This document is a promotional document

December 30, 2016

Oddo Bonds Target 2018

ODDO MERITEN ASSET MANAGEMENT

Unit DR-EUR - Eur | Target-date high yield bond fund World

NAV of the fund	212 M€
NAV per Unit	91.41€

Risk/return scale (1): 1 **2** 3 4 5 6 7

Classification Morningstar™
3rd quartile (since inception)
Category Fixed Term Bond

Countries in which the fund is authorised for distribution to the public:
FR IT CHE DEU ESP BEL LUX

Accredited investor only :
SGP

Portfolio Managers

Alain KRIEF, Olivier BECKER, Cyrielle BOYER

Key features

Recommended investment horizon :until 31/12/2018

Inception date (1st NAV) : 31/10/2014

Legal structure	UCITS fund
ISIN code	FR0012254845
Bloomberg code	ODDREUR FP
Currency	Euro
Dividend policy	Distribution units
Minimum (initial) investment	100 EUR
Subscription fees	4 % (maximum)
Redemption fees	Nil
Management fees	Up to 1% of the net assets, inclusive of tax
Performance fees	10%, inclusive of tax, of the fund's outperformance, provided that the annual performance exceeds 5.5%
Ongoing charges (²)	1.00%
Management company	Oddo Meriten AM SAS
Custodian	Oddo & Cie France (Paris)
Administration and Accounting	EFA
Subscriptions/ redemptions	Subscription and redemption requests are centralised by the Custodian every net asset value calculation day until 11:15 (Paris time) and executed on the basis of the net asset value of the following trading day. The resulting settlements shall be carried out on the second trading day following the NAV date.
NAV calculation frequency	Daily

	Fund
% invested	92.8%
Yield (YTM) *	3.04
Average maturity (year)	1.92
Interest rate sensitivity	1.28

Investment strategy

The investment objective is to achieve a higher net performance than EUR-denominated French government bonds maturing in 2019 (25/04/2019) over an investment horizon of 4 years, i.e. from the Fund's inception date to 31 December 2018. The Fund aims to benefit from high actuarial yields on convertible or corporate bonds.

Annual performance (rolling 12 months)

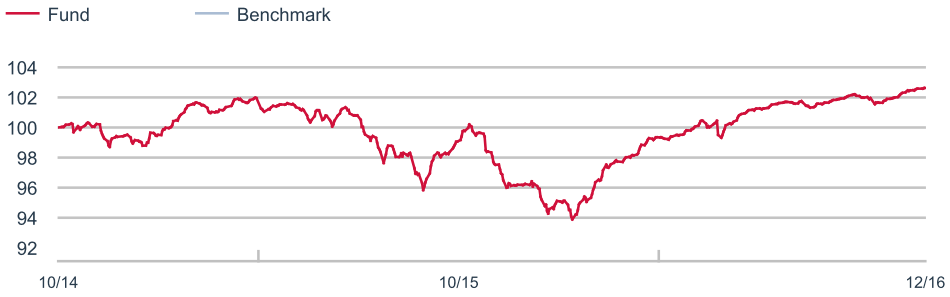
from			10/31/14	12/31/14	12/31/15
to			12/31/14	12/31/15	12/30/16
Fund			**-0.5%**	**-3.2%**	**6.6%**

Past performance is not an indication of future results. Performance may vary over time.

Calendar performance (from january 01 to december 31)

	2012	2013	2014	2015	2016
Fund				**-3.2%**	**6.6%**

Change in performance since inception (base 100)



Annualised volatility

	1 year	3 years	5 years
Fund	**3.13%**		

Definitions of the financial indicators used are available for download on the website www.oddomeriten.eu under the heading "Regulatory information".

Sources : Oddo Meriten AM, Bloomberg, Morningstar®

*Yields are given for information purposes only and do not represent any yield guarantee. Rates are gross of fees, excluding any case of default. YTM : Yield to Maturity
Subscription period: new subscriptions will not be accepted after 11:15 (Paris time) on 30 April 2015.
(1) The risk profile is not constant and may vary over time. The lowest category does not mean a risk-free investment. Historical data, such as is used to calculate the risk/return ratio, may not be a reliable indication of the future risk profile of the Fund. There is no guarantee that the management objectives in terms of risk and return will actually be met.
(²) The ongoing charges are based on the charges for the previous period. Estimates are drawn up for all funds that have not yet closed their first accounting period.

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Main holdings of leverage portfolio

Security name	Maturity	Weight

Total	
Number of equity holdings	

Portfolio manager comment

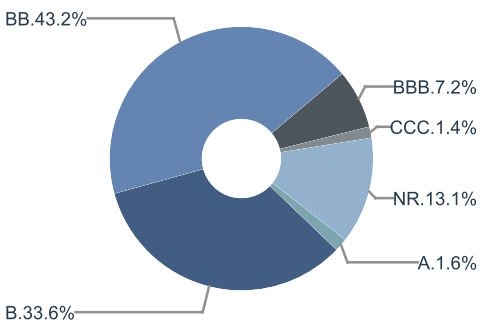
December brought hotly anticipated meetings for OPEC, the ECB and the Fed. These institutions offered ample information ahead of time and took particular care not to surprise the market, while also bearing in mind the likelihood of normalisation in the future. In other words, if business growth rises as expected and oil stabilises, consumer prices and nominal yields should continue to trend upward.
The month's other highlight was the Italian referendum, in which Matteo Renzi's crushing defeat proved once again just how hard it is to implement institutional reforms in Italy. Nevertheless, the markets bounced back very quickly after the news, believing that it was not indicative of systemic risk.

