RAPPORT ANNUEL

JUIN 2018

AMUNDI CREDIT 1-3 EURO

UCITS governed by French law

Management Company
Amundi Asset Management

Sub-delegation of accounting function in title
CACEIS Fund Administration France

Custodian:
CACEIS BANK

Auditor
PRICEWATERHOUSECOOPERS AUDIT

Contents

Main features of the fund

This document provides essential information to investors in this fund. It is not a promotional document. The information it contains is provided to you as a legal obligation, in order to help you understand what is involved in investing in this fund and what the associated risks are. You are recommended to read it so you can decide whether or not to invest with full knowledge of the facts.

AMUNDI CREDIT 1-3 EURO

Class P - ISIN code: (C) FR0010721407

This fund is managed by Amundi Asset Management, an Amundi company

Investment Objectives and Policy

AMF classification ("French Financial Markets Authority"): Bonds and other euro-denominated debt securities
By subscribing to AMUNDI CREDIT 1-3 EURO - P, you are investing in bonds mainly denominated in euros and offering the highest level of short-term capital gains, through AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR.
Your investment is made almost fully in the AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR sub-fund from Amundi Funds, a SICAV governed by Luxembourg law and, in a secondary manner, in cash.
The objective of your fund is to outperform the benchmark indicator, the Barclays Euro Aggregate Corporate 1-3, with a minimum investment period of 18 months after allowing for current charges.
The performance of AMUNDI CREDIT 1-3 EURO - P may be lower than that of AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR mainly as a result of its own charges.
The strategy of your fund is identical to that of AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR namely:
"The objective of the Sub-Fund is to outperform the benchmark indicator, the Barclays Euro Aggregate Corporate 1-3, over a minimum investment period of 18 months by selecting bonds mainly denominated in euros offering the highest level of capital gain over the short term. To achieve its objective, the Sub-Fund shall invest at least 50% of its net assets in corporate bonds whose returns are lower but which are relatively safe ("Investment Grade"), denominated in euros. Two sources of performance can contribute to achieving the objective of the Sub-Fund. Various strategies are implemented to achieve the performance objective of the Sub-Fund: directional credit strategies, directional strategies on interest rates, arbitrage strategies on credit and diversification strategies. The use of derivative financial products forms an integral part of the investment policy for the purposes of hedging, arbitrage and overexposure. The Sub-Fund does not aim not to replicate this benchmark indicator and therefore its performance may be significantly different from it."
The net profit and net gains made by the fund are systemically reinvested each year.
You can request the reimbursement of your units each day. Redemption transactions are performed daily.
Recommendation: this fund may not suit investors who plan to withdraw their contribution before 18 months have passed.

Risk and return profile

Lowest risk — Highest risk

Potentially lower return — Potentially higher return

1	**2**	3	4	5	6	7

The risk level of this fund mainly reflects the market risk of corporate bonds in euros in which it invests.
Past data used for the calculation of the digital risk indicator may not be a reliable indicator of the future risk profile of the UCITS.
The risk category associated with this fund is not guaranteed and may change over time.
The lowest category does not mean "risk-free".
Capital initially invested has no guarantees.
Provisions in terms of subscription/redemption for AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR in which your fund invests are explained in the subscription and redemption conditions in the AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR prospectus.

Significant risks for the UCITS not taken into account in the indicator are:

- Credit risk: represents the risk of sudden deterioration in the quality of the signature of an issuer or of their defaulting.
- Liquidity risk: in the special case where exchange volumes on the financial markets are very low, any purchase or sale transaction on them may lead to significant market variations.
- Counterparty risk: this represents the risk of defaulting of an entity acting on the market preventing its commitments to your portfolio from being honoured.
- The use of complex products, such as derivative products, may lead to an amplification of the movement of securities in your portfolio.

The occurrence of one of these risks may lead to a drop in the net asset value of the portfolio.

Business Report

July 2017

In the United States, the expansionary cycle continues. Its length, eight years, and slow progression are surprising. Moreover, judging by the strength of the jobs market, it does not seem to be running out of steam, although without creating inflationary pressure. This low inflation environment could prompt the Fed to postpone its next rate hike – thought to be in December – but it should nevertheless start normalising its balance sheet as early as September. In the eurozone, the economic situation remains positive, while the outlook is very positive for the rest of the year. Nevertheless, Mario Draghi was much more cautious at the ECB meeting on 20 July than during his speech in Sintra at the end of June. This change in the ECB's attitude put a stop to the rise in interest rates. The German 10-year that rose by 15 bp in June to finish at 0.44% rose to 0.55% in July, and then finished the month at 0.50%. As for the 2-year rate, this lost 12 bp, falling from -0.56% to -0.68%. The improvement in macroeconomic and political conditions in Europe during the last quarter accompanied the narrowing of the credit spread to its lowest level since April 2015. The spread of the Barclays Euro-Aggregate Corporate 1-3 index narrowed by 5 bp in July, reaching 65 bp. The performance of the index stood at +0.33% for July, outperforming government issues by 18 bp. We believe that the process of normalisation of monetary policy will be gradual so as not to disrupt economic actors. The strategy of overexposure to the asset class and the positioning on high beta assets (hybrid corporate and financial subordinated debt) was maintained. It continues to bear fruit in a highly favourable context.

August 2017

In the United States, the mixed statistics published this month do not negate the 2% expansion cycle forecast for 2017. However, while Texas was hit by a major hurricane, in the absence for the time being of announcements of tax cuts that would alone boost growth for the following years, and knowing that the Jackson Hole meeting was not the opportunity to learn more about the Fed's future monetary policy, the market is not anticipating any rate increases before 2019. In the eurozone, the economic situation is still positive, as evidenced by the appreciation of its currency. Neither did Mr Draghi disclose any of his intentions at Jackson Hole, but the rise of the euro could delay the ECB's formal decision to reduce bond purchases. Markets have also been driven by geopolitical tensions between North Korea and the United States, leading to a significant lowering of rates on both sides of the Atlantic. The European macroeconomic environment continued to improve in August on the back of positive publications, while concerns came from the United States (mainly from the weakening of the dollar and the high level of share valuations). The German 10-year rate tightened during the month (-16 bp to 0.35%) and were the main performance driver, while the Euro IG Credit widened slightly (+7 bp to 98 bp, +3 bp to 55 bp on Itraxx derivatives, following the conflict between the United States and North Korea). The performance of the Barclays Euro-Aggregate Corporate index was +0.55%, underperforming Govies with an equivalent duration by -33 bp. The Metals & Mining sector posted the best performance on the market, while Pharmaceuticals and Insurance underperformed. The primary market remained quiet as is usual for August. Owing to geopolitical risks and hurricanes, positions in the portfolio were reduced during the month, primarily in long-term and hybrid securities. Euro credit continues to offer value, in particular because of its attractive carry (~0.75%) and strong corporate fundamentals (HY default rate, credit statistics, etc.) that justify current valuation levels. Despite the announcement that QE is to be recalibrated for 2018, we expect the CSPP to be less affected. Moreover, the reinvestment of securities maturing in early 2018 should continue to support the market. We are therefore positive about credit.

September 2017

The European macroeconomic environment continued to improve in September, despite the inflationary pressures, which remain low. Mario Draghi hinted that in October he would announce a reduction in the asset buying programme in 2018, an initial step in the very slow process of monetary normalisation. In the United States, although future macroeconomic figures will probably reflect disruptions related to weather events, the current trend of growth of more than 2% should not be called into question and may well last into 2018.

In addition, following Ms Yellen's speech (which confirmed the reduction in the size of the Fed's balance sheet from October), markets began to anticipate the third rate increase of the year in December. Speeches by central bankers led to a slight rise in rates, the main negative performance factor this month. The German 10-year rate actually increased 11 bp to 0.46%, while the 2-year rate remained fairly stable at -0.70% (+4 bp). The performance of the Barclays Euro-Aggregate Corporate index stood at -0.21%, outperforming Govies with an equivalent duration by +28 bp. Industrials outperformed Financials during the month, while the BBB-rated market segment also outperformed. We renew our positive view of euro credit in particular, because of its attractive carry and sound corporate fundamentals, which justify the current valuation levels. Despite the announcement that QE is to be recalibrated for 2018, we expect the CSPP to be less affected. Moreover, the reinvestment of securities maturing in early 2018 should continue to support the market. It is still too early to know the impact of the summer's weather events on reinsurers, although it should be minor given their good capitalisation. We slightly reduced our overweight in subordinated reinsurers (-3%) and preferred hybrid insurance and banking securities (Generali, CNP). We increased the fund's overweight in CoCos and AT1 (+2%), benefiting in particular from primary activity (Amro Bank).

