

AMUNDI FUNDS EQUITY US RELATIVE VALUE - IHE

SHARE ■ FUNDAMENTAL ASSET FUND ■ NORTH AMERICA

MONTHLY
REPORT

31/08/2014

Key information

Net asset value (NAV) : 1,586.69 (EUR)
Valuation date : 29/08/2014
Assets Under Management (AUM) :
570 (million EUR)
ISIN code : LU0568605256
Benchmark :
100% S&P 500 COMPOSITE (RI, HEDGED IN
EUR)

Investment Objective

The sub-fund is mainly invested in securities of US companies across a range of industries whose stock price is undervalued. Thus the management aims to create a portfolio with strong growth potential and limited downside risk.

Risk & Reward Profile (SRRI)



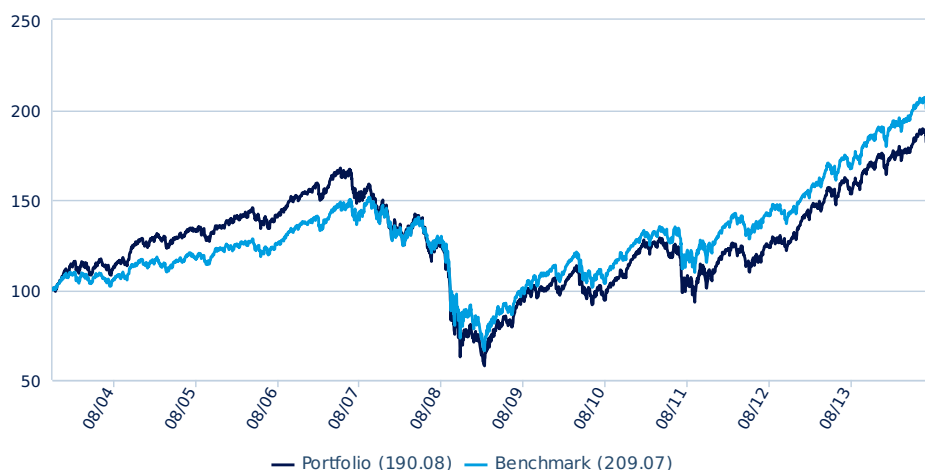
Lower risk, potentially lower rewards

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)



Calendar year performance

	2009	2010	2011	2012	2013
Portfolio	31.88%	14.54%	-6.04%	18.08%	34.75%
Benchmark	24.62%	12.75%	1.27%	14.84%	31.80%
Spread	7.25%	1.79%	-7.31%	3.24%	2.96%

Source : Amundi. The above results pertain to full 12-month period per calendar year.

Cumulative returns

	YTD Since 31/12/2013	1 month 31/07/2014	3 months 30/05/2014	1 year 30/08/2013	3 years 31/08/2011	5 years 31/08/2009	Since 28/11/2003
Portfolio	8.41%	4.32%	5.21%	24.01%	75.98%	97.86%	90.08%
Benchmark	9.74%	4.06%	4.69%	24.89%	71.23%	108.53%	109.07%
Spread	-1.33%	0.26%	0.52%	-0.88%	4.75%	-10.67%	-18.99%

Source : Amundi. 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

	Fund	S&P 500
Total portfolio holdings	49	502
Price-to-Cash flow	11,28x	11,56x
Price-to-Sales	1,42x	1,93x
Price-to-Book	2,03x	2,81x
Average Price Earning	13,66x	15,70x
Bonds	-	-

* It measures the performance of the 1,000 largest of the 3,000 largest U.S. domiciled companies (based on total market capitalization) with lower price-to-book ratios and lower forecasted growth value

Risk analysis (rolling)

	1 year	3 years	5 years
Portfolio volatility	10.94%	16.26%	17.15%
Benchmark volatility	9.92%	13.85%	14.93%
Ex-post Tracking Error	2.82%	3.76%	3.80%
Information ratio	-0.39	0.31	-0.32
Sharpe ratio	2.13	1.28	0.82

