ARCANO

Il credito societario: elevati rendimenti, prezzi scontati e fondamentali solidi

Paule Ansoleaga Abascal,
Managing Director Arcano Partners Italia

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PRI Principles for Responsible Investment

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Cosa dice il consenso di mercato?

I L'inflazione è alle nostre spalle: duration e rating elevati sono le scelte migliori

II É vero che i profitti e la crescita del PIL non sono male, ma il trend sta per invertirsi

III Rendimenti a scadenza elevati, ma esiste un rischio spread

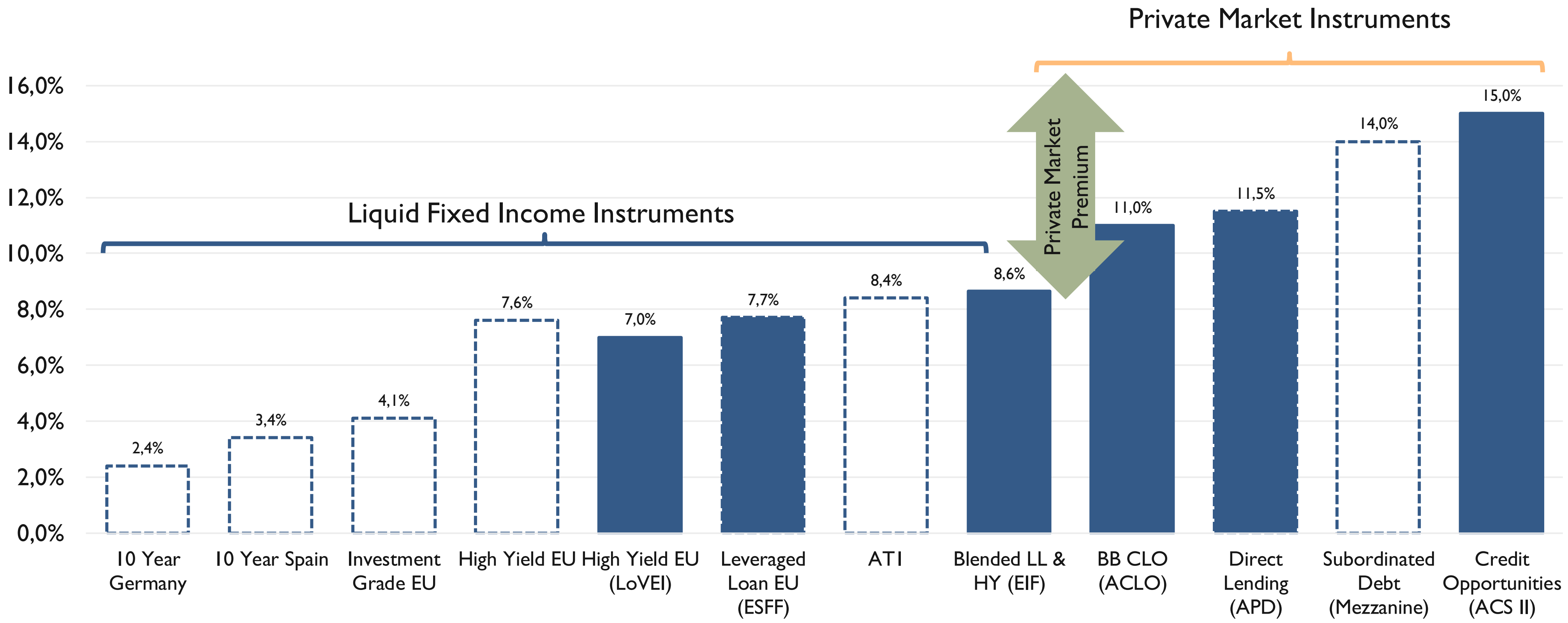
Il nostro scenario centrale

I Stessa narrativa del 2023, durante il quale il credito è stato premiato rispetto all'IG

II Forse sì, forse no. Il tasso di default atteso è comunque basso, intorno al 2-3%

III Gli spread potrebbero allargarsi ED i tassi ridursi. Il 2023 ha visto spread ridotti e ritorni elevati .Ytm gen '24: European Income Fund 8.1% Low Vol Eur Inc Fund 7.2% European Sr. Fl. Fund 6.6%

