



EUROPEAN EQUITY OUTLOOK

EUROPE MID CAP EQUITY STRATEGY

AUGUST 31st, 2020



Pascal Riégis

Co-Head of Fundamental
Equities at ODDO BHF Asset
Management



ODDO BHF AM is the asset management division of the ODDO BHF Group. It is the common brand of four legally separate asset management companies: ODDO BHF AM SAS (France), ODDO BHF PRIVATE EQUITY (France), ODDO BHF AM GmbH (Germany) and ODDO BHF AM Lux (Luxembourg).

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Risks

The strategies are exposed to the following risks: risk of capital loss, equity risk, risk associated with holding small and medium capitalizations, interest rate risk, risk associated with commitments on forward financial instruments (Avenir Euro and Avenir Europe), credit risk, risk associated with discretionary management, counterparty risk, risks associated with securities financing transactions and collateral management (Avenir Europe & Avenir) and, on an ancillary basis, currency risk (Avenir and Avenir Euro), risk associated with convertible bonds (Avenir Europe), risk with discretionary management and liquidity risk of underlying assets.

Countries where the funds are available for distribution:

French mid cap strategy: France, Austria, Italy, Switzerland, Germany, Netherlands, Spain

Eurozone mid cap strategy: France, Austria, Italy, Switzerland, Germany, Netherlands, Spain, Singapore, Chile

Europe mid cap strategy: France, Luxembourg, Austria, Italy, Switzerland, Germany, Netherlands, Portugal, Spain, Belgium, Sweden, Singapore, Chile

ODDO BHF ASSET
MANAGEMENT

01

ODDO BHF Asset Management – Key figures



● CLIENTS' ASSETS
€ 59.8bn*

● 11 LOCATIONS**
Düsseldorf, Frankfurt,
Luxembourg, Paris, Geneva, Zurich,
Madrid, Milan, Stockholm,
Hong Kong, Abu Dhabi

● 64%
OF OUR MUTUAL FUNDS
ARE RANKED Q1 OR Q2
OVER 5 YEARS
BY MORNINGSTAR™

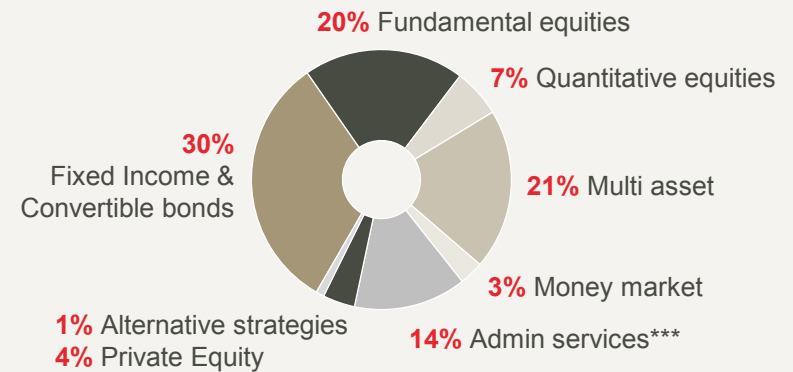
● CREATED IN
1969
in Germany
1989
in France

● 4 INVESTMENT CENTRES
Düsseldorf, Frankfurt,
Paris & Luxembourg

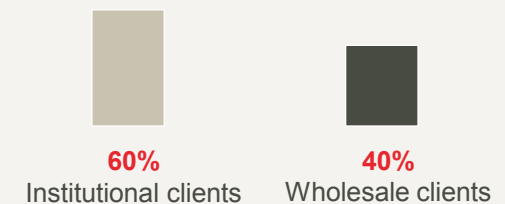
(*) of which € 2.2bn of Private Equity AuM | (**) For a breakdown into investment centers and sales offices, please see slide 19. | (***) KVG: German fund administrative platform for institutional clients | Source: ODDO BHF AM, Morningstar | Data as of 12/31/2019

BREAKDOWN OF ASSETS UNDER MANAGEMENT

BREAKDOWN OF ASSETS BY STRATEGY



BREAKDOWN OF ASSETS BY CLIENT TYPE





QUANTITATIVE STRATEGIES

Seek to generate performance under a strict and efficient risk management approach

CONVICTION EQUITY EUROPE

Aims to generate an outperformance based on fundamental analysis

PRIVATE EQUITY

Access to the opportunity of non-listed assets: Primary, Secondary, Co-Investments

CUSTOMISED SOLUTIONS

Dedicated funds and segregated accounts

SUSTAINABLE INVESTMENTS / ESG

Delivering long-term value by using ESG criteria



*Combining
strategic investment
capabilities to meet
various client
requirements*

MANAGER SELECTION

Selection of best funds following a methodology based on an in-depth analysis and a thorough due-diligence

CREDIT / AGGREGATE EUROPE

Various solutions to generate income in all interest rate environments

MULTI-ASSET SOLUTIONS

Diversification across all asset classes with a dynamic allocation

AI THEMATIC STRATEGIES

Thematic funds to capture new trends: Artificial Intelligence...

PRIVATE DEBT

Exclusive access to long term private debt investments

FUND ADMINISTRATION

Third Party Administration, white label funds for family offices, (UHNWI) and external asset managers

OUR PARTNERSHIP WITH  **ODDO BHF TRUST**

To manage some mutual funds, ODDO BHF AM relies on ODDO BHF TRUST expertise and advice in particular in the field of asset allocation and equity selection.



Fundamental – Active share* – 25 years of track record



Our added value

- Fundamental stock picking
- Strong connection with continental European companies



Our team

- 21 investment professionals with an average of 15 years of investment experience



Outcome

- More than 25 years of track record
- High “active share”*



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Pascal Riégis

Global Co-Head of
Fundamental Equities
ODDO BHF AM



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Emmanuel Chapuis

Global Co-Head of
Fundamental Equities
ODDO BHF AM

Assets under management

FUNDAMENTAL EQUITIES: € 12.1BN

2.9

9.2

Small Cap € 1.0bn

Flexible € 0.6bn

- Eurozone - traditional
- Europe - traditional
- Europe - opportunity
- Europe

Mid Cap € 6.1bn

Thematic € 0.8bn

- France
- Eurozone
- Europe
- US
- Eurozone real estate
- European banks

All Cap / Large Cap € 3.6bn

- Germany
- Eurozone
- Europe
- Global

Risks:

This strategy presents a risk of capital loss.

Source: ODDO BHF AM | Data as of 12/31/2019 | Differences may occur due to rounding. | (*) A measure of the percentage of the fund's assets that differs from those in the benchmark index.

Investment experience

At ODDO BHF AM

AUM (€ bn)

Dedicated accounts

AUM (€ bn)

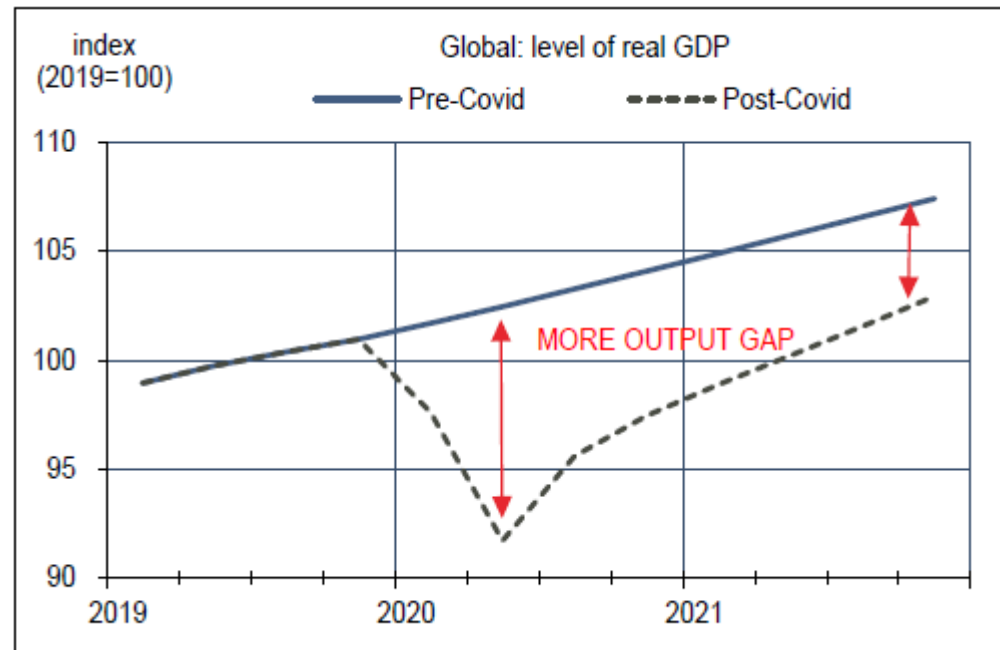
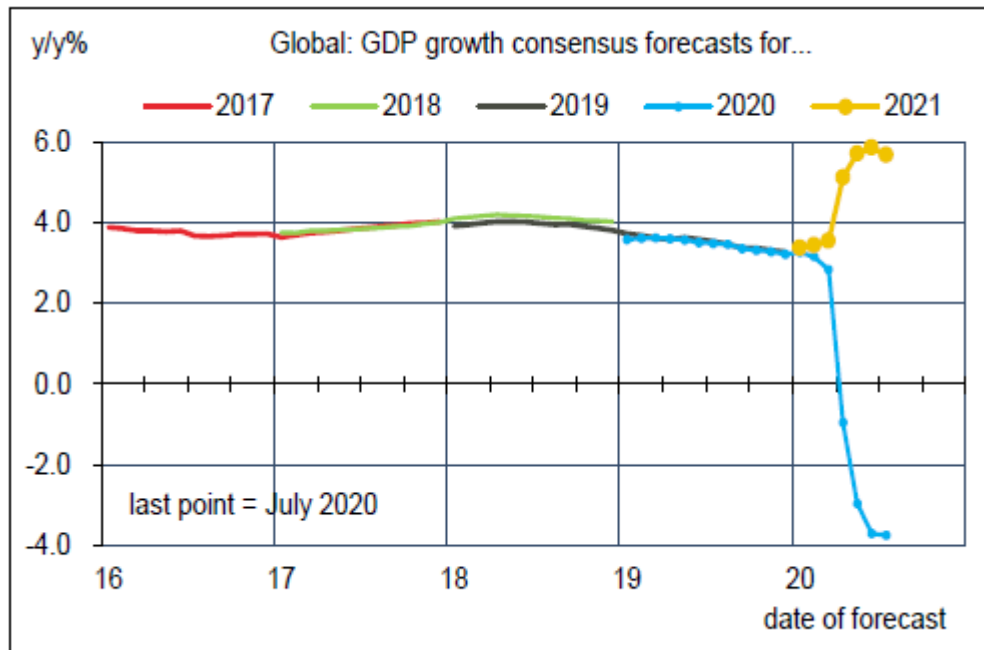
Mutual funds



