

# AMUNDI FUNDS BOND EURO AGGREGATE - IE

FACTSHEET

30/11/2018

BOND ■

## Key information (source : Amundi)

Net Asset Value (NAV) : 1,380.23 ( EUR )  
 NAV and AUM as at : 30/11/2018  
 Assets Under Management (AUM) :  
 174.18 ( million EUR )  
 ISIN code : (A) LU0616240585  
 (D) LU0616240742  
 Benchmark : Barclays Euro Aggregate (E)  
 Morningstar Overall Rating © : 5  
 Morningstar Category © : EUR DIVERSIFIED BOND  
 Number of funds in the category : 1149  
 Rating date : 31/10/2018  
 Sales : Catherine Beco  
 Phone number : +352 2686 8064

## Investment Objective

The sub-fund is mainly invested in 'investment grade' Euro-denominated government and corporate bonds. Combining government and corporate bonds within a single portfolio optimises returns while diversifying risk.

NAVs for Asset Class IE(C) from 06.14.2011 till 06.22.2011 have been recalculated on the basis of NAVs for Asset Class AE(C).

## Risk & Reward Profile (SRII)



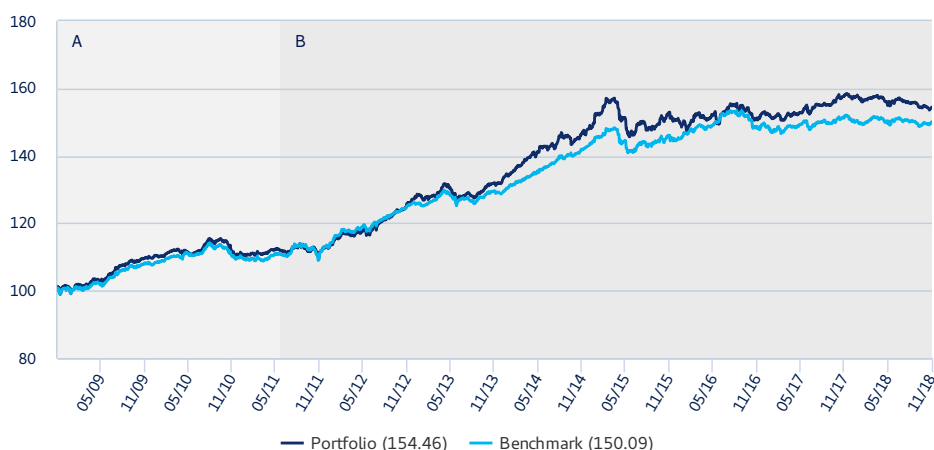
Lower risk, potentially lower rewards

Higher risk, potentially higher rewards

The SRII 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 SRII is not guaranteed and may change over time.

## Returns

### Performance evolution (rebased to 100) from 01/12/2008 to 30/11/2018\*



A : During this period, no limitation of commitment on CDS was applied by the merged sub-fund "SGAM Fund Bonds Euro Aggregate"  
 B : Performance of the Sub-Fund since the date of its launch

### Cumulative returns \*

	YTD	1 month	3 months	1 year	3 years	5 years	Since
Since	29/12/2017	31/10/2018	31/08/2018	30/11/2017	30/11/2015	29/11/2013	14/12/2004
Portfolio	-1.71%	-0.26%	-0.69%	-2.15%	1.13%	17.00%	67.56%
Benchmark	-0.23%	0.24%	-0.04%	-0.83%	2.84%	15.82%	67.88%
Spread	-1.48%	-0.50%	-0.66%	-1.32%	-1.71%	1.18%	-0.32%

### Calendar year performance \*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Portfolio	2.87%	1.40%	1.61%	12.20%	3.89%	12.44%	2.11%	1.12%	8.15%	5.71%
Benchmark	0.68%	3.32%	1.00%	11.10%	2.17%	11.19%	3.24%	2.18%	6.95%	6.22%
Spread	2.19%	-1.92%	0.61%	1.10%	1.72%	1.25%	-1.12%	-1.06%	1.20%	-0.51%

\* 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.

