



EDMOND
DE ROTHSCHILD

ASSET MANAGEMENT

EQUITY LOW VOL

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HEAD OF INSTITUTIONAL SALES, ITALY

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EQUITY LOW VOL: UNA SOLUZIONE PER I PROSSIMI ANNI

CONTESTO FINANZIARIO ED ECONOMICO

- › **Rendimenti prospettici sostenibili?**
- › Bassi tassi dell'interesse
- › Compressione generalizzata dei premi di rischio nel mercato obbligazionario
- › Livelli record degli indici di borsa e P/E elevati
- › ... consueta volatilità dei mercati azionari e forti correzioni sempre possibili (Cina *docet...*)

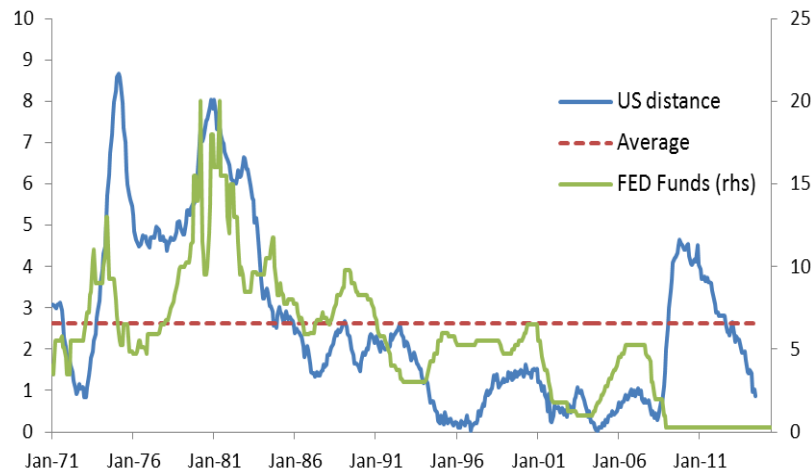
LA NOSTRA SOLUZIONE

- › **Accesso ai mercati finanziari ma con la metà della volatilità:**
 - Una gestione attiva delle azioni basata su una selezione di titoli di tipo *value*
 - Riduzione della volatilità e del DrawDown attraverso una gestione quantitativa di *equity risk overlay*

EQUITY LOW VOL: UNA SOLUZIONE PER I PROSSIMI ANNI

CONTESTO
E
PROSPETTIVE
DEI
MERCATI

USA: INDICATORS ARE CLOSE TO FED OBJECTIVES



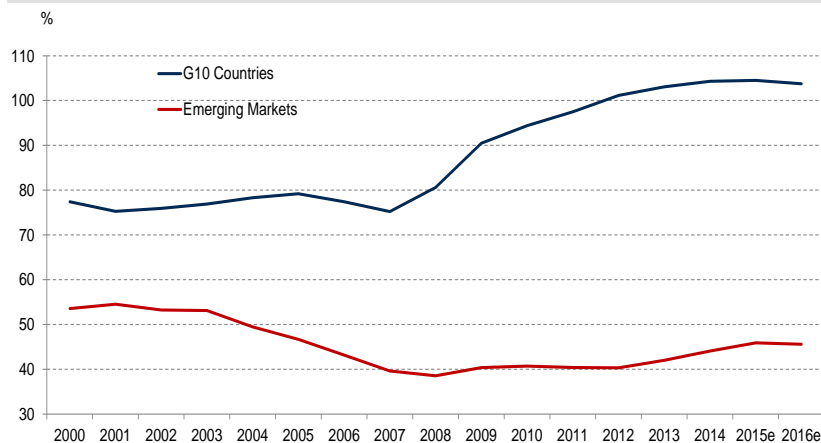
Distance : gap between inflation and unemployment from Fed objectives – put forward by James Bullard (St Louis Fed) in June 2014
Source ; Bloomberg ; Jan 71 – May. 2015

SPREAD INVESTEMENT GRADE (BBB)

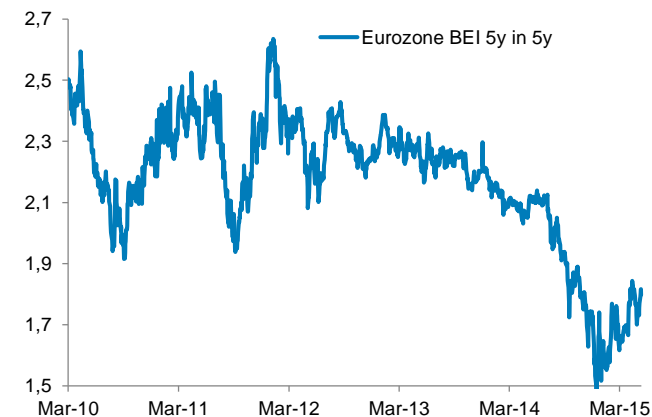


Indice Refi M - Source : Bloomberg - 31/12/2010 - 11/03/2015

DEBT / GDP RATIO : G10 VS. EMERGING COUNTRIES (JPM EMBI WEIGHTED)

