

**French Mutual Fund**

**EDMOND DE ROTHSCHILD**  
**BOND ALLOCATION**

**ANNUAL REPORT**

as at 30 September 2015

**Management Company: Edmond De Rothschild Asset Management (France)**

**Custodian: Edmond De Rothschild (France)**

**Statutory Auditor: KPMG Audit**

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## 1. CHARACTERISTIC FEATURES OF THE UCI

- **LEGAL FORM**

French Mutual Fund.

- **CLASSIFICATION**

Bonds and other debt securities denominated in euros.

- **ALLOCATION OF INCOME**

<i>Distributable Income</i>	<i>BH, C, CCHF H, CR, E, FH, I, I USD H, ICHF H and R units</i>	<i>D and J units</i>
Allocation of net income	Accumulation	Distribution
Allocation of realised net gains or losses	Accumulation	Accumulated (in full or in part) or distributed (in full or in part) or carried forward (in full or in part) as decided by the Management Company

Where distribution units are concerned, the UCITS' management company may decide to distribute one or more interim dividends on the basis of the financial positions certified by the statutory auditor.

- **EXPOSURE TO OTHER FOREIGN UCITS, AIFS OR INVESTMENT FUNDS**

Less than 10% of net assets.

- **MANAGEMENT OBJECTIVE**

The UCITS' objective is to offer an annualised performance exceeding that of the index composed of 50% Barclays Capital Euro Aggregate Corporate Total Return Index and 50% Barclays Capital Euro Aggregate Treasury Total Return Index over the investment period.

- **BENCHMARK INDEX**

The Barclays Capital Euro Aggregate Corporate Total Return Index is calculated and published by Barclays Bank. It is representative of fixed rate bonds, denominated in euros, issued by private issuers, as well as land corporations, rated at least BBB- (Standard & Poor's rating or equivalent) with a residual maturity exceeding one year.

The Barclays Capital Euro Aggregate Treasury Total Return Index is calculated and published by Barclays Bank. It is composed of issues by governments or government agencies in the eurozone with a residual maturity exceeding one year.

As the management of the UCITS is not index-linked, its performance may vary significantly from its benchmark, which serves only as a basis for comparison.

The calculation of the performance of these two indicators includes net coupons.

- **INVESTMENT STRATEGY**

The management strategy is to build a portfolio representative of the expectations of the Management Company on all bond markets.

The portfolio may therefore hold variable weightings of the following six main asset classes:

- Eurozone government loans
- Investment grade credit market
- High yield credit market (speculative bonds)

- Emerging countries debt market
- Convertible bonds market
- Monetary assets.

• **Credit strategy**

On the credit market, the strategy will primarily combine a sector-based approach via a top-down process (directional strategy) with a credit analysis aimed at selecting the issuers that are deemed to be the most attractive by the management company via a bottom-up process (analysis of specific risks).

▪ **Top-down approach**

The top-down approach is primarily based on a macroeconomic analysis of the various sectors or countries explored within the context of the portfolio allocation. It allows the management team to determine specific market scenarios based on their predictions.

In particular, this analysis allows us to define:

- the degree of exposure to different economic sectors
- the distribution between the different ratings within the Investment Grade category.

No constraint on sector-based or geographical distribution will be imposed, thus allowing the management team to implement strategies that reflect its convictions.

The top-down analysis provides a comprehensive overview of the portfolio. This is complemented by a stock-picking process (bottom-up approach).

▪ **Bottom-up approach**

The aim of this approach is to identify those issuers within a particular sector that provide better relative value than others and are therefore the most attractive according to the internal criteria of the management company.

The method for selecting issuers is based on a fundamental analysis of each company.

The fundamental analysis focuses on evaluating criteria such as:

- the clarity of the company's strategy,
- its financial health (consistency of cash flow through different economic cycles, ability to honour its debts, etc.)
- the "strategic" nature of the company implying the likelihood of government intervention in the event of default or a significant deterioration of its financial situation.

Within the universe of the selected issuers, the choice of exposures will be based on characteristics such as the issuer's rating, the liquidity of the securities or their maturity.

The fundamental analysis model, which aims to identify the stocks that offer the greatest potential for growth, relies on a team of analysts and managers specialising in credit markets. Following an analysis of the various companies, the bottom-up process is further refined. The process leads to the choice of preferred investment instruments (direct investments in securities, credit default swaps, etc.) for exposure to selected issuers.

In order to hedge its assets and/or achieve its management objective, without seeking overexposure, the UCITS may use financial contracts traded on regulated markets (futures, listed options) or over-the-counter markets (options, swaps, etc.). In this context, the manager may obtain exposure to or set up a synthetic hedge on indices, business sectors or geographic areas. To this end, the UCITS may take up positions with a view to hedging the portfolio against certain risks (interest rate, credit or currency) or exposing itself to interest rate and credit risks.

In this context, the manager may adopt strategies which principally aim to anticipate or protect the UCITS against the risk of one or more issuers defaulting or to expose the portfolio to issuers' credit risks.

These strategies will be implemented by purchasing or selling protection via credit derivatives, on a single benchmark entity credit default swap or on multiple issuers through indices (iTraxx or CDX) or total return swaps.

**• Interest rate strategies**

The manager relies on a macroeconomic analysis of the environment (macroeconomic statistics on growth, unemployment and consumer confidence) in order to determine market trend scenarios.

The management strategy is based on a selection of issues made in accordance with two complementary approaches:

- a geographical allocation: using the economic indicators specific to each state, the manager seeks to achieve a geographic allocation that takes advantage of differences in performance between various sovereign issues. The manager therefore selects yield curves with a greater relative value than others.
- a yield curve strategy: on each curve selected, the manager defines his position by taking into account a dual objective:
  - selecting the curve segment with the best risk/return ratio according to the internal criteria of the management company
  - taking a position so as to take advantage of anticipated deformations (flattening and steepening).

In order to adapt to any potential translational movements of the yield curves, the manager adopts an active management style with respect to the portfolio's overall sensitivity. It will be reduced to protect the portfolio against the adverse effects of a rise in rates and increased to maximise the benefits of a fall in rates.

The overall sensitivity of the portfolio will be between -2 and +8.

**• Exposure to the equity market**

Up to 10% of the UCITS' net assets may be exposed to equity markets through purchases of convertible bonds or in the event that bonds held in the portfolio are converted into shares. Up to 10% of the UCITS' net assets may be temporarily held in equities, to be sold at the earliest opportunity in the best interests of the unitholders.

**• Currencies**

The UCITS may hold up to 25% of its net assets in securities issued in foreign currencies. The UCITS will hedge the currency risk induced by an investment in currencies other than the UCITS' base currency. Nevertheless, a residual currency risk may remain.

**Portfolio assets**

**• Debt securities and money market instruments (up to 100% of net assets, with a maximum of 100% directly invested in securities)**

**• General characteristics:**

Sensitivity to interest rates	[-2; +8]	-
<b>Geographic region of issuers</b>	Any geographic region	Up to 100% of net assets
	Of which emerging countries	Up to 70% of net assets

**• Distribution of private debt/public debt**

Up to 100% of the "Debt securities" portfolio in private or public debt.

**• Ratings-related criteria**

The UCITS may invest up to 70% of its net assets in securities issued by public entities or private issuers located in an emerging country, which have a rating below BBB- or a short-term rating below A-3 (Standard & Poor's rating or equivalent and with an equivalent internal rating from the Management Company or not rated by a rating agency, but internally assessed by the Management Company as compliant with the above-mentioned categories).

The remainder of the portfolio will be invested in securities with a minimum long-term rating of BBB- or a short-term rating of A-3 (Standard & Poor's rating or equivalent and with an equivalent internal rating from the Management Company or not rated by a rating agency, but internally assessed by the Management Company as compliant with the above-mentioned categories).

Stock selection is not based automatically and exclusively on the rating criterion. It is mainly based on an internal analysis. Prior to each investment decision, the management company analyses each security based on criteria other than its rating. In the event that an issuer in the high-yield category (speculative securities for which the risk of issuer default is higher) has their rating downgraded, the management company must conduct a detailed analysis in order to decide whether to sell or retain the security, provided that the rating objective is respected.

If the rating of an issuer previously rated "investment grade" is downgraded to "speculative grade", the security may be retained in the portfolio if the ratio of 70% of high-yield securities (speculative securities for which the risk of issuer default is higher) is respected. Otherwise, the security will have to be resold.

• **Legal nature of the instruments used**

Debt securities of any type, including:

- Fixed, variable or adjustable rate bonds
- Convertible bonds
- Contingent convertible bonds
- Inflation-linked bonds
- Mortgage bonds (and equivalent bonds issued on the basis of foreign law)
- Negotiable debt securities with a maturity of less than three months
- Savings certificates
- Commercial paper
- French fixed-rate treasury bills (BTF)
- Treasury bills
- Euro Commercial Paper (commercial paper issued in euros by a foreign entity)
- Certificates of deposit.

• **Equities**

- Exposure through equities held directly: maximum 10%
- Exposure via convertible bonds: up to 10% of net assets.

The portfolio's maximum exposure to the equity markets may not exceed 10% of the Fund's net assets.

• **Shares or units of other foreign UCITS, AIFs or investment funds**

For the purpose of investing its cash assets, the UCITS may hold up to 10% of its assets in units or shares of French or foreign UCITS or French AIFs characterised as general-purpose investment funds.

Within this 10% limit, the UCITS may also invest in shares or units of foreign AIFs and/or foreign investment funds that meet the regulatory eligibility criteria. These UCIs and investment funds may be managed by the management company or by an affiliated company.

• **Financial contracts**

In order to hedge its assets and/or achieve its management objective, without seeking overexposure, and within the limits set in terms of absolute VaR according to the value-at-risk method, the UCITS may use financial contracts traded on regulated markets (futures, listed options) or over-the-counter markets (options, swaps, etc.). In this context, the manager may obtain exposure or set up a synthetic hedge on indices, business sectors or geographic areas. To this end, the UCITS may take up positions with a view to hedging the portfolio against certain risks (interest rate, credit or currency) or exposing itself to interest rate and credit risks. In order to significantly limit the total counterparty risk associated with over-the-counter instruments, the management company may accept cash collateral which will be deposited with the custodian and not reinvested.

• **Types of markets targeted**

- Regulated markets
- Organised markets
- Over-the-counter markets.

• **Risks in which the manager intends to trade for the purposes of portfolio hedging and exposure:**

- Equity risk exclusively from potential exposure via convertible bonds (hedging)
- Interest rate risk
- Currency risk (hedging)
- Credit risk.

• **Types of investment (transactions must only be undertaken in order to achieve the management objective):**

- Hedging
- Exposure
- Arbitrage.

• **Types of instruments used:**

- Interest rate options
- Forward rate agreements
- Interest rate futures
- Interest rate swaps
- Credit derivatives (total return swaps or credit default swaps)
- Credit options
- Currency options
- Currency swaps
- Inflation swaps
- Currency futures
- Swaptions.

• **Strategy of using derivatives to achieve the management objective**

- General hedging of certain risks (interest rate, credit, currency)
- Exposure to interest rate, credit and equity risks
- Reconstitution of a synthetic exposure to assets and risks (interest rate, credit)
- Increasing market exposure.

The maximum commitment resulting from these transactions respects the limits set in terms of absolute VaR according to the value-at-risk method, capped by regulations at 20% of the net assets, with a threshold of 99% over 20 business days.

• **Securities with embedded derivatives**

The UCITS may invest up to 100% of its net assets in securities with embedded derivatives. The strategy for the use of securities with embedded derivatives is the same as that described for the use of derivatives.

• **Cash borrowings**

The UCITS is not intended to be a cash borrower. However, a liability position may exist from time to time as a result of transactions associated with the UCITS' cash flow (investments and divestments in progress, subscription/redemption transactions, etc.), up to a limit of 10% of its net assets.

• **Temporary purchases and sales of securities**

In the interest of efficient portfolio management and without deviating from its investment objectives, the UCITS may enter into temporary purchases and sales of securities relating to eligible financial securities or money market instruments.

Reverse repurchase agreements may be entered into subject to a limit of 25% of the UCITS' net assets.

Guarantees received as part of these repurchase agreements will be subject to a discount depending on the type of securities.

These guarantees may take the form of bonds, money market instruments or equities. Further information on the fees applicable to temporary purchases and sales of securities is provided in the “Charges and fees” section.

- **RISK PROFILE**

Your money will be invested primarily in financial instruments selected by the management company. These instruments will be subject to market trends and fluctuations.

The risk factors described below are not exhaustive. It is the responsibility of each investor to analyse the risk associated with such an investment and to form their own opinion independently of the Edmond de Rothschild Group by obtaining as much specialist advice on such matters as is necessary to ensure that this investment is appropriate for their financial and legal position and investment horizon.

- Risk of capital loss:

The UCITS does not guarantee or protect the capital invested, so investors may not recover the full amount of the capital they initially invested, even if they retain the units for the duration of the recommended investment period.

- Discretionary management risk:

The discretionary management style is based on anticipating trends in the various markets (equities, bonds, money market, commodities and currencies). However, there is a risk that the UCITS may not be invested in the best-performing markets at all times. The performance of the UCITS may therefore fall below the management objective, and a drop in its net asset value may lead to negative performance.

- Credit risk:

The main risk, linked to debt securities and/or money market instruments such as treasury bills (BTFs and BTANs), commercial papers and certificates of deposit, is that of issuer default, due either to the non-payment of interest and/or the non-repayment of capital. Credit risk is also linked to the downgrading of an issuer.

Unitholders are reminded that the net asset value of the UCITS is likely to drop if an overall loss is recorded on a transaction following default by a counterparty. The inclusion of debt securities in the portfolio, whether directly or through UCIs, exposes the UCITS to the effects of variations in credit quality.

- Credit risk linked to investing in speculative securities:

The UCITS may invest in issues from countries or companies rated, at the time of purchase, as “non-investment grade” by a rating agency (rating below BBB- according to Standard & Poor’s or any other equivalent rating assigned by an independent agency that has an equivalent internal rating issued by the management company) or which are considered equivalent by the management company. These issues are “speculative” securities and present a higher risk of issuer default. This UCITS should therefore be considered partly speculative and as being aimed specifically at investors who are aware of the risks inherent in investing in such securities. As a result, the use of “high-yield” securities (speculative securities presenting a higher risk of issuer default) may incur a greater risk of a fall in the net asset value.

- Interest rate risk:

Exposure to interest rate products (debt securities and money market instruments) makes the UCITS sensitive to interest rate fluctuations. Interest rate risk might result in a fall in the value of the security and, therefore, the net asset value of the UCITS, in the event of a change in the yield curve.