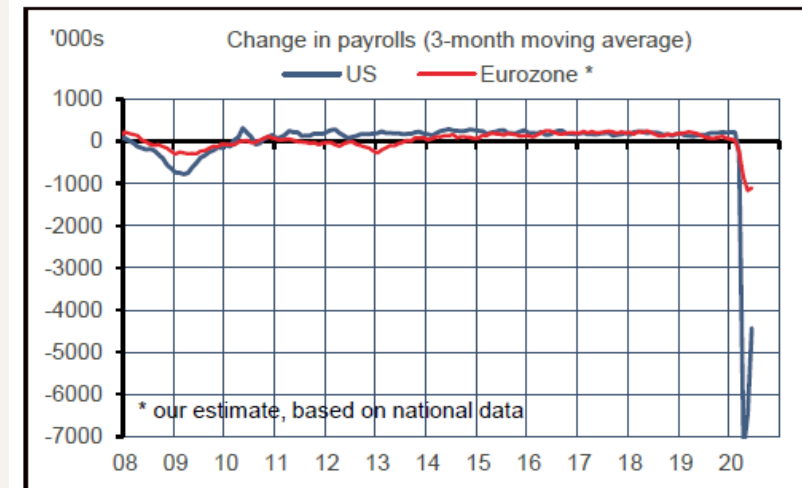
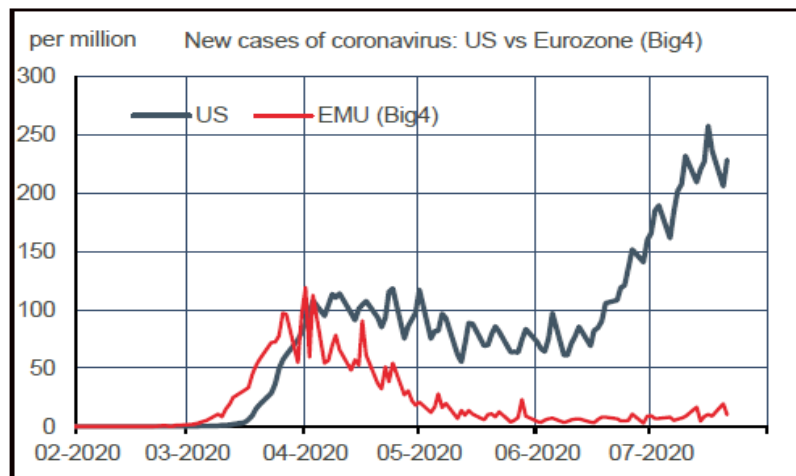
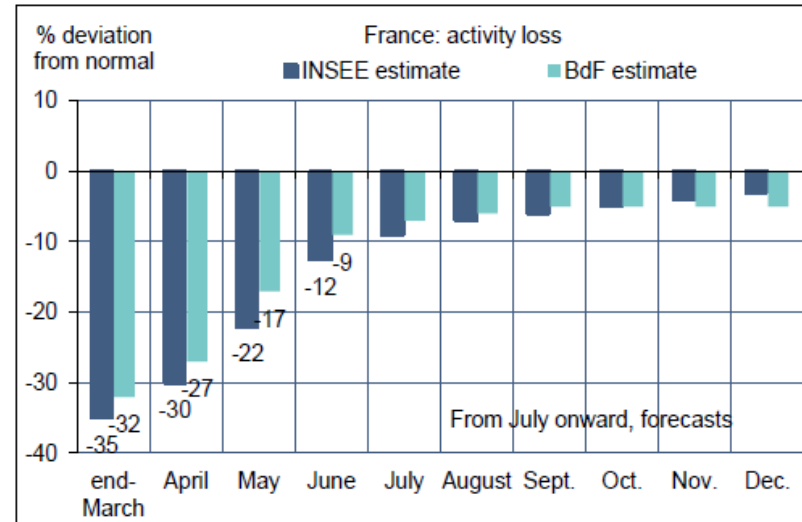
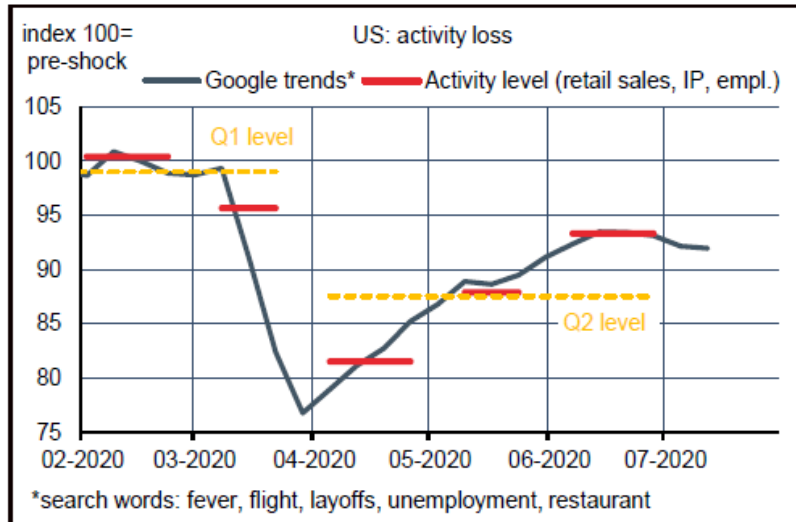
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MACRO DATA AND OUTLOOK

Macro expectations have bottomed

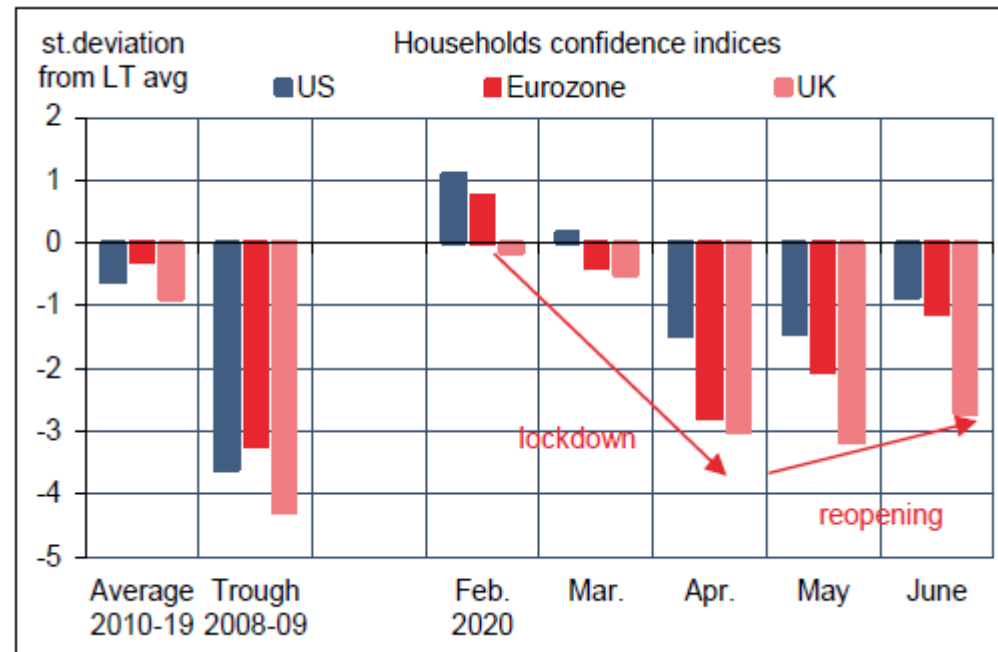
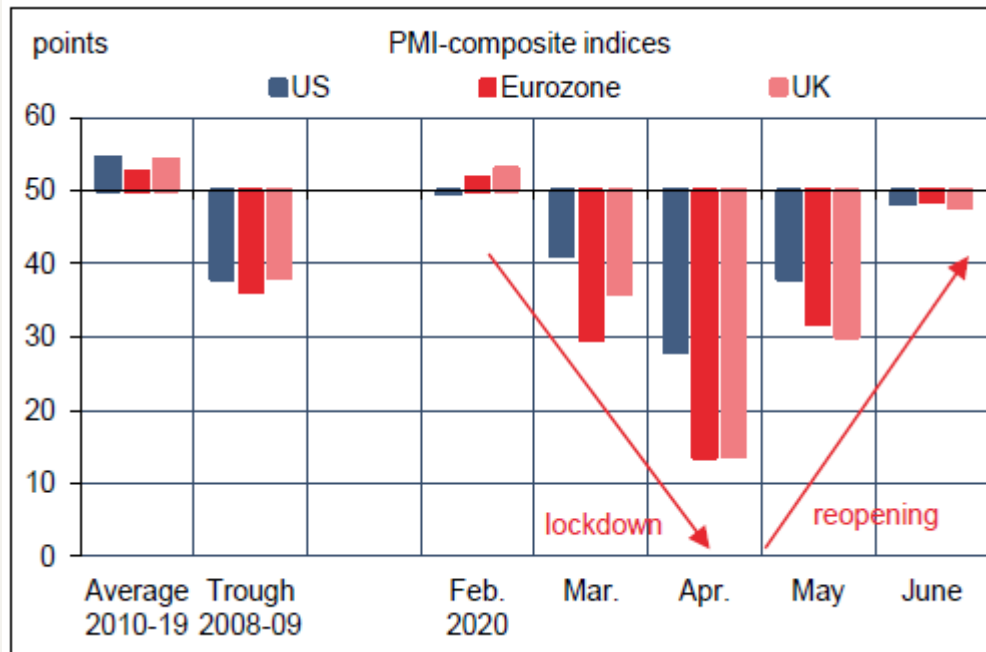


Signs of US and Eurozone Economy recovery



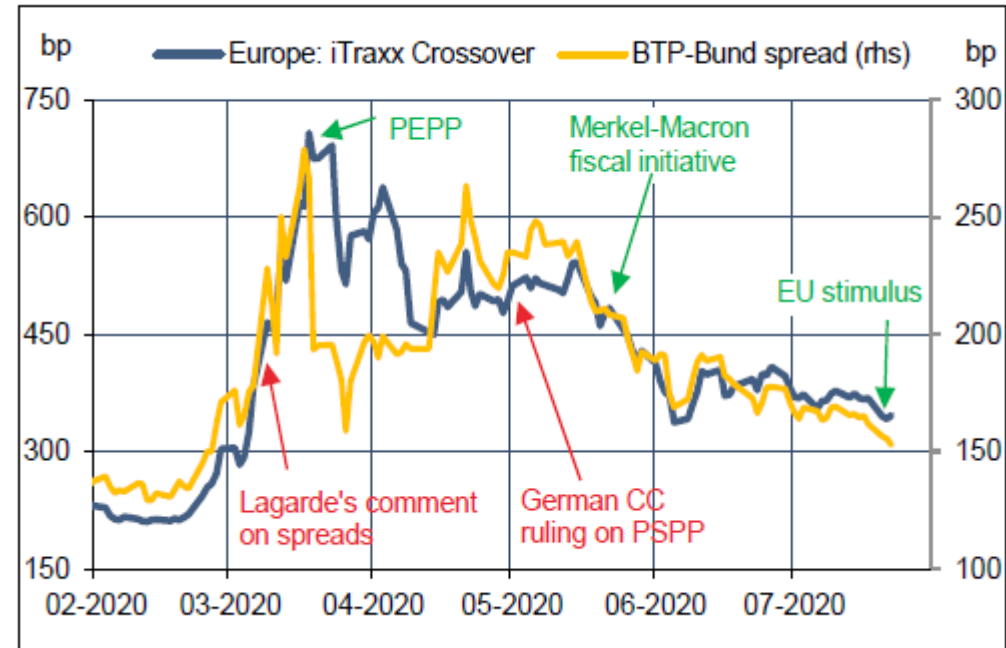
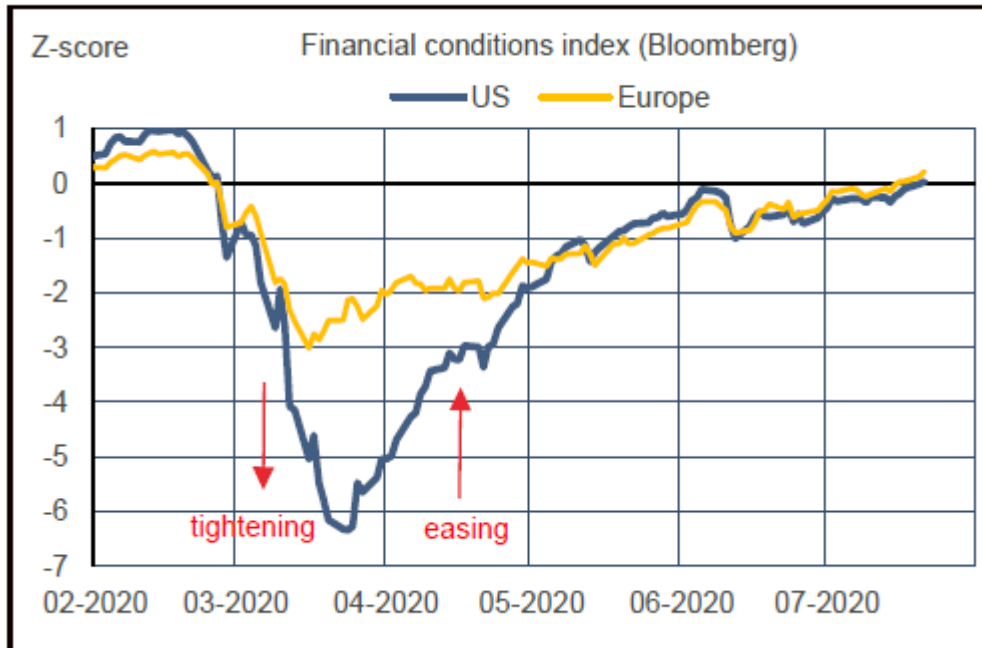
Source: ODDO BHF, Thomson Reuters, Google, INSEE, BdF | Data as of 31/07/2020

PMIs rebounds were synchronized, european households confidence slightly lagging.



