

Sub-fund of Petercam L Fund, sicav under Luxembourg law, originated from the transfer of the assets of Bond Universalis Classic, launched in December 1984. Last update: 30/06/2008

### Investment policy

Fixed-income securities with an investment grade rating, World

### Investment strategy

Petercam L Bonds Universalis is an actively managed sub-fund in international bonds: government and non-government bonds of high quality (investment grade), commercial paper, Floating-Rate Notes and convertible bonds. Based on macro-economic studies, credit and yield curve analyses the manager adapts the duration, position on the yield curve and the currency spread of the portfolio. Its benchmark is the JP Morgan Global of which 50% of the currency risk is covered in EUR. The objective is to outperform its competitors while minimising risk

### Investment profile

Risk (Scale of CBFA)

0	1	2	3	4	5	6
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Investment horizon

1 year	3 years	5 years	7 years
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### Fund facts

Sub-fund size: 931.2 m EUR

Net asset value

Accumulation share: 114.63 EUR

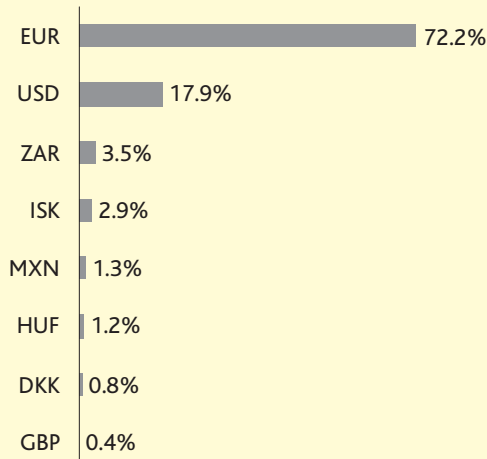
Income share: 132.63 EUR

Accum. Hedge (2) 91.31 EUR

Income Hedge (2) 94.46 EUR

Last gross dividend (20/12/07): 6 EUR

### Breakdown by currency



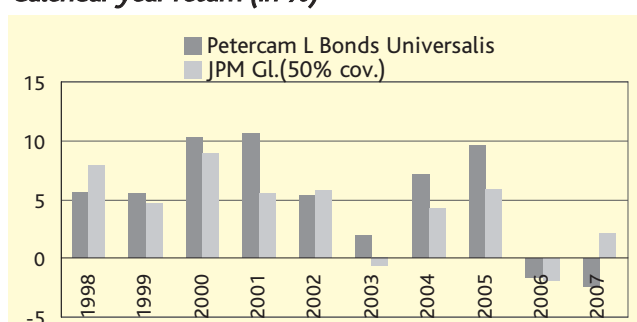
### Characteristics of the portfolio

	Sub-fund
Average maturity (in years)	7.60
Duration (in years)	5.05
Modified duration (in %)	4.76
Yield to maturity (in %) (1)	7.16
Average rating	A

(1) of the bonds in the portfolio

(2) Active management of the currency risks with the objective to cover the exchange rate risk in euro.

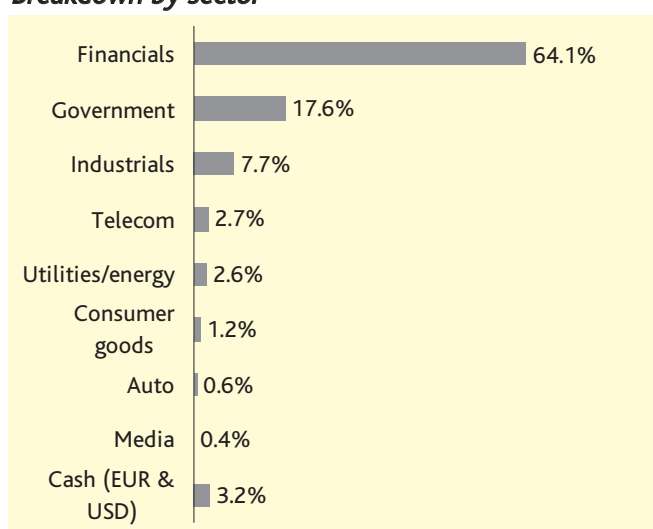
### Calendar year return (in %)



### Annualized return (in %)

	1 year	3 years	5 years	10 years	Begin
Pet. L Bds Univ.	-7.9	-2.8	1.0	4.0	6.7
JPM GL (50% cov.)	3.0	-0.4	1.4	3.6	-

### Breakdown by sector



### Manager's comments

In the second quarter, the net asset value of the accumulation shares declined from EUR 115.32 to 114.63 compared to a loss of 2.5% for the JPM Global 50% hedged index. The sub-fund outperformed its benchmark in April and May thanks to its strong exposure to financials bonds, which benefited from a spread narrowing. The JP Morgan Broad 50% hedged index consists of government bonds, whose prices declined due to the rise of long-term rates. On currency level, the fund did not suffer from the weakening of the Japanese yen versus euro and benefited from the slight appreciation of the American dollar. The South African rand and the Icelandic krona on the other hand, further depreciated versus euro. In April, the fund manager increased the weighting of the dollar. This increase was done via cash, since he considered yields that American government bond yields were too low. In June, the manager lengthened the duration of the portfolio, essentially by buying French 30-year bonds. He will continue to lengthen the duration, as long as the 10-year German government bond yield is above 4.50%. He will start buying US Treasuries if 10-year yields reach 4.50% and buy aggressively if 10-year yields are above 5.0%.