- Risk associated with investing in emerging markets:

The UCITS may be exposed to emerging markets. In addition to the individual risks of each issuing company, there are also external risks, particularly in these markets. Furthermore, investors are reminded that the conditions of operation and oversight in these markets may differ from the standards that prevail on major international exchanges. Consequently, the holding of such securities may increase the portfolio’s risk profile.



A fall in the market may thus be more marked and rapid than in developed countries, and the net asset value may fall further and more quickly, and lastly, companies held in the portfolio may have governments as shareholders.

- Risk associated with financial and counterparty contract commitments:

The use of financial contracts may result in the risk of a sharper, more abrupt fall in the net asset value than in the markets in which the UCITS invests. Counterparty risk results from the use by the UCITS of financial contracts traded on over-the-counter markets and/or temporary purchases and sales of securities. Such transactions potentially expose the UCITS to the risk of counterparty default and the possible risk of a fall in its net asset value.

- Risk associated with derivatives:

The UCITS may invest in forward financial instruments (derivatives).

The use of financial contracts may result in the risk of a sharper, more abrupt fall in the net asset value than in the markets in which the UCITS invests.

- Risk associated with the currency of units denominated in a currency other than that of the UCITS:

Unitholders investing in currencies other than the base currency of the UCITS (the euro) may be exposed to currency risk if this is not hedged. The value of the UCITS' assets may fall if exchange rates vary, which may cause the net asset value of the UCITS to fall.

- Risk associated with hybrid products (convertible bonds):

Given their potential conversion into shares, convertible bonds introduce an equity risk into a bond portfolio. They also expose the portfolio to the volatility of equity markets, which is higher than the volatility of bond markets. Accordingly, holding such instruments results in an increase in portfolio risk, which may be offset by the bond component of hybrid securities, depending on market configurations.

• **GUARANTEE OR PROTECTION**

None.

• **TARGET SUBSCRIBERS AND TYPICAL INVESTOR PROFILE**

BH, C, CCHF H, D and E units: All subscribers.

E and FH units are specifically marketed by distributors selected by the Management Company.

I, J and R units are intended for legal entities with the capacity to make an initial subscription of €500,000.

ICHF H units are intended for legal entities with the capacity to make an initial subscription of CHF 500,000.

I USD H units are intended for legal entities with the capacity to make an initial subscription of USD 500,000.

CR units are available to retail investors; this unit is exclusively intended to be marketed (directly and/or via unit-linked life insurance and accumulation contracts) through intermediaries selected by the Management Company, where their business model or the nature of the services supplied do not allow them to receive remuneration from the Management Company.

This UCITS is intended for all subscribers and specifically for investors wishing to achieve greater returns on their bond investments in euros through active management on all bond markets.

The units of this UCITS are not and will not be registered in the United States under the US Securities Act of 1933 as amended ("Securities Act 1933") or under any other law of the United States. These units may not be offered, sold or transferred to the United States (including its territories and possessions) or benefit, directly or indirectly, any US Person (as defined by Regulation S of the Securities Act 1933).

The appropriate amount to invest in this UCITS depends on your personal situation. To determine that amount, investors are encouraged to seek professional advice in order to diversify their investments and determine the proportion of their financial portfolio or assets to be invested in this UCITS, more specifically in view of the recommended investment period and exposure to the aforementioned risks, their personal wealth, needs and specific objectives.

In any event, unitholders must diversify their portfolio sufficiently to avoid being exposed solely to the risks of this UCITS.

Minimum recommended investment period: more than 3 years.

## 2. CHANGES AFFECTING THE UCI

- 1- Merged with Edmond de Rothschild Multigest Sélection Crédit on 14/11/2014.
- 2- Performance updated to 31/12/2014, TFC updated to 30/09/2014 and various regulatory and other changes on 05/02/2015.
- 3- Creation of BH and I USD H units on 30/03/2015.
- 4- Creation of CCHF H and ICHF H units on 07/07/2015.

### 3. MANAGEMENT REPORT

Performance: Over the course of the financial year, the I unit posted performance of -0.11%, the C unit -0.68%, the E unit -0.88% and the D unit -2.40%. The latter paid out a coupon in the amount of EUR 2.54 on 19 December 2014. The R unit was reactivated on 20 March 2015 and posted performance of -2.61% up to 30 September 2015. Three USD units hedged against currency risk (FH, IH and BH units) were activated (on 24 November 2014, 13 August 2015 and 5 June 2015 respectively) and posted respective performances of -0.17% -2.28% and -1.47%. Two CHF units hedged against currency risk (CH and IH units) were activated on 9 July 2015 and posted respective performances of -0.42% and -0.36%. Over the course of the financial year, the Fund's benchmark index was up by 1.81%. Context: the financial year was divided into two distinct periods. The first, from September 2014 to April 2015, saw the equity markets rise by almost 25% for international equities. This optimism on the equity markets was due to the declarations of certain members of central banks (particularly the Fed) and signs of a stabilising business climate, especially in Germany. As such, equities rallied from mid-October, with European equities matching the performance of American equities, accompanied by a sharp drop in the euro against the dollar. Japanese equities also received a boost due to the Bank of Japan's intervention in late October. The financial year was marked by the ECB's implementation of an ambitious sovereign debt purchase programme.

The ECB's intervention led to a strong rally in the eurozone and a continued decline in the euro and government rates in the first three months of 2015.

Beginning in April, the second period was marked by renewed volatility, both in terms of equities and rates, particularly due to the difficult negotiations surrounding Greek debt. The last quarter of the financial year was particularly turbulent on the equity markets. The quarter started well, with increasing concerns surrounding the Chinese economy, the return of political risk in Europe and the drop in commodity prices failing to get the better of equity markets in developed countries. However, this upturn was short-lived. August saw a sharp decline on the equity markets, due to surprise and concerns regarding the depreciation of the yuan. The markets were once again forced to question the strength of Chinese economic growth. The extent of the correction was due to a mixture of increased uncertainty, weak markets and the fear of an increase in American rates by the Fed. The capitulation experienced over the last two weeks of August particularly affected the European and Japanese markets. The Fed's decision to not increase its rates in September, given the weakness of the economy in emerging countries and market volatility, fostered distrust on the markets. Far from being relieved, they interpreted this decision as an additional sign of uncertainty after two months of doubt regarding the strength of the world economy. Emerging equity markets, however, benefited from a small amount of respite and sovereign bonds were better able to play their role as a safe haven. The specific events surrounding Volkswagen and Glencore also contributed to an increase in volatility on both the equity and rates markets. At the same time, US 10-year rates fell from 2.49% to 2.038% and German 10-year rates from 0.95% to 0.59%. For its part, the euro remained relatively stable against the dollar. Fund management: In this context, the Fund was negatively affected by its short position in terms of duration on the US curve, but it benefited from its exposure to convertible bonds and emerging bonds. Its exposure to European bonds had a more mixed impact. Although sovereign bonds, including peripherals, performed well, corporate debts saw their spreads widen in 2015.

*Past performance is not an indication of future performance.*

## Main changes to the portfolio during the financial year

Securities	Changes ("Accounting currency")	
	Purchases	Sales
ITALIE 2.75% 01/15	34,410,902.30	33,950,515.05
ITALIE 2.25% 05/16	30,668,922.00	20,449,426.00
EDR CONVERTIBLE EUROPE ALL CAPS I	20,733,300.00	25,076,410.00
BUONI POLIENNALI DES TESORO 4.75% 15/09/2016	32,132,799.00	0.00
PORTUGAL4.1%06-150437	15,047,989.01	15,281,907.47
DEUTSCHLAND I/L BOND 0.1% 15/04/2023	11,265,510.78	10,923,668.07
BUONI POLIENNALI DEL TES 4% 10-20	15,009,138.40	1,157,353.50
PORTUGAL 4.35% 07-17	0.00	12,592,292.81
ESPAGNE 4% 30/04/20	12,591,357.92	0.00
PGB 5.65% 02/15/24	3,712,812.33	7,383,394.79

## Efficient portfolio management techniques and derivatives

### a) Exposure obtained through efficient portfolio management techniques and derivatives

- Exposure obtained through efficient portfolio management techniques: **None**.
- Underlying exposure obtained through derivatives: **274.29%**.

### b) Identity of the counterparty/counterparties to efficient portfolio management techniques and derivatives

Efficient management techniques	Derivatives(*)
	SOCIETE GENERALE PAR NOMURA BANK INTL PLC LONDON NOMURA ASSET MANAGEMENT UK LIMITED MORGAN STANLEY & CO INTL LONDON MORGAN STANLEY SA MORGAN STANLEY BANK INTERNATIONAL LIMITED (UK) DEUTSCHE BANK AG LONDON EQUITIES CREDIT SUISSE EDMOND DE ROTHSCHILD (FRANCE) JP MORGAN CHASE PARIS

(\*) Except listed derivatives

### c) Financial guarantees received by the UCITS to reduce counterparty risk

Types of instruments	Amount in the portfolio currency
<b>Efficient management techniques</b> Financial securities Cash  <b>Total</b>	
<b>Derivatives</b> Financial securities Cash  <b>Total</b>	     5,290,000.00  <b>5,290,000.00</b>

### d) Operating income and expenses relating to efficient portfolio management techniques

Operating income and expenses	Amount in the portfolio currency
Income (**)	
<b>Total income</b>	
Direct operating expenses	
Indirect operating expenses	
<b>Total expenses</b>	

(\*\*) Income received on loans and repurchase agreements

## 4. STATUTORY INFORMATION

- **METHOD FOR CALCULATING TOTAL RISK (AMF INSTRUCTION No. 2011-15 – ARTICLE 16)** The UCITS uses the Value-at-Risk calculation method to calculate the total risk associated with financial contracts. The maximum commitment resulting from these transactions respects the limits set in terms of absolute VaR according to the Value-at-Risk calculation method, capped by regulations at 20% of the net assets, with a threshold of 99% over 20 business days.

During the last accounting period, the VaR of the UCITS changed as follows:

- the minimum VaR was 1.73% on 03/10/2014
- the maximum VaR was 4.73% on 24/12/2014
- the average VaR over the period was 3.21%.

The UCITS' indicative leverage level, calculated as the sum in absolute terms of the nominal amounts of the positions on financial contracts, is 5092.18%. The UCITS may achieve a higher level of leverage. It is worth noting that this method, which consists of aggregating the absolute value of nominal amounts, actually shows the gross exposure.

- **SAVINGS TAX DIRECTIVE**

In accordance with Decree 2005-132 transposing Directive 2003/48/EC on the taxation of savings income, up to 25% of the UCITS is invested in debt instruments and assimilated securities.

- **INFORMATION ON TRANSACTIONS INVOLVING SECURITIES IN WHICH THE GROUP HAS SPECIAL INTERESTS**

This information is available in the annual financial statements in the section: GROUP FINANCIAL INSTRUMENTS HELD IN THE PORTFOLIO.

- **POLICY FOR SELECTING INTERMEDIARIES AND COUNTERPARTIES**

In accordance with Article 314-72 of the AMF General Regulations, the Management Company has set up a "Best Selection/Best Execution policy" for intermediaries and counterparties. The purpose of this policy is to select, according to various predetermined criteria, the brokers and intermediaries whose execution policy will achieve the best possible results when executing orders. The policy is available for consultation on the Edmond de Rothschild Asset Management (France) website at [www.edram.fr](http://www.edram.fr).

- **REPORT ON INTERMEDIATION FEES**

In accordance with Article 314-82 of the AMF General Regulations, the management company has drawn up a "Report on intermediation fees". This document is available for consultation on the Edmond de Rothschild Asset Management (France) website at: [www.edram.fr](http://www.edram.fr).

- **COMMUNICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY (ESG) CRITERIA**

Information about the ESG criteria is available on the Edmond de Rothschild Asset Management (France) website at [www.edram.fr](http://www.edram.fr).

## 5. STATUTORY AUDITOR'S CERTIFICATION



**KPMG Audit**  
Tour EQHO 2 avenue Gambetta CS  
60055  
92066 Paris La Défense Cedex  
France

Telephone: +33 (0)1 55 68 68 68  
Fax: +33 (0)1 55 68 73 00  
Website: www.kpmg.fr

### **French Mutual Fund EDMOND DE ROTHSCHILD BOND ALLOCATION**

47 Rue du Faubourg Saint-Honoré, 75008 Paris, France

#### **Statutory auditor's report on the annual financial statements**

Financial year ended 30 September 2015

Dear Sir or Madam,

In execution of the mission entrusted to us by the management body of the fund's management company, we hereby present our report for the financial year ended 30 September 2015 on:

- The audit of the annual financial statements for the EDMOND DE ROTHSCHILD BOND ALLOCATION Mutual Fund, which are attached to this report;
- The justification of our assessments;
- The specific verifications and the information required by law.

The annual financial statements have been prepared by the management company. Our responsibility is to express an opinion on these financial statements based on our audit.

### **1 Opinion on the annual financial statements**

We conducted our audit in accordance with professional auditing standards applicable in France, which require us to carry out an audit in order to obtain reasonable assurance that the annual financial statements are free of material misstatement. An audit involves examining, on a test basis or using other selection methods, the evidence supporting the amounts and disclosures contained in the annual financial statements. It also includes assessing the accounting principles used and the significant estimates made in preparing the annual financial statements, as well as evaluating their overall presentation. We believe that the evidence gathered is sufficient and appropriate to justify our opinion.

We certify that the annual financial statements are, in conformity with French accounting rules and principles, accurate and consistent, and give a true and fair view of the financial performance for the previous financial year as well as the financial situation and assets of the UCITS at the end of the financial year.

KPMG S.A.,  
a French company and a member firm of the KPMG network  
of independent firms affiliated with  
KPMG International Cooperative, an entity under Swiss law.

A *société anonyme* (French public  
limited company)  
with management and supervisory  
boards,  
providing accounting, auditing and  
consulting services.  
Registered with the Paris *Tableau  
de l'Ordre*  
under no. 14-30080101  
and member of the Compagnie  
Régionale  
des Commissaires aux Comptes  
de Versailles.

Registered office:  
KPMG S.A.  
Immeuble Le Palatin  
3 cours du Triangle  
92939 Paris La Défense Cedex,  
France  
Capital: €5,497,100.  
APE code: 6920Z  
Nanterre Trade and Companies  
Register no.: 775 726 417  
European Union VAT no.:  
FR 77 775 726 417





*French Mutual Fund*

**EDMOND DE ROTHSCHILD BOND ALLOCATION**  
*Statutory auditor's report on the annual financial statements*

28 January 2016

**Without calling into question the opinion expressed above, we draw your attention to the following points set out in the accounting methods and rules in the appendix, regarding the impact of changes in accounting regulations on the presentation of the annual financial statements.**

## **2 Justification of assessments**

In accordance with the provisions of Article L.823-9 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following information:

As part of our assessment of the accounting principles used by the fund and described in the notes to the annual financial statements under "Accounting methods and rules", we have verified that the valuation methods used for the financial instruments in the portfolio have been correctly applied.