October 2017

In the United States, despite hurricanes Harvey and Irma, growth remained robust, buoyed by a labour market that continues to improve. In this context, even if inflation remains sluggish (less than 2% in the short term), the Fed indicated at its meeting on 1 November that it would raise rates for the third time in 2017 in December. In the eurozone, the recovery continues apace, driven by Italian industrial production. In contrast, inflation figures remain disappointing, particularly for underlying inflation, which dropped back to 0.9% in October (compared to 1.1% previously). This supported the EBC in its decision to leave its monetary easing programme slowly and carefully, and to not "suddenly" stop its purchases of "large amounts of Corporate bonds" (QE). The political uncertainty in Spain had a very limited impact on the markets. The ECB's caution was appreciated by the markets, leading to a tightening of spreads in risky assets and also to a drop in rates. The German 2-year rate moved from -0.70% to -0.75% and the 10-year rate switched from 0.45% to 0.36%. The Euro IG credit spread narrowed throughout the month (-9 bp to 87 bp). The performance of the Barclays Euro-Aggregate Corporate 1-3 index therefore posted growth of +0.21%, outperforming Govies with an equivalent duration by +15 bp. We continued to reduce the portfolio's overexposure to subordinated insurance and automotive securities (-0.13 and -0.09 in spread-weighted sensitivity respectively), being less constructive in these sectors, and concentrated our purchases on the banking sector, notably by participating in several primary issues (HSBC, Credit Mutuel Arkea, Morgan Stanley, Bank of Nova Scotia, Deutsche Bank). We reiterate our positive opinion on Euro Credit even if the spread level is now approaching the low point of February 2015: the extension of the ECB's programme should support the credit markets, and reinvesting securities maturing in early 2018 will be an additional positive technical factor (~€10-12 billion is anticipated to be reinvested in 2018). We therefore remain positive about credit.

November 2017

In November, the solidity of the recovery in the eurozone was confirmed (with PMI indices reaching their highest level in several years). The idiosyncratic risk then returned to the scene, with Altice, a telecommunications company listed in the Netherlands, and Astaldi, an Italian construction company. This sales trend led to a widening of spreads across the High Yield (+32 bp to 288 bp). Spreads remained unchanged over the month (at 70 bp) and volatility remained low (spread reaching a maximum of 91 bp in mid-November). Overall, the performance of the Barclays Euro-Aggregate Corporate ended at about the same level as that of government bonds (+0.03% excess return, i.e. -0.17% in absolute terms). The primary market remained active this month, pushing issues on the euro market to a 10-year high (over €455 billion since the beginning of the year). In this context, we reiterate our positive view of Euro Credit (particularly in the high beta bond segment) even though the spread level is approaching the lowest point seen in February 2015. Indeed, the ECB's QE (extension of the CSPP and reinvestment of repurchases from 2018), solid fundamentals and a buoyant economic environment are all factors supporting the credit markets. The positioning on high beta debt had a slightly negative impact on the portfolio's performance this month but we are maintaining our positions, confident in the asset class.

UCITS AMUNDI CREDIT 1-3 EURO

December 2017
2017 was an excellent year for the credit markets with a performance of 2.41% (outperformance of 3.47% on government bonds with the same maturity). Indeed, following an uncertain first quarter, due to the rise in political risk in Europe, 2017 was marked by a strong credit performance, with High Beta securities outperforming in particular. The tightening of risk premiums (-25 bp over the year) was driven both by a positive economic environment, particularly in Europe, and an improvement of European companies' credit fundamentals. The ECB's purchasing programme was undoubtedly a positive factor and should continue to have a positive impact on the level of spreads, at least during early 2018. Indeed, during the final ECB meeting on 14 December, Mario Draghi reaffirmed its commitment of buying "large amounts of corporate bonds" as part of the CSPP programme. Despite this technical support, 2017 ended with a degree of caution towards credit (with average spread stabilisation at 69 bp): after the shocks recorded on the High Yield last month (Altice, Astaldi), there were suspicions of a number of accounting irregularities by the Investment Grade issuer, Steinhoff, which specialises in retail, in order to conceal its level of debt. This new case highlighted the increase in idiosyncratic risk, which could be one of the priority areas for 2018. The performance spread over December reflects stability in both the credit and sovereign bond markets – despite high volatility over the month, the 2-year rate ended the year at around -0.62%. Over the year, the fund posted an excellent performance, outperforming its benchmark largely due to the overweight in credit, particularly subordinated securities. The sectoral choice, with a strong preference for the financial sector, also contributed to the fund's relative performance. Due to the Christmas break and a traditionally active primary market in January, we slightly reduced portfolio positions. However, the overweight strategy on high beta securities was maintained with subordinates overexposed on both the financial and industrial sectors. We renew our positive view of Euro IG Credit for 2018. The continuation of the ECB's CSPP programme, sound corporate fundamentals and healthy economic growth should support the IG credit asset class, despite expectations of a rise in interest rates.

January 2018
Sovereign yields increased in January against the background of a further improvement in the macroeconomic environment, even as highly accommodating monetary policies are now approaching their end, and as the extension of QE after September appears less and less likely – although the ECB has recently reiterated its commitment to maintain its asset purchase programme until that date. Against this backdrop, Euro Credit demonstrated strong resistance, with a narrowing of spreads over the month (-12 bp to 74 bp for Euro Credit, -2 bp to 43 bp for the iTraxx Main 5Y), which offset the rise in sovereign rates: the Barclays Euro Agg. Corporate index posted a relative performance of +0.75% compared to sovereign bonds of equivalent duration, and -0.27% in total return. The High Yield and High Beta segments also outperformed over the month, offsetting the negative effect of duration (spread narrowed by -43 bp for CoCos, -36 bp for Hybrid Corporates and -27 bp for High Yield). Credit markets also rallied due to the sluggishness of the primary market, particularly in the second half of the month when volumes declined significantly and failed to meet demand. The credit overweight therefore allowed the fund to outperform its benchmark by 0.35% over the month (0.39% vs. 0.04%). We maintain an overweight strategy in subordinated financial securities and have taken advantage of the primary market to strengthen the insurance sector with Crédit Agricole's primary issue. In the non-financial sectors, we favour hybrid debt and have increased exposure to the energy sector, in particular through the OMV primary issue. In terms of duration, the fund is slightly underexposed compared to its benchmark (1.76 vs 1.86). We reiterate our positive view of Euro Credit: appetite for this asset class remains strong, fundamentals are sound and technical factors (QE) are significant. We now consider the carry of securities as the main source of market performance, although we still see potential for tightening spreads, particularly in the high beta segment.

February 2018
In February, with statistics showing high wage inflation in the United States, the prospect of faster-than-expected rate hikes in the United States led to a sharp decline in European equity markets in the wake of Wall Street, which ended down, and US bond yields, which rose markedly. The Euro Stoxx 50 recorded a maximum loss of -8.70% over the month, spreading to the riskiest credit segments, although the impact was much more moderate (maximum decline of -1.16% for High Yield, -2.06% for CoCos, -1.67% for Corporate Hybrids). In this context, the Euro IG Credit markets are benefiting from strong support, which is reflected in stable spreads and the Barclays Euro-Aggregate Corporate 1-3 year index as well as government rates despite a return of volatility. The German 2-year rates ended the month around -0.55%, stable over the month. The performance in February was significantly lower than its index due to overexposure to subordinated financial debt, which underperformed significantly over the month. Nevertheless, the portfolio's performance has remained in line with that of the index since the beginning of the year. In terms of outlook, we reiterate our optimistic view of Euro Credit, since technical and fundamental factors remain unchanged. However, we must expect more volatility in the markets, particularly in the High Beta debt segment. We now consider "optimised carry" as the main performance driver, although we still see potential for tightening spreads, particularly in the High Beta segment. We are therefore positive about credit.

