

# AMUNDI FUNDS BOND EURO CORPORATE - SE

FACTSHEET

31/12/2017

BOND ■

## Key information (source : Amundi)

Net Asset Value (NAV) : 19.32 ( EUR )  
NAV and AUM as at : 29/12/2017  
Assets Under Management (AUM) :  
1,171.33 ( million EUR )  
ISIN code : LU0119100252  
Bloomberg code : CAEUCAS LX  
Benchmark : Barclays Euro-Agg Corporates (E)  
Morningstar Overall Rating © : 3  
Morningstar Category © : EUR CORPORATE BOND  
Number of funds in the category : 949  
Rating date : 30/11/2017

## Investment Objective

The objective of the Sub-Fund is to outperform the reference indicator Barclays Euro-Agg Corporates (E), representative of the corporate bond market, by investing in Euro denominated debt instrument:

- issued or guaranteed by governments of countries having fully incorporated the Euro as their national currency ("Euroland") or
- issued by companies and traded on a European market.

To achieve that objective, the Sub-Fund selects debt instruments paying lower yields but being relatively safe ("Investment Grade" debt instruments, i.e. with a minimum rating of BBB- by Standard & Poor's).

The Sub-Fund may invest in financial derivative instruments for hedging purpose and for the purpose of efficient portfolio management.

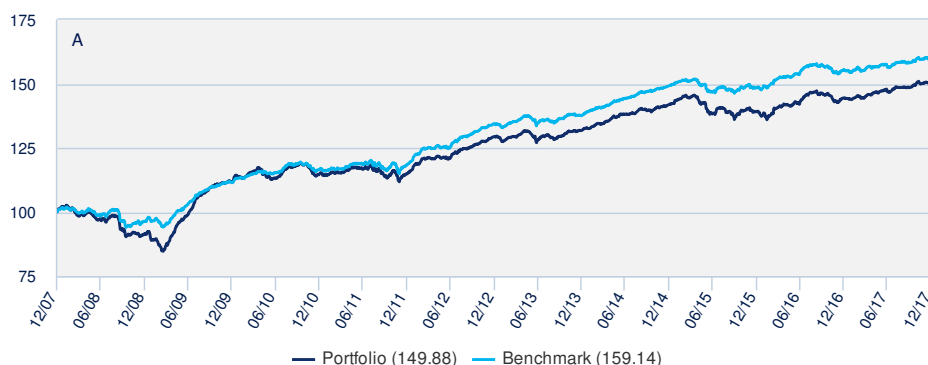
The Sub-Fund does not aim to replicate the reference indicator and may therefore significantly deviate from it.

## Information

Fund structure : UCITS  
Sub-fund launch date : 01/02/1999  
Share-class inception date : 01/02/1999  
Eligibility : Securities account, life insurance  
Type of shares : Accumulation  
Minimum first subscription / subsequent :  
1 thousandth(s) of (a) share(s) / 1 thousandth(s) of (a) share(s)  
Entry charge (maximum) : 3.00%  
Ongoing charge : 1.54% ( realized 30/06/2017 )  
Exit charge (maximum) : 0%  
Minimum recommended investment period : 3 years  
Performance fees : Yes

## Returns

Performance evolution (rebased to 100) from 31/12/2007 to 29/12/2017\*



A : Since the beginning of this period, the sub-fund applies the current investment policy

## Cumulative returns \*

Since	YTD 30/12/2016	1 month 30/11/2017	3 months 29/09/2017	1 year 30/12/2016	3 years 31/12/2014	5 years 31/12/2012	Since 01/02/1999
Portfolio	3.82%	-0.21%	0.94%	3.82%	5.69%	15.90%	97.47%
Benchmark	2.41%	-0.29%	0.64%	2.41%	6.65%	18.34%	127.72%
Spread	1.40%	0.08%	0.30%	1.40%	-0.96%	-2.45%	-30.25%