High Yield realmente "Alto Rendimento"

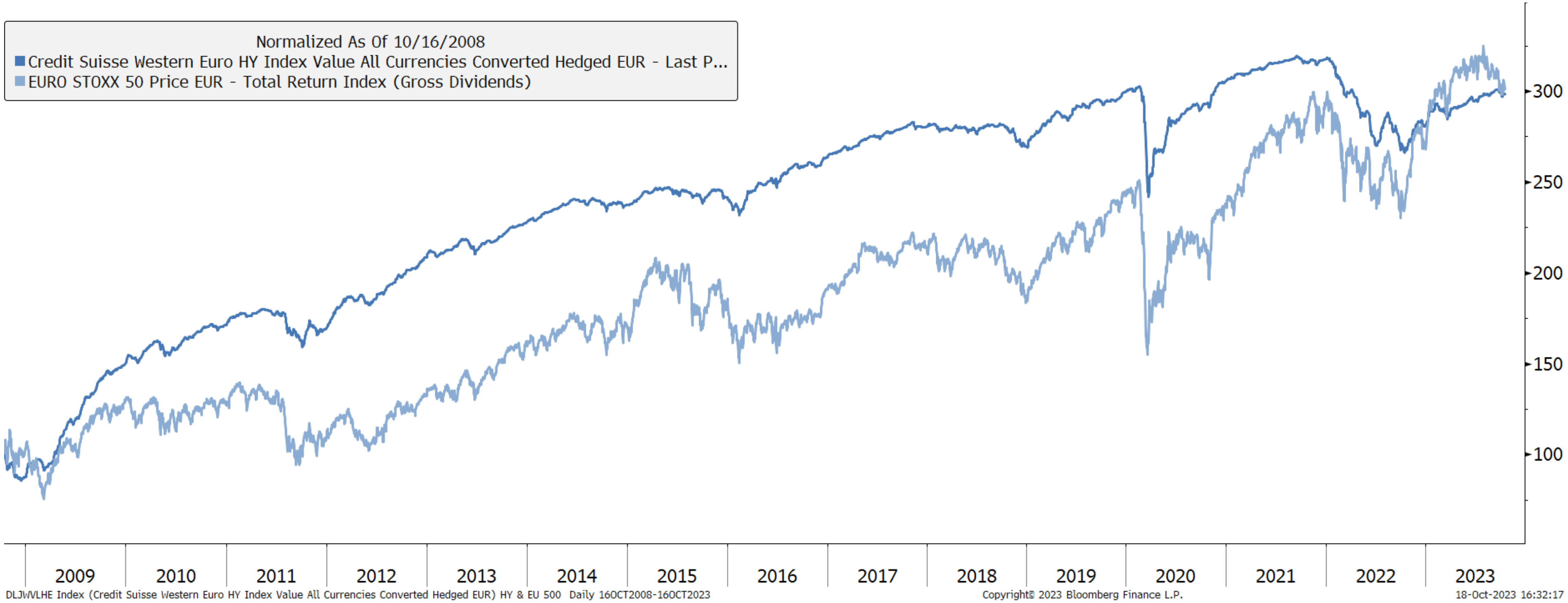


Yield più elevato = protezione dall'inflazione,
+ gestione prudente = *Defensive Income*

 YTM data as of 30th November 2023. Colored columns represent strategies managed by Arcano Capital
Source: Arcano, Bloomberg & Credit Suisse

