



# March 2023 - Management Report

## H2O MODERATO FCP

### Product description

Management concept:	Global macro
Investment universe:	Bonds, equities and currencies
Investment horizon:	3 years
Ex-Ante VaR (99%,20D):	10%
Reference index:	ESTER compounded daily
Legal framework:	Fonds Commun de Placement (FCP)
Inception date:	01/10/2020

### Financial characteristics

Share class:	H2O MODERATO FCP R
Investment currency:	EUR
ISIN Code:	FR0010923367
Bloomberg Code:	NH2MORC FP Equity
PRIIPS SRI:	5
Minimum initial subscription:	0.0001 share
Objective:	ESTER compounded daily +1.60%
Fixed fee:	1.20%
Performance fee:	25% > Objective
Entry Fee:	5.00%
Fund AUM EUR:	603,368,875
Share class AUM EUR:	377,645,291
NAV per share EUR:	185.79

### Risk indicator (computed using daily data)

	3 years	5 years	ITD
Fund yearly volatility			16.7%
Sharpe ratio			1.0
Semi-variance			12.1%
Sortino Ratio			1.3
Maximum drawdown	-25.87%	from 10/02/2022 to 07/03/2022	
Recovery period	224 days		

### General characteristics

	Limit	Current
Modified duration:	[-4;+4]	-0.7
Net equity exposure:	[-15%;+15%]	-2.0%
Average rating:	-	BBB+
Proceed-weighted yield:	-	8.7%

### Balance sheet allocation

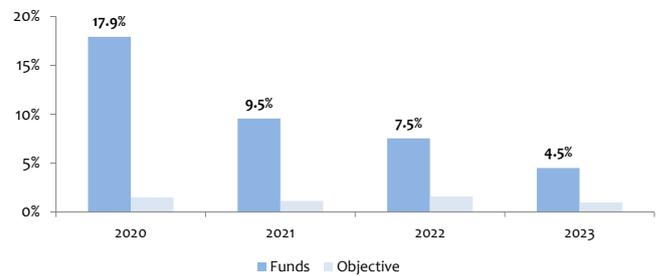
	Long / Short	Net	Gross
Cash & money market		65.2%	-
Mutual funds		2.8%	-
Cash bonds (excluding repos)		31.8%	-
Listed cash equities (excuding CFDs)		0.2%	-
Non-listed cash equities			
<b>Total balance sheet</b>		<b>100.0%</b>	<b>-</b>
Bond futures	169% / -125%	44.9%	293.9%
Repos			
Equity futures	31% / -57%	-25.8%	88.5%
CFDs equities	36% / -13%	23.7%	49.1%
FX (excluding funding currency)	94% / -94%		187.8%

### Performance (net of fees)

31/03/2023

	EUR R	Net Return	Objective	Excess Return
1 month		-0.18%	0.35%	-0.53%
3 months		4.48%	0.96%	3.49%
6 months		22.64%	1.65%	20.65%
<b>YTD</b>		<b>4.48%</b>	<b>0.95%</b>	<b>3.49%</b>
1 year		13.60%	2.28%	11.06%
3 years (annual.)				
5 years (annual.)				
<b>ITD (Annual)</b>		<b>16.08%</b>	<b>1.57%</b>	<b>14.29%</b>

### Calendar Year Performance



### Performance attribution

	Month	2023
Sovereign Bonds	0.7%	0.3%
Currencies	1.3%	3.6%
Corporate Credit	-0.1%	-0.4%
Equities	-2.6%	1.4%
Others	0.3%	0.5%
Fixed Fees	-0.1%	-0.3%
Performance Fees	0.1%	-1.2%
<b>Total net Outperformance</b>	<b>-0.4%</b>	<b>3.9%</b>
ESTER compounded daily	0.2%	0.6%
<b>Total net Absolute performance</b>	<b>-0.2%</b>	<b>4.5%</b>

The Fixed Income segment outperformed in March. The bulk of the contribution came from the US steepener position which benefited from the massive fly-to-quality trend on March 8th after the Silicon Valley Bank collapsed. Moderate gains also resulted from the 10Y spread tightening between the US and Japan. On the other hand, investors revised their anticipations for a recession end of this year on the back of the US regional banking system concerns and the Credit Suisse case in Europe. This led to a sharp repricing of rate hike expectations which impacted negatively our G4 duration positioning. The non G4 allocation contributed positively, mainly thanks to the Mexican local bonds.