## Calendar year performance \*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Portfolio	3.82%	3.79%	-1.91%	7.59%	1.92%	12.41%	0.14%	2.85%	22.55%	-8.84%
Benchmark	2.41%	4.73%	-0.56%	8.40%	2.37%	13.59%	1.49%	4.75%	15.71%	-3.76%
Spread	1.40%	-0.93%	-1.35%	-0.80%	-0.45%	-1.19%	-1.35%	-1.90%	6.84%	-5.08%

\* Source : Amundi. The above results pertain to full 12-month period per calendar year. All performances are calculated net income reinvested and net of all charges taken by the Sub-Fund and expressed with the round-off superior. Past performance is not a reliable indicator of future performance. The value of investments may vary upwards or downwards according to market conditions.

## Risk & Reward Profile (SRRI)



Lower risk, potentially lower rewards

Higher risk, potentially higher rewards

The SRRI represents the risk and return profile as presented in the Key Investor Information Document (KIID). The lowest category does not imply that there is no risk. The SRRI is not guaranteed and may change over time.

## Volatility

	1 year	3 years	5 years
Portfolio volatility	1.87%	3.26%	3.05%

Volatility is a statistical indicator that measures an asset's variations around its average value. For example, market variations of +/- 1.5% per day correspond to a volatility of 25% per year.

## Fund statistics

	Portfolio	Benchmark
Modified duration <sup>1</sup>	5.00	5.16

<sup>1</sup> Modified duration (in points) estimates a bond portfolio's percentage price change for 1% change in yield

## BOND



**Alexandra Van Gyseghem**  
Head of Credit Investment Grade



**Hervé Boiral**  
Head of Euro Credit

## Management commentary

In 2017 credit performance remained excellent with excess return of over 3.4% for the investment grade asset class. In fact, after an uncertain first quarter due to increased political risk in Europe, good credit performance, especially overperformance by high beta stocks, was the highlight of 2017. The narrowing of risk premiums (-35bps over the year) was motivated both by a positive economic environment, especially in Europe, and by the improved credit fundamentals of European companies. Without doubt the ECB purchase programme was a positive factor, and is expected to continue to have a positive effect on spread levels, at least in the first part of 2018.

In fact, at the last ECB meeting on 14 December Mario Draghi reiterated the intention to purchase "significant amounts of corporate bonds" within the scope of the CSPP programme. Despite this technical support, 2017 ended on a cautious note in credit terms (stabilisation of average spread at 88bps): after the shake-ups seen on the HY last month (Altice, Astaldi), the investment grade issuer Steinhoff, specialising in retail, is suspected of have committed multiple accounting irregularities in order to hide its debt levels. This new case highlights the rise of idiosyncratic risk, which could be one of the main points of attention in 2018.

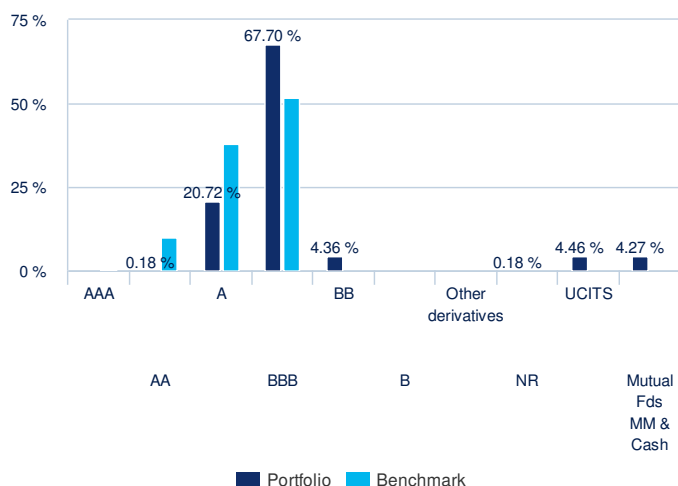
The stagnant performance during December reflected the stability of both the credit market and the sovereign rate market: despite high volatility during the month, the 10-year rate closed the year at around 0.40%. The fund recorded excellent performance during the year, outperforming its benchmark index largely as a result of credit overweighting, especially on subordinated securities. The choice of sector, with a marked preference for the financial sector, also contributed to the fund's relative performance.

