



# ECHIQUIER CREDIT SRI EUROPE A

MARCH 2024 (data as of 03/31/2024)



Echiquier Credit SRI Europe is a bond picking fund. It is mainly invested in eurozone corporate bonds offering, according to the portfolio manager, the most interesting risk/return ratio.



306 M€  
Net assets



165.36 €  
NAV

## Characteristics

|                     |                        |
|---------------------|------------------------|
| Inception date      | 07/20/2007             |
| ISIN                | FR0010491803           |
| Bloomberg code      | FDEECOB FP             |
| Base currency       | EUR                    |
| Income allocation   | Accumulation           |
| Ref. Indic.         | IBOXX EUR CORP 3-5 ANS |
| SFDR classification | Article 8              |

## Financial information

|                                 |                   |
|---------------------------------|-------------------|
| Subscription/<br>redemption fee | 3% max. / None    |
| Yearly management<br>fees       | 1.00% incl. taxes |
| Performance fee                 | No                |
| Valorisation frequency          | Daily             |
| Cut off                         | Noon              |
| Settlement                      | D+2               |
| Fund administrator              | Société Générale  |
| Custodian                       | BNP Paribas SA    |

## Risk and reward profile (%)

(based on weekly figures)

|                                     | 1 year | 3 Years | 5 Years |
|-------------------------------------|--------|---------|---------|
| Fund volatility                     | 3.6    | 3.8     | 4.3     |
| Ref. indicator volatility           | 3.4    | 4.0     | 3.9     |
| Sharpe ratio                        | 0.9    | Neg     | Neg     |
| Beta                                | 1.0    | 0.9     | 1.0     |
| Correlation                         | 1.0    | 0.9     | 0.9     |
| Information ratio                   | 0.6    | 0.5     | 0.1     |
| Tracking error                      | 1.2    | 1.5     | 1.7     |
| Max. drawdown of the fund           | -1.6   | -12.5   | -12.5   |
| Max. drawdown of the<br>benchmark   | -1.2   | -14.2   | -14.2   |
| Time to recovery (business<br>days) | 10.0   | -       | -       |

Lower risk



This indicator represents the risk profile shown in the KID. The risk indicator is based on the assumption that you hold units for 2 years. Warning: the real risk can be very different if you opt for an exit before this period, and you could get less in return.

Recommended investment  
horizon

2 years

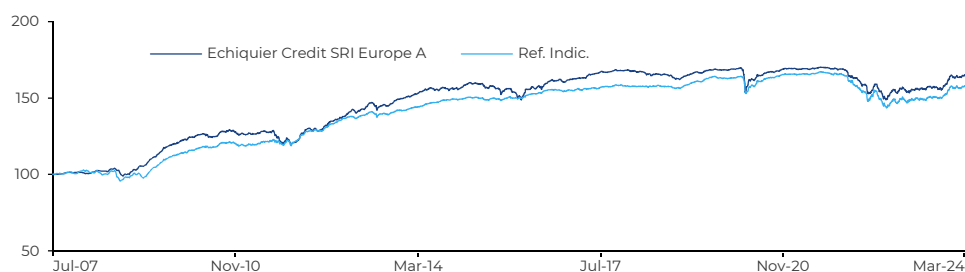
## Fund Manager comments

Echiquier Credit SRI Europe A turned in a positive monthly performance of 1.10% and of 0.41% year-to-date.

The fund rose significantly in March, outperforming its index. The fall in interest rates and risk premiums on Investment Grade (IG) bonds was beneficial. Our VISA (2034), ENGIE (2035) and SCHNEIDER (2032) bonds stood out. The continued strong performance of perpetual securities issued by financial and non-financial companies also supported the fund's performance. Interest rate volatility remains high. German 2-year and 10-year yields ranged from 2.75% to 2.95% and from 2.2% to 2.5% respectively. The Fed and ECB continue to blow hot and cold on the interest rate markets. The conclusions of their meetings still point to rate cuts in 2024, helped by ongoing disinflation. Nevertheless, they are seeking to temper investors' expectations as to the date of the first cut. Uncertainty over the terminal rate also remains high. Macroeconomic data is fuelling this volatility, with the labour market still robust and manufacturing activity showing signs of picking up, while the services sector is showing signs of weakness. We have invested subscriptions in a basket of Investment Grade securities, notably on maturities 2026-2029, Hybrids and High Yield.