**The assessments were made as part of our audit of the annual financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.**

## **3 Specific verifications and information**

We have also performed specific verifications as required by law in accordance with professional auditing standards in France.

We have no observations to make concerning the accuracy and consistency with the annual financial statements of the information provided in the annual report and in the documents provided to unitholders concerning the financial position and annual financial statements.

Paris La Défense, 28 January 2016

KPMG Audit  
*Department of KPMG S.A.*

[Signature]

Gérard Gaultry  
*Partner*

## 6. ANNUAL FINANCIAL STATEMENTS

- BALANCE SHEET in EUR**

### ASSETS

	30/09/2015	30/09/2014
<b>Net fixed assets</b>		
<b>Deposits</b>		
<b>Financial instruments</b>	<b>415,091,973.54</b>	<b>375,352,444.94</b>
<b>Equities and assimilated securities</b>	<b>28,053.75</b>	
Traded on a regulated or assimilated market	28,053.75	
Not traded on a regulated or assimilated market		
<b>Bonds and assimilated securities</b>	<b>359,502,573.26</b>	<b>324,859,373.86</b>
Traded on a regulated or assimilated market	358,734,789.37	324,859,373.86
Not traded on a regulated or assimilated market	767,783.89	
<b>Debt securities</b>		<b>6,991,483.97</b>
Traded on a regulated or assimilated market		6,991,483.97
Negotiable debt securities		2,997,582.62
Other debt securities		3,993,901.35
Not traded on a regulated or assimilated market		
<b>Undertakings for collective investment</b>	<b>24,228,602.02</b>	<b>27,946,280.00</b>
General-purpose UCITS and AIFs intended for non-professionals and equivalent investors in other countries	24,228,602.02	27,946,280.00
Other funds intended for non-professionals and equivalent investors in other EU Member States		
General-purpose professional funds and their equivalents in other EU Member States and listed special purpose vehicles		
Other professional investment funds and their equivalents in other EU Member States and unlisted special purpose vehicles		
Other non-European undertakings		
<b>Temporary securities transactions</b>		
Receivables on securities received under repurchase agreements		
Receivables on loaned securities		
Borrowed securities		
Securities assigned under repurchase agreements		
Other temporary transactions		
<b>Forward financial instruments</b>	<b>31,332,744.51</b>	<b>15,555,307.11</b>
Transactions on a regulated or assimilated market	21,439,272.27	5,389,321.98
Other transactions	9,893,472.24	10,165,985.13
<b>Other financial instruments</b>		
<b>Receivables</b>	<b>25,488,305.33</b>	<b>11,059,110.88</b>
<b>Forward currency transactions</b>	<b>15,432,226.04</b>	
<b>Other</b>	<b>10,056,079.29</b>	<b>11,059,110.88</b>
<b>Financial accounts</b>	<b>9,056,152.58</b>	<b>944,875.07</b>
<b>Liquid assets</b>	<b>9,056,152.58</b>	<b>944,875.07</b>
<b>Total assets</b>	<b>449,636,431.45</b>	<b>387,356,430.89</b>

## LIABILITIES

	30/09/2015	30/09/2014
<b>Share capital</b>		
<b>Capital</b>	<b>377,591,247.54</b>	<b>365,601,170.56</b>
Undistributed prior net gains and losses (a)		447.56
Balance carried forward (a)	652.48	194.65
Net gains and losses for the financial year (a, b)	4,733,801.21	-3,598,511.09
Profit/loss for the financial year (a, b)	12,937,452.01	6,959,295.81
<b>Total share capital (= amount corresponding to net assets)</b>	<b>395,263,153.24</b>	<b>368,962,597.49</b>
<b>Financial instruments</b>	<b>25,829,369.11</b>	<b>11,258,995.08</b>
<b>Sales of financial instruments</b>		
<b>Temporary securities transactions</b>		
Payables on securities received under repurchase agreements		
Payables on borrowed securities		
Other temporary transactions		
<b>Forward financial instruments</b>	<b>25,829,369.11</b>	<b>11,258,995.08</b>
Transactions on a regulated or assimilated market	21,570,871.30	4,938,104.89
Other transactions	4,258,497.81	6,320,890.19
<b>Payables</b>	<b>24,336,024.43</b>	<b>2,282,032.23</b>
<b>Forward currency transactions</b>	<b>15,454,384.06</b>	
<b>Other</b>	<b>8,881,640.37</b>	<b>2,282,032.23</b>
<b>Financial accounts</b>	<b>4,207,884.67</b>	<b>4,852,806.09</b>
<b>Current bank borrowings</b>	<b>4,207,884.67</b>	<b>4,852,806.09</b>
<b>Loans</b>		
<b>Total liabilities</b>	<b>449,636,431.45</b>	<b>387,356,430.89</b>

(a) Including adjustments

(b) Less interim dividends paid over the financial year

• **OFF-BALANCE SHEET ITEMS in EUR**

	30/09/2015	30/09/2014
<b>Hedging transactions</b>		
<b>Commitments on regulated or assimilated markets</b>		
<b>Futures contracts</b>		
CME CME AUD/USD 1214		137,692.46
CME CME EUR/GBP 1215	2,509,499.25	
CME CME EUR/USD 1214		39,757,866.61
CME CME GBP/USD 1214		240,317.63
CME EUR/GBP 1214		2,503,689.68
CME EUR/USD 1215	60,839,798.43	
<b>Options</b>		
ISH IBXX\$ HGH YLD 10/2014 PUT 88.		1,385,375.88
ISH IBXX\$ HGH YLD 10/2014 PUT 89.		11,917,232.43
ISH IBXX\$ HGH YLD 10/2014 PUT 91.		26,269,628.41
<b>Over-the-counter market commitments</b>		
<b>Credit default swap</b>		
CHINAGOV CDS USD		9,895,111.81
CHINAGOV CDS USD		9,499,307.34
CHINAGOV CDS USD		1,583,217.89
CXPEM521 Curncy		7,124,480.51
ITXEX521		5,000,000.00
ITXEX521 Curncy		10,000,000.00
<b>Other commitments</b>		
<b>Other transactions</b>		
<b>Commitments on regulated or assimilated markets</b>		
<b>Futures contracts</b>		
CBO CBOT UST 10 1215	38,058,090.71	
CBO CBOT USUL 3 1214		21,608,945.18
CBO US UST 2A 1214		78,650,356.22
CBOT UST 10A 1214		69,362,643.48
CBOT UST 5A 1214		63,563,867.03
CME CME 3M EUR 0616		539,645,665.94
CME CME 3M EUR 0619	126,810,481.52	110,595,547.20
CME CME 3M EUR 1214		360,484,128.24
CME CME 3M EUR 1216	28,396,506.16	71,996,319.02
CME EUR U7	110,503,919.37	
CME 3M EUR 0615		188,341,312.09
CME 3M EUR 1215		1,079,761,953.30
CME 3M EUR 0617	355,591,489.36	309,712,438.16
CME 3M EUR1217	234,413,012.32	

• **OFF-BALANCE SHEET ITEMS in EUR**

	30/09/2015	30/09/2014
EUR EUREX BUXL3 1215	8,721,440.00	
EUR EUREX EUROB 1215	14,838,050.00	
EUREX EUROBD 1214		110,478,600.00
FED FUND 30D 0615		96,732,554.93
FED FUND 30D 0915		84,355,270.22
FED FUND 30D 1215	167,642,189.70	
FV CBOT US Z5	79,888,784.10	
LIF LIFFE SH GI 1214		49,094,327.52
LIF LIFFE 3M LI 917	165,834,068.39	154,989,251.80
LIF LIFFE 3M LI 1215	46,368,231.78	43,480,492.81
LIF LIFFE 3M LI 1216	73,942,868.77	69,088,809.03
LIF LIFFE 3M LI 1217	384,919,934.86	359,817,761.81
LIFFE LG GILT 1214		11,906,416.84
LIFFE 3M LIB 0617	385,661,215.90	360,371,214.07
SFE 90D BANK BI 1214		40,540,072.04
TSE JGB 1214		10,524,477.49
90D BANK BILL 1215		80,955,200.36
<b>Options</b>		
CBOT US TRES NT 10A 10/2015 CALL 128	23,306,249.26	
CBOT US TRES NT 10A 10/2015 CALL 129	15,178,219.33	
CBOT US TRES NT 10A 10/2015 PUT 126.5	3,693,539.03	
EUREX EURO BUND 10/2015 PUT 153.5	6,524,006.01	
EUREX EURO BUND 10/2015 PUT 155	7,062,744.36	
EURO\$ 3M 03/2016 CALL,99.25	68,632,317.87	
EURO\$ 3M 03/2016 CALL 99.375	132,313,617.32	
EURO\$ 3M 03/2016 CALL 99.5	168,827,800.74	
EURO\$ 3M 03/2016 PUT 99.25	20,346,156.17	
EURO\$ 3M 06/2016 CALL 99.25	111,362,621.24	
EURO\$ 3M 06/2016 CALL 99.375	81,019,910.89	
EURO\$ 3M 06/2016 CALL 99.5	52,243,332.23	
LIFFE 3M EURIBOR 03/2016 CALL 99.875	7,016,707.50	31,210,222.76
LIFFE 3M LIBOR 09/2016 CALL 99.25	436.75	
LIFFE 3M LIBOR 09/2016 CALL 99.375	306.23	
LIFFE 3M LIBOR 09/2016 CALL 99.5	197.48	
<b>Over-the-counter market commitments</b>		
<b>Interest rate swaps</b>		
EMP E6M/0.731		50,000,000.00
EMP E6M/2.22		11,000,000.00
EMPRUNT SWAP 0.619%	40,130,000.00	

- **OFF-BALANCE SHEET ITEMS in EUR**

	30/09/2015	30/09/2014
EMPRUNT SWAP 1.655%	8,140,000.00	
EMPRUNTEUR 200821	26,000,000.00	26,000,000.00
EMPRUNTEUR 20/08/44	9,000,000.00	9,000,000.00
PRET E6M/EMP 1.207		41,000,000.00
pret lib/emp 1.117	105,848,826.16	
PRET L3M/EMP 1.7525		75,202,849.79
PRET L3M -EMP 2.5975		53,037,799.33
PRET L6R- EMP 0.46	50,000,000.00	50,000,000.00
PRET L6R- EMP 1.59	11,000,000.00	11,000,000.00
PRET SWP 1.228%	41,300,000.00	
PRET 0.59/EMP E6R	100,000,000.00	
PRET 0.6/EMP E6M		50,000,000.00
PRET 0.890-EMP L6R	41,000,000.00	41,000,000.00
PRET 1.03/EMP LIB3M	156,774,916.01	
PRET 1.08/EMP e6r	12,500,000.00	12,500,000.00
PRET 1.169/EM EURI6M	50,000,000.00	50,000,000.00
PRET 1.169/EM EURI6M	10,000,000.00	10,000,000.00
PRET 1.353/EMP EURI6	100,000,000.00	100,000,000.00
PRET 1.426/EMP E6R		70,000,000.00
PRET 1.427/E6M		41,000,000.00
PRET 1.8195-EMP L3R		49,079,754.60
PRET 1.963/EMP EURI6	32,000,000.00	
PRET 1.965/EMP E6M		11,000,000.00
PRET 3.211-EMP L3R		11,874,134.18
PRETEUR 120816		44,917,864.48
PRETEUR 18/08/18	85,000,000.00	85,000,000.00
PRETEUR 20/08/24	37,000,000.00	37,000,000.00
PRETEUR 24/12/17	15,000,000.00	15,000,000.00
PRETEUSE 100417		70,000,000.00
PRET0.381/EMP E6R	80,000,000.00	
PRET1.3325/EMP EURI6		15,000,000.00
SWAP6M		197,445,548.22
SWAP6M00		186,819,711.06
SWAP6M00		38,788,838.31
SWAP6M00	38,000,000.00	
SWAP6M00		186,028,102.12
<b>Credit default swap</b>		
ITXEX524 Curncy	20,000,000.00	
<b>Other commitments</b>		

• **INCOME STATEMENT in EUR**

	30/09/2015	30/09/2014
<b>Income from financial transactions</b>		
Income from deposits and financial accounts	1,279.33	1,182.34
Income from equities and assimilated securities		
Income from bonds and assimilated securities	15,324,642.64	6,603,942.31
Income from debt securities	45,920.00	84,243.42
Income from temporary purchases and sales of securities	223.42	
Income from forward financial instruments	1,306,670.22	325.66
Other financial income		
<b>Total (1)</b>	<b>16,678,735.61</b>	<b>6,689,693.73</b>
<b>Expenses relating to financial transactions</b>		
Expenses relating to temporary purchases and sales of securities	11.85	47.19
Expenses relating to forward financial instruments	1,333,831.38	558,290.62
Expenses relating to financial debt	61,987.36	40,712.67
Other financial expenses		
<b>Total (2)</b>	<b>1,395,830.59</b>	<b>599,050.48</b>
<b>Profit/loss on financial transactions (1 - 2)</b>	<b>15,282,905.02</b>	<b>6,090,643.25</b>
Other income (3)		
Management fees and amortisation charges (4)	2,920,497.23	2,018,937.34
<b>Net profit/loss for the financial year (L. 214-17-1) (1 - 2 + 3 - 4)</b>	<b>12,362,407.79</b>	<b>4,071,705.91</b>
Income adjustment for the financial year (5)	575,044.22	2,887,589.90
Interim dividends paid over the financial year (6)		
<b>Profit/loss (1 - 2 + 3 - 4 + 5 + 6)</b>	<b>12,937,452.01</b>	<b>6,959,295.81</b>

### ACCOUNTING METHODS AND RULES

The annual financial statements are presented in the form prescribed by ANC (*Autorité des normes comptables*, the French accounting standards authority) Regulation 2014-01 repealing CRC (*Comité de réglementation comptable*, the French accounting regulation committee) Regulation 2003-02, as amended. This regulation incorporates the new AIFM classification for UCIs, but does not change the applicable accounting principles or the methods used to value assets and liabilities.

As stated in the covering note from the ANC, the terminology and breakdown of the UCI heading on the assets side of the balance sheet have been amended and can be itemised as follows:

- The subheading “General-purpose UCITS and investment funds intended for non-professionals and equivalent investors in other countries” corresponds to the former subheading of “Coordinated European UCITS and general-purpose French UCITS”.
- The subheading “Other funds intended for non-professionals and equivalent investors in other EU Member States” corresponds to the former subheading of “UCITS reserved for specific investors – FCPR (Venture Capital Mutual Funds) – FCIMT (Managed Futures Funds)”.
- The subheading “General-purpose professional funds and their equivalents in other EU Member States and listed special purpose vehicles” corresponds to the former subheading of “Listed investment funds and FCCs (French debt securitisation funds)”.
- The subheading “Other professional investment funds and their equivalents in other EU Member States and unlisted special purpose vehicles” corresponds to the former subheading of “Unlisted investment funds and FCCs (French debt securitisation funds)”.
- The subheading “Other non-European undertakings” was introduced by Regulation No. 2014 01.

