

# Candriam Bonds Euro Convergence

Sicav under Luxembourg law with subfunds

Class: Classic

Share type: Cap. (EUR)

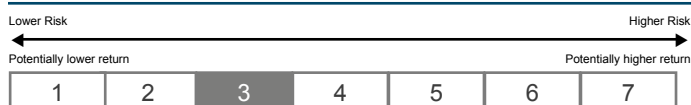
www.candriam.com

## INVESTMENT STRATEGY

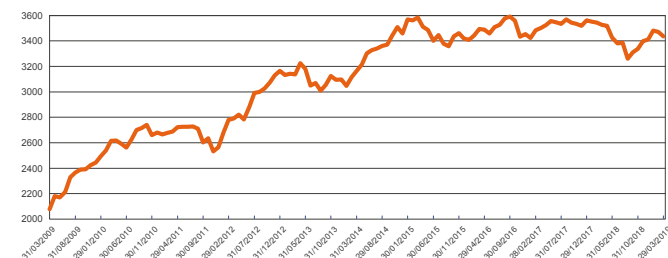
Candriam Bonds Euro Convergence, a sub-fund of the Candriam Bonds sicav, invests in bonds and related securities issued by governments, public and semi-public sector entities, and private companies of countries that are likely to meet the necessary criteria for European Union or Euro zone membership in the future. Selected bonds are denominated in local currencies (such as CZK, HUF, PLN, TRY,...) or in hard currencies (EUR, USD, GBP, JPY,...). USD, GBP and JPY foreign exchange risk is hedged mainly in EUR. The fund may use currency, volatility, interest rate or credit derivatives for efficient portfolio management purposes.

Investors must consult the Prospectus and the Key Investor Information Document (KIID) before subscribing to the fund. The Prospectus, the KIID, the latest annual report, the half-yearly report and other relative information concerning the fund are available in English or the local language for each country where the fund's marketing is approved, on the website www.candriam.com.

## RISK AND REWARD PROFILE



NAV EVOLUTION (Share: Cap) OVER 10 YEARS IN EUR



Source : Candriam. Past performances presented in this document are not a guarantee of future performances and are not constant over time. The below NAVs in are provided by the accounting department, net of fees and reinvested revenues. Their value or price converted into euros may be impacted negatively or positively by fluctuations in the exchange rate.

## ANNUALISED PERFORMANCES ON 29.03.2019 (%)

| Performances | 1 year | 3 years | 5 years | 10 years | Inception |
|--------------|--------|---------|---------|----------|-----------|
| Class EUR    | -2.52  | -0.56   | 1.66    | 5.16     | 4.65      |

Source : Candriam. Returns net of fees and reinvested revenues; after deduction of all fees and taxes, except entry or exit charges. Performances are based on historical data, which may not provide any guarantee whatsoever of future performances and do not take account of possible mergers of UCITS or parts of investment companies.

## CHARACTERISTICS, PRACTICAL INFORMATION

|   |   |
|---|---|
| Creation date   | 04.11.1996                                |
| Investment horizon  | No investment horizon                     |
| Commercialised in   | AT,BE,CH,DE,ES,FI,FR,IT,LU,NL,SE          |
| Share type(s)   | Cap, Dis                                  |
| Currency  | EUR                                       |
| NAV calculation   | Daily                                     |
| NAV can be consulted at the following address :   | http://permafiles.beama.be/NAV/pub_fr.pdf |
| Management company  | Candriam Luxembourg                       |
| Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, which may have a negative or positive impact on returns. |   |

|                                   | Capitalization  | Distribution |
|-----------------------------------|---|--------------|
| 1st NAV at                        | 04.11.1996  | 04.11.1996   |
| 1st NAV (EUR)                     | 1,239.47  | 1,239.47     |
| NAV per share on 29.03.2019 (EUR) | 3,436.97  | 1,493.65     |
| Total net assets (M EUR)          | 48.76   |              |
| Latest dividend distributed (EUR) |   | 30.00        |
| Date latest dividend distributed  |   | 02.05.2018   |
| ISIN Code                         | LU0157930743  | LU0157930669 |
| Subscription fees (max.) (%)      | 2.50  | 2.50         |
| Redemption fees (%)               | 0.00  | 0.00         |
| General fees (%) including        | 0.96  | 0.97         |
| Management fees (max. in %)       |   | 0.60         |
| Performance fees (%)              |   | 0.00         |
| Custodian fee :                   | Custodian fees may vary between financial service entities. Further information is available from the financial service entity. |              |

# Candriam Bonds Euro Convergence

Sicav under Luxembourg law with subfunds

Class: Classic

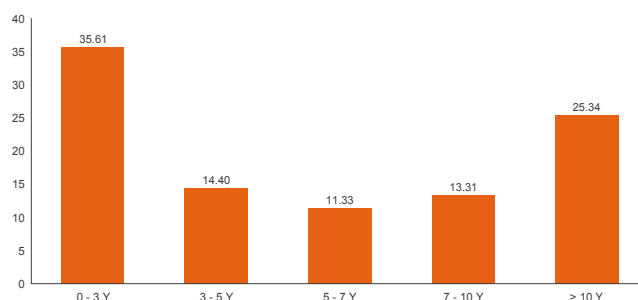
Share type: Cap. (EUR)

