

December 30, 2016

Oddo Compass Euro High Yield Bond


ODDO MERITEN
ASSET MANAGEMENT

Unit DI-EUR - Eur |

NAV of the fund 532 M€
NAV per Unit 11.05€

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

Morningstar™ ★★

Rating at Dec 31, 2016
Category EUR High Yield Bond

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

FR IT CHE DEU AUT PRT ESP BEL SWE GBR LUX

Accredited investor only :

SGP

Portfolio Managers

Oddo Meriten AM GmbH

Key features

Benchmark : BOFA ML Euro BB-B Non Financial Fixed Floating Rate HY Constrained Index

Recommended investment horizon : 5 Years

Inception date (1st NAV) : 01/07/2002

Legal structure

Sub-fund of the Oddo Compass Luxembourg Umbrella (UCITS)
ISIN code LU0115293481
Bloomberg code WLBEUHB LX
Currency Euro
Dividend policy Distribution units
Minimum (initial) investment 250000 EUR
Subscription fees 2 % (maximum)
Redemption fees 0.5 % (maximum)
Management fees annual rate of a maximum of 0.70%, payable quarterly and calculated based on the Sub-fund's average net assets for the month in question.

Performance fees

Ongoing charges (*) None
Management company Oddo Meriten AM SAS
Management company (by delegation) Oddo Meriten AM GmbH

Administration and Accounting

Subscriptions/ redemptions Subscriptions and redemptions are centralised daily at 16:00 (Luxembourg time).
NAV calculation frequency Daily

NAV calculation frequency

Daily

Investment strategy

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

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	21.3%	8.6%	3.9%	1.5%	9.1%
Benchmark	23.2%	8.7%	5.3%	0.7%	9.8%

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

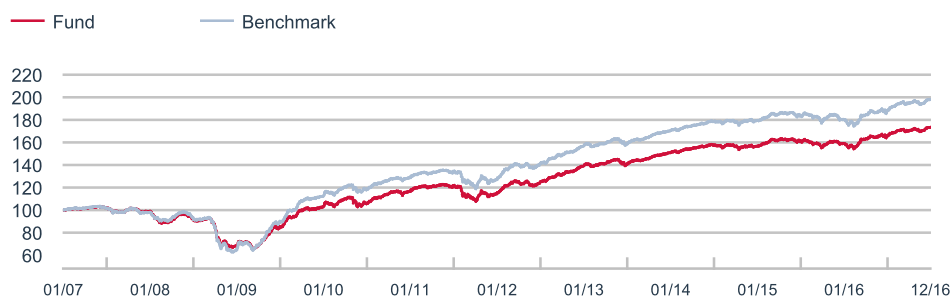
Calendar performance (from January 01 to December 31)

	2012	2013	2014	2015	2016
Fund	21.3%	8.6%	3.9%	1.5%	9.1%
Benchmark	23.2%	8.7%	5.3%	0.7%	9.8%

Performance Analysis

	Annualised performance			Cumulative performance				
	3 years	5 years	Inception	1 month	YTD	1 year	3 years	5 years
Fund	4.77%	8.66%		1.69%	9.06%	9.06%	15.01%	51.51%
Benchmark	5.18%	9.29%		1.74%	9.80%	9.80%	16.37%	55.90%

10-year change in performance (base 100)



Technical and risk indicators

	3 years	5 years
Tracking Error	0.95%	0.89%
Sharpe ratio	1.34	2.21
Information ratio	-0.46	-0.70

	Fund
Interest rate sensitivity	2.42
Yield (YTM) *	3.93%
Spread (bp)	337
Duration	2.30
Average maturity (year)	2.50

Definitions of the financial indicators used are available for download on the website 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.

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Breakdown by sub-A rating and by country

Country	Rating				
	BBB	BB	B	CCC	NR
Italy	0.4%	7%	4.1%	-	-
France	-	4%	6.8%	-	-
Germany	-	7.3%	2.8%	-	-
USA	-	6.1%	3.8%	-	-
Luxembourg	-	1.4%	7.7%	-	-
United Kingdom	-	2.9%	6.3%	-	-
Spain	-	5.4%	2.5%	-	-
Netherlands	-	1.2%	3.2%	-	-
Other	0%	10%	10.8%	-	-

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

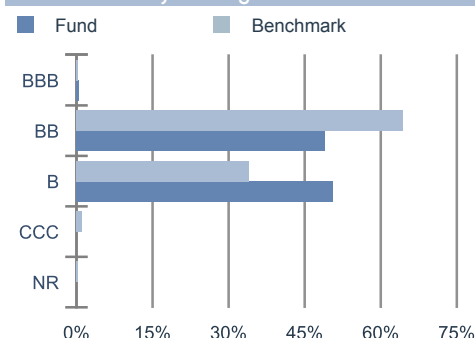
Portfolio manager comment

In December, the European High Yield market (HEAG) generated an absolute performance of 1.74% 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.