Foreign Exchange strategies exhibited positive returns. EM FX strengthened against the USD as investors transitioned away from the early march risk-off, reassured by resilient economic releases and well-capitalised EU banks. The marginal directional exposure to the US dollar was neutral. However, Interbloc strategies were negative owing short EURCAD.

The Credit segment came out negative over the month. The fund was not directly exposed to Credit Suisse AT1 but was penalized by the contagion effect on the sector over the Swiss regulator decision to allow for the integral write down of Credit Suisse AT1 securities during the UBS takeover. EM external debt added some losses.

Equity strategies posted negative returns in March. The highest contributor to this underperformance is found in the business sector arbitrage which saw EU banks weakened following the banking confidence crisis (i.e., SVB, Credit Suisse, Deutsche Bank) while the market took refuge in defensive stocks and mega techs. However, the long US blue chips vs. small & mid-caps arbitrage was positive. The fund's beta (directional) exposure was further cut in March and did not contribute to performance.

The Fund is a Fonds Commun de Placement (FCP) organized under the laws of France and authorized by the Autorité des Marchés Financiers for sale in France in accordance with the requirements set forth in its prospectus.

Past performance is not a reliable indicator of future performance.

Source: H2O AM. Front Office data.



# March 2023 - Performance Report

## H2O MODERATO FCP

H2O MODERATO FCP R 01/10/20		3Y Perf:	-	5Y Perf:	-	ITD Perf:	16.08%
FR0010923367	NAVPS: 185.79	3Y Vol:	-	5Y Vol:	-	ITD Vol:	16.72%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.0%	16.3%	0.3%	17.9%
2021	-2.6%	8.0%	3.7%	-0.7%	3.4%	-0.9%	-1.7%	0.6%	2.8%	0.0%	-4.6%	1.9%	9.5%
2022	7.8%	-9.6%	1.5%	-2.2%	7.2%	-8.3%	-2.8%	3.6%	-4.3%	3.9%	7.9%	4.7%	7.5%
2023	4.0%	0.6%	-0.2%										4.5%

H2O MODERATO FCP SR 01/10/20		3Y Perf:	-	5Y Perf:	-	ITD Perf:	14.53%
FR0013393295	NAVPS: 105.82	3Y Vol:	-	5Y Vol:	-	ITD Vol:	16.47%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.0%	16.2%	0.3%	17.7%
2021	-2.6%	7.7%	2.7%	-0.6%	2.6%	-0.8%	-1.3%	0.4%	2.2%	-0.1%	-4.7%	1.8%	6.9%
2022	7.7%	-9.7%	1.4%	-2.3%	7.1%	-8.3%	-2.8%	3.5%	-4.4%	3.8%	7.9%	4.6%	6.8%
2023	4.0%	0.6%	-0.2%										4.4%

H2O MODERATO FCP I 01/10/20		3Y Perf:	-	5Y Perf:	-	ITD Perf:	17.27%
FR0010929836	NAVPS: 101542.34	3Y Vol:	-	5Y Vol:	-	ITD Vol:	16.60%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.1%	16.5%	0.4%	18.3%
2021	-2.5%	8.1%	3.8%	-0.5%	3.1%	-0.6%	-1.3%	0.7%	2.4%	0.1%	-4.5%	2.0%	10.6%
2022	7.8%	-9.5%	1.6%	-2.1%	7.1%	-8.0%	-2.7%	3.6%	-4.2%	4.0%	8.0%	4.4%	8.5%
2023	4.1%	0.7%	-0.1%										4.8%

H2O MODERATO FCP N 01/10/20		3Y Perf:	-	5Y Perf:	-	ITD Perf:	15.79%
FR0013185196	NAVPS: 111.48	3Y Vol:	-	5Y Vol:	-	ITD Vol:	16.85%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.1%	16.3%	0.3%	17.9%
2021	-2.6%	8.0%	3.7%	-0.6%	3.3%	-0.8%	-1.6%	0.6%	2.7%	-0.2%	-4.6%	1.9%	9.5%
2022	8.0%	-10.0%	1.5%	-2.2%	7.1%	-8.2%	-2.7%	3.6%	-4.3%	3.9%	7.9%	4.2%	6.8%
2023	4.0%	0.6%	-0.1%										4.5%