Source: ODDO BHF, Thomson Reuters | Data as of 30/06/2020

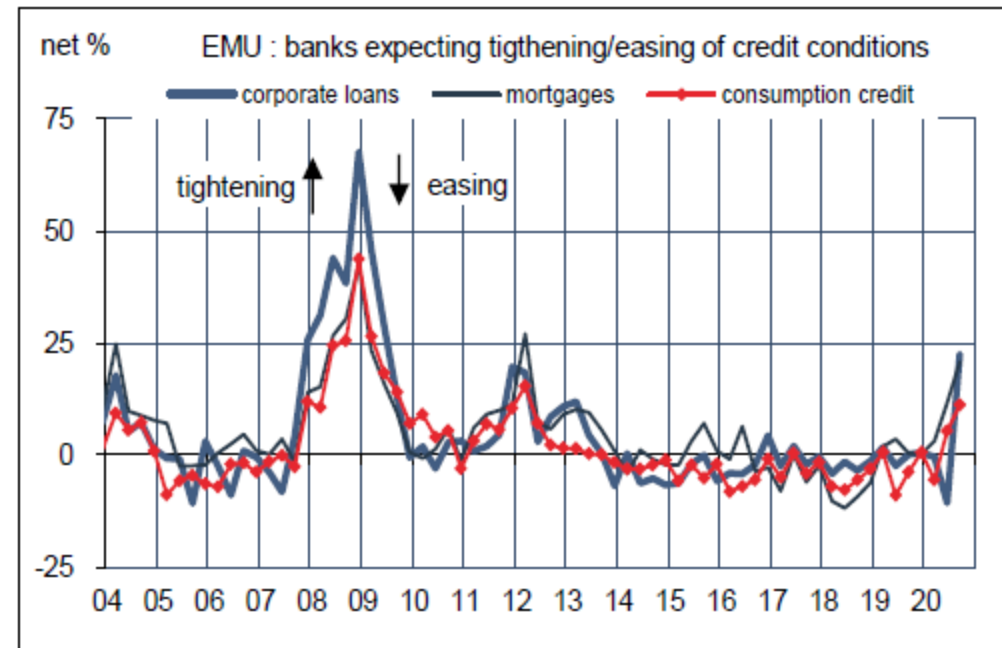
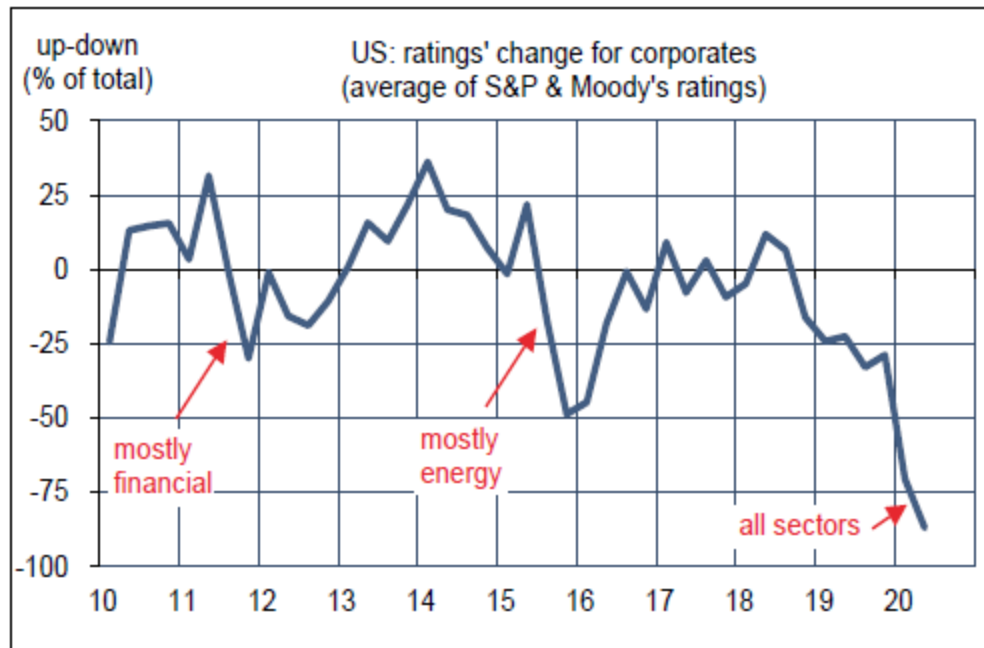
European financial conditions remained extensively supportive



Past performance is not a reliable indication of future returns and is not constant over time.

Source: ODDO BHF, Bloomberg, Thomson Reuters | Data as of 31/07/2020

...but rating's outlook quite clouded.



Past performance is not a reliable indication of future returns and is not constant over time.

Source: ODDO BHF, Thomson Reuters, Bloomberg | Data as of 31/07/2020

Extraordinary monetary policy measures... but less extensive as what the FED did



Federal reserve banks consolidated statement (bn\$)					
Assets	1 Jan.2020	July 15	Liabilities	1 Jan.2020	July 15
Gold/FX Reserves *	18	18	Banknotes	1759	1933
Loans	0	93	Deposits	2032	4638
- o/w PD credit facility	0	2	- o/w held by banks	1549	2733
- o/w MMMF liq.facility	0	19	- o/w T'sy account	404	1740
- o/w PPP liq.facility	0	68			
Repo	256	0			
Central bank swap	4	155			
Securities	3740	6204			
- o/w Treasuries	2329	4253			
- o/w MBS	1409	1948			
Other assets	156	489	Other liabilities (incl.capital)	382	388
TOTAL	4174	6959	TOTAL	4174	6959

Δ =

67%

* not all Gold/FX reserves recorded in FRB accounts, gold valued at historical cost

PD: primary dealer , MMMF: money market mutual fund, PPP: Paycheck Protection Program

Eurosystem consolidated statement (bn€)					
Assets	3 Jan.20	17 July	Liabilities	3 Jan.20	17 July
Gold	471	549	Banknotes	1289	1373
FX Reserves	347	356	Deposits	2446	3946
Lending to EZ banks	618	1590	- o/w held by banks	1867	2916
- o/w (T)LTRO	616	1589	- o/w EZ residents	313	793
- o/w MRO	1	1	- o/w non EZ residents	266	237
Securities	2847	3435			
- o/w gov.bonds (PSFP)	2103	2251			
- o/w corp.bonds (CSFP)	184	224			
- o/w covered.bonds	264	285			
- o/w PEPP (emergency)	0	404			
Other assets	382	392	Other liabilities (incl.capital & reevaluation account)	929	1004
TOTAL	4664	6323	TOTAL	4664	6323

Δ =

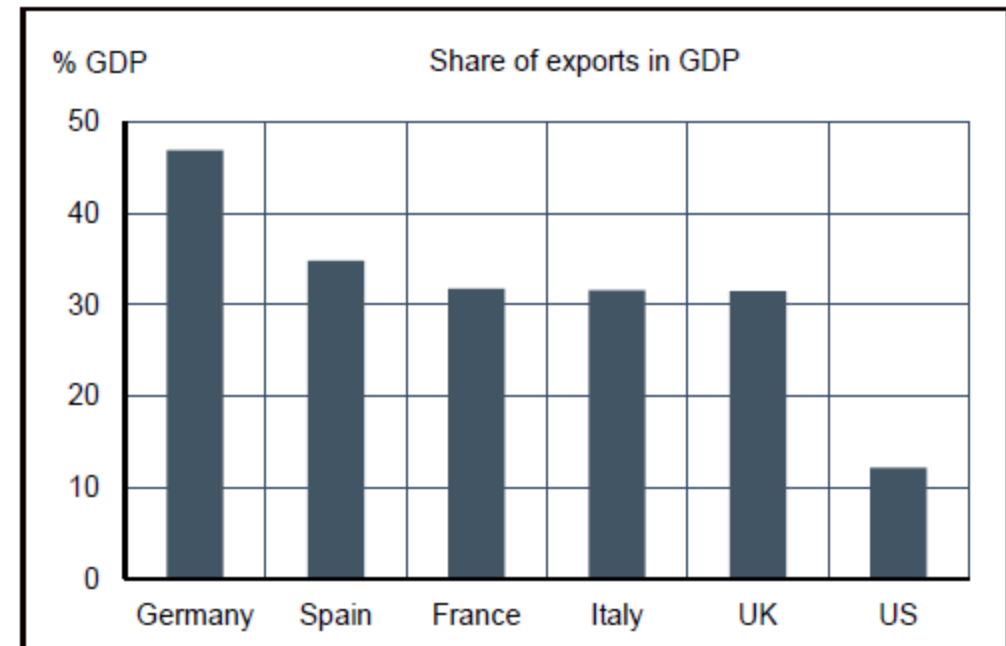
36%

Germany: domestic resilience – exposed to global trade



Germany: fiscal metrics		
	bn€	% GDP*
Emergency transfers to households & SMEs	65	1.9
_o/w partial unemployment	10	0.3
Guaranteed loans to firms	756	22.0
_o/w actually committed	33	1.0
2020 budget deficit (fcst)	243	7.1
_vs 2019 budget deficit	-50	-1.4
2020 gross public debt issuance (H1)	373	10.8
_vs 2019 issuance (H1)	211	6.1

* 2019 GDP = €3 441bn

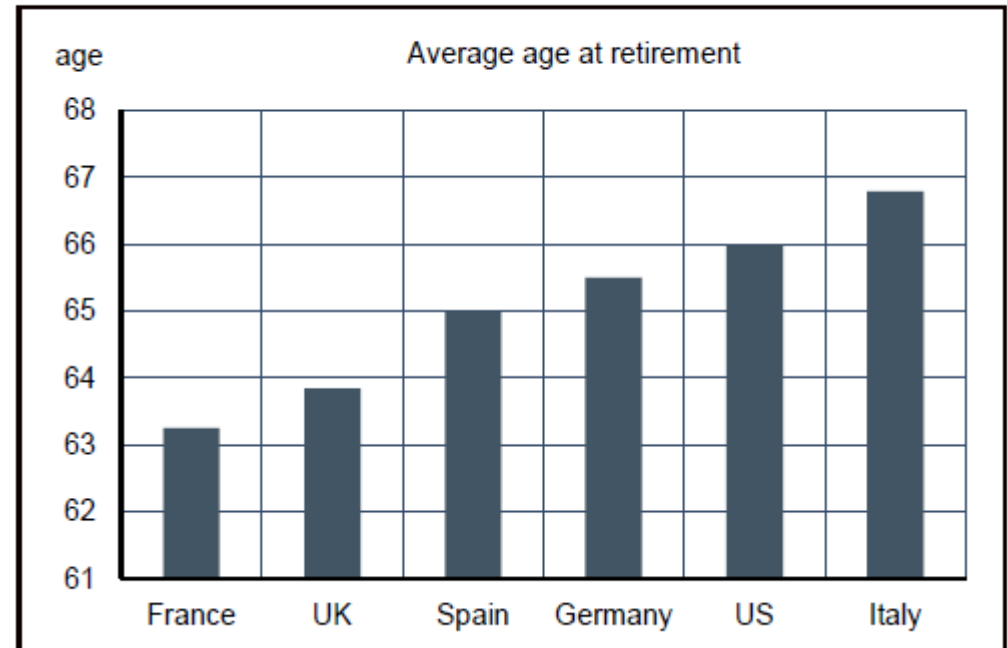


France – Postponed social reforms some tax breaks and extra spending



France: fiscal metrics		
	bn€	% GDP*
Emergency transfers to households & SMEs	40	1.6
_o/w partial unemployment	31	1.3
Guaranteed loans to firms	300	12.4
_o/w actually committed	106	4.4
2020 budget deficit (fcst)	247	10.2
_vs 2019 budget deficit	73	3.0
2020 gross public debt issuance (H1)	587	24.2
_vs 2019 issuance (H1)	411	16.9

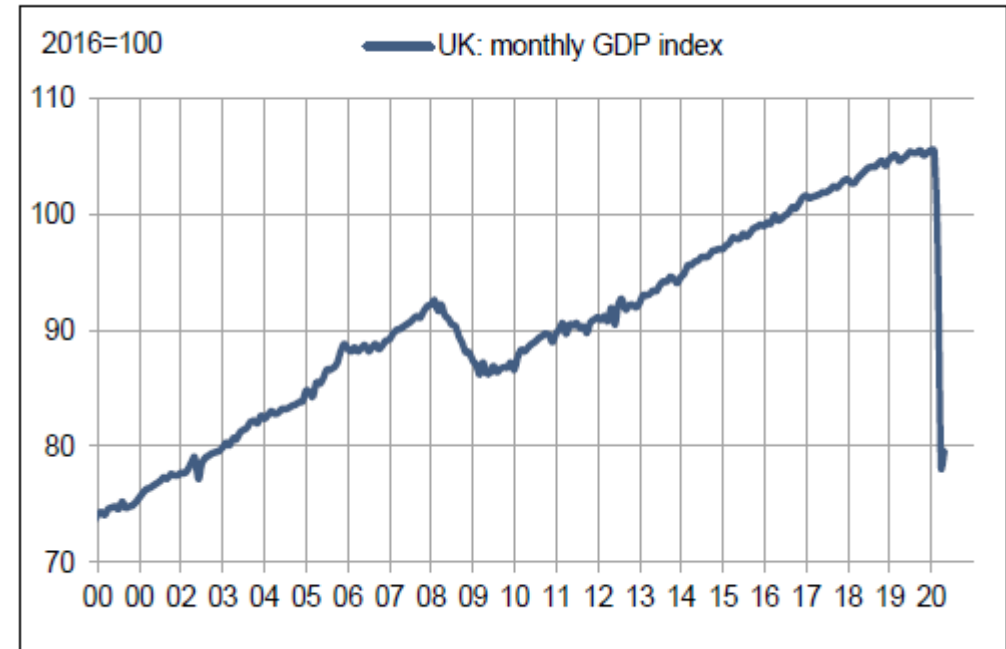
* 2019 GDP = €2 427bn





UK: fiscal metrics		
	bn£	% GDP*
Emergency transfers to households & SMEs	92	4.2
_o/w partial unemployment	54	2.4
Guaranteed loans to firms	360	16.2
_o/w actually committed	44	2.0
2020 budget deficit (fcst)	322	14.5
_vs 2019 budget deficit	46	2.1
2020 gross public debt issuance (H1)	384	17.3
_vs 2019 issuance (H1)	229	10.3

* 2019 GDP = £2 216bn



Italy – first beneficiary of both ECB and EC actions.