## Fund statistics

	Portfolio	Benchmark
Modified duration <sup>1</sup>	6.19	6.60
Average Rating	BBB	A-
Yield To Maturity	1.45%	0.85%
SWMD <sup>2</sup>	7.55	6.19
Spread <sup>3</sup>	104	89
Number of lines	156	4,919

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

<sup>2</sup> SWMD : spread-weighted modified duration

<sup>3</sup> Spread: difference in yield between a corporate bond and its reference government bond (Germany for the Euro zone).

## Risk analysis (rolling)

	1 year	3 years	5 years
Portfolio volatility	2.12%	3.29%	3.98%
Benchmark volatility	2.15%	2.69%	2.91%
Ex-post Tracking Error	1.00%	2.18%	2.42%
Information ratio	-1.32	-0.26	0.09
Sharpe ratio	-0.84	0.22	0.85

## Performance analytics

	Inception to date
Maximum drawdown	-7.31%
Recovery period (days)	867
Worst month	06/2015
Lowest return	-3.29%
Best month	11/2008
Highest return	3.98%

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**Marie-Anne Allier**  
Head of Euro Fixed Income



**Isabelle Vic-Philippe**  
Head of Government Bonds & Inflation



**Hervé Boiral**  
Head of Euro Credit

Management commentary

Risk aversion continued for almost all of November. The main causes were the difficult Brexit negotiations and the Italian budget impasse. Leading indicators fell in the Eurozone, further fuelling scepticism about the ECB's capacity to increase its rates in 2019. This is despite the fact that the banking sector will have to face TLTRO reimbursement; certainly the first due date is not until June 2020 but the NSFR ratio (adaptation of financing to activity) leads us to expect it from June 2019. The theme of the upcoming liquidity drought (although it remains largely "surplus" at this time) in the financial system is one more element for pushing back the initial rate increase in the Eurozone. The fall in oil prices (\$17 in 1 month, i.e. -23%) was a concern due to what it revealed about global growth (and Chinese growth in particular), despite being a great support to purchasing power in developed economies.

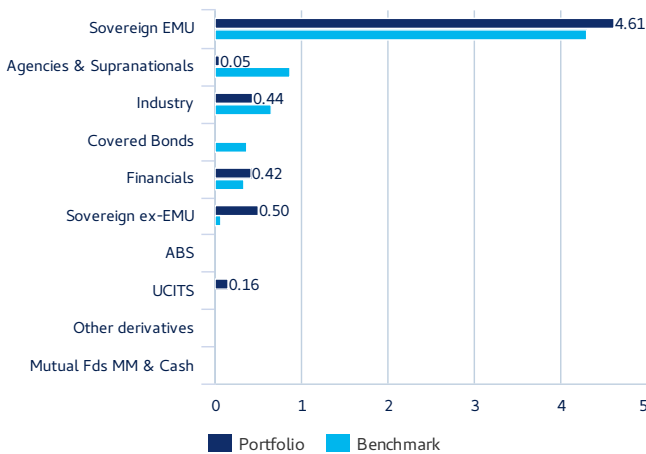
Moreover, the FED appears to be changing its discourse: "the rate level is approaching neutrality", enabling American long rates to return to close to 3% after reaching 3.24%. This context clearly pushed German rates downwards by approximately 7bp from 5 years. The Italian spread contracted by approximately 14bp during the month from 303bp to 289bp after reaching 325bp; the failure of the BTP Italia issue was the likely cause of a slight change in the government's discourse. Despite this, other than government borrowing, market liquidity has remained very low. The banks wish to limit their inventory and have no desire to absorb sales or offer a stock they do not have. Index-linked bonds have paid the price: 10-year inflation expectations posted a loss of 16bp in a week under the combined effect of the fall in oil prices and various tenders, including the Italian treasury after the failure of BTP Italia. Inflation expectations fell faster and further than ever before. This fall was certainly amplified by a terrible liquidity context and significant uncertainties about OPEC's ability to stabilise the oil market, the victim of extensive speculative movements. It should be recalled that the oil derivatives market represents 50 times the size of the real market. Expectations are now barely higher than underlying inflation (1.0%) while total inflation remains at 2%. We therefore decided to increase our exposure to this asset class via an OAT and 2028 purchase.

