



TAILOR CAPITAL

# Tailor Epargne High Yield 1-2 (S Class)

August 2020 (data as of 31/08/2020)

## INVESTMENT STRATEGY

TAILOR EPARGNE HIGH YIELD 1-2 is intended for investors who want to invest the stable part of their cash holdings in an investment that is more profitable but also riskier than a money market fund. The fund is exposed to bonds without geographical or ratings constraints. By construction, average portfolio duration cannot exceed 3 years and currency exchange risks must be hedged.

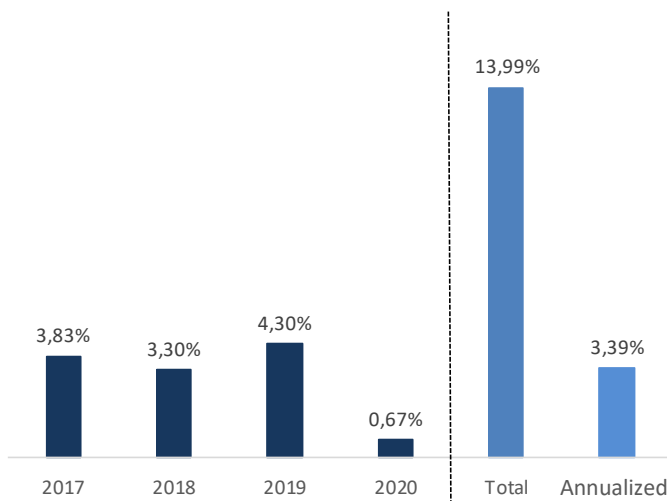
## MONTHLY COMMENT

TAILOR EPARGNE HIGH YIELD 1-2 (S share class) gained +0.49% in August, reducing its decline to -0.17% since the beginning of the year. In line with our management process, we remain constantly on the watch for opportunities in the short-term corporate bond segment. For example, we purchased the GLOBAL A&T ELECTRONICS bond at 97.5% of par value after announcing its early redemption. This bond was redeemed at 100% of the nominal value exactly 8 days after our purchase!

We also increased our exposure on the CARNIVAL October 2020 bond after the announcement of a new primary offering to increase the liquidity position of the company. We believe that with approximately \$8.5 billion of cash post-issuance, the group can remain afloat until 2021 even without activity. This liquidity therefore amply covers the October 2020 bond on which we have positioned ourselves with a yield of around 2.9% in USD.

We also strengthened our position in the RYANAIR DAC June 2021 bond after the latest financial results of the aeronautical group. The cash position has not been eroded and ensures the repayment of the selected bond. The flexibility of the RYANAIR model enables the company to strengthen its competitive position, in the face of peers who need government support. The yield of 2.65% on this bond therefore seems very attractive to us for this issuer with has a very solid balance sheet in a very cyclical sector.