Italy: fiscal metrics		
	bn€	% GDP*
Emergency transfers to households & SMEs	29	1.6
_o/w partial unemployment	14	0.8
Guaranteed loans to firms	300	16.8
_o/w actually committed	40	2.2
2020 budget deficit (fcst)	167	9.3
_vs 2019 budget deficit	29	1.6
2020 gross public debt issuance (H1)	318	17.8
_vs 2019 issuance (H1)	238	13.3

* 2019 GDP = €1 787bn

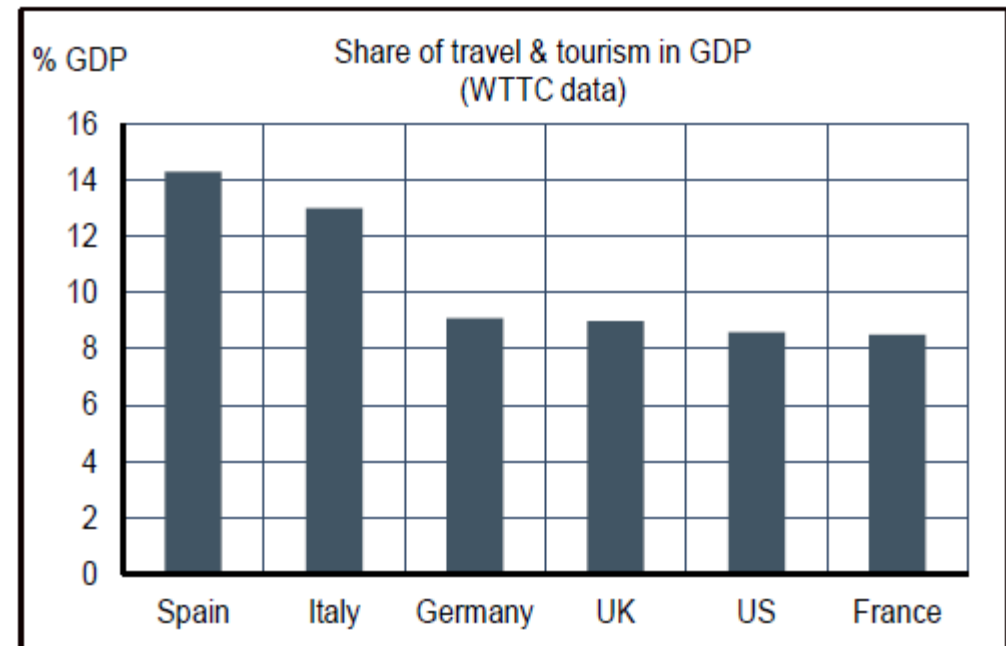


Spain – Increasing vulnerabilities

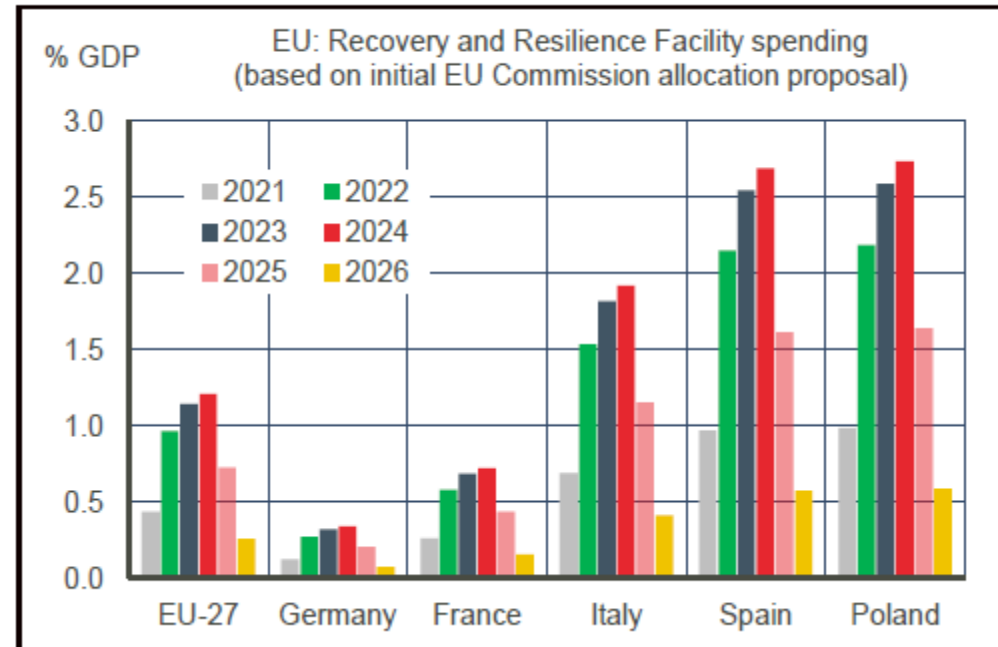
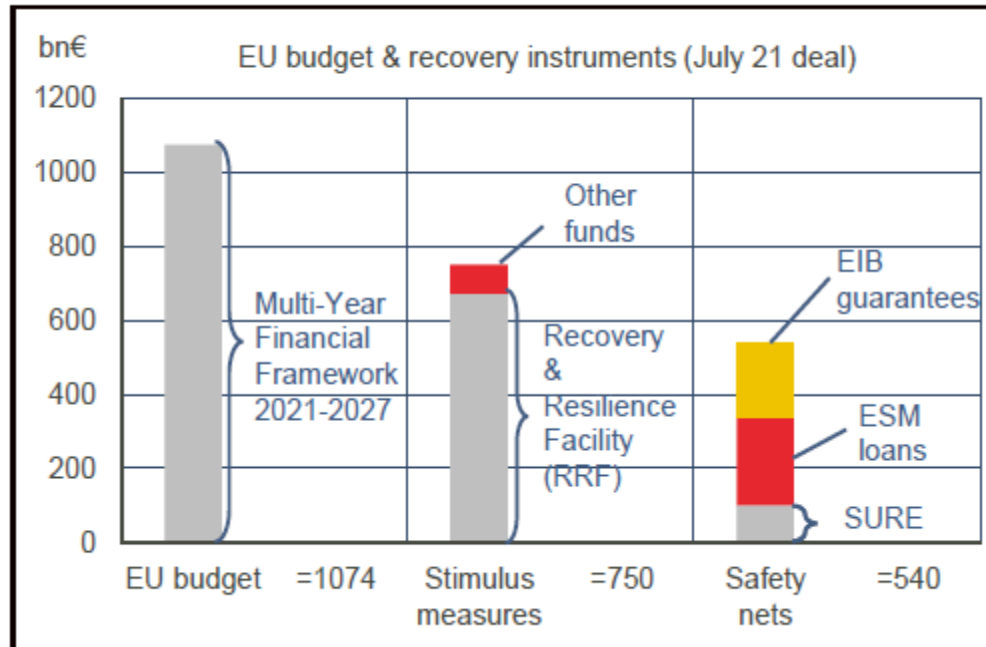


Spain: fiscal metrics		
	bn€	% GDP*
Emergency transfers to households & SMEs	24	1.9
_o/w partial unemployment	18	1.4
Guaranteed loans to firms	183	14.7
_o/w actually committed	77	6.2
2020 budget deficit (fcst)	115	9.2
_vs 2019 budget deficit	35	2.8
2020 gross public debt issuance (H1)	197	15.8
_vs 2019 issuance (H1)	118	9.5

* 2019 GDP = €1 245bn



Europe – A program of programs - expected launch in 2021

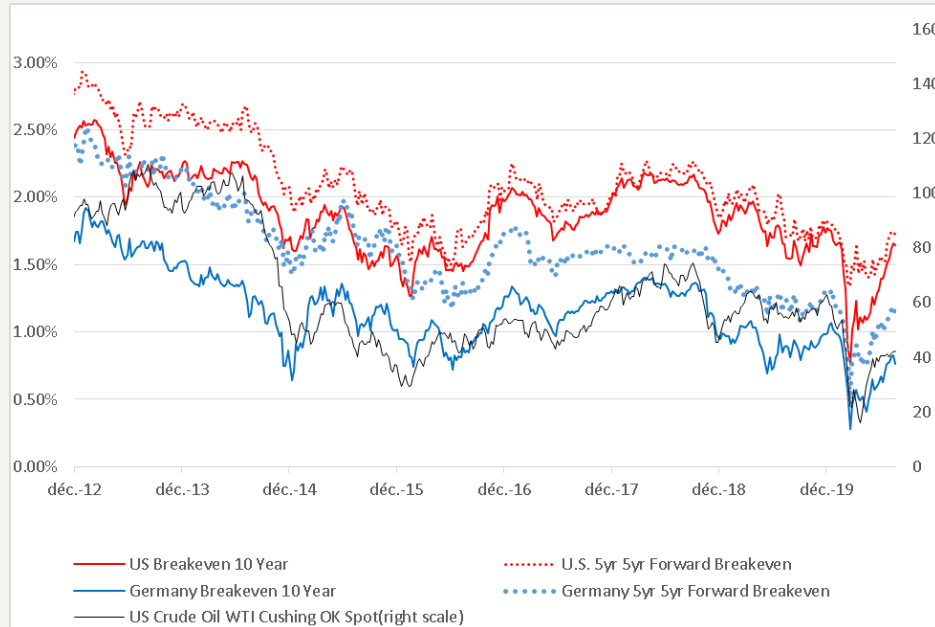


Source: ODDO BHF, Commission européenne | Data as of 31/07/2020

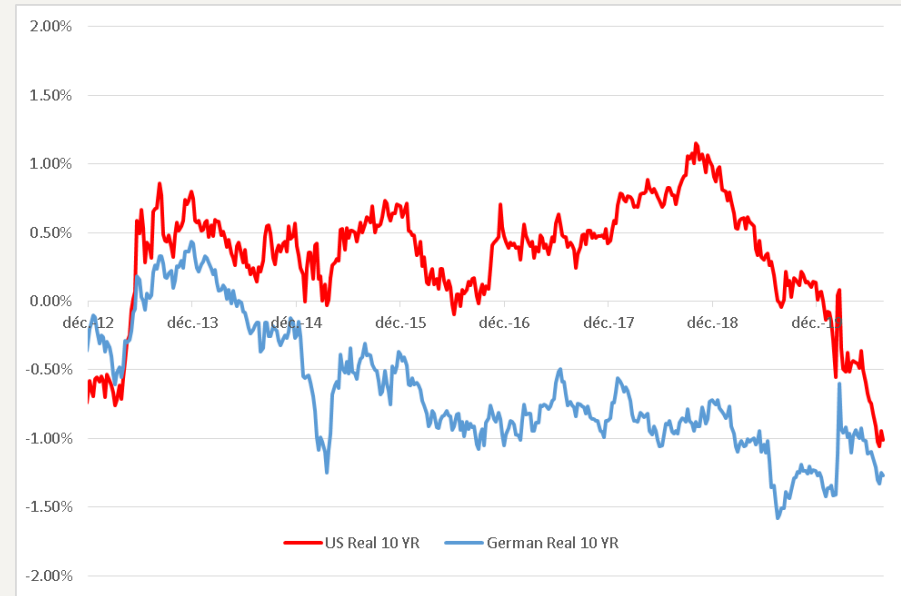
CPI: the real driver ?



Market-based expectations



Real rates

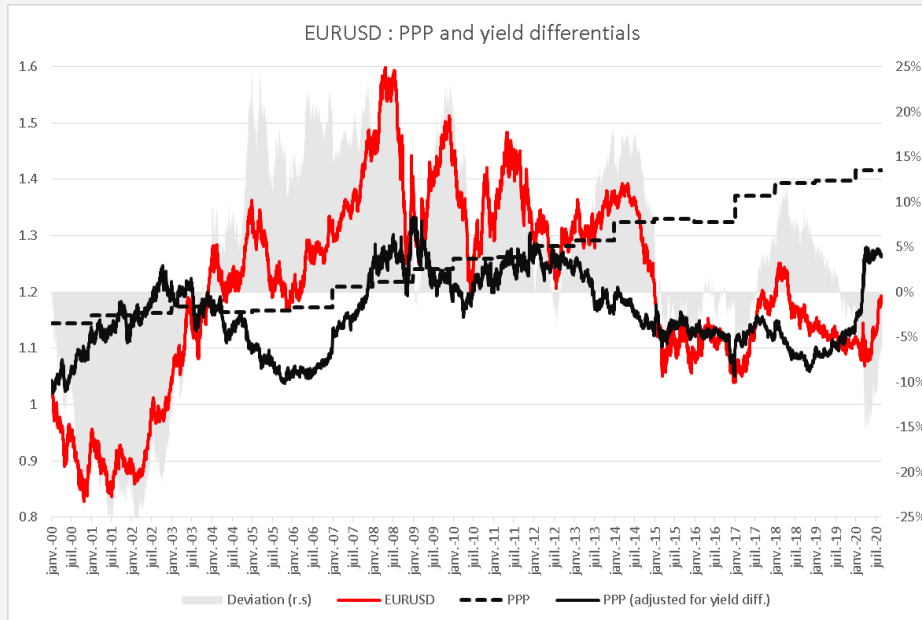


Past performance is not a reliable indication of future returns and is not constant over time.