General accounting principles apply, including:

- a true and fair view, comparability and business continuity;
- lawfulness and fairness;
- prudence;
- consistency of accounting methods from one financial year to the next.

The recognition method selected for recording the income from fixed-income securities is the interest received method.

Purchases and sales of securities are recognised exclusive of costs.

The portfolio's base currency is the euro.

The length of the financial year is 12 months.

### Asset valuation rules

Financial instruments are recorded in the financial statements according to the historical cost method and on the balance sheet at their current value as determined by the last known market value or, where no market exists, by any external means or by the use of financial models.

Differences between the current values used to calculate the net asset value and the historical costs of transferable securities when these were first included in the portfolio are recorded in “valuation differentials” accounts.

Investments that are not in the portfolio currency are valued in accordance with the principle set out below, and then converted into the portfolio currency at the exchange rate on the valuation date.



**Deposits:**

Deposits with a residual maturity of three months or less are valued according to the straight line method.

**Equities, bonds and other securities traded on a regulated or assimilated market:**

Equities and other securities traded on a regulated or assimilated market are valued on the basis of the day's closing market price for the purpose of calculating the net asset value.

Bonds and assimilated securities are valued at the closing price supplied by various financial service providers. Accrued interest on bonds and assimilated securities is calculated up to the net asset value date.

**Equities, bonds and other securities not traded on a regulated or assimilated market:**

Securities that are not traded on a regulated market are valued by the management company using methods based on market value and yield, taking into account the prices used for recent significant transactions.

**Negotiable debt securities:**

Negotiable debt securities and assimilated securities that are not traded in large volumes are valued using an actuarial method based on a reference rate defined below, which is increased, where applicable, by a differential that is representative of the intrinsic characteristics of the issuer:

Negotiable debt securities with a maturity of one year or less: Euro Interbank Offered Rate (Euribor);

Negotiable debt securities with a maturity exceeding one year: Rates for French treasury bills (BTAN and OAT) with similar maturity dates for the longest durations.

Negotiable debt securities with a residual maturity of three months or less may be valued using the straight line method.

French treasury bills are valued at the market rate, as published daily by the Banque de France.

**UCIs held:**

Units or shares of UCIs will be valued at the last known net asset value.

**Temporary securities transactions:**

Securities received under repurchase agreements are recorded as assets under the "Receivables on securities received under repurchase agreements" heading at the contracted amount, plus any accrued interest receivable.

Securities assigned under repurchase agreements are recorded at their current value in the long portfolio. Payables on securities assigned under repurchase agreements are entered in the short portfolio at the value determined in the agreement, plus any accrued interest payable.

Loaned securities are valued at their current value and are entered as assets under the "Receivables on loaned securities" heading at their current value, plus any accrued interest receivable.

Borrowed securities are recorded as assets under the "Borrowed securities" heading at the contracted amount, and as liabilities under the "Payables on borrowed securities" heading at the contracted amount, plus any accrued interest payable.

**Forward financial instruments:****Forward financial instruments traded on a regulated or assimilated market:**

Forward financial instruments traded on regulated markets are valued at the day's settlement price.

**Forward financial instruments not traded on a regulated or assimilated market:****Swaps:**

Interest rate and/or currency swaps are valued at their market value by discounting future interest payments at the prevailing market interest rate and/or currency exchange rate.  
This price is adjusted for credit risk.

Index swaps are valued on an actuarial basis using a reference rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated according to the terms established by the management company.

**Off-balance sheet commitments:**

Futures contracts are recorded as off-balance sheet commitments at their market value on the basis of the price used in the portfolio.

Options transactions are converted into the underlying equivalent.

Swap commitments are recorded at their nominal value or, where there is no nominal value, at an equivalent amount.

**Management fees**

Management fees are calculated on each net asset valuation date.

These fees are recorded in the income statement for the UCI.

Management fees are paid in full to the management company responsible for all of the UCI's operating costs.

Management fees do not include transaction expenses.

The rates applied on the basis of the net assets are:

- 1.00% incl. taxes from 07/07/2015 for the CCHF H unit.
- 0.40% incl. taxes from 07/07/2015 for the ICHF H unit.
- 0.40% incl. taxes from 13/08/2015 for the I USD H unit.
- 1.45% incl. taxes from 22/11/2014 for the FH unit.
- 1.00% incl. taxes from 08/06/2015 for the BH unit.
- 0.60% incl. taxes from 17/10/2014 for the R unit.
- 1.20% incl. taxes for the E unit.
- 0.40% incl. taxes for the I unit.
- 1.00% incl. taxes for C and D units.

**Performance fee**

15% of the outperformance compared with the benchmark composed of 50% Barclays Capital Euro Aggregate Corporate Total Return Index and 50% Barclays Capital Euro Aggregate Treasury Total Return Index.

The management company may levy a performance fee.

This fee will be calculated in relation to a Reference Net Asset Value defined for each financial year, such as the last net asset value from the previous financial year.

The Fund's outperformance is defined as being the difference between the Fund's assets (excluding variable management fees) and notional assets comprising:

- A performance identical to that of the benchmark index of the Edmond de Rothschild Bond Allocation fund;
- Redemptions proportional to those of the Edmond de Rothschild Bond Allocation fund;
- And subscriptions identical in amount to those of the Edmond de Rothschild Bond Allocation fund.

If the performance since the beginning of the financial year is positive and the outperformance is positive, the performance fee will be equal to 15% of the outperformance.

The performance fee is calculated when each net asset value is determined and is provisioned as a deduction thereof. It will be deducted by the management company after the last net asset value of the financial year has been determined.

In the event of underperformance in relation to this index (measured in relation to the notional assets), a daily deduction of the provision is made, up to a maximum of 15% of this underperformance in the amount of the allocations established since the beginning of the year. The amounts deducted are limited to the amount already accrued. This provision is levied annually on the last net asset value for the month of September by the management company.

In the event of units being redeemed over the course of the year, the management company shall levy a performance fee on the Fund equal to the share of the performance fees attributed to redeemed units accrued in the Fund.

These fees (part fixed and potentially part variable) will be directly charged to the Fund's income statement. In the exceptional case that a sub-custodian applies a transaction fee not described in the provisions mentioned above for a specific transaction, a description of the transaction and the transaction fees charged will be provided in the management report for the Fund.

The trailer fee receivable is taken into consideration each time the net asset value is calculated. The amount set aside as a provision is equal to the share of trailer fees acquired over the period under consideration.

## **Allocation of distributable income**

### ***Definition of distributable income:***

Distributable income comprises:

#### ***Income:***

Net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and bonuses, directors' fees and all other revenues generated by the securities held in the portfolio, plus income generated by temporary cash holdings, less management fees and borrowing costs.

It is increased by the balance carried forward, and increased or reduced by the balance of the income adjustment account.

#### ***Gains and losses:***

Realised gains (net of charges), minus realised losses (net of charges), recorded during the financial year, plus any net gains of the same type recorded during previous financial years that have not been distributed or accumulated, plus or minus the balance of the capital gains adjustment account.

**Policy for allocating distributable income:**

<b><i>Distributable Income</i></b>	<b><i>BH, C, CCHF H, E, FH, I, I USD H, ICHF H and R units</i></b>	<b><i>D units</i></b>
Allocation of net income	Accumulation	Distribution
Allocation of realised net gains or losses	Accumulation	Accumulation and/or distribution and/or carried forward by decision of the management company

• **CHANGE IN NET ASSETS in EUR**

	<b>30/09/2015</b>	<b>30/09/2014</b>
<b>Net assets at the beginning of the financial year</b>	<b>368,962,597.49</b>	<b>135,934,649.72</b>
Subscriptions (including subscription fees paid to the UCI)	242,312,232.44	303,312,283.72
Redemptions (less redemption fees paid to the UCI)	-211,914,182.71	-83,340,392.90
Realised gains on deposits and financial instruments	13,691,767.84	6,596,076.83
Realised losses on deposits and financial instruments	-3,394,285.06	-276,915.54
Realised gains on forward financial instruments	46,828,687.45	30,703,714.98
Realised losses on forward financial instruments	-55,310,020.92	-40,806,992.67
Transaction fees	-706,631.62	-988,787.43
Foreign exchange differences	7,440,398.12	2,687,621.56
Changes in valuation differential on deposits and financial instruments	-15,787,898.51	6,779,232.06
Valuation differential for financial year N	-6,162,915.86	9,624,982.65
Valuation differential for financial year N-1	-9,624,982.65	-2,845,750.59
Changes in valuation differential on forward financial instruments	-9,000,955.23	4,382,059.14
Valuation differential for financial year N	-6,632,543.23	2,368,412.00
Valuation differential for financial year N-1	-2,368,412.00	2,013,647.14
Dividends paid in the previous financial year on net gains and losses		-38,059.22
Dividends paid in the previous financial year on income	-221,107.48	-53,544.10
Net profit/loss for the financial year prior to adjustment	12,362,407.79	4,071,705.91
Interim dividend(s) paid over the financial year on net gains and losses		
Interim dividend(s) paid over the financial year on income		
Other items*	143.64	-54.57
<b>Net assets at the end of the financial year</b>	<b>395,263,153.24</b>	<b>368,962,597.49</b>

\*Other items:

2015: Result proceeds of EUR 143.64

2014: Merger balancing payment of -EUR 54.57

• **BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC TYPE**

	Amount	%
<b>Assets</b>		
<b>Bonds and assimilated securities</b>		
Other bonds (indexed, non-voting shares)	29,907,197.47	7.57
Fixed-rate bonds traded on a regulated or assimilated market	321,086,651.71	81.23
Variable/adjustable-rate bonds traded on a regulated or assimilated market	6,509,041.72	1.65
Convertible bonds traded on a regulated or assimilated market	1,231,898.47	0.31
Bonds and assimilated securities not traded on a regulated or assimilated market	767,783.89	0.19
<b>TOTAL Bonds and assimilated securities</b>	<b>359,502,573.26</b>	<b>90.95</b>
<b>Debt securities</b>		
Debt securities		
<b>TOTAL Debt securities</b>		
<b>Liabilities</b>		
<b>Sales of financial instruments</b>		
Equities and assimilated securities		
<b>TOTAL Sales of financial instruments</b>		
<b>Off-balance sheet items</b>		
<b>Hedging transactions</b>		
Equities		
Currency exchange	63,349,297.68	16.03
<b>TOTAL Hedging transactions</b>	<b>63,349,297.68</b>	<b>16.03</b>
<b>Other transactions</b>		
Equities		
Other	20,000,000.00	5.06
Interest rates	3,967,812,187.52	1,003.84
<b>TOTAL Other transactions</b>	<b>3,987,812,187.52</b>	<b>1,008.90</b>

• **BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY INTEREST RATE TYPE**

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
<b>Assets</b>								
Deposits								
Bonds and assimilated securities	323,086,334.07	81.74			6,509,041.72	1.65	29,907,197.47	7.57
Debt securities								
Temporary securities transactions							9,056,152.58	2.29
Financial accounts								
<b>Liabilities</b>								
Temporary securities transactions							4,207,884.67	1.06
Financial accounts								
<b>Off-balance sheet items</b>								
Hedging transactions								
Other transactions	258,840,266.16	65.49			2,029,960,132.91	513.57	1,679,011,788.45	424.78

• **BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY RESIDUAL MATURITY**

	< 3 months	%	[3 months-1 year]	%	[1 - 3 years]	%	[3 - 5 years]	%	> 5 years	%
<b>Assets</b>										
Deposits										
Bonds and assimilated securities	2,039,176.16	0.52	42,475,404.79	10.75	18,362,655.36	4.65	73,594,576.26	18.62	223,030,760.69	56.43
Debt securities										
Temporary securities transactions										
Financial accounts	9,056,152.58	2.29								
<b>Liabilities</b>										
Temporary securities transactions										
Financial accounts	4,207,884.67	1.06								
<b>Off-balance sheet items</b>										
Hedging transactions										
Other transactions	167,642,189.70	42.41	1,063,743,967.66	269.12	1,915,584,907.36	484.64	460,888,784.10	116.60	359,952,338.70	91.07

Positions in interest rate futures are shown according to the maturity of the underlying instrument.