Fund Manager: Uriel Saragusti

## Evolution of the performance of the fund and its reference indicator since inception (base 100)



Ref. Indic.: source Bloomberg

## Cumulative performance (%)

|                 | Fund  | Ref. Indic. |
|-----------------|-------|-------------|
| 1 month         | +1.1  | +1.0        |
| YTD             | +0.4  | +0.3        |
| 3 Years         | -2.1  | -4.4        |
| 5 Years         | -0.3  | -1.2        |
| 10 years        | +7.8  | +9.6        |
| Since inception | +65.4 | +58.2       |

## Annualised performance (%)

|                 | Fund | Ref. Indic. |
|-----------------|------|-------------|
| 1 year          | +6.6 | +6.4        |
| 3 Years         | -0.7 | -1.5        |
| 5 Years         | -0.1 | -0.2        |
| 10 years        | +0.8 | +0.9        |
| Since inception | +3.1 | +2.8        |

## Performance history (%)

|      | Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Year |             |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------------|
|      |      |      |      |      |      |      |      |      |      |      |      |      | Fund | Ref. Indic. |
| 2015 | +1.4 | +0.9 | -0.2 | -0.0 | +0.1 | -1.9 | +0.9 | -1.0 | -2.3 | +2.0 | +0.3 | -1.5 | -1.6 | +0.5        |
| 2016 | -1.5 | +0.3 | +2.4 | +1.2 | -0.2 | -0.3 | +1.9 | +1.4 | -0.4 | +0.7 | -1.1 | +0.9 | +5.3 | +3.5        |
| 2017 | +0.3 | +0.3 | +0.2 | +0.8 | +0.6 | +0.4 | +0.7 | -0.3 | +0.2 | +0.7 | -0.1 | -0.1 | +3.7 | +1.6        |
| 2018 | +0.2 | -0.1 | -0.5 | +0.1 | -1.1 | -0.4 | +0.6 | -0.4 | +0.2 | -0.6 | -0.9 | -0.3 | -3.1 | -0.7        |
| 2019 | +0.9 | +0.7 | +0.5 | +0.7 | -0.5 | +0.9 | +0.5 | +0.3 | -0.3 | +0.0 | -0.0 | +0.2 | +3.8 | +4.0        |
| 2020 | +0.2 | -0.8 | -6.1 | +3.2 | +0.4 | +0.8 | +1.0 | +0.4 | -0.0 | +0.3 | +0.9 | +0.2 | +0.2 | +1.6        |
| 2021 | -0.1 | -0.3 | +0.2 | +0.2 | -0.1 | +0.2 | +0.4 | -0.1 | -0.2 | -0.4 | -0.3 | +0.3 | -0.2 | -0.2        |
| 2022 | -1.2 | -1.8 | -0.4 | -2.1 | -0.7 | -3.7 | +3.8 | -2.6 | -3.2 | +1.2 | +2.3 | -1.1 | -9.3 | -11.4       |
| 2023 | +1.7 | -1.0 | +0.6 | +0.5 | +0.2 | -0.2 | +1.1 | -0.0 | -0.8 | +0.3 | +2.5 | +2.6 | +7.5 | +7.7        |
| 2024 | +0.0 | -0.7 | +1.1 |      |      |      |      |      |      |      |      |      | +0.4 | +0.3        |

## For more information

The fund is invested on financial markets. It presents a risk of capital loss.

Past performance is not a reliable indicator of future performance and is not constant over time.

Performance of the fund and the benchmark are calculated net of income.

This commercial document aims to inform you in a simple way on the fund's characteristics.

For more information about risks and fees, please refer to the KID, prospectus or contact your usual representative.

4 stars in Morningstar category EUR Corporate Bond as at 29/02/2024.