March 2018
In March, credit suffered from the combination of a strong primary market that was difficult to absorb and the resurgence of the risk of a trade war, resulting in a sudden sell-off of risky assets such as equities and corporate bonds, particularly the most subordinated ones. Markets also struggled to recover from the spread observed in mid-March when primary issues reached €38 billion in just one week (for a total of €59 billion over the month for the IG segment, compared to €60 billion in 2017). After a promising start to the year, the Euro IG Credit ended this quarter down, with the Barclays Euro Agg. Corporate index down -0.39%, underperforming sovereign bonds with equivalent duration by -0.36% (-0.10% and -0.84% respectively in March). Over the past month, the corporate bond spread widened by +15 bp to 95 bp (from 73 bp at its lowest in February), while the iTraxx Main 5Y ended up +7 bp at 60 bp. Financials and Corporates suffered similarly this month, but the longest part of the credit curve steepened sharply again and underperformed. In terms of future outlook, we reiterate our positive view of Credit because the trend to sell risky assets which has been observed recently is directly linked to equity markets which, by contagion, have caused risk aversion on the credit markets. Despite this fragile cyclical environment, the macroeconomic situation still holds great potential and the corporate fundamentals remain sound. As a result, we have had to anticipate stabilisation or even tightening of spreads. A weaker primary market outlook in the coming weeks should also be favourable for Credit. From now on, we deem "optimised carrying" to be the main performance driver. During the month, we reduced our positions in highly subordinated debt, mainly in the financial sector.

April 2018
In April, geopolitical tensions and trade disputes subsided during the second half of the month, leading to a renewed appetite for risky assets. This environment enabled Credit spreads to narrow and regain some of the ground that they lost during February and March, particularly on the Euro High Yield market and the High Beta sectors, which outperformed. A dense primary market, which can be assimilated however, therefore instilled confidence in the markets. In this context, the average spread of the Euro IG Credit narrowed by -3 bp to 89 bp (vs. 78 bp at its lowest in February). As a result, the Barclays Euro Agg. Corporate index (all maturities combined) ended the month outperforming sovereign bonds of equivalent duration by +30 bp, up +4 bp in the total return as a result of duration, which was a negative factor. Financials and Corporates recovered in a similar way this month, while the High Beta sectors rebounded the most, particularly Corporate Hybrids (-13 bp tightening in the spread; -6 bp for CoCos). Over the past month, we reduced our high beta positions (particularly in financial debt and debt with maturities of more than three years). Exposures to the insurance and automotive sectors enabled the portfolio to outperform its benchmark.

Looking ahead, we remain positive on credit due to continued sound fundamentals. The technical factor of the CSPP remains strong, as no tapering was carried out on the Credit programme during Q1. However, we remain watchful in terms of macroeconomic and geopolitical uncertainties and the gradual increase in US long-term rates (10 years), which are correlated with the 7+ year segment of Euro Credit. We favour high break-even credit (high spread and low maturity), the short-to-medium term segment (maximum 7 years) and subordinated bonds with short call dates.

May 2018
All asset classes were volatile in May. Political turmoil in Europe had a significant impact on market direction and was the main driver of bond yield trends. Investors' concerns focused mainly on political uncertainty in Italy and Spain, the continued withdrawal of the central bank's asset purchase programme and the overall tightening of liquidity. Bond markets were shaken by political uncertainties in Italy and Spain, and then, towards the end of the month, by trade talks involving the United States. The prospect of a populist government in Rome and an Italy ready to leave the eurozone proved to be much more divisive than expected for European partners. After months of deliberation, and with the crisis having been far from over in the last days of the month, the Five Star Movement and the League agreed on the composition of a new government. This decision ended a three-month deadlock, although investors remain cautious, knowing that the two parties have different priorities to reconcile in the same programme. In Spain, the ruling party's trial for corruption and the vote of no confidence against the government also disturbed investors. In the United States, President Trump caused market turmoil by announcing the immediate introduction of tariffs on steel and aluminium imports (25% and 10% respectively) from the EU, Canada and Mexico. Canada and Mexico reacted promptly by declaring that they would also introduce customs tariffs in retaliation. For the bond markets, the situation in Italy and Spain resulted in a strong sell-off of risky assets in Europe, sometimes very pronounced in Italy and Spain. The Italian 10-year yield soared to as high as 3.10% during the month. Its spread against the German Bund rose to 290 bp before contracting to 240 bp at the end of the period, after an agreement on a new government was reached. The 10-year yield on Spanish debt stood at 1.50% at the end of May, up more than 20 bp from the previous month. This political unrest benefited safe-haven assets such as German Bunds, US Treasuries and Japanese government bonds, whose yields dropped as investors sought security. At the end of the month, the Bund's 10-year yield lost almost 20 bp at 0.36%. In the last week of the month, US Treasury yields recorded their largest decline since Brexit, but then began an upward trend following President Trump's import tariff announcement. Overall, the economic data published in May was positive, although slightly disappointing compared to expectations. US statistics depicted a modest deceleration in growth momentum compared to previous months. First-quarter growth was revised downward to an annualised rate of 2.2%, and new job creation outside the agricultural sector amounted to 178,000 in the United States in May, compared to an expected 190,000. In Europe, inflation accelerated sharply in May, with the annual rate rising from 1.2% to 1.9% as a result of higher energy prices (the price per barrel occasionally exceeded $70 during the month). Underlying inflation (excluding food and energy prices) was 1.1%, up from 0.7% in April. May started calmly for the euro credit market, before being affected by increasing volatility during the middle of the month, as the markets widened significantly against the backdrop of the Italian saga. On the cash market, the correction was reflected by widening on all credit segments, with Italian issuers being hit hardest by them. In this context, the average spread of the Euro IG 1-3 years widened by +30 bp, returning to its level reached in April 2017. In terms of performance, the Barclays Euro Agg. Corporate index therefore underperformed sovereign bonds with an equivalent duration by -1.41%, but only fell -0.25%, thanks completely to the flight to safe investments, resulting in a fall in sovereign returns. Financials suffered the most over the month, along with subordinated debt (spreads for CoCos widened by +78 bp to 393 bp and spreads for Corporate Hybrids widened by +45 bp to 234 bp over the month).

During May, we reduced our credit exposure by hedging through derivatives and the sale of subordinated debt. The beta is close to 1, while the rate sensitivity is slightly higher than the benchmark. In terms of future outlook, caution is still warranted, even though the market finished this month on a more positive note following the successful investment of the Italian debt. The risk posed by Italy still very much exists. However, we do not expect the trend to sell risky assets to lose steam because the spreads are now significantly wider and their current levels – if they stabilise – could make credit attractive again. Finally, we believe that the CSPP will remain active, even though it appears that the ECB has already began to reduce its purchases in anticipation of a potential gradual reduction of the programme later this year.

June 2018
Bond markets were less active in June than in May. Market attention focused on central bank announcements and rising trade tensions between China and the United States. On the economic front, the month was not marked by any significant statistics. As for the central banks, the outcomes of the three meetings (ECB, Fed and BoJ) held in June were in line with market expectations. ECB President Mario Draghi confirmed the end of the quantitative easing (QE) programme at the end of the year, and indicated that QE would be reduced from €30 billion to €15 billion per month from September onwards. According to his statements, the bank will not raise its interest rates until at least summer 2019. On the other side of the Atlantic, the Fed, not surprisingly, raised its key interest rate by 25 bp before predicting two further increases

to come this year. The BoJ meeting did not bring any significant news. Trade tensions in the United States continued to rise during the month, creating a sense of risk aversion. President Trump's recurring threats to apply an additional 10% tariff on some $200 billion worth of goods imported from China (and an additional $200 billion if necessary) had a significant impact on the markets' performance. In response to these tensions, yields on "core" government bonds fell during the month overall. After reaching 2.97% in the first week of the month, 10-year US yields ended the period at 2.85%, while their German counterparts went from 0.51% mid-month to 0.30%. Peripheral countries' yields also ended down (Italy and Spain ended at 2.67% and 1.31% respectively). On the political front, the agreement on a government finally reached between the Italian populist parties during the first week of the month improved market sentiment, as did the ousting of Spanish Prime Minister Mariano Rajoy in a motion of no confidence. These two events were reflected in lower yields on their respective government bonds. The political scene was marked by other developments at the end of the month, such as the agreement by German Chancellor Angela Merkel to France's historic request for the creation of a common budget in the eurozone. While the agreement falls far short of the initial ambitions of French President Emmanuel Macron for closer EU integration, it is nevertheless a first step in this direction. After a slight recovery at the start of June, fears of a recurrence of trade wars led to a trend of risk aversion on the markets. This month was also marked by the ECB's announcement of the end of its quantitative easing programme (the monthly pace of net asset purchases will move from €30 billion to €15 billion for the period between September and December 2018, and will then end – there will only be reinvestments left), and that it will leave rates unchanged until summer 2019, therefore building expectations of a low-rate environment for an additional period. On the whole, IG credit finished this month at its widest level over a rolling period of one year, with a spread of 122 bp (+4 bp than in May), while the iTraxx Main 5Y finished +7 bp higher, at 75 bp. In terms of performance, the Barclays Euro Agg. Corporate fell back slightly by -0.05 %, underperforming sovereign bonds with an equivalent duration by -0.10%. Financials outperformed Corporates this month (-0.02% excess return compared to -0.18%), while the Italian issue subsided for the time being and fears of a trade war hit industrial companies the hardest. Furthermore, the rise in volatility also had a impact on subordinated debt and High Yield segments (the spread for CoCos widened by +18 bp to 411 bp, the Corporate hybrids spread widened by +20 bp to 254 bp and the Euro HY spread widened by +24 bp to 391 bp). We are reducing our credit exposure by maintaining hedges through derivatives and the sale of subordinated debt. The beta is significantly greater than 1 and the rate sensitivity is slightly higher than the benchmark. In terms of future outlook, the trade war appears to us to be more of an event linked to the equity universe, because its effects take some time to have a knock-on effect on credit indicators, which are currently healthy.

