

AMUNDI INDEX J.P. MORGAN GBI GLOBAL GOVIES - IHE

BOND ■

MONTHLY
REPORT

31/07/2017

Key information (source : Amundi)

Net Asset Value (NAV) : (A) 1,359.96 (EUR)
(D) 1,025.19 (EUR)

NAV and AUM as at : 31/07/2017

Assets Under Management (AUM) :
633.99 (million EUR)

ISIN code : (A) LU0389812693
(D) LU0389812776

Bloomberg code : CAIGBIA LX

Benchmark :
100% JPM GBI GLOBAL TRADED INDEX
HEDGED EURO

Morningstar Overall Rating © : 3

Morningstar Category © :
GLOBAL BOND - EUR HEDGED

Number of funds in the category : 334

Rating date : 30/06/2017

Investment Objective

The objective of this Sub-Fund is to track the performance of J.P. Morgan Government Bond Index Global (GBI Global), and to minimize the tracking error between the net asset value of the Sub-Fund and the performance of the Index. The Sub-Fund aims to achieve a level of tracking error of the Sub-Fund and its index that will not normally exceed 1%.

Risk & Reward Profile (SRRI)



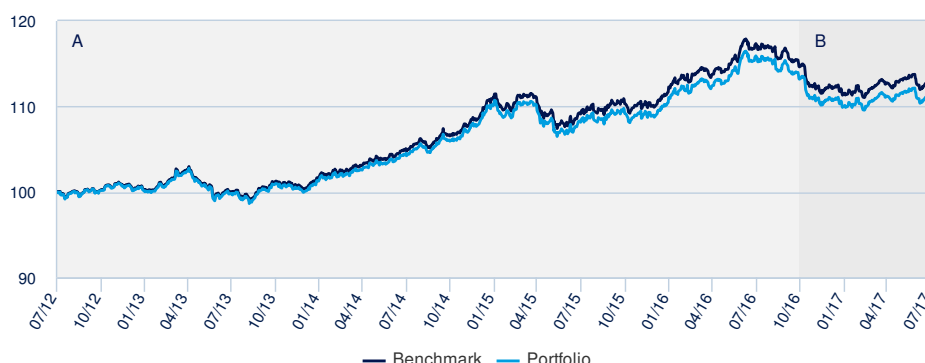
Lower risk, potentially lower rewards

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.

Returns

Performance (VL) *



A : Simulation effectuée sur la base des performances réalisées entre le 25 Septembre 2008 et le 30 Octobre 2016 par le compartiment luxembourgeois « INDEX GLOBAL BOND » géré par Amundi Asset Management et absorbé par AMUNDI INDEX J.P. MORGAN GBI GLOBAL GOVIES le 31 Octobre 2016.

B : Performance of the Sub-Fund since its launch date.

Cumulative returns*

Since	YTD 30/12/2016	1 month 30/06/2017	3 months 28/04/2017	1 year 29/07/2016	3 years 31/07/2014	5 years 31/07/2012	Since 25/09/2008
Portfolio	-0.02%	0.03%	-0.17%	-4.22%	6.51%	11.04%	36.13%
Benchmark	0.15%	0.05%	-0.11%	-4.00%	7.53%	12.66%	39.65%
Spread	-0.16%	-0.02%	-0.06%	-0.21%	-1.02%	-1.63%	-3.52%

Calendar year performance*

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Portfolio	2.12%	0.58%	8.06%	-0.74%	3.87%	6.77%	3.63%	0.71%	-	-
Benchmark	2.34%	1.02%	8.37%	-0.51%	4.13%	7.27%	3.96%	0.84%	-	-
Spread	-0.22%	-0.44%	-0.32%	-0.22%	-0.26%	-0.50%	-0.32%	-0.13%	-	-

* Source : Amundi. The above cover complete periods of 12 months for each calendar year. **Past performance is no predictor of current and future results and does not guarantee future yield**. Any losses or gains do not take into consideration any costs, commissions and fees incurred by the investor in the issue and buyout of the shares (e.g. taxes, brokerage fees or other commissions deducted by the financial intermediary). If performance is calculated in a currency other than the euro, any losses or gains generated can thereby be affected by exchange rate fluctuations (both upward and downward). The discrepancy accounts for the performance difference between the portfolio and the index.

