

# SG OBLIG CORPORATE 1-3 - I

FACTSHEET

31/07/2018

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## Key information (source : Amundi)

Net Asset Value (NAV) : 2,785.22 ( EUR )

NAV and AUM as at : 31/07/2018

Assets Under Management (AUM) :

776.78 ( million EUR )

ISIN code : FR0000448870

Bloomberg code : SGEURSP FP

Benchmark :

BARCLAYS EURO AGGREGATE CORPORATE 1-3 YEARS

## Investment Objective

The fund's objective is to achieve dynamic capital gains on markets in the EURO zone. Its portfolio mainly consists of bonds and notes denominated in the currencies of the EURO zone, issued by all types of issuers with a rating of at least BBB (Standard & Poor's). Where necessary, the fund may invest in bonds and notes denominated in European currencies which do not belong to the EURO zone.

## Risk & Reward Profile (SRRI)



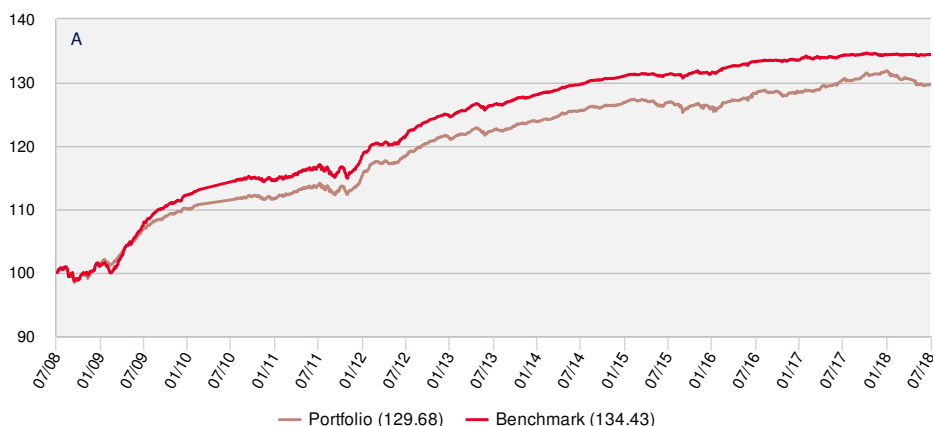
Lower risk, potentially lower rewards

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 evolution (rebased to 100) from 31/07/2008 to 31/07/2018\*



A : During this period, the OPCVM is managed with a new reference indicator

### Cumulative returns \*

	YTD	1 month	3 months	1 year	3 years	5 years	Since
Since	29/12/2017	29/06/2018	30/04/2018	31/07/2017	31/07/2015	31/07/2013	30/12/1998
Portfolio	-1.28%	0.10%	-0.72%	-0.61%	2.19%	5.88%	80.43%
Benchmark	0.08%	0.08%	-0.01%	0.10%	2.39%	6.30%	101.88%
Spread	-1.36%	0.02%	-0.72%	-0.71%	-0.20%	-0.42%	-21.46%

### Calendar year performance \*

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Portfolio	2.31%	1.58%	-0.04%	2.14%	1.90%	7.01%	1.40%	2.17%	9.39%	1.60%
Benchmark	0.52%	1.56%	0.59%	2.38%	2.29%	7.34%	1.26%	3.28%	10.96%	1.68%
Spread	1.80%	0.01%	-0.64%	-0.24%	-0.40%	-0.33%	0.14%	-1.11%	-1.57%	-0.08%

\* 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.

### Fund statistics

	Portfolio	Benchmark
Modified duration <sup>1</sup>	1.89	1.94
Average Rating	BBB	BBB+
Yield To Maturity	0.16%	0.13%
SWMD <sup>2</sup>	1.13	1.41
Spread <sup>3</sup>	77	69
Number of lines	119	514

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

<sup>2</sup> SWMD : spread-weighted modified duration

<sup>3</sup> Spread: difference in yield between a corporate bond and its reference government bond (Germany for the Euro zone).

