

December 30, 2016

# Oddo Compass Global High Yield Bond


**ODDO MERITEN**  
ASSET MANAGEMENT

Unit DP-EUR[H] – Eur | Global High Yield

NAV of the fund 65 M€  
NAV per Unit 10.21€

1 2 3 4 5 6 7  
Risk/return scale (1)

Morningstar™ ★★ ★  
Rating at Dec 31, 2016  
Category Global High Yield Bond – EUR Hedged

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

FR CHE DEU AUT ESP SWE GBR LUX

Accredited investor only :

SGP

## Portfolio Managers

## Investment strategy

To provide a high level of income and capital growth by investing primarily in high yield bonds (i.e. less than investment grade debt instruments with initial maturities of one year or more) of international issuers.

## Annual performance (rolling 12 months)

from	12/30/11	12/28/12	12/30/13	12/30/14	12/30/15
to	12/28/12	12/30/13	12/30/14	12/30/15	12/30/16
Fund	15.3%	6.4%	2.7%	-0.2%	9.2%
Benchmark	17.9%	6.9%	4.2%	-1.9%	11.8%

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

## Key features

**Benchmark** : 60% BOFA ML US HY BB- B Rated  
Constrained index Hedged + 40% BOFA ML Euro BB-B  
Non Financial Fixed Floating Rate HY Constrained Index

**Recommended investment horizon** : 5 Years

**Inception date (1st NAV)** : 14/12/2009

<b>Legal structure</b>	Sub-fund of the Oddo Compass Luxembourg Umbrella (UCITS)
<b>ISIN code</b>	LU0460471179
<b>Bloomberg code</b>	WLBHRFH LX
<b>Currency</b>	Euro
<b>Dividend policy</b>	Distribution units
<b>Minimum (initial) investment</b>	10000000 EUR
<b>Subscription fees</b>	Nil
<b>Redemption fees</b>	0.5 % (maximum)
<b>Management fees</b>	annual rate of a maximum of 0.45%, payable quarterly and calculated based on the Sub-fund's average net assets for the month in question.
<b>Performance fees</b>	None
<b>Ongoing charges (?)</b>	0.64%
<b>Management company</b>	Oddo Meriten AM SAS
<b>Management company (by delegation)</b>	Oddo Meriten AM GmbH
<b>Custodian</b>	CACEIS Bank Lux (Luxembourg)
<b>Administration and Accounting</b>	Caceis Bank Lux (Luxembourg)
<b>Subscriptions/ redemptions</b>	Subscriptions and redemptions are centralised daily at 16:00 (Luxembourg time).
<b>NAV calculation frequency</b>	Daily

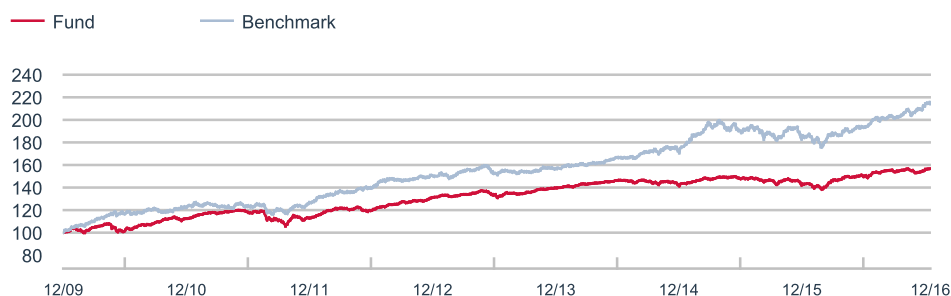
## Calendar performance (from january 01 to december 31)

	2012	2013	2014	2015	2016
Fund	15.3%	6.4%	2.7%	-0.2%	9.2%
Benchmark	17.9%	6.9%	4.2%	-1.9%	11.8%

## Performance Analysis

	Annualised performance			Cumulative performance					
	3 years	5 years	Inception	1 month	YTD	1 year	3 years	5 years	Inception
Fund	3.83%	6.55%	6.57%	1.79%	9.16%	9.16%	11.95%	37.32%	56.66%
Benchmark	4.55%	7.57%	7.83%	1.53%	11.79%	11.79%	14.27%	44.06%	70.22%

## Change in performance since inception (base 100)



## Technical and risk indicators

	3 years	5 years
Tracking Error	1.08%	0.92%
Sharpe ratio	0.95	1.64
Information ratio	-0.65	-1.12

	Fund
Interest rate sensitivity	2.26
Yield (YTM) *	3.29%
Spread (bp)	228
Duration	2.13
Average maturity (year)	2.34

## Annualised volatility

	1 year	3 years	5 years
Fund	4.94%	4.17%	3.98%
Benchmark	5.50%	4.47%	4.14%

Definitions of the financial indicators used are available for download on the website [www.oddomeriten.eu](http://www.oddomeriten.eu) under the heading "Regulatory information".

Sources : Oddo Meriten AM, Bloomberg, Morningstar®

\*YTM: Yield to Maturity

(1) The risk profile is not constant and may vary 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.

(2) The ongoing charges are based on the charges for the previous period. Estimates are drawn up for all funds that have not yet closed their first accounting period.

# Oddo Compass Global High Yield Bond

## Unit DP-EUR[H] - Eur | Global High Yield

### Breakdown by sub-A rating and by country

Country	Rating				
	BBB	BB	B	CCC	NR
Italy	0.2%	5.8%	3.8%	-	-
Germany	-	7.7%	1.8%	-	-
USA	-	5.9%	3.5%	-	-
United Kingdom	-	2.5%	6%	-	-
France	-	3.5%	5%	-	-
Luxembourg	-	1.5%	6.4%	-	-
Spain	-	4.9%	2.5%	-	-
Netherlands	-	1.2%	2.9%	-	-
Other	-	8.6%	9.2%	-	-

The breakdown takes into consideration the rating of the issuer or the guarantor in the case of unrated issues.