Sensitivity was also kept slightly below the index, with still strong overweighting on Belgium and France against Germany, a position which cost this month in terms of performance. In fact the spreads of all core and semi-core countries are under pressure against Germany in this risk-off movement.

Overall, the Euro-IG credit markets widened significantly (+21pbs to 149pbs on the cash part, that is the highest level since March 2016, while the Itraxx Main 5Y derivative part widened +8pbs to 78pbs), leading credit to underperform by -97pbs compared to government borrowing with the same maturity (the total return settled at -64pbs as a result of sovereign bond yields being compressed). Long credit, the cyclical sectors (including automotive) and energy (due to the steepest fall in the Brent price in two years) were most affected. During the month, we sold off the last convertible bonds held. In view of the market volatility and the reduction undertaken several weeks earlier on the credit market, it no longer appeared appropriate to maintain this diversification in the portfolio.

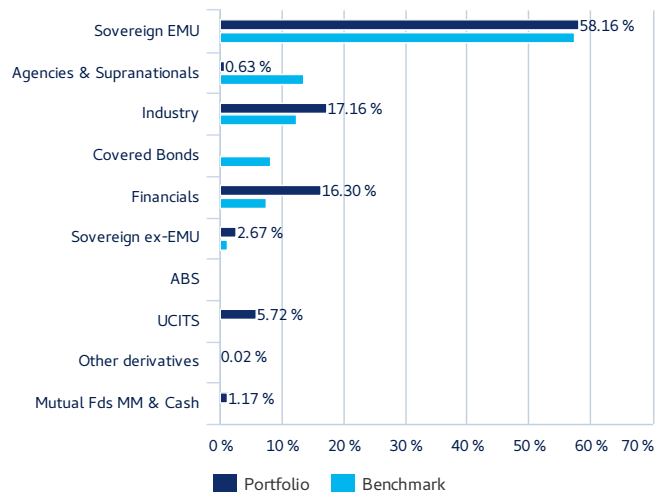
Portfolio breakdown by issuer

Modified duration



Includes derivatives

% of assets

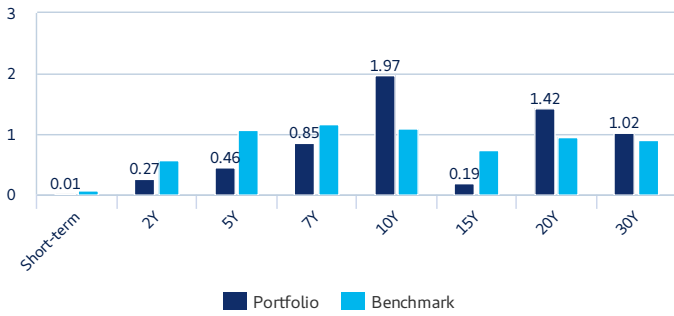


The total can be different by up to 100% as deferred cash is excluded

Portfolio breakdown by maturity

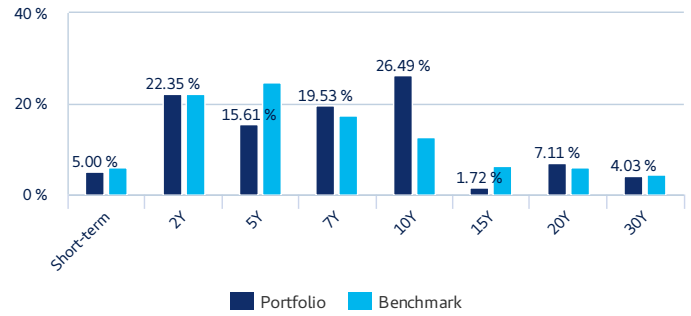
**BOND**

**Modified duration**



Includes derivatives

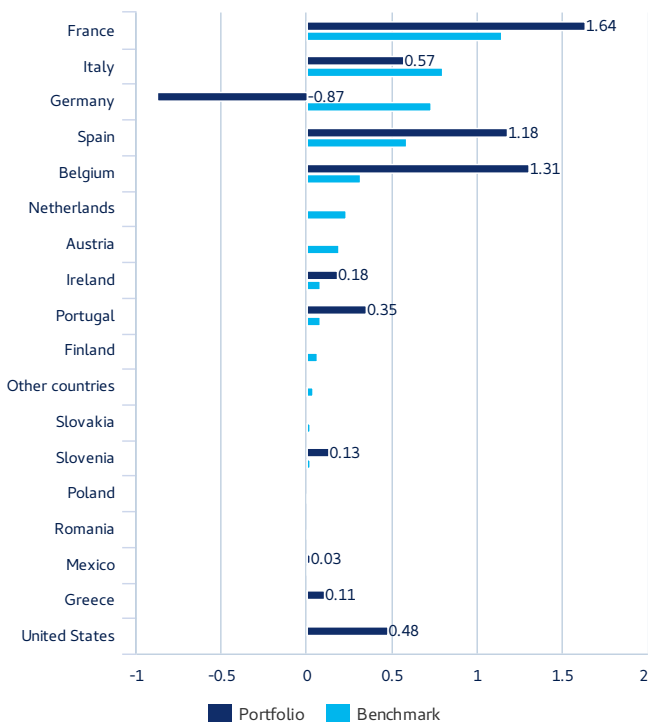
**% of assets**



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