### Risk analysis (rolling)

	1 year	3 years	5 years
Portfolio volatility	0.96%	1.01%	0.97%
Benchmark volatility	0.28%	0.46%	0.51%
Ex-post Tracking Error	0.90%	0.78%	0.67%
Information ratio	-0.78	-0.09	-0.12
Sharpe ratio	-0.26	1.03	1.36

### Performance analytics

	Inception to date
Maximum drawdown	-5.64%
Recovery period (days)	405
Worst month	10/2002
Lowest return	-2.26%
Best month	05/2003
Highest return	2.80%

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## Management commentary

The Credit market performed well in July in the absence of any major events, particularly given the lull in the Italian situation and with hopes of a de-escalation in trade tensions. After an active start to the month in primary issues of financial senior debt, activity was fairly calm as the quarterly reporting season commenced (primary market issuance amounted to €19 billion in July compared with a monthly average of €41 billion since the beginning of the year).

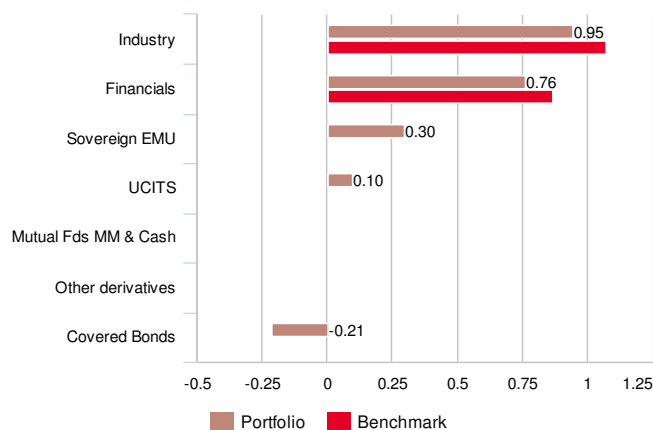
Overall, IG credit ended the month up by +28bps in absolute terms, outperforming Treasury notes with an equivalent duration by +73bps, with credit spreads tightening for both the cash market (-12bps to 110bps for the Barclays € Agg. Corporate index) and the derivatives market (-13bps to 61bps for the Itraxx Main 5Y index). While all credit segments performed during the month, Financials (outperformance of +81bps) and long maturities (the 10-year + segment was up by +153bps) benefited most from this environment. Subordinated debt also performed, with CoCo bonds and Corporate hybrids ending the month up by respectively +231bps and +182bps.

Against this backdrop, the portfolio outperformed its benchmark thanks to the tightening in credit spreads despite the significant rise in interest rates. During the month, we reduced our exposure to the auto sector. In exchange we slightly increased the overweighting of bank senior debt.

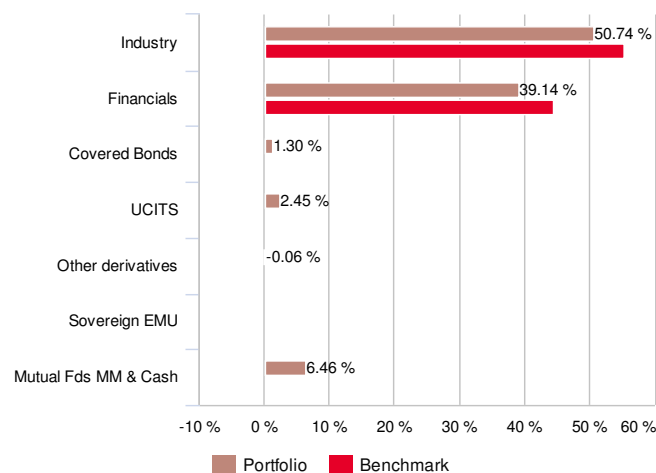
In terms of outlook, Credit remains sensitive to macroeconomic and geopolitical uncertainties: if the situation continues unchanged, spreads are likely to continue -as they did this month - to regain the ground lost in the first half, particularly if there is no major change in credit quality. We also consider that Euro-denominated bonds offer particularly attractive relative value compared with those denominated in US dollars. Moreover, following the strong widening in spreads observed in the second quarter, the returns currently posted by IG Euro credit seem more attractive than they were a few months ago. Therefore, although more cautious with regard to this asset class (particularly the financial sector and more particularly bank subordinated debt and debt with long maturities), the asset class continues to offer value on corporate bonds with maturities of between three and seven years and short-term high beta bonds that offer significant carry while being less sensitive to rises in interest rates.

