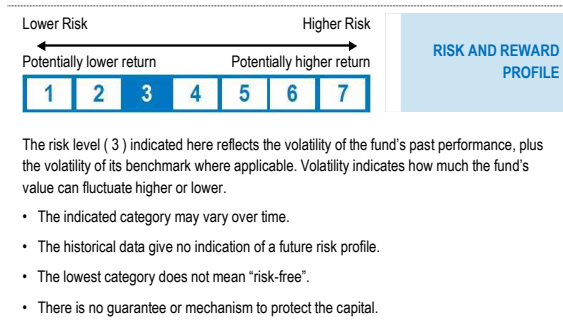




# CANDRIAM BONDS EURO DIVERSIFIED

Quarterly report at 31|03|2021

*Sub-fund of the Luxembourg-law SICAV  
Candriam Bonds  
Class: Classic  
Unit type: Acc(EUR) & Dis*



A description of risks not included in the SRRI scale is provided on page 4.

Morningstar is an independent investment analysis provider. A Morningstar rating is a quantitative assessment of a fund's past performance, factoring in risk and costs incurred. It does not include qualitative criteria and its calculation is based on a mathematical formula. Funds are classified by category and compared to similar funds, based on their score, and they receive a rating of one to five stars. The top 10% in each category receive five stars, the next 22.5% four stars, the next 35% three stars, the next 22.5% two stars and the bottom 10% one star. The rating is determined monthly, based on past performances over 3, 5 and 10 years, and does not take the future into account.





**Nicolas Forest**  
Global Head of Fixed Income &  
Money Market



**Sylvain de Bus**  
Deputy Head of Global Bonds

Years of experience

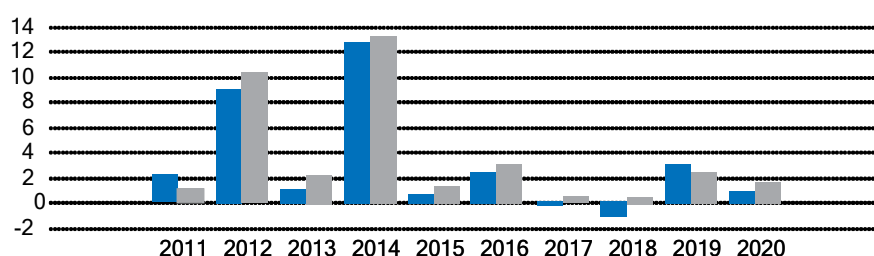
## INVESTMENT STRATEGY

Candriam Bonds Euro Diversified, a sub-fund of the Candriam Bonds sicav, invests in euro-denominated bonds and related securities at fixed or variable rates, indexed, subordinated or backed by assets. The selected bonds are issued by governments, international and supranational entities, and public sector entities from the Euro zone with a minimum good quality rating of BBB-/Baa3 by one of the 3 main ratings agencies at the time of their acquisition. The fund carries out an active currency hedging policy versus the EUR, and may use currency, volatility, interest rate or credit derivatives for efficient portfolio management purposes.

### Benchmark : BC Euro Aggregate 1-10Y

The fund is managed as **active** and the investment process involves reference to a benchmark (the index).

### ANNUAL RETURN OF THE 10 LAST YEARS IN EUR (%)\*



\* excluding fees/taxes, taxes are not included in the calculation of the fund's return

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund	2.05	8.92	1.46	12.61	0.77	2.46	-0.16	-1.33	3.68	1.47
Benchmark	1.78	10.6	2.09	13.38	1.67	3.25	0.15	0.72	3.44	1.94

### ACTUARIAL RETURN AT 31.03.2021 (%)

	1 year	3 years	5 years	Class inception date
Fund	3.93	0.77	0.43	4.52
Benchmark	2.92	1.31	1.06	

Acc(EUR) Classic

Benchmark

The returns presented below are based on Net Asset Value (NAV), net of fees and with fund income reinvested. All management fees and expenses are included in the calculation of past performances, with the exception of any front-end and back-end loads. Taxes are not included in the calculation of returns. Source: Candriam. The value or price translated into EUR may increase or decrease depending on exchange rate fluctuations. Disclaimer: The past performances of a given financial instrument, index or investment service, simulations of past performances or forecasts of future performances are in no way reliable indicators of future performances. The fund is not a guaranteed investment.