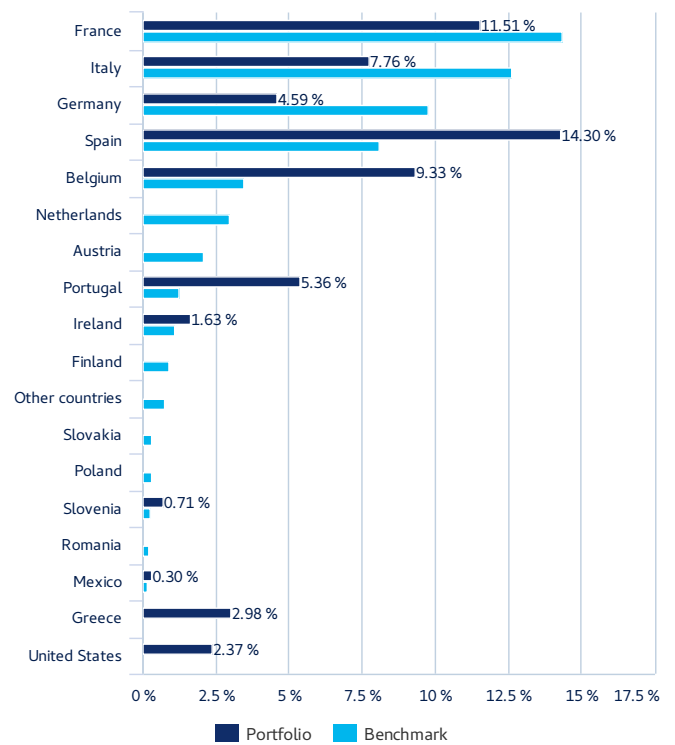
**Portfolio breakdown by country**

**Modified duration**



Only Government securities  
Includes derivatives

**% of assets**

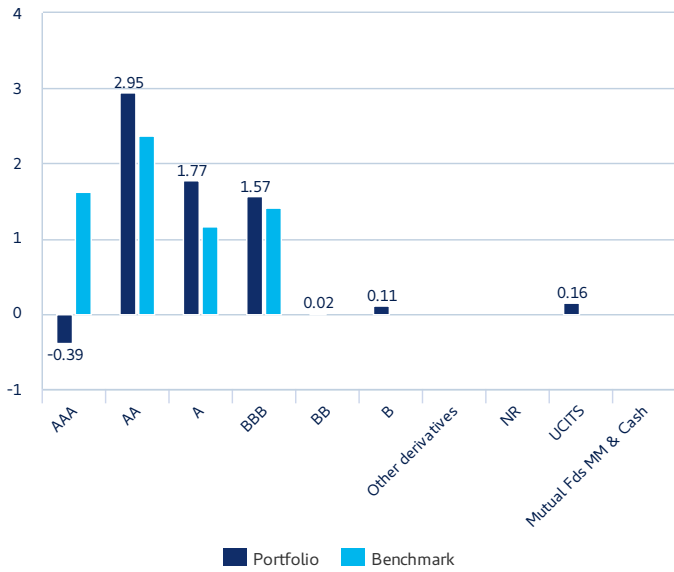


Only Government securities

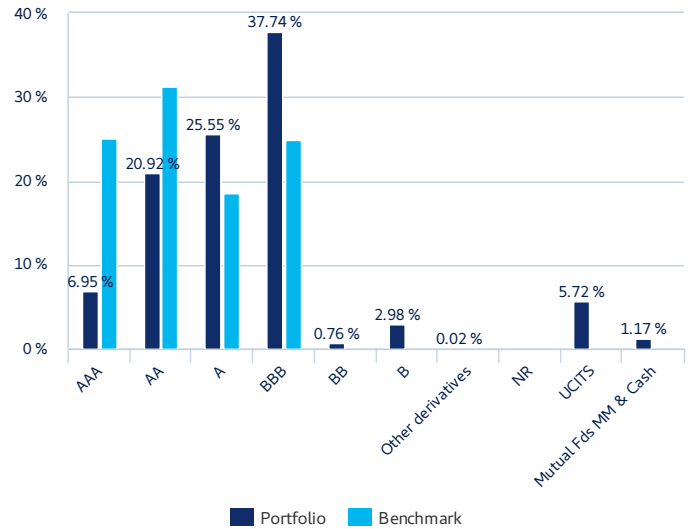
**Portfolio breakdown by credit rating**

**BOND**

**Modified duration**



**% of assets**



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

Includes derivatives

**Main overweights**

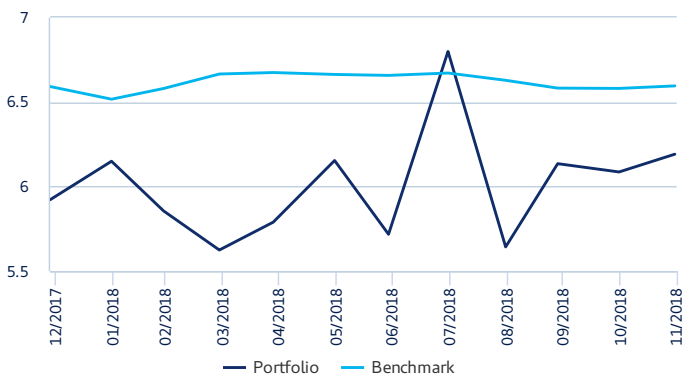
	Spread
LT2	-
Insurance Sub	5.54%
Automobiles	3.32%
Sovereign ex-EMU	2.01%
Energy	1.57%

**Main underweights**

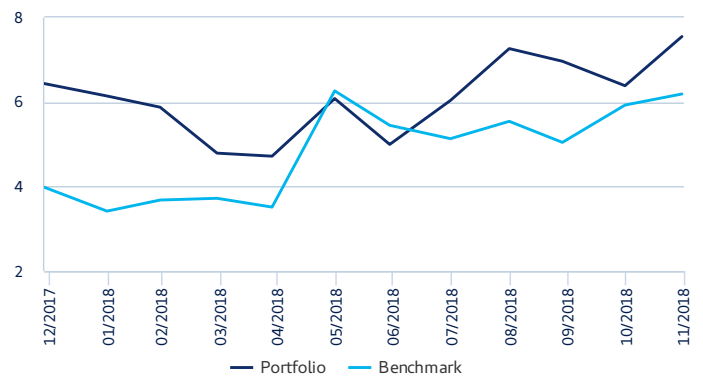
Covered bonds	-8.07%
Agencies	-7.81%
Supnationals	-5.12%
Consumer	-1.78%
Banks	-0.80%