ARCANO CREDIT STRATEGIES

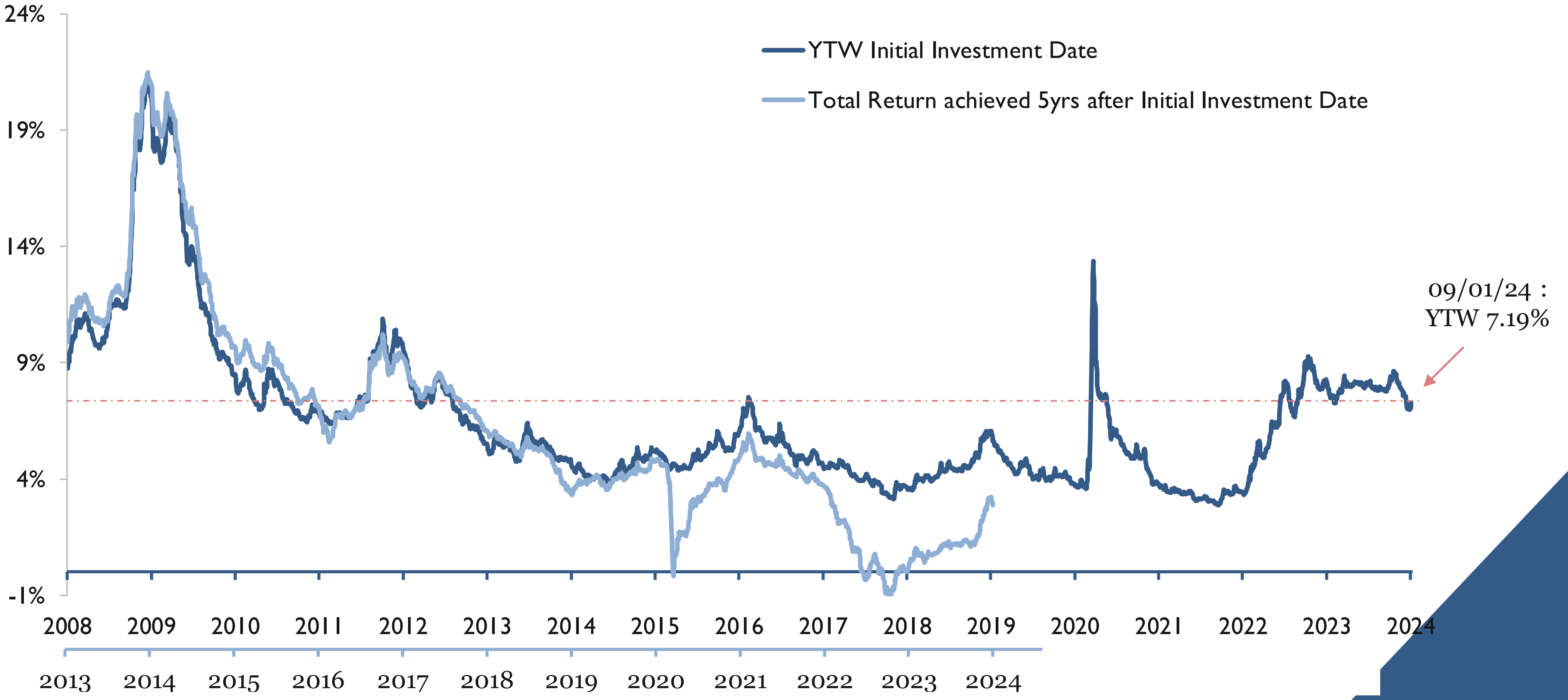
Il credito europeo HY offre rendimenti in linea con le azioni, con una volatilità storicamente inferiore



	Ann. Return		Volatility		Sharpe Ratio		Largest Monthly Drawdown	
Years	CS WE HY Index	Euro Stoxx 50	CS WE HY Index	Euro Stoxx 50	CS WE HY Index	Euro Stoxx 50	CS WE HY Index	Euro Stoxx 50
10	3.0%	6.9%	7.0%	16.8%	**0.7**	**0.5**	-13.7%	-16.3%
15	8.2%	7.4%	10.2%	18.2%	**0.9**	**0.4**	-19.4%	-16.3%