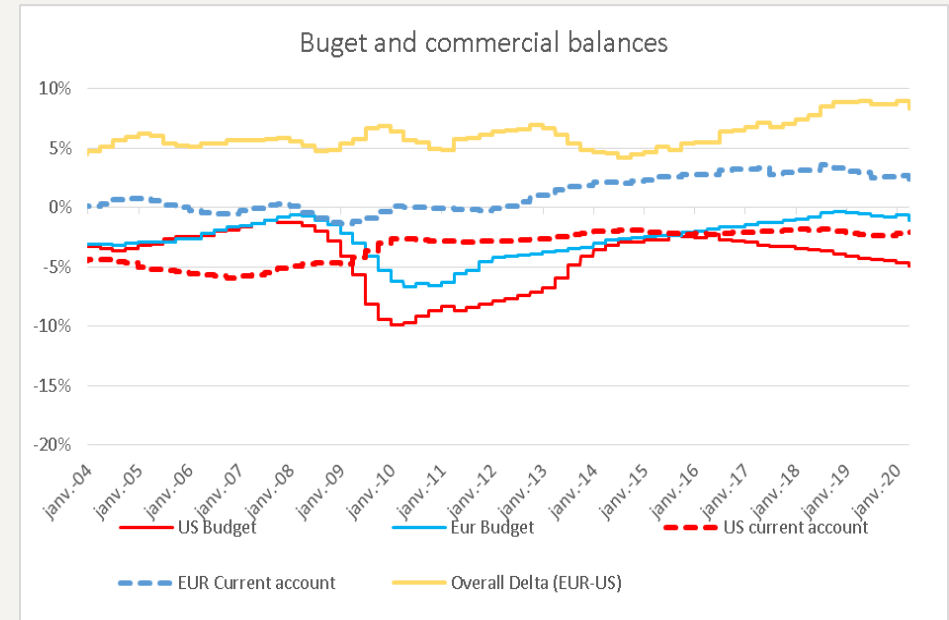
Source: ODDO BHF AM, Bloomberg | Data as of 21/08/2020



EURUSD now closer to short-term equilibrium



Long-term imbalances seem to ever grow

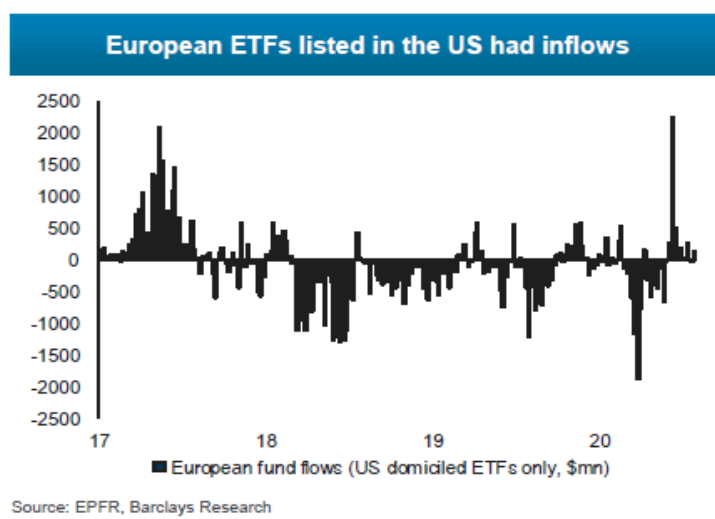
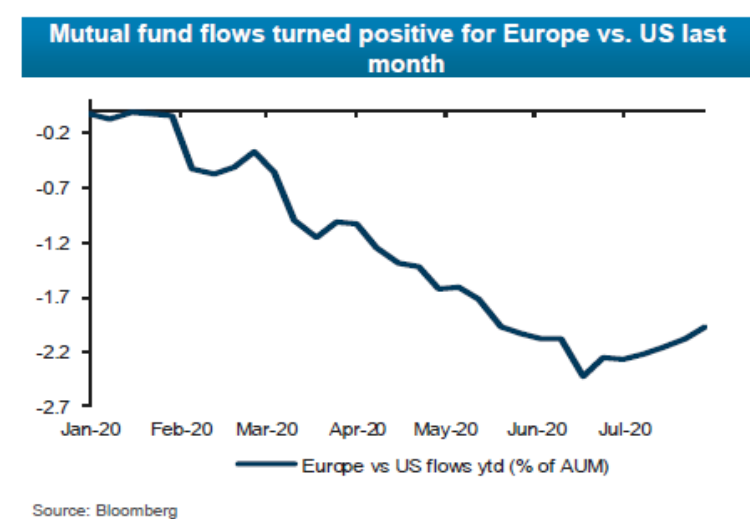
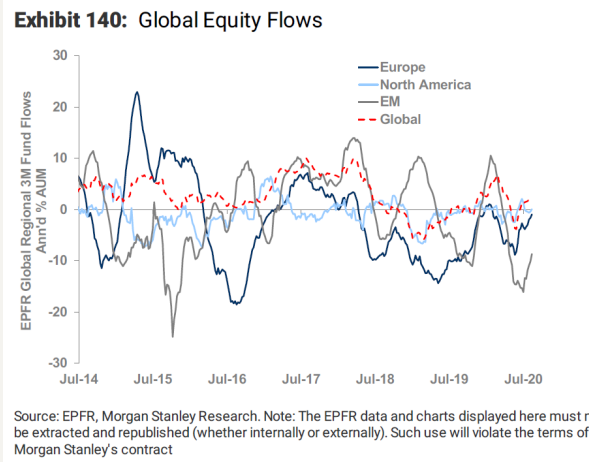
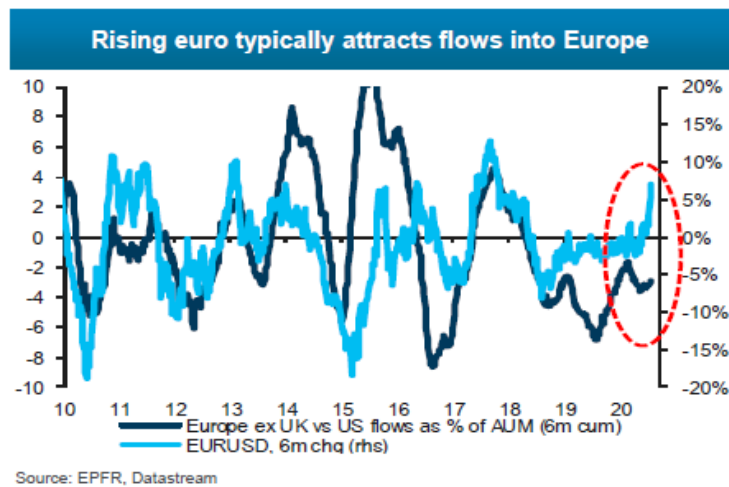


Past performance is not a reliable indication of future returns and is not constant over time.



03 EQUITY VALUATIONS

European financial market's comeback?



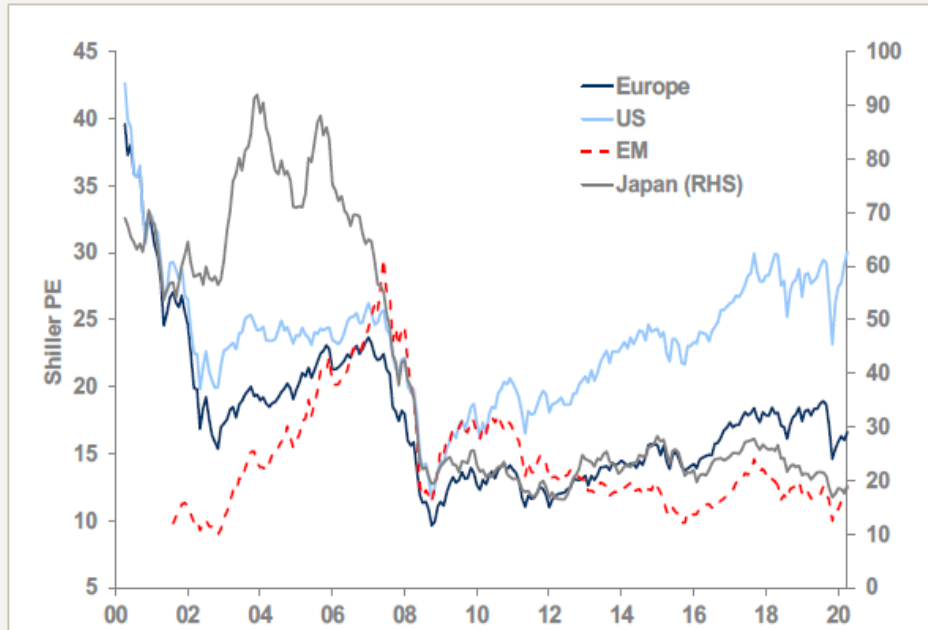
Past performance is not a reliable indication of future returns and is not constant over time.

Source: Bloomberg, EPFR | Data as of 31/07/2020

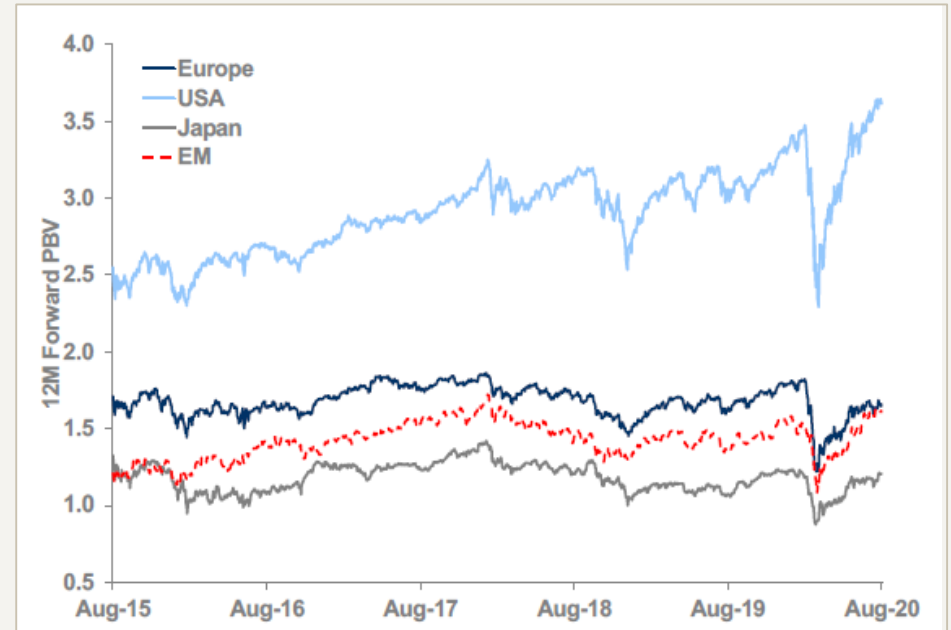
Impressive valuations at first glance...



Global Shiller P/E



Global P/BV



Past performance is not a reliable indication of future returns and is not constant over time.

Source: ODDO BHF AM, Morgan Stanley Research, MSCI, Haver, IBES | Data as of 31/07/2020

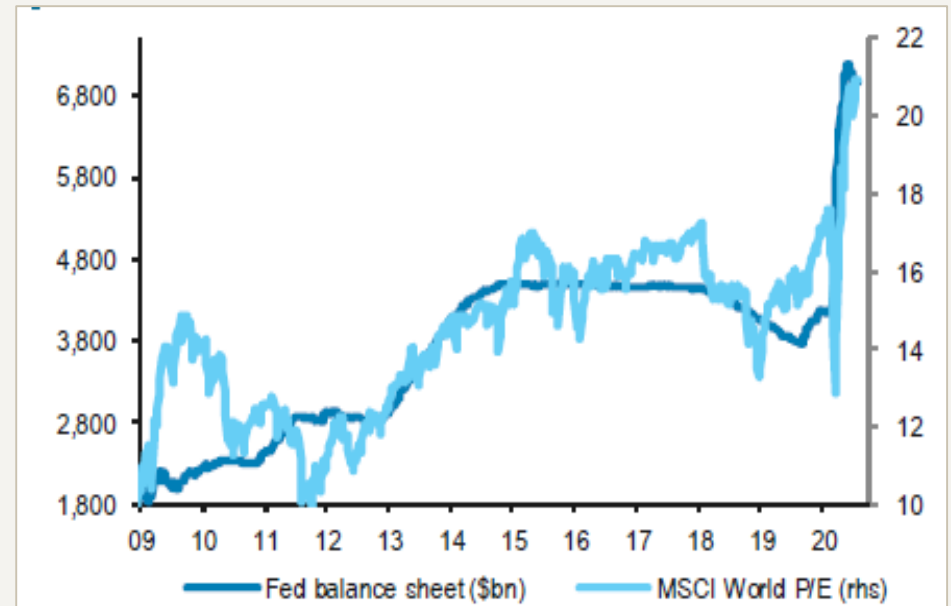
Driven by central banks assets and money aggregate



Mean PE and global liquidity



Central banks and valuations



Source: ODDO BHF AM, Bloomberg | Data as of 31/07/2020

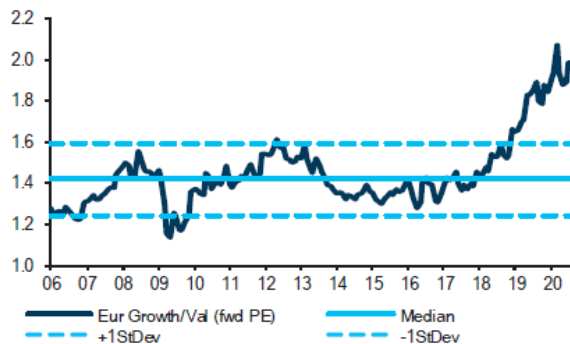
Spreads between valuations of Growth and Value sectors at « extreme » levels



Impressive divergences

Most of it being justified by « extreme » yields

Growth/Value P/E differential is near extreme...