**Historical risk indicators**

**Modified duration**



**Spread Weighted Modified Duration (SWMD)**



**Main issuers**

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	Sector	% asset	Mod. duration	SWMD Portfolio	SWMD Benchmark
<b>Sovereigns</b>					
SPAIN (KINGDOM OF)	Sovereign EMU	14.30%	1.18	1.37	0.72
FRANCE	Sovereign EMU	11.51%	1.64	0.26	0.43
BELGIUM	Sovereign EMU	9.33%	1.31	0.92	0.17
ITALIAN REPUBLIC	Sovereign EMU	7.76%	0.57	1.75	2.20
PORTUGAL	Sovereign EMU	5.36%	0.35	0.47	0.11
GERMANY	Sovereign EMU	4.59%	-0.87	0	0
GREECE (HELLENIC REP.)	Sovereign EMU	2.98%	0.11	0.40	-
UNITED STATES OF AMERICA	Sovereign ex-EMU	2.37%	0.48	0	-
IRELAND (REPUBLIC OF)	Sovereign EMU	1.63%	0.18	0.15	0.05
SLOVENIA	Sovereign EMU	0.71%	0.13	0.14	0.02
UNITED MEXICAN STATES	Sovereign ex-EMU	0.30%	0.03	0.06	0.02
<b>Out of State Issuers</b>					
TOTAL SA	Industry	1.32%	0.04	0.10	0.01
COOPERATIEVE RABOBANK UA	Financials	1.30%	0.04	0.12	0.01
CAISSE NTLÉ PREVOYANCE-CNP ASS	Financials	1.30%	0.03	0.05	0.01
BNP PARIBAS	Financials	0.93%	0.04	0.07	0.02
MUNICH REINSURANCE COMPANY	Financials	0.85%	0.03	0.06	0
ALD SA	Industry	0.80%	0.01	0.02	0
DANSKE BANK A/S	Financials	0.75%	0.02	0.04	0
DELTA LLOYD LEVENSVERZEK	Financials	0.73%	0.02	0.06	0
OMV AG	Industry	0.65%	0.02	0.05	0.01
LLOYDS BANK PLC	Financials	0.64%	0.01	0.01	0
EDP FINANCE BV	Industry	0.64%	0.01	0.01	0.01
RCI BANQUE	Industry	0.63%	0.02	0.03	0.01
BASQUE GOUVERNMENT	Agencies & Supranationals	0.63%	0.05	0.07	0
ING BANK NV	Financials	0.63%	0.01	0.02	0
ORANGE SA	Industry	0.62%	0.02	0.04	0.02

## Information

Fund structure	UCITS under Luxembourg law
Management Company	Amundi Luxembourg SA
Custodian	CACEIS Bank, Luxembourg Branch
Sub-fund launch date	24/06/2011
Share-class inception date	24/06/2011
Sub-fund reference currency	EUR
Share-class reference currency	EUR
Other subscription/redemption currencies	USD
Type of shares	(A) Accumulation (D) Distribution
ISIN code	(A) LU0616240585 (D) LU0616240742
Reuters code	(A) LP68117997 (D) LP68118582
Bloomberg code	(A) SOGEUAB LX (D) ABEAIED LX
Minimum first subscription / subsequent	500000 Equivalent in EUR of USD / 1 thousandth(s) of (a) share(s)
Frequency of NAV calculation	Daily
Dealing times	Orders received each day D day before 14:00
Entry charge (maximum)	2.50%
Maximum direct annual management fees including taxes	0.45% IAT
Performance fees	Yes
Exit charge (maximum)	0%
Ongoing charge	0.56% (realized)
Minimum recommended investment period	3 years
Benchmark index performance record	13/12/2004: 100.00% BLOOMBERG BARCLAYS EURO AGGREGATE (E)
Management fee (p.a. max)	0.45%

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