

Single Manager Fund : ABN AMRO Candriam Global ESG High Yield Bonds

A subfund of the ABN AMRO Funds

Morningstar Category : Global High Yield Bond - EUR
Hedged ★★

Morningstar Sustainability Rating : 

Key information

▶ Net Asset Value	EUR 109.826
▶ AUM	EUR 190 million
▶ ISIN code	LU2041743266
▶ Duration	2.20
▶ Fund's average rating	BB-
▶ Average YTM	5.51
▶ Total number of holdings	93
▶ SFDR classification	Art. 8 – ESG Investment Product

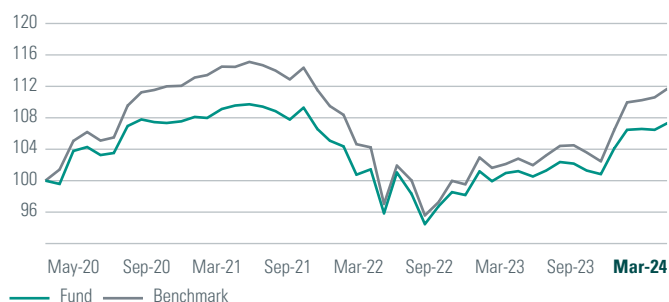
Fund profile

- ▶ A Single Manager Fund will delegate all its portfolio management activities to one manager, selected in accordance with severe qualitative and quantitative criteria. The Single Manager Fund is actively managed and having an opportunistic approach. ABN AMRO Investment Solutions has full daily transparency and risk control over the fund.
- ▶ ABN AMRO Investment Solutions has selected Candriam Investors Group for managing a global High Yield Sustainable mandate.



- ▶ The sub-fund aims to provide medium term capital growth with a diversified and actively managed portfolio of global sustainable high yield bonds, without any specific restriction on tracking error. The sub-fund will use a selection of securities complying with Environmental, Social and Governance (ESG) responsibility criteria. The portfolio will be composed of issuers that are either leading in ESG best practice or attractive due to their progression in ESG.

Performances*



	Fund	Benchmark	Performance gap
1 month	0.78%	0.97%	-0.19%
3 months	0.77%	1.56%	-0.79%
Year to date	0.77%	1.56%	-0.79%
1 year	6.27%	9.35%	-3.09%
3 years	-0.24%	-0.35%	0.11%
5 years	-	-	-
10 years	-	-	-
Since Inception	9.83%	16.08%	-6.26%
2023	8.45%	10.48%	-2.02%
2022	-10.17%	-12.97%	2.81%
2021	1.39%	2.81%	-1.42%
2020	-	-	-
2019	-	-	-

* Past performance is not an indication of future performance. Performance is calculated net of fees except subscription fees.

Fund facts

Share Class	Class A
Inception date	14/05/2020
Registered legal form	Luxembourg SICAV
Income's allocation	Accumulation
Benchmark	Bloomberg Barclays Global High Yield Corporate EUR Hedged
Currency	EUR
Liquidity	Daily
Custodian	State Street Bank Luxembourg
Fund Administrator	State Street Bank Luxembourg
Max management fee	1.30%
Ongoing charges	1.2%
Max. Subscription fee	5.00%
Max. Redemption fee	1.00%
Minimum investment	100 €
Subscription/Redemptions	16:00 CET, D-1
Bloomberg ticker	ABHYBAE LX

Risk ratios

	Fund		Benchmark	
	1 year	3 years	1 year	3 years
Volatility	3.70%	7.15%	4.16%	7.89%
Tracking error	1.22%	1.81%	-	-
Sharpe Ratio	0.66	-0.20	1.33	-0.18

Volatility is a statistical measure of the dispersion of returns for a portfolio or market index. In most cases, the higher the volatility, the riskier.

Tracking Error is the standard deviation of the difference between the portfolio return and the desired investment benchmark return.

Sharpe Ratio is a ratio used to measure risk-adjusted performance. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns.



Quarterly comment

After a strong rally that continued early January, the sticky inflation figures along the quarter changed market expectations for Central Banks rate cuts agenda both in Europe and in the US. In this context, risky assets continued to perform well, and credit spreads tighten further. Fundamentals are still well oriented in Europe issuers remain largely focused on debt reduction. In the USA some sectors are under pressure like TMTs while some companies shifted to a more equity friendly financial policy. While in the USA, the primary market is active, technicals are more supportive in Europe with large rising stars exiting the HY market. In this context, credit spreads tightened further and are now priced to perfection in US at multi decade tights. Over the quarter the fund delivered a positive performance of 1.02% on a gross basis and underperformed its benchmark index by 54bps. We were active on the primary market to consolidate the fund exposure on high quality names along with more volatile names like Xerox, though the fund underperformance of or core holdings in the TMT sector was one of the largest negative contributors to the performance. High Yield spread rallied strongly in the last quarter of 2023 and rates have already discounted a potential policy pivot which have set up a challenging start for 2024. On the positive side, we continue to find High Yield spread in Europe attractive vs the US and fundamentals as well as technicals remain very well oriented with large potential rising stars expected in the coming months and very limited net supply from the primary market as M&A activity remain subdued. We also expect the strategy to benefit from elevated dispersion as the impact of the new rate environment will gradually impact the most levered capital structures.

Rating breakdown

	Fund	Benchmark
A	1.38%	0.00%
BBB	8.34%	2.03%
Below BBB	83.49%	97.97%
Liquidity	6.78%	0.00%

Top holdings

Name	Sector	%
REPSOL INTL FINANCE 1% 31...	Industrial	2.71%
NEXTERA ENERGY OPERATING 7...	Utility	2.54%
COTY INC 5.000% 15/04/2026	Industrial	2.54%
SYMANTEC CORP 6.750% 30/09/...	Industrial	2.44%
HILTON GRAND VAC BOR ESC 6...	Industrial	2.34%
VODAFONE GROUP PLC	Industrial	2.32%
JAZZ SECURITIES DAC 4.375% ...	Industrial	2.11%
STAR PARENT INC 9% 01 OCT...	Industrial	2.00%
CHART INDUSTRIES INC 7.5% ...	Industrial	1.84%
ILIAD HOLDING SAS 6.500% 15...	Industrial	1.82%
Total of 10 first positions		22.66%

Geographic breakdown

	Fund	Benchmark
United States	44.18%	57.26%
Spain	9.27%	2.24%
United Kingdom	8.49%	5.72%
France	7.29%	3.85%
Italy	7.17%	3.78%
Germany	5.36%	2.67%
Bermuda	3.29%	0.78%
Ireland	3.13%	0.70%
Mexico	2.98%	0.48%
Netherlands	1.59%	2.05%
Other	0.47%	20.47%
Liquidity	6.78%	0.00%

Sector breakdown

	Fund	Benchmark
Industrial	76.87%	81.58%
Other Bonds	9.85%	-1.16%
Utility	7.28%	3.22%
Financial Institutions	5.22%	13.80%
Government related Bonds	0.78%	0.02%
Treasury Bonds	0.00%	2.55%

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