



sycomore
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sélection crédit (luxembourg)

JUNE 2024

Share RC

Isin code | LU1592886094

NAV | 101.9€

Assets | 4.2 M€

SFDR 8

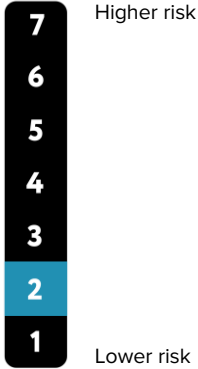
Sustainable Investments

% AUM: ≥ 50%

% Companies*: ≥ 50%

*Excluding derivatives, cash & equivalent

Risk indicator



The risk indicator assumes you keep the product for 5 years.

Warning : the actual risk can vary significantly if you cash in at an early stage and you may get back less.

The fund does not offer any guarantee of return or performance and presents a risk of capital loss

Investment Team



Stanislas de BAILLIENCOURT
Fund Manager



Emmanuel de SINETY
Fund Manager



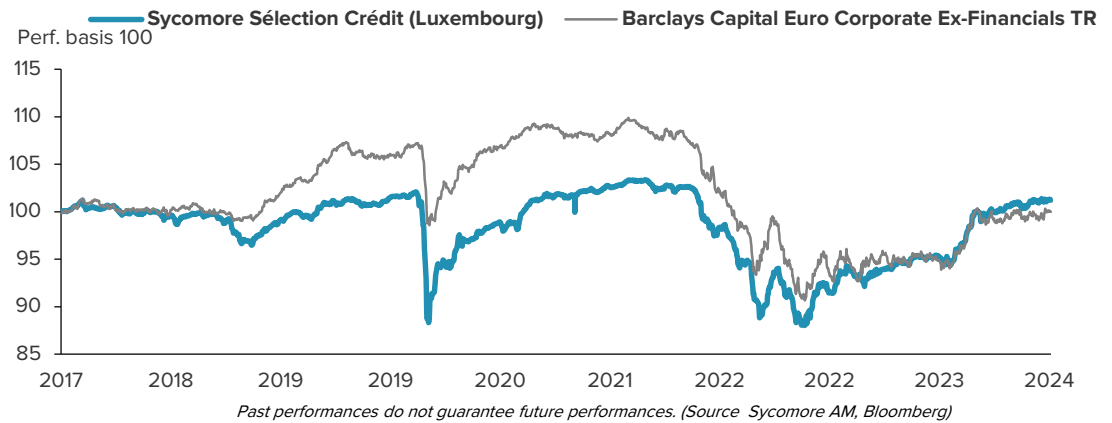
Tony LEBON
Credit analyst

Investment strategy

A responsible and opportunistic selection of European bonds based on proprietary ESG analysis

Sycomore Sélection Crédit (Luxembourg) is a feeder of Sycomore Sélection Crédit. Sycomore Sélection Crédit aims to deliver financial returns above those of the Barclays Capital Euro Corporate ex-Financial Bonds (reinvested coupons) over a minimum investment horizon of five years, within a modified duration range of 0 to +5, by applying a socially responsible investment process. The fund also aims to outperform its benchmark on the Net Environmental Contribution (NEC) indicator and on the 3-year headcount variation indicator, to select durable companies, particularly on environmental and/or contribution to employment criteria.

Performance as of 28.06.2024



	Jun 2024	1 year	3 yrs	5 yrs	Inc. Annu.	2023	2022	2021	2020
Fund %	0.2	1.2	7.0	-1.4	0.7	1.2	0.2	9.4	-10.9
Index %	0.8	0.0	5.5	-7.6	-4.8	0.0	0.0	7.9	-13.9

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
Inception	0.5	0.5	0.2%	3.5%	3.9%	3.6%	-0.1	0.0	-14.8%	-17.5%