• **BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY LISTING OR VALUATION CURRENCY**

	USD		GBP		CHF		Other currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Assets</b>								
Deposits								
Equities and assimilated securities	28,053.75	0.01						
Bonds and assimilated securities	58,735,335.97	14.86	2,330,092.22	0.59				
Debt securities								
UCIs								
Temporary securities transactions								
Receivables	9,560,148.28	2.42	730,044.78	0.18	11,162,082.23	2.82		
Financial accounts					1,143,819.81	0.29	118,589.30	0.03
<b>Liabilities</b>								
Sales of financial instruments								
Temporary securities transactions								
Payables	31,172.70	0.01			105,334.66	0.03		
Financial accounts	3,681,757.94	0.93	339,227.54	0.09			186,899.19	0.05
<b>Off-balance sheet items</b>								
Hedging transactions	60,839,798.43	15.39	2,509,499.25	0.63				
Other transactions	1,975,003,153.33	499.67	1,162,576,086.32	294.13				

• RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit or credit	30/09/2015
Receivables	Forward currency purchases	15,296,047.63
	Funds to be received on forward currency sales	136,178.41
	Sales with deferred settlement	121,120.72
	Subscriptions receivable	1,798,449.05
	Guarantee deposits in cash	6,413,323.00
	Cash dividends and coupons	323,186.52
	Collateral	1,400,000.00
<b>Total receivables</b>		<b>25,488,305.33</b>
Payables	Forward currency sales	136,507.36
	Amount payable on forward currency purchases	15,317,876.70
	Purchases with deferred settlement	839,873.77
	Redemptions payable	2,485,946.42
	Management fees	240,207.64
	Variable management fee	25,612.54
	Collateral	5,290,000.00
<b>Total payables</b>		<b>24,336,024.43</b>



• **NUMBER OF SECURITIES ISSUED OR REDEEMED**

	Units	Amount
<b>C units</b>		
Units subscribed during the financial year	442,235.397	87,338,123.30
Units redeemed during the financial year	-686,665.990	-134,657,138.43
Net balance of subscriptions/redemptions	-244,430.593	-47,319,015.13
<b>BH unit</b>		
Units subscribed during the financial year	11,534.375	1,027,074.32
Units redeemed during the financial year	-3,503.960	-319,963.32
Net balance of subscriptions/redemptions	8,030.415	707,111.00
<b>FH unit</b>		
Units subscribed during the financial year	19,203.550	1,762,266.84
Units redeemed during the financial year	-750.000	-69,713.00
Net balance of subscriptions/redemptions	18,453.550	1,692,553.84
<b>CCHF H unit</b>		
Units subscribed during the financial year	62,246.000	5,988,287.32
Units redeemed during the financial year		
Net balance of subscriptions/redemptions	62,246.000	5,988,287.32
<b>I units</b>		
Units subscribed during the financial year	10,587.705	123,632,632.19
Units redeemed during the financial year	-5,909.590	-68,628,059.58
Net balance of subscriptions/redemptions	4,678.115	55,004,572.61
<b>R units</b>		
Units subscribed during the financial year	24,173.000	2,410,034.67
Units redeemed during the financial year	-648.000	-64,673.38
Net balance of subscriptions/redemptions	23,525.000	2,345,361.29
<b>ICHF H unit</b>		
Units subscribed during the financial year	58,031.000	5,508,597.74
Units redeemed during the financial year		
Net balance of subscriptions/redemptions	58,031.000	5,508,597.74
<b>E units</b>		
Units subscribed during the financial year	11,819.719	1,305,145.05
Units redeemed during the financial year	-9,489.383	-1,046,633.06
Net balance of subscriptions/redemptions	2,330.336	258,511.99
<b>D unit</b>		
Units subscribed during the financial year	78,035.471	11,545,616.32
Units redeemed during the financial year	-48,272.373	-7,096,065.85
Net balance of subscriptions/redemptions	29,763.098	4,449,550.47
<b>I USD H unit</b>		
Units subscribed during the financial year	19,966.000	1,794,454.69
Units redeemed during the financial year	-360.000	-31,936.09
Net balance of subscriptions/redemptions	19,606.000	1,762,518.60

• **SUBSCRIPTION AND/OR REDEMPTION FEES**

	Amount
<b>FH unit</b>	
Redemption fees received	
Subscription fees received	
Total fees received	

- SUBSCRIPTION AND/OR REDEMPTION FEES**

	<b>Amount</b>
<b>BH unit</b> Redemption fees received Subscription fees received Total fees received	
<b>CCHF H unit</b> Redemption fees received Subscription fees received Total fees received	
<b>C units</b> Redemption fees received Subscription fees received Total fees received	
<b>ICHF H unit</b> Redemption fees received Subscription fees received Total fees received	
<b>R units</b> Redemption fees received Subscription fees received Total fees received	
<b>I units</b> Redemption fees received Subscription fees received Total fees received	
<b>E units</b> Redemption fees received Subscription fees received Total fees received	
<b>D unit</b> Redemption fees received Subscription fees received Total fees received	
<b>I USD H unit</b> Redemption fees received Subscription fees received Total fees received	

- MANAGEMENT FEES**

	<b>30/09/2015</b>
<b>BH unit</b> Guarantee fees Fixed management fees Percentage of fixed management fees Variable management fees Trailer fees	  2,263.02 1.00  0.04

	30/09/2015
<b>FH unit</b>	
Guarantee fees	
Fixed management fees	10,071.44
Percentage of fixed management fees	1.45
Variable management fees	0.08
Trailer fees	0.10
<b>CCHF H unit</b>	
Guarantee fees	
Fixed management fees	12,525.76
Percentage of fixed management fees	1.00
Variable management fees	
Trailer fees	
<b>C units</b>	
Guarantee fees	
Fixed management fees	2,203,410.76
Percentage of fixed management fees	1.00
Variable management fees	3,408.65
Trailer fees	28,190.67
<b>ICHF H unit</b>	
Guarantee fees	
Fixed management fees	3,533.58
Percentage of fixed management fees	0.40
Variable management fees	
Trailer fees	
<b>R units</b>	
Guarantee fees	
Fixed management fees	6,568.55
Percentage of fixed management fees	0.60
Variable management fees	0.17
Trailer fees	0.17
<b>I units</b>	
Guarantee fees	
Fixed management fees	553,419.33
Percentage of fixed management fees	0.40
Variable management fees	21,441.07
Trailer fees	13,777.14
<b>E units</b>	
Guarantee fees	
Fixed management fees	25,445.07
Percentage of fixed management fees	1.20
Variable management fees	0.19
Trailer fees	255.14
<b>D unit</b>	
Guarantee fees	
Fixed management fees	120,254.98
Percentage of fixed management fees	1.00
Variable management fees	762.38
Trailer fees	1,300.69
<b>I USD H unit</b>	
Guarantee fees	
Fixed management fees	916.15
Percentage of fixed management fees	0.40
Variable management fees	
Trailer fees	

- **COMMITMENTS RECEIVED AND GIVEN**

**Guarantees received by the UCI**

None.

**Other commitments received and/or given**

None.

- **CURRENT VALUE OF SECURITIES SUBJECT TO A TEMPORARY PURCHASE TRANSACTION**

	<b>30/09/2015</b>
Securities received under repurchase agreements	
Borrowed securities	

- **CURRENT VALUE OF SECURITIES REPRESENTING GUARANTEE DEPOSITS**

	<b>30/09/2015</b>
Financial instruments given as a guarantee and retained under their original entry	
Financial instruments received as a guarantee and not recorded on the balance sheet	

- **GROUP FINANCIAL INSTRUMENTS HELD IN THE PORTFOLIO**

	<b>ISIN code</b>	<b>Name</b>	<b>30/09/2015</b>
Equities			
Bonds			
Negotiable debt securities			
UCIs			24,228,602.02
	FR0010906255	Edmond de Rothschild Emerging Bonds I	635,529.10
	FR0011034495	Edmond de Rothschild Signatures Financial	1,728,279.40
	LU1160362742	EDMOND DE ROTH-SIG EU HY-I	1,263,793.52
	LU1054232688	EDR CONVERTIBLE EUROPE ALL CAPS I	20,601,000.00
Forward financial instruments			
<b>Total Group securities</b>			<b>24,228,602.02</b>

• ALLOCATION TABLE FOR DISTRIBUTABLE INCOME

	30/09/2015	30/09/2014
<b>Amounts still to be allocated</b>		
Balance carried forward	652.48	194.65
Profit/loss	12,937,452.01	6,959,295.81
<b>Total</b>	<b>12,938,104.49</b>	<b>6,959,490.46</b>

	30/09/2015	30/09/2014
<b>C units</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	5,881,402.34	4,080,547.65
<b>Total</b>	<b>5,881,402.34</b>	<b>4,080,547.65</b>

	30/09/2015	30/09/2014
<b>CCHF H unit</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	36,839.17	
<b>Total</b>	<b>36,839.17</b>	

	30/09/2015	30/09/2014
<b>FH unit</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	32,809.06	
<b>Total</b>	<b>32,809.06</b>	

	30/09/2015	30/09/2014
<b>BH unit</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	5,769.39	
<b>Total</b>	<b>5,769.39</b>	

	30/09/2015	30/09/2014
<b>ICHF H unit</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	43,123.63	
<b>Total</b>	<b>43,123.63</b>	

	30/09/2015	30/09/2014
<b>I units</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	6,407,812.48	2,688,606.93
<b>Total</b>	<b>6,407,812.48</b>	<b>2,688,606.93</b>

	30/09/2015	30/09/2014
<b>R units</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	39,605.96	
<b>Total</b>	<b>39,605.96</b>	

	30/09/2015	30/09/2014
<b>E units</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	57,655.35	28,557.45
<b>Total</b>	<b>57,655.35</b>	<b>28,557.45</b>

	30/09/2015	30/09/2014
<b>D unit</b>		
<b>Allocation</b>		
Distribution	423,327.35	161,241.26
Balance carried forward for the financial year	121.86	537.17
Accumulation		
<b>Total</b>	<b>423,449.21</b>	<b>161,778.43</b>
<b>Information concerning units eligible for distribution</b>		
Number of units	93,243.910	63,480.812
Distribution per unit	4.54	2.54
<b>Tax exemptions</b>		
Tax exemption relating to the distribution of income		

	30/09/2015	30/09/2014
<b>I USD H unit</b>		
<b>Allocation</b>		
Distribution		
Balance carried forward for the financial year		
Accumulation	9,637.90	
<b>Total</b>	<b>9,637.90</b>	

• **ALLOCATION TABLE FOR DISTRIBUTABLE INCOME FROM NET GAINS AND LOSSES**

	30/09/2015	30/09/2014
<b>Amounts still to be allocated</b>		
Undistributed prior net gains and losses		447.56
Net gains and losses for the financial year	4,733,801.21	-3,598,511.09
Interim dividends paid on net gains and losses for the financial year		
<b>Total</b>	<b>4,733,801.21</b>	<b>-3,598,063.53</b>

	30/09/2015	30/09/2014
<b>BH unit</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	2,508.31	
<b>Total</b>	<b>2,508.31</b>	



	30/09/2015	30/09/2014
<b>FH unit</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	101,580.34	
<b>Total</b>	<b>101,580.34</b>	

	30/09/2015	30/09/2014
<b>C units</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	2,433,863.19	-2,402,967.38
<b>Total</b>	<b>2,433,863.19</b>	<b>-2,402,967.38</b>

	30/09/2015	30/09/2014
<b>CCHF H unit</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	-210,549.65	
<b>Total</b>	<b>-210,549.65</b>	

	30/09/2015	30/09/2014
<b>R units</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	61,889.20	
<b>Total</b>	<b>61,889.20</b>	

	30/09/2015	30/09/2014
<b>ICHF H unit</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	-82,547.08	
<b>Total</b>	<b>-82,547.08</b>	

	30/09/2015	30/09/2014
<b>I units</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	2,240,614.96	-1,084,043.20
<b>Total</b>	<b>2,240,614.96</b>	<b>-1,084,043.20</b>

	30/09/2015	30/09/2014
<b>E units</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	25,562.78	-17,628.71
<b>Total</b>	<b>25,562.78</b>	<b>-17,628.71</b>

	30/09/2015	30/09/2014
<b>D unit</b>		
<b>Allocation</b>		
Distribution	174,366.11	
Undistributed net gains and losses	714.05	
Accumulation	0.00	-93,424.24
<b>Total</b>	<b>175,080.16</b>	<b>-93,424.24</b>
<b>Information concerning units eligible for distribution</b>		
Number of units	93,243.910	63,480.812
Distribution per unit	1.87	

	30/09/2015	30/09/2014
<b>I USD H unit</b>		
<b>Allocation</b>		
Distribution		
Undistributed net gains and losses		
Accumulation	-14,201.00	
<b>Total</b>	<b>-14,201.00</b>	

• TABLE OF RESULTS AND OTHER SIGNIFICANT ITEMS OVER THE LAST FIVE FINANCIAL YEARS

	30/09/2011	28/09/2012	30/09/2013	30/09/2014	30/09/2015
<b>Total net assets in EUR</b>	<b>171,539,655.08</b>	<b>89,554,950.67</b>	<b>135,934,649.72</b>	<b>368,962,597.49</b>	<b>395,263,153.24</b>
<b>Edmond de Rothschild Bond Allocation BH</b>					
Net assets in USD					791,310.95
Number of securities					8,030.415
Net asset value per unit in USD					98.53
Accumulation per unit on net gains and losses in EUR					0.31
Accumulation per unit on income in EUR					0.71
<b>Edmond de Rothschild Bond Allocation FH</b>					
Net assets in USD					1,842,393.23
Number of securities					18,453.550
Net asset value per unit in USD					99.83
Accumulation per unit on net gains and losses in EUR					5.50
Accumulation per unit on income in EUR					1.77
<b>Edmond de Rothschild Bond Allocation CCHF H</b>					
Net assets in CHF					6,198,838.32
Number of securities					62,246.000
Net asset value per unit in CHF					99.58
Accumulation per unit on net gains and losses in EUR					-3.38
Accumulation per unit on income in EUR					0.59
<b>Edmond de Rothschild Bond Allocation C</b>					
Net assets in EUR	124,994,678.83	62,847,351.09	108,856,960.66	237,638,141.34	188,479,621.74
Number of securities	736,725.594	361,572.078	597,507.188	1,213,521.000	969,090.407
Net asset value per unit in EUR	169.66	173.81	182.18	195.82	194.49
Accumulation per unit on net gains and losses in EUR			2.60	-1.98	2.51
Accumulation per unit on income in EUR	5.39	5.58	3.59	3.36	6.06

	30/09/2011	28/09/2012	30/09/2013	30/09/2014	30/09/2015
<b>Total net assets in EUR</b>	<b>171,539,655.08</b>	<b>89,554,950.67</b>	<b>135,934,649.72</b>	<b>368,962,597.49</b>	<b>395,263,153.24</b>
<b>Edmond de Rothschild Bond Allocation ICHF H</b>					
Net assets in CHF					5,782,694.87
Number of securities					58,031.000
Net asset value per unit in CHF					99.64
Accumulation per unit on net gains and losses in EUR					-1.42
Accumulation per unit on income in EUR					0.74
<b>Edmond de Rothschild Bond Allocation R</b>					
Net assets in EUR					2,291,190.70
Number of securities					23,525.000
Net asset value per unit in EUR					97.39
Accumulation per unit on net gains and losses in EUR					2.63
Accumulation per unit on income in EUR					1.68
<b>Edmond de Rothschild Bond Allocation I</b>					
Net assets in EUR	39,669,193.86	21,190,962.45	24,885,436.03	120,131,639.73	173,899,275.21
Number of securities	4,035.579	2,091.728	2,331.488	10,414.816	15,092.931
Net asset value per unit in EUR	9,829.86	10,130.84	10,673.62	11,534.68	11,521.90
Accumulation per unit on net gains and losses in EUR			152.69	-104.08	148.45
Accumulation per unit on income in EUR	344.33	383.93	263.90	258.15	424.55
<b>Edmond de Rothschild Bond Allocation E</b>					
Net assets in EUR	95.40	98.10	137,894.40	1,737,421.65	1,977,437.86
Number of securities	1.000	1.000	1,340.112	15,719.604	18,049.940
Net asset value per unit in EUR	95.40	98.10	102.89	110.52	109.55
Accumulation per unit on net gains and losses in EUR			1.55	-1.12	1.41
Accumulation per unit on income in EUR	0.73	3.47	2.12	1.81	3.19

	30/09/2011	28/09/2012	30/09/2013	30/09/2014	30/09/2015
<b>Total net assets in EUR</b>	<b>171,539,655.08</b>	<b>89,554,950.67</b>	<b>135,934,649.72</b>	<b>368,962,597.49</b>	<b>395,263,153.24</b>
<b>Edmond de Rothschild Bond Allocation D</b>					
Net assets in EUR	6,875,686.99	5,516,539.03	2,054,358.63	9,455,394.77	13,554,484.91
Number of securities	48,256.610	39,049.983	14,326.567	63,480.812	93,243.910
Net asset value per unit in EUR	142.48	141.26	143.39	148.94	145.36
Distribution per unit on net gains and losses in EUR			2.04		1.87
Accumulation per unit on net gains and losses in EUR				-1.47	
Distribution per unit on income in EUR	4.57	4.57	2.87	2.54	4.54
Balance carried forward per unit on income in EUR					
Tax exemption per unit in EUR					*
<b>Edmond de Rothschild Bond Allocation I USD H</b>					
Net assets in USD					1,916,092.02
Number of securities					19,606.000
Net asset value per unit in USD					97.72
Accumulation per unit on net gains and losses in EUR					-0.72
Accumulation per unit on income in EUR					0.49

\* The tax exemption per unit will be determined on the date of distribution, in accordance with tax provisions in force.

