

# SEDEC DOLLAR BONDS

*Dollar Fixed Income Fund*

**Manager**  
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## Information

**Legal Form**  
FCP french law

**Creation Date**  
September, 1996

**NAV**  
Daily

**Management fee**  
1.09% TTC

**Subscription fee**  
2% maximum

**Performance fee**  
Nil

**Allocation of income**  
Capitalization

**Dépositaire**  
CACEIS BANK

**Isin**  
FR0007003918

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Sure enough, US long yields have a lot going for them. As soon as a bear market seems to be building, some event or news comes to their rescue. In March, it has been both the new measures taken by the BCE, such as lowering their refinancing rate, and increasing their monthly purchases, and the encouraging rhetoric of the FED. Deciphering its latest announcements, one should expect no more than two rate rises instead of the four previously scheduled for 2016. As a result, ten year yields fell back to 1.70%, their lowest level in 2016.

Needless to say that this modified scenario has benefited all fixed income segments, the Investment Grade CDX tightening by 40 b.p. and the high yield's by 70 b.p.

Let's have look on inflation expectations. Comparing the evolution of the TIPS, those bonds indexed on inflation, with their regular counterparts, one can notice that the market seems at ease with inflation which is quite surprising. Unemployment hovering around the 5% level, added to wage increase of 0.3% instead of 0.2% expected must at least throw a few questions. Moreover, if oil keeps rallying and wages keep increasing, a stone might be thrown into this idyllic scenario.

Looking at the international scene, emerging markets seem to, one can say, emerge from their long sleep, especially Brazil whose bonds have violently decreased their spreads. Thus Banco do Brasil 3 ¾% 18 gains 5 points beaten by Petrobras 0% 19 which advances by 7 points. Sure, this security has benefited from the impeachment of Mrs Roussef, Brazil's president, which precludes an end to the corruption scandal that had hit Petrobras.

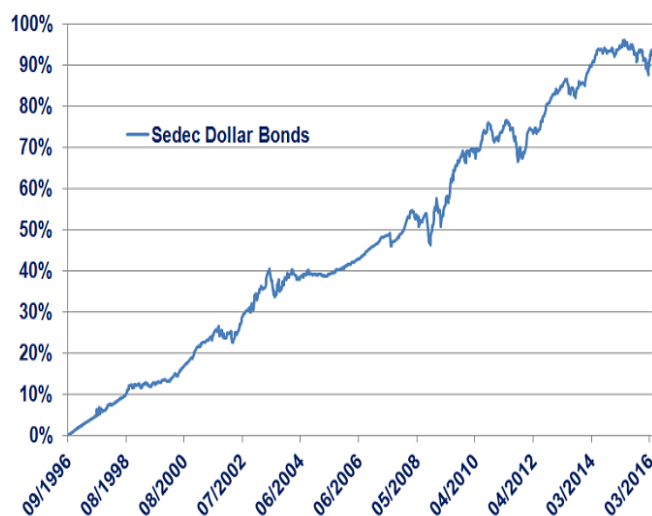
Sedec Dollar Bonds has benefited from this favorable environment by gaining +1.835% during March for a +1.29% YTD.

### Main Lines

|                          |       |
|--------------------------|-------|
| LaMondiale 2049          | 3,33% |
| Bank of Ireland 10% 2016 | 2,85% |
| Colombia 7,375% 2017     | 2,83% |
| Mittal 6,125% 2018       | 2,74% |
| Rexel 5,25% 2020         | 2,46% |
| Petrobras 5,875% 2018    | 2,09% |
| JEF 5,125% 2018          | 1,69% |
| DNB Bank 2049            | 1,68% |
| Renault 3,5% 2018        | 1,67% |
| Global Bank 5,125% 2019  | 1,66% |

### Main Sectors

|                    |        |
|--------------------|--------|
| Banks              | 25,85% |
| Oil & Gaz          | 10,48% |
| Insurance          | 9,14%  |
| Sovereign          | 6,19%  |
| Financial Services | 5,01%  |
| Mining             | 4,83%  |
| Télécommunication  | 3,12%  |
| Energy             | 3,03%  |
| Food               | 2,82%  |
| Automobile         | 2,75%  |



|          | Sedec Dollar Bonds | EFFA 3-5 ans |
|----------|--------------------|--------------|
| YTD 2016 | + 1,29%            | + 2,50%      |
| 2015     | - 0,56%            | + 1,60%      |
| 2014     | + 4,07%            | + 2,11%      |
| 2013     | + 1,04%            | - 0,91%      |
| 3 ans    | + 4,79%            | + 5,12%      |
| 5 ans    | + 11,66%           | + 13,64%     |

### Technical Data

|                            |       |
|----------------------------|-------|
| Average Return             | 4,04% |
| Maturity to Call           | 2,46  |
| Maturity                   | 8,93  |
| Average Coupon             | 4,91% |
| Sensibility                | 2,20  |
| Annualized Volatility 1y   | 1,01% |
| Sharpe Ratio               | 0,64  |
| Bloomberg composite rating | A-    |
| Quantalys Notation*        | ★★★★★ |

\* Meilleure agence française de notation de fonds.

### Net Asset Value

|                    |               |
|--------------------|---------------|
| NAV March 31. 2016 | 1 937,27 \$   |
| Net Asset Value    | 18 723 718 \$ |

### Split by rating