Returns and changes in the NAV of distributed share are available at [www.candriam.be](http://www.candriam.be)

## FUND CHARACTERISTICS

Creation Date	20/07/1989
Investment Horizon	3 years
Commercialized In	AU, CH, DE, ES, FI, FR, IE, IT, LU, NL, PT, SE
Fund Reference Currency	EUR
NAV Calculation	Daily
NAV can be consulted at the following address:	<a href="http://permafiles.beama.be/NAVpub_fr.pdf">http://permafiles.beama.be/NAVpub_fr.pdf</a>
NAV per share cap.(EUR) (C)	1,040.23
NAV per share dis.(EUR) (D)	318.59
Total net assets (M EUR)	622.97
Latest Dividend Distributed	1.64 (2020-05-04)
ISIN Code (C)	LU0093577855
ISIN Code (D)	LU0093578077
Management Company	Candriam Luxembourg
Front-end load (max.) (%) C	2.50
Front-end load (max.) (%) D	2.50
Back-end load (%) C	-
Back-end load (%) D	-
Ongoing charges (%) C	0.82
Ongoing charges (%) D	0.87
Management fee (max. In%)	0.60
Outperformance fee (%)	-

In the past, the return on your investment was negatively or positive impacted by exchange rate fluctuations if your investment was carried out in a currency other than the currency used to calculate past performances. Source: Candriam. The net asset value is published online at [www.candriam.com](http://www.candriam.com)

### Custody fees:

Custody fees may vary from one financial service provider to another. More information may be obtained from the financial service provider.

## STATISTICS

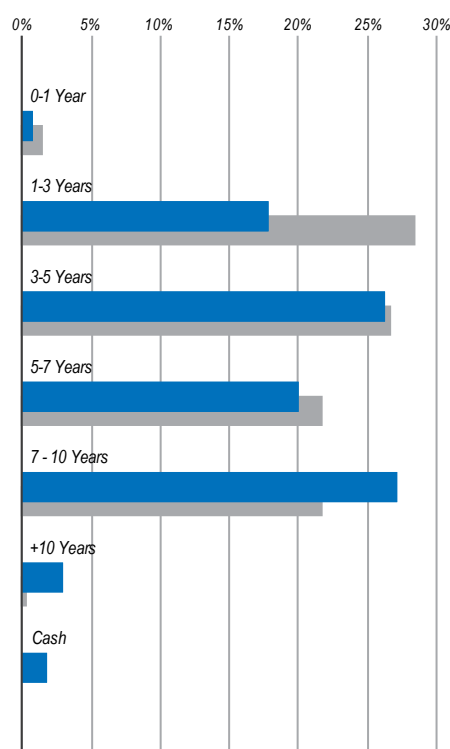
	Funds	Benchmark
Volatility	3.14%	2.66%
Sharpe Ratio	0.40	0.67
Tracking Error	0.86%	-
Modified Duration to Worst	4.08	4.66
Yield to Worst	0.01	-0.19

## TOP 10 EXPOSURE

	Issuers	% Exposure	Sector	Country
1	ITALY BUONI POLIENALI DEL TESORO	12.96	Sovereign	Italy
2	SPAIN GOVERNMENT BOND	8.05	Sovereign	Spain
3	FRENCH REPUBLIC GOVERNMENT BOND OAT	4.75	Sovereign	France
4	BUNDESREPUBLIK DEUTSCHLAND BUNDESANLEIHE	3.05	Sovereign	Germany
5	REPUBLIC OF AUSTRIA GOVERNMENT BOND	2.71	Sovereign	Austria
6	G FUND - EUROPEAN CONVERTIBLE BONDS	2.63	Sovereign	European Union
7	KINGDOM OF BELGIUM GOVERNMENT BOND	2.15	Sovereign	Belgium
8	PORTUGAL OBRIGACOES DO TESOURO OT	1.86	Sovereign	Portugal
9	NETHERLANDS GOVERNMENT BOND	1.18	Sovereign	Netherlands
10	REGION OF ILE DE FRANCE	1.09	Sovereign	France

