

## 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

The month of December was dominated by the rise in sovereign bond yields following the Fed's revision of its economic forecasts for 2025, but also by the resurgence of fears about the impact on inflation and the public deficit of the policy that the next US administration wishes to put in place. Regarding the FED, in addition to a slight upward revision of its growth forecast (+0.1%), the institution has significantly raised its inflation expectation to 2.5% from the previous forecast of 2.1%, and has therefore reassessed the future path of its interest rates, forecasting only two cuts of -25bps next year, compared with four previously.

As a result, the US 10-year yield rose by +40bps over the month, an increase of +95bps since its September low. Eurozone yields followed the same upward trajectory: +29bps for the German 10-year yield and +30bps for its French equivalent. This rise can be explained by the movement in US rates, as well as by inflation figures in the eurozone, which have been stagnating for several months and are slow to return to their target level of 2%. Lastly, this movement on both sides of the Atlantic was accompanied by a reconstitution of term premiums via a steepening of the curves (US 2-30 year slope: +34 bp; German 2-20 year slope: +14 bp). Over the period, the Bloomberg Global Aggregate Developed Markets € index fell by -1.3%.

Equity markets fell in December (MSCI World TR €: -2.0%), impacted by interest rate movements and profit-taking on US markets after a buoyant year (S&P 500 TR in USD: +25.0%). European markets outperformed (Euro Stoxx 50 TR in EUR: +2.0%), helped by the rebound in luxury goods, automotive and banking stocks, but also by the fall in the euro, which has depreciated by -7.0% against the dollar since the end of September.

Against this backdrop, the YCAP Tactical Investment fund fell -1.6% and outperformed its performance indicator\* (-1.9%) thanks to its exposure to French small cap companies and the dollar. Over the period, the average exposure to equities was 59% (compared with 61% in November), while the average interest-rate sensitivity was 2.6, stable compared with November.

\*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 USD)



Share class	Inception date	Performances					Ex-post risk indicators (since inception)				
		December	YTD	1 year	5 years (ann.)	Inception (ann.)	Volatility	VaR 20d, 99%	Maximum Drawdown	Sharpe Ratio	
B USD	LU0807708390	15 Mar 2013	-1.6%	+9.6%	+9.6%	-0.3%	+1.9%	7.8%	-5.8%	-24.9%	0.24

\*Share class inactive from 24/08/2015 until 28/08/2015 and from 27/05/2019 until 15/11/2019, the performance is chained over the different periods.

Monthly Performances (Class B USD)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	-1.2%	+2.0%	+0.7%	+1.4%	+3.4%	+0.6%	+0.4%	+3.0%	-1.4%	-1.5%	+1.7%	-0.3%	+9.0%
2015	+1.8%	+2.0%	+0.3%	-0.1%	+0.2%	-4.0%	+0.4%	-4.3% <sup>(1)</sup>	-0.4%	-0.2%	+0.1%	-2.5%	-6.7%
2016	+1.1%	+1.2%	+0.9%	+0.0%	+0.2%	+2.7%	+2.9%	+0.3%	+0.1%	-2.0%	+1.0%	+2.2%	+11.1%
2017	-0.1%	+2.6%	+0.6%	+0.5%	+0.9%	-0.9%	+1.4%	+0.6%	-0.4%	+2.0%	+0.3%	+0.7%	+8.4%
2018	+0.4%	-3.9%	-0.9%	-0.4%	+0.0%	+0.1%	+0.8%	+0.4%	-0.6%	-0.9%	+0.5%	+0.3%	-4.0%
2019	+1.8%	-0.0%	+3.3%	+0.3%	-0.2% <sup>(2)</sup>	-	-	-	-	-	+0.5% <sup>(3)</sup>	-0.0%	+5.6%
2020	+1.1%	-4.9%	-10.1%	+3.1%	+0.2%	+0.5%	+1.0%	-0.7%	+0.2%	-0.6%	+1.6%	+1.5%	-7.5%
2021	-0.6%	-1.2%	+0.7%	+0.8%	+0.7%	+0.3%	+0.4%	+0.5%	-2.1%	+1.8%	-0.8%	+1.8%	+2.2%
2022	-4.1%	-1.7%	+1.3%	-4.9%	-0.6%	-4.1%	+3.7%	-3.6%	-5.0%	+2.5%	+6.9%	-2.8%	-12.6%
2023	+3.4%	-2.1%	+3.1%	+0.8%	-0.2%	+1.8%	+1.2%	-1.0%	-3.7%	-2.0%	+6.9%	+4.0%	+12.4%
2024	+0.8%	+1.5%	+1.9%	-3.5%	+3.1%	+1.5%	+1.5%	+1.5%	+1.4%	-1.7%	+3.2%	-1.6%	+9.6%

