

Anaxis Bond Opportunity Europe 2018

French FCP (mutual fund)

Semi-Annual Report as of 30 June 2016



Asset Management Company:	ANAXIS ASSET MANAGEMENT S.A.S.
Registered office:	9, rue Scribe, 75009 Paris
Custodian:	BNP Paribas Securities Services
Auditors:	PwC Sellam



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Management report

Fund Management Comments

Assets under management have raised slightly over the first half of 2016 (from EUR 158.6 million to EUR 163.5 million).

The fund got off to a rocky start in 2016, with the European credit market undermined by persistent stress over oil prices, emerging economies, the Fed's monetary policy, and of course the UK Brexit referendum. The fund proved resilient in such a volatile environment, thanks to its cautious positioning particularly with respect to commodities and cyclicals.

Starting in the last week of February, fund performance was driven by the return of positive market conditions. On 10 March, the ECB's announcement of additional monetary stimulus measures (key rate cut, the CSPP) caused the market rebound already underway to suddenly take off. The rally continued until the upheaval sparked by the Leave vote announced in June.

The portfolio's positioning was unchanged in the first half: we set up positions in corporate bonds only, with a focus on Western Europe and strong selectivity based on an extensive fundamental analysis.

The portfolio consisted primarily of high-yield (i.e. speculative) debt securities which, according to the portfolio managers' analysis, offered a high yield on credit risk with a low probability of default. The fund does not invest significantly in financial sector issuers.

The fund is moderately correlated with characteristic credit market indicators. Its beta with the European HY market, excluding financials (represented by the H7PC index) is 0.57.

Performance

The different unit categories delivered the following performances during first-half 2016:

Unit	Performance	Unit	Performance
E1	+1.85%	I	+2.10%
E2	+1.85%	J	+2.55%
U1	+2.33%	K	+1.78%
S1	+1.48%		

Source: BNP Paribas Fund Services, Anaxis Asset Management. Each performance is given in the currency of denomination of the unit category in question. These figures only refer to a half-year and cannot be considered as representative. The data provided pertain to past performances, which are not reliable indicators of future performances

Dividends

During the first half the E2 dividend unit paid a dividend of EUR 3.46 in respect of fiscal year 2015. The ex-dividend date was 23 March 2016.

Measurement of overall risk

The commitment method is used to measure overall risk. The fund's leverage is limited to 100% of net assets.

Information on financial contracts

The fund only used forward foreign exchange contracts entered into with BNP Paribas Securities Services. The purpose of some of these contracts was to hedge against foreign exchange risk arising from investments in currencies other than the EUR, for example when the fund bought bonds denominated in GBP, CHF, NOK, etc.

Similar opposing transactions were carried out to hedge against the foreign exchange risk specific to units denominated in USD or CHF, in the interest of protecting them against exchange rate fluctuations between the fund's currency of denomination (EUR) and the currency in which their NAV is denominated (USD or CHF).

During first-half 2016, no financial contracts were used in order to generate additional exposure to a given market or underlying instrument, nor were any financial guarantees implemented for this purpose.

Securities and affiliated funds

The fund does not invest in securities issued by the portfolio management company or affiliated entities.

At no time during first-half 2016 did the fund hold any units or shares in collective investment undertakings managed by Anaxis Asset Management or affiliated entities.

Affiliated unitholders

At no time during first-half 2016 were the fund's units held by the portfolio management company, affiliated entities, their associates, executive managers or employees.

ESG criteria

The investment policy implemented by Anaxis Asset Management is based primarily on an economic and financial analysis. It does not explicitly incorporate criteria such as environmental protection, corporate social responsibility or governance of the companies issuing the securities under consideration (ESG criteria).

Intermediation and other fees

Anaxis Asset Management does not charge intermediation or account activity fees on the transactions carried out for the fund. The company does not receive rebates from the custodian or from any other service provider or market intermediary involved in the management of the fund.

The account activity fees charged by the custodian are very limited and did not have a material impact on the fund's performance during first-half 2016.

Intermediary selection procedure

The portfolio managers work with intermediaries which are required to be on the list of intermediaries approved by the portfolio management company in accordance with internal procedures. This list is prepared on the basis of objective criteria that notably take into consideration the quality of service provided and pricing conditions. Additional information may be obtained on request from the portfolio management company.

Significant events this the date of this report

None.