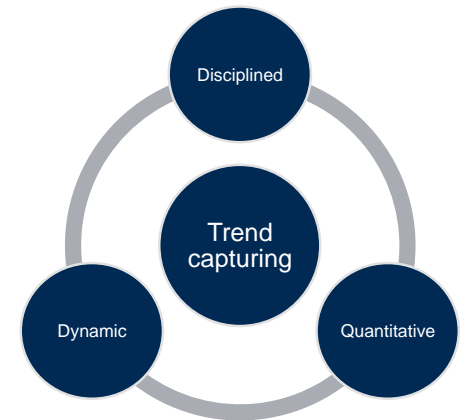


INFLATION EXPECTATIONS



Break-even inflation rate 5 years, 5 years forward : long-term inflation anticipation
source Bloomberg : March 2010 - June 2015

EQUITY OVERLAY MANAGEMENT: APPROCCIO SFRUTTARE LE ANOMALIE DI MERCATO



Investment objectives

- Controllo del rischio: cattura dei trend di mercato
- Gestione del rischio azionario e valutario
- Copertura graduale e parziale

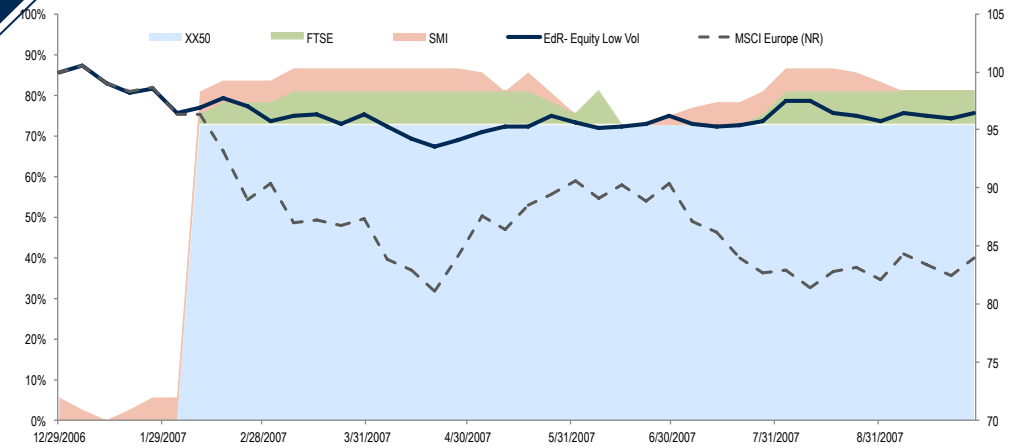
Strategy

- Dai 5 ai 10 modelli quantitativi per ogni tipo di indice azionario
- Diversi orizzonti temporali di previsione: short, medium and long term
- Bassa correlazione dei risultati dei vari modelli

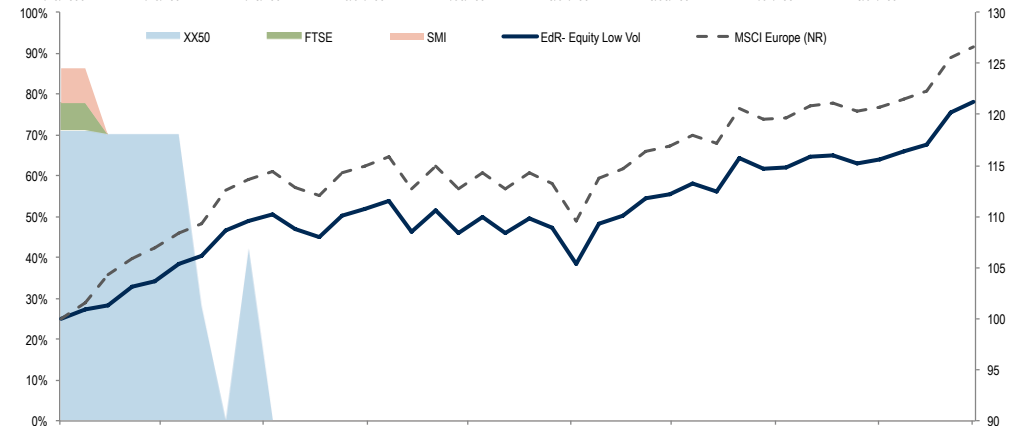
Execution

- Ogni modello da un segnale: buy, sell o neutrale
- La combinazione dei segnali fornisce il grado di copertura