Due to the end of year lull and a primary market that is traditionally active in January, we slightly trimmed the portfolio's positions (beta of 1.50 v. 1.60 in late November). The strategy of overweighting on high beta securities was however maintained, with overexposure to subordinates on both the financial and industrial sectors.

For 2018, we are renewing our positive outlook on Euro IG credit. The IG credit asset class is expected to be boosted by the continuance of the ECB's CSPP programme, solid company fundamentals and robust economic growth are expected to boost, despite expectations of higher interest rates.

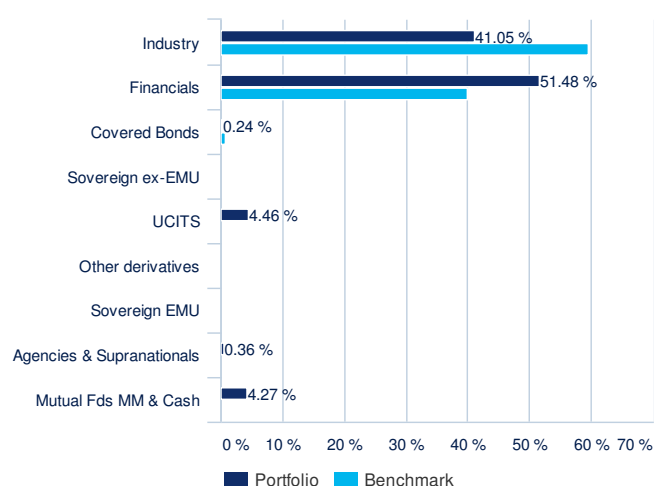
## Portfolio breakdown

## Breakdown by rating (Source : Amundi)



The total can be different by up to 100% as deferred cash is excluded

## Breakdown by sector



The total can be different by up to 100% as deferred cash is excluded

## Legal information

Amundi Funds is a UCITS organised as an open-ended investment company (société d'investissement à capital variable, "SICAV") under the laws of the Grand Duchy of Luxembourg, and is regulated by the Commission de Surveillance du Secteur Financier ("CSSF"). Number of registration RCS B68.806. UK retail investors will not have any protection under the UK Financial Services Compensation Scheme. There will be no right to cancel an agreement to purchase fund units under section 15 of the UK Financial Services Conduct of Business Sourcebook. AMUNDI FUNDS BOND EURO CORPORATE, which is a sub-fund of Amundi Funds, has been recognised for public marketing in United Kingdom by the Financial Conduct Authority (FCA). The issuer of this document is Amundi, 90 Boulevard Pasteur, 75730 Cedex 15 - France, registered in France under number GP 04000036, authorised and regulated by the Autorité des Marchés Financiers. This document is not a Prospectus. The offering of shares in Amundi Funds can only be made using the official Prospectus. The latest prospectus, the key investor information document ("KIID"), the articles of incorporation as well as the annual and semi-annual reports are available free of charge from the facilitating agent (Amundi London Branch, 41 Lothbury, London EC2R 7HF, United-Kingdom) and on our website [www.amundi.com](http://www.amundi.com). The latest available prospectus, more specifically on risk factors, as well as the KIID should be consulted before considering any investment. The data source of this document is Amundi except otherwise mentioned. The date of these data is indicated under the mention MONTHLY REPORT at the top of the document except otherwise mentioned. Warnings: Please read the Prospectus carefully before you invest. Remember that the capital value and the income from investments may go down as well as up and that changes in rates of exchange between currencies may have a separate effect also causing the value of the investments to decrease or to increase. Past performance is not necessarily a guide to future performance. Investors may not get back the amount they originally invested. Investors should note that the securities and financial instruments contained herein may not be suitable for their investment objectives.

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