

## SUMMARY RISK INDICATOR



The risk indicator assumes you keep the product for 3 years in accordance with the recommended holding period.

## INVESTMENT OBJECTIVE

Tikehau Credit Plus is a credit fund that mainly invests in High Yield bonds issued by private or public entities, primarily in Eurozone countries.

## KEY FIGURES – 12/29/2023

NAV : € 136.95

AuM : € 273m

Yield to maturity : 7.5%

Yield to worst<sup>1</sup> : 6.9%

Volatility (last 12 month rolling) : 4.2%

12 month rolling volatility computed from daily data

## MAIN CHARACTERISTICS OF THE FUND

ISIN Code : FR0011408426

Bloomberg Ticker : TICRPLI FP Equity

Fund's inception : 25/06/2007

Portfolio Manager(s) : Thibault Douard, Benoit Martin

Legal form : FCP

Morningstar's classification : EUR High Yield Bond

Reference currency : EUR

Allocation of results : Accumulation

Custodian : CACEIS Bank France

## MAIN ADMINISTRATIVE FEATURES

Entry / Exit fees : Please refer to the Fund's prospectus and KID to obtain all the information regarding the terms and operation of the Fund.

Management fees : 0.60%

Performance fees : 10.00 % of the annual performance net of management fees above the Euribor 3 months + 240 pb over a reference period of five years, provided that this performance fee is greater than 0 during the reference period in question. The actual amount will vary depending on how well your investment performs.

Minimum of subscription : € 1,000,000.00

Liquidity : Daily

Subscription/Redemption : Daily D-1 before 16:00

NAV : Unknown

Payment delivery : D+2

## PROSPECTUS BENCHMARK

Annualized performance greater than Euribor 3M + 240 basis points, net of management fees, over a minimum investment period of 3 years. The Fund is actively managed and refers to a benchmark indicator exclusively as an ex-post performance indicator and, where relevant, for the purpose of calculating the performance fee.

## PERFORMANCES

Past performance does not predict future results, displayed net of management fees, and computed each year dividends reinvested, in the Fund's reference currency (according to the currency of the State of residence of the investors, the returns may increase or decrease as a result of currency fluctuations). The achievement of the investment objective is not guaranteed.

## RISKS

The main risks of the Fund are the risk of capital loss, counterparty risk, liquidity risk, sustainability risk and credit risk (the fund can invest 100% of its assets in bonds with low credit quality, it therefore carries a very high credit risk). For a full and detailed description of all risks, please refer to the Fund's prospectus available on the Company's website. The materialisation of one of these risks could lead to a drop in the Fund's net asset value.

Please refer to the Fund's prospectus to obtain all the information regarding the terms and operation of the Fund.

<sup>1</sup> Source: TIM, calculated from estimated repayment dates to date.

Please refer to the fund's prospectus and KID, and if necessary, contact your usual advisor before making any final investment decision.

## NEWSLETTER DECEMBER 2023

# TIKEHAU CREDIT PLUS – I-ACC-EUR

## MARKET OUTLOOK

**Macroeconomics/ Central banks.** December was marked by various central bank meetings. Buoyed by still-falling inflation, the Fed unsurprisingly left its key rates unchanged in December. The surprise came from a tone that was more accommodating than expected, with Jerome Powell confirming that the Fed was considering potential rate cuts, given that financial conditions are currently considered restrictive. In Europe, the ECB has also confirmed that its upward cycle is now complete but remains more cautious about a potential pivot and has not yet discussed potential rate cuts. The same trend towards disinflation is evident in the UK, although levels remain higher, which has led the BoE to adopt a stance similar to the ECB.