## Portfolio breakdown by issuer

## Modified duration



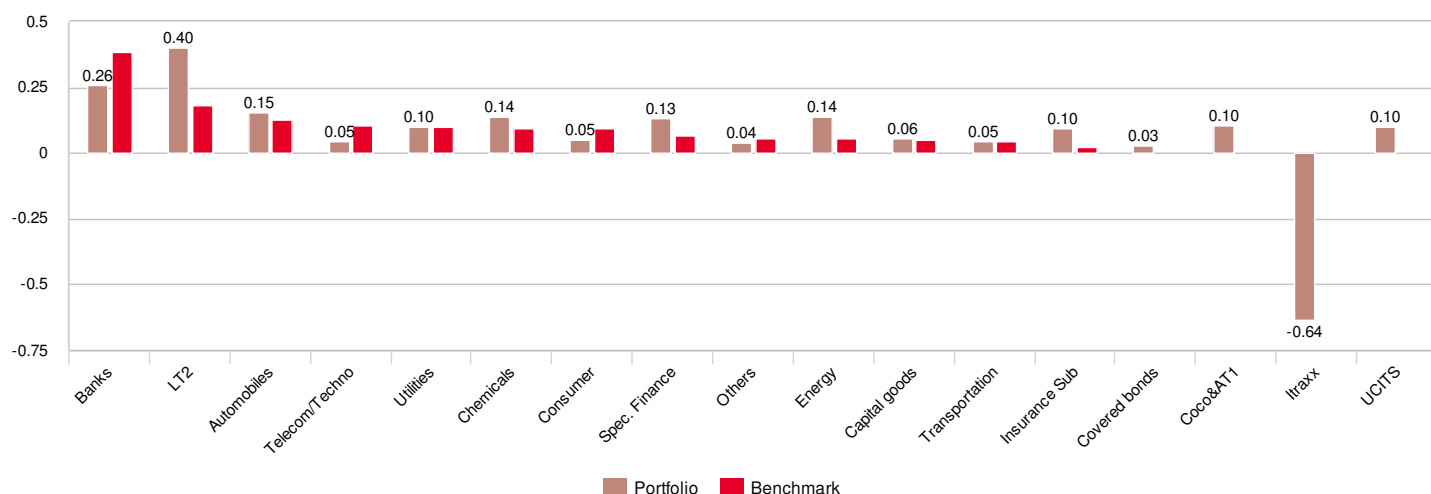
## % of assets



Includes derivatives

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

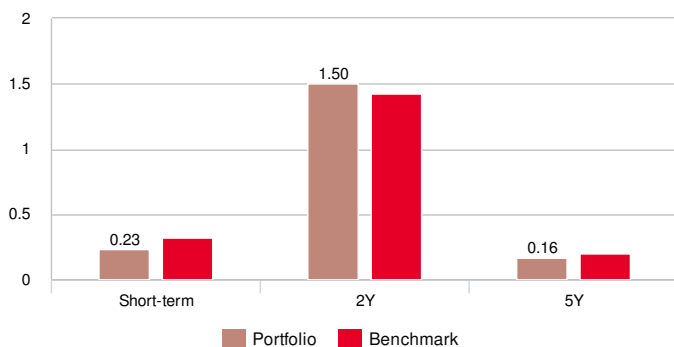
## Sector Allocation (in units of SWMD)



