

# AMUNDI FUNDS EQUITY EMERGING FOCUS - SE

FACTSHEET

31/12/2017

## EQUITY

### Key information (source : Amundi)

Net Asset Value (NAV) : **135.53 ( EUR )**  
 NAV and AUM as at : **29/12/2017**  
 ISIN code : **LU0552028770**  
 Assets Under Management (AUM) :  
**874.85 ( million EUR )**  
 Sub-fund reference currency : **USD**  
 Share-class reference currency : **EUR**  
 Benchmark : **MSCI Emerging Markets**  
 Morningstar Overall Rating © : **4 stars**  
 Morningstar Category © :  
**GLOBAL EMERGING MARKETS EQUITY**  
 Number of funds in the category : **1801**  
 Rating date : **30/11/2017**

### Investment Objective

To achieve long-term capital appreciation by investing in companies in Developing Countries. Investments are based on a stock picking process which selects companies taking benefit from emerging countries' growing demand in terms of household consumption, domestic investments and infrastructure development.

### Information

Fund structure : **UCITS**  
 Sub-fund launch date : **16/10/2007**  
 Share-class inception date : **29/10/2010**  
 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 : **2.83% ( realized 30/06/2017 )**  
 Exit charge (maximum) : **0%**  
 Minimum recommended investment period : **5 years**  
 Performance fees : **Yes**

### Returns

Performance evolution (rebased to 100) from 31/12/2012 to 29/12/2017\*



### Cumulative returns \*

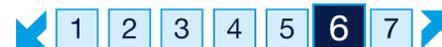
	YTD	1 month	3 months	1 year	3 years	5 years	Since
Since	30/12/2016	30/11/2017	29/09/2017	30/12/2016	31/12/2014	31/12/2012	29/10/2010
Portfolio	16.58%	1.91%	5.98%	16.58%	24.17%	34.47%	35.53%
Benchmark	20.59%	2.86%	5.77%	20.59%	30.87%	35.85%	44.07%
Spread	-4.00%	-0.95%	0.21%	-4.00%	-6.70%	-1.38%	-8.54%

### Calendar year performance \*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Portfolio	16.58%	7.00%	-0.47%	14.82%	-5.69%	15.16%	-17.05%	-	-	-
Benchmark	20.59%	14.51%	-5.23%	11.39%	-6.81%	16.41%	-15.70%	-	-	-
Spread	-4.00%	-7.51%	4.76%	3.43%	1.13%	-1.25%	-1.35%	-	-	-

\* 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.

### Fund statistics

Total portfolio holdings 154

### Top ten issuers (% assets)

	Portfolio
TENCENT HOLDINGS LTD	5.88%
ALIBABA GROUP HOLDING LTD	4.10%
TAIWAN SEMICONDUCTOR MANUF-TSMC	3.50%
NASPERS LTD	3.40%
SBERBANK OF RUSSIA PJSC	2.23%
PING AN INSURANCE GROUP CO OF	1.98%
CHINA CONSTRUCTION BANK CORP	1.77%
CHINA LIFE INSURANCE CO LTD	1.58%
CHINA MOBILE LTD	1.41%
BAIDU INC	1.33%
<b>Total</b>	<b>27.19%</b>

### Volatility

	1 year	3 years	5 years
Portfolio volatility	8.94%	16.61%	15.96%
Benchmark volatility	9.68%	17.68%	16.98%

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.

## Management commentary

December was another strong month for MSCI Emerging Markets (EM) index with a 3.5% performance. EM equities outperformed developed market equities for the tenth month this year, bringing YTD return to 37.3%, the highest annual performance since 2009. MSCI EM index ended the year well ahead of developed market equities as MSCI World index 2017 return stands at 22.4%. Among key events this month was the signature in the US of the much debated tax reform plan into law, posing upside risks to US economic growth. Yet the USD declined in December, which was a support for the asset class, with rising 2018 EPS growth expectations. Oil continued its rally, ending the month up 4.8% at USD66.6 for Brent, to reach its highest level since 2015 on the back of strong global growth. All EM sectors registered gains in December, with Healthcare (+7.5%), Consumer Staples (+6.0%) and Materials (+5.7%) leading the pack. Technology (+0.6%), the best performing EM sector in 2017 (+60.7%), was the laggard in December.

Country-wise, Greece (+16.4%) was the best performing market over the month, supported by banks and declining concerns over non-performing loans. Among strong performers were also Chile (+15.7%), mainly driven by the outcome of the second round of elections and Qatar (+14.7%) as the market recovered thanks to expectations of improving diplomatic environment in the region. The UAE (-0.2%) was the worst performing market, followed by Mexico (-0.1%) and Pakistan (0%).

Over the month, the fund underperformed its benchmark as both country and sector allocations had a negative impact whereas stock selection contribution was close to neutral. Country-wise, underweighting Chile, Turkey and South Africa were notable detractors, more than offsetting the positive contribution coming from underweighting Taiwan while overweighting Indonesia. Sector allocation's negative effect mainly stemmed from our overweight consumer discretionary in South Africa, our overweight industrials in Korea and our overweight energy in Malaysia. At the stock selection level, the largest positive contributors were our underweight Steinhoff and our overweight stance on Techtronic Industries and Imperial Holdings.

