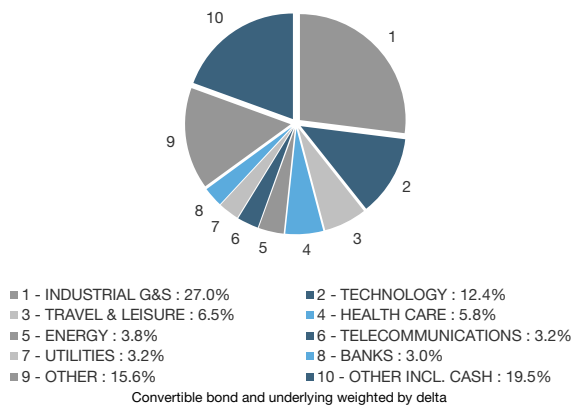
	Fund		
Average rating	BBB-	Equity Sensitivity	31.2%
Yield	-2.1%	Convexity (equities +20%)	7.1%
Running Yield	1.1%	Convexity (equities -20%)	-5.2%
Rate Sensitivity	1.6		
Average spread	139		
Spread sensitivity	1.5		
Distance to bond floor	8.8%		
Annualised Net Premium	63.4		

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

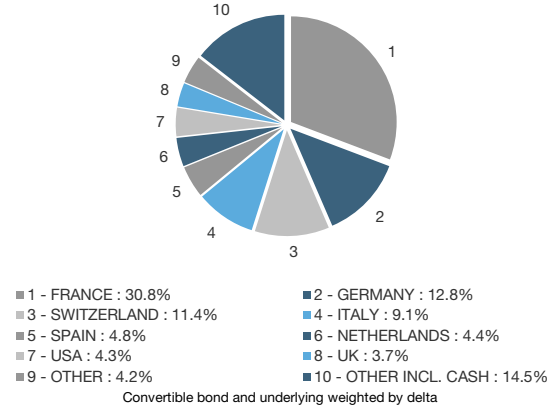
RISK ANALYSIS

	1 year		3 years		5 years	
	Fund	Index	Fund	Index	Fund	Index
Annualised Volatility	5.1%	4.9%	6.8%	6.6%	6.9%	6.5%
VaR 95% (1 month)	-2.2%	-2.2%	-3.3%	-3.3%	-3.2%	-3.1%
Max DrawDown	-5.0%	-5.1%	-20.9%	-20.7%	-21.5%	-20.7%
Sharpe Ratio	0.52	0.69	neg.	neg.	neg.	0.09

SECTOR BREAKDOWN



GEOGRAPHIC BREAKDOWN

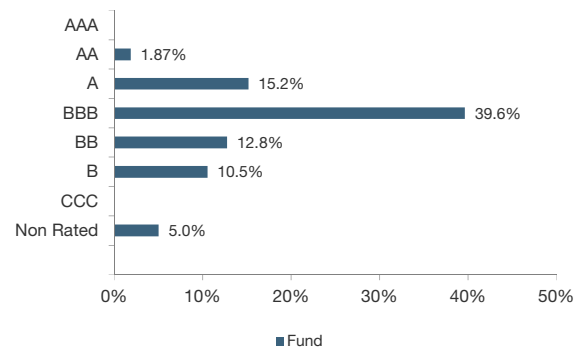


TOP 5 INVESTMENTS

	Weight	
Worldline 0% 20/25	4.58%	FRANCE INDUSTRIAL G&S
STMicro 0% USD 20/27	3.84%	SWITZERLAND TECHNOLOGY
Qiagen 1% USD 18/24	3.52%	USA HEALTH CARE
Safran 0% 21/28	3.09%	FRANCE INDUSTRIAL G&S
Just Eat Takeaway.com 0% 21/25	2.98%	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
3/28/2011
Income distribution
Capitalisation
Depository - Accountant - Valuator
Société Générale SA
Auditor
PricewaterhouseCoopers Audit
Countries of registration
France - Italy - Luxembourg - Switzerland

Terms and fees

NAV Frequency
Daily ⁽¹⁾
Minimum initial subscription
None
Initial NAV
USD 1 000
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 / Depository: fee
Management fees
Max 1.70%
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



client_service@ellipsis-am.com

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
This document does not constitute investment advice of financial products. It is not recommended for investors considering the subscription of fund units or shares to base their decision solely on the content of this document. They are advised to read the most recent version of the prospectus carefully, paying particular attention to the risk profile. The fund's prospectus, KID and financial statements are available upon request or online.

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.