H2O MODERATO FCP HUSD I(C) 01/10/20		3Y Perf:	-	5Y Perf:	-	ITD Perf:	17.99%
FR0013055217	NAVPS: 63644.11	3Y Vol:	-	5Y Vol:	-	ITD Vol:	16.99%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.3%	16.6%	0.6%	18.9%
2021	-2.3%	8.2%	3.3%	-0.3%	2.8%	-0.6%	-1.1%	0.6%	2.4%	0.1%	-4.5%	2.1%	10.7%
2022	7.4%	-8.8%	2.1%	-2.0%	6.7%	-7.2%	-2.4%	4.0%	-4.1%	4.2%	7.7%	4.6%	11.0%
2023	4.4%	0.9%	-1.8%										3.5%

H2O MODERATO FCP HCHF R 01/10/20		3Y Perf:	-	5Y Perf:	-	ITD Perf:	15.74%
FR0011061779	NAVPS: 183.71	3Y Vol:	-	5Y Vol:	-	ITD Vol:	16.71%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.0%	16.5%	0.3%	18.0%
2021	-2.6%	8.0%	3.7%	-0.7%	3.2%	-0.7%	-1.7%	0.6%	2.6%	-0.1%	-4.6%	1.9%	9.4%
2022	7.8%	-9.4%	1.7%	-2.2%	6.7%	-7.9%	-2.7%	3.6%	-4.3%	3.9%	9.6%	2.4%	7.2%
2023	3.9%	0.5%	-0.4%										4.1%

Please note that past performance is not a reliable indicator of future returns. 3y, 5y and ITD data are annualized.



# March 2023 - Performance Report

## H2O MODERATO FCP

H2O MODERATO FCP HUSD SR 01/10/20	3Y Perf:	-	5Y Perf:	-	ITD Perf:	15.54%
FR0013393303 NAVPS: 108.45	3Y Vol:	-	5Y Vol:	-	ITD Vol:	17.18%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.1%	16.4%	0.5%	18.2%
2021	-2.5%	7.6%	2.7%	-0.4%	2.6%	-0.8%	-1.2%	0.4%	2.3%	-0.1%	-4.7%	1.9%	7.5%
2022	7.8%	-9.5%	1.9%	-2.2%	7.2%	-8.0%	-2.5%	3.9%	-4.3%	4.1%	8.2%	4.7%	9.6%
2023	4.2%	0.7%	-1.9%										2.9%

H2O MODERATO FCP HCHF I 01/10/20	3Y Perf:	-	5Y Perf:	-	ITD Perf:	16.99%
FR0011973643 NAVPS: 62328.94	3Y Vol:	-	5Y Vol:	-	ITD Vol:	16.68%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.1%	16.6%	0.4%	18.4%
2021	-2.5%	8.1%	3.8%	-0.6%	3.0%	-0.6%	-1.4%	0.7%	2.5%	0.1%	-4.5%	2.0%	10.4%
2022	7.8%	-9.2%	1.8%	-2.1%	6.9%	-8.0%	-2.6%	3.7%	-4.3%	4.0%	9.7%	2.5%	8.5%
2023	4.0%	0.6%	-0.3%										4.3%

H2O MODERATO FCP HCHF SR 01/10/20	3Y Perf:	-	5Y Perf:	-	ITD Perf:	14.08%
FR0013393311 NAVPS: 106.87	3Y Vol:	-	5Y Vol:	-	ITD Vol:	16.55%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.0%	16.4%	0.2%	17.8%
2021	-2.6%	7.1%	2.7%	-0.6%	2.5%	-0.8%	-1.3%	0.4%	2.2%	-0.1%	-4.7%	1.9%	6.4%
2022	7.8%	-9.5%	1.6%	-2.3%	7.0%	-8.3%	-2.7%	3.6%	-4.4%	3.8%	9.9%	2.3%	6.7%
2023	3.9%	0.5%	-0.4%										3.9%

H2O MODERATO FCP HGBP I 01/10/20	3Y Perf:	-	5Y Perf:	-	ITD Perf:	23.70%
FR0013185220 NAVPS: 114.47	3Y Vol:	-	5Y Vol:	-	ITD Vol:	19.07%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020										1.1%	16.3%	0.5%	18.1%
2021	-2.5%	8.0%	3.7%	-0.6%	3.5%	-0.9%	-1.7%	0.7%	3.1%	-0.1%	-4.6%	2.0%	10.8%
2022	9.4%	-10.9%	1.8%	-2.1%	7.4%	-8.2%	-2.6%	3.8%	8.1%	4.1%	8.2%	5.1%	23.8%
2023	4.2%	0.7%	0.0%										5.0%