Risk indicators

	1 year	3 years	5 years
Portfolio volatility	3.29%	3.49%	3.13%
Benchmark volatility	3.30%	3.49%	3.14%
Ex-post Tracking Error	0.09%	0.17%	0.20%
Sharpe ratio	-1.18	0.65	0.71
Information ratio	-2.36	-1.87	-1.48

**Stéphanie Pless**Head of fixed income index
management**Fadil Hannane**

Portfolio manager

Management commentary

In the United States, the expansionary cycle is continuing. It is surprising by its duration (eight years) and by its slow pace (growth is forecast at 2% for 2017). Moreover, judging by the strength of the labor market, it shows no sign of running out of steam without, however, generating inflationary pressures. Indeed, despite a very low unemployment rate, there is still excess capacity in the labor market and the participation rate remain lower than before the crisis. This background of low inflation could prompt the Fed to defer its next interest-rate rise, which had been expected in December, but it is nonetheless expected to start its balance-sheet normalization process as from September.

In the Eurozone, economic trends remain positive and the outlook is very good for the rest of the year even though it will probably be hard to maintain the same level of positive surprises. Nonetheless, after a speech at Sintra at the end of June which had been considered very positive by the markets (triggering a sharp rise in interest rates), Mario Draghi was far more cautious at the ECB meeting of July 20, stating that he did not wish for any excessive tightening in financial conditions. Therefore, the ECB remains prepared to reduce its purchases program in 2018 but does not want to announce its timetable prematurely.

This change of attitude halted the rise in interest rates. The German 10-year rate, which had risen by 15bps to end June at 0.44% climbed to 0.55% in July before ending the month at 0.50%. For its part, the two-year rate dropped by 12bps, down from -0.56% to -0.68%. Peripheral country spreads widened until the middle of the month before easing significantly and ending the month below their end-June levels. Thus, the Spanish 10-year spread dropped from 112bps to 104bps after rising to a high of 122bps. Italy's spread was down by 7bps to 165bps after having risen to 186bps. Lastly, the US/Germany 10-year spread narrowed by 11bps to 175bps.

This portfolio is indexed to the JPM GBI Global Traded Index Euro Hedged. We are keeping the relative exposure in sensitivity between the portfolio and its index as low as possible by investing in a limited number of securities, thus ensuring minimum risk.

Portfolio Data

Portfolio Indicators

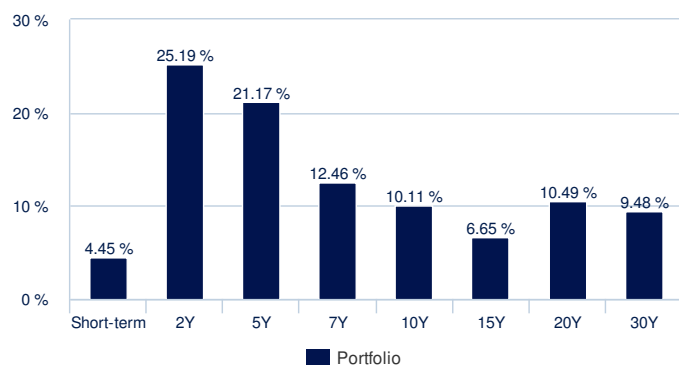
	Portfolio
Modified duration	7.75
Average rating	A+
Yield To Maturity	1.14%

The modified duration (expressed in basis points) estimates the price variation of an obligation based on a variation of 1% of the rates.