• PORTFOLIO BREAKDOWN in EUR

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
<b>Equities and assimilated securities</b>				
<b>Equities and assimilated securities traded on a regulated or assimilated market</b>				
<b>KAZAKHSTAN</b>				
ALLIANCE BANK JSC GDR	USD	62,630	28,053.75	0.01
<b>TOTAL KAZAKHSTAN</b>			<b>28,053.75</b>	<b>0.01</b>
<b>TOTAL Equities and assimilated securities traded on regulated or assimilated markets</b>			<b>28,053.75</b>	<b>0.01</b>
<b>TOTAL Equities and assimilated securities</b>			<b>28,053.75</b>	<b>0.01</b>
<b>Bonds and assimilated securities</b>				
<b>Bonds and assimilated securities traded on a regulated or assimilated market</b>				
<b>GERMANY</b>				
ALLIANZ SE 2.241% 07-07-45	EUR	900,000	808,267.51	0.20
ALLIANZ SE 3.375% PERP	EUR	600,000	561,414.59	0.14
ALLIANZ SE 5.625% 17/10/2042	EUR	200,000	239,667.67	0.06
HEID DRUC AG 8.0% 15-05-22	EUR	1,000,000	1,022,366.67	0.26
HP PELZ 7.5% 15-07-21 EMTN	EUR	830,000	843,314.58	0.21
KIRK BEAU ZER 6.25% 15-07-22	EUR	350,000	368,247.64	0.09
LANDESBANK BADEN WUERT 2.875% 27/05/2026	EUR	1,000,000	980,354.64	0.25
MUNCH RUCK TF/TV PERP *EUR	EUR	1,500,000	1,614,521.48	0.41
PROGROUP AG 5.125% 01-05-22	EUR	450,000	468,737.50	0.12
TRIONISTA HOLDCO 5% 04/20	EUR	800,000	837,848.89	0.21
UNITYMEDIA 4.0% 15-01-25	EUR	1,300,000	1,236,502.22	0.31
WEPA HYGIENEPRODUKTE 6.5% 15/05/2020	EUR	500,000	542,368.06	0.14
ZF NA CAPITAL 2.75% 27-04-23	EUR	800,000	732,217.27	0.19
<b>TOTAL GERMANY</b>			<b>10,255,828.72</b>	<b>2.59</b>
<b>ARGENTINA</b>				
ARGENTINA 0% 12/35	EUR	7,900,000	619,676.00	0.16
ARGENTINA 7.82% 12/33 IN DEFAULT	EUR	500,000	620,208.27	0.16
ARGENTINA 8.75% 02/06/2017	USD	1,300,000	1,180,335.95	0.29
PROVINCIA BUENOS AIRE 10.875% 26/01/2021-SINKABLE	USD	1,200,000	1,061,522.96	0.27
<b>TOTAL ARGENTINA</b>			<b>3,481,743.18</b>	<b>0.88</b>
<b>AUSTRIA</b>				
VIENNA INSURANCE GRP AGW 5.5% 09/10/43	EUR	400,000	444,658.08	0.11
<b>TOTAL AUSTRIA</b>			<b>444,658.08</b>	<b>0.11</b>
<b>BELGIUM</b>				
AG INSURANCE SA/NV TF/TV PERPETUEL	USD	1,600,000	1,520,609.18	0.38
AGSBB 3 1/2 06/30/47	EUR	1,700,000	1,504,015.67	0.38
KBC BANK 8% 01/23	USD	1,000,000	993,315.91	0.25

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
KBCBB 5.625% 29/12/49	EUR	1,000,000	977,008.93	0.25
ONTE GROU NV 4.75% 15-11-21	EUR	400,000	426,750.56	0.11
<b>TOTAL BELGIUM</b>			<b>5,421,700.25</b>	<b>1.37</b>
<b>BELIZE</b>				
BELIZE 5 02/20/38	USD	1,950,000	1,295,795.74	0.33
<b>TOTAL BELIZE</b>			<b>1,295,795.74</b>	<b>0.33</b>
<b>REPUBLIC OF BELARUS</b>				
BIELORUSSIE 8.95% 26/01/18	USD	500,000	454,606.20	0.12
<b>TOTAL REPUBLIC OF BELARUS</b>			<b>454,606.20</b>	<b>0.12</b>
<b>BRAZIL</b>				
OI BRAS HOLD 5.625% 22-06-21	EUR	1,000,000	586,576.23	0.15
<b>TOTAL BRAZIL</b>			<b>586,576.23</b>	<b>0.15</b>
<b>CANADA</b>				
BOMBARDIER 6.125%10-150521	EUR	567,000	517,959.62	0.13
VRX ESCR CORP 4.5% 15-05-23	EUR	525,000	482,330.63	0.12
<b>TOTAL CANADA</b>			<b>1,000,290.25</b>	<b>0.25</b>
<b>CYPRUS</b>				
C 3.875% 06-05-22 EMTN	EUR	1,000,000	1,028,015.27	0.26
<b>TOTAL CYPRUS</b>			<b>1,028,015.27</b>	<b>0.26</b>
<b>DENMARK</b>				
DANBNK 5 3/4 10/31/49	EUR	300,000	304,626.48	0.08
TDC AS 3.5% 26-02-15	EUR	300,000	279,871.23	0.07
<b>TOTAL DENMARK</b>			<b>584,497.71</b>	<b>0.15</b>
<b>REPUBLIC OF SERBIA</b>				
SERBIE 6.75% 01/11/24 / SINKABLE	USD	4,000,000	1,219,168.49	0.31
<b>TOTAL REPUBLIC OF SERBIA</b>			<b>1,219,168.49</b>	<b>0.31</b>
<b>SPAIN</b>				
BANCO BILBAO VIZCAYA ARGENTARIA SA 9% 29/05/2049	USD	400,000	383,193.73	0.10
BBVA 7% PERP	EUR	600,000	589,121.74	0.15
BCO SANT CENT HIS 6.25% PERP	EUR	600,000	560,577.53	0.14
CAMP 3.375% 15-03-22 EMTN	EUR	300,000	293,218.13	0.07
ENCSM 7 1/4 02/15/20	EUR	250,000	240,134.69	0.06
ESPAGNE 4% 30/04/20	EUR	11,000,000	12,749,438.80	3.22
ESPAGNE 5.15% 10/44	EUR	1,700,000	2,481,163.97	0.63
IBERCAJA 5.0% 28-07-25	EUR	1,600,000	1,523,866.23	0.39
MADRID 4.125% 21/05/2024	EUR	3,300,000	3,835,928.11	0.97
OBRA HUAR LAI 5.5% 15-03-23	EUR	600,000	503,261.21	0.13
OBRASCON HUARTE 7.625% 03/20	EUR	200,000	196,880.14	0.05
<b>TOTAL SPAIN</b>			<b>23,356,784.28</b>	<b>5.91</b>

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
<b>UNITED STATES OF AMERICA</b>				
ALUFP 4 5/8 07/01/17	USD	1,000,000	918,993.41	0.23
BELDEN 5.5% 15/04/23	EUR	1,000,000	984,793.89	0.25
CEMEX 5 1/4 04/01/21	EUR	800,000	785,076.67	0.20
HUNTSMAN INTERNATIONAL 5.125% 15/04/2021	EUR	850,000	794,770.66	0.20
IMS HEALTH 4.125% 01-04-23	EUR	950,000	903,748.85	0.23
JPM C 3.25% 17-06-29 EMTN	EUR	3,000,000	3,242,937.50	0.82
KLOC PENT OF 7.125% 01-11-20	EUR	1,000,000	1,047,279.17	0.26
PCLN 2 3/8 09/23/24	EUR	1,500,000	1,476,126.02	0.37
PSPC ESCR COR 6.0% 01-02-23	EUR	1,100,000	939,693.33	0.24
SEALED 4.5% 15-09-23 EMTN	EUR	500,000	510,412.50	0.13
TII 0 1/8 07/15/24	USD	9,800,000	8,450,707.48	2.14
TIME WARNER 1.95% 15-09-23	EUR	400,000	396,802.30	0.10
UNITED STATES AMERIC 0.125% 15/04/20 IND	USD	9,000,000	8,183,576.45	2.07
US COAT ACQ/FLASH DUTCH2 5.75% 01/02/2021	EUR	525,000	539,932.60	0.14
<b>TOTAL UNITED STATES OF AMERICA</b>			<b>29,174,850.83</b>	<b>7.38</b>
<b>FRANCE</b>				
A 3.941% PERP EMTN	EUR	2,000,000	1,939,445.97	0.49
ACAFP 6.5% PERP	EUR	500,000	498,653.57	0.13
ACCOR 2.375% 17-09-23	EUR	400,000	403,907.21	0.10
AFFP 3 7/8 06/18/21	EUR	500,000	495,211.34	0.13
AIR FRANCE KLM 6.25% TF/TV PERP	EUR	1,100,000	983,917.84	0.25
AREVA SA 4.625% 10/17	EUR	1,000,000	1,051,369.86	0.27
ATALIAN 7.25% 01/20	EUR	1,000,000	1,090,406.94	0.28
ATOS ORIGIN 2.375% 02-07-20	EUR	1,000,000	1,007,869.95	0.25
BFCM TV PERP SUB	EUR	500,000	310,333.53	0.08
BFCM 3.0% 11-09-25 EMTN	EUR	700,000	689,127.05	0.17
BFCM 4.471% PERP	EUR	1,750,000	1,820,919.06	0.46
BNP PARIBAS FIX PERP	EUR	3,300,000	3,363,381.19	0.85
BNP PARIBAS TV06-PERP.	EUR	500,000	516,478.83	0.13
BNP PARIBAS 5.019%07-PERP	EUR	1,000,000	1,059,186.56	0.27
BNP PARIBAS 7.375% PERP	USD	450,000	407,942.33	0.10
BNP TF/TV 7.781% PERP	EUR	600,000	692,435.28	0.18
BNP 4.032 12/31/49	EUR	1,300,000	1,256,391.30	0.32
BPCE 6.117% PERP EMTN	EUR	2,250,000	2,541,999.39	0.64
BVIFP 3 1/8 01/21/21	EUR	400,000	436,498.63	0.11
CA ASSURANCES 4.25% PERP	EUR	1,000,000	945,306.85	0.24
CNP ASSURANCES 4.0% PERP	EUR	500,000	472,174.66	0.12
COFIDIS E3R PERP	EUR	2,000,000	1,926,537.22	0.49
CRED AGRI ASSU 4.5% PERP	EUR	400,000	391,200.00	0.10
CRED AGRICOLE 8.20%PERP	EUR	2,750,000	3,258,332.24	0.82



Security name	Currency	Quantity or nominal amount	Current value	% Net assets
CREDIT AGRICOLE TV 04/02/49	EUR	270,000	168,552.21	0.04
CREDIT LOGEMENT TV PERPETUELLE	EUR	2,000,000	1,655,988.44	0.42
CROW EURO HOL 3.375% 15-05-25	EUR	500,000	459,440.63	0.12
CROW EURO HOL 4.0% 15-07-22	EUR	400,000	405,902.22	0.10
DARTY 5.875% 01/03/2021	EUR	1,000,000	1,048,859.03	0.27
DRY MIX SOLU INVE FLO 15-06-21	EUR	900,000	850,580.10	0.22
EPHIOS BOND 6.25% 01-07-22	EUR	800,000	811,063.33	0.21
EURO GROU SA 5.75% 15-06-22	EUR	800,000	823,991.11	0.21
FAURECIA 3.125% 15-06-22	EUR	872,000	791,940.11	0.20
FIN GAILLON 7% 30/09/2019	EUR	1,300,000	1,310,255.56	0.33
FRANCE 3.25% 25/05/2045	EUR	4,200,000	5,534,103.61	1.39
HOLDLKKS SAS 6.75% 15-07-21	EUR	900,000	868,263.75	0.22
HOMEVI 6.875% 15-08-21	EUR	600,000	620,265.42	0.16
HORI HOLD I S 7.25% 01-08-23	EUR	520,000	527,059.72	0.13
HORI HOLD III 5.125% 01-08-22	EUR	420,000	423,414.54	0.11
KERNEOS 5 3/4 03/01/21	EUR	800,000	787,961.11	0.20
LABERE 5 5/8 03/15/21	EUR	500,000	516,278.13	0.13
LAMON TF/TV 04/23/43	USD	350,000	347,625.51	0.09
LAMON 5.05 12/17/49	EUR	745,000	748,713.77	0.19
LOXAM 4.875% 23-07-21	EUR	770,000	769,606.98	0.19
LOXAM 7.0% 23-07-22	EUR	200,000	204,241.11	0.05
MEDIFP 7% 05/15/20	EUR	750,000	810,254.17	0.20
MERCIALYS 1.787% 31-03-23	EUR	500,000	484,166.33	0.12
MUTU ASSU DES 3.916% 06-10-49	EUR	400,000	398,972.34	0.10
NOVAFIVES 4.5% 30-06-21	EUR	700,000	548,537.50	0.14
NOVALIS SAS 3.0% 30-04-22	EUR	800,000	750,986.67	0.19
NUMERICABLE SAS 5.625% 15/05/2024	EUR	500,000	497,871.88	0.13
PAPREC HOLDING 7.375% 01-04-23	EUR	900,000	855,724.38	0.22
PAPREC 5.25% 01-04-22	EUR	450,000	437,690.63	0.11
PICARD GROUP SA 0 08/01/19	EUR	600,000	604,250.01	0.15
REXEL 3.25% 15-06-22	EUR	500,000	465,292.36	0.12
SCOR 3.875% PERP	EUR	700,000	689,084.11	0.17
SG 6.75% 31/12/2099	EUR	200,000	202,545.57	0.05
SG 6.999% TV/TF PERP *EUR	EUR	2,000,000	2,305,066.47	0.58
SMCP SAS 8.875% 15/06/2020	EUR	500,000	542,469.10	0.14
SNFF 2 7/8 06/15/23	EUR	1,300,000	1,215,818.68	0.31
SOGECAP SA 4.125% 29-12-49	EUR	1,700,000	1,599,599.86	0.40
VALLOUREC 4.25% 02/17	EUR	500,000	497,840.41	0.13
ZFFNGR 2 1/4 04/26/19	EUR	300,000	289,803.93	0.07
<b>TOTAL FRANCE</b>			<b>60,429,107.59</b>	<b>15.29</b>

