

OFI FUND - RS GLOBAL CONVERTIBLE BOND I_EUR

Monthly Factsheet - Convertible Bonds - January 2021



Investment policy :

OFI Fund - OFI Global Convertible is a global convertible bond subfund of the Luxembourg SICAV OFI Fund. The fund favours convertible issues from companies whose growth potential is linked to their global activity or local leadership.

Registered in : FRA PRT

Key figures as of 29/01/2021

NAV of the class C (EUR):	78,96
Net Assets of the class C (EUR M):	83,48
Total Net Assets (EUR M):	102,20
Delta:	51%
Modified duration:	1,47
Current yield:	0,42%
Number of holdings:	85

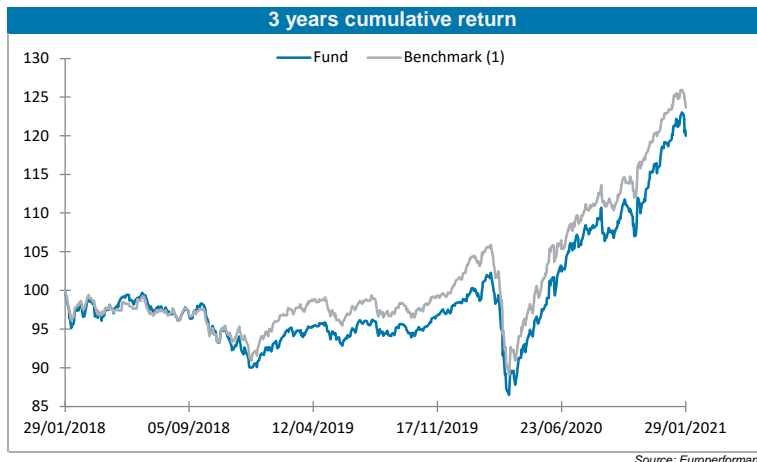
Characteristics

ISIN Code:	LU0336374540
Ticker:	OFICONI LX Equity
Europe Performance Classification:	International convertible bonds
Management Company:	OFI Lux
Principal distributor advisor:	OFI Asset Management
Benchmark ⁽¹⁾ :	Thomson Reuters Global Focus Vanilla Hedge Euro
Main Risks:	Capital and performance Market : equity, fixed income and credit Currency
Fund Manager:	Nancy Scribot Blanchet
Legal Form:	SICAV (UCITS V) under the laws of Luxembourg
Distribution Policy:	Capitalisation
Currency:	EUR
Inception date:	21/12/2007
Recommended investment horizon:	3 years
Valuation:	Daily
Subscription cut-off:	D - 1 at 12h
Redemption cut-off:	D - 1 at 12h
Settlement:	D+3
Max/Real Subscription fees:	1%/None
Max/Real Redemption fees:	None/None
Outperformance fees:	15% above benchmark
Ongoing charge:	1,12%
Custodian:	SOCIETE GENERALE BANK TRUST LUXEMBOURG
Administrative agent:	SOCIETE GENERALE BANK TRUST LUXEMBOURG

(1) Benchmark: Thomson Reuters Global Focus Vanilla Hedge Euro

Distributor and paying agent: BEST - BANCO ELECTRONICO DE SERVICO TOTAL, Praça Marquês de Pombal, 3-3º, 1250-161 Lisboa, Portugal

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Risk Profile

Level: 1 2 3 4 5 6 7

Monthly return



YTD return



Return & Volatility

	5 Years (cum.)		3 Years (cum.)		1 Year		YTD		6 Months		3 Months	
	Return	Volat.	Return	Volat.	Return	Volat.	Return	Volat.	Return	Volat.	Return	Return
OFI FUND - RS GLOBAL CONVERTIBLE BOND I_EUR	40,25%	8,63%	20,92%	10,18%	21,66%	14,79%	0,62%	-	12,35%	-	12,14%	
Benchmark ⁽¹⁾	38,87%	7,67%	24,48%	9,08%	19,87%	13,15%	0,25%	-	12,76%	-	10,40%	

Source: Europerformance

Monthly returns

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year	Benchmark
2016	-4,59%	-1,69%	2,94%	0,54%	1,50%	-2,46%	3,14%	0,27%	0,22%	-0,05%	0,39%	2,19%	2,15%	0,58%
2017	0,02%	1,39%	0,46%	1,53%	0,61%	-0,37%	0,64%	-0,52%	1,26%	2,60%	-0,92%	-0,71%	6,09%	4,39%
2018	2,11%	-1,45%	-0,79%	0,85%	0,36%	-0,26%	-0,65%	0,28%	0,70%	-3,63%	-1,25%	-3,12%	-6,80%	-5,45%
2019	2,75%	1,67%	-0,14%	1,34%	-2,73%	2,42%	0,62%	-1,58%	0,05%	0,95%	1,94%	1,19%	8,64%	10,11%
2020	0,23%	-0,35%	-8,80%	5,60%	4,62%	4,01%	3,70%	2,23%	-0,88%	-1,14%	7,70%	3,48%	21,19%	21,49%
2021	0,62%												0,62%	0,25%

