

# AMUNDI FUNDS EQUITY EMERGING FOCUS - IU

FACTSHEET

30/09/2017

EQUITY ■

## Key information (source : Amundi)

Net Asset Value (NAV) : (A) 1,169.29 ( USD )  
(D) 1,249.99 ( USD )

NAV and AUM as at : 29/09/2017

Assets Under Management (AUM) :  
923.86 ( million USD )

ISIN code : (A) LU0319685342  
(D) LU0319685425

Bloomberg code : CAEIDIA LX

Benchmark : MSCI Emerging Markets

Morningstar Overall Rating © : 4

Morningstar Category © :  
GLOBAL EMERGING MARKETS EQUITY

Number of funds in the category : 1763

Rating date : 31/08/2017

## Investment Objective

To achieve long-term capital appreciation by investing in companies in Developing Countries. Investments are based on a stock picking process which selects companies taking benefit from emerging countries' growing demand in terms of household consumption, domestic investments and infrastructure development.

## Risk & Reward Profile (SRRI)



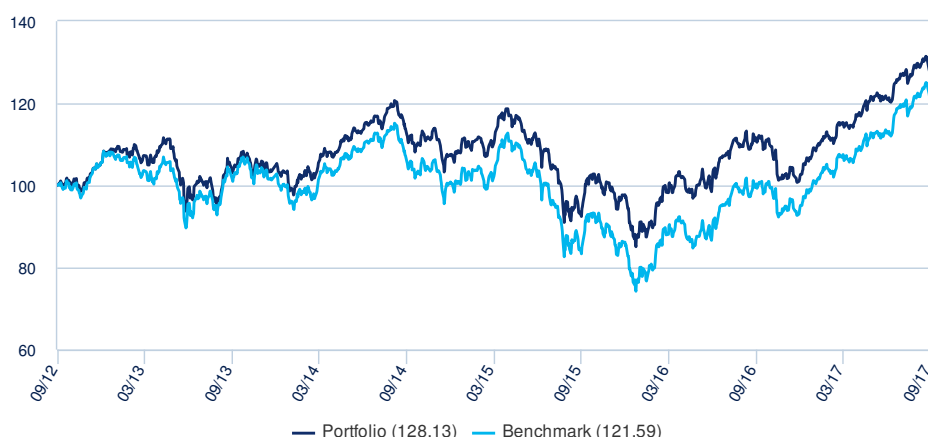
Lower risk, potentially lower rewards

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 28/09/2012 to 29/09/2017\*



## Cumulative returns \*

	YTD	1 month	3 months	1 year	3 years	5 years	Since
Since	30/12/2016	31/08/2017	30/06/2017	30/09/2016	30/09/2014	28/09/2012	16/10/2007
Portfolio	24.77%	-1.22%	6.02%	15.95%	14.42%	28.13%	16.93%
Benchmark	27.78%	-0.40%	7.89%	22.46%	15.44%	21.59%	7.70%
Spread	-3.01%	-0.82%	-1.88%	-6.51%	-1.01%	6.54%	9.23%

## Calendar year performance \*

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Portfolio	5.55%	-9.57%	2.12%	-0.33%	18.38%	-18.72%	20.46%	83.82%	-54.64%	-
Benchmark	11.19%	-14.92%	-2.18%	-2.60%	18.22%	-18.42%	18.88%	78.51%	-53.33%	-
Spread	-5.64%	5.35%	4.30%	2.27%	0.16%	-0.30%	1.58%	5.32%	-1.30%	-

\* 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

Total portfolio holdings 146

## Top ten issuers (% assets)

	Portfolio
TENCENT HOLDINGS LTD	5.63%
TAIWAN SEMICONDUCTOR MANUF-TSMC	4.61%
ALIBABA GROUP HOLDING LTD	4.39%
NASPERS LTD	2.97%
PING AN INSURANCE GROUP CO OF	1.89%
CHINA CONSTRUCTION BANK CORP	1.84%
SBERBANK OF RUSSIA PJSC	1.74%
CHINA MOBILE LTD	1.63%
CHINA LIFE INSURANCE CO LTD	1.39%
BAIDU INC	1.36%
Total	27.45%

## Risk analysis (rolling)

	1 year	3 years	5 years
Portfolio volatility	10.24%	14.81%	14.32%
Benchmark volatility	10.90%	16.60%	15.72%
Ex-post Tracking Error	2.82%	3.26%	3.06%
Information ratio	-2.21	-0.08	0.36
Sharpe ratio	1.38	0.28	0.34
Beta	0.91	0.88	0.90

