

## SUMMARY RISK INDICATOR



The risk indicator assumes you keep the product until 31/12/2027 in accordance with the recommended holding period.

## INVESTMENT OBJECTIVE

Tikehau 2027 is a dated credit fund, invested in high-yield European bonds. The fund has a maturity date of December 31st 2027 (+/- 6 months).

## KEY FIGURES – 03/28/2024

NAV : € 112.02

AuM : € 867m

Yield to maturity : 6.7%

Yield to worst<sup>1</sup> : 6.3%

Volatility (last 12 month rolling) : 2.1%

12 month rolling volatility computed from daily data

## MAIN CHARACTERISTICS OF THE FUND

ISIN Code : FR0013505450

Bloomberg Ticker : TIKE27R FP Equity

Fund's inception : 29/05/2020

Portfolio Manager(s) : Laurent Calvet, Thibault Douard

Legal form : FCP

Morningstar's classification : Fixed Term 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 : 1.30%

Performance fees : 10.00% incl. tax of the positive performance of the Fund's net assets above a net annualised performance of the Fund of 3.60%.

Other admin fees : 0.10%

Minimum of subscription : € 100.00

Liquidity : Daily

Subscription/Redemption : Daily before noon 12:00

NAV : Unknown

Payment delivery : D+2

## PROSPECTUS BENCHMARK

Annualized performance at least equal to 3.60%, net of management fees, over a minimum investment period of 5 years.

## 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 MARCH 2024

# TIKEHAU 2027 – R-ACC-EUR

## MARKET OUTLOOK

**Macro/Political outlook.** March monetary policy meetings took place without any major surprises. In Europe, the ECB is leaving its key rates unchanged, but is revising its inflation forecasts downwards thanks to the lessened impact of energy prices. However, the Bank feels that it does not have sufficient data for an initial rate cut, particularly as it is concerned about the wage/price loop, stating that June will no doubt be more favourable. On the other side of the Atlantic, the Fed is also leaving rates unchanged, despite the upbeat tone of Jerome Powell, who believes that the recent slight upturn in inflation numbers is only temporary, confirming the projection of three rate cuts in 2024. In the end it was left to the Swiss National Bank to surprise us, cutting rates by 25bps, while the BoJ went against the trend with its first rate hike since 2016.

**Market performance.** The markets continued on an upward trajectory in March, with the S&P 500 reaching a new record, up 2.4% over the month (in USD) and, on 28/03/2024, up 10.6% since the start of the year, the Eurostoxx 50 up 4.0% over the month (in EUR) and the Nikkei up 1.3% (in JPY). The credit market is stabilising somewhat, with the German 10-year closing at 2.32% (down 9bps in March) and the US 10-year closing at 4.22% (down 3bps). Credit markets are benefiting from this favourable environment: the European IG index (ER00) rose by 1.11% in March, the High Yield European Index (HECO) by 0.39% (underperformance due to certain idiosyncratic situations such as Altice/SFR), the Tier 2 EBSL index by 1.36% and the CoCo index by 2.05% (in USD).

**Positioning.** Tikehau 2027 posted a net positive performance over the month, outperforming the European High Yield HECO index (up 0.41%), the statistics for which are given for information purposes only.

The primary market rebounded strongly in March after a quieter-than-expected first few months of the year, with the equivalent of almost €10bn of new issues this month (i.e. as much as January and February combined). Once again, refinancing transactions predominated (FNAC, Aston Martin, Evoca and Virgin Media, for example), with M&A activity remaining limited. We have continued to invest the large number of subscriptions to the fund (€64m in March) both on the primary market (FNAC, Reno di Medici, CBR Fashion and Evoca, which we consider attractive) and on the secondary market, taking care to maintain a beta of less than 1. Indeed, even if the embedded yield of the asset class continues to be attractive in our view, especially in a context of possible future rate cuts, the potential for compressing risk premiums at these levels (352bps) seems low.

This month's performance was boosted by a positive contribution from subordinated financials buckets, as well as some HY issues such as Picard, Verisure and Cirsia. However, the outperformance compared to the HECO index is mainly due to our selective stock selection, as the fund had no exposure to Altice/SFR, which has seen the price of its bonds fall sharply due to the threat of the restructuring of its debt, which is deemed untenable in the medium term.

We maintained the portfolio's fixed-income duration at 2.2 years (against 2.9 years for the benchmark index) and its credit duration at 2.5 years (against 3.2 years for the index). The embedded yield to worst is 6.25% (against 6.34% for the index) and the yield to maturity is 6.75% (against 6.60% for the index).

Source: Bloomberg, Tikehau IM, data at 28/03/2024.

## NET ASSET VALUE EVOLUTION



## PERFORMANCES

Past performance does not predict future returns

ANNUAL PERFORMANCES	2023	2022	2021
Tikehau 2027 R-Acc-EUR	+11.4%	-12.9%	+4.3%

ROLLING PERFORMANCE	1 month	3 months	6 months	YTD	1 year	18 months	3 years	Inception
	+0.7%	+1.7%	+6.5%	+1.7%	+11.2%	+19.7%	+1.5%	+12.0%

Source : Tikehau Investment Management, data as of 03/28/2024.

