

Boussard & Gavaudan Convertible

A compartment of Boussard & Gavaudan SICAV

UCITS by Boussard & Gavaudan Asset Management

OCTOBER 2020 NEWSLETTER

Share class	NAV per Share	Month to Date Performance	Year to Date Performance	Inception to Date Performance	Inception date
P - EUR LU1209144648	€ 1,139.09	-1.69%	3.67%	13.91%	2 April 2015
I - USD LU1209144564	\$1,278.01	-1.57%	5.20%	27.80%	11 May 2015
R - EUR LU1214652486	€ 1,122.23	-1.75%	2.97%	12.22%	6 January 2016
I - EUR LU1209143830	€ 1,069.45	-1.65%	4.05%	6.95%	3 July 2019
P - GBP LU1304491662	£1,031.75	-1.63%	3.17%	3.17%	31 January 2020

Asset Under Management	
Boussard & Gavaudan Convertible	€ 30.75M

COMMENTARY AND HIGHLIGHTS

Boussard & Gavaudan Convertible returned -1.69% in October (P-EUR class). Over the same period the Euro Stoxx 50® Net Return collapsed, returning -7.31%, dragged down by multiple national lockdowns in Europe over fears of a more-intense-than-expected second wave of Covid-19 infections. The Nasdaq 100® also fell in October, returning -3.20%.

The fund's exposure to US technology stocks accounts for approximately two-third of the negative performance. The fund was also impacted by a surprisingly lower implied volatility on most indices which caused the fund's Nasdaq options mark-to-market to fall. Across the rest of our positions we saw a mix of both positive and negative contributors with the net slightly skewed to the downside.

The primary market was fairly weak in terms of volume and pricing was also unattractive for the few issues that came.

Most of the portfolio metrics remain unchanged and we still have cash available to invest.

Sincerely,

E. Boussard and E. Gavaudan

Specifications	
Inception date :	2 April 2015
Fund	UCITS
Domicile:	Luxembourg
Liquidity:	Daily
Currency:	Euro (€) US Dollar (US\$) Pound (GBP) Swiss Franc (CHF)

Investment Manager
Boussard & Gavaudan Asset Management LP 1 Vine Street, London W1J 0AH, United Kingdom
Emmanuel Gavaudan ☎ +44 20 3751 5389 ✉ eg@bgam-uk.com
François-Xavier Baud ☎ +44 20 3751 5395 ✉ fx.baud@bgam-uk.com
Benjamin Sturges ☎ +44 20 3751 5417 ✉ benjamin.sturges@bgam-uk.com
Rafael Serrano ☎ +44 20 3751 5422 ✉ rafael.serrano@bgam-uk.com

Annex 1: Greeks

Delta	36% 36 bps P&L variation for market +1%
Gamma	1.3% delta variation for market +1%
Vega	63 bps by vol point
Theta	-21 bps by 30 days
Optional theta	-36 bps by 30 days
Rho	-1 bps for 1 bp of interest rates increasing
Credit sensitivity	-4 bps for 1% of credit spreads widening (in relative)
Credit spread	230 bps weighted by asset value
Average duration	2.0 weighted by asset value (in years)
Premium Over Parity	43% weighted by Asset Value
Premium to Bond Floor	3% weighted by Asset Value

Annex 2: Estimated Performance Attribution

Credit bucket	-9 bps
Delta bucket	-161 bps
Volatility bucket	-1 bps
Event bucket	0 bps
Primary bucket	2 bps
BG Convertible	-169 bps

Annex 3: Country and Sector exposures

Country	%	Sector	%
United States of America	70.3%	Broad indexes	70.3%
Germany	9.8%	Materials	8.2%
Denmark	5.2%	Financials	7.0%
Switzerland	5.0%	Health Care	5.2%
France	3.1%	Industrials	4.4%
Belgium	2.9%	Technology	2.6%
Netherlands	2.4%	Consumer Discretionary	2.2%
Italy	1.1%	Energy	0.2%
Austria	0.2%	Consumer Staples	0.0%
United Kingdom	0.1%	Total	100.0%
Spain	0.0%		
Total	100.0%		