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## Fund Profile

|                                   |      |
|-----------------------------------|------|
| Number of positions               | 166  |
| Number of issuers                 | 124  |
| Average rating (rated instrument) | BBB+ |

|                                     |      |
|-------------------------------------|------|
| Duration <sup>(1)(2)</sup>          | 4.5  |
| Modified duration <sup>(1)(2)</sup> | 4.4  |
| Yield <sup>(1)(2)</sup>             | 3.9% |
| Yield to maturity <sup>(1)</sup>    | 4.1% |

Data of the invested pocket  
 (1) excluding convertible bonds  
 (2) to convention (Bloomberg)

Source: LFDE,  
Bloomberg

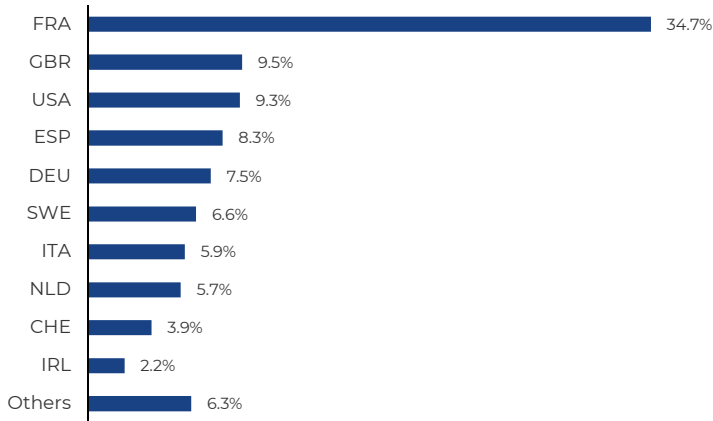
## Bonds characteristics

### Breakdown per type of bond

|                     |       |
|---------------------|-------|
| Fixed rate bonds    | 99.1% |
| Floating rate bonds | 0.5%  |
| Convertible bonds   | 0.5%  |

## Geographic breakdown

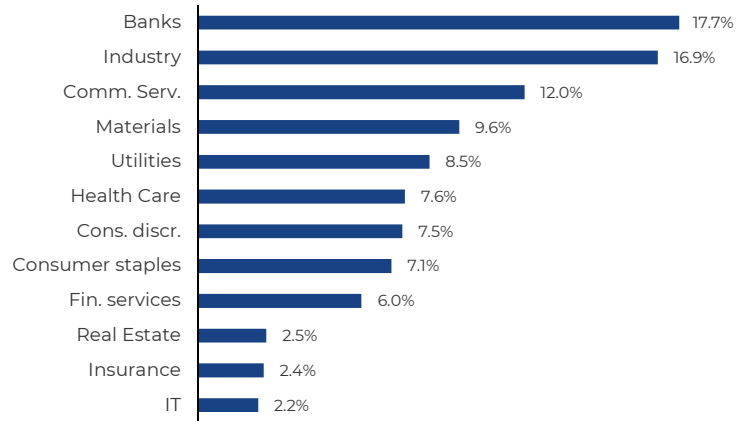
(% of the net assets without cash)



Source: LFDE

## Sector breakdown (GICS)

(% of the net assets without cash)



Source: Bloomberg

## Top holdings

| Holdings               | Country | Sector         | % of the net assets |
|------------------------|---------|----------------|---------------------|
| BNP 3.875% 02/29       | FRA     | Banks          | 1.80                |
| BPCE 3.5% 01/28        | FRA     | Banks          | 1.70                |
| Engie 4% 01/35         | FRA     | Utilities      | 1.60                |
| L'Oréal 2.875% 05/28   | FRA     | Consumer st... | 1.50                |
| Bankinter 4.375% 05/30 | ESP     | Banks          | 1.40                |