(1) : Share class inactive from 24/08/2015 to 28/08/2015. (2) : Performance from 30/04/2019 to 27/05/2019. (3) : Performance from 15/11/2019 to 29/11/2019. 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	7.7%	-4.4%	2.9	0.47
50/50 Composite*	6.3%	-4.7%	3.2	0.52

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

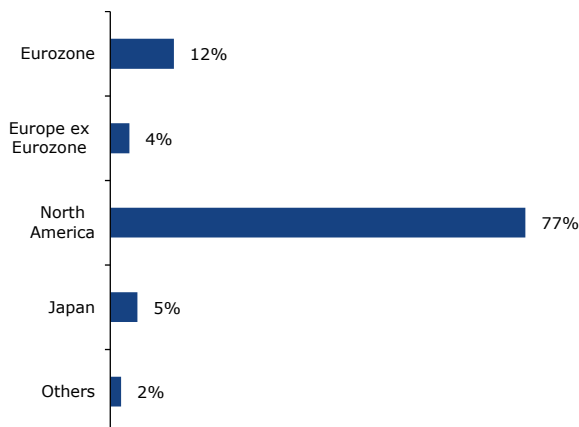
## Allocation by asset class

	29 Nov 24	31 Dec 24
Global Equities	63.5%	49.7%
Global Bonds	40.0%	53.0%
Currencies vs. USD	-7.1%	-5.2%

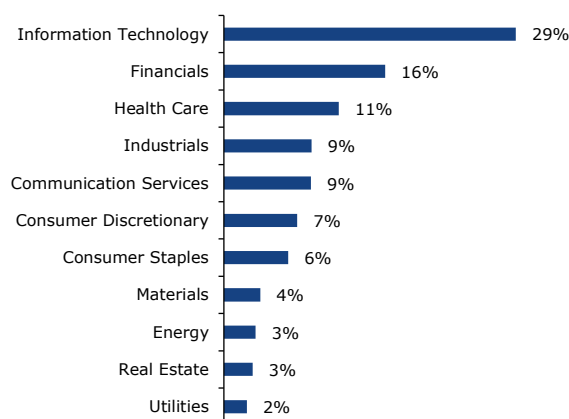
Sources: HOMA CAPITAL; Bloomberg.

## Equity carve out details (rebased)

### Geographical breakdown



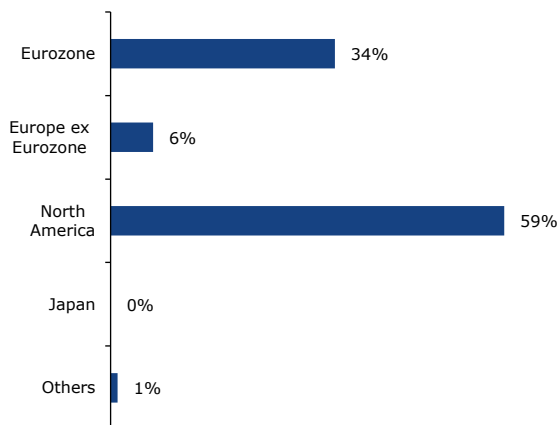
### Sector breakdown (GICS)



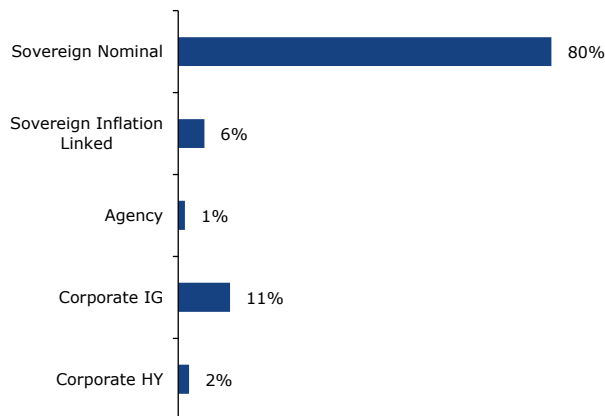
Sources: HOMA CAPITAL; Bloomberg.

## 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 USD (h)	RISKEBU 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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