Fund commentary

The ECB initiated its rate cutting cycle at the beginning of June and brought its refinancing rate back down to 4.25%. However, the central bank remains 'data dependent': inflation will need time before it settles at around 2%. In May, core inflation in the Eurozone re-accelerated, rising to 2.9% year-over-year. June was marked by Macron's surprise decision to dissolve the French Parliament. The OAT- Bund spread widened from 50 to 80 bp, pulling the BTP-Bund spread in its wake. Ten-year yields on French sovereign bonds are now above those of their Portuguese counterparts. Despite this surge in volatility and the 40bp widening of spreads on the High-Yield segment, the primary market for corporate bonds remained very active across the full credit rating spectrum, allowing many French borrowers to issue bonds in favourable conditions. Examples include Tereos and Infopro Digital within the High-Yield segment. To everyone's surprise, Picard refinanced its debt maturing in 2026 with a 2029 bond bearing a higher coupon (+250 bp). Picard displays a 'B' credit rating.



Fund Information

Inception date

05/12/2012

ISIN codes

Share ID - LU1592885955

Share RC - LU1592886094

Bloomberg tickers

Share ID - SYCSCID LX

Share RC - SYCSCRC LX

Benchmark

Barclays Capital Euro

Corporate Ex-Financials TR

Legal form

SICAV compartiment

Domiciliation

Luxembourg

PEA eligibility

No

Investment period

5 yrs

Minimum investment

None

UCITS V

Yes

Valuation

Daily

Currency

EUR

Cut-Off

D before 9.45am (BPSS Lux)