CONTACT • Sales Department • 01 40 68 17 17 • contact@ofi-am.fr

OFI Asset Management • A portfolio management company authorised by the AMF under number GP 92-12 • Intracommunity VAT no.: FR 51384940342 •
Public Limited company (société anonyme) with capital of €42,000,000 • Principal activity (APE) code 6630Z 22 rue Vernier 75017 Paris •
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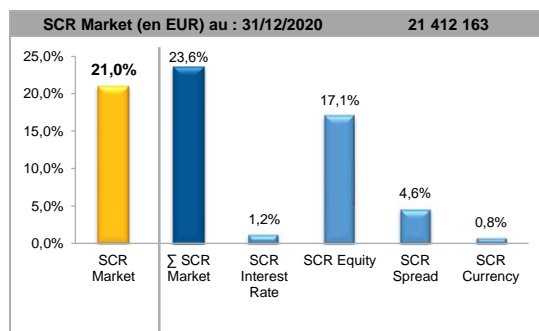


TOP 10 Holdings

Name	Weight
SERVICENOW 0 2022_06	2,93%
ETSY 0.125 2026_10	2,85%
RH 0 2023_06	2,60%
STMICROELECTRONICS 0.250 2024_07	2,54%
NUANCE COMMUNICATIONS 1.250 2025_04	2,29%
RAPID7 2.250 2025_05	2,18%
WORLDLINE 0 2026_07	1,99%
WUXI APPTec 0 2024_09	1,89%
KINGSOFT 0.625 2025_04	1,85%
OCADO GROUP 0.750 2027_01	1,83%
TOTAL	22,95%

Source: OFI AM

Solvency Capital Requirement



*Quarterly data as of 31/12/2020

Source: OFI AM

Asset management strategy

News in January was largely dominated by vaccination campaigns, which got off to a slower than expected start, with markets rattled by doubts over delays in vaccine production. On the political front, the key events in the US were the invasion of the Capitol building by Trump supporters and the Democrats' victory in the Senate. Joe Biden also unveiled details of his \$1.9 trillion stimulus package to support households and businesses. In Europe, Italy was shaken by another political crisis, with Giuseppe Conte forced to resign. On the economic front, many countries continued to post growth in Q4 2020, despite social restrictions, with GDP up 4% annualised in the US, 0.1% QoQ in Germany and 0.4% in Spain. German industrial production figures were particularly strong, comfortably exceeding expectations. Of the major countries, only China saw its economy expand in 2020.

Against this backdrop, global equities ended the month in the red everywhere except Asia, with the MSCI World down 1.05%, the S&P 500 down 1.1% and the Dow Jones down 2% but the Nasdaq Biotech up 6.3%. Meanwhile, in Europe, the Euro Stoxx 50 lost 1.9% and the CAC 40 fell 2.6%, while in Asia, the Nikkei gained 0.8%, the Hang Seng climbed 3.9% and the Shanghai Composite put on 0.3%. In credit, the 5-year Crossover in Europe and the 5-year CDX HY in the US widened 28 bps to 269 bps and 30 bps to 323 bps respectively, while German and US 10-year yields tightened slightly to -0.52% and 1.07% respectively. In currencies, the euro lost a bit of ground to sterling (down 0.9%) and the US dollar (down 0.7%), while the dollar continued to slide against the Chinese yuan (down 1.5%) but picked up against the Korean won (up 2.6%) and the Japanese yen (up 1.4%). In this environment, convertible bonds posted mixed performances, down 0.4% in Europe but up 2% in the US, 1.7% in Asia ex-Japan and 0.6% in Japan (all measured in euros). Overall, the Refinitiv (formerly Thomson Reuters) Global Focus Convertibles index in euros gained 0.25% in the month, while OFI Fund RS Global Convertible Bond gained 0.62% over the same period.

The convertible primary market kicked off the new year on the same trend as 2020, with issues totalling \$12.6 billion. US issues totalled \$7.1 billion, including DocuSign 0% 2024 (\$690m; US; technology), Nio 0% 2026 and Nio 0.5% 2027 via the company's ADR programme (\$1.5bn in total; China; automotive), BridgeBio Pharma 2.25% 2029 (\$650m; US; healthcare) and Marriott Vacations Worldwide 0% 2026 (\$500; US; travel and leisure). Meanwhile, Europe saw total issues of \$1.9 billion, including Voltalia 1% 2025 (€200m; France; utilities) through a green CB, Shop Apotheke 0% 2028 (€225m; Netherlands; retail) and Prysman 0% 2026 (€750m; Italy; industrial goods and services), with the company taking the opportunity to offer to buy back its 2022 convertible. A total of \$3 billion was issued in Asia ex Japan, making January a crucial month on the primary market: Hansoh Pharmaceutical 0% 2026 (\$600m; China; healthcare), Win Semiconductors 0% 2026 (\$500m; Taiwan; technology) and China Hongqiao 5.25% 2026 (\$300m; China; commodities). Lastly, \$500 million was issued in Japan, split between Menicon 0% 2025 (JPY 23bn; Japan; healthcare) and Kyoritsu 0% 2026 (JPY 30bn; Japan; travel and leisure).