-	3Y Perf:	-	5Y Perf:	-	ITD Perf:	-
-	3Y Vol:	-	5Y Vol:	-	ITD Vol:	-

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020													
2021													
2022													
2023													

-	3Y Perf:	-	5Y Perf:	-	ITD Perf:	-
-	3Y Vol:	-	5Y Vol:	-	ITD Vol:	-

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020													
2021													
2022													
2023													

Please note that past performance is not a reliable indicator of future returns. 3y, 5y and ITD data are annualized.

## Legal Notice

This document has been redacted by H2O Asset Management LLP for the ICAV under Irish law, for the Lux Invest Sicav under Luxembourg law, and by H2O AM EUROPE for the UCITS under French law. The analyses, viewpoints and some of the investment themes and processes mentioned herein represent the views of the portfolio manager(s) as of the date indicated. They may be subject to change, as the securities and characteristics of the portfolio shown herein. There is no guarantee that future developments will correspond to those provided for in this document.

This document is provided solely for the information of investment services providers or other Professional Clients, or Qualified and/or non-Qualified Investors in Switzerland and, where required by local law, only upon written request from them. This document cannot be used with non-professional clients. It is the responsibility of each investment service provider to ensure that the offer or sale of investment fund securities or third-party investment services to its clients complies with the applicable national legislation.

In France, Luxembourg and Belgium: This document is provided by H2O AM EUROPE – Portfolio management company approved by the Autorité des Marchés Financiers under number GP-19000011. Simplified joint stock company registered with the Paris Trade and Companies Register under number 843 082 538. Address: 39 Pierre 1er de Serbie Avenue, 75008 Paris.

In Switzerland, this document is provided by H2O AM Switzerland SA, de Cornavin 11 street, c/o DYN Geneva SA, 1201 Geneva. Certain funds of H2O AM LLP and/or H2O AM EUROPE are not authorized for distribution in Switzerland. Some UCITS governed by French law are registered in Switzerland. For the share classes of the ICAV under Irish law H2O Global Strategies, the funds may be distributed in Switzerland, or from Switzerland as defined in the applicable laws and regulations. The country of origin of the fund is Ireland. With regard to the publication of fund performance data, it should be noted that past performance is not an indicator of present or future performance. In addition, the performance data does not take into account the fees and costs associated with subscriptions and redemptions of units.

With regard to the collective investment distributed in Switzerland and from Switzerland, the place of execution and the jurisdiction are at the registered office of the Representative in Switzerland. For UCITS under French law as well as share classes of the ICAV under Irish law, the prospectus or the memorandum, the key investor information documents (KIID), the management regulations or the status as well as the annual and semi-annual reports are available free of charge from the Representative and Payment Service for Switzerland, RBC Investor Services Bank SA, Esch-sur-Alzette, Zurich branch, Bleicherweg 7 CH-8027 Zurich, Switzerland.

The management and distribution entities of the H2O AM group carry out regulated activities only in and from the countries where they are authorized. The services they offer and the products they manage are not intended for all investors in all countries.

Although H2O AM considers the information provided in this document to be reliable, including that of third parties, it does not guarantee the accuracy, adequacy or completeness of this information.

The delivery of this document and/or a reference to specific securities, sectors or markets in this document does not constitute investment advice, a recommendation or a solicitation to buy or sell securities, or an offer of services. Investors should carefully consider the investment objectives, risks and fees relating to any investment before investing. The analyses and opinions mentioned in this document represent the point of view of the referenced author(s). They are issued on the date indicated, are subject to change and cannot be interpreted as having any contractual value.

This document may not be distributed, published or reproduced, in whole or in part.

### **H2O ASSET MANAGEMENT LLP**

Investment Company under English law authorized and regulated by the Financial Conduct Authority (FCA) Registered under n°529105.  
Address: 33 Cavendish Square - London W1G 0PW  
www.h2o-am.com

### **H2O AM EUROPE**

Portfolio management company approved by the Autorité des Marchés Financiers under number GP-19000011.  
Paris Trade and Companies Register n° 843 082 538.  
Address: 39 Pierre 1er de Serbie Avenue, 75008 Paris www.h2o-am.com