Performance analytics

	Inception to date
Maximum drawdown	-65.55%
Recovery period (days)	1710
Worst month	10/2008
Lowest return	-21.75%
Best month	04/2009
Highest return	14.61%

**Diane E. Jaffee**Group Managing Director, US Equities
Portfolio manager, TOW**Spahn Mathew**

Assistant Portfolio Manager TOW

Management commentary

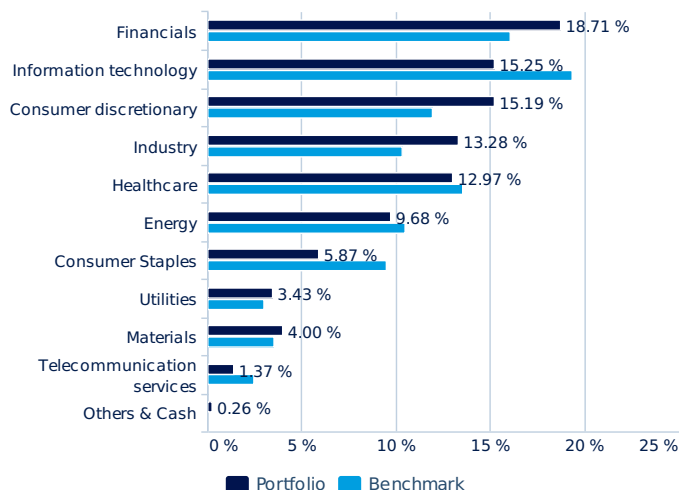
U.S. equities posted another solid month with the S&P 500 topping the 2000 mark for the first time. Easing geopolitical tensions in Russia/Ukraine along with solid domestic economic reports aided in lifting U.S. equities. 2Q 2014 U.S. GDP was revised up to 4.2%. July's employment number came in at 209,000. Auto sales recouped from a slight decline in July and are selling at a 17.5 million seasonally adjusted annualized rate year-year ending August. The portfolio benefited from the underweight in telecommunication services while the underweight in consumer staples detracted nominally. The portfolio's consumer discretionary stocks were the strongest performers returning +6.9% versus the group gain of +4.5% led by Gap and Home Depot. The portfolio's materials holdings returned +12.4% versus their peers' gain of +3.8% led by Sealed Air and Allegheny Technologies. Other notable performers include Terex and Hartford Financial. On the downside, the portfolio's health care stocks detracted, returning +3.8%, underperforming the group move of +4.8% largely due to Mylan. The portfolio also lost value, albeit nominal, in energy (Baker Hughes and Ensco), consumer staples (Mondelez), and industrials (Royal Philips). During the month, medical device company Medtronic was completely sold as it appreciated to the point of no longer meeting any of the five valuation metrics.

