

## Investment Strategy

YCAP Tactical Investment is a multi-asset fund seeking more attractive risk-adjusted returns than international equity and bond markets.\*

In order to achieve this objective, the investment management team uses proprietary models that attempt to estimate market risk and derive an appropriate asset allocation.

\*since 1 September 2021

## Portfolio Managers

Hector Garrigue, CFA

Roberto Pacault, CFA

## Monthly commentary

July was marked by a shift in the market's central economic outlook. Deteriorating US labor market statistics and manufacturing activity led to concerns that the Fed might be late in its rate-cutting cycle, and market participants gradually began to reintroduce the possibility of a "hard landing" scenario for the US economy. Over the course of the month, market expectations increased from anticipating one to two Fed rate cuts this year to almost three. This resulted in a sharp decline in interest rates, accompanied by a steepening of sovereign yield curves in both the US (US 2-year: -50 bps; US 10-year: -37 bps) and Europe (Germany 2-year: -30 bps; Germany 10-year: -20 bps). In the Eurozone, the results of the French legislative elections at the beginning of the month provided some reassurance to the markets, with the spreads between the borrowing rates of the so-called "peripheral" countries and German rates returning to pre-election levels. Meanwhile, the French spread stabilized at around 70 bps by the end of the month (compared to around 50 bps before).

This decline in sovereign interest rates enabled bond markets to deliver strong gains over the month (Bloomberg Global Aggregate Developed Markets €h: +1.9%), with a slight outperformance of corporate debt (Bloomberg Global Aggregate Corporates €h: +2.0%), which benefited from higher yields and stable credit spreads. Equity markets also rose over the month (MSCI World TR €h: +1.2%), with gains in US indices offsetting lackluster performances in the rest of the world (S&P 500 TR in USD: +1.2%; Euro Stoxx 50 TR in EUR: -0.3%; Nikkei 225: -1.2%). However, the highlight of the month was the market's strong rotation in favor of companies that had struggled this year, while stocks that had previously seen significant gains were subject to profit-taking (Nasdaq 100 TR in USD: -1.6% vs. Russell 2000 TR in USD: +10.0%).

Against this backdrop, the YCAP Tactical Investment fund gained +1.3%, compared with +1.1% for its benchmark index\*. The portfolio benefited from its higher exposure to sovereign rates and a positive selection effect in the equities portfolio. Throughout the month, equity exposure remained stable at around 58%, while interest rate sensitivity increased from 3.3 to 3.7.

\*Composite index: 50% MSCI World ESG Leaders EUR hedged + 50% Barclays Global Aggregate Developed Markets EUR hedged, daily rebalancing.

## YCAP Tactical Investment fund's net performance (class B EUR)



Share class	Inception date	Performances					Ex-post risk indicators (since inception)				
		July	YTD	1 year	5 years (ann.)	Inception (ann.)	Volatility	VaR 20d, 99%	Maximum Drawdown	Sharpe Ratio	
B EUR	LU0807707749	14 Oct 2014	+1.3%	+5.8%	+8.9%	-2.4%	+0.1%	8.0%	-6.1%	-27.7%	0.01

Monthly Performances (Class B EUR)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2015	+1.9%	+2.0%	+0.1%	-0.1%	+0.2%	-3.9%	+0.3%	-3.9%	-0.4%	-0.3%	+0.0%	-2.6%	-6.6%
2016	+1.1%	+1.2%	+0.9%	-0.1%	+0.2%	+3.0%	+3.1%	+0.3%	-0.1%	-2.3%	+1.0%	+2.1%	+10.6%
2017	-0.2%	+2.5%	+0.5%	+0.3%	+0.8%	-1.2%	+1.4%	+0.5%	-0.6%	+1.9%	+0.1%	+0.5%	+6.6%
2018	+0.2%	-4.6%	-1.0%	-0.7%	-0.2%	-0.1%	+0.5%	+0.2%	-0.8%	-1.1%	+0.2%	-0.0%	-7.2%
2019	+1.5%	-0.3%	+3.2%	+0.1%	-0.1%	+3.1%	+1.2%	+1.8%	-0.6%	-0.8%	-0.0%	-0.2%	+9.0%
2020	+0.9%	-4.9%	-10.6%	+3.1%	+0.2%	+0.5%	+0.9%	-0.8%	+0.1%	-0.7%	+1.5%	+1.3%	-8.8%
2021	-0.7%	-1.3%	+0.5%	+0.8%	+0.6%	+0.2%	+0.4%	+0.5%	-2.1%	+1.7%	-0.8%	+1.6%	+1.3%
2022	-4.2%	-1.9%	+1.2%	-5.1%	-0.8%	-4.3%	+3.5%	-3.8%	-5.3%	+2.1%	+2.9%	-3.1%	-17.7%
2023	+3.1%	-2.3%	+2.9%	+0.6%	-0.4%	+1.6%	+1.1%	-1.1%	-3.9%	-2.2%	+6.6%	+3.9%	+9.9%
2024	+0.7%	+1.4%	+1.8%	-3.7%	+2.9%	+1.4%	+1.3%						+5.8%

Past performance is no indicator of future performance. The fund offers no capital preservation. Sources: HOMA CAPITAL; Bloomberg.