As regards performance, the main negative contributors were Sarepta 2024 (-69 bps; down 39.7% after the company's Phase III results unexpectedly failed to pass muster), EDF 2024 (-18 bps; down 10.9%, with talks with the European Commission on the Hercules project seemingly in deadlock in the short term), Xiaomi 2027 (-14 bps; down 13.9%), Zhongsheng 2025 (-12 bps; down 8.3%), Live Nation 2023 (-11 bps; down 7%), Booking.com 2021 (-10 bps; down 6.4%) and Société Générale 12/21 calls (-10 bps; down 25.8%). Meanwhile, the top positive contributors were Wuxi AppTec 2024 (+31 bps; up 20.4%), DocuSign 2023 (+31 bps; up 8.8%), Etsy 2026 (+27 bps; up 10.7%), Kingsoft 2025 (+24 bps; up 15.1%), Teladoc 2027 (+21 bps; up 15.1%), Ocado 2027 (+21 bps; up 13.1% on the back of another UK lockdown) and STM 2024 (+20 bps; up 8.5% after the company in the end reported favourable 2020 results).

In terms of changes, we subscribed for the primary issues Voltalia 2025 (green CB) in Europe and Zhejiang Expressway 2026 and Menicon 2025 in Asia. To free up some cash, we sold our holding of the bond-like short-maturity convertible Dassault Aviation/Airbus 2021 and sold some Deutsche Wohnen 2026 on profit-taking. Lastly, in the US, we sold the highly sensitive DocuSign 2023 and instead bought some DocuSign 2024, a more convex mixed convertible. We also added a new position in Bentley Systems 2026. Bentley is a leader in 3D software for the infrastructure sector. The geographical breakdown at the month-end was as follows: Europe 34%, US 38%, Asia ex Japan 20% and Japan 8%. The month-end cash position was 0%.

Portfolio equity sensitivity was 51% at end January, the current yield was 0.42% for an average maturity of 3.5 years and the modified duration was 1.47.

Nancy Scribot Blanchet - Fund Manager(s)

SCR informations

The aggregate SCR represents the total of all underlying risks. It does not take into account the effects of diversification.

The SCR Market represents the capital requirement taking into account the various risk factors (see correlation matrix arising under regulation n°2015/35).



Main movements of the month

Buy / Increase			
Name	Weight M-1	Weight M	
DOCUSIGN 0 2024_01	Buy	1,52%	
VOLTALIA 1.000 2025_01	Buy	1,35%	
BENTLEY SYSTEMS	Buy	1,14%	
MENICON 0 2025_01	Buy	1,01%	
ZHEJIANG EXPRESSWAY 0 2026_01	Buy	0,39%	

Source: OFI AM

Sell / Decrease			
Name	Weight M-1	Weight M	
DEUTSCHE WOHNEN 0.600 2026_01	1,41%	1,07%	
DEUTSCHE LUFTHANSA 2.000 2025_11	0,11%	Sell	
DASSAULT AVIATION/AIRBUS 0 2021_06	1,37%	Sell	
DOCUSIGN 0.500 2023_09	3,02%	Sell	

Source: OFI AM

Statistical indicators (compared to the benchmark on a 1 year rolling basis)

Bêta	Alpha	Tracking Error	Sharpe Ratio ⁽²⁾	Information Ratio	Frequency of profit	Worst draw down
1,08	-0,003	3,75%	1,36	0,40	63,46%	-14,48%