However, the credit markets are sensitive to macro and geopolitical uncertainties: if things stay as they are, the credit spreads should regain the lost ground, but if the situation gets worse and there is negative news, the spreads should take time to stabilise. In terms of technical factors which are now less favourable, the CSPP is still an important support, despite everything, and reinvestments are continuing long after the end of QE. Therefore, even though there is more caution towards credit (particularly on the finance sector and the subordinated and long-maturity banking sector), the asset class continues to provide value on Corporates with 3-7 year maturities and short High Beta bonds which offer significant carry and are less sensitive to the rise in interest rates.

Over the period under review, the performance of each part of the portfolio AMUNDI CREDIT 1-3 EURO and its benchmark totalled:
- I units in EUR: -0.52% / 0.34% with a tracking error of 0.89%;
- P units in EUR: -1.01% / 0.34% with a tracking error of 0.91%.

Past performances are not necessarily indicative of future performances.

Main movements in the portfolio over the financial year

Securities	Movements ("Accounting currency")	
	Acquisitions	Transfers
AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM OR C	65,841,466.15	66,591,039.26

Transparency of financing operations on securities and the reuse of financial instruments – SFTR regulations – in UCI accounting currency (EUR)

Over the course of the financial year, the UCI did not carry out any operation covered by the SFTR regulations.

Life of the UCI over the financial year in review

30/01/2018 - Addition - Summary of the management offer: table (0.3) R-C units

30/01/2018 - Addition - Summary of the management offer: table (1.3) FR0013312097

30/01/2018 - Addition - Summary of the management offer: table (2.3) Allocation of net profit: Capitalisation Allocation of net capital gains realised: Accumulation

30/01/2018 - Addition - Summary of the management offer: table (3.3) Euro

30/01/2018 - Addition - Summary of the management offer: table (4.3) 1 unit(s)

30/01/2018 - Addition - Summary of the management offer: table (5.3) 1 thousandth of a unit

30/01/2018 - Addition - Summary of the management offer: table (6.3) Strictly reserved for investors subscribing directly or via brokers providing a portfolio management service under mandate and/or financial investment advice not authorising them to keep retrocessions either contractually or in application of MiFID 2 or a national directive.

30 January 2018 Modification - Accounting function delegated to: CACEIS Fund Administration, Société anonyme (public limited company), Registered office: 1-3, Place Valhubert – 75013 Paris CACEIS Fund Administration is the entity of the Crédit Agricole Group specialised in fund administration and accounting for the group's internal and external clients. In this regard, CACEIS Fund Administration was appointed by Amundi Asset Management as accounts manager by delegation for the valuation and administration of the UCI.

30/01/2018 - Addition - Decimalisation: table (0.2) For R-C units, subscriptions are made in thousandths of units, above the minimum subscription amounts. Redemptions are made in thousandths of units.

30/01/2018 - Addition - ISIN code: table (2.0) R-C units

30/01/2018 - Addition - ISIN code: table (2.1) FR0013312097

30/01/2018 - Addition - Initial minimum subscription: table (0.2) R-C units: 1 Unit(s)

30/01/2018 - Addition - Subsequent minimum subscription: table (0.2) R-C units: 1 thousandth of unit

30/01/2018 - Addition - Decimalisation: table (0.2) R-C units: Subscriptions are carried out in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

30/01/2018 - Addition - Initial net asset value: table (0.2) R-C units: €100.00

30/01/2018 - Addition - Base currency of the units: table (0.2) R-C units: Euro

30/01/2018 - Addition - Allocation of net profit: table (0.2) R-C units: Accumulation

30/01/2018 - Addition - Allocation of net capital appreciation realised: table (0.2) R-C units: Accumulation

30/01/2018 - Addition - Subscription and redemption fees: table (2.3) R-C units: Maximum 1.00%

30/01/2018 - Addition - Subscription and redemption fees: table (2.7) R-C units: None

30 January 2018 - Modification - Management and administration fees: table (0.1) P1 _ P2

30 January 2018 - Modification - Management and administration fees: table (1.1) Financial management fees - Administration fees external to the management company

30/01/2018 - Addition - Management and administration fees: table (3.3) R-C unit: 0.59% inclusive of tax

30 January 2018 - Modification - Management and administration fees: table (0.4) P3

30 January 2018 - Modification - Management and administration fees: table (0.5) P4

30 January 2018 - Modification - Management and administration fees: table (0.6) P5

30/01/2018 - Addition - Management and administration fees: table (3.8) R-C units: 20.00% of the difference between the valued assets and the benchmark assets

30 January 2018 - Modification VII - VALUATION AND ACCOUNTING RULES FOR THE ASSETS - Date of updating the prospectus: 30 January 2018

30/01/2018 - Addition - Subscription and redemption fees: Maximum redemption fees payable to the UCITS 0

30/01/2018 - Addition - Subscription and redemption fees: Maximum subscription fee payable to the UCITS 0

30/01/2018 - Addition - Subscription and redemption fees: Subscription fees outstanding maximum 1

30/01/2018 - Addition - Management and administration fees: Management and administration fees (FIM) (%) .11

Specific Information

Feeder UCI

• The Fund's legal documentation states that it is fully and permanently invested in units (or shares if any) of its master UCI and indicates, under indirect costs, the maximum rate of subscription and redemption fees, as well as management fees of the master UCI.

In accordance with the regulations and during the period elapsed, the parent UCI presented levels in practice consistent with those mentioned in the Key Investor Information Document and included in the section entitled "Management Fees".

Voting rights

The exercising of voting rights attached to the values listed in the UCI assets and the decision to contribute securities are set out in the UCI regulations.

Group funds and instruments

In order to become familiar with the information on financial instruments held in the portfolio that are issued by the Management Company or by the entities in its group, please see the sections in the annual accounts:

• Other information
• Financial instruments held, issued and/or managed by the group.

Calculation of the overall risk

• Method of calculating the ratio of the overall risk:
Unlike its master fund, the feeder UCITS may not use instruments requiring the calculation of liabilities; as a result, no method of calculating liabilities is mentioned here.

The methods of calculating the ratio of overall risk are:

Commitment.

Regulatory Information

Broker and Counterparty Selection Procedure

Our management company and its "Trading" subsidiary attach great importance to the selection of our transaction service providers, both in terms of brokers and counterparties.

Its selection methods are as follows:
- Brokers are selected by geographical zone, then by profession. Counterparties are selected by field.
- Brokers and counterparties are given a quarterly internal rating. The guidelines given by our company participating in the rating process are directly concerned by the services provided by these providers. Our company's "Trading" subsidiary organises and determines this rating on the basis of marks given by each team manager concerned according to the following criteria:

For teams of managers, financial analysts and strategists:
- general business relationship, understanding of needs, relevance of contacts,
- quality of market and opportunity advice, following of advice,
- quality of research and publications,
- scope of securities covered, visits made by companies and their management.

For teams of traders:
- quality of staff, knowledge of market and information about companies, confidentiality,
- price proposal,
- quality of execution,
- quality of transaction processing, connectivity, technical expertise and reactivity.

Our company's 'Compliance' and 'Middle Office' sections have a right of veto.

Accreditation of a new transaction service provider (broker or counterparty)

The 'Trading' subsidiary is responsible for creating accreditation files and obtaining approval from the 'Risks' and 'Compliance' sections. When the transaction service provider (broker or counterparty) is accredited, it is subject to rating the following quarter.

Monitoring committees for transaction service providers (brokers and counterparties)

These monitoring committees meet every quarter, under the auspices of the 'Trading' subsidiary. The committees' objectives are as follows:
- approve the previous business and the new selection to implement for the following quarter;
- decide on which service providers will belong to a group which is then given a certain number of transactions;
- define prospects for business.

With this in mind, the monitoring committees review statistics and ratings given to each service provider and make the resulting decisions.