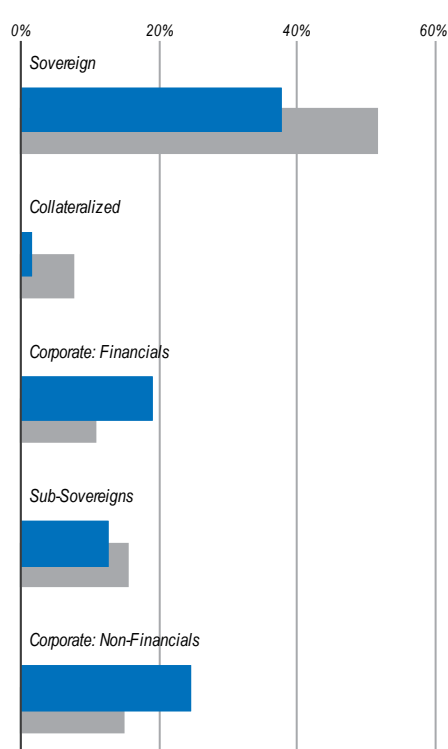
\* The table shows, in descending order, the top assets, in terms of weightings, within the portfolio. The mutual funds that may be presented in the portfolio may not be offered in Belgium, please check with your investment advisor.

## MATURITY BREAKDOWN



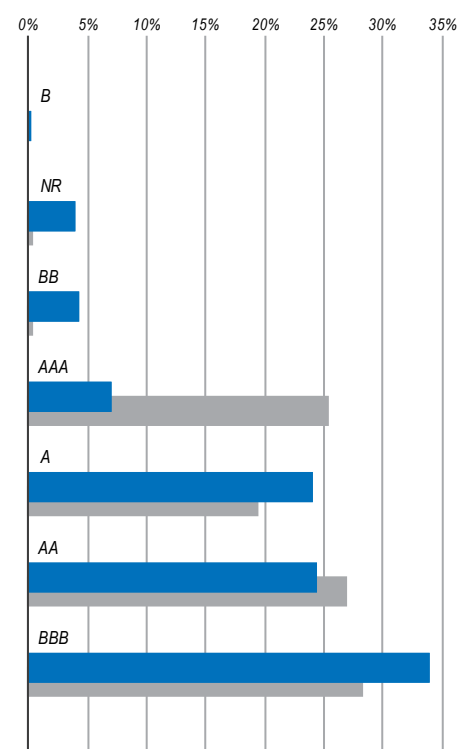
\*The graph presents the average maturity sections for each bond instrument present in the portfolio.

## PORTFOLIO COMPOSITION



\* The graph shows the percentage instrument present in the portfolio by asset class

## RATING ALLOCATION



\*The graph presents the rating sections for each bond instrument present in the portfolio.

**Source: Candriam. All allocations are based on the most recent available data.**

For more information on credit ratings, please visit: <https://www.wikifin.be/fr/thematiques/epargner-et-investir/questions-cles/notation>

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## RISK PROFILE OF THE SUB-FUND

To better understand the fund's risk profile, investors are asked to consider, in addition to their risk category, the risks that are inherent to the investment strategy as described in the prospectus. Investors should be aware that the fund's value may decrease, particularly due to its exposure to the following main risks:

- Interest rate risk, i.e., fluctuations in interest rates.
- Credit risk: default or downgrade of the credit rating of a fund issuer or counterparty. Because higher yields are sought via partial investment in high yield bonds, the fund will invest in issuers having a higher probability of default.
- Liquidity risk: some market conditions can prevent the sale of fund positions at valuation prices. This is all the truer as high yield bonds are generally less liquid than high grade bonds.
- Derivatives and related risks, such as their sophistication, higher volatility and possible use of leverage.
- Investors may not receive back the full amount invested.

## FINANCIAL SERVICE

Belfius Banque SA  
Place Charles Rogier 11 - 1210 Brussel  
Tel. 02 222 11 11 - [www.belfius.be](http://www.belfius.be)  
Rek. n° 052-9006469-91  
IBAN: BE23 0529 0064 6991  
BIC: GKCCBEBB  
RPR Brussel BTW BE 0403.201.185  
FSMA n° 019649 A

A full list of the entities in charge of the financial services in different countries is available on: [www.candriam.com](http://www.candriam.com).  
Legal documents are available free of charge from Belfius Banque at the above address.