## ANNUAL PERFORMANCE

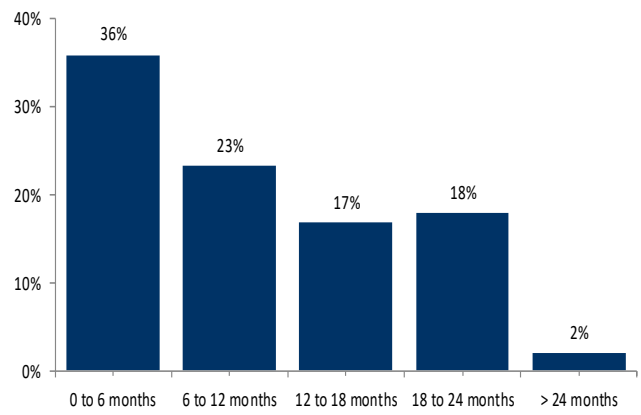


## AWARDS



## RISK FACTORS

### MATURITY BREAKDOWN



Historical Volatility

1,79%

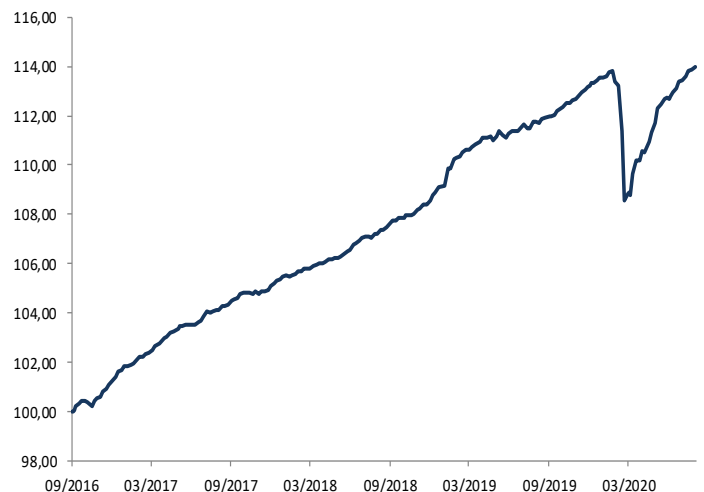
Recommended Investment Horizon

2 YEARS

### SRRI SCALE

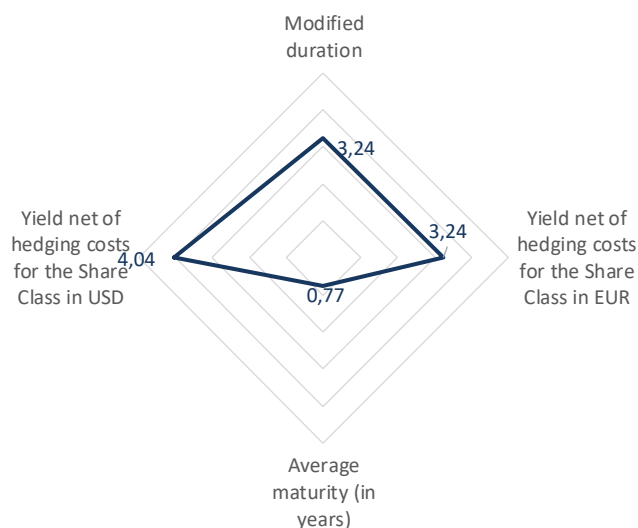


## EVOLUTION OF PERFORMANCE

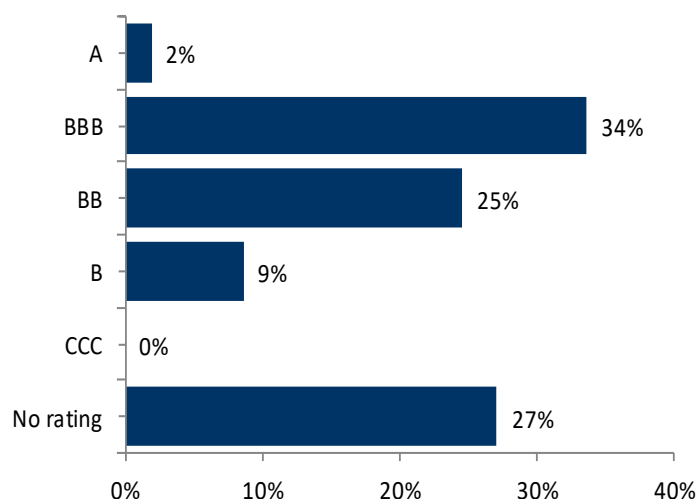


Past performance are not a reliable indicator of future performance and are not constant over time. Performance are calculated net of income and refer to share class S.

## PORTFOLIO PROFILE



## RATING BREAKDOWN



## FUND CHARACTERISTICS

**Inception date :** 15/10/2012  
**Base currency :** EUR  
**Assets under management :** \$ 83 million  
**Legal form :** UCITS

**Category :** International Bonds  
**Management company :** Tailor Capital  
**Custodian and Fund Administrator :** RBC Investor Services  
**Auditor :** PwC Audit  
**Liquidity :** Daily (04:00 PM)

## SHARE CLASS CHARACTERISTICS

**Inception date :** 29/09/2016  
**Base currency :** USD  
**Income allocation :** Accumulation  
**ISIN code :** FR0013150117

**Management fees :** 1% max  
**Subscription fee :** 1% max.  
**Redemption fee :** 1% max.  
**Performance fee :** None  
**Bloomberg code :** OBJEPAS

## FOR MORE INFORMATION

**The Synthetic Risk and Return Indicator (SRRI)** measures the level of volatility of the fund and the risk to which your capital is exposed. Risk 1 does not mean a risk-free investment. The risk category associated with the UCITS is not guaranteed and may change over time.

**The ratings** presented in this report are based on Tailor Capital's own methods.

**The yield to maturity** is a market hypothesis made by Tailor Capital as of the date of this report and does not constitute a promise of return. The calculation is made gross of the portfolio management fees and on the assumption that no credit event (default) affects any of the securities in the portfolio during its lifetime.

This monthly report is based on **Tailor Capital's proprietary data**.

Tailor Capital is rated AAA by Quantalys since December 2019 among the Global Bonds category. This award does not prejudice the future performance of the UCITS.

## MAIN RISKS AND WARNINGS

**Capital loss :** A capital loss occurs when you sell a unit at a price lower than the price you paid for the purchase of this unit.

**Interest rate risk :** Net asset value could decrease in case of an interest rates increase.

**Credit risk :** Credit risk is the risk that the issuer will not be able to meet its obligations.

Past performances are not a reliable indicator of future performances and are not constant over time. Performances are calculated both net of income and management fees.

This marketing document is made by TAILOR CAPITAL. Its sole purpose is to provide you with some information about the characteristics of the UCITS. This is not an offer, or a personalized recommendation or a solicitation to subscribe to a product or service.

TAILOR CAPITAL reminds you that prior to any investment, it is necessary to contact your financial advisor to evaluate and ensure the adequacy of the product or service according to your situation, profile and objectives. For more information about risks and costs, you can refer to the KIID, prospectus or contact your usual intermediary.