

### Key figures

#### PERFORMANCE (IC EUR SHARE)

MTD (Month to Date)	+1.88%
YTD (Year to Date)	-3.60%

#### FUND SIZE

EUR 50.71m

#### NET ASSET VALUE PER UNIT

IC EUR share EUR 1,014.03

### Financial data

#### NUMBER OF LINES/ISSUERS

92 / 86

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

26

#### % MARKET EXPOSURE

98.00%

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

BB- (fund)

#### MODIFIED DURATION

1.72 (fund)

#### EFFECTIVE DURATION

1.58 (fund)

#### OPTION ADJUSTED SPREAD (OAS)

366bps (cash included) / 373bps (excluding cash)

#### AVERAGE YIELD TO WORST

5.69% (cash included) / 5.8% (excluding cash)

#### AVERAGE YIELD TO MATURITY

5.73% (cash included) / 5.84% (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	-3.60%	+1.88%	-0.86%	-3.10%	+1.44%	+1.40%

### Calendar performance

	YTD 2022	2021	2020	2019	2018	2017
IC EUR share	-3.60%	+2.28%	+2.53%	+1.22%	-0.37%	-0.53%*

### Annualized performance

	3 years	5 years	inception*
IC EUR share	+0.48%	+0.34%	+0.26%

### 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.

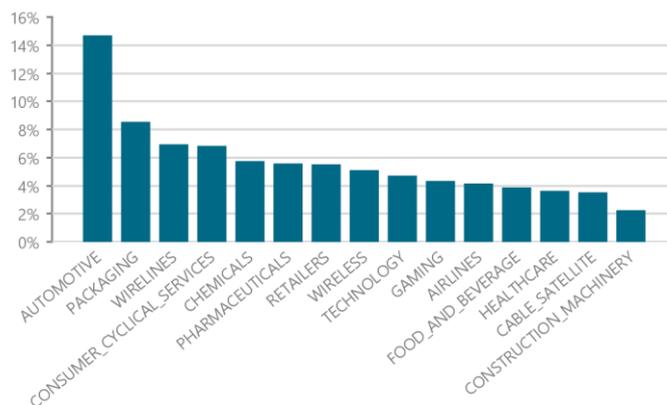
# SCOR FUNDS - EURO SHORT TERM DURATION HIGH YIELD

Monthly report – 31 October 2022

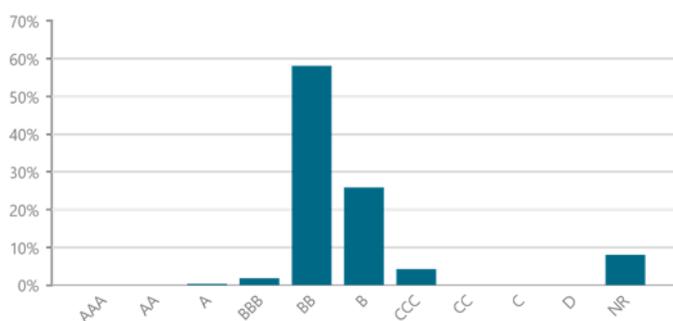
## Top 10 exposures

ISSUER	SECTOR	COUPON	MATURITY	%
VALEO SA	Automotive	0.63%	11/01/2023	3.95%
BALL CORP	Packaging	4.38%	15/12/2023	3.02%
NOKIA OYJ	Technology	2.00%	15/03/2024	2.94%
LUFTHANSA	Airlines	2.00%	14/07/2024	2.83%
SOLVAY FINANCE	Chemicals	5.42%	Perp	2.47%
FAURECIA	Automotive	2.63%	15/06/2025	2.26%
LEVI STRAUSS & CO	Retailers	3.38%	15/03/2027	2.18%
INTERTRUST GROUP	Consumer Services	3.38%	15/11/2025	2.01%
PLATIN 1426 GMBH	Const. Machinery	5.38%	15/06/2023	1.99%
DKT FINANCE	Wirelines	7.00%	17/06/2023	1.97%

