

# ODDO BHF Artificial Intelligence

30 DECEMBER 2022

CR-EUR[H] - Eur | Thematic Equity - Artificial Intelligence - Global

Assets Under Management	226 M\$	Morningstar™ Category:	1 2 3 4 5 <b>6</b> 7
NAV per Unit	102.27€	Other Equity	Risk/return scale <sup>(1)</sup>
Evolution vs M-1	-7.19€		6 8 <b>9</b>
		Rating at 7/31/22	SFDR Classification

Countries in which the fund is authorised for distribution to the public:

FR IT CHE DEU AUT PRT ESP BEL SWE LUX FIN NOR

## PORTFOLIO MANAGERS

Brice PRUNAS, Maxence RADJABI

## MANAGEMENT COMPANY

ODDO BHF Asset Management SAS

## KEY FEATURES

**Benchmark :** 100% MSCI World (NR) USD

**Recommended investment horizon:** 5 Years

**Inception date (1st NAV):** 1/14/19

**Inception date of the fund:** 12/19/18

<b>Legal structure</b>	Sub-fund of the ODDO BHF SICAV Luxembourg Umbrella (UCITS)
<b>ISIN code</b>	LU1833932608
<b>Bloomberg code</b>	ODACRHE LX
<b>Currency</b>	Euro
<b>Dividend policy</b>	Accumulation unit
<b>Minimum (initial) investment</b>	100 EUR
<b>Later minimal subscription</b>	1 thousandth of a unit
<b>Management company (by delegation)</b>	-
<b>Subscriptions/redemptions</b>	12:00pm, D
<b>NAV calculation frequency</b>	Daily
<b>Country of domicile</b>	Luxembourg
<b>Management fees</b>	Annual rate of a maximum of 1.60%, payable quarterly and calculated based on the Sub-fund's average net assets for the month in question.
<b>Performance fees</b>	20% of the outperformance of the UCITS compared to its reference indicator, once past underperformance over the last five financial years has been offset and subject to a positive absolute performance. None if the absolute performance is negative.
<b>Subscription fees</b>	5 % (maximum)
<b>Redemption fees</b>	Nil
<b>Ongoing charges</b>	1.73 %
<b>Transaction fees received by the Management Company</b>	None
<b>Annualized volatility</b>	
	1 year 3 years 5 years
<b>FUND</b>	30.5% 26.5%

## INVESTMENT STRATEGY

ODDO BHF Artificial Intelligence is a global equity fund that uses artificial intelligence and quantitative analysis to invest in listed equities with exposure to the theme of artificial intelligence, through a selection of associated sub-themes. It seeks to be permanently invested in equities in order to generate long-term capital growth. In the first instance, a big data algorithm is used to define the main sub-themes of artificial intelligence and to select the most relevant global equities. The internal quantitative Algo 4 model is then applied to this limited investment universe to identify between 30 and 60 companies with the most attractive financial and risk characteristics. The management team may then adjust the weightings on a discretionary basis. The portfolio is subject to ongoing monitoring by the management team.

Net annual performance (12-months rolling)					
from			12/31/19	12/31/20	12/31/21
to			12/31/20	12/31/21	12/30/22
<b>FUND</b>			<b>19.7%</b>	<b>8.6%</b>	<b>-34.7%</b>
Benchmark			15.9%	21.8%	-18.1%

Calendar performance (from January 01 to December 31)			
	2020	2021	2022
<b>FUND</b>	<b>19.7%</b>	<b>8.6%</b>	<b>-34.7%</b>
Benchmark	15.9%	21.8%	-18.1%

Cumulative and annualized net returns									
	Annualized performance			Cumulative performance					
	3 years	5 years	Inception	1 month	YTD	1 year	3 years	5 years	Inception
<b>FUND</b>	<b>-5.3%</b>	<b>0.6%</b>	<b>-6.6%</b>	<b>-34.7%</b>	<b>-34.7%</b>	<b>-15.2%</b>			<b>2.3%</b>
Benchmark	4.9%	9.4%	-4.2%	-18.1%	-18.1%	15.6%			42.6%

Past performance is not an indication of future results. Performance may vary over time.