## INFORMATION RELATING TO BELGIUM

Based on the tax legislation currently in force, which may be subject to change, the tax regime applied to private investors subject to Belgian personal income and revenues taxes is as follows:

- Withholding tax:
    - for distribution shares: 30% withholding tax levied on dividends.
    - for capitalisation and distribution shares, capital gains are subject to 30% withholding tax levied on funds investing over 10% in bonds and other debt securities.
  - TOB tax on stock exchange transactions: 1.32 % (max. EUR 4,000) on capitalisation share redemptions, or the conversion of capitalisation shares into shares of the same or another sub-fund
- For further information relative to withholding tax and TOB tax on stock exchange transactions, please contact your financial advisor. Investors who are not subject to Belgian personal tax must seek advice regarding their applicable tax regime.

## CLAIMS SERVICE

Clients can address claims to the Client Servicing department either in writing to:  
58, avenue des Arts, 1000, Brussels  
or via the website <http://contact.candriam.com>  
Client dissatisfied with the resolution of claims via the above means can contact the Ombudsman at the following address:  
OMBUDSFIN,  
Financial conflicts Ombudsman,  
Avenue du Roi Albert II, 8 1000, Brussels.  
Tel. +32 2 545 77 70;  
Fax +32 2 545 77 79;  
email: [ombudsman@ombudsfm.be](mailto:ombudsman@ombudsfm.be);  
website: [www.ombudsfm.be](http://www.ombudsfm.be).

## FURTHER INFORMATION PROVIDED BY THE DISTRIBUTOR

The distributor will provide any further information required enabling investors to make informed investment decisions, notably regarding the fees paid to, or received by, the distributor in the context of the transaction concerned, and with regard to the suitability of the fund with investors' risk profiles.

## SWING PRICE

On valuation days when the difference between total subscription and redemption amounts within a sub-fund (i.e. net transactions) exceeds a threshold previously set by the Board of Directors, the sub-fund has the right to:

- establish net asset value by adding to total assets (in the case of net subscriptions) or deducting from total assets (in the case of net redemptions) a flat-rate percentage for commissions corresponding to market practices reflecting fees and/or liquidity conditions during the purchase or sale of securities;
- value security portfolios based on bid or ask prices;
- establish net asset value using spreads which are representative of the market concerned;
- **the swing price may not exceed 2% of net asset value, except in exceptional circumstances, including a sharp decline in liquidity, which would then be detailed for the sub-fund concerned in the interim or annual fund report.**

## IMPORTANT INFORMATION

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## GLOSSARY

### BETA

Beta measures the sensitivity of fund returns to changes in returns of its reference index. A beta greater than 1 indicates the fund is more volatile, thus more risky than the reference index.

### VOLATILITY\*

The Volatility is the statistical measure of dispersion of returns for a fund around the mean. A higher volatility means that a fund's value can potentially be spread out over a larger range of values and makes the fund a riskier investment.

### TRACKING ERROR\*

The Tracking Error is a statistical measure of dispersion of the excess returns of the fund around the mean, making it the volatility of the difference between the fund's return and its reference index return. A higher tracking error indicates a higher deviation from the reference index.

\* based on weekly data over 3 Years (1 year if too little history)

### SHARPE RATIO\*

The Sharpe Ratio measures the level of compensation an investment in the fund offered for the risk taken. It is calculated by subtracting the risk-free rate from the return of the fund and dividing that result by the volatility. The higher the Sharpe ratio the better, a negative ratio has no significance other than that the fund underperformed the risk-free rate.

### YIELD TO WORST

The Yield To Worst (YTW) is the lowest potential yield that can be received on all fixed income instruments in a fund without the issuers actually defaulting. It represents the lowest of all yields computed at each call date for callable bonds. The YTW for the fund is calculated as the weighted average YTW of all underlying fixed income instruments.

### MODIFIED DURATION TO WORST

The Modified Duration is a formula that expresses the measurable change in the value of a fixed income instrument in response to a change in interest rates. The Modified Duration to Worst is calculated taking into account the call date for callable bonds and the scenario that would provide the worst yield to the holders of fixed income instruments. The Modified Duration to Worst for the fund is calculated as the weighted average MDTW of all underlying fixed income instruments.