Cash Settlement

D+2

Management fees

Share ID - 0.60%

Share RC - 1.20%

Performance fees

None - (Master fund) : 10% > benchmark

Transaction fees

None

Portfolio

Exposure rate

95%

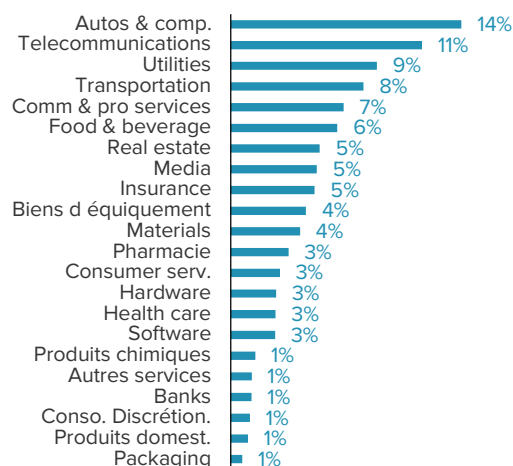
Number of bonds

225

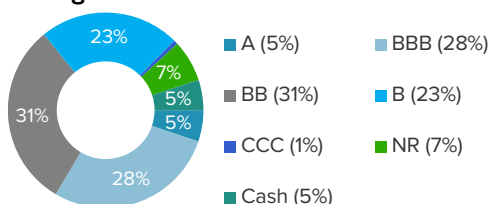
Number of issuers

144

Sector breakdown



Rating breakdown



Valuation

Modified Duration

3.1

Yield to maturity

5.3%

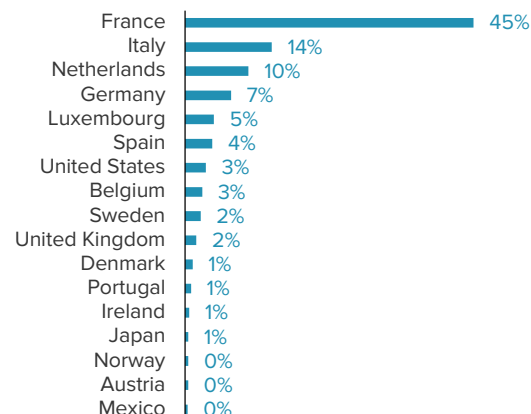
Yield to worst

4.9%

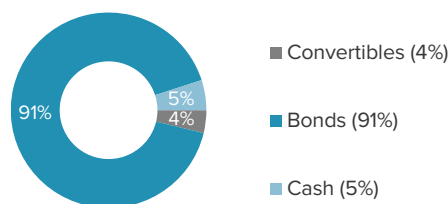
Average maturity

3.4years

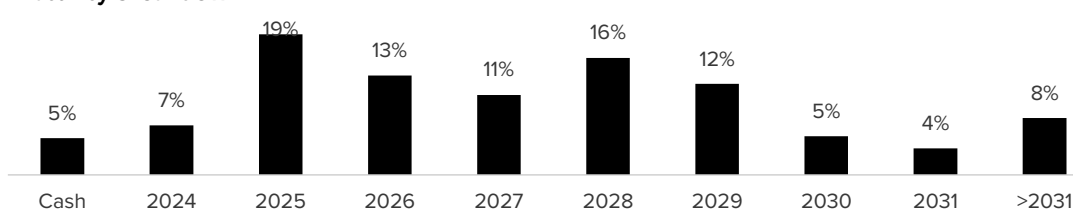
Country breakdown



Asset class breakdown



Maturity breakdown



SPICE, for Society & Suppliers, People, Investors, Clients, Environment is our tool for assessing a company's performance on sustainability criteria. This tool incorporates the analysis of economic, governance, environmental, social, and societal risks and opportunities covering both the company's daily operations and its product and service offer.

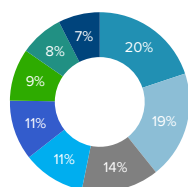
The analysis process covers 90 criteria and leads to a rating per letter. These 5 ratings are weighted based on the company's most material impacts*.

	Fund	Index
SPICE	3.4/5	3.4/5
S score	3.4/5	3.1/5
P score	3.4/5	3.3/5
I score	3.4/5	3.5/5
C score	3.5/5	3.3/5
E score	3.3/5	3.1/5

Main issuers	Weight	Sector	SPICE rating	Sustainable theme
Renault	3.9%	Autos & Comp.	3.5/5	SPICE transformation
Picard	2.9%	Food & Beverage	3.3/5	Nutrition and well-being
Loxam	2.4%	Comm & pro services	3.6/5	SPICE Leadership
Autostrade Per L Italia	2.2%	Transportation	3.2/5	Access and Inclusion
Tereos	2.1%	Food & Beverage	3.1/5	Nutrition and well-being



Sustainability thematicas



- Digital and communication
- SPICE transformation
- Health & Safety
- SPICE Leadership
- Energy transition
- Access and Inclusion
- Nutrition and well-being
- Sustainable mgmt of resources

ESG criteria

ESG eligibility (% of eligible bonds) **36%**

ESG scores

	Fund	Index
ESG*	3.3/5	3.2/5
Environment	3.3/5	3.1/5
Social	3.3/5	3.8/5
Governance	3.3/5	3.4/5

ESG best scores

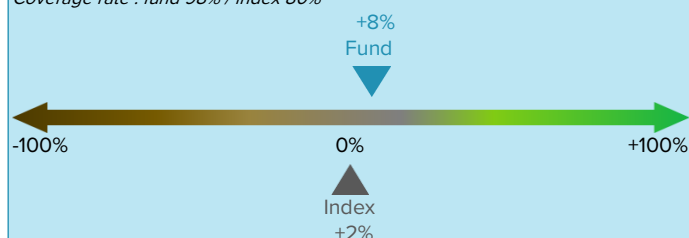
	ESG	E	S	G
Iberdrola	4.0/5	4.2/5	3.8/5	4.0/5
Orsted	4.2/5	4.7/5	4.0/5	3.8/5
Nexans	4.0/5	4.1/5	3.9/5	4.0/5
Erg	4.3/5	4.8/5	4.0/5	4.1/5
Neoen	4.0/5	4.4/5	3.7/5	4.0/5

Environmental analysis

Net Environmental Contribution (NEC)**

Degree of alignment of the economic models with the ecological transition, integrating biodiversity and climate, on a scale running from -100% for eco-obstruction to +100% for eco-solution, where 0% equates to the average environmental impact of the global economy. The results are expressed in NEC 1.0 (nec-initiative.org) calculated by Sycomore AM based from 2018 to 2021.