Performance breakdown

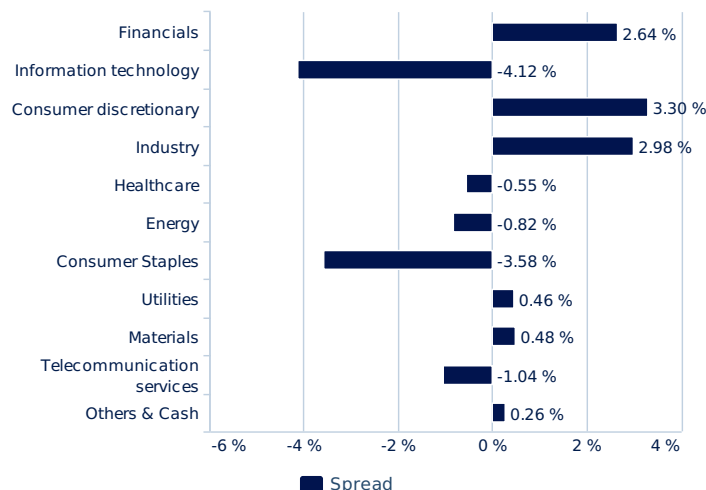
	Avg total equities	Bench avg weight	Portfolio return	Bench return	Difference	Asset alloc. effect	Sec. selection effect	Total Effect
Consumer Discretionary	14.96%	11.89%	6.92%	4.48%	2.44%	0.01%	-0.14%	0.37%
Consumer Staples	5.93%	9.45%	3.34%	4.70%	-1.36%	-0.02%	0.02%	-0.10%
Energy	9.72%	10.50%	1.44%	2.24%	-0.80%	0.01%	-0.14%	-0.07%
Financials	18.51%	16.07%	4.58%	4.24%	0.34%	0.01%	0.35%	0.07%
Healthcare	13.31%	13.52%	3.83%	4.81%	-0.98%	-0.00%	-0.26%	-0.13%
Industrials	13.46%	10.30%	3.67%	4.22%	-0.55%	0.01%	-0.34%	-0.06%
Information Technology	15.12%	19.36%	4.02%	3.96%	0.06%	0.00%	0.11%	0.01%
Materials	3.92%	3.53%	12.44%	3.76%	8.68%	0.00%	-0.35%	0.32%
Telecom Services	1.40%	2.42%	-1.77%	-1.00%	-0.77%	0.05%	-0.02%	0.04%
Utilities	3.40%	2.97%	4.11%	4.97%	-0.86%	0.01%	0.02%	-0.02%
[Cash]	0.27%	--	0.00%	--	-	0.00%	--	0.00%

Portfolio breakdown

Sector breakdown



Relative sector breakdown



Portfolio breakdown

Main overweights (% assets)

	Portfolio	Benchmark	Spread
AMERIPRISE FINANCIAL INC COMMON STOCK	3.22%	0.13%	3.09%
KONINKLIJKE PHILIPS NVR- NY	2.96%	0.00%	2.96%
STATE STREET CORP COMMON STOCK	3.05%	0.17%	2.88%
COMCAST CORP	3.61%	0.80%	2.81%
GAP INC COMMON STOCK	2.61%	0.07%	2.54%
DANA HLDG CORP COM	2.46%	0.00%	2.46%
TRAVELERS COS INC COMMON STOCK	2.55%	0.18%	2.37%
CITIGROUP INC COMMON STOCK	3.24%	0.88%	2.36%
HOME DEPOT INC	3.04%	0.72%	2.32%
SEALED AIR CORP	2.26%	0.04%	2.22%

Main underweights (% assets)

	Portfolio	Benchmark	Spread
APPLE INC	0.00%	3.47%	-3.47%
EXXON MOBIL CORP	0.00%	2.40%	-2.40%
GOOGLE INC-CL A and C	0.00%	1.84%	-1.84%
BERKSHIRE HATHAWAY INC	0.00%	1.39%	-1.39%
WELLS FARGO & CO NEW COM	0.00%	1.39%	-1.39%
PROCTER & GAMBLE CO COM	0.00%	1.26%	-1.26%
VERIZON COMMUNICATIONS COM	0.00%	1.16%	-1.16%
IBM CORP	0.00%	1.03%	-1.03%
BANK OF AMERICA	0.00%	0.95%	-0.95%
GILEAD SCIENCES INC	0.00%	0.93%	-0.93%

Main portfolio holdings (% assets)

GENERAL ELEC CO COM	3.65%
COMCAST CORP	3.61%
CITIGROUP INC COMMON STOCK	3.24%
AMERIPRISE FINANCIAL INC COMMON STOCK	3.22%
STATE STREET CORP COMMON STOCK	3.05%
HOME DEPOT INC	3.04%
KONINKLIJKE PHILIPS NVR- NY	2.96%
JPMORGAN CHASE & CO COM	2.87%
CHEVRON CORP	2.76%
PEPSICO INC COMMON STOCK	2.66%

Capitalization

	Fund	S&P 500
Average (dollar-weighted)	86.01	131.59
Average (equal-weighted)	73.62	38.46
Median	26.27	17.96

