

### Key figures

#### PERFORMANCE (IC EUR SHARE)

MTD (Month to Date)	-0.47%
YTD (Year to Date)	-3.21%

#### FUND SIZE

EUR 50.92m

#### NET ASSET VALUE PER UNIT

IC EUR share EUR 1,018.10

### Financial data

#### NUMBER OF LINES/ISSUERS

93 / 84

#### NUMBER OF SECTORS<sup>1</sup>

26

#### % MARKET EXPOSURE

100.04%

#### AVERAGE RATING<sup>2</sup>

BB- (fund)

#### MODIFIED DURATION

1.89 (fund)

#### EFFECTIVE DURATION

1.89 (fund)

#### OPTION ADJUSTED SPREAD (OAS)

420bps (cash included) / 420bps (excluding cash)

#### AVERAGE YIELD TO WORST

5.44% (cash included) / 5.43% (excluding cash)

#### AVERAGE YIELD TO MATURITY

5.45% (cash included) / 5.45% (excluding cash)

<sup>1</sup> Bloomberg sectors

<sup>2</sup> Based on the worst rating from S&P and Moody's

#### MORNINGSTAR CATEGORY

EUR High Yield Bonds



### Investment strategy and fund's objective

SCOR Funds - Euro Short Term Duration High Yield invests in the European high yield bond market. The Fund's objective is to achieve an absolute and positive performance over the recommended investment period by investing in fixed and floating coupon bonds and in debt securities classified as speculative with an anticipated maturity less than three years.

#### Key points:

- an investment universe comprising only securities denominated in EUR
- an investment universe comprising only companies from OECD member countries
- fundamental issuer analysis is at the heart of the investment process

### NAV since inception (basis 1,000)



### Cumulative performance

	YTD	1 month	3 months	1 year	3 years	inception*
IC EUR share	-3.21%	-0.47%	-1.17%	-2.61%	+1.61%	+1.81%

### Calendar performance

	YTD 2022	2021	2020	2019	2018	2017
IC EUR share	-3.21%	+2.28%	+2.53%	+1.22%	-0.37%	-0.53%*

### Annualized performance

	3 years	5 years	inception*
IC EUR share	+0.53%	+0.42%	+0.35%

### Contact

#### SALES TEAM

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 www.scor-ip.com

#### SCOR INVESTMENT PARTNERS

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 France

\* Since inception of the share class (refer to characteristics)

Performance is net of fees, includes dividends and is based on net asset values adjusted to swing pricing. Past performance is not a reliable indicator of future performance.

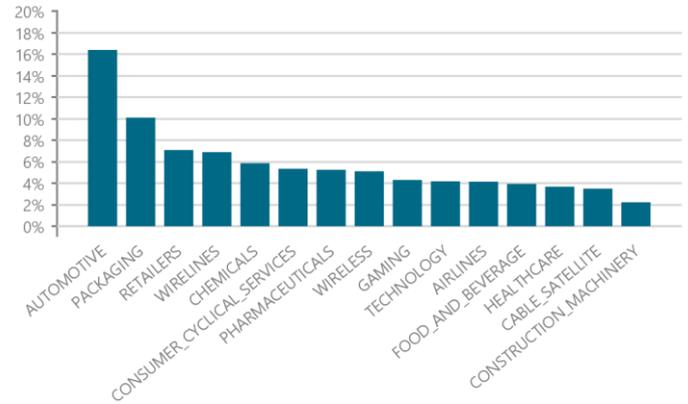
# SCOR FUNDS - EURO SHORT TERM DURATION HIGH YIELD

Monthly report – 31 August 2022

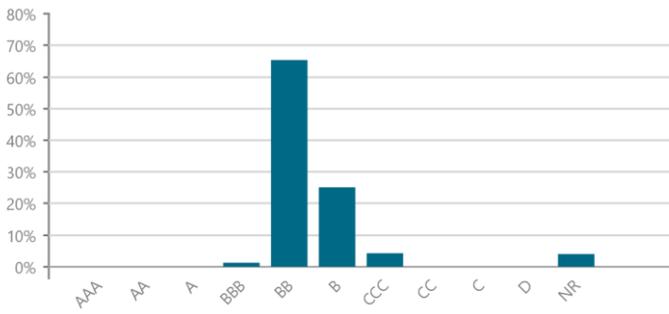
## Top 10 exposures

ISSUER	SECTOR	COUPON	MATURITY	%
VALEO SA	Automotive	0.63%	11/01/2023	3.93%
BALL CORP	Packaging	4.38%	15/12/2023	3.00%
NOKIA OYJ	Technology	2.00%	15/03/2024	2.95%
LUFTHANSA	Airlines	2.00%	14/07/2024	2.83%
SOLVAY FINANCE	Chemicals	5.42%	Perp	2.45%
LEVI STRAUSS & CO	Retailers	3.38%	15/03/2027	2.31%
FAURECIA	Automotive	2.63%	15/06/2025	2.15%
INTERTRUST GROUP	Consumer Services	3.38%	15/11/2025	1.99%
DKT FINANCE APS	Wirelines	7.00%	17/06/2023	1.95%
TELECOM ITALIA	Wirelines	2.50%	19/07/2023	1.95%