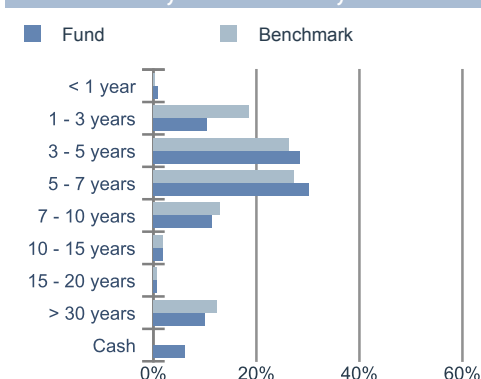
The current spread of the Oddo Compass Euro High Yield Bond Fund is comparable to that of the benchmark, however the fund remains defensively positioned via its underweight in the BB rating category and its shorter duration relative to the benchmark. The overweight in stable sectors like Telecom, Telecom-Cable, Gaming, and Healthcare remains intact.

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.

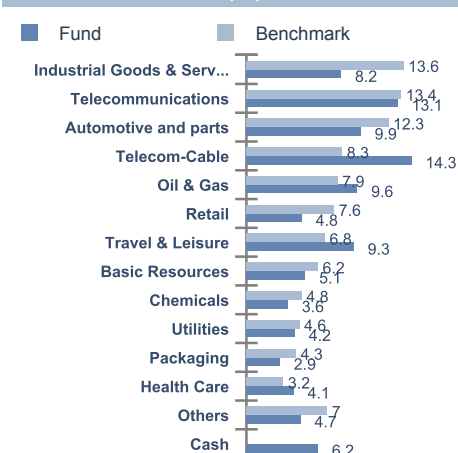
Breakdown by rating



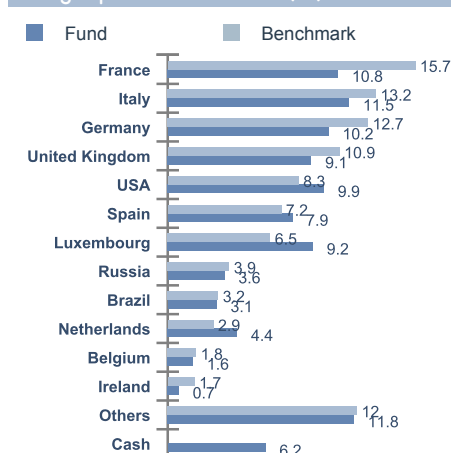
Breakdown by final maturity



Sector breakdown (%)



Geographic breakdown (%)



Main portfolio issuers

Issuer	Weight*	Weight**	Sector	Country
GAZPROM (GAZ CAPITAL SA)	3.14%	2.92%	Oil & Gas	Russia
UNITYMEDIA HESSEN / NRW	3.03%	2.13%	Telecom-Cable	Germany
WIND ACQUISITION FIN SA	2.85%	2.32%	Telecommunications	Italy
ALTICE LUXEMBOURG	2.83%	1.32%	Telecom-Cable	Luxembourg
FIAT CHRYSLER AUTOMOBILE	2.62%	3.01%	Automotive and parts	United Kingdom
PETROBRAS GLOBAL FINANC	2.58%	2.36%	Oil & Gas	Brazil
SCHAEFFLER FINANCE BV	2.25%	1.67%	Automotive and parts	Germany
TELEFONICA EUROPE BV	2.22%	2.45%	Telecommunications	Spain
ANGLO AMERICAN CAPITAL	2.14%	2.36%	Basic Resources	United Kingdom
LGE HOLDCO VI BV	1.79%	1.24%	Telecom-Cable	Netherlands

Number of holdings: 201 * 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, high yield bonds, interest rate risk, credit risk, counterparty risk, high yield bonds, use of derivative products and other investment techniques, liquidity risk...

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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