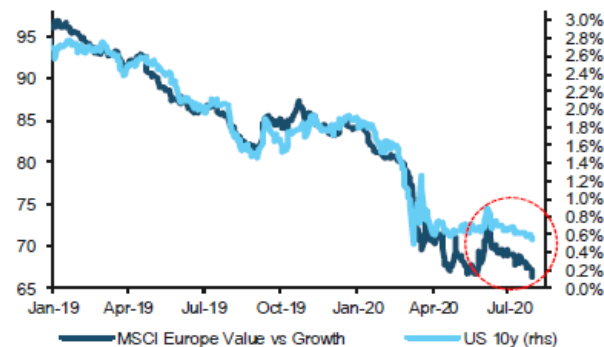
Source: Datastream, IBES

...as is Growth/Value P/Book



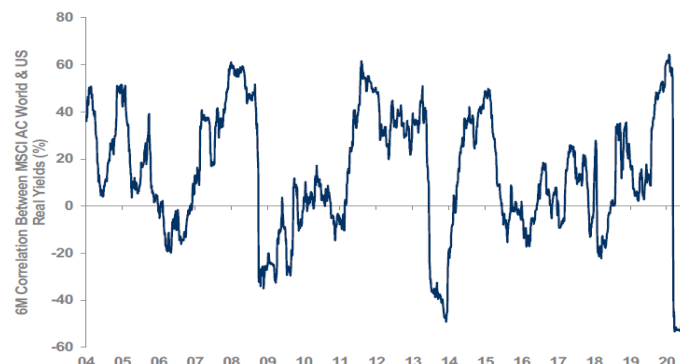
Source: Datastream

The Value/Growth trade is highly dependent on bond yield direction, but a gap opened ytd



Source: Datastream

Exhibit 4: Most negative ever correlation between equities and real yields...



Source: MSCI Refinitiv, Morgan Stanley Research

Past performance is not a reliable indication of future returns and is not constant over time.

Source: ODDO BHF AM, Datastream, IBES, Bloomberg | Data as of 31/07/2020

Quickly shrinking output gap and rising yields are necessary for any sustained value rebound.

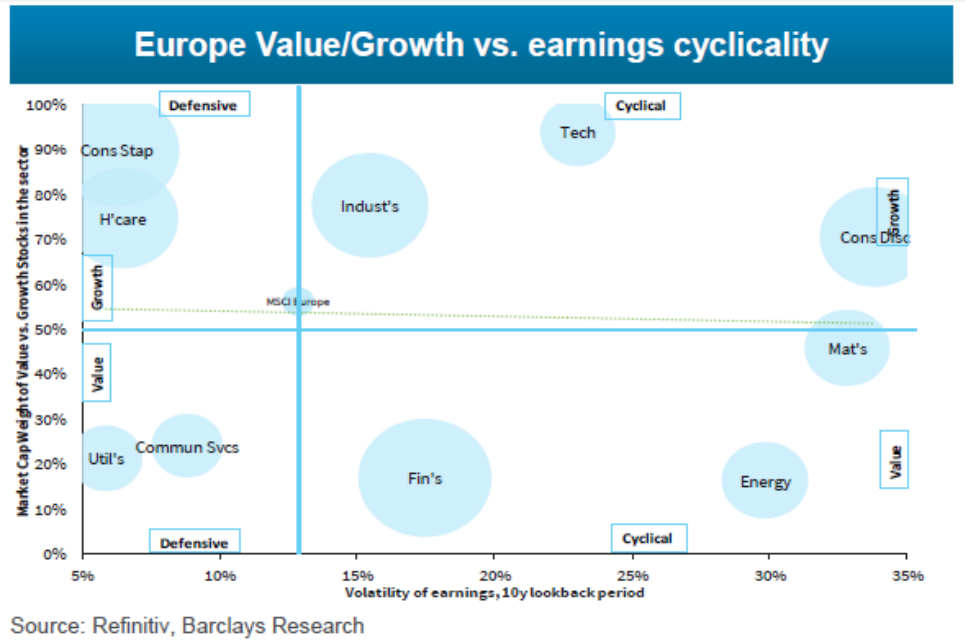
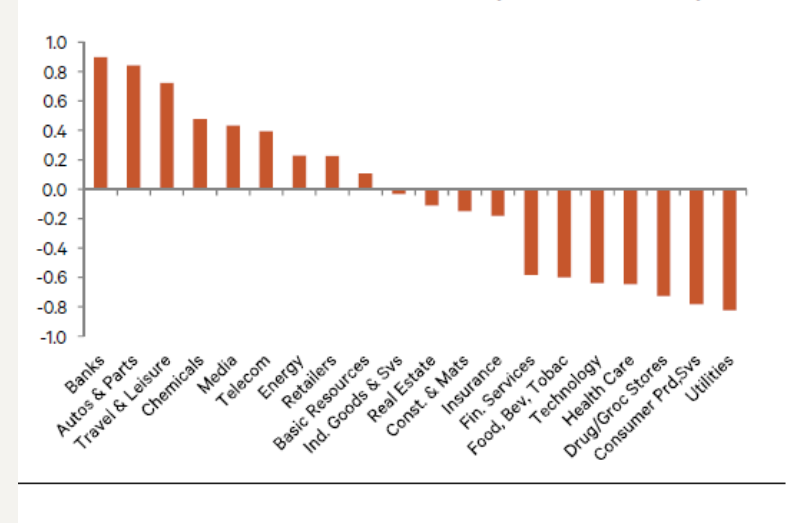


Chart 181: Stoxx 600 sector correlations – 10-year German bund yields



Source: ODDO BHF AM, Refinitiv, Barclays Research | Data as of 31/07/2020

Strong dispersion across sector earnings in Q2.

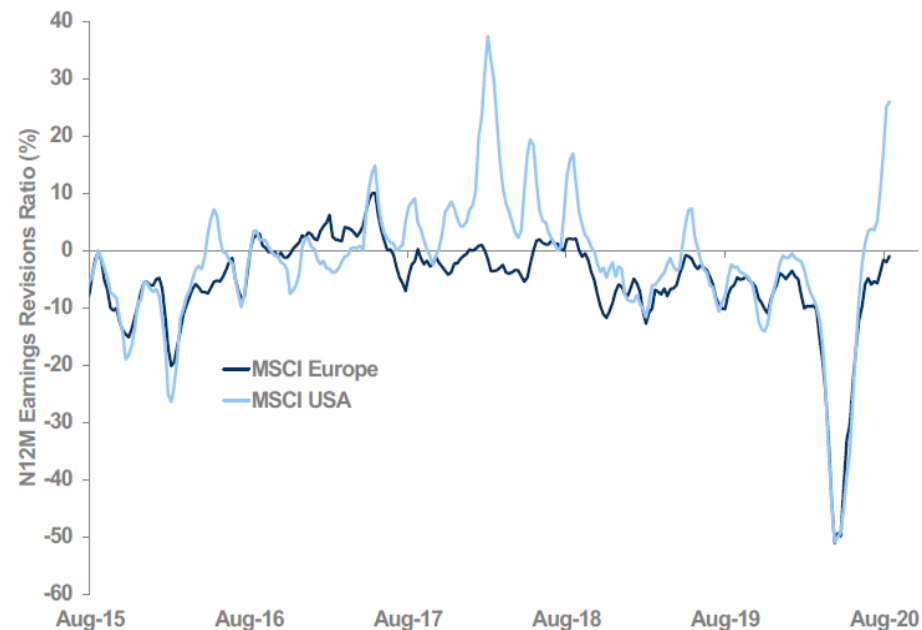


Q2'20 results snapshot for Europe and US

Results snapshot	SXXP				SPX			
	Sales y/y	Sales beats	EPS y/y	EPS beats	Sales y/y	Sales beats	EPS y/y	EPS beats
Energy	-56.0%	31%	-83.2%	75%	-32.7%	20%	-76.7%	70%
Materials	-24.8%	63%	-101.0%	69%	-19.5%	55%	-43.7%	91%
Industrials	-28.9%	70%	-94.8%	70%	-34.9%	79%	-119.8%	79%
Tech	6.2%	75%	23.2%	75%	4.0%	83%	-14.3%	93%
Cons. Disc.	-35.0%	89%	-179.3%	78%	-36.6%	75%	-108.6%	69%
Comm. Svcs.	-6.5%	78%	21.4%	67%	-6.5%	67%	-2.8%	83%
Cons. Stap.	-0.3%	71%	5.9%	83%	-3.6%	67%	-12.8%	83%
Healthcare	0.9%	50%	-7.9%	58%	4.2%	88%	7.9%	92%
Utilities	-21.6%	22%	-13.1%	38%	-5.8%	0%	3.9%	80%
Financials	-3.2%	80%	-31.4%	55%	2.7%	59%	-57.5%	80%
Market	-30.4%	64%	-62.9%	63%	-10.2%	68%	-39.9%	82%
Market ex Energy	-20.0%	68%	-58.6%	63%	-9.4%	71%	-39.6%	83%
Market ex Fins	-33.1%	62%	-71.7%	66%	-13.5%	72%	-32.2%	84%
Cyclicals	-28.2%	72%	-109.2%	72%	-23.5%	77%	-59.3%	83%
Defensives	-8.5%	54%	-5.8%	60%	-0.5%	72%	0.3%	88%

Source: Bloomberg, Barclays Research

Exhibit 8: US earnings revisions have risen to a 2.5Y high...



Source: IBES, Morgan Stanley Research



Exhibit 13: Tracking the changing composition of MSCI Europe - sectors

	MSCI Europe Sector Index Weight (%)					Current	Change Since 2000	Change Since 2010
	Jan-00	Jan-10	Jan-15	Jan-20				
Health Care	8.8%	10.3%	13.5%	13.8%	16.3%	7.5%	6.0%	
Information Technology	10.3%	2.7%	3.5%	6.0%	7.6%	-2.7%	5.0%	
Industrials	8.4%	9.5%	11.1%	13.9%	13.6%	5.2%	4.0%	
Consumer Discretionary	9.3%	7.2%	10.7%	10.0%	9.8%	0.5%	2.6%	
Consumer Staples	6.9%	12.0%	13.7%	13.9%	15.0%	8.1%	3.0%	
Real Estate	0.6%	0.9%	1.3%	1.4%	1.4%	0.8%	0.5%	
Utilities	5.0%	6.4%	4.3%	4.4%	5.1%	0.2%	-1.3%	
Materials	4.4%	9.5%	7.6%	7.3%	7.9%	3.4%	-1.7%	
Communication Services	17.5%	7.1%	5.2%	4.4%	4.1%	-13.4%	-3.0%	
Energy	7.5%	11.3%	7.8%	6.7%	4.3%	-3.1%	-6.9%	
Financials	21.3%	23.1%	21.4%	18.0%	14.8%	-6.4%	-8.3%	

Source: MSCI, Morgan Stanley Research

Note: Under GICS classification system Real Estate was included within Financials until 2016. Here it has been stripped out and shown as its own sector since 2000

