

AMUNDI FUNDS BOND GLOBAL AGGREGATE - FHE

MONTHLY
REPORT

31/05/2017

BOND ■

Key information (source : Amundi)

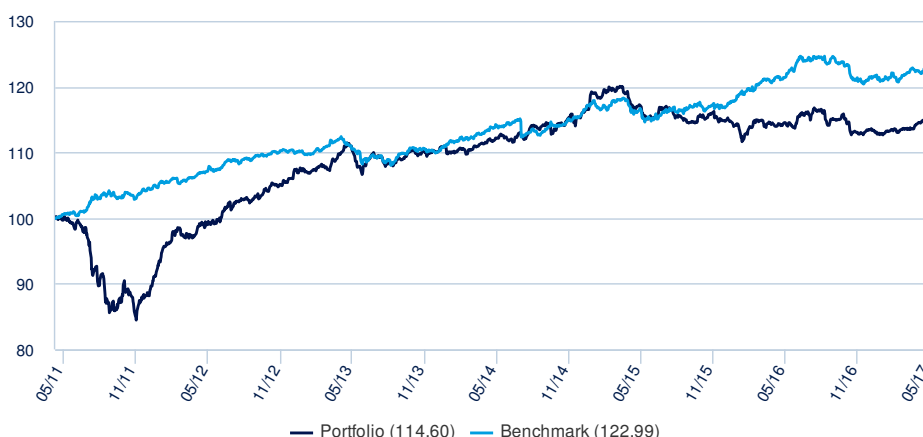
Net Asset Value (NAV) : **114.60 (EUR)**
NAV and AUM as at : **31/05/2017**
ISIN code : **LU0613077535**
Assets Under Management (AUM) :
5,173.28 (million EUR)
Sub-fund reference currency : **USD**
Share-class reference currency : **EUR**
Benchmark :
Barclays Global Aggregate index (hedged in USD)
Morningstar Overall Rating © : **3 stars**
Morningstar Category © :
GLOBAL FLEXIBLE BOND - EUR HEDGED
Number of funds in the category : **319**
Rating date : **30/04/2017**
Last coupon date : **EUR**

Investment Objective

The objective of the Sub-Fund is to outperform the reference indicator Barclays Global Aggregate index (hedged in USD) through strategic and tactical positions as well as arbitrage on the whole of the credit, interest rates and currency markets. To achieve that objective, the Sub-Fund invests at least two thirds of its assets in debt instruments issued or guaranteed by governments of countries of the Organisation for Economic Cooperation and Development (OECD) or issued by corporate entities and financial instruments whose value and income payments are derived from and collateralized (or 'backed') by a specified pool of underlying asset ("asset-backed securities" and 'mortgage-backed securities') up to a maximum of 40% of its assets. The securities having a relatively low risk of default ("investment grade") represents at least 80% of the Sub-Fund's assets.

Returns

Performance evolution (rebased to 100) * from 09/05/2011 to 31/05/2017



Cumulative returns *

Since	YTD 30/12/2016	1 month 28/04/2017	3 months 28/02/2017	1 year 31/05/2016	3 years 30/05/2014	5 years 31/05/2012	Since 09/05/2011
Portfolio	1.00%	0.26%	1.17%	0.08%	2.19%	15.44%	14.60%
Benchmark	1.23%	0.41%	0.76%	1.28%	10.24%	17.33%	-
Spread	-0.22%	-0.15%	0.42%	-1.20%	-8.05%	-1.89%	-

Calendar year performance *

	2016	2015	2014	2013	2012
Portfolio	-1.11%	-0.78%	5.15%	3.76%	20.15%
Benchmark	3.95%	1.02%	7.57%	-0.33%	5.54%
Spread	-5.06%	-1.80%	-2.42%	4.09%	14.61%

* 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.

Performance data provided in that fact sheet refers to an hedged share class. Benchmark performance shown before March 2017 is calculated in US Dollar. Costs associated with hedging at share class level are in that case included in the excess returns provided.

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.

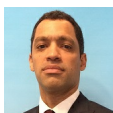
Information

Fund structure : **UCITS**
CNMV code : **61**
Sub-fund launch date : **30/10/2007**
Share-class inception date : **01/04/2011**
Eligibility : -
Type of shares : **Accumulation**
Minimum first subscription / subsequent :
1 thousandth(s) of (a) share(s) / 1 thousandth(s) of (a) share(s)
Entry charge (maximum) : **0%**
Ongoing charge : **2.13% (realized 30/06/2016)**
Exit charge (maximum) : **0%**
Minimum recommended investment period : **3 years**
Performance fees : **Yes**

Volatility

	1 year	3 years	5 years
Portfolio volatility	3.37%	3.70%	3.64%
Benchmark volatility	3.04%	2.70%	2.59%

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.