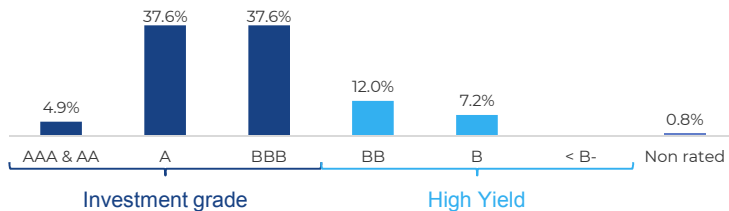
| Holdings                 | Country | Sector        | % of the net assets |
|--------------------------|---------|---------------|---------------------|
| IHG 4.375% 11/29         | GBR     | Cons. discr.  | 1.40                |
| LSE 1.75% 09/29          | GBR     | Fin. services | 1.20                |
| Assa Abloy 3.875% 09/30  | SWE     | Industry      | 1.20                |
| DS Smith 4.375% 07/27    | GBR     | Materials     | 1.20                |
| Air Liquide 2.875% 09/32 | FRA     | Materials     | 1.10                |

Total weight of the top 10 holdings: 14.1%

Source: LFDE

## Rating breakdown

(% of bond component\*)



\*excluding convertible bonds. Source: LFDE

## Fixed rate bonds maturity breakdown

(calculation carried out at the next call date)



Source: LFDE

ESG Data

|  |              |                     |
|--|--------------|---------------------|
| <b>Selectivity rate<sup>(1)</sup></b>          | <b>27.6%</b> |                     |
| Minimum ESG score                              | Fund         | Investment universe |
|  | 5.5          |                     |
| Coverage rates for ESG analysis <sup>(2)</sup> | 100%         | 84%                 |
| Weighted average ESG rating                    | 6.8          | 6.0                 |

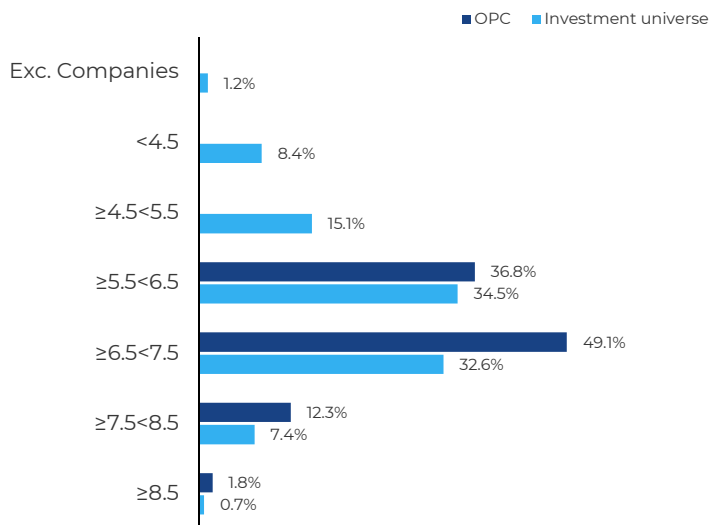
<sup>(1)</sup>Selectivity rate: percentage of the investment universe excluded due to ESG criteria

<sup>(2)</sup>Percentage of net invested assets (excluding mutual funds, cash and derivatives) covered by ESG analysis

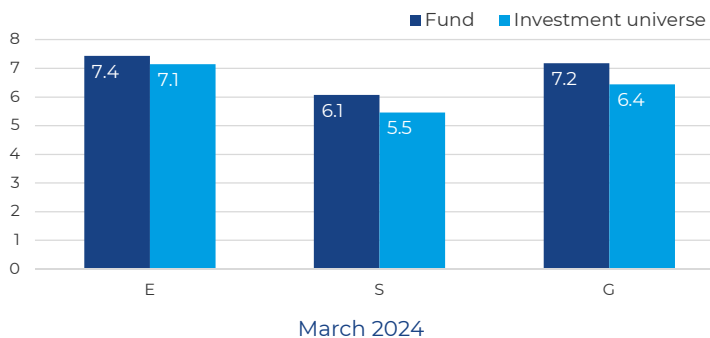
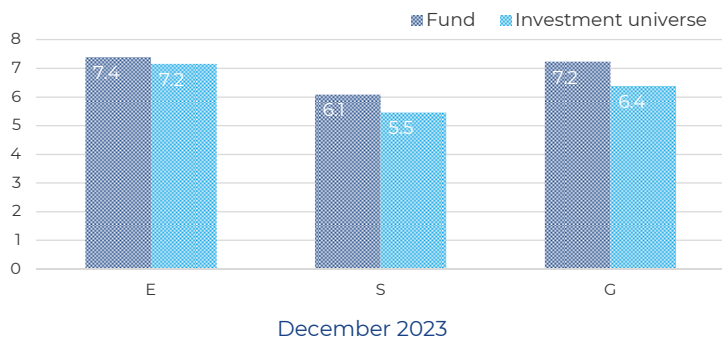
Top ESG ratings of the fund