### RISK INDICATORS & ACTUARIAL DATA

Number of issuers : **107**  
Currency Risk : **hedged**  
Modified duration<sup>1</sup> : **2.2**  
Spread Duration<sup>1 & 2</sup> : **2.5**  
Average maturity of bonds : **3.6**  
Average coupon<sup>3</sup> : **6.7%**  
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

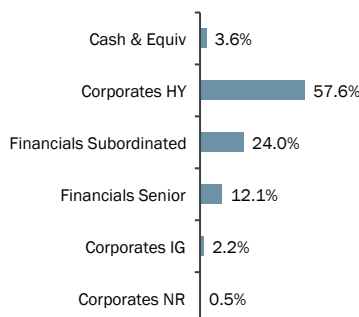
<sup>3</sup> Figure calculated on the portfolio, ex-cash

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

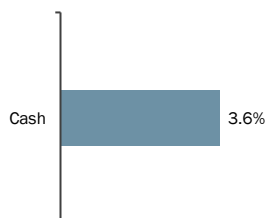
### TOP 10 ISSUERS

PERMANENT TSB	1.9%
BANCO COMERCIAL PORTUGUES	1.8%
IBERCAJA BANCO SA	1.8%
ABN AMRO BANK NV	1.8%
COMMERZBANK AG	1.5%
CAIXA ECO MONTEPIO GERAL	1.5%
CIRSA	1.4%
DEUTSCHE BANK	1.4%
NATIONAL BANK GREECE SA	1.3%
INFOPRO	1.2%

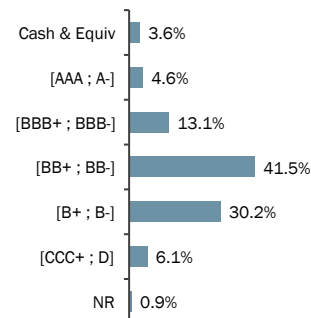
### BREAKDOWN BY ISSUERS TYPE



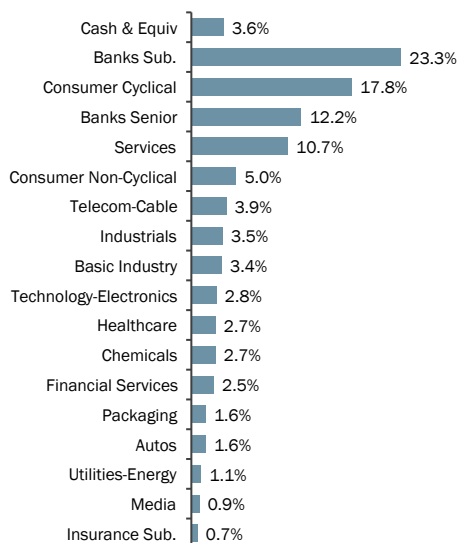
### BREAKDOWN CASH & SHORT TERM INVESTMENTS



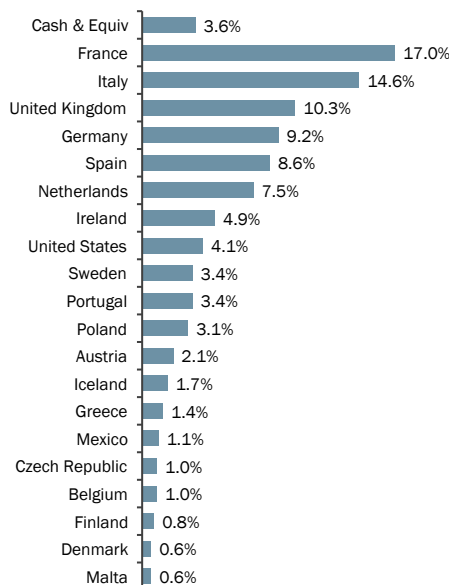
### BREAKDOWN BY RATINGS - ISSUANCES



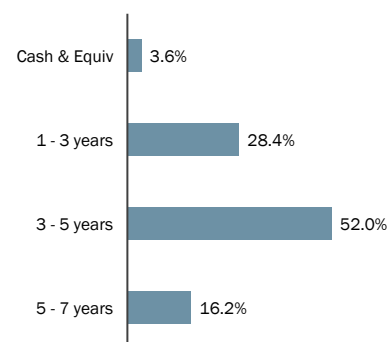
### BREAKDOWN BY SECTOR



### BREAKDOWN BY COUNTRY



### BREAKDOWN BY MATURITIES



**WARNING** The information contained in this document is confidential and is not contractually binding nor certified by auditors. The contents of this document are for informational purposes only and relates to undertakings for collective investments (UCI) managed by Tikehau Investment Management (TIM) and do not constitute investment advice. Past performance is not a reliable indicator of future performance. Investors may lose some or all of their capital, as the capital in the UCI is not guaranteed. TIM may not be held liable for any investment decision based on this document. Access to the products and services presented herein may be restricted for some individuals or countries. Taxation depends on the situation of the individual. The risks, fees and recommended investment period for the UCI presented are detailed in the KID and prospectuses available on Tikehau Investment Management's website. The KID must be made available to the subscriber prior to purchase. The main risks factors of the Fund are: risk of capital loss, liquidity risk, equity risk, risk of investing in speculative high-yield securities, interest rate risk, risk of engaging in forward financial instruments, counterparty risk, currency risk. The KID, the prospectus, as well as the latest annual and semi-annual reports, are available on the management company's website (<http://www.tikehauim.com>) and also free of charge in the local facilities as set out in the documentation of the UCI.

TIKEHAU INVESTMENT MANAGEMENT  
32, rue Monceau 75008 PARIS  
Tél. : +33 1 53 59 05 00 - Fax : +33 1 53 59 05 20

RSC Paris 491 909 446  
Numéro d'agrément AMF : GP07000006