Risk measurement			1 Year	3 Years
<b>Sharpe ratio</b>			<b>-1.12</b>	<b>-0.19</b>
<b>Information ratio</b>			<b>-1.14</b>	<b>-0.91</b>
<b>Tracking Error (%)</b>			<b>14.96</b>	<b>11.38</b>
<b>Beta</b>			<b>1.28</b>	<b>1.05</b>
<b>Correlation coefficient (%)</b>			<b>89.36</b>	<b>90.45</b>
<b>Jensen's Alpha (%)</b>			<b>-12.19</b>	<b>-10.57</b>

\*Definitions of the financial indicators used are available for download on the website [www.am.oddo-bhf.com](http://www.am.oddo-bhf.com) under the heading 'Regulatory information'. | Sources: ODDO BHF AM SAS, Bloomberg, Morningstar®

Sustainalytics provides company-level analysis used in the calculation of Morningstar's Sustainability Score.

(1) Risk/return scale in a range from 1 (lowest risk) to 7 (highest risk). This indicator is not constant and is updated if the risk/reward profile of the fund changes over time. The lowest category does not mean a risk-free investment. Historical data, such as is used to calculate the risk/return ratio, may not be a reliable indication of the future risk profile of the Fund. There is no guarantee that the management objectives in terms of risk and return will actually be met.

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Benchmark	21.3%	22.8%
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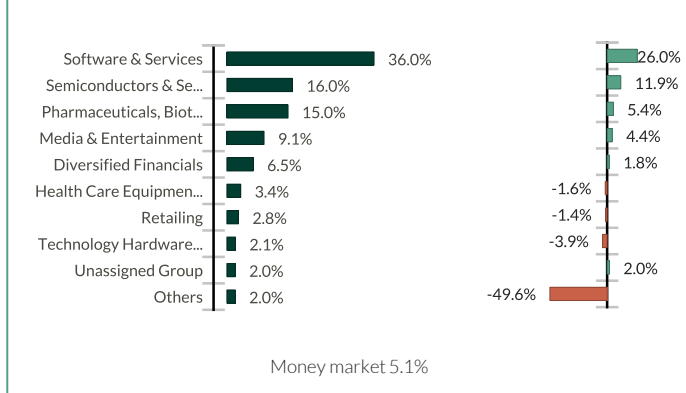
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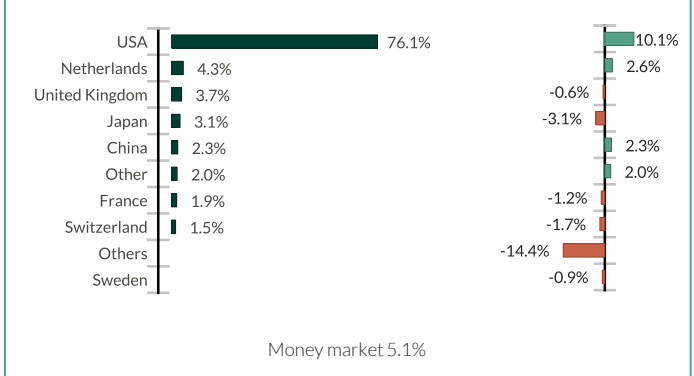
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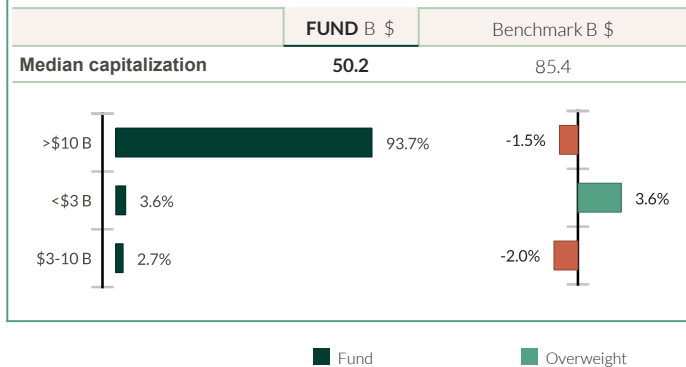
## SECTOR BREAKDOWN