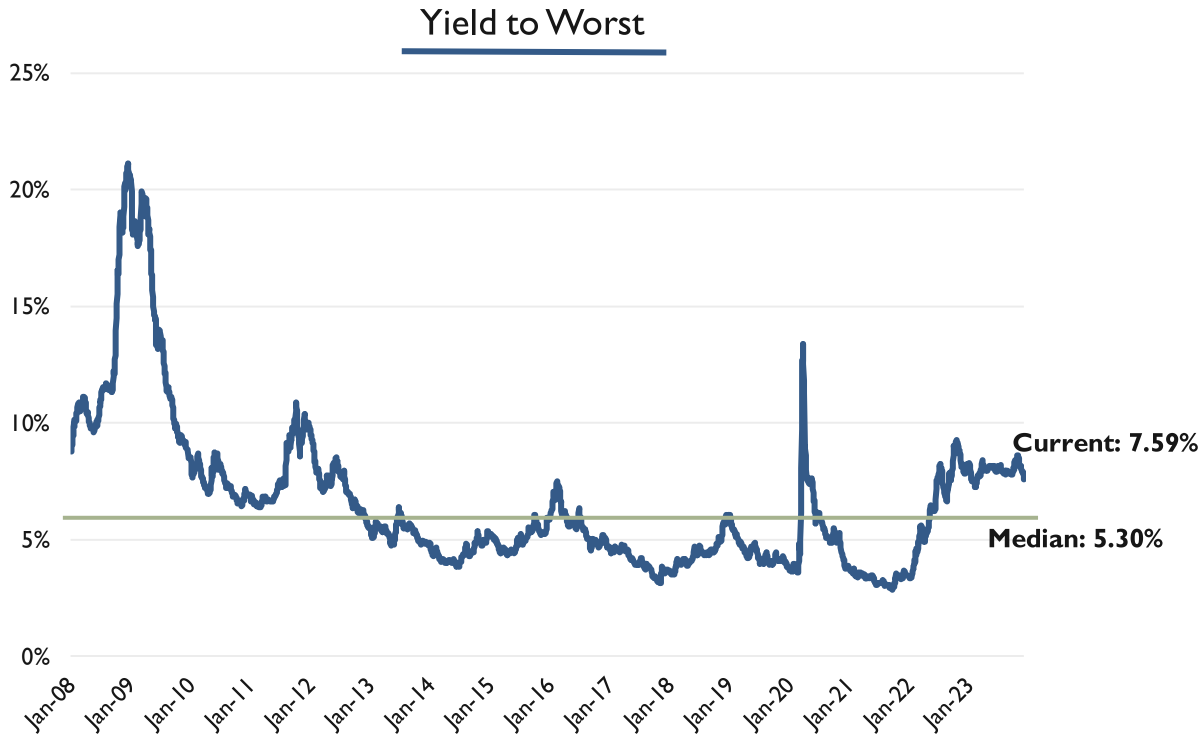
Source: Arcano, Credit Suisse Western European High Yield Index, Bloomberg as of 16th October, 2023
Euro Stoxx 50 data are gross, considering dividends

