

# AMUNDI FUNDS BOND EURO HIGH YIELD - SE

FACTSHEET

31/12/2017

BOND ■

## Key information (source : Amundi)

Net Asset Value (NAV) : 20.93 ( EUR )  
 NAV and AUM as at : 29/12/2017  
 Assets Under Management (AUM) :  
**1,021.95 ( million EUR )**  
 ISIN code : LU0119111028  
 Bloomberg code : CHIIAS LX  
 Benchmark :  
**ML European Curr H YLD BB-B Rated  
 Constrained Hed**  
 Morningstar Overall Rating © : 3  
 Morningstar Category © : EUR HIGH YIELD BOND  
 Number of funds in the category : 404  
 Rating date : 31/12/2017

## Investment Objective

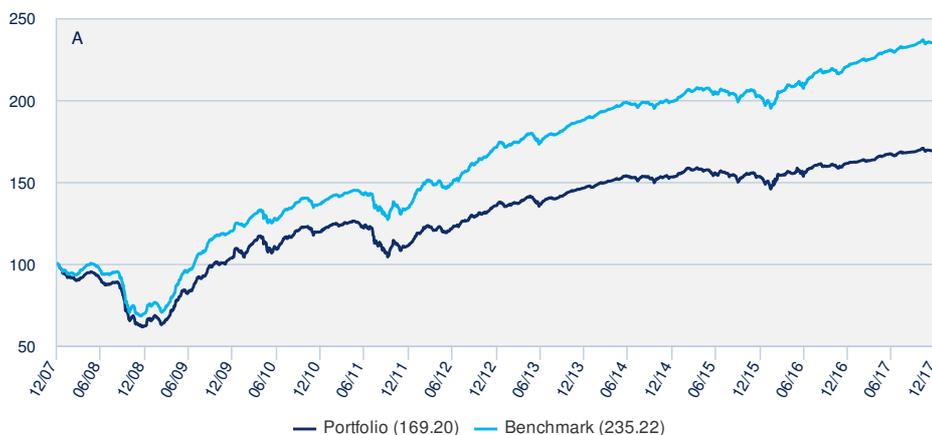
The objective of the Sub-Fund is to seek income and capital growth ("total return") by combining interest income, capital appreciation and currency gains. To achieve that objective, the Sub-Fund invests at least two thirds of its assets in bonds issued in Euro and paying a high yield but having a relatively high risk of default ("high yield bonds"). The ML European Curr H YLD BB-B Rated Constrained Hed index represents the reference indicator of the Sub-Fund. The Sub-Fund does not aim to replicate the reference indicator and may therefore significantly deviate from it. Investors can sell their shares of the Sub-Fund on a daily basis. The Sub-Fund may invest in financial derivative instruments for hedging purpose and for the purpose of efficient portfolio management.

## Information

Fund structure : UCITS  
 Sub-fund launch date : 25/04/2001  
 Share-class inception date : 04/06/2001  
 Eligibility : -  
 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 : 1.81% ( realized 30/06/2017 )  
 Exit charge (maximum) : 0%  
 Minimum recommended investment period : 5 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 \*

	YTD	1 month	3 months	1 year	3 years	5 years	Since
Since	30/12/2016	30/11/2017	29/09/2017	30/12/2016	31/12/2014	31/12/2012	18/05/2001
Portfolio	4.81%	-0.10%	0.53%	4.81%	10.57%	24.88%	109.30%
Benchmark	6.56%	-0.03%	0.77%	6.56%	18.06%	37.45%	219.32%
Spread	-1.75%	-0.06%	-0.25%	-1.75%	-7.50%	-12.57%	-110.02%

## Calendar year performance \*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Portfolio	4.81%	5.49%	0%	4.59%	8.00%	21.71%	-6.90%	15.10%	67.54%	-38.00%
Benchmark	6.56%	9.37%	1.31%	6.01%	9.81%	27.37%	-1.64%	13.67%	71.83%	-30.06%
Spread	-1.75%	-3.87%	-1.31%	-1.43%	-1.82%	-5.65%	-5.26%	1.43%	-4.29%	-7.94%

\* 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 (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.

## Volatility

	1 year	3 years	5 years
Portfolio volatility	1.82%	3.96%	3.76%

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.