| Holdings                  | Country  | ESG score | E   | S   | G   |
|---------------------------|----------|-----------|-----|-----|-----|
| Schneider Electric        | France   | 8.5       | 9.1 | 8.2 | 8.4 |
| Diageo                    | UK       | 8.5       | 7.8 | 8.5 | 8.7 |
| Relx                      | UK       | 8.2       | 7.4 | 8.4 | 8.3 |
| Edp-Energias De Portug... | Portugal | 8.1       | 9.5 | 8.4 | 7.7 |
| Axa                       | France   | 8.0       | 9.5 | 7.3 | 8.0 |

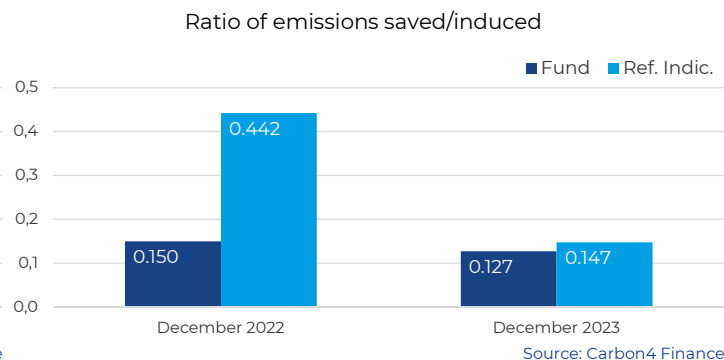
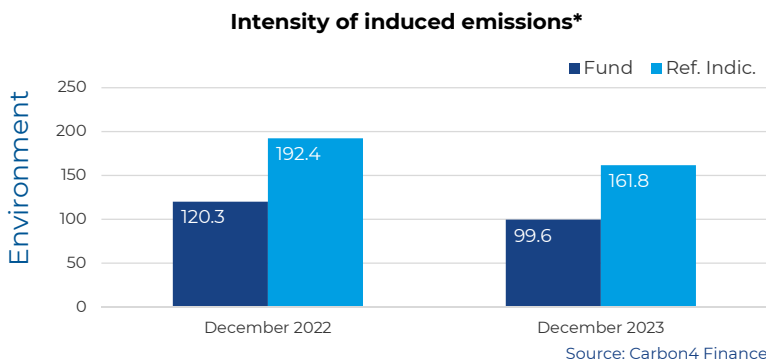
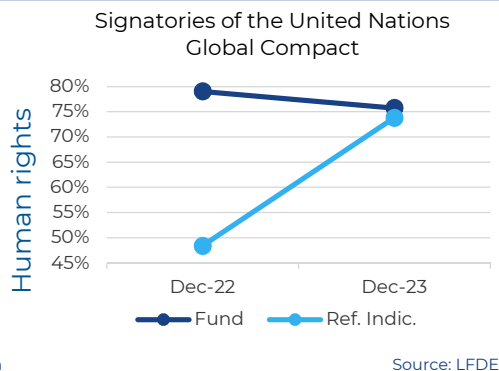
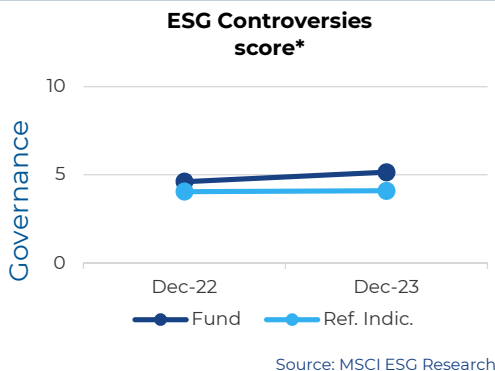
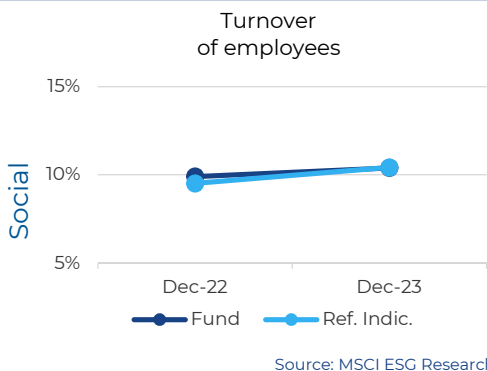
Distribution of ESG ratings of the fund and the investment universe