**Markets.** Buoyed by the more accommodating tone adopted by central bankers, the credit market continued to ease in December. The US 10-year was thus down 50bps over the month to 3.85%, ending the year at the same level as on January 1st. The 10-year Bund closed at 2.0%, 40bps lower for both the month and the year. Credit markets are therefore continuing to rebound, with the European HY HECO index up 2.9% in December (up 12.00% over the year) and the European IG ER00 up 2.8% (up 8.0% overall in 2023). Equity markets have not been left behind, with the S&P 500 up 4.4% in December (up 24.2% over the year), and the Stoxx 600 up 3.8% (up 12.7% in 2023).

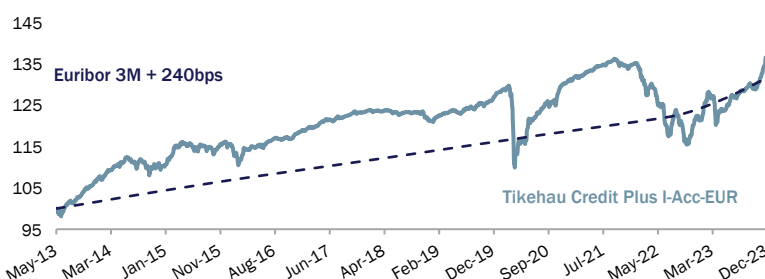
**Positioning.** Tikehau Credit Plus posted a positive performance in December, but slightly underperformed the European HY HECO index (used for information purposes only). This underperformance was mainly due to a lower duration than the index and a slightly higher level of liquidity at the end of the month. All the positions in the portfolio made a positive contribution to performance, with subordinated financial bonds outperforming relatively speaking.

Over 2023, TC+ has outperformed the HECO index (up 12.0%).

The primary market was less active than expected, with only three public high-yield issuances (Loxam, Iliad and Synlab), mainly refinancing existing issuances. We took a profit on a few positions in light of the strength of the rally, and gradually increased the cash position to 10%, taking advantage of inflows. We expect the primary market to be very active in January 2024 and wanted to have full flexibility to seize any opportunities.

The fund has an average duration of 1.9 years (vs. 2.9 years for the HECO index) and a credit duration of 2.0 years (vs. 3.3 years for the index). Its embedded yield to worst is 6.97.0% (vs. 6.3% for the HECO) and its yield to maturity 7.5% (vs. 6.5% HECO). Finally, the average rating of the portfolio is BB (vs. BB- for the HECO index).

## NET ASSET VALUE EVOLUTION



## PERFORMANCES

Past performance does not predict future returns

ANNUAL PERFORMANCES	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Tikehau Credit Plus I-Acc-EUR	+12.9%	-10.1%	+3.4%	+1.9%	+5.7%	-1.7%	+4.3%	+2.2%	+4.8%	+3.5%
Euribor 3M + 240bps	+6.0%	+2.8%	+1.9%	+2.0%	+2.1%	+2.1%	+2.1%	+2.2%	+2.4%	+2.7%

ROLLING PERFORMANCE	1 month	3 months	6 months	YTD 2023	1 year	18 months	3 years	5 years	10 years	Inception
	+2.6%	+5.5%	+7.9%	+12.9%	+12.9%	+16.0%	+5.0%	+13.1%	+28.5%	+37.0%

Source : Tikehau Investment Management, data as of 12/29/2023.

### RISK INDICATORS & ACTUARIAL DATA

Number of issuers : **103**  
Currency Risk : **hedged**  
Modified duration<sup>1</sup> : **1.9**  
Spread Duration<sup>1 & 2</sup> : **2.0**  
Average maturity of bonds : **3.2**  
Average coupon<sup>3</sup> : **7.0%**  
Average rating<sup>4</sup> : **BB**

<sup>1</sup> Source: TIM, calculated from estimated repayment dates to date.