## GEOGRAPHIC BREAKDOWN (COUNTRY OF INCORPORATION)



## CAPITALIZATION BREAKDOWN - EXCLUDING CASH (%)



## Weighted carbon intensity (tCO2e / €m turnover)

	FUND	Benchmark
Weighted carbon intensity	8.3	134.7
Coverage ratio	88.0%	99.5%

Source MSCI. We use scopes 1 (direct emissions) and 2 (indirect emissions related to electricity, heat or steam consumption) to calculate the carbon intensity, expressed in tonnes of CO2 equivalent per million euros of revenues. Cash and other derivatives are not covered.

## Main portfolio holdings

	Weight in the fund (%)	Weight in the benchmark (%)	Country	Sector	MSCI ESG rating
Microsoft Corp	5.22	3.41	USA	Software & Services	AAA
Servicenow Inc	4.66	0.16	USA	Software & Services	AA
Fortinet Inc	3.99	0.07	USA	Software & Services	A
Astrazeneca Plc	3.70	0.42	United Kingdom	Pharmaceuticals, Biotechnology & Life Science	AA
Asml Holding Nv	3.30	0.44	Netherlands	Semiconductors & Semiconductor Equipmen	AAA
Advanced Micro Devices	3.25	0.21	USA	Semiconductors & Semiconductor Equipmen	A
Alphabet Inc-CI A	3.01	1.06	USA	Media & Entertainment	BBB
Workday Inc-Class A	2.93	0.07	USA	Software & Services	AAA
Progress Software Corp	2.80		USA	Software & Services	AAA
Take-Two Interactive Softwre	2.71	0.03	USA	Media & Entertainment	A
<b>Number of holdings</b>	<b>47</b>				

\*\* rebased on the rated part of the fund | rating according to MSCI from CCC (High Risk) to AAA (Strong Opportunity).

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## SUSTAINABLE REPORT - OVERVIEW

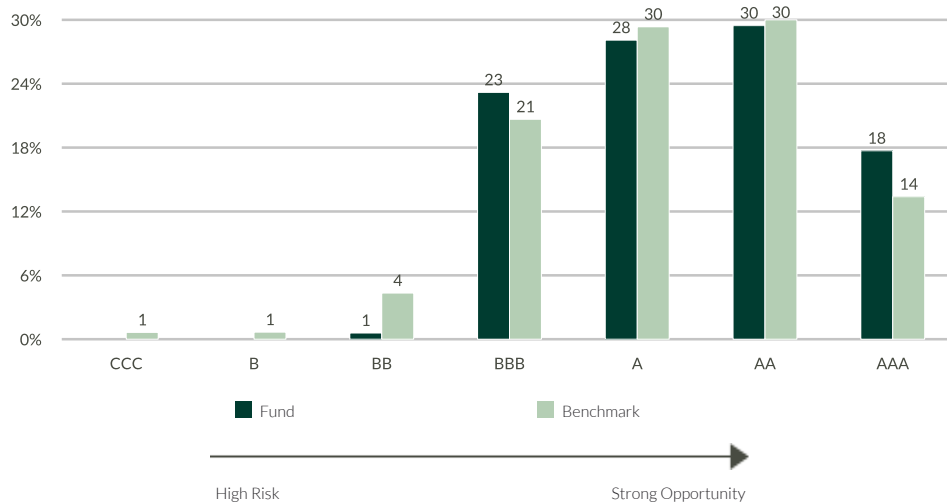
ESG Rating		
	FUND	Benchmark
	Dec 22	Dec 22
ESG Quality Score	9.6	8.5
MSCI ESG rating	AAA	AA
ESG coverage**	94.8%	99.8%