Source: Europereformance

(2) Risk free rate: compounded EONIA

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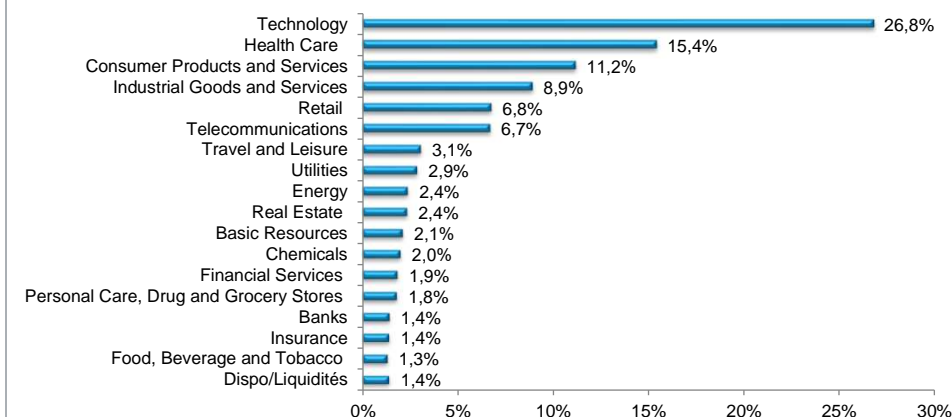
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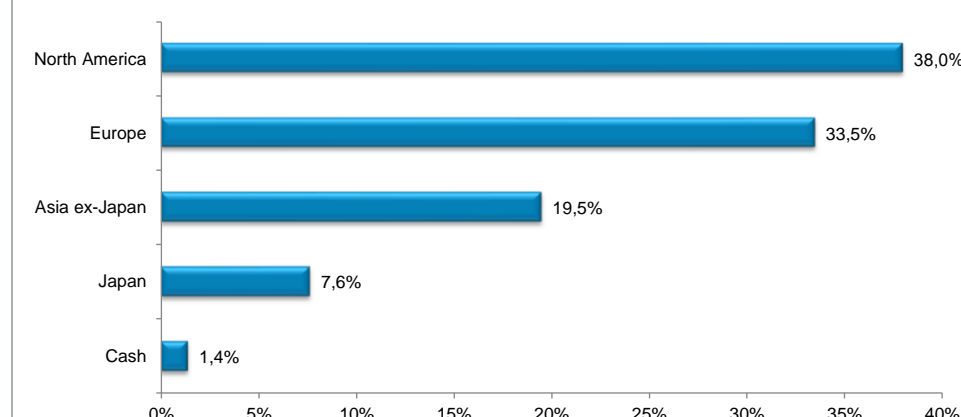
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Sector breakdown



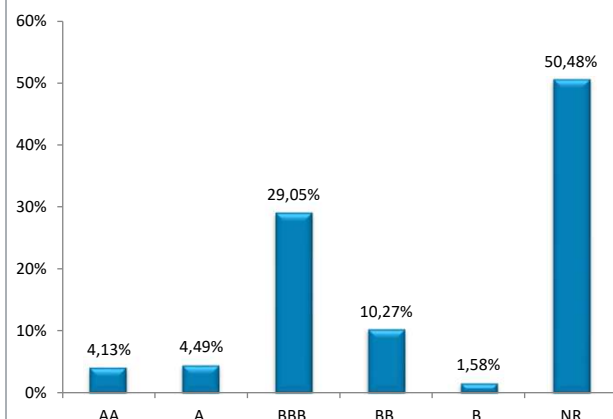
Source: OFI AM

Geographical breakdown



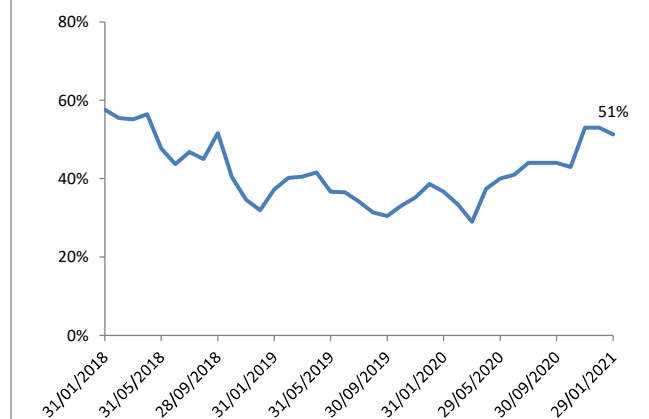
Source: OFI AM

Rating breakdown (invested part)



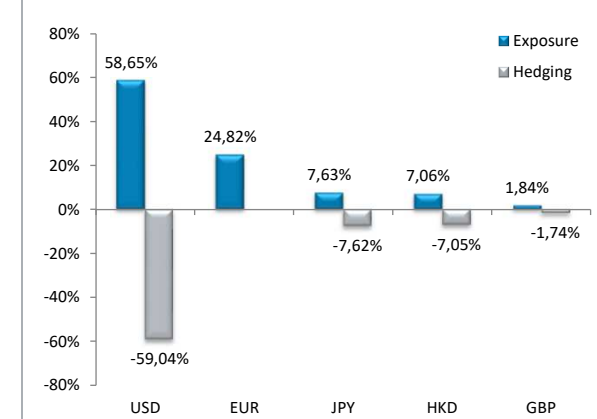
Source: OFI AM

Delta evolution (monthly)



Source: OFI AM

Currency breakdown



Source: OFI AM

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