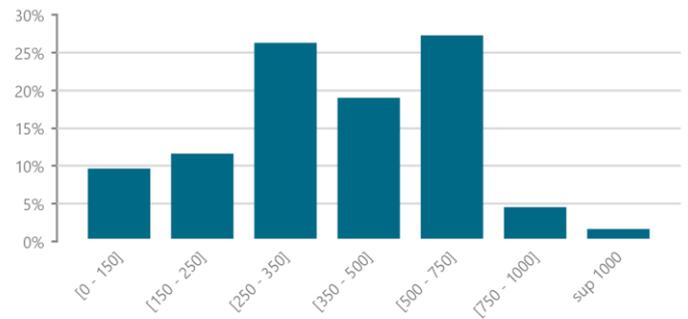
## Top 15 sectors <sup>4</sup>



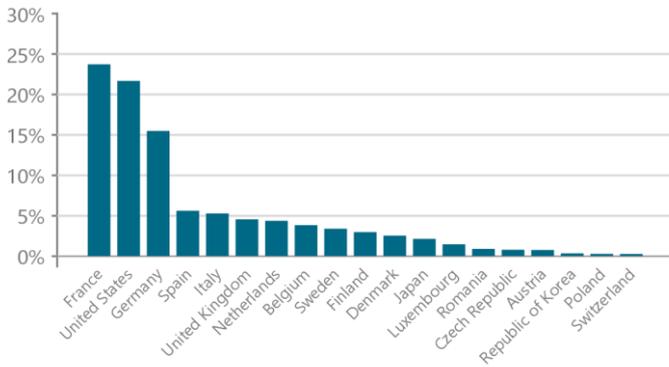
## Breakdown by rating <sup>3,5</sup>



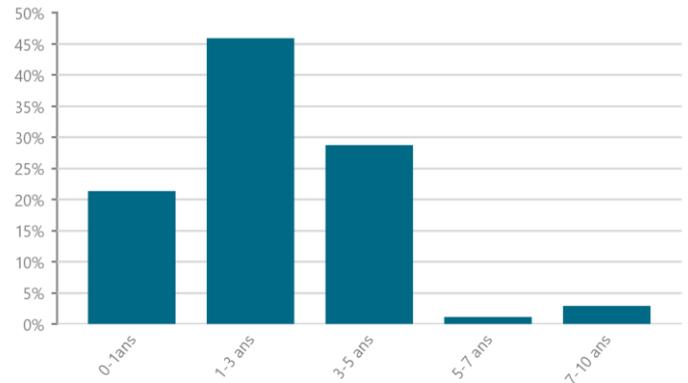
## Breakdown by OAS (in bps) <sup>3</sup>



## Breakdown by country <sup>3,6</sup>



## Breakdown by maturity bucket <sup>3</sup>



<sup>3</sup> % of the AuM, cash and government bonds are excluded

<sup>4</sup> Bloomberg sectors

<sup>5</sup> Based on the worst rating from S&P and Moody's

<sup>6</sup> Country of risk, source: Bloomberg

■ Fund

## Characteristics

### ISIN CODE

IC EUR share LU1497739240

### BLOOMBERG CODE

IC EUR share SCOSTHY LX Equity

### FUND NAME

SCOR FUNDS - EURO SHORT TERM DURATION HIGH YIELD

### LEGAL FORM

Sub-fund of a Luxembourg-based SICAV, under the directive 2009/65/EC (UCITS)

### INCEPTION DATE

IC EUR share 20/06/2017

### FUND CURRENCY

EUR

### RECOMMENDED INVESTMENT HORIZON

3 years minimum

### RISK AND REWARD PROFILE

← 1 2 3 4 5 6 7 →

↙ For a lower risk, typically lower rewards

↘ For a higher risk, typically higher rewards

### VALUATION FREQUENCY

Daily (D)

### SWING PRICING

Swing Pricing mechanism effective as of February 1, 2021

### SUBSCRIPTION / REDEMPTION

Orders received each D day before 12:00 p.m. (Lux. Time), executed on NAV D day

### SETTLEMENT AND DELIVERY

D+2 / D+2

### ONGOING CHARGES

0.46% VAT incl. (for the year 2020)

### PERFORMANCE FEES

None

### SUBSCRIPTION / REDEMPTION FEES

Maximum 3.00% / none

### CUSTODIAN

BNP Paribas Securities Services, Luxembourg

### DELEGATED ACCOUNTING MANAGEMENT

BNP Paribas Securities Services, Luxembourg

### COUNTRIES OF COMMERCIALIZATION

BE, FR, LU, MC\*, UK

\*Only with approved local entities

## Market review

The Euro High Yield market declined by -1.36% in August. The negative performance came about entirely because of the sell-off on sovereign rates. Determined to pursue the tightening of its monetary policy, the ECB sent German interest rates to their highest in June, while the average high-yield OAS tightened by 20 bps to 550 bps, representing a positive excess return of +1.51% for the asset class.

