

AMUNDI FUNDS BOND EURO INFLATION - IE

FACTSHEET

31/12/2017

BOND ■

Key information (source : Amundi)

Net Asset Value (NAV) : **1,619.06 (EUR)**
 NAV and AUM as at : **29/12/2017**
 Assets Under Management (AUM) :
250.07 (million EUR)
 ISIN code : (A) **LU0201577045**
 (D) **LU0201602843**
 Bloomberg code : **EUIFAI LX**
 Benchmark :
**Barclays Euro Government Inflation-Linked
 Bond All Markets**
 Morningstar Overall Rating © : **3**
 Morningstar Category © :
EUR INFLATION-LINKED BOND
 Number of funds in the category : **154**
 Rating date : **30/11/2017**

Investment Objective

The objective of the Sub-Fund is to seek a performance comparable to the performance of the reference indicator Barclays Euro Government Inflation-Linked Bond All Markets, representative of the Euroland (i.e. countries having fully incorporated the euro as their national currency) inflation-linked government bond market.

For classes DH :

The portfolio has a rate risk hedging (Hedged Duration). There is no index of reference.

Information

Fund structure : **UCITS**
 Sub-fund launch date : **01/10/2004**
 Share-class inception date : **01/10/2004**
 Eligibility : -
 Type of shares : (A) **Accumulation**
 (D) **Distribution**
 Minimum first subscription / subsequent :
**500000 Equivalent in EUR of USD / 1
 thousandth(s) of (a) share(s)**
 Entry charge (maximum) : **2.50%**
 Ongoing charge : **0.74% (realized 30/06/2017)**
 Exit charge (maximum) : **0%**
 Minimum recommended investment period : **3 years**
 Performance fees : **Yes**

Returns

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



A : Until the end of this period, the reference indicator was "ML EMU Direct Government Inflation-Linked".
 B : Until the end of this period, the reference indicator of the sub-fund was "Barclays Capital Euro Government Inflation-Linked Bond".
 C : Since the beginning of this period, the sub-fund applies the current investment policy.

Cumulative returns *

	YTD	1 month	3 months	1 year	3 years	5 years	Since
Since	30/12/2016	30/11/2017	29/09/2017	30/12/2016	31/12/2014	31/12/2012	17/02/2003
Portfolio	-0.61%	-0.13%	2.78%	-0.61%	5.89%	11.16%	61.92%
Benchmark	1.40%	-0.62%	1.78%	1.40%	7.48%	15.15%	74.26%
Spread	-2.01%	0.49%	1.00%	-2.01%	-1.58%	-3.99%	-12.34%

Calendar year performance *

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Portfolio	-0.61%	4.83%	1.63%	6.25%	-1.20%	10.54%	-2.25%	0.84%	8.96%	3.82%
Benchmark	1.40%	3.79%	2.13%	8.00%	-0.80%	10.93%	-0.94%	0.97%	8.68%	2.85%
Spread	-2.01%	1.05%	-0.50%	-1.75%	-0.40%	-0.40%	-1.31%	-0.13%	0.28%	0.97%

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

Risk & Reward Profile (SRRI)



- Lower risk, potentially lower rewards
- Higher risk, potentially higher rewards

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

Volatility

	1 year	3 years	5 years
Portfolio volatility	4.23%	5.47%	5.65%

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

Fund statistics

	Portfolio	Benchmark
Modified duration ¹	6.17	8.17

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

BOND



Benjamin Cavallier
Portfolio manager



Isabelle Vic-Philippe
Head of Government Bonds & Inflation

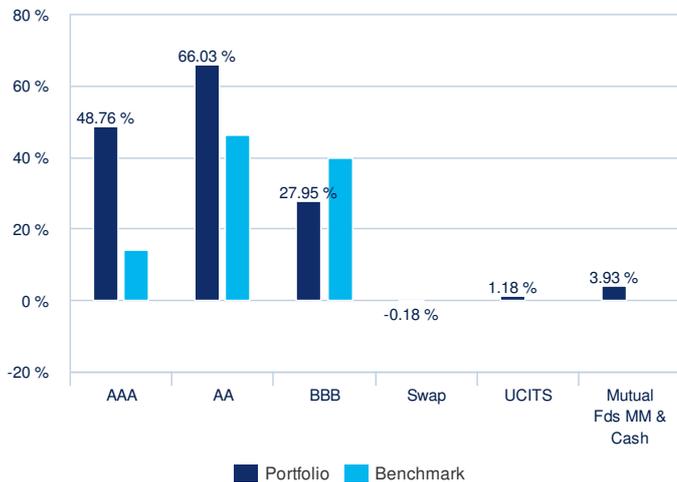
Management commentary

The ECB gave no more indications than at its previous meeting, merely announcing its revised growth forecasts. At +1.7% in 2020, its new inflation forecasts is closer to its target but a little disappointing nonetheless. The Federal Reserve delivered its 25bps interest-rate rise but the market still finds it hard to believe that it could implement the three interest-rate hikes forecast in the 'dots' projections for 2018. Lastly, the adoption of the US tax reform probably explains the around 10bps rise in yields just before the Christmas lull. European growth continues to surprise by its strong momentum and synchronization throughout the Eurozone. A transmission of this growth to wages and therefore to inflation is becoming increasingly likely, as can be seen in the slow but steady rise in inflation expectation that continued throughout December. Nonetheless, normalization of inflation expectations is still half way: the difference between short-term and long-term expectations is still excessively low, showing the level of skepticism as to the capacity of our economies to generate inflation over the longer term. A major focal point of our investment strategy in 2018 will to position so as to capture any normalization is this time spread. Rumors of general elections in Italy on March 4 pushed the 10-year spread wider by around 10bps. In contrast, the Catalan elections, won by the independence candidates in terms of number of seats although they did not achieve a majority in terms of votes, had no impact on Spain's spreads. We remain on the whole cautious with regard to our exposure to peripheral countries but we have slightly increased the risk budget allocated to Italy, partly in exchange for reducing the position on Spain.

The portfolio outperformed its benchmark over the month, boosted by the rise in inflation expectations and its cautious position on interest rates.

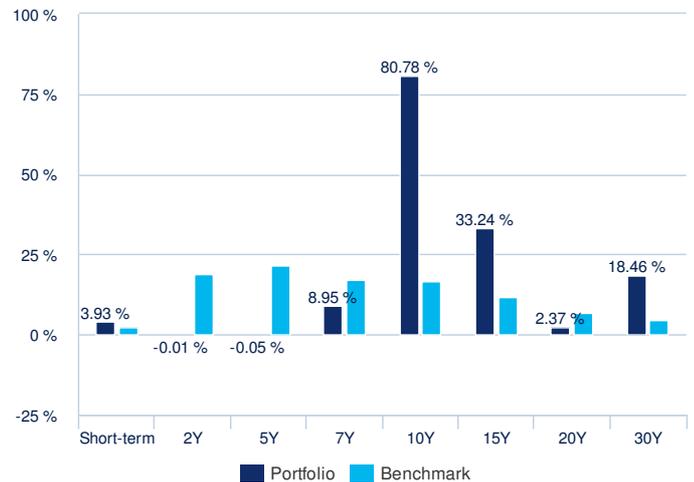
Portfolio breakdown

Breakdown by rating (Source : Amundi)



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

Portfolio breakdown by maturity



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

Legal information

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