

H2O Asset Management launches Fidelio a long –short absolute return equity fund

London, 28 February 2017, H2O today announced the launch of Fidelio, a long–short equity fund which aims to generate an absolute return of 5% p.a. over a recommended 3-year investment horizon. The funds objective is to keep volatility below that of global equity markets within this timeframe. It will also seek to exhibit a low correlation to the major global equity market indices. To this end, the fund will take both long and short positions, mainly on economic sectors and listed companies.

Against a market backdrop characterized by low interest rates, excessive regulation and mechanized investment strategies, the dispersion of risk premiums across equity markets has reached unprecedented levels, thereby offering many unique arbitrage opportunities for active relative-value managers. H2O Fidelio aims to tap value out of this distinctive environment.

First, the fund benefits from the long-standing global macro expertise of the H2O management team. This “top-down” component is critical to seize the shifts in paradigm, the swings in market fashions and the correlation rotations that impact the equity asset class as a whole. It enables the team to focus solely on those strategies that are relevant to the on-going environment.

H2O Fidelio also relies on a “bottom-up” process managed by Gonzague Legoff who has been running global macro funds since 2003. In line with H2O’s style, it is a global, judgmental, opportunistic and unconstrained style that is based upon a set of convictions and a search for diversification.

H2O Fidelio may for instance draw value from the inefficiencies inherent to today’s equity markets. According to Gonzague Legoff and Christophe Chappuis, the fund’s co-managers, “Investors’ constraints generate the best sources of performance. As most asset management companies organize their equity research & management teams along geographical lines, they breed regional arbitrage opportunities between stocks belonging to the same sectors and exposed to the same markets.”

The positive side of this multi-strategies approach is that it does not necessitate the comprehensive and systematic coverage of an excessively large security investment universe by means of a crowd of equity analysts. It requires the opportunistic singling out of a few specific themes and their blending with the strategic positions.

Since its inception on October 25, 2016, the USD-denominated I share class of H2O Fidelio has delivered a +3.9% positive return as at February 13, 2017*.

Ends

Press contact

Natixis Asset Management
Fanny Galène
Tel.: +33 (0)1 78 40 84 54
fanny.galene@am.natixis.com

Natixis Global Asset Management
Billie Clarricoats
Tel: +44 (0) 203 405 2189
billie.clarricoats@ngam.natixis.com

*Source H2o Asset Management, 13.02.2017. Figure is net of fees.

About H2O Asset Management

Specialized in Global Macro management, H2O Asset Management is a London-based company founded in 2010, and composed of more than 15 investment professionals, and an overall staff of more than 40 people. Part of the multi-affiliate model of Natixis Global Asset Management, H2O Asset Management is able to leverage on the support of Natixis Global Asset Management sales teams in Europe and elsewhere with a specific partnership with Natixis Asset Management. H2O Asset Management offers a comprehensive range of UCITS funds in global bonds, currencies and equities, serving institutional and corporate clients as well as individual investors. H2O Asset Management has €10.2bn of AuM as of 31/03/2016.

H2O ASSET MANAGEMENT L.L.P. Authorised and regulated by the Financial Conduct Authority (FCA) FCA Register no. 529105 Headquarters: 10 Old Burlington Street - London W1S 3AG - United Kingdom

Press Release boilerplate

About Natixis Global Asset Management

Natixis Global Asset Management serves thoughtful investment professionals worldwide with more insightful ways to invest. Through our Durable Portfolio Construction[®] approach, we focus on risk to help them construct more strategic portfolios that seek to endure today's unpredictable markets. We draw from deep investor and industry insights and partner closely with our clients to put objective data behind the discussion.

Natixis Global Asset Management is ranked among the world's largest asset management firms.¹ Uniting over 20 specialized investment managers globally (€831.5 billion AUM²), we bring a diverse range of solutions to every strategic opportunity. From insight to action, Natixis Global Asset Management helps our clients better serve their own with more durable portfolios.

Headquartered in Paris and Boston, Natixis Global Asset Management, S.A. is part of Natixis. Listed on the Paris Stock Exchange, Natixis is a subsidiary of BPCE, the second-largest banking group in France. Natixis Global Asset Management, S.A.'s affiliated investment management firms and distribution and service groups include AIA;³ AEW Capital Management; AEW Europe; AlphaSimplex Group; Axeltis; Darius Capital Partners; DNCA Investments;⁴ Dorval Asset Management;⁵ Emerise;⁶ Gateway Investment Advisers; H2O Asset Management;⁵ Harris Associates; IDFC Asset Management Company; Loomis, Sayles & Company; Managed Portfolio Advisors;³ McDonnell Investment Management; Mirova;⁵ Natixis Asset Management; Ossiam; Seeyond;⁷ Vaughan Nelson Investment Management; Vega Investment Managers; and Natixis Global Asset Management Private Equity, which includes Seventure Partners, Naxicap Partners, Alliance Entrepreneurs, Euro Private Equity, Caspian Private Equity and Eagle Asia Partners. Visit ngam.natixis.com for more information.

¹ Cerulli Quantitative Update: Global Markets 2016 ranked Natixis Global Asset Management, S.A. as the 16th largest asset manager in the world based on assets under management (\$870.3 billion) as of December 31, 2015.

² Net asset value as of December 31, 2016. Assets under management (AUM) may include assets for which non-regulatory AUM services are provided. Non-regulatory AUM includes assets which do not fall within the SEC's definition of 'regulatory AUM' in Form ADV, Part 1.

³ A division of NGAM Advisors, L.P.

⁴ A brand of DNCA Finance.

⁵ A subsidiary of Natixis Asset Management.

⁶ A brand of Natixis Asset Management and Natixis Asset Management Asia Limited, based in Singapore and Paris.

⁷ A brand of Natixis Asset Management.