In this context, the German 10-year yield fell from +0.27% to +0.20%. Conversely, the US 10-year yield rose slightly, moving from 2.38% at the start of the month to 2.44% by month-end.
The high yield market posted an excellent performance of +1.77% for December, owing to falling yields and, in particular, increased risk appetite in the wake of the US election. The most dynamic sectors were energy (+2.3%), transport (+2.1%) and capital goods (+1.94%).
The iTraxx Xover and iTraxx Main indices tightened from 50 bps to 288 bps and 8 bps to 72 bps, respectively.

Over the month, we reduced our positions in Vivacom, Play, Alain Afflelou and Galp, among others.

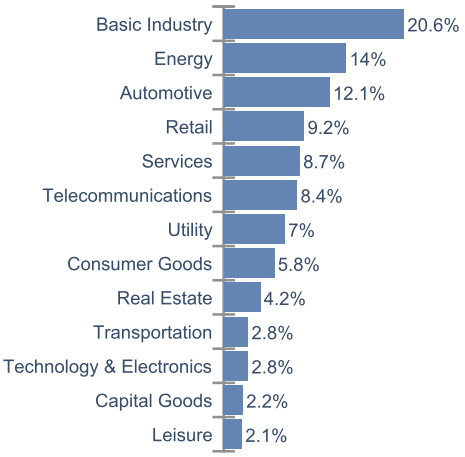
Over the 2016 financial year we used the fund to take full advantage of conditions that were particularly favourable to the high yield asset class (uptick in growth, fall in yields, low default rates, measures by central banks).
The portfolio's very short duration will offer natural protection against any interest rate rises in 2017 (which we believe are likely), while the environment should remain favourable for credit.

Breakdown by rating of the core

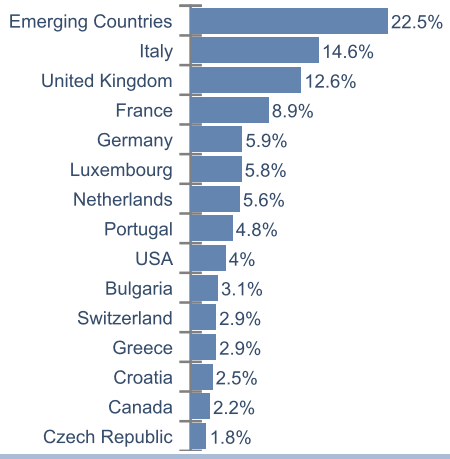


The breakdown takes into consideration the rating of the issuer or the guarantor in the case of unrated issues.

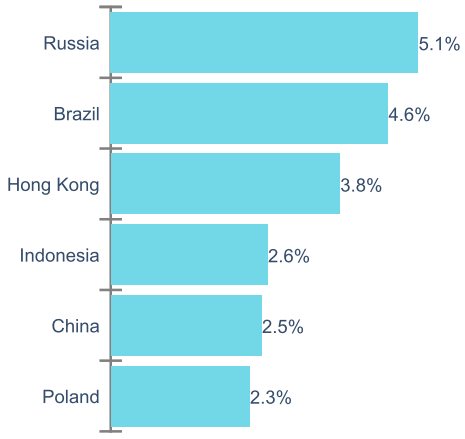
Sector breakdown of core portfolio



Geographic breakdown of the core portfolio



Focus on "emerging countries" geographic breakdown



Main portfolio issuers

Issuer	Weight	Sector	Country
JAGUAR LAND ROVER PLC	3.29%	Automotive	United Kingdom
FIAT INDUSTRIAL FIN EUR	3.20%	Automotive	Italy
ANGLO AMERICAN CAPITAL	2.88%	Basic Industry	United Kingdom
INEOS GROUP HOLDINGS SA	2.85%	Basic Industry	Luxembourg
VIVACOM	2.85%	Telecommunications	Bulgaria
GAZPROM (GAZ CAPITAL SA)	2.81%	Energy	Russia
TRAFIGURA FUNDING SA	2.74%	Services	Netherlands
GLENCORE FUNDING LLC	2.71%	Basic Industry	Switzerland
PETROBRAS GLOBAL FINANCE	2.71%	Energy	Brazil
TELECOM ITALIA SPA	2.68%	Telecommunications	Italy

Number of holdings	47

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The fund is exposed to the following risks : risk of capital loss, credit risk, risk associated with discretionary management, counterparty risk, risk associated with high yield bonds, liquidity risk of underlying assets, volatility risk, risks associated with portfolio concentration, risks linked to the use of overexposure, emerging markets risk, risk associated with commitments on forward financial instruments, to a limited extent, currency risk, equity risk, risk associated with holding small and medium capitalisations, interest rate risk, risk associated with convertible bonds.

Oddo Meriten Asset Management SAS

Portfolio management company incorporated as a société par actions simplifiée (simplified joint -stock compnay), with capital of €7,500,000. Approved by the AMF under number GP 99011.
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