Report on brokerage fees

A report relating to brokerage fees is kept at the disposal of investors. This report can be consulted on the following website: www.amundi.com.

Respect of environmental, social and governance quality (ESG) criteria on the part of the UCI:

Overall in its active management*, Amundi applies strict rules over the integration of extra-financial criteria (ESG) which form the basis of its responsibility:
- No direct investments in companies involved in the production or sale of anti-personnel mines and cluster bombs, prohibited by the Ottawa and Oslo conventions
- Exclusion of companies involved in the production or sale of chemical, biological and depleted uranium weapons.
- Exclusion of companies which seriously and repeatedly contravene one or more of the Ten Principles of the United Nations Global Compact

In addition, during 2017, Amundi decided to stop investing in companies which engage in coal-extraction activity that exceeds 30% of their turnover or, after a qualitative and prospective analysis, companies producing 100 million tonnes of coal per year or more.

These issuers are rated G on the Amundi scale (scale of A to G, with A being the best rating and G the worst).

Additional information on the methods of incorporating ESG criteria by Amundi are available on its website: www.amundi.com.

** Active management: excluding indexed UCI and ETF limited by their benchmark index.*

Remuneration policy

1. Remuneration policy and practices for the manager's personnel

The remuneration policy implemented in Amundi Asset Management ("Amundi AM") complies with the provisions for remuneration detailed in Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (hereinafter referred to as the "*AIFM Directive*") and in Directive 2014/91/EU of 23 July 2014 on UCITS (hereinafter referred to as the "*UCITS V Directive*"). These rules, relating to the manager's structures, practices and remuneration policy, have the aim of contributing towards bolstering the healthy, effective and controlled management of risks affecting the management company and the fund under management.

This policy forms part of the remuneration policy of the Amundi Group, and is reviewed each year by its Remuneration Committee. During the session of 7 February 2017, it approved the policy applicable to the 2016 financial year and its compliance with the principles of the AIFM and UCITS V Directives. The policy applicable to the 2016 financial year was reviewed during the Remuneration Committee meeting of 7 February 2017.

The implementation of the Amundi remuneration policy was subject, during 2017, to an internal, central and independent evaluation, conducted by the Amundi Internal Audit.

1.1 Amount of remunerations paid by the manager to its personnel

During the 2017 financial year, the total amount of remunerations (including fixed and variable remunerations, deferred and non-deferred) allocated by Amundi AM to all its personnel (i.e. 1,392 beneficiaries on 31 December 2017) amounted to €138,193,806. This amount can be broken down as follows:

- Total amount of fixed remunerations paid by Amundi AM over the course of the financial year: €102,562,871, or 74% of the total remunerations allocated by the manager to all its personnel, in the form of fixed remunerations.

- Total amount of variable remunerations, deferred and non-deferred, paid by Amundi AM over the course of the financial year: €35,630,935, or 26% of the total remunerations allocated by the manager to all its personnel, in this form. All the personnel are eligible for variable remuneration.

No "carried interest" was paid out for the financial year.

Over the total remunerations (fixed and variable, deferred and non-deferred) allocated over the course of the financial year, €13,277,419 related to "directors and executives" (30 people on 31 December 2017), €11,274,220 related to "decision-making managers" whose activities had a significant impact on the risk profile of the managed funds (44 people on 31 December 2017).

1.2 Incidences of the remuneration policy and practices on the risk profile and on the management of conflicts of interest

The Amundi Group has a remuneration policy and has implemented remuneration practices in accordance with the latest legislative, regulatory and doctrinal developments of the regulatory authorities for all Management Companies.

The Amundi Group also identifies its Identified Personnel who include all Amundi Group staff with decision-making powers over the management of managed companies or funds and who are therefore likely to have a significant impact on the performance or the risk profile.

Variable remuneration allocated to personnel in the Amundi Group is determined by combining an assessment of the performance of the staff member concerned, the operational unit to which they belong and the overall results of the Group. This assessment of individual performance takes into account both financial and non-financial criteria, as well as respect for healthy risk management rules.

The criteria taken into account for the assessment of performance and the allocation of variable remuneration depends on the type of function carried out:

1. Selection functions and portfolio management

Usual financial criteria:
- Gross and net performance of the fund managed over 1, 3 and 5 years;
- Information ratio and Sharpe ratio;
- Performance fees generated during the financial year, if relevant;
- Contribution to the net collection made over the financial year.

Usual non-financial criteria:
- Respect for internal rules in terms of risk prevention and management (Risks/Compliance);
- Product innovation;
- Transversality, sharing of best practices and collaboration;
- Contribution to commercial commitments;
- Management quality.

2. Commercial functions

Usual financial criteria:
- Net collection;
- Profitability;
- Market share, development of the customer portfolio;

Usual non-financial criteria:
- Respect for internal rules in terms of risk prevention and management (Risks/Compliance);
- Full inclusion of customer interests;
- Customer satisfaction and quality of commercial relationship;
- Management quality.

3. Support and control functions
In relation to control functions, the performance assessment and the variable remuneration allocations run independently of the performance of the business sectors they control.

The criteria usually taken into account are as follows:
- Mainly criteria relating to achieving their own objectives (controlling risk, quality of controls, performance of projects, improvement of system tools, etc.).
- Where financial criteria are used, they mainly relate to the management and optimisation of charges.

The above-mentioned performance criteria, especially those applied to Identified Personnel responsible for management, are more broadly part of respect for the regulations applicable to the managed fund, as well as for the investment policy of the manager's investment committee.

Furthermore, the Amundi Group has implemented measures for all its staff aimed at aligning performance remuneration and long term risks, and limiting the risk of conflicts of interests.

To this end:
- The implementation of a deferral scale, in accordance with the requirements of the AIFM and UCITS V Directives.
- The deferred portion of the Identified Personnel staff bonuses is paid in instruments 100% indexed to the performance of a basket of representative funds.
- The definitive acquisition of the deferred portion is linked to the financial situation of Amundi, the continued employment of the staff member in the group and their healthy, controlled risk management over the entire acquisition period.

Certification of the Statutory Auditor on the annual accounts

STATUTORY AUDITOR'S REPORT
ON THE ANNUAL ACCOUNTS
Financial year ending 29 June 2018

AMUNDI CREDIT 1-3 EURO
UCITS ESTABLISHED IN THE FORM OF A MUTUAL FUND
Governed by the French Monetary and Financial Code

Management Company
AMUNDI ASSET MANAGEMENT
90, boulevard Pasteur
75015 PARIS

Opinion

In fulfilment of the mission which was entrusted to us by the management company, we have carried out the audit of the annual accounts of the UCITS AMUNDI CREDIT 1-3 EURO organised as a feeder mutual fund, relating to the financial year ended 29 June 2018, as appended to this report.

We certify that the annual accounts are, with regard to French accounting principles and rules, regular and accurate, and give a faithful image of the result of transactions occurring during the financial year in question, as well as of the financial position and net asset situation of the feeder mutual fund at the close of the financial year.

Basis of the opinion

Audit standards

We carried out our audit in accordance with the professional conduct standards as applicable in France. We consider that the elements we have gathered are of a sufficient and appropriate nature to serve as the basis for our opinion. Our responsibilities under these standards are set out in the "Statutory auditor's responsibilities for the audit of the financial statements" section of this report.

Independence

We have carried out our audit assignment in accordance with the independence rules applicable to us for the period from 30 June 2017 to the date of issue of our report, and in particular we have not provided services prohibited by the Code of Ethics of the auditing profession.

PricewaterhouseCoopers Audit, 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex
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Justification of assessments

Pursuant to the provisions of Articles L. 823-9 and R.823-7 of the Commercial Code relating to the justification of our assessments, we hereby inform you that, in our professional opinion, the most important assessments that we made related to the appropriate nature of the accounting principles applied, the reasonable nature of the significant estimates made and the presentation of the accounts as a whole.

These assessments were made in the context of the audit of the financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on individual items in these financial statements taken in isolation.

Verification of management report and of other documents sent to unit holders

In accordance with the applicable professional standards in France, we also performed the specific checks laid down by law.

We have no qualifications to make as to the accuracy or consistency with the annual accounts of the information given in the management report of the management company or the documents sent to holders regarding the financial situation and annual accounts.

Responsibilities of management and those persons charged with governance relating to the annual accounts

It is for the management company to draw up annual accounts preparing an honest image in accordance with the French accounting rules and principles, and to set in place the internal control which it deems necessary for the preparation of annual accounts not containing any significant anomalies, whether these originate from fraud or error.

