

# Saint-Honoré Signatures 12M

French Law Collective Investment Scheme | Fixed Income

## An investment solution for your long-term cash management

### A SOLUTION ADAPTED TO AN ENVIRONMENT OF LOW MONEY MARKET RATES

Lower returns on regular money market investments mean a significant opportunity cost for investors.

Saint Honoré Signatures 12M is a long-term cash FCP (fonds commun de placement – mutual fund) that aims to outperform the capitalised Eonia over a recommended investment period of 6-12 months. The fund pursues this objective by investing primarily in investment grade (issuers rated AAA to BBB-) corporate bonds denominated in euro.

Saint-Honoré Signatures 12M is not a guaranteed investment, however, and the net asset value of the fund may fall in the event of adverse market conditions.

### A SUITABLE INVESTMENT FOR GENERATING A RETURN ON LONG-TERM CASH MANAGEMENT

Saint-Honoré Signatures 12M seeks to outperform the money market using a specific approach :

- A portfolio invested in predominantly Investment Grade senior corporate bonds, characterised by its:
  - limited exposure to issuer default risk;
  - absence of risk inherent in investments in securitised assets;
  - absence of risk linked to investment in subordinated debt (maturity extension risk);
- An objective to generate a steady return with low volatility;
- A desire to minimise the impact of excessive market fluctuations on the portfolio.

*Seeking to outperform  
the money market  
with limited exposure  
to market risks*

### HIGHLIGHTS...

- Targeting an annual return greater than the money market rate
- Selection of investment grade senior debt with a maturity of less than or equal to two years
- Modified duration to interest rates not exceeding 1
- Controlled volatility
- A means of isolating and capturing the credit premium on two-year issues.

### MANAGEMENT BASED ON FOUR SOURCES OF ADDED VALUE

To achieve its investment objective, Saint-Honoré Signatures 12M focuses on four main sources of added value:

#### **A sector allocation combining a quantitative approach with qualitative analysis**

In order to determine the sector allocation of the portfolio, the manager first applies a model-based approach produced by a proprietary analysis tool. This allows for an optimisation of the portfolio based on expectations of even higher yields, following the recommendations of analyst managers specialising in particular sectors. The fund will not invest in subordinated bank debt or securitised assets and will present no maturity extension risk.

#### **Bond-picking based on a fundamental analysis of issuers**

Within the euro-denominated investment grade bond universe, the manager will carry out an in-depth analysis of the balance sheet and operational risks of each issuer in order to identify those presenting a higher relative value in terms of credit premiums.

#### **Diversification of investments**

With a view to accessing a broad range of opportunities, Saint-Honoré Signatures 12M maintains a highly-diversified portfolio at all times per issuer. The management team also pays particularly close attention to the portfolio's sectoral diversification.

#### **Active management of modified duration**

In order to take advantage of or protect the fund against variations or shifts in the yield curve, the fund manager actively manages the portfolio's overall modified duration. This may vary between 0 and 1, depending on our expectations.

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[www.edrim.fr](http://www.edrim.fr)



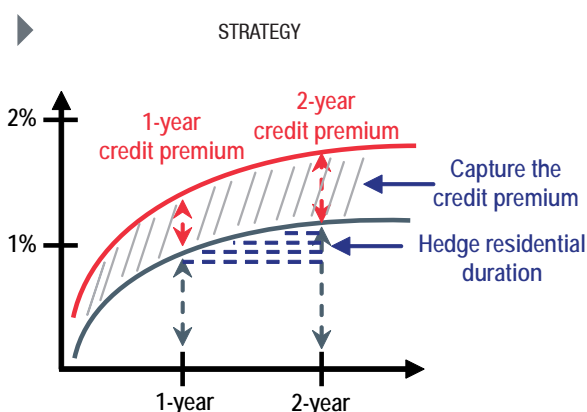
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INVESTMENT MANAGERS

## ISOLATE AND CAPTURE THE CREDIT PREMIUM ON ISSUES WITH A MATURITY OF LESS THAN TWO YEARS

Invest in investment grade credit issues with a maturity not exceeding two years, while keeping sensitivity less than or equal to 1: such is the core theme of our management approach aimed at generating a return above that of the money market, with low volatility.

The process used in the management of Saint-Honoré Signatures 12M consists in:

- capturing the additional return available on Investment Grade credit issues with a maturity of less than two years, selected on the basis of an in-depth analysis of each issuer by our team of analyst-managers.
- then implementing an active strategy to hedge the interest rate risk on these issues in order to keep the portfolio's modified duration below 1.



*Illustration based on fictional data  
Scenario: "zero coupon" bonds => maturity = duration  
Source: Edmond de Rothschild Investment Managers*

## CHARACTERISTICS

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<b>Legal structure</b>	French law collective investment scheme - UCITS III	French law collective investment scheme - UCITS III
<b>AMF classification</b>	Bonds and other debt securities denominated in euro	Bonds and other debt securities denominated in euro
<b>Management company</b>	EdRIM Gestion	EdRIM Gestion
<b>ISIN codes</b>	FR0010148932	FR0010859413
<b>Income attribution</b>	Mixed (Capitalisation and/or Distribution)	Capitalisation
<b>Recommended investment period</b>	6 months to 1 year	6 months to 1 year
<b>Valuation</b>	Daily	Daily
<b>Terms of subscription and redemption</b>	Each day before 11:00	Each day before 11:00
<b>Minimum initial subscription</b>	1 unit	€500,000
<b>Initial NAV</b>	€175.40	€10,000
<b>Subscription fee (not paid to the fund)</b>	1% max.	None
<b>Redemption fee</b>	None	None
<b>Management fee (fixed)</b>	Max. 0.45% includ. VAT	Max. 0.20% includ. VAT

## POTENTIAL INVESTMENT RISKS

Interest rate risk, credit risk, currency risk, equity risk.

For a complete list of risks, please refer to the prospectus available online at [www.edrim.fr](http://www.edrim.fr) or on request from the registered office of EdRIM Gestion.

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