In terms of movements, we sold our position in Amore, as we do not have any more upside potential to our fair value. The Korean cosmetics manufacturer is also suffering from a lack of innovation and disruption by new channels in its domestic market. We maintain a positive view on Emerging Markets Equities both in absolute and relative terms for 2018. Economic rebound in most emerging countries should continue while valuation and flows remain broadly supportive.

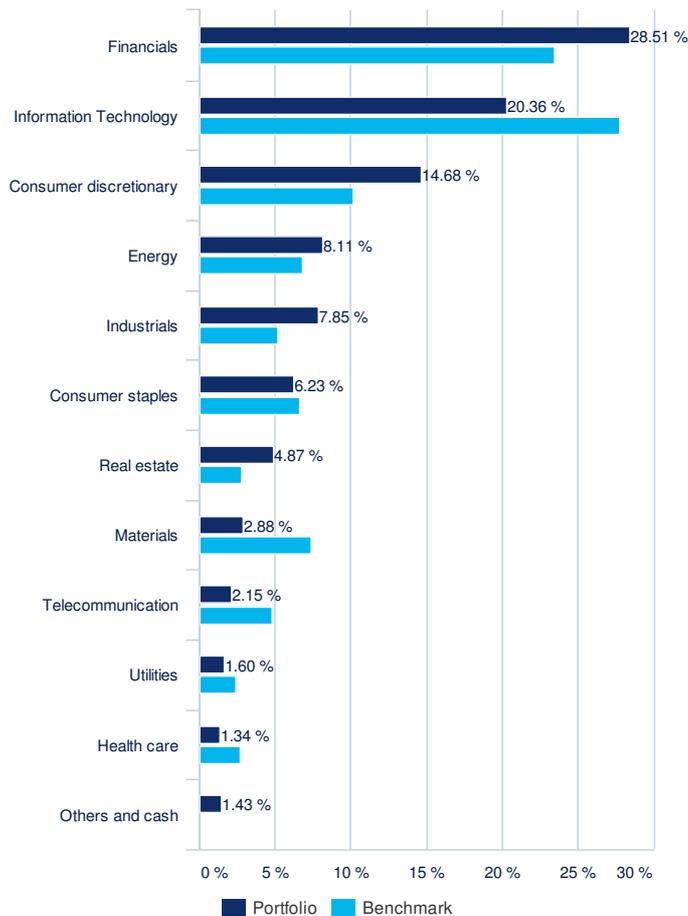
Economic growth has finally started to improve in most emerging countries in 2017. We believe that it will continue next year as some key macro indicators have improved over the last three years and augur economic resilience. In general, current accounts have improved, inflation remains under control and low historically, fiscal discipline has been maintained, credit growth which was a concern a few years ago is more in line with nominal GDP and monetary policies are relatively accommodative. The GDP growth premium of EM vs DM, which has widened in 2017 should increase again in 2018, which historically has been a strong support for EM Equities.

Given better macroeconomic fundamentals, we do not think valuations are extreme. This is even more the case vs. DM where valuation is more of an issue. In addition, real effective exchange rates in EM is relatively attractive and carry from local market still looks good, both indirectly supporting EM equities.

## Portfolio breakdown

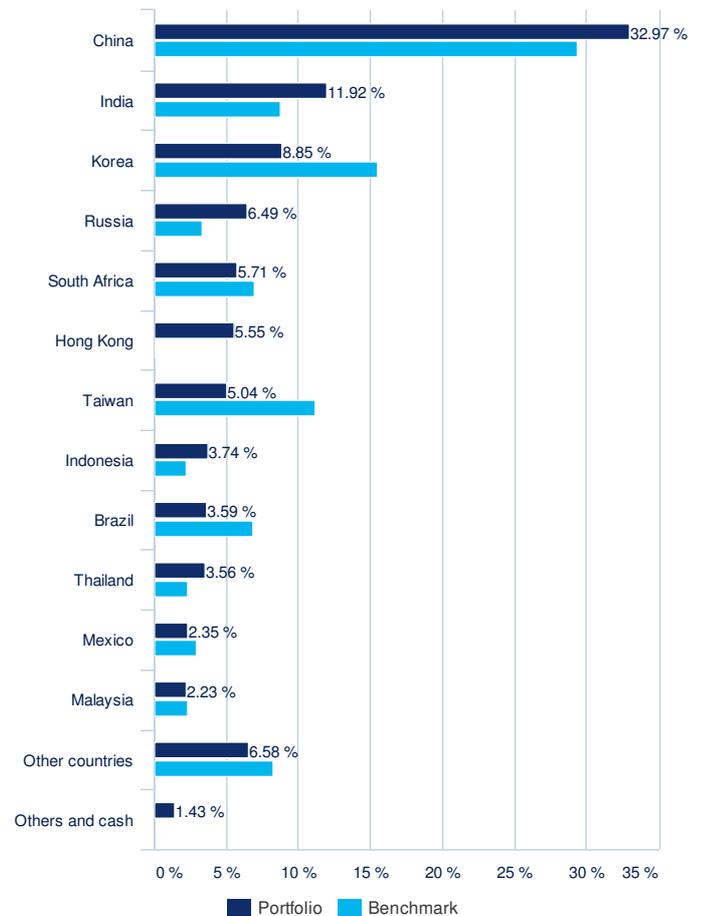
EQUITY

Sector breakdown



Excluding derivatives.

Geographical breakdown



Excluding derivatives.

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 EQUITY EMERGING FOCUS, 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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