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
<b>GREECE</b>				
HELLENIC RAILWAY ORG 29/10/15	EUR	2,000,000	2,039,176.16	0.52
<b>TOTAL GREECE</b>			<b>2,039,176.16</b>	<b>0.52</b>
<b>CAYMAN ISLANDS</b>				
UPCB FINA IV 4.0% 04-07-27 REGS	EUR	500,000	442,377.78	0.11
VIRI GROU FUN 7.5% 01-03-20	EUR	500,000	493,229.17	0.13
<b>TOTAL CAYMAN ISLANDS</b>			<b>935,606.95</b>	<b>0.24</b>
<b>IRAQ</b>				
IRAQ 5.8% 15/01/28 REGS *USD	USD	2,000,000	1,258,509.39	0.32
<b>TOTAL IRAQ</b>			<b>1,258,509.39</b>	<b>0.32</b>
<b>IRELAND</b>				
ARDA PACK FIN 4.25% 15-01-22	EUR	950,000	944,670.76	0.24
ARDAGH 9.25% 15/10/2020	EUR	1,000,000	1,084,509.72	0.27
BANK OF IREL 4.25% 11-06-24	EUR	1,000,000	1,025,721.58	0.26
IRLANDE 2.0% 18-02-45	EUR	2,710,000	2,615,376.45	0.66
IRLANDE 2.40% 15-05-30	EUR	4,100,000	4,477,734.34	1.13
IRLANDE 5.4%09-130325	EUR	4,270,000	5,972,879.50	1.52
SKGID 3 1/4 06/01/21	EUR	500,000	516,861.81	0.13
SMUR KAPP ACQ 2.75% 01-02-25	EUR	250,000	238,664.93	0.06
<b>TOTAL IRELAND</b>			<b>16,876,419.09</b>	<b>4.27</b>
<b>ITALY</b>				
ASSICURAZIONI GENERALI 4.125% 04/05/2026	EUR	200,000	204,143.69	0.05
BTPS 2.35 09/15/24	EUR	2,500,000	2,835,411.46	0.72
BTPS 4 3/4 09/01/44	EUR	900,000	1,252,210.80	0.32
BUONI POLIENNALI DEL TES 4% 10-20	EUR	12,000,000	13,885,879.12	3.51
BUONI POLIENNALI DES TESORO 4.75% 15/09/2016	EUR	30,000,000	31,409,052.20	7.94
EITIM 3 7/8 04/26/18	EUR	200,000	216,172.80	0.05
ENELIM 5 01/15/75	EUR	500,000	530,358.22	0.13
FONDIARIA SAI 5.75% 31-12-99	EUR	700,000	666,787.10	0.17
INTESA SANPA 7.7% PERP CV	USD	1,000,000	874,759.24	0.22
INTESA SANPAOLO 2.855% 23-04-25 EMTN	EUR	1,200,000	1,157,564.26	0.29
INTESA SANPAOLO 8.375% 09-PERP	EUR	1,000,000	1,245,896.58	0.32
ITALIE 2.25% 05/16	EUR	10,000,000	10,223,597.83	2.59
ITALIE 2.75% 15/11/2016	EUR	10,000,000	10,406,119.57	2.63
ITALIE 7.25%96-26 TBO	EUR	10,000	15,618.90	
ITALY INFL. INDEX 1.65 14-20 23/04S	EUR	9,200,000	9,817,293.81	2.48
ITALY 1.65% 01-03-32	EUR	2,000,000	1,845,910.44	0.47
KEDRION GROUP SPA 4.625% 24/04/2019	EUR	400,000	413,097.98	0.10
PIAGGIO & CO SPA 4.625% 30/04/2021	EUR	300,000	307,718.33	0.08
RADI ITAL SPA 1.5% 28-05-20	EUR	700,000	698,043.44	0.18
TELE ITA 3.25% 16-01-23 EMTN	EUR	750,000	746,521.23	0.19

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
TITIM 4 1/2 01/25/21	EUR	500,000	553,060.96	0.14
TWIN S E3R+5.88% 15-07-19	EUR	1,070,000	992,800.21	0.25
UNICREDIT 8% 31/12/2099	USD	700,000	614,899.09	0.16
<b>TOTAL ITALY</b>			<b>90,912,917.26</b>	<b>22.99</b>
<b>JAPAN</b>				
SOFT GROU COR 4.0% 30-01-27	EUR	200,000	192,022.22	0.05
SOFT GROU 4.75% 30-07-25	EUR	250,000	232,411.11	0.06
<b>TOTAL JAPAN</b>			<b>424,433.33</b>	<b>0.11</b>
<b>JERSEY</b>				
HSBC CAPITAL FUNDING LP 5.13%04-PERP.	EUR	1,000,000	1,036,810.66	0.26
<b>TOTAL JERSEY</b>			<b>1,036,810.66</b>	<b>0.26</b>
<b>KAZAKHSTAN</b>				
BTASKZ 5.5 12/21/2022	USD	1,900,000	1,253,711.59	0.32
KAZNMH 4.625% 05/24/23	USD	400,000	291,133.51	0.07
<b>TOTAL KAZAKHSTAN</b>			<b>1,544,845.10</b>	<b>0.39</b>
<b>KENYA</b>				
ESAFRB 6 3/8 12/06/18	USD	1,310,000	1,207,654.72	0.31
<b>TOTAL KENYA</b>			<b>1,207,654.72</b>	<b>0.31</b>
<b>LITHUANIA</b>				
LITH 2.125% 29-10-26 EMTN	EUR	1,250,000	1,378,722.60	0.35
<b>TOTAL LITHUANIA</b>			<b>1,378,722.60</b>	<b>0.35</b>
<b>LUXEMBOURG</b>				
ALTI FIN 5.25% 15-02-23 EMTN	EUR	500,000	491,722.92	0.12
ALTI LUXE SA 6.25% 15-02-25	EUR	600,000	525,584.17	0.13
ALTI LUXE SA 7.25% 15-05-22	EUR	1,000,000	944,765.28	0.24
ARCE 3.125% 14-01-22 EMTN	EUR	600,000	517,167.53	0.13
AURI LUXE II 8.0% 15-01-23	EUR	500,000	541,455.56	0.14
CERB NIGH 1 8.25% 01-02-20	EUR	1,000,000	1,019,520.83	0.26
CIRSA FUNGING 5.875% 15-05-23	EUR	200,000	183,445.28	0.05
CIRSA 8.75% 15/05/2018	EUR	1,200,000	884,993.99	0.22
DUFR FINA SCA 4.5% 01-08-23	EUR	250,000	252,650.00	0.06
EURO,SCIE,4.875%,PERP	EUR	1,000,000	989,478.69	0.25
GALAPAGOS SA 7.0% 15-06-22	EUR	400,000	367,322.22	0.09
GALAPG 5 3/8 06/15/21	EUR	500,000	480,487.85	0.12
GARF HOLD 3 S 7.5% 01-08-22	EUR	800,000	791,740.00	0.20
GAZPRU 3.7 07/25/18	EUR	1,300,000	1,273,708.03	0.32
MATT TELE 3.875% 01-05-22	EUR	500,000	453,457.29	0.11
MATTERHORN TELECOM HLD 4.875% 01/05/23	EUR	900,000	771,148.13	0.20
PAGESJAUNES 8.875% 06/18	EUR	1,000,000	786,079.86	0.20
PICARD BONDCO 7.75% 01-02-20	EUR	300,000	321,729.58	0.08

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
PLAY FINANCE 6.5% 01/08/2019	EUR	500,000	518,606.94	0.13
SISTEMA INTL FUNDING SA 6.95% 17/05/2019	USD	2,300,000	2,061,217.25	0.53
TELE FINA VI 4.875% 15-07-27	EUR	500,000	460,654.17	0.12
VTB BANK (VTB CAPITAL SA) 6.95% 10/22	USD	1,360,000	1,106,828.82	0.28
WIND ACQU FIN 4.0% 15-07-20	EUR	1,050,000	1,042,288.33	0.26
WIND ACQUISITION 7% 04/21	EUR	800,000	820,333.33	0.21
<b>TOTAL LUXEMBOURG</b>			<b>17,606,386.05</b>	<b>4.45</b>
<b>MEXICO</b>				
CEME SAB DE C 4.375% 05-03-23	EUR	150,000	136,992.19	0.03
CEME SAB DE C 4.75% 11-01-22	EUR	500,000	477,843.75	0.12
PETR 12.75% 17-02-22	USD	1,600,000	654,275.18	0.17
<b>TOTAL MEXICO</b>			<b>1,269,111.12</b>	<b>0.32</b>
<b>NIGERIA</b>				
NIGERIA 6.75% 28/01/2021 REGS	USD	400,000	344,582.31	0.09
<b>TOTAL NIGERIA</b>			<b>344,582.31</b>	<b>0.09</b>
<b>NORWAY</b>				
DNB NOR BANK ASA 5.75% PERP	USD	1,600,000	1,377,337.81	0.35
<b>TOTAL NORWAY</b>			<b>1,377,337.81</b>	<b>0.35</b>
<b>NETHERLANDS</b>				
ABN AMRO BANK NV 5.75% PERP	EUR	1,300,000	1,267,083.57	0.32
ABN AMRO 4.31%2016 TV PERP	EUR	1,250,000	1,285,448.09	0.33
ADRBID 7 7/8 11/15/20	EUR	1,000,000	1,060,568.75	0.27
AEGON 4 04/25/44	EUR	450,000	432,353.85	0.11
ANTOLN 4 3/4 04/01/21	EUR	800,000	782,105.56	0.20
ASRBANK NV FIX PERP	EUR	500,000	471,636.61	0.12
ATRA FINA BV 5.25% 23-09-44	EUR	1,000,000	851,690.98	0.22
CABLE COMM SYST 7.50% 11/20	EUR	600,000	635,375.00	0.16
CARLSON WAGONLIT BV 7.5% 15/06/2019	EUR	1,000,000	1,062,291.67	0.27
CONS NV 7.0% 15-01-23	EUR	500,000	445,786.11	0.11
CONSTELLIUM N.V. 4.625% 15/05/2021	EUR	640,000	550,912.44	0.14
DARL GLOB FIN 4.75% 30-05-22	EUR	450,000	426,868.75	0.11
ELM BV TF/TV PERP *EUR	EUR	250,000	257,601.44	0.07
ELM BV 2.6% PERP	EUR	1,400,000	1,218,143.06	0.31
EURE 4.25% PERP EMTN	EUR	500,000	460,322.60	0.12
GAS NATU FENO 4.125% 30-11-49	EUR	1,500,000	1,436,757.53	0.36
GENERALI FI 4.596% PERP EMTN	EUR	1,000,000	959,964.11	0.24
GENERALI FIN.5.317% 2016 TV PERP	EUR	200,000	204,417.90	0.05
GRUP ANTO DUT 5.125% 30-06-22	EUR	250,000	247,644.62	0.06
ING BANK 3.625% 25/02/26 EMTN	EUR	750,000	800,512.50	0.20
NNGRNV 4.625% 04/08/2044	EUR	250,000	253,891.70	0.06

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
NORTHERN ANGOL 7% 16/08/19	USD	900,000	774,620.38	0.20
PETROBRAS INTL FIN CO 3.25% 04/19	EUR	500,000	361,669.40	0.09
PETROBRAS 6.25% 10/03/2024	USD	1,050,000	684,910.41	0.17
RABO NEDE 5.5% PERP	EUR	1,000,000	1,008,475.96	0.26
RABOBANK NEDERLAND 6.875% 19/03/2020	EUR	750,000	910,128.59	0.23
SCHA FINA BV 5.75% 15-11-21	EUR	1,800,000	1,965,207.50	0.49
SM MTH A 4.125% 15-07-21 EMTN	EUR	1,200,000	1,095,507.50	0.28
ZIGGO FINANCE BV 3.75% 15/01/25	EUR	800,000	724,176.67	0.18
<b>TOTAL NETHERLANDS</b>			<b>22,636,073.25</b>	<b>5.73</b>
<b>POLAND</b>				
PFOURS 5 1/4 02/01/19	EUR	1,000,000	1,022,995.83	0.26
<b>TOTAL POLAND</b>			<b>1,022,995.83</b>	<b>0.26</b>
<b>FRENCH POLYNESIA</b>				
POLY FRAN 4.155% 11-06-21	EUR	2,000,000	2,282,776.56	0.58
<b>TOTAL FRENCH POLYNESIA</b>			<b>2,282,776.56</b>	<b>0.58</b>
<b>PORTUGAL</b>				
PGB 3 7/8 02/15/30	EUR	5,200,000	5,907,780.55	1.49
REDES FERROVIARIA 4.675% 16/10/2024	EUR	1,100,000	1,297,402.53	0.33
REFER 5.875% 18/02/2019	EUR	1,000,000	1,178,976.71	0.30
<b>TOTAL PORTUGAL</b>			<b>8,384,159.79</b>	<b>2.12</b>
<b>REPUBLIC OF AZERBAIJAN</b>				
IBAZAZ 5 5/8 06/11/19	USD	1,700,000	1,389,459.69	0.35
<b>TOTAL REPUBLIC OF AZERBAIJAN</b>			<b>1,389,459.69</b>	<b>0.35</b>
<b>UNITED KINGDOM</b>				
AVIS BUDGET FINANCE PLC 6% 01/03/2021	EUR	1,000,000	1,023,766.67	0.26
AVIVA PLC 3.875% 03-07-44	EUR	300,000	295,570.37	0.07
BARCLAYS PLC 6.5% 31-12-99	EUR	750,000	736,327.08	0.19
EC FIN 5.125% 15-07-21 EMTN	EUR	700,000	716,493.26	0.18
EPHI HOLD II 8.25% 01-07-23	EUR	660,000	653,620.00	0.17
HSBC HOLDINGS PLC 5.25% PERP	EUR	1,000,000	952,407.69	0.24
INEO FINANCE 4.0% 01/05/23	EUR	550,000	512,013.33	0.13
INEOS GROUP 5.75% 02/19	EUR	1,009,000	979,544.21	0.25
INTE FINC 7.375% 15-10-20	EUR	200,000	198,000.00	0.05
INTE GAME TEC 4.75% 15-02-23	EUR	500,000	465,550.69	0.12
JAGU LAND ROV 3.875% 01-03-23	GBP	800,000	970,158.01	0.25
LBG CAPITAL 6,375%09-120520	EUR	1,410,000	1,446,766.72	0.36
NWIDE 6.875% 29/12/2049	GBP	1,000,000	1,359,934.21	0.34
RBS 3 5/8 03/25/24	EUR	1,000,000	1,023,917.35	0.26
ROYA BANK OF S 7.5% PERP CV	USD	400,000	357,139.23	0.09
TA MFG LIM1 3.625% 15-04-23	EUR	500,000	474,660.42	0.12