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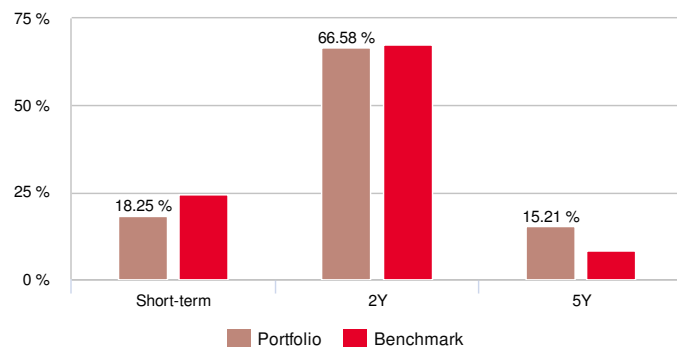
### Portfolio breakdown by maturity

#### Modified duration



Includes derivatives

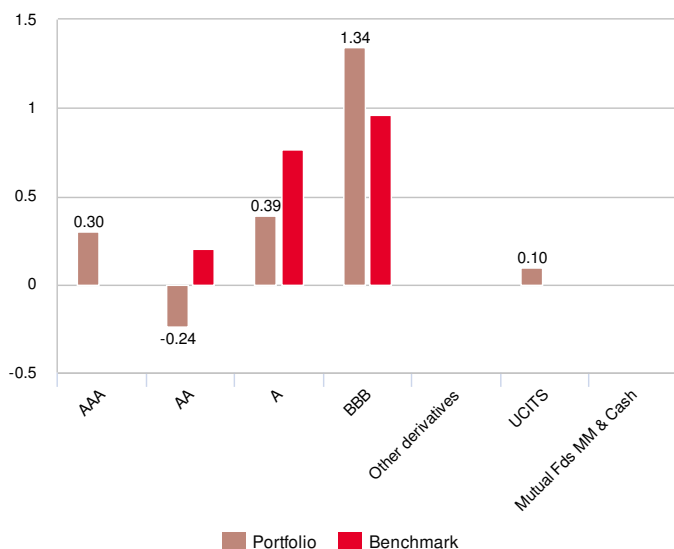
#### % of assets



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

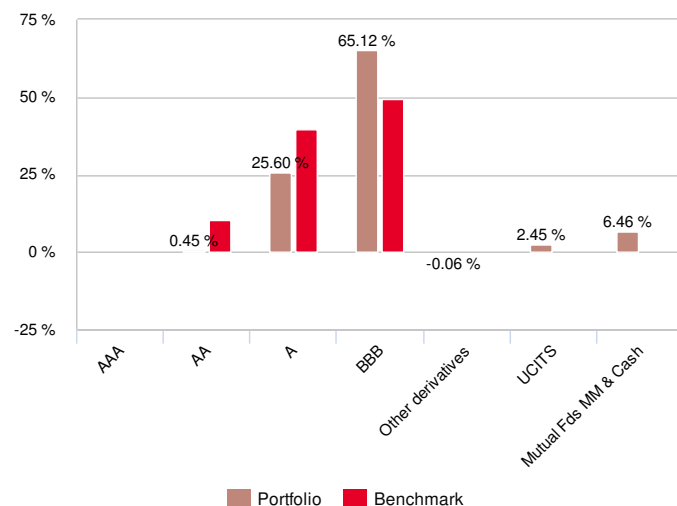
### Portfolio breakdown by credit rating

#### Modified duration



Includes derivatives

#### % of assets



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

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## Main overweights

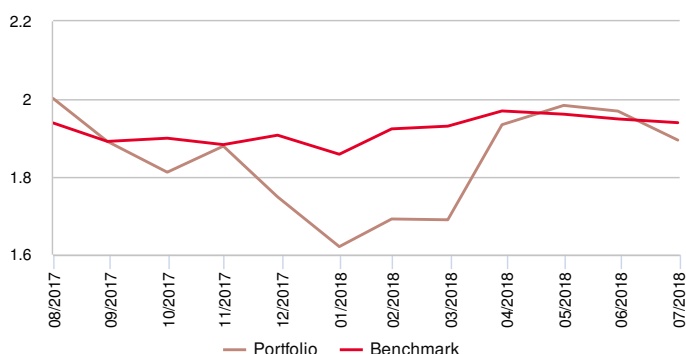
	Spread
LT2	4.37%
Spec. Finance	2.68%
Insurance Sub	2.13%
Automobiles	2.02%
Coco&AT1	2.00%