<sup>2</sup> Indicator measuring the impact of the issuers' spreads variation on performance

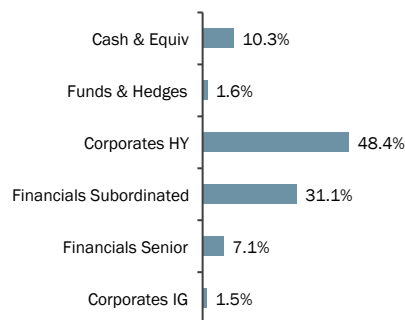
<sup>3</sup> Figure calculated on the portfolio, ex-cash

<sup>4</sup> Figure calculated on the portfolio, cash included

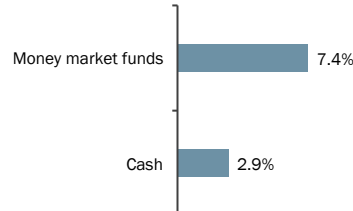
### TOP 10 ISSUERS

BARCLAYS	2.5%
BANCO COMERCIAL PORTUGUES	2.0%
VERISURE	1.8%
NATIONAL BANK GREECE SA	1.7%
LOXAM	1.5%
PERMANENT TSB	1.4%
MBANK SA	1.4%
LOTTOMATICA	1.4%
CHEPLAPHARM ARZNEIMITTEL	1.4%
CIRSA	1.4%

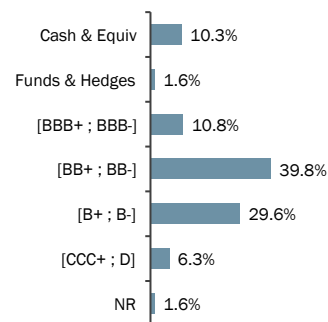
### BREAKDOWN BY ISSUERS TYPE



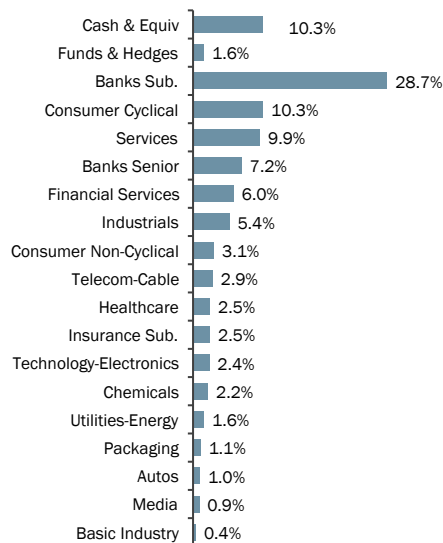
### BREAKDOWN CASH & SHORT TERM INVESTMENTS



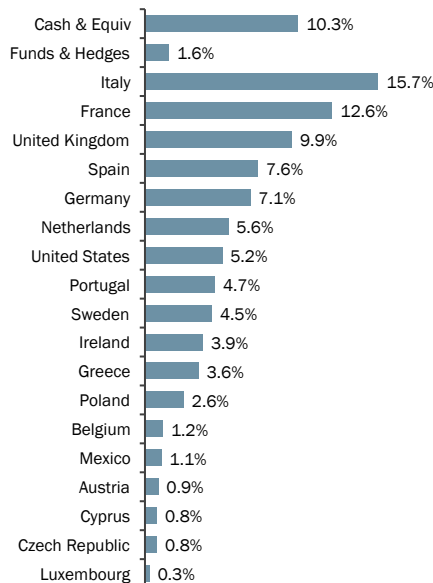
### BREAKDOWN BY RATINGS - ISSUANCES



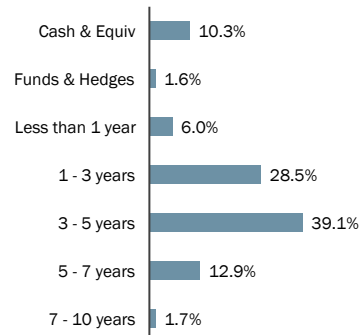
### BREAKDOWN BY SECTOR



### BREAKDOWN BY COUNTRY



### BREAKDOWN BY MATURITIES



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