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
TSCOLN 2 1/2 07/01/24	EUR	1,050,000	962,905.08	0.24
<b>TOTAL UNITED KINGDOM</b>			<b>13,128,774.32</b>	<b>3.32</b>
<b>RUSSIA</b>				
GAZPROM 3.6% 26/02/2021	EUR	750,000	690,076.03	0.17
<b>TOTAL RUSSIA</b>			<b>690,076.03</b>	<b>0.17</b>
<b>SENEGAL</b>				
SENEGAL 8.75% 13/05/2021	USD	300,000	290,441.59	0.07
<b>TOTAL SENEGAL</b>			<b>290,441.59</b>	<b>0.07</b>
<b>SLOVAKIA</b>				
SLOVAQUIE 3.625% 01/29	EUR	4,180,000	5,496,376.48	1.39
<b>TOTAL SLOVAKIA</b>			<b>5,496,376.48</b>	<b>1.39</b>
<b>SLOVENIA</b>				
SLOVENIA 5.125% 30/03/2026 SERIE RS70	EUR	4,000,000	5,311,180.33	1.34
<b>TOTAL SLOVENIA</b>			<b>5,311,180.33</b>	<b>1.34</b>
<b>SRI LANKA</b>				
SRI LANKA 5.875% 07/22	USD	1,190,000	1,036,351.27	0.26
<b>TOTAL SRI LANKA</b>			<b>1,036,351.27</b>	<b>0.26</b>
<b>SWEDEN</b>				
NORD BANK AB PUBL 5.5% PERP	USD	600,000	520,868.98	0.13
OVAKO GROUP AB 6.5% 01/06/2019	EUR	750,000	679,160.42	0.17
SEB 5 3/4 11/29/49	USD	600,000	521,819.33	0.13
SVEN HAND AB 5.25% PERP	USD	1,400,000	1,225,786.49	0.32
SWEDBANK AB 5.5% PERP	USD	600,000	513,052.63	0.13
<b>TOTAL SWEDEN</b>			<b>3,460,687.85</b>	<b>0.88</b>
<b>SWITZERLAND</b>				
BANQ CANT DE 2.625% 15-06-27	EUR	700,000	699,312.34	0.18
CS 5.75% / TV 09/18/25	EUR	100,000	110,899.95	0.03
ONEX WIZA AC 7.75% 15-02-23	EUR	1,000,000	1,036,718.06	0.26
UBS GROUP AG 6.875% PERP	USD	1,000,000	874,180.04	0.22
UBS 4.75% 12/02/2026	EUR	1,500,000	1,621,570.83	0.41
UBS 4.75% 22/05/2023	USD	1,000,000	913,014.81	0.23
<b>TOTAL SWITZERLAND</b>			<b>5,255,696.03</b>	<b>1.33</b>
<b>TURKEY</b>				
TURQUIE 7% 26/09/2016	USD	900,000	842,754.76	0.21
<b>TOTAL TURKEY</b>			<b>842,754.76</b>	<b>0.21</b>
<b>UKRAINE</b>				
UKRAINE 7.75% 23/09/2020	USD	2,580,000	1,850,521.61	0.47
UKRE VIA BIZ 9.75% 22-01-25 REGS	USD	4,100,000	3,196,944.01	0.81
<b>TOTAL UKRAINE</b>			<b>5,047,465.62</b>	<b>1.28</b>

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
<b>VENEZUELA</b>				
PETROLEOS DE VENEZUELA 9.75% 17/05/2035	USD	2,300,000	821,045.91	0.21
VENEZUELA 11.75% 21/10/2026	USD	5,830,000	2,339,979.34	0.59
VENEZUELA 12.75% 23/08/2022 *USD	USD	5,855,000	2,352,359.35	0.59
<b>TOTAL VENEZUELA</b>			<b>5,513,384.60</b>	<b>1.39</b>
<b>TOTAL Bonds and assimilated securities traded on regulated or assimilated markets</b>			<b>358,734,789.37</b>	<b>90.75</b>
<b>Bonds and assimilated securities not traded on a regulated or assimilated market</b>				
<b>KAZAKHSTAN</b>				
ALLI BANK JSC 11.75% 15-12-24	USD	879,083	767,783.89	0.19
<b>TOTAL KAZAKHSTAN</b>			<b>767,783.89</b>	<b>0.19</b>
<b>TOTAL Bonds &amp; assim. securities not traded on reg. markets</b>			<b>767,783.89</b>	<b>0.19</b>
<b>TOTAL Bonds and assimilated securities</b>			<b>359,502,573.26</b>	<b>90.94</b>
<b>Undertakings for collective investment</b>				
<b>General-purpose UCITS and AIFs intended for non-professionals and equivalent investors in other countries</b>				
<b>FRANCE</b>				
Edmond de Rothschild Emerging Bonds I	EUR	4,370	635,529.10	0.16
Edmond de Rothschild Signatures Financial Bonds C	EUR	14,090	1,728,279.40	0.44
EDR CONVERTIBLE EUROPE ALL CAPS I	EUR	210,000	20,601,000.00	5.21
<b>TOTAL FRANCE</b>			<b>22,964,808.50</b>	<b>5.81</b>
<b>LUXEMBOURG</b>				
EDMOND DE ROTH-SIG EU HY-I	EUR	88	1,263,793.52	0.32
<b>TOTAL LUXEMBOURG</b>			<b>1,263,793.52</b>	<b>0.32</b>
<b>TOTAL General-purpose UCITS and AIFs intended for non-professionals and equivalent investors in other countries</b>			<b>24,228,602.02</b>	<b>6.13</b>
<b>TOTAL Undertakings for collective investment</b>			<b>24,228,602.02</b>	<b>6.13</b>
<b>Forward financial instruments</b>				
<b>Firm forward commitments</b>				
<b>Firm forward commitments on a regulated or assimilated market</b>				
CBO CBOT UST 10 1215	USD	-330	-461,926.09	-0.12
CME CME EUR/GBP 1215	GBP	20	32,059.98	0.01
CME CME 3M EUR 0619	USD	-578	-1,508,107.50	-0.38
CME CME 3M EUR 1216	USD	-128	-170,571.11	-0.04
CME EUR U7	USD	-500	-901,455.77	-0.23
CME EUR/USD 1215	USD	486	-193,202.69	-0.05
CME 3M EUR 0617	USD	-1,607	-4,725,856.66	-1.20
CME 3M EUR1217	USD	-1,062	-1,970,503.92	-0.50
EUR EUREX BUXL3 1215	EUR	56	132,160.00	0.03
EUR EUREX EUROB 1215	EUR	-95	-151,050.00	-0.04
FED FUND 30D 1215	USD	-450	-487,030.00	-0.12

Security name	Currency	Quantity or nominal amount	Current value	% Net assets
FV CBOT US Z5	USD	-740	-596,724.52	-0.15
LIF LIFFE 3M LI 917	GBP	-990	-2,687,661.15	-0.68
LIF LIFFE 3M LI 1215	GBP	275	499,134.89	0.13
LIF LIFFE 3M LI 1216	GBP	440	1,207,083.73	0.31
LIF LIFFE 3M LI 1217	GBP	-2,300	-6,153,063.90	-1.56
LIFFE 3M LIB 0617	GBP	2,300	5,862,997.41	1.48
<b>TOTAL Firm forward commitments on a regulated market</b>			<b>-12,273,717.30</b>	<b>-3.11</b>
<b>TOTAL Firm forward commitments</b>			<b>-12,273,717.30</b>	<b>-3.11</b>
<b>Conditional forward commitments</b>				
<b>Conditional forward commitments on a regulated or assimilated market</b>				
CBOT US TRES NT 10A 10/2015 CALL 128	USD	300	293,952.97	
CBOT US TRES NT 10A 10/2015 CALL 129	USD	-300	-142,777.16	-0.04
CBOT US TRES NT 10A 10/2015 PUT 126.5	USD	-300	-25,195.97	-0.01
EUREX EURO BUND 10/2015 PUT 153.5	EUR	-300	84,000.00	0.02
EUREX EURO BUND 10/2015 PUT 155	EUR	150	-71,250.00	-0.02
EURO\$ 3M 03/2016 CALL,99.25	USD	-400	-226,203.81	-0.06
EURO\$ 3M 03/2016 CALL 99.375	USD	1,000	347,144.46	0.10
EURO\$ 3M 03/2016 CALL 99.5	USD	-2,000	-347,144.46	-0.09
EURO\$ 3M 03/2016 PUT 99.25	USD	-400	-20,156.77	-0.01
EURO\$ 3M 06/2016 CALL 99.25	USD	1,000	464,725.64	0.13
EURO\$ 3M 06/2016 CALL 99.375	USD	-1,000	-302,351.62	-0.08
EURO\$ 3M 06/2016 CALL 99.5	USD	-1,000	-173,572.23	-0.04
LIFFE 3M EURIBOR 03/2016 CALL 99.875	EUR	-825	-242,343.75	-0.06
LIFFE 3M LIBOR 09/2016 CALL 99.25	GBP	1,000	4,240.74	
LIFFE 3M LIBOR 09/2016 CALL 99.375	GBP	-1,000	-4,240.74	
LIFFE 3M LIBOR 09/2016 CALL 99.5	GBP	-1,000	-8,481.48	
<b>TOTAL Conditional forward commitments on a regulated market</b>			<b>-369,654.18</b>	<b>-0.09</b>
<b>TOTAL Conditional forward commitments</b>			<b>-369,654.18</b>	<b>-0.09</b>
<b>Other forward financial instruments</b>				
<b>Credit default swap</b>				
ITXEX524 Curncy	EUR	20,000,000	1,171,555.00	0.30
<b>TOTAL Credit default swap</b>			<b>1,171,555.00</b>	<b>0.30</b>
<b>Interest rate swaps</b>				
EMPRUNT SWAP 0.619%	EUR	40,130,000	-114,771.80	-0.03
EMPRUNT SWAP 1.655%	EUR	8,140,000	-147,089.80	-0.04
EMPRUNTEUR 200821	EUR	26,000,000	-601,407.56	-0.15
EMPRUNTEUR 20/08/44	EUR	9,000,000	-825,679.53	-0.21
pret lib/emp 1.117	GBP	78,000,000	-3,175.46	
PRET L6R- EMP 0.46	EUR	50,000,000	-414,469.50	-0.10



Security name	Currency	Quantity or nominal amount	Current value	% Net assets
PRET L6R- EMP 1.59	EUR	11,000,000	-711,464.16	-0.18
PRET SWP 1.228%	EUR	41,300,000	302,729.00	0.08
PRET 0.59/EMP E6R	EUR	100,000,000	540,000.00	0.14
PRET 0.890-EMP L6R	EUR	41,000,000	1,163,589.43	0.29
PRET 1.03/EMP LIB3M	USD	175,000,000	26,651.74	0.01
PRET 1.08/EMP e6r	EUR	12,500,000	264,512.50	0.07
PRET 1.169/EM EURI6M	EUR	50,000,000	1,007,000.00	0.25
PRET 1.169/EM EURI6M	EUR	10,000,000	201,400.00	0.05
PRET 1.353/EMP EURI6	EUR	100,000,000	2,618,000.00	0.67
PRET 1.963/EMP EURI6	EUR	32,000,000	-260,160.00	-0.07
PRETEUR 18/08/18	EUR	85,000,000	804,100.00	0.20
PRETEUR 20/08/24	EUR	37,000,000	1,292,284.57	0.33
PRETEUR 24/12/17	EUR	15,000,000	404,850.00	0.10
PRET0.381/EMP E6R	EUR	80,000,000	96,800.00	0.02
SWAP6M00	EUR	38,000,000	-1,180,280.00	-0.30
<b>TOTAL Interest rate swaps</b>			<b>4,463,419.43</b>	<b>1.13</b>
<b>TOTAL Other forward financial instruments</b>			<b>5,634,974.43</b>	<b>1.43</b>
<b>TOTAL Forward financial instruments</b>			<b>-7,008,397.05</b>	<b>-1.77</b>
<b>Margin calls</b>				
EdR (France)	USD	12,295,723.17	11,015,205.52	2.79
EdR (France)	GBP	919,599.99	1,247,930.50	0.32
EdR (France)	EUR	248,636.43	248,636.43	0.06
<b>TOTAL Margin calls</b>			<b>12,511,772.45</b>	<b>3.17</b>
<b>Receivables</b>			<b>25,488,305.33</b>	<b>6.45</b>
<b>Payables</b>			<b>-24,336,024.43</b>	<b>-6.16</b>
<b>Financial accounts</b>			<b>4,848,267.91</b>	<b>1.23</b>
<b>Net assets</b>			<b>395,263,153.24</b>	<b>100.00</b>

Edmond de Rothschild Bond Allocation D	EUR	93,243.910	145.36
Edmond de Rothschild Bond Allocation E	EUR	18,049.940	109.55
Edmond de Rothschild Bond Allocation R	EUR	23,525.000	97.39
Edmond de Rothschild Bond Allocation ICHF H	CHF	58,031.000	99.64
Edmond de Rothschild Bond Allocation C	EUR	969,090.407	194.49
Edmond de Rothschild Bond Allocation I	EUR	15,092.931	11,521.90
Edmond de Rothschild Bond Allocation FH	USD	18,453.550	99.83
Edmond de Rothschild Bond Allocation I USD H	USD	19,606.000	97.72
Edmond de Rothschild Bond Allocation BH	USD	8,030.415	98.53
Edmond de Rothschild Bond Allocation CCHF H	CHF	62,246.000	99.58

- **ADDITIONAL INFORMATION ABOUT THE COUPON TAX SYSTEM**

BREAKDOWN OF THE COUPON

	OVERALL NET	CURRENC Y	PER UNIT	CURRENC Y
Income subject to compulsory non-definitive withholding tax	423,327.35	EUR	4.54	EUR
Shares giving entitlement to reductions and subject to compulsory non-definitive withholding tax				
Other income not giving entitlement to reductions and subject to compulsory non-definitive withholding tax				
Non-reportable and non-taxable income				
Amount distributed on gains and losses	174,366.11	EUR	1.87	EUR
<b>TOTAL</b>	<b>597,693.46</b>	<b>EUR</b>	<b>6.41</b>	<b>EUR</b>