When drawing up the annual accounts, the management company is responsible for assessing the UCI's ability to continue its operations, for presenting in these statements, where applicable, the necessary information relating to the going concern and for applying the standard accounting policy for a going concern, unless it is planned to liquidate the UCI or to cease its activity.

The annual accounts were authorised for issue by the management company.

Statutory auditor's responsibilities for the audit of the financial statements

Objective and audit process

It is our duty to prepare a report about the annual financial statements. Our aim is to obtain reasonable assurance that the annual financial statements taken as a whole do not contain any material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will always detect any material misstatement. Misstatements can be fraudulent or the result of errors and are considered material when they can reasonably be expected to influence, either individually or cumulatively, the economic decisions that account users make on that basis.

As specified in Article L. 823-10-1 of the Commercial Code, our audit mission is not to guarantee the viability or quality of the management of the UCI.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises their professional judgement throughout the audit. In addition:

- they identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, define and implement audit procedures to deal with these risks, and collect information that they consider sufficient and appropriate to form their opinion. The risk of undetected material misstatement arising from fraud is greater than the risk of undetected material misstatement resulting from an error, as fraud may involve collusion, forgery, wilful omission, misrepresentation or circumvention of the internal control mechanism;

- they take cognisance of the internal control mechanism relevant to the audit in order to define appropriate audit procedures in the circumstances, and not to express an opinion on the effectiveness of the internal control mechanism;

- they assess the appropriate nature of the accounting methods applied and the reasonable nature of the accounting estimates made by the management company, along with the information concerning these provided in the annual accounts;

- they assess the appropriateness of the management company's application of the standard accounting policy for a going concern and, depending on the information collected, whether or not there is any significant uncertainty related to events or circumstances that could jeopardise the UCI's ability to continue as a going concern. This assessment is based on the information collected up to the date of their report, although it should be borne in mind that future circumstances or events could jeopardise the company's ability to continue as a going concern. If they conclude that there is a significant uncertainty, they draw the attention of the reader of their report to the information provided in the annual financial statements about that uncertainty or, if that information is not provided or is not relevant, they issue a qualified opinion or a refusal to certify the accounts;

- they assess the overall presentation of the annual financial statements and assess whether the annual financial statements reflect the underlying transactions and events in such a way as to give a true and fair view.

Given the time needed for some of the additional items necessary to finalise our work, this report is issued on the date of the electronic signature.

Neuilly-sur-Seine, date of electronic signature

Document authenticated by electronic signature
Statutory Auditors
PricewaterhouseCoopers Audit
Philippe Chevalier

Annual accounts

Assets in EUR

Assets at 29/06/2018

Portfolio: 050414 AMUNDI CREDIT 1-3 EURO

	29/06/2018	30/06/2017
FINANCIAL INSTRUMENTS	**91,466,303.48**	**92,651,611.34**
MASTER UCI	**91,466,303.48**	**92,651,611.34**
Futures		
Transactions on a regulated market or related market		
Other transactions		
DEBTS	**4,041,030.88**	**4,571,344.95**
Forward-based currency transactions		
Others	4,041,030.88	4,571,344.95
FINANCIAL ACCOUNTS	**27,142.64**	**25,421.84**
Liquidity	27,142.64	25,421.84
TOTAL ASSETS	**95,534,477.00**	**97,248,378.13**

Liabilities in EUR

Liabilities at 29/06/2018

Portfolio: 050414 AMUNDI CREDIT 1-3 EURO

	29/06/2018	30/06/2017
SHAREHOLDERS' FUNDS		
Capital	90,527,748.84	90,943,110.80
Previous net appreciation and depreciation not distributed (a)		
Balance carried forward (a)		
Net appreciation and depreciation for the financial year (a, b)	**1,247,508.44**	**2,087,136.16**
Earnings for the financial year (a, b)	-390,941.70	-445,645.77
TOTAL SHAREHOLDERS' EQUITY *	**91,384,315.58**	**92,584,601.19**
Sum representing net assets		
FINANCIAL INSTRUMENTS		
Futures		
Transactions on a regulated market or related market		
Other transactions		
DEBTS	**4,150,161.42**	**4,662,017.07**
Forward-based currency transactions		
Others	4,150,161.42	4,662,017.07
FINANCIAL ACCOUNTS		**1,759.87**
Current bank lending		1,759.87
Borrowings		
TOTAL LIABILITIES	**95,534,477.00**	**97,248,378.13**

(a) Including accruals
(b) Less advance payments made in respect of the financial year

Off-balance sheet in EUR

Off-balance sheet at 29/06/2018

Portfolio: 050414 AMUNDI CREDIT 1-3 EURO

	29/06/2018	30/06/2017
HEDGING TRANSACTIONS		
Liabilities on regulated markets or related markets		
Over-the-counter liabilities		
Other liabilities		
OTHER TRANSACTIONS		
Liabilities on regulated markets or related markets		
Over-the-counter liabilities		
Other liabilities		

Profit and loss account in EUR

Profit and loss account at 29/06/2018

Portfolio: 050414 AMUNDI CREDIT 1-3 EURO

	29/06/2018	30/06/2017
Income from financial transactions		
Income from deposits and on financial accounts	335.80	35.28
Income from equities and related securities		
Income from bonds and related securities		
Income from debt securities		
Income from temporary acquisitions and disposals of securities		
Income from futures		
Other financial income		
TOTAL (1)	**335.80**	**35.28**
Charges for financial transactions		
Charges for temporary acquisitions and disposals of securities		
Charges for futures		
Charges for financial debts	165.63	1,320.76
Other financial debts		
TOTAL (2)	**165.63**	**1,320.76**
INCOME FROM FINANCIAL TRANSACTIONS (1 – 2)	**170.17**	**-1,285.48**
Other income (3)		
Management fees and provisions for depreciation (4)	404,164.70	530,797.55
NET PROFIT FOR THE FINANCIAL YEAR (L. 214-17-1) (1 – 2 + 3 – 4)	**-403,994.53**	**-532,083.03**
Income equalisation for the financial year (5)	13,052.83	86,437.26
Advance payments made in respect of the financial year (6)		
PROFIT (1 - 2 + 3 - 4 + 5 - 6)	**-390,941.70**	**-445,645.77**

Notes to the annual accounts

Accounting rules and methods

The annual accounts are presented in the form set out by ANC Regulation No. 2014-01 abrogating CRC Regulation, 2003-02 as amended.

As indicated in the note presenting the ANC, the terminology and distribution from the UCI section to the balance sheet assets have been modified as follows and may be described in the following manner:

The general accounting principles apply:
- true reflection, comparable nature, consistency in terms of activity,
- regularity and accuracy;
- prudence; and
- consistency of methods from one financial year to the next.

The selected accounting method used to record proceeds from fixed-income securities is that of interest collected.

Purchases and sales of securities are recorded exclusive of costs.
The reference currency for portfolio accounting is the euro.
The length of the financial year is 12 months.

Valuation rules for the assets

Financial instruments are recorded for accounting purposes according to the historical cost method, and entered on the balance sheet at their current value, which is determined using the last known market value or, should no market exist, by all external means or using financial models.
Differences between current values used to calculate the net asset value and historical cost of securities upon entering the portfolio are recorded in a "Valuation differentials" account.
Securities not in the portfolio currency are assessed according to the principle outlined below, then converted into the portfolio currency at the currency value prevailing on the valuation date.

UCIs held:

UCI shares or units will be valued at the last known net asset value.

Futures:

Forward-based financial instruments traded on a regulated market or similar:

Futures traded on regulated markets are valued at the settlement price for the day.

Futures not traded on a regulated market or similar:

Swaps:

Interest rate and/or currency swaps are valued at their market value using the price calculated by the interest flow method at the interest rate and/or currency exchange rate prevailing on the market. This price is adjusted to the issuer's risk.

Index swaps are assessed actuarially on the basis of a benchmark rate provided by the counterparty.

Other swaps are assessed at their market value or a value estimated according to the procedures laid down by the management company.

Off-balance sheet liabilities:

Futures contracts are recorded at their market value as off-balance sheet liabilities at the price used in the portfolio.
Options are converted into the underlying equivalent.
Swap commitments are presented at their nominal value, or in the absence of a nominal value, for an equivalent amount.

Management fees

Management fees and running costs cover all fees relating to the UCI: financial, administrative, accounting, storage, distribution management and audit costs, etc.
These fees are charged to the UCI statement of operations.
Management fees do not include transaction fees. For more details about the fees charged to the UCI, please refer to the prospectus.