Perché ora: YTW elevato e storicamente buon predittore dei ritorni a 5 anni

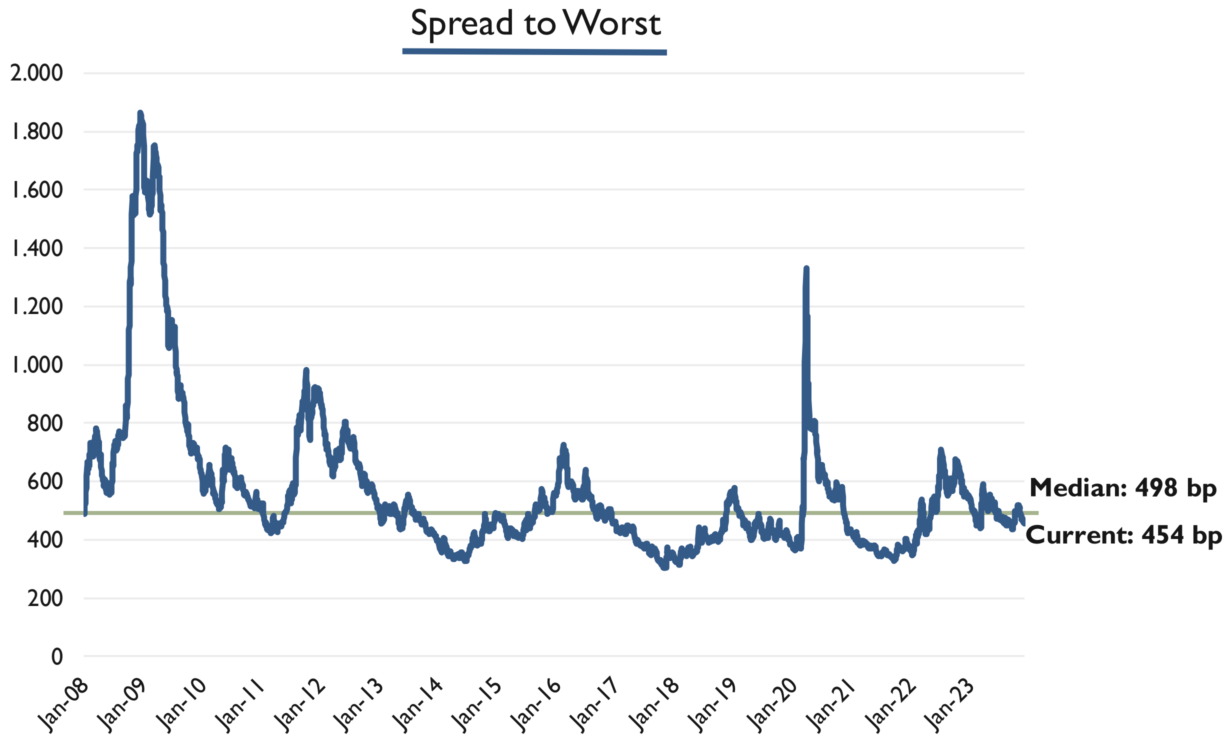


As of 09th January 2024 (i.e 09th January 2019)
Source: Credit Suisse Western European High Yield Index. Past performances does not predict future returns.

Yield e spread in prospettiva storica



Rendimenti vicini all'8% sono difficili da ottenere e durano per un tempo limitato



Spread in linea con la media storica, includendo le crisi del 2008 e del 2010

Data from January 2008 to 30th November 2023
Source: Arcano, Credit Suisse Western European High Yield Index

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Carry come cuscinetto per gli scenari sfavorevoli

Cambios en Spreads

Cambios en Rates	-150 bps	-100 bps	-50 bps	0 bps	50 bps	100 bps	150 bps	200 bps	250 bps
	243 bps	293 bps	343 bps	393 bps	443 bps	493 bps	543 bps	593 bps	643 bps
-100 bps	12.20	10.97	9.74	8.51	7.28	6.05	4.82	3.59	2.36
-50 bps	11.13	9.90	8.68	7.45	6.22	4.99	3.76	2.53	1.30
0 bps	10.07	8.84	7.61	**6.38**	5.15	3.92	2.69	1.46	0.23
50 bps	9.00	7.77	6.54	5.31	4.09	2.86	1.63	0.40	-0.83
100 bps	7.94	6.71	5.48	4.25	3.02	1.79	0.56	-0.67	-1.90

Come sempre, i numeri sono una componente importante delle analisi

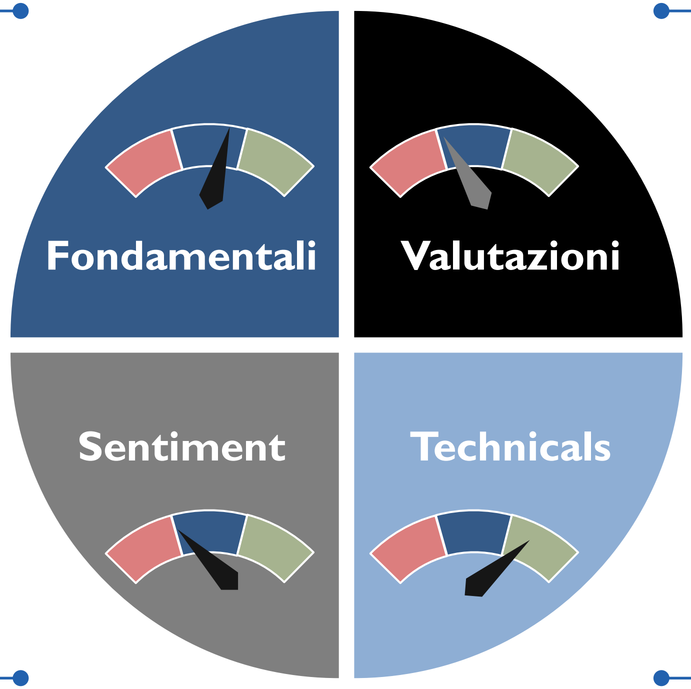
Una eventuale correlazione negativa tra spread e tassi di interesse, renderebbe improbabile un rendimento negativo nella maggior parte degli scenari

