

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

Despite the start of the Q3 results season, October was dominated by developments surrounding the US presidential campaign. With the two candidates proposing opposing views on fiscal policy and international relations, variations in their chances of victory had a major impact on markets across all asset classes and geographical regions.

Firstly, on the bond market. By raising fears that the federal budget would get out of hand, the increase in the probability of Trump's victory led to a sharp rise in US yields (10-year yield: +50 bps). This movement was also supported by good macroeconomic data from across the Atlantic, which led investors to reassess their expectations of FED policy by reducing their expectations of rate cuts (5 cuts expected by the end of 2025, compared with 7 at the start of the month). In Europe, despite a further 25bp cut in the ECB's key rate, sovereign yields also rose (Germany 10yr: +27bp). As a result, global bond indices fell over the period (Bloomberg Global Aggregate Developed Markets €h: -1.8%).

The main equity indices also ended the month in negative territory (MSCI World TR €h: -1.0%), with European and emerging markets underperforming (Euro Stoxx 50 TR EUR: -3.3%; MSCI Emerging TR USD: -4.3%) mainly due to fears of rising customs barriers. By sector, financial stocks outperformed (MSCI World Financials TR USD: +0.6%) in the wake of good results from US banks, as did the communication sector (MSCI World Communication TR USD: +1.3%), which benefited from Alphabet's good publication (+3.2% over the month). Conversely, the most interest-rate-sensitive sectors (healthcare, consumer staples and real estate) all fell by between -4% and -5%.

Against this backdrop, the YCAP Tactical Investment fund lost -1.8% and underperformed its benchmark index* (-1.6%). Over the period, average exposure to equities was 62% (compared with 64% in September), while duration was reduced to 2.8 on average in October compared with 3.2 in September.

*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)			
			October	YTD	1 year	5 years (ann.)	Inception (ann.)	Volatility	VaR 20d, 99%	Maximum Drawdown	Sharpe Ratio
B EUR	LU0807707749	14 Oct 2014	-1.8%	+6.5%	+17.9%	-2.4%	+0.1%	8.0%	-6.1%	-27.7%	0.02

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%	+1.3%	+1.2%	-1.8%			+6.5%

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).

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	7.1%	-4.4%	2.9	0.58
50/50 Composite*	6.3%	-3.8%	3.3	0.53

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

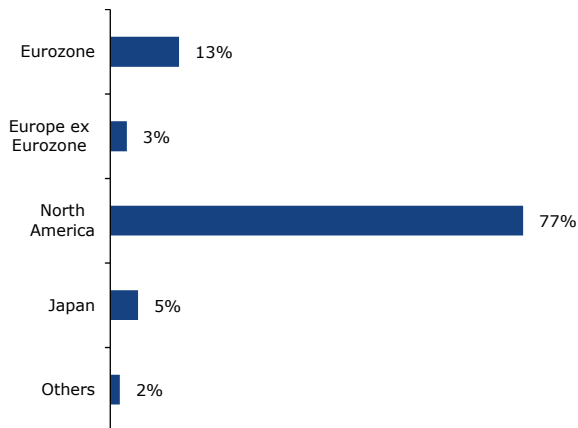
Allocation by asset class

	30 Sep 24	31 Oct 24
Global Equities	65.3%	57.3%
Global Bonds	50.7%	47.7%
Currencies	0.0%	0.0%

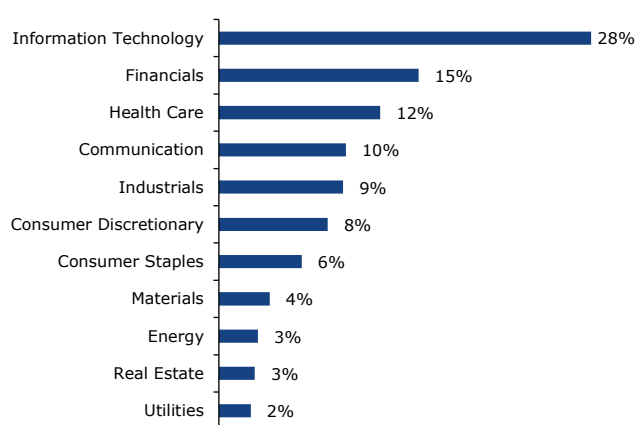
Sources: HOMA CAPITAL; Bloomberg.

Equity carve out details (rebased)

Geographical breakdown



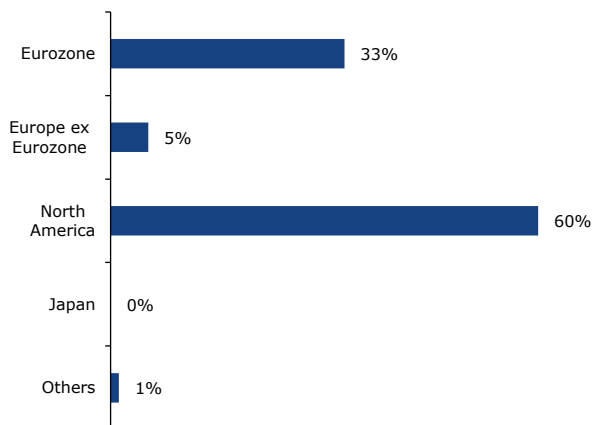
Sector breakdown (GICS)



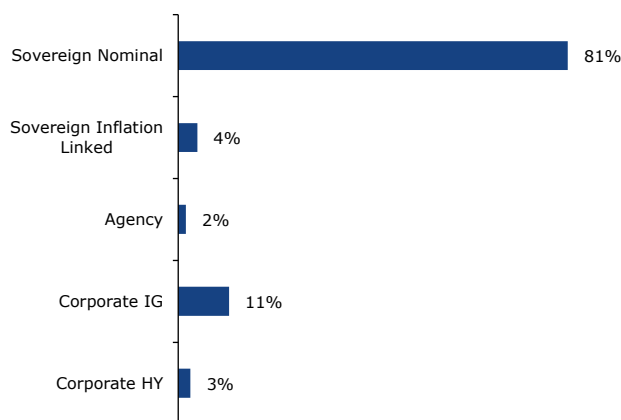
Sources: HOMA CAPITAL; Bloomberg.

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	24 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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