## Performance analytics

	Inception to date
Maximum drawdown	-65.75%
Recovery period (days)	2079
Worst month	10/2008
Lowest return	-29.33%
Best month	05/2009
Highest return	18.21%

## Management commentary

September witnessed the first month of underperformance in 2017 for MSCI Emerging Markets index (-0.4% in USD, with dividends), compared to MSCI World index which rose 2.2%. On a YTD basis EM is still well ahead, beating Developed Markets by a material margin (+27.8% vs +16.0%). Over the month EM Equities were affected by a stronger USD, which was due to the prospect of a U.S. tax reform plan, the confirmation of balance sheet reduction and Yellen's hawkish stance. Brent Crude advanced 7.5% in September and metals prices partially reversed the gains from August. Accordingly, Materials (-3.5%) was the worst performing sector in EMs, closely followed by Telecoms (-3.4%), while Healthcare (2.8%) outperformed.

MSCI Russia (+4.3%) was the best market in EM, driven by higher oil prices, followed by Brazil (+4.2%), which outperformance continued on better economic data, lower-than-expected inflation and a 100bps cut in policy rates.

Greece was the worst performing market falling 14%. Greek banks were down 22%, their worst performing month since July 16 as the IMF pushed for an asset-quality review for the Greek banks. Turkey fell 10% after a very strong period of outperformance as the dollar recovered and higher oil prices hurt terms of trade. South Africa fell 7% with the high beta Rand depreciating 4%, the worst performing currency in EM. Political uncertainty, policy paralysis and risks of fiscal slippage weighed on concerns of further ratings downgrades.

Over the month, the fund lagged the benchmark. Country allocation contributed positively to excess return while sector allocation and stock picking were detractors. Country-wise, our overweight position on Russia and our underweight on Taiwan and Turkey contributed positively. Sector allocation's negative contribution mainly stemmed from our underweight information technology in Korea. At the stock selection level, the largest key negative contributor was Russia-based Sberbank while Taiwan Semiconductors Manufacturing Company was the best positive contributor.

In terms of movements, we initiated a position in China Communication Services, which offers a strong balance sheet with notably cash holdings accounting for 50% of the market cap and a solid cash flow generation. Moreover, the company could benefit from 5G roll out starting from 2019. We also bought Semiconductor Manufacturing International Corp. The main Chinese foundry is gradually moving the value chain in terms of technology and continues to benefit from government support. Conversely, we took profit on Cathay Financial, as the company should suffer from lower margins in the coming two years due to changing regulation.

In the majority of emerging countries, economic environment continues to be supportive for improving profit growth which is forecast by consensus to be above 20% in 2017. However, we continue to observe some complacency in some sectors, such as materials, one of our key underweight positions. In that regard, while improving supply-demand discipline continues to be a tailwind, long-term demand growth is still very much questionable and valuation looks demanding.

More generally, after four years of negative profit growth between 2012 and 2015, earnings dynamics for emerging markets companies is definitely improving thanks to declining leverage, improving capital expenditure discipline and positive operational leverage. We remain favorable to sectors and companies benefiting from new economic and consumption patterns.

## Portfolio breakdown

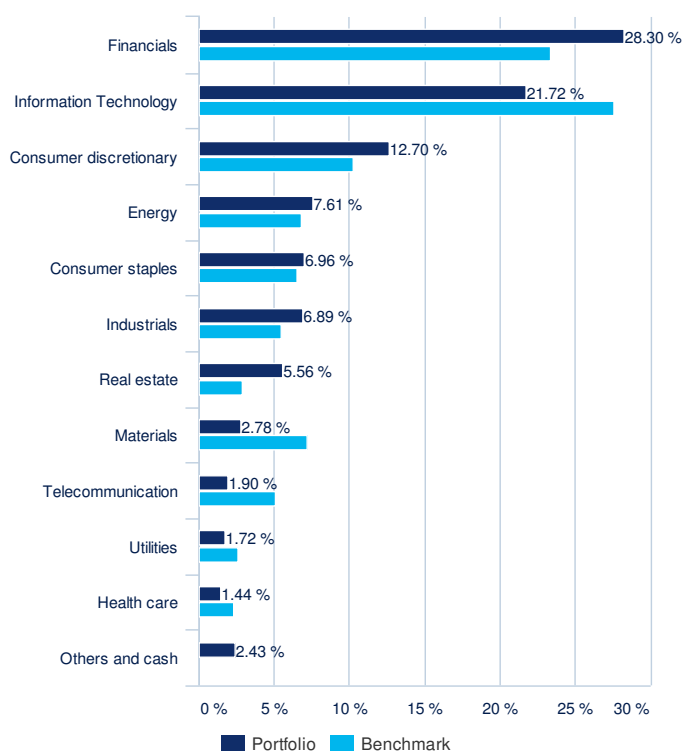
### Main overweights (% assets)