Statement of net assets

	Net asset value (€ thousands)
Eligible financial securities referred to in point I.1 of article L.214-20 / point I.1 of article L.214-24-55	
Capital securities issued by public companies	-
Debt securities, except for commercial paper and savings certificates	141 905.23
Cash at bank	20 655.37
Other assets held by the fund	
Deposits	-
Fund units or shares	-
Temporary securities transactions	-
Forward financial instruments	-
Other financial instruments	-
Receivables	91 710.06
- Foreign currency forward foreign exchange transactions	91 657.99
- Others	52.07
Total assets held by the fund	254 270.66
Liabilities	
Financial instruments	-
- Sales of financial instruments	-
- Temporary securities transactions	-
Forward financial instruments	-
Debts	-90 752.07
- Foreign currency forward foreign exchange transactions	-89 689.07
- Others	-1 063.00
Financial accounts	-
Net asset value	163 518.59

Breakdown of portfolio by currency

	% of net assets	% of total assets
Eligible financial securities and money market instruments admitted for trading on a regulated market within the meaning of article L. 422-1		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates		
EUR	56.34	36.23
GBP	10.05	6.47
NOK	1.57	1.01
SEK	4.23	2.72
USD	0.04	0.02
Eligible financial securities and money market instruments admitted for trading on another regularly operating regulated market that is recognised and open to the public, having its registered office located in a European Union member state or in another State party to the European Economic Area Agreement		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	-	-
Eligible financial securities and money market instruments admitted to an official exchange listing in a third country or traded on a regularly operating regulated third-country market that is recognised and open to the public, provided that said exchange or market does not appear on a list established by the AMF or that the choice of said exchange or market is provided for by law or by the internal rules or articles of association of the undertaking for collective investment in transferable securities		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates		
NOK	0.29	0.18
USD	14.27	9.18
Newly issued financial securities referred to in point I.4 of article R. 214-11 / point I.4 of article R. 214-32-18 of the French Monetary and Financial Code		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	-	-

Other assets: assets referred to in point II of article R. 214-11 of the French Monetary Financial Code or article R. 214-32-19 point I and II		
Fund units or shares	-	-
- Units or shares of field of interest professional funds	-	-
- Units or shares of specialized professional funds	-	-
- Capital Investment Funds (French FCPR, FCPI, FIP, FPCI)	-	-
- Real Estate Collective Investment Scheme (French OPCI)	-	-
- Other units or shares of Collective Investment Scheme	-	-
Warrants, savings certificates, promissory notes, mortgage note	-	-
TOTAL	86.78	55.81

Breakdown of portfolio by economic sector

	% of net assets	% of total assets
Eligible financial securities and money market instruments admitted for trading on a regulated market within the meaning of article L. 422-1		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates		
FOOD AND BEVERAGES	7.33	4.71
ELECTRIC AND ELECTRONIC APPLIANCES	3.15	2.03
INSURANCE	0.40	0.26
OFFICE IT EQUIPMENT	0.87	0.56
CHEMICALS	0.46	0.29
RETAIL	5.60	3.60
COSMETICS	11.10	7.14
HOLDINGS	1.91	1.23
REAL ESTATE	2.24	1.44
ENGINEERING AND CONSTRUCTION	1.40	0.90
INTERNET	2.09	1.34
SOFTWARE	2.68	1.73
BUILDING MATERIALS	1.19	0.76
EQUIPMENT – MISC.	1.07	0.69
MEDIA	4.86	3.12
PRIVATE EQUITY	3.31	2.13
DIVERSIFIED SERVICES	7.11	4.57
STORAGE	1.24	0.80
TELECOMMUNICATIONS	9.11	5.86
TEXTILE	2.13	1.37
TRANSPORTATION	2.98	1.91
Eligible financial securities and money market instruments admitted for trading on another regularly operating regulated market that is recognised and open to the public, having its registered office located in a European Union member state or in another State party to the European Economic Area Agreement		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	-	-

Eligible financial securities and money market instruments admitted to an official exchange listing in a third country or traded on a regularly operating regulated third-country market that is recognised and open to the public, provided that said exchange or market does not appear on a list established by the AMF or that the choice of said exchange or market is provided for by law or by the internal rules or articles of association of the undertaking for collective investment in transferable securities		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates		
FOOD AND BEVERAGES	4.12	2.65
OFFICE IT EQUIPMENT	0.59	0.38
RETAIL	1.16	0.74
COSMETICS	1.31	0.84
ENERGY	0.95	0.61
ENGINEERING AND CONSTRUCTION	0.96	0.62
BUILDING MATERIALS	1.03	0.66
MEDIA	0.57	0.37
PRIVATE EQUITY	2.58	1.66
STORAGE	0.56	0.36
TRANSPORTATION	0.74	0.47
Newly issued financial securities referred to in point I.4 of article R. 214-11 / point I.4 of article R. 214-32-18 of the French Monetary and Financial Code		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	-	-
Other assets: assets referred to in point II of article R. 214-11 of the French Monetary Financial Code or article R. 214-32-19 point I and II		
Fund units or shares	-	-
- Units or shares of field of interest professional funds	-	-
- Units or shares of specialized professional funds	-	-
- Capital Investment Funds (French FCPR, FCPI, FIP, FPCI)	-	-
- Real Estate Collective Investment Scheme (French OPCI)	-	-
- Other units or shares of Collective Investment Scheme	-	-
Warrants, savings certificates, promissory notes, mortgage note	-	-
TOTAL	86.78	55.81