They are recorded pro rata temporis for each net asset value calculation.
The total of these costs complies with the maximum fee rate of 0.44% of net assets (including tax) for the I unit, 0.89% (including tax) for the P unit and 0.59% (including tax) for the R unit for portions indicated in the Fund's prospectus or regulations.

Outperformance fees:
The calculation of the outperformance fee applies to the level of each unit/share involved and at each date of determination of the Net Asset Value. This is based on a comparison between:
• the net assets of the unit (before deduction of the outperformance fee) and
• The "benchmark assets" which shall be the net assets of the unit (before deduction of the outperformance fee) on the first day of the observation period, adjusted for subscription/redemption amounts on each valuation, to which the performance of the benchmark index (Barclays Euro-Aggregate Corporate) is applied.
The comparison is performed for an observation period of one year, which will end on the date of the last net asset value calculated for the month of August.
If, over the observation period, the unit's net assets (before deduction of the outperformance fee) are greater than the benchmark assets defined above, the outperformance fee will represent 20% of the variation in the two asset figures. This fee shall form the subject of a provision on calculation of the net asset value. In case of redemption, the proportion of the accrued provision corresponding to the number of units redeemed is definitively payable to the management company.
If, over the observation period, the unit's net assets (before deduction of the outperformance fee) are greater than the benchmark assets defined above, the outperformance fee will be nil and will form the subject of a provision reversal on calculation of the net asset value. The reversals of provisions may not exceed the sum of the prior allocations.
This outperformance fee will only be permanently collected if, on the day of the last net asset value for the observation period, the unit's net assets (before deduction of the outperformance fee) are greater than those in the benchmark index.

Allocation of distributable amounts

***Definition of distributable amounts*:**

The distributable amounts are made up of:

Profit:

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and prizes, director’s fees as well as all proceeds generated by the securities held in the portfolio of the fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

This is increased by any balance carried forward, with the addition or reduction of the income equalisation accounts.

Appreciation and depreciation:

The appreciation, net costs, less the realised depreciation, net costs, as seen over the course of the financial year, plus the net appreciation of a similar nature noted over the course of the previous financial years not subject to distribution or capitalisation and reduced or increased by the balance of the appreciation equalisation account.

Methods for allocating the distributable amounts:

Distributable Amounts	***I-C, P-C and R-C units***
Allocation of net profit	Accumulation
Net realised appreciation or depreciation allocation	Accumulation

Change in the Net Assets in EUR

Change in the net assets at 29/06/2018

Portfolio: 050414 AMUNDI CREDIT 1-3 EURO

	29/06/2018	30/06/2017
NET ASSETS AT THE BEGINNING OF FINANCIAL YEAR	**92,584,601.19**	**170,215,378.40**
Subscriptions (including subscription commissions payable to the UCI)	83,840,017.32	48,791,045.90
Redemptions (after deduction of redemption commissions payable to the UCI)	-84,201,942.22	-129,604,838.00
Capital gains made on deposits and financial instruments	1,246,521.60	1,991,808.75
Capital losses made on deposits and financial instruments		
Capital appreciation made on futures		26,993.32
Capital losses made on futures		
Transaction fees		
Exchange differences	-466.14	-1,571.48
Variations in valuation differential for deposits and financial instruments	-1,680,421.64	1,697,867.33
Valuation differential for financial year N	*269,434.53*	*1,949,856.17*
Valuation differential for financial year N-1	*-1,949,856.17*	*-251,988.84*
Variations in valuation differential for futures		
Valuation differential for financial year N		
Valuation differential for financial year N-1		
Distribution for previous year on net appreciation and depreciation		
Distribution for previous year on profits		
Net profit for the financial year before equalisation account	-403,994.53	-532,083.03
Advance payment(s) made over the financial year on appreciation and depreciation		
Advance payment(s) made over the financial year on profits		
Other items		
NET ASSETS AT THE END OF THE FINANCIAL YEAR	**91,384,315.58**	**92,584,601.19**

BREAKDOWN BY LEGAL OR ECONOMIC TYPE OF FINANCIAL INSTRUMENT

	Amount	%
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
TOTAL HEDGING TRANSACTIONS		
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS		

BREAKDOWN BY RATE TYPE FOR ASSET, LIABILITY AND OFF-BALANCE SHEET ENTRIES

	Fixed rate	%	Variable rate	%	Floating rate	%	Others	%
Off-balance sheet								
Hedging transactions								
Other transactions								

BREAKDOWN BY RESIDUAL MATURITY OF ASSET, LIABILITY AND OFF-BALANCE SHEET

	< 3 months	%	[3 months – 1 year]	%	[1 – 3 years]	%	[3 – 5 years]	%	> 5 years	%
Off-balance sheet										
Hedging transactions										
Other transactions										

Futures positions are presented according to the underlying maturity.

BREAKDOWN BY LISTING OR ASSESSMENT CURRENCY OF ASSET, LIABILITY AND OFF-BALANCE SHEET ENTRIES (excluding euro)

	Currency 1 USD	%	Currency 2 UNDEF	%	Currency 3	%	Currency N OTHER	%
Assets								
Master UCI								
Debts								
Financial accounts	27,126.21	0.03						
Liabilities								
Financial accounts								
Off-balance sheet								
Hedging transactions								
Other transactions								

BREAKDOWN BY TYPE OF RECEIVABLES AND DEBTS

	Type of debit/credit	29/06/2018
Debts	Deferred payment sales	4,034,594.96
	Subscriptions receivable	6,435.92
Total accounts receivable		**4,041,030.88**
Debts	Redemptions payable	- 4,006,362.98
	Management fees	- 62,611.56
	Variable management fees	- 81,186.88
Total debts		**- 4,150,161.42**
Total debts and receivables		**- 109,130.54**

SHAREHOLDERS' FUNDS
Number of securities issued or redeemed

	In units	By amount
I unit		
Units subscribed during the financial year	2,435.535	75,738,402.73
Units redeemed during the financial year	-2,436.019	-75,465,023.81
Number of units in circulation at year-end	2,488.046	
P unit		
Units subscribed during the financial year	60,302.631	8,101,514.59
Units redeemed during the financial year	-65,036.140	-8,736,918.41
Number of units in circulation at year-end	114,607.385	
R unit:		
Units subscribed during the financial year	1.000	100.00
Units redeemed during the financial year		
Number of units in circulation at year-end	1.000	

SUBSCRIPTION AND/OR REDEMPTION FEES

	By amount
I unit	
Redemption fees received	
Subscription fees received	
Total fees received	
P unit	
Redemption fees received	
Subscription fees received	
Total fees received	
R unit:	
Redemption fees received	
Subscription fees received	
Total fees received	

MANAGEMENT FEES

	29/06/2018
I unit	
Guarantee commissions	
Fixed management fees	240,868.94
Percentage of fixed management fees	0.29
Variable management fees	16,770.14
Management fee retrocessions	
P unit	
Guarantee commissions	
Fixed management fees	145,919.54
Percentage of fixed management fees	0.84
Variable management fees	556.94
Management fee retrocessions	

MANAGEMENT FEES

	29/06/2018
R unit:	
Guarantee commissions	
Fixed management fees	0.01
Percentage of fixed management fees	0.02
Variable management fees	
Management fee retrocessions	

COMMITMENTS MADE AND RECEIVED

	29/06/2018
Guarantees received by the UCI	
- including capital guarantees	
Other commitments received	
Other commitments made	

OTHER INFORMATION

Current value of financial instruments subject to temporary purchase

	29/06/2018
Securities taken under a reverse repurchase agreement - Securities borrowed	

Current value of financial instruments used as pledges

	29/06/2018
Financial instruments pledged and held in the original Financial Instruments entry received as a guarantee and not recorded on the balance sheet	

Financial instruments held, issued and/or managed by the group.

