



P. Verle



A. Deneuve

Investment Objective

Carmignac Portfolio Credit is an international fixed income UCITS that implements credit strategies across the globe. Its flexible and opportunistic style enables the Fund to implement an unconstrained and conviction-driven allocation. The fund aims to outperform its reference indicator over a minimum recommended investment period of 3 years.

Fund Management analysis can be found on P.3



Modified Duration: 3.74	Yield to Maturity: 7.99%
Average Rating: BB+	

Asset Allocation

	08/22	07/22	12/21
Bonds	97.04%	98.00%	95.70%
Developed Countries Corporate Bonds	58.59%	60.25%	63.17%
Consumer Staples	0.18%	0.20%	0.67%
Consumer Discretionary	5.00%	4.81%	6.88%
Energy	17.54%	19.12%	13.83%
Financials	22.18%	22.05%	25.28%
Real Estate	4.25%	4.64%	5.11%
Industrials	2.57%	2.13%	3.33%
Materials	0.17%	0.16%	0.91%
Healthcare	3.88%	4.04%	2.30%
Utilities	1.04%	1.16%	0.60%
Communication Services	1.40%	1.48%	2.54%
Information Technology	0.39%	0.45%	1.74%
Emerging Markets Corporate Bonds	20.41%	20.24%	16.92%
Consumer Staples	1.91%	1.87%	0.95%
Consumer Discretionary	3.40%	4.77%	2.31%
Energy	5.38%	4.62%	3.54%
Financials	3.85%	3.91%	3.69%
Real Estate	1.12%	1.08%	1.41%
Industrials	0.32%	0.32%	0.37%
Materials	1.46%	1.39%	1.56%
Healthcare	0.97%	1.02%	1.15%
Utilities	0.07%	0.37%	0.54%
Communication Services	1.94%	0.91%	1.18%
Information Technology	—	—	0.23%
ABS	18.04%	17.50%	15.61%
Equities	0.82%	1.00%	0.20%
Credit Default Swap	-20.81%	-21.88%	-24.22%
Cash, Cash Equivalents and Derivatives Operations	2.14%	1.00%	4.11%

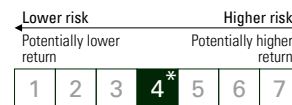
Top Ten - Bonds

Name	Country	Rating	%
SEADRILL LTD 10.00% 28/09/2022	United Kingdom	CCC+	2.44%
TOTALENERGIES 3.25% 17/07/2036	France	A-	2.26%
ENI SPA 3.38% 13/07/2029	Italy	BBB	1.86%
BP CAPITAL MA 3.62% 22/03/2029	United Kingdom	BBB+	1.56%
SEADRILL LTD 10.00% 29/09/2022	United Kingdom	CCC+	1.51%
SANI/KOS FIN 5.62% 15/07/2023	Greece	CCC+	1.35%
MC BRAZIL DOW 7.25% 30/06/2031	Brazil	BB-	1.25%
ORPEA SA 0.38% 17/05/2027	France	BBB-	1.21%
KORIAN SA 2.25% 15/07/2028	France	BBB-	1.09%
KCA DEUTAG UK 9.88% 01/12/2022	United Kingdom	B+	1.09%
			15.61%

FACT SHEET
08/2022

Recommended
minimum investment
horizon:

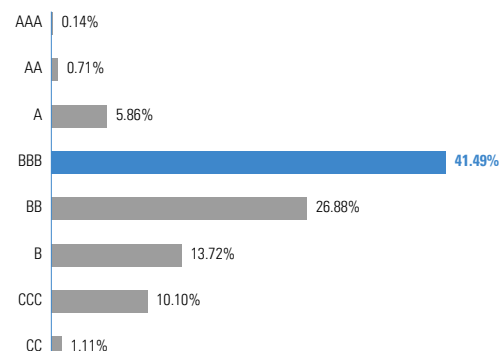
3 years



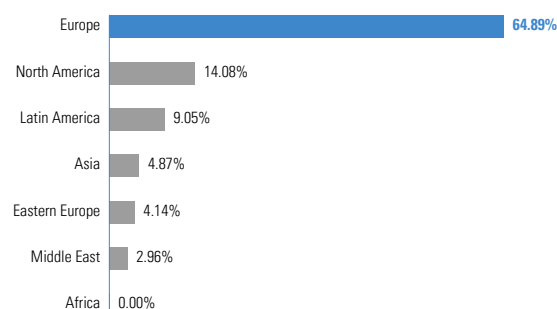
PROFILE

- **Fund Inception Date:** 31/07/2017
- **Fund Manager:** Pierre Verle since 31/07/2017, Alexandre Deneuve since 31/07/2017
- **Fund AUM:** 1081M€ / 1087M\$⁽¹⁾
- **Share class AUM:** 7.4M CHF
- **Domicile:** Luxembourg
- **Reference Indicator:** 75% ICE BofA Euro Corporate Index + 25% ICE BofA Euro High Yield Index (Coupons reinvested, Quarterly Rebalanced)
- **Base Currency:** CHF
- **NAV:** 101.99CHF
- **Dividend Policy:** Accumulation
- **Fund Type:** UCITS
- **Legal Form:** SICAV
- **SICAV Name:** Carmignac Portfolio
- **Fiscal Year End:** 31/12
- **Subscription/Redemption:** Daily
- **Order Placement Cut-Off Time:** Before 18:00 (CET/CEST)
- **SFDR Fund Classification:** Article 6

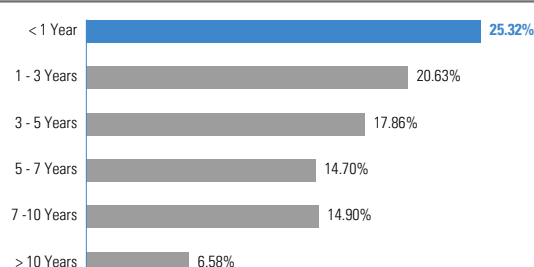
Rating Breakdown



Geographic Breakdown

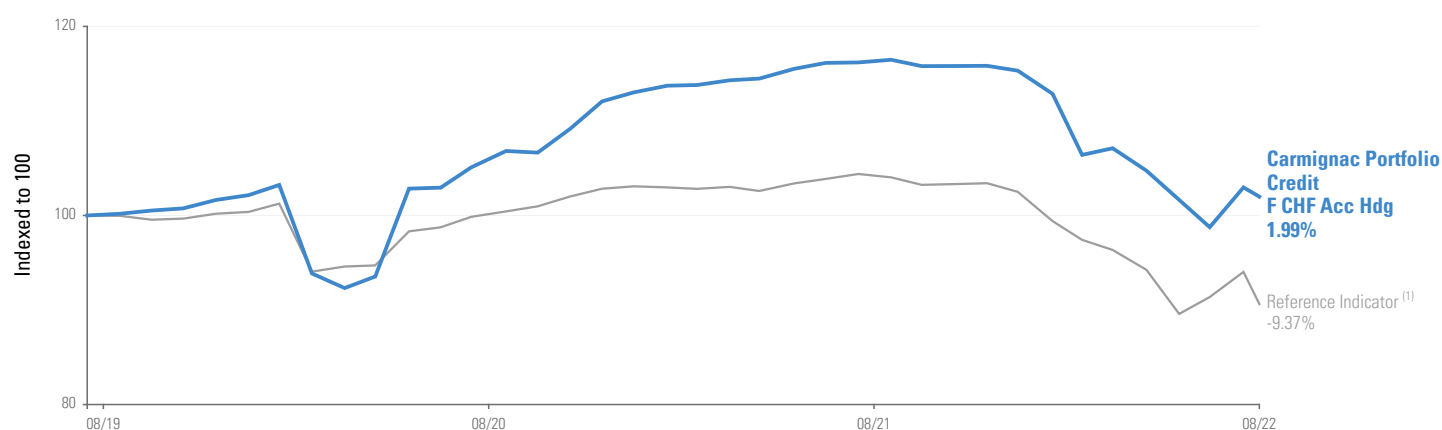


Maturity Breakdown



* For the share class Carmignac Portfolio Credit F CHF Acc Hdg. Risk Scale from the KIID (Key Investor Information Document). Risk 1 does not mean a risk-free investment. This indicator may change over time. (1) Exchange Rate EUR/USD as of 31/08/22.