Average scores compared to the investment universe



ESG performance indicators



\* The Fund is committed to outperforming its benchmark on these indicators.

## Methodologies and coverage rate

|   |                | 12/30/2022 | 12/29/2023 | 03/31/2024 |  |                | 12/30/2022 | 12/29/2023 | 03/31/2024 |
|---|----------------|------------|------------|------------|--|----------------|------------|------------|------------|
| Turnover of employees   | Portfolio      | 78.3%      | 79.7%      | 78.4%      | ESG Controversy score  | Portfolio      | 94.6%      | 98.9%      | 98.5%      |
|   | Ref. indicator | 54.8%      | 78.6%      | 74.3%      |  | Ref. indicator | 92.2%      | 95.1%      | 90.2%      |
|   |                |            |            |            | $\text{Controversy score of the portfolio} = \sum_{i=1}^n (\text{Controversy Score}_i \times \text{Stock Weighting}_i)$  |                |            |            |            |
|   |                | 12/30/2022 | 12/29/2023 | 03/31/2024 |  |                | 12/30/2022 | 12/29/2023 | 03/31/2024 |
| Signatories of the United Nations Global Compact  | Portfolio      | 100.0%     | 100.0%     | 100.0%     | Carbon data  | Portfolio      | 98.6%      | 98.8%      | 94.1%      |
|   | Ref. indicator | 57.2%      | 94.0%      | 88.5%      |  | Ref. indicator | 89.4%      | 76.9%      | 80.9%      |
|   |                |            |            |            | $\text{Carbon intensity of the portfolio} = \sum_{i=1}^n \left( \frac{\text{Investment Value}_i}{\text{Fund Net Asset Value}} \times \frac{\text{Carbon Emissions Scope 1,2 \& 3}}{\text{Enterprise Value}_i} \right)$                 |                |            |            |            |
|   |                |            |            |            | $\text{Ratio avoided emissions on induced emissions (CIR)} = \sum_{i=1}^n \left( \frac{\text{Sum of CO2 emissions savings}_i}{\text{Sum of CO2 induced emissions}_i} \times \text{Stock weighting}_i \text{ in the portfolio} \right)$ |                |            |            |            |
| <p>We have not encountered any difficulties in measuring these ESG performance indicators.<br/>                     ESG: Environmental, Social and Governance criteria. At La Financière de l'Echiquier, the Governance score accounts for around 60% of the ESG score.<br/>                     For further information related to the methodologies used to calculate ESG indicators above and on our approach as a responsible investor, please refer to our transparency code and other documents available on La Financière de l'Echiquier's website at the following link: <a href="http://www.lfde.com/en/responsible-investment/to-find-out-more/">www.lfde.com/en/responsible-investment/to-find-out-more/</a></p> <p>Sources: La Financière de l'Echiquier, The United Nations Global Compact, Carbon4 Finance, MSCI ESG Research</p> |                |            |            |            |  |                |            |            |            |