www.candriam.com

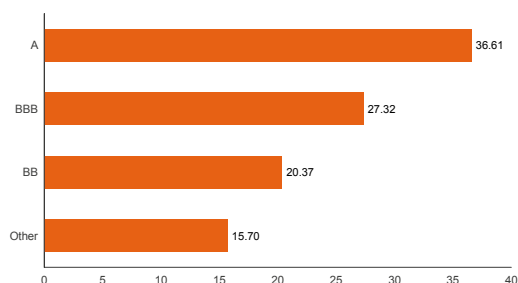
## MODIFIED DURATION EVOLUTION



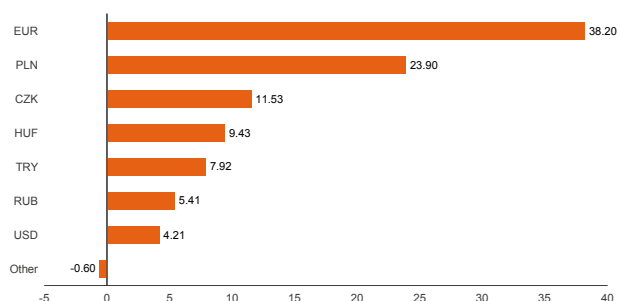
## MATURITY BREAKDOWN (%)



## RATING ALLOCATION\* (%)



## CURRENCY ALLOCATION (%)



\* The « 2nd Best » is calculated daily on instrument level, using ratings from 3 worldwide renowned rating agencies. NR indicates that none of the rating agencies issued a rating on the instrument.

## PRINCIPAL HOLDINGS (%)

| Title                     | Sector            | Weight |
|---------------------------|-------------------|--------|
| BULGARIAN 4.875% 02/08/21 | Utilities         | 5.67%  |
| RUSSIA 6.9% 23/05/29      | Sovereign         | 5.19%  |
| POLAND 2.5% 25/07/26      | Sovereign         | 4.35%  |
| CZECH 2.4% 17/09/25       | Sovereign         | 4.19%  |
| ROMANIA 3.875% 29/10/35   | Foreign sovereign | 3.91%  |
| POLAND 3.25% 25/07/25     | Sovereign         | 3.48%  |
| POLAND 2% 25/04/21        | Sovereign         | 3.32%  |
| TURKEY 9.5% 12/01/22      | Sovereign         | 3.24%  |
| ROMANIA 2.375% 19/04/27   | Foreign sovereign | 3.19%  |
| POLAND 4% 25/10/23        | Sovereign         | 3.14%  |

# Candriam Bonds Euro Convergence

Sicav under Luxembourg law with subfunds

Class: Classic

Share type: Cap. (EUR)

[www.candriam.com](http://www.candriam.com)

## SUBFUNDS RISK PROFILE

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.
- Currency risk, i.e., the variation in exchange rates between the various investment currencies and the fund's valuation currency.
- Liquidity risk: certain market events may prevent the fund from selling its positions at the valuation prices.
- Derivatives and related risks, such as their sophistication, higher volatility and possible use of leverage.
- Risk specific to euro-convergence markets : while the countries of the investment universe have begun a process of convergence towards euro -zone countries, they still present certain specific risks (economic, labour, tax, liquidity, operational, oversight, etc.).
- Investors may not receive back the full amount invested.

## FINANCIAL SERVICES

Belgium: Belfius Bank SA - Place Charles Rogier 11 - 1210 Brussels

Tel. 02 222 11 11 - [www.belfius.be](http://www.belfius.be)

Acc.n°. 052-9006469-91

IBAN: BE23 0529 0064 6991 - BIC: GKCCBEBB

RPR Brussels BTW BE 0403.201.185

FSMA n°. 019649 A

A full list with all entities in charge of financial service in different countries is available on : [www.candriam.com](http://www.candriam.com).

All legal documents are available free of charge from Belfius Bank at the above address.

## INFORMATION FOR BELGIUM

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

- Withholding tax :
  - for distribution shares: 30% dividend withholding tax.
  - for accumulation and distribution shares, capital gains are subject to a 30% withholding tax for funds which are more than 10% invested in bonds and other debt securities.
- Stamp duty (TOB): 1.32% (max. EUR 4,000) upon redemption of capitalisation shares, or in the event of the conversion of capitalisation shares into shares of the same sub-fund or another sub-fund.

For further information relating to withholding tax and stamp duty (TOB) please contact your financial advisor. Investors who are not subject to Belgian personal income tax must seek advice regarding the tax regime applicable to their own personal situation.

## COMPLAINTS SERVICE

Client complaints may be submitted to the Client Servicing department by post at:

58, avenue des Arts à 1000 Brussels

or via the website <http://contact.candriam.com>.

If the complaint is not dealt with satisfactorily through the above procedure, the client shall be entitled to contact the Ombudsman - 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 SUPPLIED BY THE DISTRIBUTOR

The distributor shall provide any further information permitting the investor to make an informed investment decision, notably regarding the benefits that the distributor pays or receives in the context of the transaction, and the suitability of the fund to the investor's risk profile.

## SWING PRICE

On valuation days, should, for any given sub-fund, the difference between the subscriptions amount and the redemptions amount (i.e. the net transactions) exceed a threshold set in advance by the Board of Directors, the latter shall be entitled to:

- evaluate the NAV by increasing the assets (in the case of net subscriptions) or by reducing them (in the case of net redemptions) by a flat-rate percentage of market-standard fees and taking into account the costs and/or liquidity during purchases or sales of securities;
- evaluate the securities portfolio on the basis of the bid/ask rates;
- evaluate the NAV by setting a spread level that is representative of the market in question .