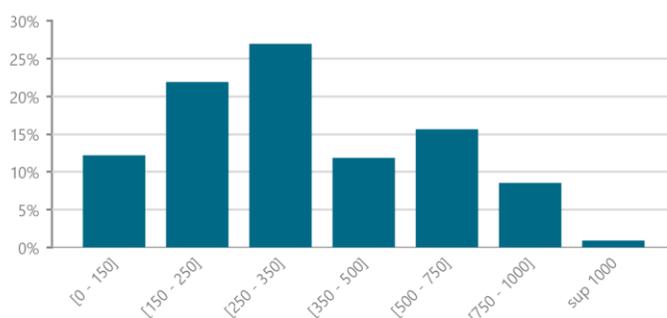
## Top 15 sectors <sup>4</sup>



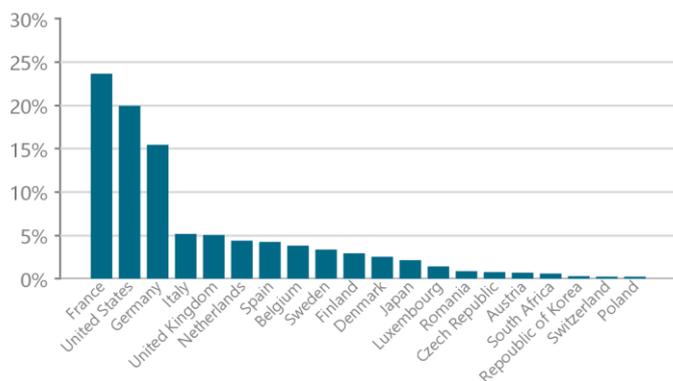
## Breakdown by rating <sup>3,5</sup>



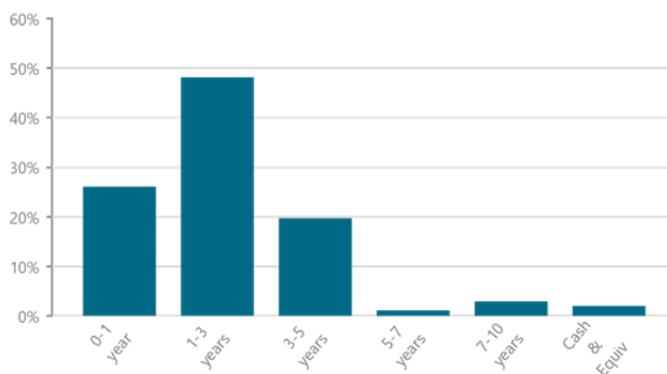
## Breakdown by OAS (in bps) <sup>3</sup>



## 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



← 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 posted a positive performance of +2.42% in October. The average OAS tightened by 58 bps to 545 bps, representing excess return of +2.70%.

Market volatility remained high throughout the month. Inflation continued to pick up speed in the euro zone, rising to +10.7%, and continued to spread to the prices of goods and services, as illustrated in this season's third quarter results, which have been better than anticipated. Companies have reported higher revenues, principally reflecting higher prices, while inflation in production costs (energy, raw materials, salaries) is now more widespread.

In line with leading indicators, however, there has already been a decline in demand in cyclical sectors, as illustrated by Tendam. The German retailer announced excellent results as of end-August (up 12% year-on-year), but noted that its sales started to decline in September. It anticipates zero growth for the full year. Nevertheless, Casino posted favorable results. The French retailer intends to sell EUR 500 million of its stake in Assai and is redeeming its bonds maturing in 2023 at par. The issuer's yield curve took on a healthier cast, without reaching its early-October profile, prior to the downgrading announced by Moody's from B to CCC+. Against all odds, the automotive sector provided a welcome surprise, with a significant rise in sales, prompting some companies to revise their 2022 projections up (Superior Industries, Renault, Faurecia, etc.).

Frigoglass became the first default in four months and pushed the default rate calculated by JP Morgan up 0.1% to 0.4%. JP Morgan also revised up its default rate for Europe, to 3% at end-2023, vs. 2.5% previously, amid the beginnings of a slowdown and still-high financing costs.

The cost of debt continued to rise in October, to 10.5% for issues rated single-B, vs 4.9% as of end-2021. The primary market thus remained open for issuers capable of issuing at those levels. There were three new high-yield issues in October, all with yields in excess of 10%: Cirs and Tendam for refinancing, and Fedrigoni as part of an LBO. Stada preferred to extend EUR 1 billion in debt maturing in 2024 to 2026 directly through an exchange. Operations of liability management are multiplying these last weeks with tender offers made by Nexi, Softbank and Sappi in October.

## Fund manager's comment

The SCOR Short Term duration High Yield fund posted a positive performance of +1.88% in October 2022 (net of fees, dividends included, IC EUR share).

The most significant positive contributions came from positions on issuers that outperformed the high-yield market, such as Faurecia 2025, IGT 2026 and Tendam 2024, while exposure to EDF via a short-maturity hybrid weighed on performance, pending new developments with regard to the group.

We increased our exposure on short maturities offering attractive yields, such as Playtech 2023 (4% yield) and Ipsen 2023 (4.5% yield). Cash in the fund remained at around 5% as of the end of October.

## 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.