Exhibit 18: Comparing Europe to other regions today

	Industry Group Index Weights					Industry Group Weight Relative to ACWI			
	Europe	Japan	US	EM	ACWI	Europe	Japan	US	EM
Pharmaceuticals, Biotechnology & Life Sciences	13.5%	7.8%	7.8%	2.9%	7.9%	5.6%	-0.2%	-0.1%	-5.0%
Food, Beverage & Tobacco	9.5%	3.4%	3.5%	3.7%	4.4%	5.1%	-1.0%	-0.9%	-0.7%
Capital Goods	10.1%	13.6%	5.2%	2.8%	6.1%	4.0%	7.5%	-0.9%	-3.3%
Materials	7.9%	4.7%	2.5%	7.0%	4.8%	3.1%	-0.1%	-2.3%	2.2%
Consumer Durables & Apparel	4.6%	5.5%	1.0%	1.2%	1.9%	2.7%	3.6%	-0.9%	-0.7%
Household & Personal Products	4.4%	2.9%	1.8%	1.2%	2.2%	2.2%	0.7%	-0.3%	-1.0%
Insurance	5.1%	2.4%	2.1%	3.3%	3.1%	2.0%	-0.7%	-1.0%	0.2%
Utilities	5.1%	1.5%	3.0%	2.2%	3.2%	1.9%	-1.7%	-0.2%	-1.1%
Energy	4.3%	0.6%	2.3%	5.7%	3.3%	1.0%	-2.7%	-1.0%	2.4%
Commercial & Professional Services	2.1%	2.5%	1.0%	0.3%	1.2%	0.9%	1.3%	-0.2%	-0.9%
Automobiles & Components	2.2%	8.4%	1.1%	2.1%	1.8%	0.4%	6.6%	-0.8%	0.3%
Telecommunication Services	3.0%	7.2%	1.8%	3.6%	2.6%	0.4%	4.6%	-0.8%	0.9%
Banks	6.1%	4.5%	3.3%	12.6%	6.1%	0.0%	-1.6%	-2.8%	6.5%
Diversified Financials	3.6%	1.8%	4.3%	2.2%	3.8%	-0.2%	-2.1%	0.5%	-1.7%
Consumer Services	1.1%	0.9%	1.4%	1.7%	1.4%	-0.4%	-0.5%	0.0%	0.3%
Food & Staples Retailing	1.1%	2.0%	1.4%	1.4%	1.6%	-0.4%	0.5%	-0.1%	-0.1%
Transportation	1.4%	3.6%	1.7%	1.4%	2.0%	-0.5%	1.7%	-0.3%	-0.6%
Real Estate	1.4%	3.5%	2.9%	2.5%	2.8%	-1.4%	0.6%	0.1%	-0.4%
Semiconductors & Semiconductor Equipment	2.4%	2.4%	4.7%	8.1%	4.3%	-1.9%	-1.9%	0.4%	3.8%
Health Care Equipment & Services	2.8%	4.1%	6.6%	1.3%	4.8%	-2.0%	-0.8%	1.8%	-3.5%
Technology Hardware & Equipment	1.3%	7.6%	8.2%	8.1%	6.5%	-5.2%	1.1%	1.7%	1.6%
Retailing	1.9%	2.9%	8.1%	13.1%	7.0%	-5.1%	-4.1%	1.2%	6.1%
Media & Entertainment	1.1%	3.2%	8.9%	9.5%	6.8%	-5.8%	-3.6%	2.1%	2.7%
Software & Services	4.0%	3.1%	15.1%	2.1%	10.3%	-6.4%	-7.2%	4.8%	-8.2%

Source: MSCI, Morgan Stanley Research



EUROPE MID CAP EQUITY STRATEGY

03



*Investing in tomorrow's best
companies*



A stable and united team, collective investment decisions, shared values



An experienced portfolio management team in charge of the funds since July 2003

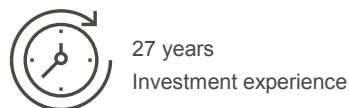


32 years
investment experience



Pascal Riégis

Co-Head of Fundamental
Equities



27 years
Investment experience



Grégory Deschamps

Portfolio Manager/Analyst,
Small & Mid Cap Equities

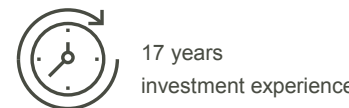


20 years
investment experience



Frédéric Doussard

Portfolio Manager/Analyst,
Small & Mid Cap Equities



17 years
investment experience



Sébastien Maillard

Portfolio Manager/Analyst,
Small & Mid Cap Equities



35 years
investment experience



Maryse Sauvageot

Portfolio Manager Assistant

Mid cap equity strategy - France, Eurozone, Europe



Investing in tomorrow's best companies, according to our analysis

One of the longest track record in the European market

- ODDO BHF AM SAS:
 - A recognized know-how in Mid Caps
 - A 27-year track record for ODDO BHF Avenir and a 20-year track record for ODDO BHF Avenir Europe
- A stable portfolio management team, in charge of the funds since 2003
- Taking into accounts ESG criteria since 2003. Since then formalized in the investment process
- Avenir Range: € 5 896 M assets under management
 - 3 open-ended UCITS IV funds (AuM: € 3 873M)
 - Dedicated funds and mandates (AuM: € 2 022M)

Strategy	Europe mid cap equity	Eurozone mid cap equity	France mid cap equity
Geographical coverage	Europe	Eurozone	France
AuM	€ 2 557 M	€ 580 M	€ 737 M
Benchmark index	MSCI Europe Smid Cap NR EUR	MSCI EMU Smid Cap NR	90% MSCI France Smid Cap NR + 10% Eonia TR

Risks

All three strategies are exposed to a certain number of risks, in particular the risk of capital loss and the equity risk.

Source: ODDO BHF AM SAS | Data as of 31/07/2020



Investing in tomorrow's best companies, according to our analysis

ONE PHILOSOPHY

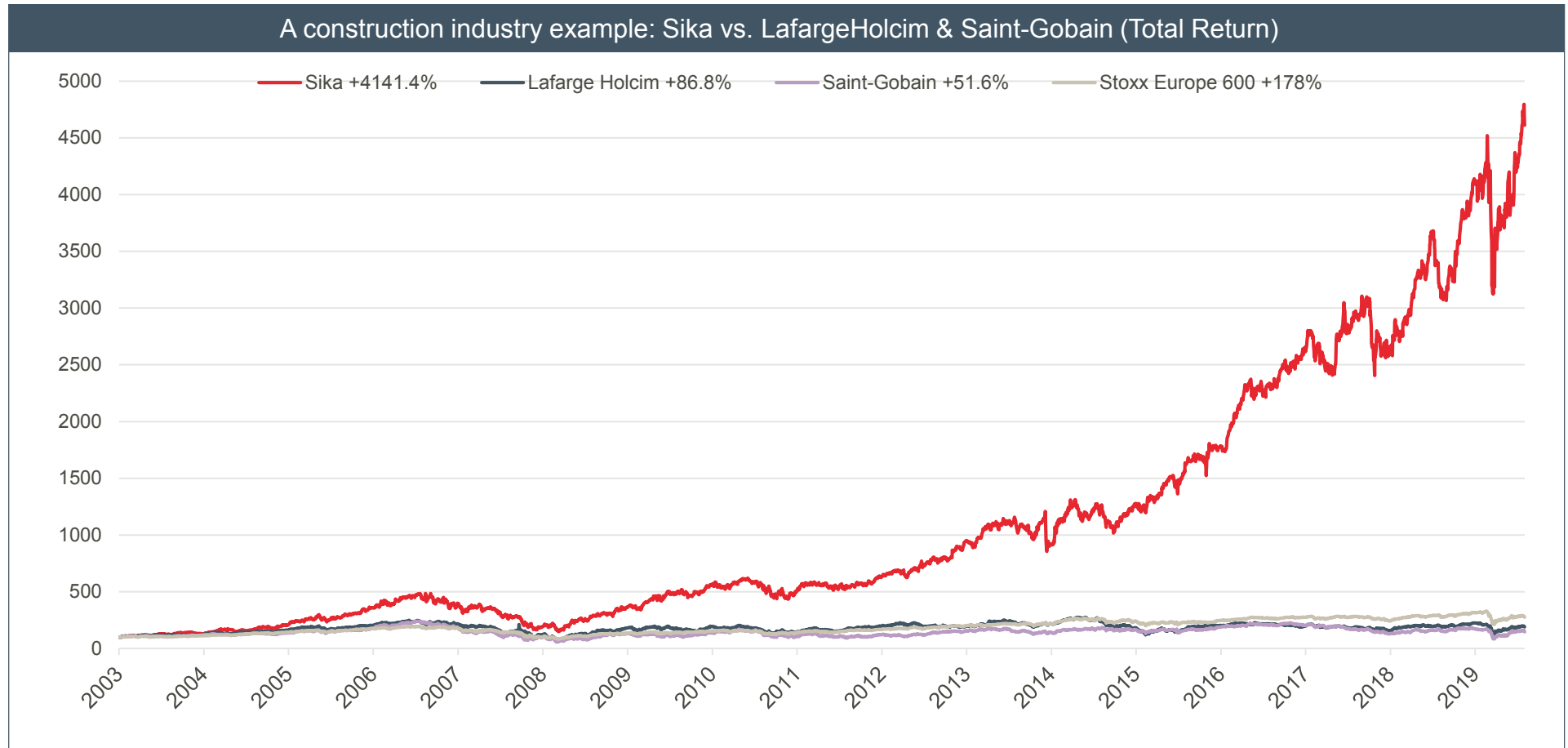
ONE PROCESS

ONE MISSION

- Midcaps: already structured companies with billion euros market capitalizations
- Value creators on the whole cycle: self-financing growth, preserved profitability and self-financing even in recession times, whatever the sector
- European companies with an international reach: tomorrow's global leaders
- Looking for a risk/return optimization, with a risk of capital loss: avoid individual appreciation bias, avoid mistakes and if any limit capital loss risk
- No style bias, no macroeconomic bets, but a structural underweighting of non-value creator sectors and/or purely domestic businesses versus a structural overweighting on sectors with numerous attractive investment opportunities
- At the portfolio construction step, ESG/SRI criteria are taken into account in the investment process and an ESG/SRI rating is established based on a proprietary analysis
- One team: a stable management team with high team spirit, in charge of the funds since 2003. One mission: our client capital growth over the long term



The right fuel to finance growth



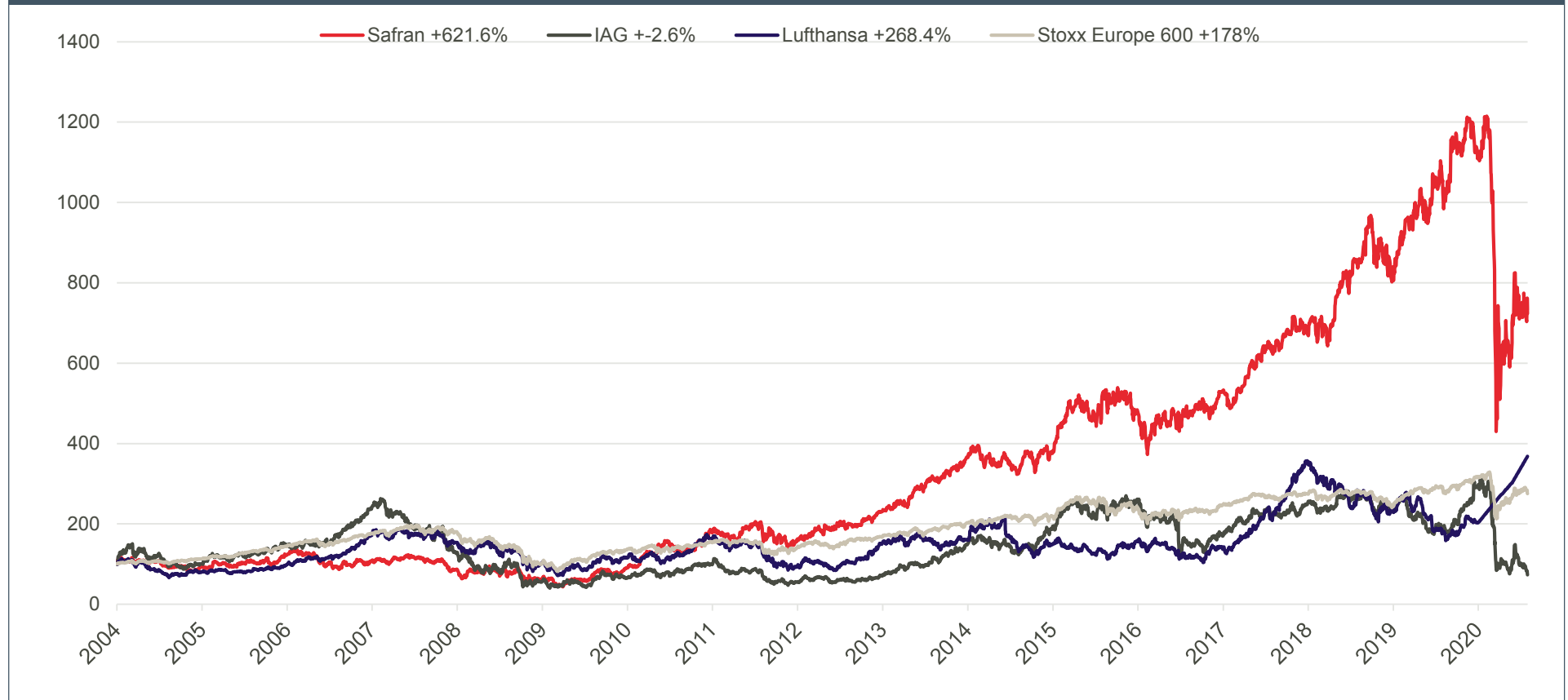
Past performance is not a reliable indication of future returns and is not constant over time.