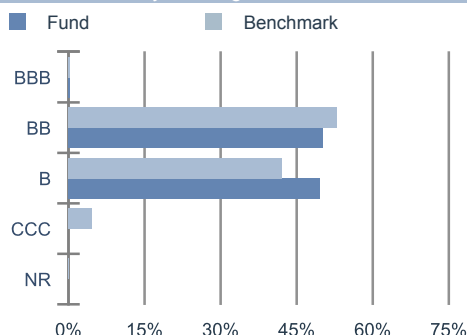
### Portfolio manager comment

In December, the European High Yield market (HEAG) generated an absolute performance of 1.74% (in Euro) finishing the year with an impressive performance of 10% and with spreads at its tightest levels of 2016. The market well absorbed the no-vote in the Italian referendum and the decision by the ECB to reduce its monthly corporate bond purchases to EUR 60bn from April 2017. As widely expected, the Fed raised interest rates by 25 bps and OPEC agreed to cut oil supply for the first time since 2008. The US High Yield market (HUC4) returned 1.67% (in USD).

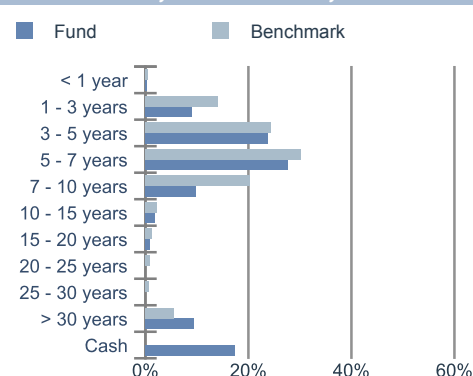
The Oddo Compass Global High Yield Bond Fund currently has an average rating of BB. It is overweight in B rated issues and underweight in BB rated issues. The fund is overweight in defensive sectors.

The European High Yield market remains technically well supported, i.e. the ECB's CSPP and fund inflows. Risks could arise from rising interest rates, still fragile economic data and falling commodity prices. Credit selection remains essential to achieve an outperformance in this environment.

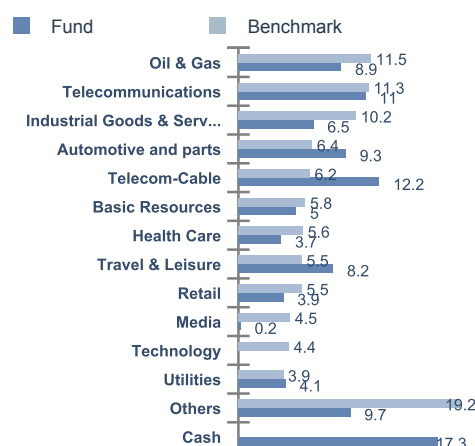
### Breakdown by rating



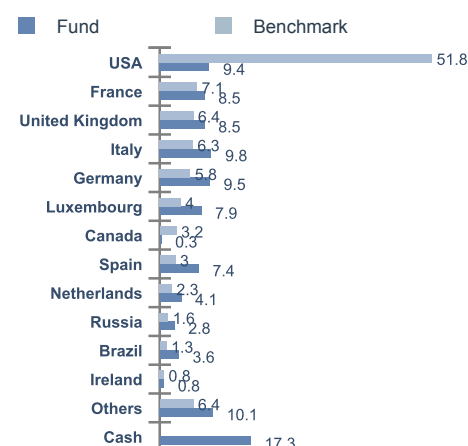
### Breakdown by final maturity



### Sector breakdown (%)



### Geographic breakdown (%)



### Main portfolio issuers

Issuer	Weight*	Weight**	Sector	Country
PETROBRAS GLOBAL FINANC	3.11%	0.94%	Oil & Gas	Brazil
UNITYMEDIA HESSEN / NRW	2.98%	0.85%	Telecom-Cable	Germany
FIAT CHRYSLER AUTOMOBILE	2.53%	1.20%	Automotive and parts	United Kingdom
ALTICE LUXEMBOURG	2.45%	0.53%	Telecom-Cable	Luxembourg
WIND ACQUISITION FIN SA	2.42%	0.93%	Telecommunications	Italy
GAZPROM (GAZ CAPITAL SA)	2.28%	1.17%	Oil & Gas	Russia
TELEFONICA EUROPE BV	2.08%	0.98%	Telecommunications	Spain
SCHAEFFLER FINANCE BV	2.00%	0.67%	Automotive and parts	Germany
ANGLO AMERICAN CAPITAL	1.94%	0.94%	Basic Resources	United Kingdom
LGE HOLDCO VI BV	1.85%	0.49%	Telecom-Cable	Netherlands

Number of holdings

181

\* Fund

\*\* Benchmark

### Main portfolio derivatives

Product	Type	Exposure (%)

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Reference is made here to the main sub-fund risks, and the investor is invited to consult the Key Investor Information Document (KIID) in addition to the fund prospectus to gain a more detailed insight of the risks to which the fund is exposed: risk of capital loss, risk associated with discretionary management, interest rate risk, credit risk, counterparty risk, liquidity risk, high yield bonds, use of derivative products and other investment techniques...

Oddo Meriten Asset Management SAS

Portfolio management company incorporated as a société par actions simplifiée (simplified joint -stock company), with capital of €7,500,000. Approved by the AMF under number GP 99011.

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