Annex 4: Nominal in % of AUM

Credit bucket	13.9%
Delta bucket	179.3%
Volatility bucket	3.5%
Event bucket	0.0%
Cash, cash equivalent & fx hedge	38.9%
Gearing	235.6%

Annex 5: Track Record - Historical Returns Summary (Net of Fees)

P EUR Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
2015	-	-	-	-1.69%	1.17%	-1.74%	1.28%	-2.47%	-1.27%	3.56%	0.22%	-0.68%	-1.75%	-1.75%
2016	-2.13%	-1.75%	3.07%	1.05%	1.57%	-1.52%	2.00%	1.75%	0.71%	-0.15%	-0.95%	3.01%	6.66%	4.79%
2017	-0.43%	2.28%	0.15%	3.09%	1.90%	-1.34%	0.52%	-1.57%	1.97%	1.51%	-0.45%	-0.54%	7.19%	12.32%
2018	2.46%	-1.46%	-2.03%	0.24%	-0.65%	-0.89%	-1.97%	-0.79%	-0.56%	-1.02%	-0.30%	-2.57%	-9.22%	1.97%
2019	1.84%	0.52%	1.23%	1.75%	-4.20%	3.21%	1.37%	-0.20%	0.45%	-0.04%	1.40%	0.35%	7.75%	9.87%
2020	0.67%	-1.63%	-7.55%	6.02%	2.05%	1.34%	2.52%	4.89%	-2.32%	-1.69%			3.67%	13.91%

I USD Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
2015	-	-	-	-	0.49%	-1.73%	1.33%	-2.59%	-1.24%	3.52%	0.21%	-0.55%	-0.69%	-0.69%
2016	-2.04%	-1.76%	3.24%	1.13%	1.65%	-1.38%	2.13%	1.89%	0.84%	-0.06%	-0.77%	3.18%	8.14%	7.40%
2017	-0.25%	2.37%	0.33%	3.22%	2.13%	-1.23%	0.60%	-1.42%	2.12%	1.65%	-0.27%	-0.19%	9.30%	17.39%
2018	2.66%	-1.30%	-1.80%	0.44%	-0.40%	-0.66%	-1.75%	-0.53%	-0.35%	-0.80%	-0.01%	-2.28%	-6.65%	9.59%
2019	2.13%	0.77%	1.46%	1.98%	-3.90%	3.39%	1.60%	0.04%	0.70%	0.15%	1.59%	0.63%	10.86%	21.49%
2020	0.86%	-1.53%	-7.27%	6.20%	2.20%	1.50%	2.63%	4.97%	-2.23%	-1.57%			5.20%	27.80%

R EUR Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
2016	-1.71%	-1.83%	3.00%	0.98%	1.50%	-1.58%	1.94%	1.68%	0.64%	-0.22%	-1.01%	2.94%	6.32%	6.32%
2017	-0.50%	2.21%	0.08%	3.03%	1.83%	-1.41%	0.45%	-1.63%	1.90%	1.45%	-0.51%	-0.61%	6.33%	13.06%
2018	2.39%	-1.53%	-2.09%	0.17%	-0.71%	-0.95%	-2.03%	-0.85%	-0.62%	-1.10%	-0.37%	-2.64%	-9.94%	1.82%
2019	1.80%	0.45%	1.16%	1.67%	-4.26%	3.14%	1.30%	-0.27%	0.38%	-0.11%	1.46%	0.27%	7.04%	8.99%
2020	0.60%	-1.70%	-7.62%	5.95%	1.99%	1.27%	2.45%	4.83%	-2.39%	-1.75%			2.97%	12.22%

I EUR Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
2019	-	-	-	-	-	-	0.61%	-0.16%	0.48%	-0.01%	1.44%	0.39%	2.78%	2.78%
2020	0.71%	-1.60%	-7.51%	6.06%	2.09%	1.38%	2.56%	4.93%	-2.28%	-1.65%			4.05%	6.95%

P GBP Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
2020	0.00%	-1.60%	-7.72%	6.05%	2.19%	1.34%	2.59%	4.93%	-2.30%	-1.63%			3.17%	3.17%