	Portfolio	Benchmark	Spread (P - B)
NASPERS LTD	2.97%	1.86%	1.11%
PING AN INSURANCE GROUP CO OF	1.89%	0.80%	1.09%
TAIWAN SEMICOND MANUF-TSMC	4.61%	3.55%	1.06%
TECHTRONIC INDUSTRIES CO	1.05%	-	1.05%
SBERBANK OF RUSSUA PJSC	1.74%	0.71%	1.03%
HDFC BANK LTD	0.99%	-	0.99%
CHINA LIFE INSURANCE CO LTD	1.39%	0.44%	0.95%
ANTA SPORTS PRODUCTS LTD	1.04%	0.09%	0.95%
SINOPEC-CHINA PETR&CHEMCL CORP	1.30%	0.38%	0.92%
ICICI BANK LTD	1.11%	0.20%	0.91%

### Main underweights (% assets)

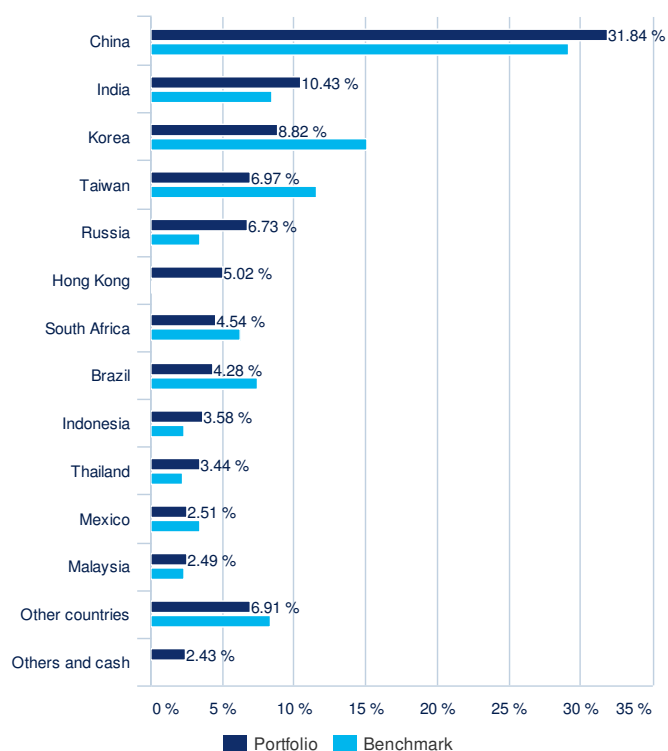
	Portfolio	Benchmark	Spread (P - B)
SAMSUNG ELECTRONICS CO LTD	-	5.01%	-5.01%
HON HAI PRECISION INDUSTRY CO	-	1.08%	-1.08%
BANCO BRADESCO SA	-	0.85%	-0.85%
SK HYNIX INC	-	0.84%	-0.84%
BANK OF CHINA LTD	-	0.78%	-0.78%
PETROLEO BRASILEIRO SA	-	0.68%	-0.68%
RELIANCE INDUSTRIES LTD	-	0.62%	-0.62%
VALE SA	-	0.60%	-0.60%
AMERICA MOVIL SAB DE CV	-	0.59%	-0.59%
HYUNDAI MOTOR CO	-	0.52%	-0.52%

## Sector breakdown



Excluding derivatives.

## Geographical breakdown



Excluding derivatives.

## Information

Fund structure	UCITS
Applicable law	under Luxembourg law
Fund Manager	Amundi Luxembourg SA
Delegated Management Company	Amundi Asset Management
Custodian	CACEIS Bank, Luxembourg Branch
Share-class inception date	16/10/2007
Share-class reference currency	USD
Type of shares	(A) Accumulation (D) Distribution
ISIN code	(A) LU0319685342 (D) LU0319685425
Minimum first subscription / subsequent	500000 USD / 1 thousandth(s) of (a) share(s)
Frequency of NAV calculation	Daily
Dealing times	Orders received each day D day before 14:00
Entry charge (maximum)	2.50%
Maximum direct annual management fees including taxes	0.90% IAT
Maximum indirect annual management fees including taxes	-
Performance fees	Yes
Maximum performance fees rate (% per year)	20 %
Performance fees details	MSCI Emerging Markets
Exit charge (maximum)	0%
Ongoing charge	1.26% (realized) - 25/10/2016
Minimum recommended investment period	5 years
Benchmark index performance record	16/10/2007: 100.00% MSCI EM (EMERGING MARKETS)

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