Benchmark : 100% MSCI World (NR) USD

### WEIGHTED AVERAGE E,S AND G RANK\*



### ESG RANK BREAKDOWN\*\* (%)



TOP 5 ESG rank				
	Sector	Country	Weight in the fund (%)	MSCI ESG rating
Microsoft Corp	Software & Services	USA	5.22	AAA
Asml Holding Nv	Semiconductors & Semiconductor I	Netherlands	3.30	AAA
Workday Inc-Class A	Software & Services	USA	2.93	AAA
Progress Software Corp	Software & Services	USA	2.80	AAA
Nvidia Corp	Semiconductors & Semiconductor I	USA	1.85	AAA
<b>Subtotal top 5</b>	-	-	<b>16.09</b>	-

## SUSTAINABLE REPORT - METHODOLOGY

ODDO BHF AM considers that measuring the environmental, social and governance impact of an investment is an essential step in disseminating good practices in ESG integration. To do this, it is imperative to have reliable, simple quantitative criteria (no reprocessing) and to allow comparison between portfolios regardless of their composition (large vs midcaps, geographical and sectoral diversity).

The choice of indicators is therefore crucial for the relevance of impact measurement. The data for the environmental indicators come from our external non-financial analysis provider, MSCI. We systematically indicate the availability of the data at the level of the portfolio and its benchmark.

\*ESG rank at the end of the period.

\*\* rebased on the rated part of the fund | rating according to MSCI from CCC (High Risk) to AAA (Strong Opportunity).

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## MONTHLY MANAGEMENT COMMENT

All fund units fell in December 2022, and they did so at a faster pace than our benchmark (MSCI World Developed Countries). This was due to an almost non-stop decline in US tech securities over the month, against a backdrop of still-strong North American macroeconomic data (particularly the employment market), which points to key rates in the US continuing to rise.

Our best contributors to performance were:

- 1) Tencent, which is benefiting from certain games getting approved by the Chinese regulator and a more favourable climate for Chinese internet companies;
- 2) Alibaba, which is directly benefiting from the reopening of the Chinese economy; and 3) Splunk, which was buoyed by favourable comparisons to Thoma Bravo's acquisition of Coupa.

The main drags on performance over the month were:

- 1) Salesforce, which is still fighting for investors' trust after the announcement earlier this month of co-CEO Bret Taylor's unexpected departure;
- 2) AMD, which is suffering from Micron's poor results and from the poor PC market outlook; and 3) Alphabet, in what remains a tough environment for companies whose economic models are based on online advertising.

## SFDR CLASSIFICATION

The EU Sustainable Finance Disclosure Regulation (SFDR) is a set of EU rules which aim to make the sustainability profile of funds transparent, more comparable and better understood by end investors. Article 6: The management team does not consider sustainability risks or adverse effects of investment decisions on sustainability factors in the investment decision making process. Article 8: The management team addresses sustainability risks by integrating ESG criteria (Environment and/or Social and/or Governance) into its investment decision making process. Article 9: The management team follows a strict sustainable investment objective that significantly contributes to the challenges of the ecological transition, and addresses Sustainability Risks through ratings provided by the Management Company's external ESG data provider.

## RISKS:

The fund is exposed to the following risks : risk of capital loss, equity risk, interest rate risk, credit risk, risk associated with discretionary management, currency risk, risk associated with commitments on forward financial instruments, counterparty risk, liquidity risk of underlying assets, emerging markets risk, volatility risk, modelling risk, risk associated with holding medium capitalisations, Stock Connect, Bond Connect, Investing in China, Sustainability risk

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The Key Investor Information Document (DEU, ESP, GB, ITL, NOR, POR, SWD) and the prospectus (DEU, FR, GB) are available free of charge from ODDO BHF Asset Management SAS or at [am.oddo-bhf.com](http://am.oddo-bhf.com) or at authorized distributors. The annual and interim reports are available free of charge from ODDO BHF Asset Management SAS or on its internet site [am.oddo-bhf.com](http://am.oddo-bhf.com).

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