The examples of LafargeHolcim, Saint-Gobain and Sika are not investment recommendations | Sources: ODDO BHF AM SAS, Datastream. Data as of 31/07/2020



The right fuel to finance growth

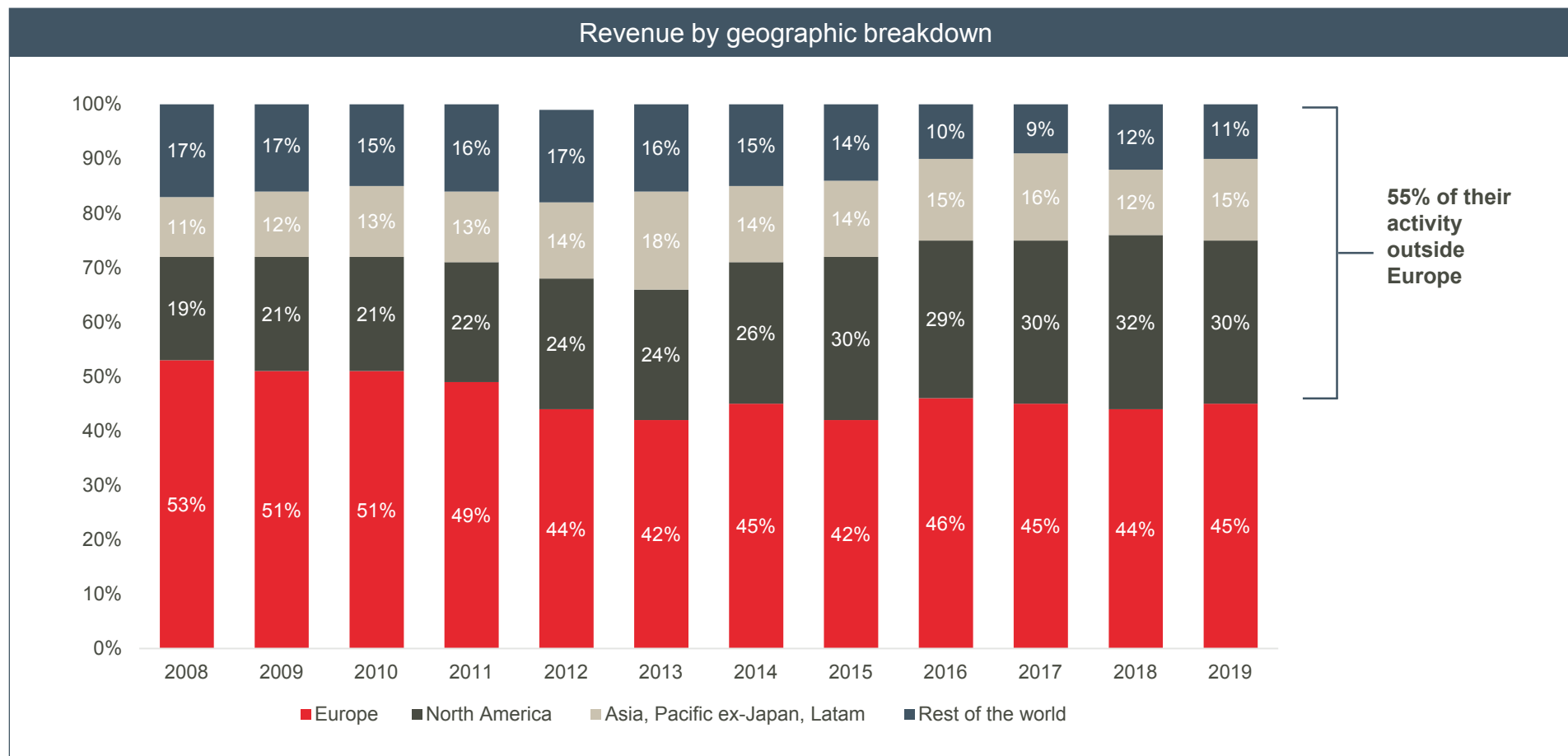
An exemple in Air traffic: Safran vs. Lufthansa & IAG (Total Return)



Past performance is not a reliable indication of future returns and is not constant over time.

The examples of Safran, IAG and Lufthansa are not investment recommendations | Sources : ODDO BHF AM SAS, Datastream. Data as of 31/07/2020

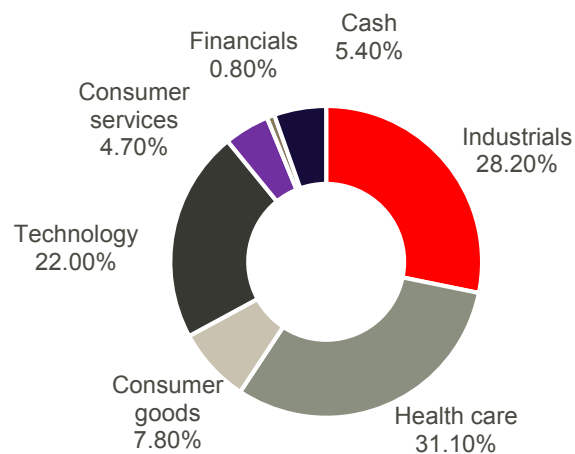
European companies with an international reach



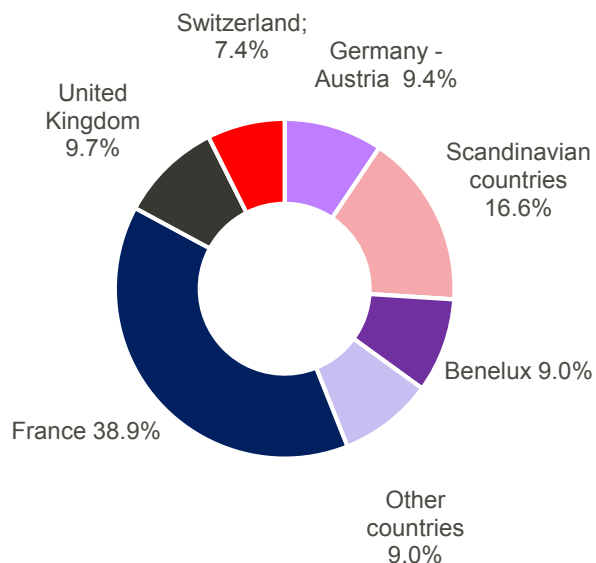
Exemple of ODDO BHF Avenir Europe | Sources: ODDO BHF AM SAS, Bloomberg | Data as of 31/12/2019



Sector allocation



Country allocation



Market cap allocation

	ODDO BHF Avenir Europe
Median market capitalization (in €bn)	8.1
Market capitalizations < €2000m (% of NAV)	0%
Market capitalizations between €2000m and €5000m (% of NAV)	16%
Market capitalizations > €5000m (% of NAV)	84%

Top 10 holdings



European companies with an international reach, leadership positions, profitable and performing over the long term, according to our analysis

Europe mid cap equity strategy	
Main holdings	Weight in the portfolio (%)
Gn Store Nord	5.9%
Alstom	5.8%
Icon	5.5%
Michelin	5.4%
Ingenico	5.0%
Biomerieux	4.8%
Safran	4.0%
Mtu Aero Engines	3.5%
Teamviewer	3.5%
Ipsen	3.4%
Total	46.8%

The opinions presented in this document result from our market forecasts on the publication date. They are subject to change according to market conditions and ODDO BHF ASSET MANAGEMENT SAS shall not in any case be held contractually liable for them. These companies are not investment recommendations.



Tomorrow's best companies, according to our analysis



- Carl Zeiss Meditec is a subsidiary of the German optical group Zeiss. This company operates in the ophthalmology and microsurgery segments.
- In the ophthalmology division, the company provides products and solutions to diagnose and treat ocular diseases as well as systems and consumables for cataract and refractive surgeries.
- In the microsurgery segment, the group provides visualization solutions (microscopes) for minimally invasive surgery procedures.



- The company is one of the world leaders in tests and diagnostics for the food and pharmaceutical industry and one of the few stocks in positive territory this year.
- The company was able to manufacture and to bring to the market a single biomolecular test for COVID-19 by April and to add the COVID-19 test to the Biofire respiratory panel by May.
- Those two tests are critical for hospitals to detect COVID-19 among various possible infections in one hour time.



- It is one of the rare companies invested by the fund at its IPO (in October 2019).
- It is the world leader for remote access control software (like software used by IT to control your device). There are many competitors but Teamviewer is the best in term of easiness to use: there is no drop-out session and the software can be used from any device to take control of any other device.
- Business model very attractive: software-as-a-service (SAAS) with recurring revenue and high operating leverage. The company is expanding in industrial IoT..






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Europe mid cap equity strategy - key movements in 2020



Data as of 31/07/2020

Buy / Introduction	Volume
 Worldline	1.6%
 eurofins	1.0%
 GW pharmaceuticals	0.9%
 sonova HEAR THE WORLD	0.9%
 SAFRAN	0.9%

Sell / Reduce	Volume
 ALSTOM	-1.6%
 faurecia	-1.5%
 VIFOR PHARMA	-1.4%
 GN	-1.2%
 G4S	-0.7%

These examples are not investment recommendations.

Sources: ODDO BHF AM SAS. Data as of 31/07/2020



Top relative contributors	
	+234 bps
	+136 bps
	+136 bps
	+120 bps
	+71 bps

Bottom relative contributors	
	-286 bps
	-239 bps
	-149 bps
	-134 bps
	-102 bps

These examples are not investment recommendations. Past performance is not a reliable indication of future returns and is not constant over time.

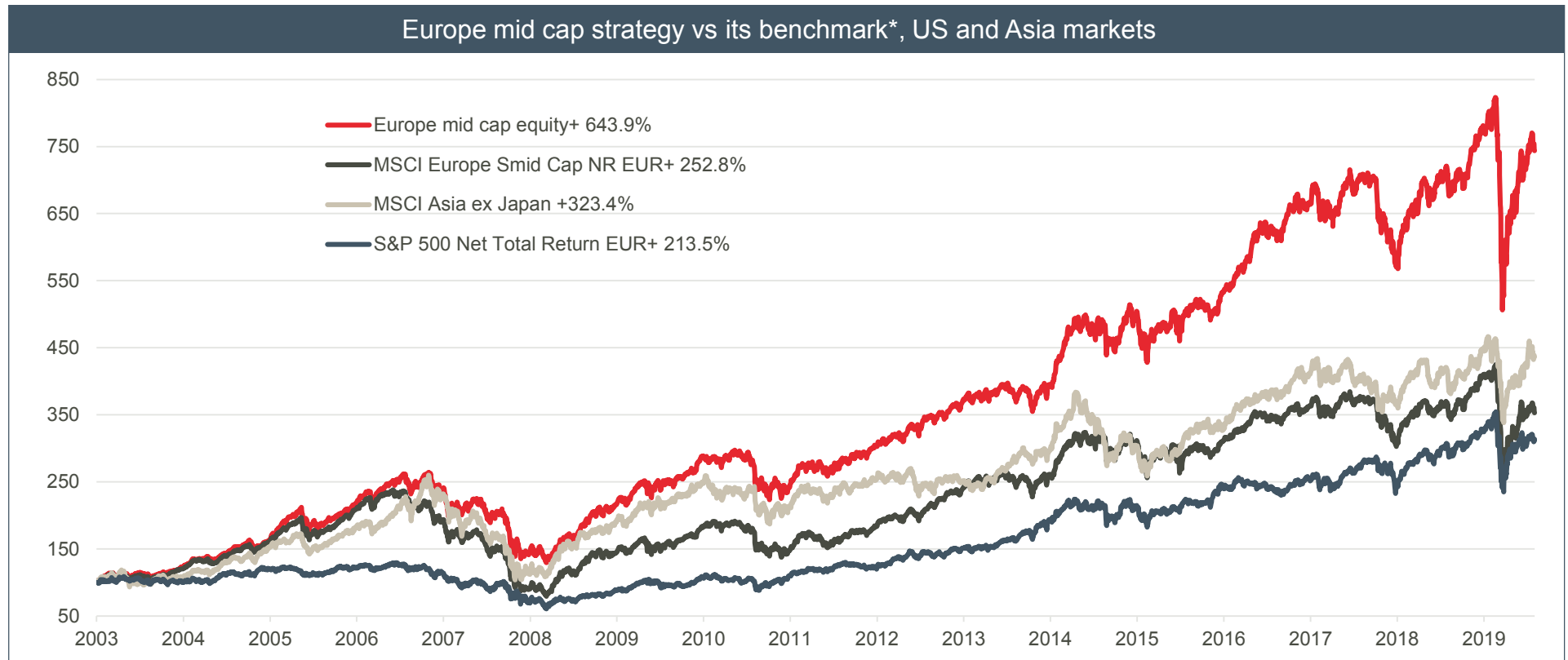
Contribution data gross fees

Source: ODDO BHF AM. Data as of 31/07/2020

Europe mid cap equity vs. MSCI EUROPE Smid Cap, MSCI Asia ex-Japan and S&P 500



Since 2003, gross of fees



Past performance is not a reliable indication of future returns and is not constant over time.

The opinions expressed in this document correspond to our market anticipations at the time of publication of this document. They may change with market conditions and may not commit contractual responsibility of ODDO BHF AM SAS in any case. Source: ODDO BHF AM SAS | Data as of 31/07/2020

* Benchmark: MSCI Europe Smid Cap Net Return Eur. The benchmark was changed on 12/31/13, 12/08/11 and 10/13/08. Previous benchmark: HSBC Small Cap Europe Index until 10/13/08, 100% HSBC European Smaller Companies (total return) until 12/08/11 and HSBC Smaller Europe (+UK) (net total return) until 12/31/13.



ODDO BHF Asset Management SAS (France)

Portfolio Management Company approved by the Autorité des Marchés Financiers under GP 99011.
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