Fund Performance vs. Reference Indicator Since Launch



Performance (%)	Cumulative Performance					Annualised Performance	
	Since 31/12/2021	1 Month	1 Year	3 Years	Since 19/08/2019	3 Years	Since 19/08/2019
Carmignac Portfolio Credit F CHF Acc Hdg	-11.83	1.59	-12.13	1.84	1.99	0.61	0.65
Reference Indicator ⁽¹⁾	-11.96	-3.49	-12.93	-9.87	-9.37	-3.40	-3.18

(1) Reference Indicator: 75% ICE BofA Euro Corporate Index + 25% ICE BofA Euro High Yield Index (Coupons reinvested, Quarterly Rebalanced). Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding possible entrance fees charged by the distributor).

Statistics (%)

	1 Year	3 Years
Fund Volatility	5.31	7.89
Indicator Volatility	6.27	5.82
Sharpe Ratio	-2.23	0.12
Beta	0.42	1.12
Alpha	-0.10	0.09

VaR

Fund VaR	2.17%
Indicator VaR	3.07%

Monthly Gross Performance Contribution

Equity Portfolio	0.08%
Bond Portfolio	1.60%
Equity Derivatives	-0.05%
Bond Derivatives	0.66%
Currency Derivatives	-0.53%
Total	1.76%

Share Class	Date of 1st NAV	Bloomberg	ISIN	SEDOL	CUSIP	WKN	Management Fee	Ongoing Charge ⁽²⁾	Performance fee	Maximum Subscription Fee ⁽³⁾	Minimum Initial Subscription ⁽⁴⁾	Single Year Performance (%)				
												31.08.21-31.08.22	31.08.20-31.08.21	30.08.19-31.08.20	31.08.18-30.08.19	31.08.17-31.08.18
A EUR Acc	31/07/2017	CARUCAE LX	LU1623762843		L1504W279	A2DSRU	1%	1.2%	Yes	4%	—	-12.23	9.94	5.31	17.98	4.25
Income A EUR	31/07/2017	CARUIAE LX	LU1623762926		L1504W287	A2DSRV	1%	1.2%	Yes	4%	—	-12.29	9.97	5.42	18.11	4.25
A USD Acc Hdg	31/07/2017	CARUEUH LX	LU1623763064		L1504W295		1%	1.2%	Yes	4%	—	-11.34	10.73	7.09	20.24	5.82
F EUR Acc	02/01/2019	CARUFEA LX	LU1932489690		L1504W618	A2PKS0	0.6%	0.8%	Yes	4%	—	-11.93	10.38	5.64	—	—
A CHF Acc Hdg	19/08/2019	CARUACH LX	LU2020612490				1%	1.2%	Yes	4%	—	-12.45	9.63	4.99	—	—
F CHF Acc Hdg	19/08/2019	CARUFCH LX	LU2020612730				0.6%	0.8%	Yes	—	—	-12.13	9.99	5.37	—	—
F USD Acc Hdg	19/08/2019	CARUFUH LX	LU2020612904		L1504W709		0.6%	0.8%	Yes	—	—	-11.04	11.10	7.70	—	—

Variable Management Charge: 20% of the outperformance once performance since the start of the year exceeds that of the reference indicator and if no past underperformance still needs to be offset. (2) Ongoing charges are based on the expenses for the last financial year ended. They may vary from year to year and do not include performance fees or transaction costs. (3) Entry charges paid to distributors. No redemption fees. (4) Please refer to the prospectus for the minimum subsequent subscription amounts. The prospectus is available on the website: www.carmignac.com.

FUND MANAGEMENT ANALYSIS

Market environment



The key event of the month was the annual meeting of central bankers known as the Jackson Hole symposium. Shortly before, economic figures released in the US showed not only the strength of the US labour market, but also lower-than-expected inflation for July, suggesting that inflation had peaked in June. It was another story in Europe, where inflation was still accelerating and an increasingly tangible energy crisis was pushing peak inflation a little further into the future. This led to a further increase in inflation expectations in Europe over the period. The UK also made its mark, with the BoE raising interest rates by 50 basis points and announcing an upcoming recession and a 13% rise in prices. However, the highlight of August has to be the central bank meeting in Wyoming. Jerome Powell for the Fed and Isabel Schnabel for the ECB acted in concert, reinforcing their conservative stance and making the fight against inflation an absolute priority over any other consideration, whether it be protecting the job market or the risk of economic recession. This led to a massive rise in yields in Europe, particularly in short rates, and a massive correction in the credit and equity markets.