Coverage rate : fund 98% / index 80%



European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy

Coverage rate : fund 67% / index 91%

Fund



Index



Fossil fuel exposure

Percentage of income derived from the three fossil energies.

Fund



Index



Carbon Oil Gas

Carbon footprint

Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested***.

Coverage rate : fund 53% / index 87%

kg. eq. CO₂ /year/k€

Fund
279

Index
230

Societal and social analysis

Staff growth**

Cumulated growth in company headcounts over the past three financial years (data unadjusted in the event of acquisitions, excluding transformational deals).

Coverage rate : fund 86% / index 89%

Fund

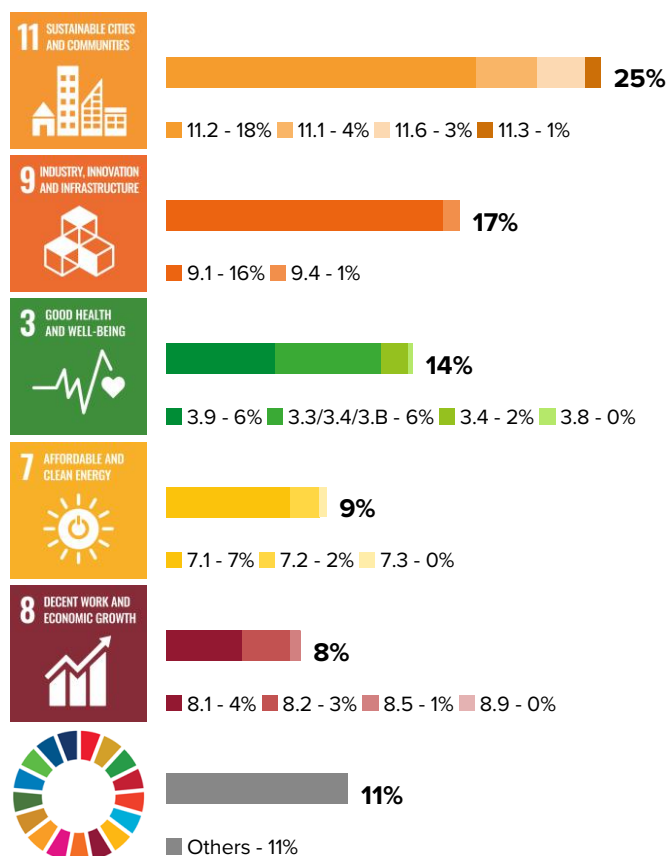


Index





Sustainable development goals exposure



This chart represents the main exposures to the United Nations Sustainable Development Goals and their 169 targets. Exposure is defined as the opportunity, for each company, to contribute positively to reaching SDGs, providing their products and services. This exercise doesn't aim to measure the companies effective contribution to SDGs, which is computed through our societal contribution (CS) and net environmental contribution (NEC) metrics. For each invested company, activities are analysed in order to identify those which are exposed to SDGs. For a same activity, its number of targets can vary between 0 and 2. The company target exposure to one of its activities is weighted by the revenue share gained from this activity. For more details, our annual SRI report is available in our ESG documentation.

No significant exposure : 27%

ESG follow-up, news and dialogue

Dialogue and engagement

Renault

During our recent meeting with management, we discussed the circular economy within the group: 85% of the components used for vehicles manufactured by the group can be recycled. The percentage of recycled materials used in new vehicles is only 30%, as recycled materials sometimes fail to meet the technical resistance standards imposed by the group's safety criteria. Aluminium was cited as an example.

ESG controversies

No comment

Additional disclaimers: although the fund's performances are partly driven by the ESG indicators of portfolio holdings, these are not the sole determining factor. Marketing communication. This information has not been prepared in accordance with legal requirements designed to promote the independence of investment research. Sycomore AM is not banned from trading on these securities prior to the dissemination of this information. Before investing, please read the fund's KID available on our website: www.sycomore-am.com.