## Main underweights

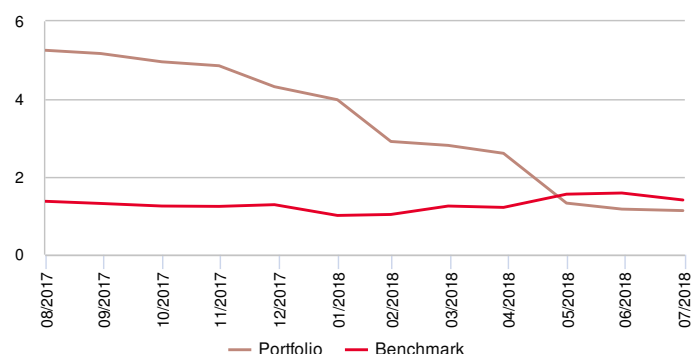
	Spread
Banks	-15.23%
Consumer	-4.49%
Utilities	-2.62%
Insurance	-1.42%
Others	-0.87%

## Historical risk indicators

## Modified duration



## Spread Weighted Modified Duration (SWMD)



## Main issuers

	Sector	% asset	Mod. duration	SWMD Portfolio	SWMD Benchmark
<b>Sovereigns</b>	-	-	-	-	-
<b>Out of State Issuers</b>	-	-	-	-	-
CAISSE NTL PREVOYANCE-CNP ASS	Financials	2.71%	0.06	0.07	0
FCA BANK SPA IRELAND	Industry	2.64%	0.04	0.03	0.02
BANK OF AMERICA CORP	Financials	2.60%	0.03	0.05	0.01
GOLDMAN SACHS GRP INC	Financials	2.58%	0	0.04	0.01
COOPERATIEVE RABOBANK UA	Financials	2.22%	0.06	0.10	0.04
LEASEPLAN CORP NV	Financials	1.96%	0.05	0.05	0.01
SCANIA CV AB	Industry	1.93%	0	0.01	-
RCI BANQUE	Industry	1.71%	0.04	0.03	0.01
TOTAL SA	Industry	1.61%	0.04	0.06	0.02
ALD SA	Industry	1.60%	0	0.02	-
LLOYDS BANK PLC	Financials	1.45%	0.02	0.02	0.01
TELEFONICA EMISIONES SAU	Industry	1.41%	0.02	0.01	0.01
ING BANK NV	Financials	1.40%	0.03	0.04	0.02
VOLVO TREASURY AB	Industry	1.37%	0.02	0.03	0.01
DEUTSCHE BOERSE AG	Financials	1.37%	0.03	0.04	0

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## Information

Fund structure	Mutual Fund (FCP) under French law
Management Company	Société Générale Gestion
Custodian	SOCIETE GENERALE
Sub-fund launch date	10/12/1998
Share-class inception date	10/12/1998
Sub-fund reference currency	EUR
Share-class reference currency	EUR
Type of shares	Accumulation
ISIN code	FR0000448870
Reuters code	LP60042382
Bloomberg code	SGEURSP FP
Minimum first subscription / subsequent	200000 Euros / 1 Thousandth of a share
Frequency of NAV calculation	Daily
Entry charge (maximum)	2.00%
Maximum direct annual management fees including taxes	0.75% IAT
Performance fees	Yes
Exit charge (maximum)	0%
Ongoing charge	0.54% (realized)
Minimum recommended investment period	> 2 Years
Benchmark index performance record	30/11/2006: 100.00% BLOOMBERG BARCLAYS EURO AGGREGATE CORPORATE 1-3 YEARS 28/03/2002: 100.00% BLOOMBERG BARCLAYS EURO AGGREGATE (E) 30/12/1998: 100.00% FTSE EMU Gov. Bond (EUR)

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