Source: Arcano, Bloomberg data as of 10th January, 2024
ICE BofA Euro High Yield Index data adjusting duration/spread duration for an investor who held his position for 1 year. Duration (2.35), yield (7.97) and spread (4.88)

Le decisioni di investimento sono sempre una questione di equilibrio; tollerare l'incertezza resta necessario per rendimenti sopra la media.

I. Fondamentali sani per la maggior parte delle imprese
II. Risultati buoni per il 2023, pur con segni di rallentamento
III. I defaults aumentereanno ai livelli 2020

I. Alti livelli di rendimento a scadenza
II. Floating Rates si aggiustano alla duration
III. Yields ai massimi di 2 anni, spread su livelli medi. CCCs economiche



I. Timori di recessione e default
II. La liquidità potrebbe rivolgersi ai bond
III. Gli spread non incorporano ancora la recessione?
IV. Refinancing Risk

I. Emittenti in grado di rifinanziare. Basso livello di rischio di rifinanziamento per i prossimi 12 M
II. Inflows che offrono supporto
III. Offerta netta negativa
IV. Adeguata liquidità di mercato

Il nostro Credit Team

Javier Cervino, CFA
Director, PM (ACLO)
Isthmus, Merrill Lynch,
Banco Popular
27 years of exp.

David Bacon, CFA
Managing Director, PM (EIF & LoVEI)
TIAA AM, Santander, RBS
12 years of exp.

Alessandro Pellegrino, CFA
Managing Director, PM (LoVEI)
Anaxis AM, S&P
12 years of exp.

Emilio Hunolt, CFA
Partner & PM (ACA-CS, ACA-OC & ACLO)
Morgan Stanley, Oak Hill advisors, Jefferies
25 years of exp.

Manuel Mendívil
Partner, CIO & Head PM
Merrill Lynch, Santander Investment
33 years of exp.

Alexandre Bruyelle
Partner, PM (ESFF & APD)
European Capital, BNP Paribas
23 years of exp.

Beatriz Forero
Vice President, PM (ESFF)
BNP Paribas,
Credit Suisse, JPM
10 years of exp.

Javier Navarro-Rubio
Director, PM (ACA-CS & ACA-OC)
Cinven, CVC, Goldman Sachs
11 years of exp.

Cindy Pang
Managing Director, Head Trader
Credit Suisse
17 years of exp.

Berchmans Rivera
Director & Co-Head of Liquid Research & Trader
Credit Suisse, Bank of America
17 years of exp.

Pedro Afán de Ribera
Director
Banco Santander
16 years of exp.

David Alty
Director & Co- Head of Liquid Research
Oaktree, PGIM
12 years of exp.

Patricia Queipo
Vice President
BNP, PwC Transactions
10 years of exp.

Manuel Goudie
Associate
PwC
5 years of exp.