**Laurent Crosnier**Amundi London CIO - Portfolio
manager**Myles Bradshaw**Head of Global Aggregate Fixed
Income - Portfolio Manager

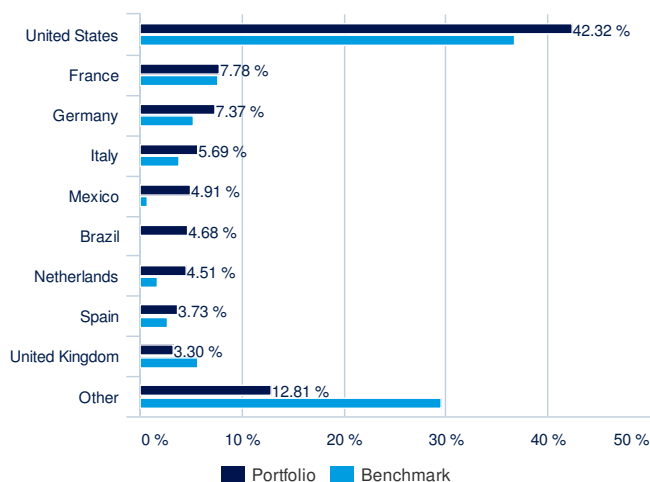
Management commentary

The final round of the French elections took place on the 7th of May and victory was handed to Emmanuel Macron over his rival Marine Le Pen. Markets were relieved by this outcome as it removed a degree of uncertainty with regard to the future of European politics and that was associated with Ms. Le Pen winning. The immediate impact was strong performance across European bond markets, with French and peripheral bonds performing exceptionally well, the EUR also appreciated meaningfully against other G7 currencies. In the US, the May FOMC meeting concluded that slightly weak US growth in the first quarter would be short lived and that the rate hiking cycle was likely to continue. Markets now widely expected the next rate hike to take place in June. In the UK, as the recently announced general election date approaches, polls taken near the end of the month, show that there is a narrowing gap between the incumbent Conservative party and the largest opposition party, Labour. Until this point, the Conservative party was polling ahead by a wide margin, and this election uncertainty fed through to a weaker GBP.

The fund very modestly under-performed the benchmark. Bond positioning was mildly negative as our country allocation and bond selection with the European periphery added strongly, but there was offsetting negative contribution from our underweight duration positioning and as our inflation linked bonds underperformed. Credit and emerging market bond exposure helped relative returns. Overweight exposure to the USD vs. EUR and JPY posted losses although an overweight allocation to the EUR was a strong contributor. Emerging markets currency allocations were negative, as Asian currencies to which we have short exposure, performed well. It's worth noting that overall emerging markets bond and currency allocations were adversely affected by political turmoil in Brazil.

Portfolio breakdown by country

% of assets



Includes Credit Default Swaps

Fund statistics

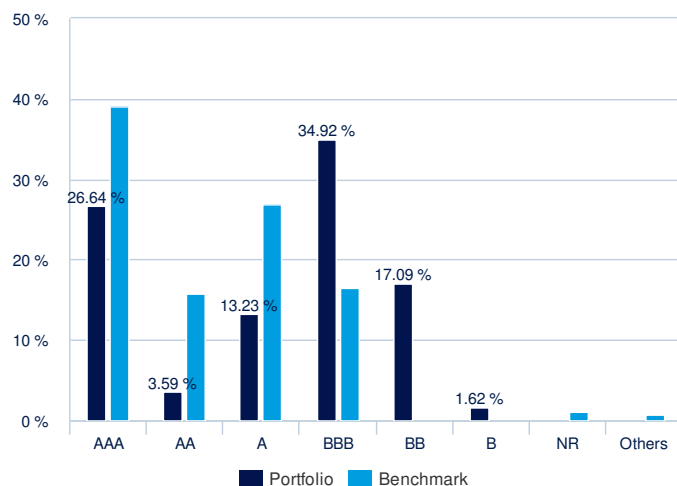
	Portfolio	Benchmark
Yield	4.30%	2.03%
Modified duration ¹	2.34	6.79
Average rating ³	A-	AA-

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

³ Based on cash bonds and CDS but excludes other types of derivatives

Portfolio breakdown by credit rating

% of assets **



** Includes Credit Default Swaps

Top 10 issuers

United States of America	18.54%
Germany	5.51%
Brazil	3.27%
United Mexican States	2.24%
JPMORGAN CHASE & CO	2.18%
Portugal	2.17%
Morgan Stanley	2.00%
Petroleos Mexicanos (PEMEX)	1.83%
GOLDMAN SACHS GRP INC	1.59%
Intesa SanPaolo Spa	1.47%

Legal information

Amundi Funds is a UCITS organised as an open-ended investment company (société d'investissement à capital variable, "SICAV") under the laws of the Grand Duchy of Luxembourg, and is regulated by the Commission de Surveillance du Secteur Financier ("CSSF"). Number of registration RCS B68.806. AMUNDI FUNDS BOND GLOBAL AGGREGATE, which is a sub-fund of Amundi Funds, has been authorised for public marketing in Spain by the Comisión Nacional del Mercado de Valores (CNMV). The issuer of this document is Amundi, 90 Boulevard Pasteur, 75730 Cedex 15 - France, registered in France under number GP 04000036, authorised and regulated by the Autorité des Marchés Financiers. This document is not a Prospectus. The offering of shares in Amundi Funds can only be made using the official Prospectus. The latest prospectus, the key investor information document ("KIID"), the articles of incorporation as well as the annual and semi-annual reports are available free of charge from the representative agent (Amundi Iberia SGICC, Paseo de la Castellana 1, 28046 Madrid, Spain), and on our website www.amundi.com. The latest available prospectus, more specifically on risk factors, as well as the KIID should be consulted before considering any investment. The data source of this document is Amundi except otherwise mentioned. The date of these data is indicated under the mention MONTHLY REPORT at the top of the document except otherwise mentioned. Warnings: Please read the Prospectus carefully before you invest. Remember that the capital value and the income from investments may go down as well as up and that changes in rates of exchange between currencies may have a separate effect also causing the value of the investments to decrease or to increase. Past performance is not necessarily a guide to future performance. Investors may not get back the amount they originally invested. Investors should note that the securities and financial instruments contained herein may not be suitable for their investment objectives.

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