BOND



**Jean Luc Thomas**  
Portfolio Manager



**Thierry Lebaupain**  
Portfolio manager



**Marina Cohen**  
Head of Credit High Yield

Management commentary

The European HY (Ice HPC4 index) fell -0.04% in December. It benefited from carry strategies and held up relatively well against the widespread rate increase movement triggered by the adoption of the tax reform in the US. In fact at the same time, the sovereign debt and euro IG credit markets respectively lost -0.86% and -0.30%.

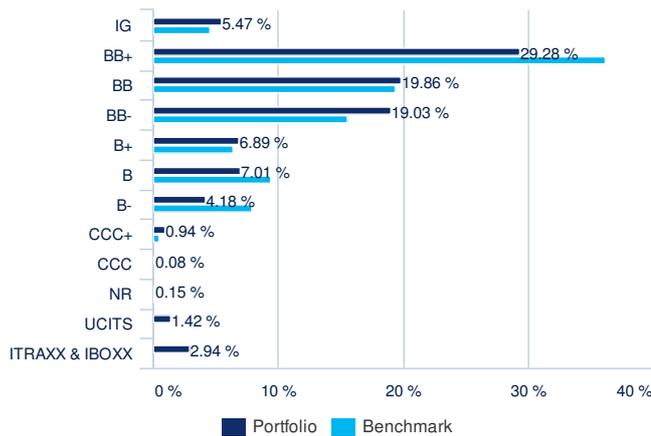
This rate increase was also fuelled by encouraging global macro prospects. In the Eurozone, PMI indicators are at a high, enabling the ECB to revise its growth forecasts upwards. Despite this, at its monetary policy meeting in December, it stated that it was remaining cautious about inflation prospects. Therefore for the moment it is maintaining accommodating monetary conditions. In the US, it came as no surprise that the Fed carried out a third rate increase. It is also cautious about inflation prospects, and plans to gradually continue with the normalisation already undertaken.

Technical factors were mixed during the period. European HY funds experienced buyouts (-2.5% of AuM) and, during the first two weeks before the winter holidays, the primary market activity remained sustained. The amounts issued reached €5.3bn of corporate bonds and €3.6bn of financial bonds (participation in Equinix, Picard and Vantiv transactions in particular). However, while 2017 was a record year in terms of gross issues with €100bn, the annual volume of net issues remained low at €3.9bn compared to an average of €27bn over the last five years. This can be explained in particular by a high level of refinancing and more attractive conditions for issuers on the loans market.

The European HY market recorded performance above carrying in 2017 (6.8%), supported by the ECB asset purchase programme but also the improved macro- and micro-economic context. In 2018 the buoyant economic environment in Europe, solid HY company fundamentals and default rates at a low (1.1% at 12 months according to Moody's) are expected to continue to shore up the asset class. While the ECB is intending to reduce its purchases by a half, it is expected to remain sufficiently accommodating in order to anticipate spread narrowing of 20/30 bp, offsetting an expected slight rate increase in a context of moderate inflation. We are banking of performance of approximately 2% ("Total Return"), mostly supported by carry strategies.

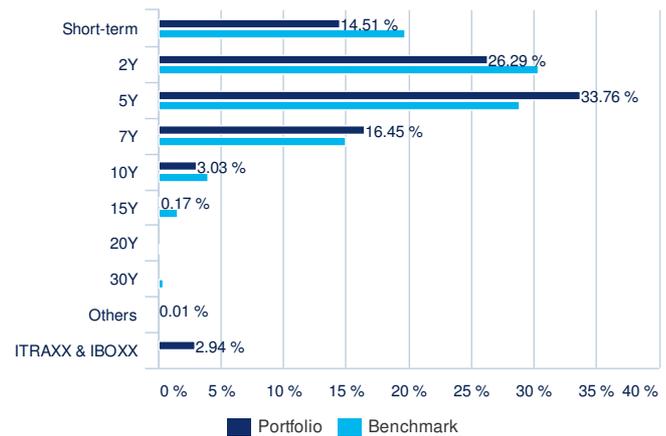
Portfolio breakdown by credit rating

Exposure Risk



Portfolio breakdown by maturity

Exposure Risk



The Itraxx (and IBoxx) are indices comprising credit risk swaps (CDS). The chart shows % of assets, including Credit Default Swaps, excluding cash. The rating used is the median rating of the 3 agencies

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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 HIGH YIELD, 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. 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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