Market illiquidity remained high in August, and the primary market remained completely closed. As of end-August, the volume of new issues, close to EUR 20 billion, was split equally between acquisition financing and refinancing, far from the norm of 25%/75%. Few companies demonstrated an urgent need to refinance, as most had already taken steps to manage their maturities. Others, under less pressure, are taking advantage of bank financing (Valeo, Iliad). The current average yield is over 7%. Unless yields return quickly to less onerous levels, it is unlikely the primary market will soon reopen.

Default candidates are still relatively rare, and Moody's forecasts a limited increase in the default rate to 3.1% in June 2023, vs. 1.8% currently. Scandinavian Airlines was the most recent company to default, after its debt was restructured in July. Current spreads correspond to an implicit default rate of 6%, however, well above the increased level of defaults the rating agencies project.

High yield funds continued to experience net outflows in August, of EUR 300 million, bringing total net outflow since the start of the year to EUR 10.5 billion. The trend is not expected to reverse in the near term, given the way the coming winter is shaping up. While companies are still publishing favorable second-quarter results, with earnings increases, robust sales and exceptionally high liquidity, inflation is starting to put more pressure on margins. In this regard, the financial structure of companies in the Euro High Yield universe is particularly healthy and is not a cause for undue concern ahead of the recession the consensus expects in early 2023. The European Union quickly took into account the energy situation, in particular with regard to gas, and European inventories were increased significantly during the summer to over 80%. Cuts in Russian energy supplies have already been priced in, even if solutions still need to be found. Consumer demand is starting to soften, which might ultimately limit the energy crisis expected this winter and is also expected to deal a blow to small companies.

## Fund manager's comment

The SCOR Short Term Duration High Yield fund posted a negative performance of -0.47% in August 2022 (net of fees, dividends included, IC EUR share).

The cash portion remained virtually nil, and the low August liquidity limited movement within the fund. The rise in yields pushed refinancing rates up by 75 bps and impacted the entire yield curve, beginning with the shortest maturities.

Exposure to the Automotive (Faurecia, Volvo) and Packaging (Ball, Ardagh) sectors explained part of the fund's negative performance, while positions in TDC, TUI Cruises and Intertrust were beneficial to the fund.

## Disclaimer

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Source: SCOR Investment Partners, unless otherwise specified.

## Main risk factors

**Risk of capital loss:** There is a risk that the capital initially invested will not be fully recovered on redemption.

**Risk linked to discretionary management:** The management style is discretionary, which means that the portfolio management company may move away from the composition of the benchmark in accordance with its beliefs concerning issuers or its market anticipations. There is a risk that the Fund will not be invested at all times in the best performing securities and that the Fund's performance will differ significantly from that of the benchmark.

**Interest rate risk:** Since the portfolio is principally invested in fixed rate securities, Fund unitholders are exposed to interest rate risk. This corresponds to the risk of a fall in value of rate instruments due to interest rate variations and is measured by interest rate sensitivity. In periods of increased interest rates, the net asset value of the Fund may decrease significantly.

**Credit risk:** Deterioration in the solvency of an issuer may provoke a fall in the value of the securities that it has issued, and subsequently in the net asset value of the Fund. This risk is measured by credit sensitivity. In the event of default on payment, the value of the securities may be zero.

**Risk linked to speculative securities:** Due to the historically greater risk of default on speculative securities than on non-speculative securities, investment in high yield or non-rated securities may increase the credit risk and may lead to a significant and rapid fall in the net asset value of the Fund.

**Emerging market risk:** Due to the historically greater risk of default for non-OECD (emerging) securities than for OECD securities, investment in non-OECD (emerging) securities may increase the credit risk and may lead to a significant and rapid fall in the net asset value of the Fund.

**Counterparty risk:** This risk relates to the possibility of default by a counterparty, leading to payment default. Payment default by a counterparty may lead to a fall in the net asset value of the Fund.

**Share market risk:** The value of the Fund may fall in the event of a fall in the share market and/or a fall in value of specific securities held by the Fund.

**Currency risk** is hedged, therefore the currency risk is residual. However, it is important to note the residual currency risk that could result from an imperfect hedge. This risk could lead to a fall in net asset value.

Refer to the fund latest prospectus for the comprehensive list of associated risks.