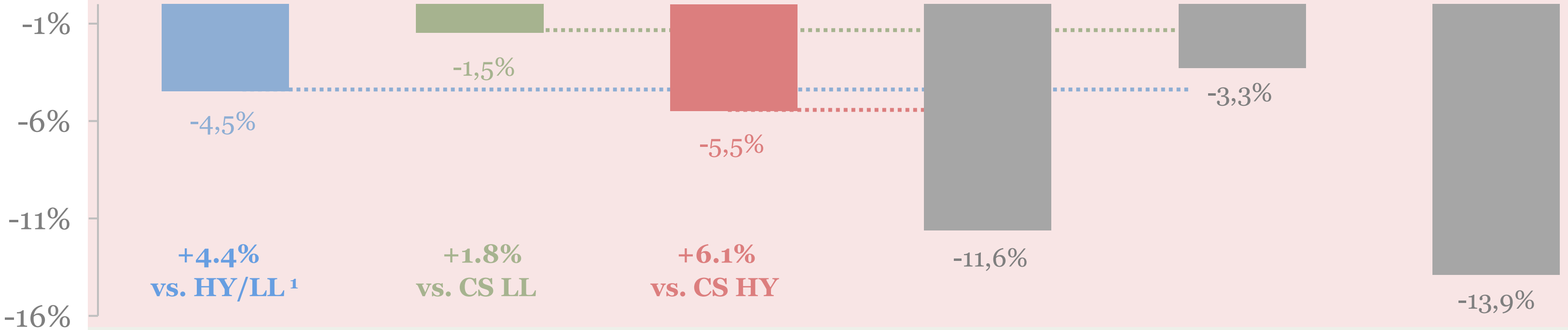
Héctor Escuder
Associate
Santander CIB
6 years of exp.

Camillo Daccò
Investment Analyst
Europ. Commission
4 years of exp.

Francisco Camacho
Middle Office Credit Specialist
Deloitte
8 years of exp.

Arcano: tasso di partecipazione a downside e upside

	EIF	ESFF	LoVEI	CS WE HY Index	CS WE LL Index	ICE BofA EU IG Index
2022 Percentile (*)	88%	97%	87%			
2022 YTM & Performance	9.4%	8.5%	7.9%	8.3%	10.2%	4.2%
2023 Performance & Recupero (as of 29/12/2023)	+13.6% 302%	+10.9% 727%	+12.6% 229%	+12.5% 108%	+12.5% 379%	+8.0% 58%
Gennaio 2024 YTM	8.1%	7.2%	6.6%	7.0%	8.0%	3.5%



(*) Arcano, Bloomberg data as of 29th December, 2023
Gross fund performance. Past performances does not predict future returns

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Conclusioni

01

Perché investire in high yield o leveraged loans:
- Se non per finalità tattiche, restano un elemento di diversificazione rispetto alle azioni (rendimento simile, minore volatilità)
- Qualità del credito europeo migliore rispetto a US e rendimenti attesi elevati
- Rendimenti reali e distribuzioni maggiori rispetto ad altre classi

02

Perché ora:
- Yield di ingresso storicamente elevati e predittori di rendimenti futuri
- Tasso variabile e duration breve coperture verso scenari ‘più alti più a lungo’
- YTW attuale in grado di proteggere da default storicamente elevati

03

Perché Arcano:
- Track record
- Volatilità contenuta ed inferiore agli indici di mercato
- Distribuzioni & protezione: +4-5% distribuzioni p.a. Overperformance in mercati complicati come negli anni 2016, 2018, 2020, 2022, 2023

Investor Relations Team

Arcano Italy

Paule Ansoleaga
Managing Director, Italy
+34 91 353 21 40 | +39 338 144 1790
pansoleaga@arcanopartners.com

Marina Boccadifuoco
Director, Italy
+34 91 353 21 40
mboccadifuoco@arcanopartners.com

Paolo Stefani
Head of Institutional, Italy
+34 91 353 21 40
pstefani@arcanopartners.com

Palma Bizzoca
Office Manager, Italy
+34 91 353 21 40
pbizzoca@arcanopartners.com

Client Support

Mercedes Cerero
Head *Middle Office*
+34 91 353 21 40 | +34 672 14 88 46
mcerero@arcanopartners.com

Luis Robledano
Analyst
+34 91 353 21 40
lrobledano@arcanopartners.com

Eduardo Gil de Santivañes
Analyst
+34 91 353 21 40
egildesantivanes@arcanopartners.com

Mª del Carmen Luque
Analyst
+34 91 353 21 40
cluque@arcanopartners.com

Alberto Sebastian Trujillano
Analyst
+34 91 353 21 40
atrujillano@arcanopartners.com

José María Caldes
Analyst
+34 91 353 21 40
jcaldes@arcanopartners.com

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Q&A

Siamo disponibili sempre a:
ir@arcanopartners.com

Grazie!

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