Annex 6: Share Class description

	Share Class				Identifiers		Fees		
	Share Class	Ccy	Min Inv	Launch	ISIN	Ticker Bloomberg	Mgt Fee	Perf Fee	Standard Fees
BG Convertible	I EUR	EUR	EUR 100,000	3/7/2019	LU1209143830	BGCOIEU LX Equity	0.40%	-	0.76%
	I USD	USD	USD 100,000	11/5/2015	LU1209144564	BGCOIUS LX Equity	0.80%	-	1.58%
	I CHF	CHF	CHF 100,000		LU1272295467	BGCICHF LX Equity	0.80%	-	1.58%
	I GBP	GBP	GBP 100,000		LU1304491589	BGCOIGB LX Equity	0.80%	-	1.58%
	P EUR	EUR	EUR 100,000	2/4/2015	LU1209144648	BGCOPEU LX Equity	0.80%	-	1.65%
	P USD	USD	USD 100,000		LU1209144721	BGCOPUS LX Equity	0.80%	-	1.65%
	P CHF	CHF	CHF 100,000		LU1272295624	BGCPCHF LX Equity	0.80%	-	1.65%
	P GBP	GBP	GBP 100,000	31/1/2020	LU1304491662	BGCOPIB LX Equity	0.80%	-	1.65%
	R EUR	EUR	EUR 1,000	6/1/2016	LU1214652486	BGSCREU LX Equity	1.60%	-	2.79%
	R CHF	CHF	CHF 1,000		LU1272295897	BGCRCHF LX Equity	1.60%	-	2.79%
R GBP	GBP	GBP 1,000		LU1304491746	BGCORGB LX Equity	1.60%	-	2.79%	

IMPORTANT INFORMATION

This document is issued in the United Kingdom by Boussard & Gavaudan Asset Management LP (“BGAM”), which is authorised and regulated by the Financial Conduct Authority (“FCA”). This document may, where permitted by local laws and regulations, be distributed by Boussard & Gavaudan Gestion (“BGG”) which is authorised and regulated in the Republic of France by the Autorité des marchés financiers.

This document relates to Boussard & Gavaudan Convertible, a compartment of Boussard & Gavaudan SICAV (the “Fund”). Boussard & Gavaudan SICAV is registered under part I of the Luxembourg law of 17 December 2010 concerning undertakings for collective investment, as may be amended from time to time (the “Law”). The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities under the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities. The Fund is managed by Boussard & Gavaudan Asset Management LP on the basis of freedom of services pursuant to chapter 15 of the Law.

The distribution of this document in other jurisdictions may be restricted by law and persons who request or agree to receive this presentation are required to inform themselves of, and to comply with, any such restrictions. This document is not to be made available to any person in any jurisdiction where doing so would contravene any applicable laws or regulations. By requesting or agreeing to receive this document, the recipient confirms that it is aware of the laws in its own jurisdiction relating to the receipt of information relating to investment funds, and the recipient warrants and represents that it will not pass on or utilise the information contained in this presentation in a manner that could constitute a breach of such laws by BGAM, BGG, their affiliates, the Fund or any other person.

This document does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe or purchase, any investment, nor shall it or the fact of its distribution or communication form the basis of, or be relied on in connection with, any contract therefore. Applications for investment in the Fund can only be made on the basis of the current prospectus of the Fund (the “Prospectus”).

The Fund’s future returns may vary materially from the performance information disclosed in this document. Past performance is not a reliable indicator of future results.

Investing in the Fund may expose an investor to a significant risk of losing all of the amount invested. There can be no assurance that the Fund’s investment objectives will be achieved and investment results may vary substantially over time. The attention of investors is drawn to the section entitled “Risk Factors” in the Prospectus. The value of shares in the Fund can go down as well as up and is not guaranteed. Changes in rates of exchange may also cause the value of shares to fluctuate. Any reference to individual investments within this document should not be taken as a recommendation to buy or sell. Any person who is in any doubt about investing in the Fund should consult an authorised person specialising in advising on such investments.

VC 01.05.0615