Breakdown of portfolio by country

	% of net assets	% of total assets
Eligible financial securities and money market instruments admitted for trading on a regulated market within the meaning of article L. 422-1		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates		
GERMANY	5.39	3.47
CROATIA	2.25	1.44
SPAIN	0.10	0.06
FRANCE	11.94	7.68
CAYMAN ISLANDS	1.69	1.08
ITALY	5.76	3.70
JERSEY	0.40	0.26
LUXEMBOURG	12.41	7.98
NORWAY	2.01	1.29
NETHERLANDS	11.04	7.10
UNITED KINGDOM	13.74	8.83
SWEDEN	5.50	3.54
Eligible financial securities and money market instruments admitted for trading on another regularly operating regulated market that is recognised and open to the public, having its registered office located in a European Union member state or in another State party to the European Economic Area Agreement		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	-	-
Eligible financial securities and money market instruments admitted to an official exchange listing in a third country or traded on a regularly operating regulated third-country market that is recognised and open to the public, provided that said exchange or market does not appear on a list established by the AMF or that the choice of said exchange or market is provided for by law or by the internal rules or articles of association of the undertaking for collective investment in transferable securities		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates		
CROATIA	0.12	0.08
SPAIN	0.02	0.01
UNITED STATES	7.00	4.50
GRECE	2.23	1.43
MARSHALL ISLANDS	0.74	0.47
IRELAND	0.56	0.36
LUXEMBOURG	1.31	0.84

MEXICO	1.01	0.65
NETHERLANDS	0.64	0.41
UNITED KINGDOM	0.95	0.61
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Newly issued financial securities referred to in point I.4 of article R. 214-11 / point I.4 of article R. 214-32-18 of the French Monetary and Financial Code		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	-	-
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Other assets: assets referred to in point II of article R. 214-11 of the French Monetary Financial Code or article R. 214-32-19 point I and II		
Fund units or shares	-	-
- Units or shares of field of interest professional funds	-	-
- Units or shares of specialized professional funds	-	-
- Capital Investment Funds (French FCPR, FCPI, FIP, FPCI)	-	-
- Real Estate Collective Investment Scheme (French OPCI)	-	-
- Other units or shares of Collective Investment Scheme	-	-
Warrants, savings certificates, promissory notes, mortgage note	-	-
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TOTAL	86.78	55.81
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Changes in the composition of the securities portfolio

	Buy side	Sell side
Eligible financial securities and money market instruments admitted for trading on a regulated market within the meaning of article L. 422-1		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	44 535 064.13	40 754 530.45
Eligible financial securities and money market instruments admitted for trading on another regularly operating regulated market that is recognised and open to the public, having its registered office located in a European Union member state or in another State party to the European Economic Area Agreement		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	-	-
Eligible financial securities and money market instruments admitted to an official exchange listing in a third country or traded on a regularly operating regulated third-country market that is recognised and open to the public, provided that said exchange or market does not appear on a list established by the AMF or that the choice of said exchange or market is provided for by law or by the internal rules or articles of association of the undertaking for collective investment in transferable securities		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	4 167 874.11	-
Newly issued financial securities referred to in point I.4 of article R. 214-11 / point I.4 of article R. 214-32-18 of the French Monetary and Financial Code		
Capital securities issued by public companies	-	-
Debt securities, except for commercial paper and savings certificates	4 112 191.41	9 312 714.46
Other assets: assets referred to in point II of article R. 214-11 of the French Monetary Financial Code or article R. 214-32-19 point I and II		
Fund units or shares	-	-
- Units or shares of field of interest professional funds	-	-
- Units or shares of specialized professional funds	-	-
- Capital Investment Funds (French FCPR, FCPI, FIP, FPCI)	-	-
- Real Estate Collective Investment Scheme (French OPCI)	-	-
- Other units or shares of Collective Investment Scheme	-	-
Warrants, savings certificates, promissory notes, mortgage note	-	-
TOTAL CHANGES	52 815 129.65	50 067 244.91

Net asset value, number of units and dividends

ISIN code	Class type	Unit type	Net assets	Number of units	NAV per unit	Reference currency
FR0011426923	S1	C	18 670 395.04	189 763.1176	106.48	CHF
FR0011426915	U1	C	6 865 687.04	69 862.1636	109.17	USD
FR0011426956	K	C	4 090 007.14	43 921.3944	100.78	CHF
FR0011426931	I	C	33 675 652.96	313 921.2055	107.27	EUR
FR0011426881	E1	C	78 513 518.95	723 697.1216	108.48	EUR
FR0011426949	J	C	7 658 233.76	80 090.5990	106.22	USD
FR0011512375	E2	D	14 045 097.63	143 437.4929	97.91	EUR

This semi-annual report has not been certified by the auditors of the mutual fund.