Fund information

Legal structure	SICAV Luxembourgeois
Management company	Amundi Luxembourg SA
Custodian	CACEIS BANK LUXEMBOURG
Sub-fund launch date	24/06/2011
Share-class creation date	24/06/2011
Sub-fund reference currency	USD
Share-class reference currency	EUR
Type of shares	Accumulation
ISIN code	LU0568605256
Reuters code	-
Bloomberg code	SGLEUBH LX
Minimum first subscription / subsequent	500000 Equivalent en EUR de USD / 1 thousandths of a share
Frequency of NAV calculation	Daily
Dealing times	Orders received each dealing day before 14:00
Entry charge (maximum)	2.50%
Maximum direct annual management fees including taxes	0.70% IAT
Performance fees	Yes
Exit charge	-
Ongoing charge	0.97% (realized)
Minimum recommended investment period	5 years
Benchmark record	05/07/2001: 100.00% S&P 500 COMPOSITE (RI, HEDGED IN EUR)

Important information

This material is solely for the attention of institutional, professional, qualified or sophisticated investors and distributors. It is not to be distributed to the general public, private customers or retail investors in any jurisdiction whatsoever nor to "US Persons". Moreover, any such investor should be, in the European Union, a "Professional" investor as defined in Directive 2004/39/EC dated 21 April 2004 on Markets In Financial Instruments ("MIFID") or as the case may be in each local regulations and, as far as the offering in Switzerland is concerned, a "Qualified Investor" within the meaning of the provisions of the Swiss Collective Investment Schemes Act of 23 June 2006 (CISA), the Swiss Collective Investment Schemes Ordinance of 22 November 2006 (CISO) and the FINMA's Circular 08/8 on Public Offering within the meaning of the legislation on Collective Investment Schemes of 20 November 2008. In no event may this material be distributed in the European Union to non "Professional" investors as defined in the MIFID or in each local regulation, or in Switzerland to investors who do not comply with the definition of "qualified investors" as defined in the applicable legislation and regulation.

Legal information

This document contains information about AMUNDI FUNDS EQUITY US RELATIVE VALUE (the "Sub-Fund"), sub-fund of Amundi Funds (the "SICAV"). The SICAV is an undertaking for collective investment in transferable securities existing under Part I of the Luxembourg law of 17 December 2010, organised as a société d'investissement à capital variable and registered with the Luxembourg Trade and Companies Register under number B68.806. The SICAV has its registered office at 5, allée Schefer, L-2520 Luxembourg. Amundi Funds has been authorised for public sale by the Commission de Surveillance du Secteur Financier in Luxembourg. Not all sub-funds of the SICAV (the «Sub-Funds») will necessarily be registered or authorised for sale in all jurisdictions or be available to all investors. Subscriptions in the Sub-Funds will only be accepted on the basis of the Sub-Fund's Key Investor Information Document (KIID) and the SICAV's latest prospectus, its latest annual and semi-annual reports and its articles of incorporation that may be obtained, free of charge, at the registered office of the SICAV or respectively at that of the representative agent duly authorized and agreed by the relevant authority of each relevant concerned jurisdiction. Consideration should be given to whether the risks attached to an investment in the Sub-Funds are suitable for prospective investors who should ensure that they fully understand the contents of this document. A professional advisor should be consulted to determine whether an investment in the Sub-Funds is suitable. The value of, and any income from, an investment in the Sub-Funds can decrease as well as increase. The Sub-Funds have no guaranteed performance. Further, past performance is not a guarantee or a reliable indicator for current or future performance and returns. The performance data do not take into account the commissions and costs incurred on the issue and redemption of units. This document does not constitute an offer to buy nor a solicitation to sell in any country where it might be considered as unlawful, nor does it constitute public advertising or investment advice.

The source of the data contained in this document is Amundi unless otherwise stated. The date of the data in this document is that stated in the MONTHLY MANAGEMENT SUMMARY at the start of the document unless otherwise stated.