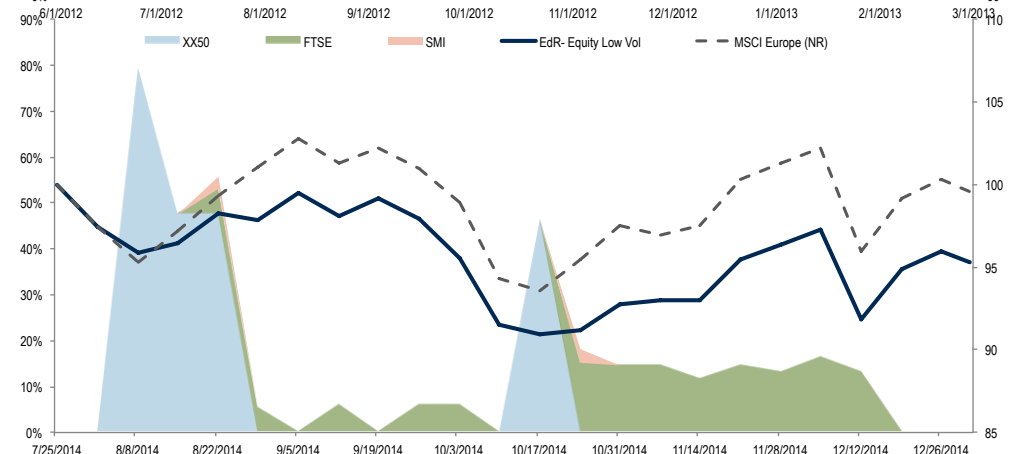
TREND NEGATIVO



TREND POSITIVO

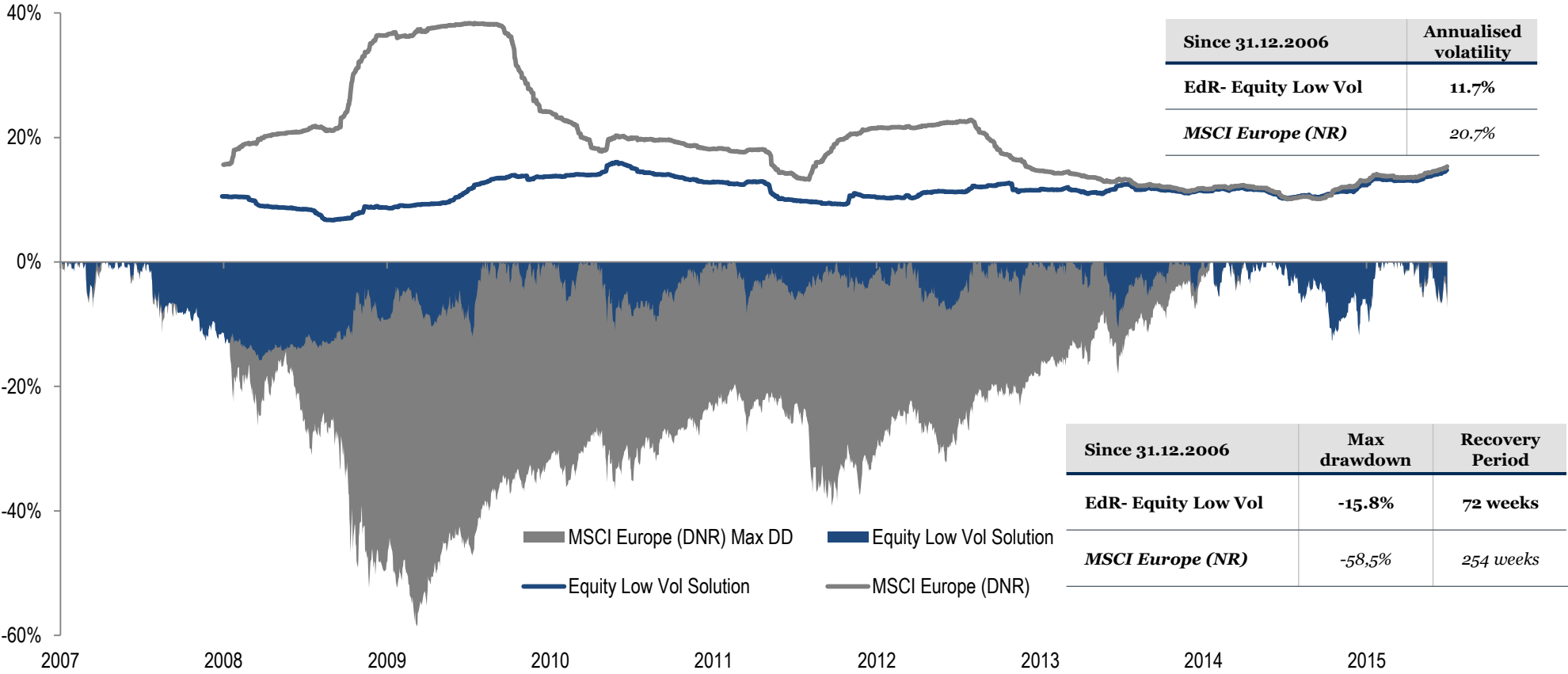


ASSENZA DI TREND



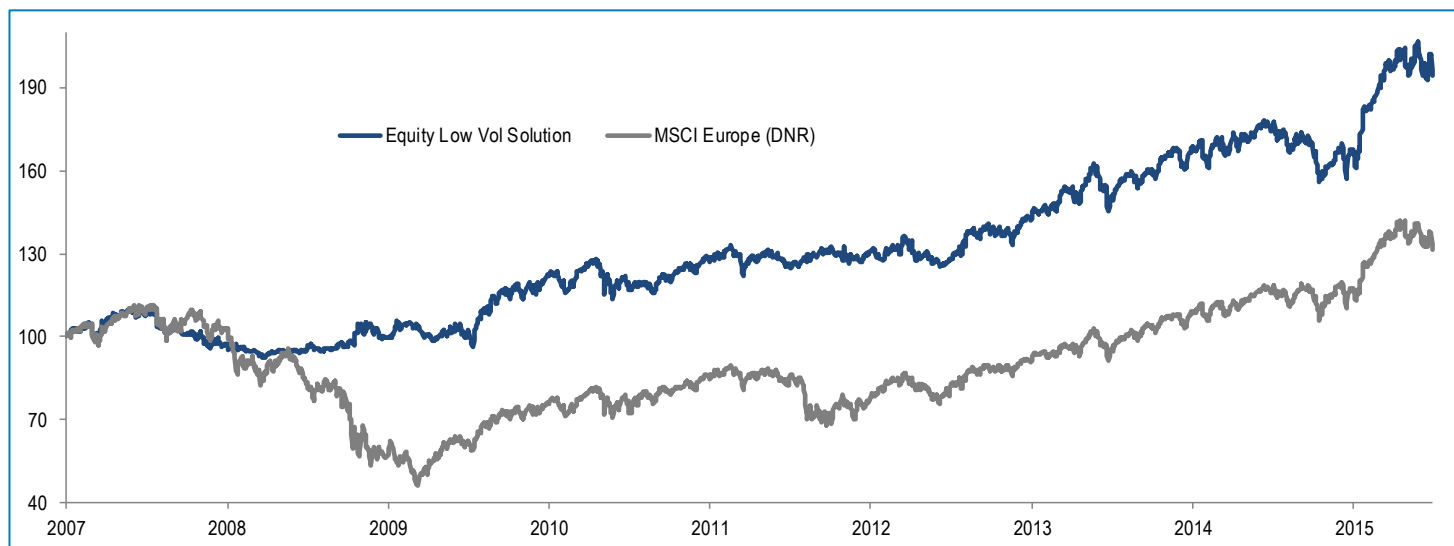
Data from the 29/12/2006 to 30/06/2015. The figures refer to past simulated returns. Past performance and volatility is no guarantee of future performance and volatility which may change over time, and can be separately affected by fluctuating exchange rates.. The simulation is based on: historical data for the MSCI Europe, net dividends reinvested; Historical proforma of the Edmond de Rothschild Europe Yield & Value Class I (inception of Class I: 02.04.2008 ; Max management fee: 1%). Data prior to the inception of the share class were chained with data of the oldest share class, readjusted with the fees of share class I.
 Source : Edmond de Rothschild Asset Management (France) The application of the Index Overlay Management (Management fee: 0.30%; 15% outperformance of the MSCI Europe NR), which, on the basis of a pool of derivatives on equity indices: EuroSTOXX 50 (72.8%) / FTSE (13.7%) / SMI (8.4%), applies a systematic hedge to underlying equity risk Source : Edmond de Rothschild Asset Management (UK).

COPERTURA DEL RISCHIO E DELLE PERDITE



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RISULTATI DELLA STRATEGIA EQUITY LOW VOL



	EdR-Equity Low Vol	MSCI Europe (NR)
Optimised Performance	+94%	+32%
Recurrent Yield	4,6% <i>average dividend</i>	3,8% <i>average dividend</i>
Volatility Control	12% p.a.	21% p.a.
Maximum drawdown reduced significantly	-16%	-59%

› Una soluzione valida in passato e che promette bene nell'ambiente finanziario dei prossimi anni

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AMF Registration number GP 04000015

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