Performance commentary



In this context, the Fund recorded a positive performance, unlike its reference indicator. The portfolio mainly benefitted from its stock selection in the high yield credit market following the narrowing of credit spreads in the first part of the month, particularly in the energy and financials segments in emerging countries. In addition, the portfolio benefitted in turn from a market dislocation between physical and derivative securities, through hedging strategies put in place to reduce the portfolio's overall exposure to high yield credit markets. Lastly, our selection of collateralised loan obligations (CLOs) made a strong contribution to monthly performance.

Outlook and Investment strategy



We are remaining cautiously positioned with lower exposure to credit markets. Factors including aggressive tightening by central banks to slash high inflation, declining growth, the rising cost of capital, supply chain disruptions and relocations, and Russian gas cuts are expected to pile increasing pressure on credit spreads. As such, our main investment themes revolve around companies that are either benefitting from the current energy crisis or relatively unaffected by it, such as the financial sector, the energy sector (which stands to gain from higher energy prices) and our selection of collateralised loan obligations (CLOs) with a variable-rate structure, mitigating the negative effects of inflationary pressure and interest rate volatility. The latter also benefit from a yield premium over similarly rated corporate bonds, thus offering an attractive risk/return profile. In these volatile and uncertain conditions, we are pursuing our credit market hedging strategies to reduce the Fund's exposure to market risk (beta), while focusing on the alpha generated by our special case investments. The portfolio's high carry, and attractive credit valuations, should help the Fund over the coming months.

GLOSSARY

Active Management: An investment management approach where a manager aims to beat the market through research, analysis and their own judgement. See also Passive management.

Bottom up investing: Investment based on analysis of individual companies, whereby that company's history, management, and potential are considered more important than general market or sector trends (as opposed to top down investing).

Credit cycle: A credit cycle describes the different phases of access to credit by borrowers. It alternates between periods of easily accessible funds to borrow due to low interest rates and periods of contraction where lending rules are more restrictive and interest rates are higher.

Forward financial instruments: A forward contract is a customized contract between two parties to buy or sell an asset at a specified price on a future date. A forward contract can be used for hedging or speculation, although its non-standardized nature makes it particularly apt for hedging. Unlike standard futures contracts, a forward contract can be customized to any commodity, amount and delivery date. A forward contract settlement can occur on a cash or delivery basis.

High yield: A loan or bond rated below investment grade because of its higher default risk. The return on these securities is generally higher.

Investment grade: A loan or bond that rating agencies have rated AAA to BBB-, generally indicating relatively low default risk.

Net asset value: Price of all units (in an FCP) or shares (in a SICAV).

Non-benchmarked: Portfolio construction is a result of Fund manager views and market analysis with no bias to any benchmark.

SICAV: Société d'Investissement à Capital Variable (Open-ended investment company with variable capital)

UCITS: Undertakings for Collective Investments in Transferable Securities.

UCITS funds are authorised funds that can be sold in any country in the EU. UCITS III regulations allow funds to invest in a wider range of financial instruments, including derivatives.

Yield to Maturity: Yield to maturity corresponds to the concept of actuarial yield. It is, at the time of calculation, the rate of return offered by a bond in the event it is held until maturity by the investor.

Main risks of the fund

Credit: Credit risk is the risk that the issuer may default. **Interest rate:** Interest rate risk results in a decline in the net asset value in the event of changes in interest rates.

Liquidity: Temporary market distortions may have an impact on the pricing conditions under which the Fund might be caused to liquidate, initiate or modify its positions. **Discretionary management:** Anticipations of financial market changes made by the Management Company have a direct effect on the Fund's performance, which depends on the stocks selected. The Fund presents a risk of loss of capital.

Important legal information

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CARMIGNAC GESTION, 24, place Vendôme - F-75001 Paris - Tél : (+33) 01 42 86 53 35

Investment management company approved by the AMF

Public limited company with share capital of € 15,000,000 - RCS Paris B 349 501 676

CARMIGNAC GESTION Luxembourg - City Link - 7, rue de la Chapelle - L-1325 Luxembourg - Tél : (+352) 46 70 60 1

Subsidiary of Carmignac Gestion - Investment fund management company approved by the CSSF

Public limited company with share capital of € 23,000,000 - RC Luxembourg B 67 549

MARKETING COMMUNICATION