HOMA CAPITAL

SGP certified by the AMF (Autorité des Marchés Financiers) as GP11000002 as of January 13th, 2011 ([www.amf-france.org](http://www.amf-france.org)).

Simplified joint-stock company with a capital of 1 176 472 €.

Head Office: 1 Boulevard Pasteur 75015 Paris - France.

## Ex-ante risk indicators (1 year)

	Volatility	Monthly VaR 99%	Modified Duration	Equity Beta
YCAP Tactical Investment	7.9%	-5.1%	3.7	0.66
50/50 Composite*	6.2%	-4.2%	3.3	0.57

\*50% MSCI World ESG Leaders EUR hedged + 50% Barclays Global Aggregate Developed Markets EUR hedged.  
Sources: HOMA CAPITAL; Bloomberg.

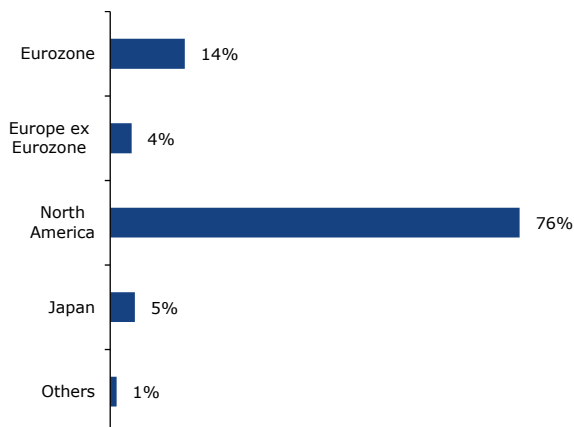
## Allocation by strategy

	Jun 24	Jul 24
Global Equities	58.6%	57.6%
Global Bonds	60.0%	66.0%
Currencies	0.0%	0.0%

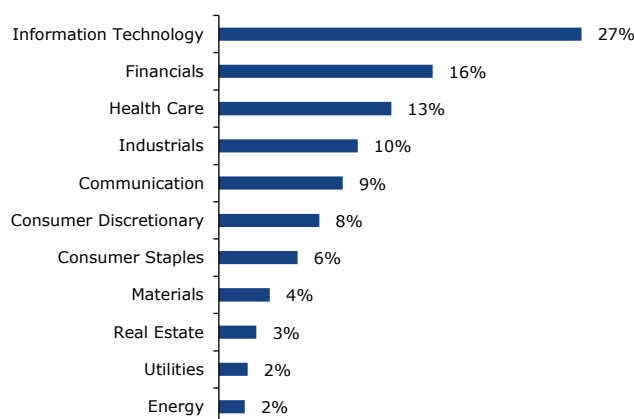
Sources: HOMA CAPITAL; Bloomberg.

## Equity carve out details (rebased)

### Geographical breakdown



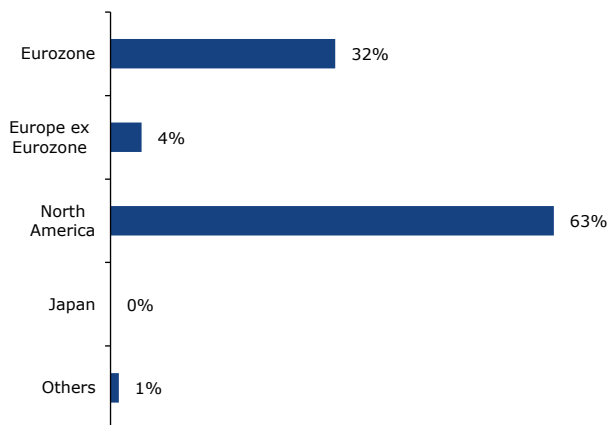
### Sector breakdown (GICS)



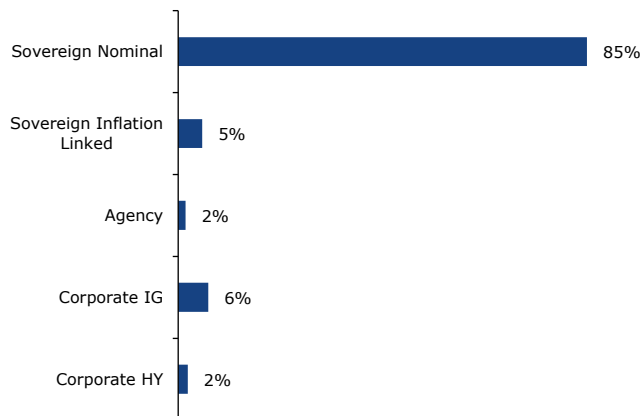
Sources: HOMA CAPITAL; Bloomberg.

## Bond carve out details (rebased)

### Geographical breakdown



### Bond types breakdown



Sources: HOMA CAPITAL; Bloomberg.

## Characteristics of the share class

Class identifier	Bloomberg ticker	Minimum subscription	Management fees	Performance fees	Fund Total Assets	Order reception	Settlement	Legal status	Custodian
B EUR	RISKEBE LX	€ 1,000	1.80%	None	40 M€	12 a.m. at the latest, on each applicable valuation date	2 business days after the corresponding valuation date	UCITS V - Luxembourg	BNP Paribas Securities Services

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