	ISIN Code	Denomination	29/06/2018
Shares			
Bonds			
Transferable debt securities			
UCI			91,466,303.48
	LU0945151495	AMUNDI FUNDS BOND EURO	91,466,303.48
Futures			
Total group securities			**91,466,303.48**

TABLE FOR THE ALLOCATION OF THE SHARE IN THE DISTRIBUTABLE AMOUNTS RELATING TO THE PROFIT

	29/06/2018	30/06/2017
Sums still to be allocated		
Balance carried forward		
Result	-390,941.70	-445,645.77
Total	**-390,941.70**	**-445,645.77**

	29/06/2018	30/06/2017
I unit		
Allocation		
Distribution		
Balance carried forward for the financial year		
Accumulation	-262,494.39	-269,411.66
Total	**-262,494.39**	**-269,411.66**

	29/06/2018	30/06/2017
P unit		
Allocation		
Distribution		
Balance carried forward for the financial year		
Accumulation	-128,447.30	-176,234.11
Total	**-128,447.30**	**-176,234.11**

	29/06/2018	30/06/2017
R unit:		
Allocation		
Distribution		
Balance carried forward for the financial year		
Accumulation	-0.01	
Total	**-0.01**	

TABLE FOR THE ALLOCATION OF THE SHARE IN THE DISTRIBUTABLE AMOUNTS RELATING TO NET CAPITAL GAINS AND LOSSES

	29/06/2018	30/06/2017
Sums still to be allocated		
Previous net appreciation and depreciation not distributed		
Net appreciation and depreciation for the financial year	1,247,508.44	2,087,136.16
Advance payments made on net appreciation and depreciation in the financial year		
Total	**1,247,508.44**	**2,087,136.16**

	29/06/2018	30/06/2017
I unit		
Allocation		
Distribution		
Net appreciation and depreciation not distributed		
Accumulation	1,040,103.00	1,727,078.99
Total	**1,040,103.00**	**1,727,078.99**

	29/06/2018	30/06/2017
P unit		
Allocation		
Distribution		
Net appreciation and depreciation not distributed		
Accumulation	207,405.19	360,057.17
Total	**207,405.19**	**360,057.17**

	29/06/2018	30/06/2017
R unit:		
Allocation		
Distribution		
Net appreciation and depreciation not distributed		
Accumulation	0.25	
Total	**0.25**	

INCOME TABLE AND OTHER CHARACTERISTIC FEATURES OF THE ENTITY OVER THE PREVIOUS FIVE FINANCIAL YEARS

	30/09/2014	30/06/2015	30/06/2016	30/06/2017	29/06/2018
Overall net assets in EUR	**672,033,939.69**	**337,626,602.53**	**170,215,378.40**	**92,584,601.19**	**91,384,315.58**
AMUNDI CREDIT 1-3 EURO I					
Net assets in EUR	486,015,826.46	218,761,683.97	153,206,021.54	76,640,842.08	76,227,599.67
Number of securities	16,223.548	7,366.610	5,110.694	2,488.530	2,488.046
Unit net asset value in EUR	29,957.43	29,696.38	29,977.53	30,797.63	30,637.53
Unit accumulation on net gains and losses in EUR	-133.67	744.28	-300.71	694.01	418.04
Unit accumulation in EUR on the profits	586.92	2.49	-86.61	-108.26	-105.50
AMUNDI CREDIT 1-3 EURO P					
Net assets in EUR	186,018,113.23	118,864,918.56	17,009,356.86	15,943,759.11	15,156,617.93
Number of securities	1,406,894.344	910,714.578	129,811.309	119,340.894	114,607.385
Unit net asset value in EUR	132.21	130.51	131.03	133.59	132.24
Unit accumulation on net gains and losses in EUR	-0.59	3.28	-1.31	3.01	1.80
Unit accumulation in EUR on the profits	1.93	-0.54	-1.09	-1.47	-1.12
AMUNDI CREDIT 1-3 EURO R					
Net assets in EUR					97.98
Number of securities					1.000
Unit net asset value in EUR					97.98
Unit accumulation on net gains and losses in EUR					0.25
Unit accumulation in EUR on the profits					-0.01

Detailed inventory of financial instruments in EUR

Name of security	Currency	No. or nominal qty	Current value	% Net Assets
Undertakings for collective investment				
UCITS and FIA generally intended for non-professionals and equivalent in other countries				
LUXEMBOURG				
AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM OR C	EUR	2,951.96	91,466,303.48	100.09
LUXEMBOURG TOTAL			**91,466,303.48**	**100.09**
TOTAL UCITS and FIA generally intended for non-professionals and equivalent in other countries			**91,466,303.48**	**100.09**
TOTAL Undertakings for Collective Investment			**91,466,303.48**	**100.09**
Debts			**4,041,030.88**	**4.42**
Debts			**-4,150,161.42**	**-4.54**
Financial accounts			**27,142.64**	**0.03**
Net assets			**91,384,315.58**	**100.00**

AMUNDI CREDIT 1-3 EURO I	**EUR**	**2,488.046**	**30,637.53**
AMUNDI CREDIT 1-3 EURO P	**EUR**	**114,607.385**	**132.24**
AMUNDI CREDIT 1-3 EURO R	**EUR**	**1.000**	**97.98**

Appendices

Main features of the fund

This document provides essential information to investors in this fund. It is not a promotional document. The information it contains is provided to you as a legal obligation, in order to help you understand what is involved in investing in this fund and what the associated risks are. You are recommended to read it so you can decide whether or not to invest with full knowledge of the facts.

AMUNDI CREDIT 1-3 EURO

Class R - ISIN code: (C) FR0013312097

UCITS governed by French law and managed by Amundi Asset Management, an Amundi company

Investment Objectives and Policy

AMF classification ("French Financial Markets Authority"): Bonds and other euro-denominated debt securities
By subscribing to AMUNDI CREDIT 1-3 EURO - P, you are investing in bonds mainly denominated in euros and offering the highest level of short-term capital gains, through AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR.
Your investment is made almost fully in the AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR sub-fund from Amundi Funds, a SICAV governed by Luxembourg law and, in a secondary manner, in cash.
The objective of your fund is to outperform the benchmark indicator, the Barclays Euro Aggregate Corporate 1-3, with a minimum investment period of 18 months after allowing for current charges.
The performance of AMUNDI CREDIT 1-3 EURO - P may be lower than that of AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR mainly as a result of its own charges.
The strategy of your fund is identical to that of AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR namely:
"The objective of the Sub-Fund is to outperform the benchmark indicator, the Barclays Euro Aggregate Corporate 1-3, over a minimum investment period of 18 months by selecting bonds mainly denominated in euros offering the highest level of capital gain over the short term. To achieve its objective, the Sub-Fund shall invest at least 50% of its net assets in corporate bonds whose returns are lower but which are relatively safe ("Investment Grade"), denominated in euros. Two sources of performance can contribute to achieving the objective of the Sub-Fund. Various strategies are implemented to achieve the performance objective of the Sub-Fund: directional credit strategies, directional strategies on interest rates, arbitrage strategies on credit and diversification strategies. The use of derivative financial products forms an integral part of the investment policy for the purposes of hedging, arbitrage and overexposure. The Sub-Fund does not aim not to replicate this benchmark indicator and therefore its performance may be significantly different from it."
The net profit and net gains made by the fund are systemically reinvested each year.
You can request the reimbursement of your units each day. Redemption transactions are performed daily.
Recommendation: this fund may not suit investors who plan to withdraw their contribution before 18 months have passed.

Risk and return profile

Lowest risk — Highest risk

Potentially lower return — Potentially higher return

1	**2**	3	4	5	6	7

The risk level of this fund mainly reflects the market risk of corporate bonds in euros in which it invests.
Past data used for the calculation of the digital risk indicator may not be a reliable indicator of the future risk profile of the UCITS.
The risk category associated with this fund is not guaranteed and may change over time.
The lowest category does not mean "risk-free".
Capital initially invested has no guarantees.
Provisions in terms of subscription/redemption for AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR in which your fund invests are explained in the subscription and redemption conditions in the AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR prospectus.

Significant risks for the UCITS not taken into account in the indicator are:

- Credit risk: represents the risk of sudden deterioration in the quality of the signature of an issuer or of their defaulting.
- Liquidity risk: in the special case where exchange volumes on the financial markets are very low, any purchase or sale transaction on them may lead to significant market variations.
- Counterparty risk: this represents the risk of defaulting of an entity acting on the market preventing its commitments to your portfolio from being honoured.
- The use of complex products, such as derivative products, may lead to an amplification of the movement of securities in your portfolio.

The occurrence of one of these risks may lead to a drop in the net asset value of the portfolio.

Main features of the fund

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AMUNDI CREDIT 1-3 EURO

Class I - ISIN code: (C) FR0010001214

This fund is managed by Amundi Asset Management, an Amundi company

This fund is managed by Amundi Asset Management, an Amundi company

AMF classification ("French Financial Markets Authority"): Bonds and other euro-denominated debt securities
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Your investment is made almost fully in the AMUNDI FUNDS BOND EURO CORPORATE SHORT TERM - OR sub-fund from Amundi Funds, a SICAV governed by Luxembourg law and, in a secondary manner, in cash.
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- The use of complex products, such as derivative products, may lead to an amplification of the movement of securities in your portfolio.

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Amundi Asset Management, public limited company with capital of €1,086,262,605.
Portfolio Management Company authorised by the AMF under no. GP 04000036.
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Amundi
ASSET MANAGEMENT