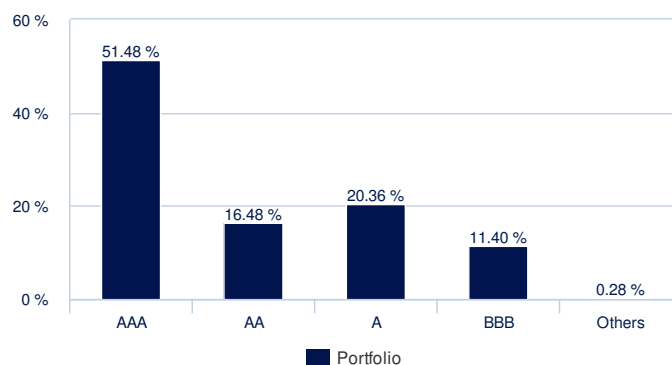
Holdings : 584

Portfolio Breakdown

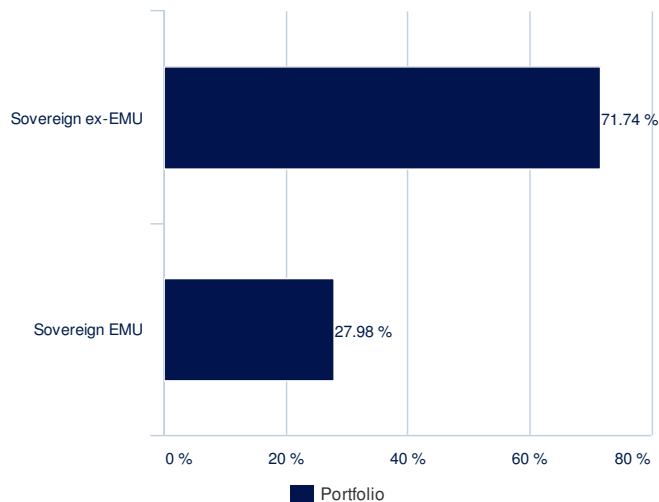
By maturity



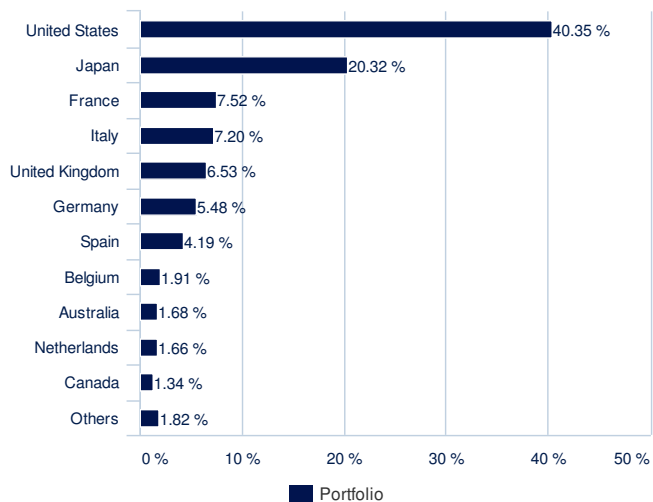
By rating (source : Amundi)



By issuer



By country (source : Amundi)



Information

Fund structure	UCITS under Luxembourg law
Fund Manager	Amundi Luxembourg SA
Custodian	CACEIS Bank, Luxembourg Branch
Share-class inception date	29/06/2016
Share-class reference currency	EUR
Classification	-
Type of shares	(A) Accumulation (D) Distribution
ISIN code	(A) LU0389812693 (D) LU0389812776
Bloomberg code	CAIGBIA LX
Minimum first subscription / subsequent	500000 Equivalent in EUR of USD / 1 thousandth(s) of (a) share(s)
Frequency of NAV calculation	Daily
Dealing times	Orders received each day D day before 14:00
Entry charge (maximum)	1.50%
Maximum direct annual management fees including taxes	0.10% IAT
Maximum indirect annual management fees including taxes	-
Performance fees	No
Maximum performance fees rate (% per year)	-
Exit charge (maximum)	0%
Ongoing charge	0.20% (Estimated) - 29/06/2016
Minimum recommended investment period	4 years
Benchmark index performance record	25/09/2008: 100.00% JPM GBI GLOBAL TRADED INDEX HEDGED EURO
UCITS compliant	UCITS
Current/Forward price	Forward pricing
Redemption Date	D+4
Subscription Value Date	D+4



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