

CARMIGNAC Global Bond

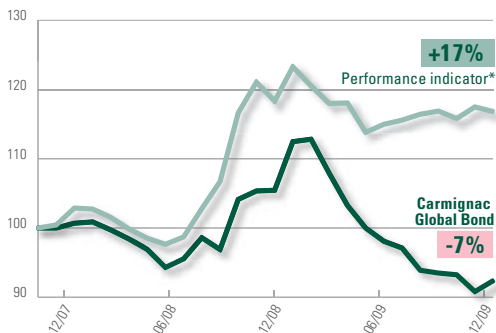
Carmignac Gestion's values applied to the fixed income and currency markets.



C. Zerah
Fund manager

Carmignac Global Bond is a fund principally invested in government bonds and currencies. Its objective is to generate an absolute performance through an active management over a 2 year investment horizon, whatever the market conditions. Risk management plays a key role in the investment philosophy of the Fund.

Performance since launch



Performance at 31/12/2009

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Carmignac Global Bond	-12.39%
Performance indicator*	-1.27%

Net assets at 31/12/2009

Carmignac Global Bond Net Assets:	70 M€
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Benefit from the opportunities offered by a wide investment universe

Supported by Carmignac Gestion's global experience, the Fund's investment universe goes beyond the developed markets covered by its reference benchmark but includes emerging markets government bonds and currencies. By its very nature, this active style requires its investment instruments to be liquid. In addition to bonds, the portfolio comprises simple derivatives such as interest rate swaps, currency futures and also inflation-linked bonds.

A multi-strategy approach for an absolute performance objective

In order to benefit from the many opportunities offered by the global fixed income and currency markets, the fund managers builds his portfolio using, on average, 15 to 20 strategies, that can be divided into two main groups:

- **Directional strategies:** taking purely directional positions in different countries, interest rate curves and currencies markets. Bonds and currency positions are considered to be two distinct performance vectors.
- **Arbitrage strategies:** simultaneous long and short positions are taken in order to create a strategy capable of exploiting differences between the curves of certain countries, anomalies within a certain rate interest rate curve or trend variations between different groups of currencies.

The modified duration of the fund may vary from -4 to +10, offering sufficient flexibility to achieve performance by adapting the portfolio construction according inflation forecasts, and the market's risk appetite.

Risk allocation: the cornerstone of the investment process

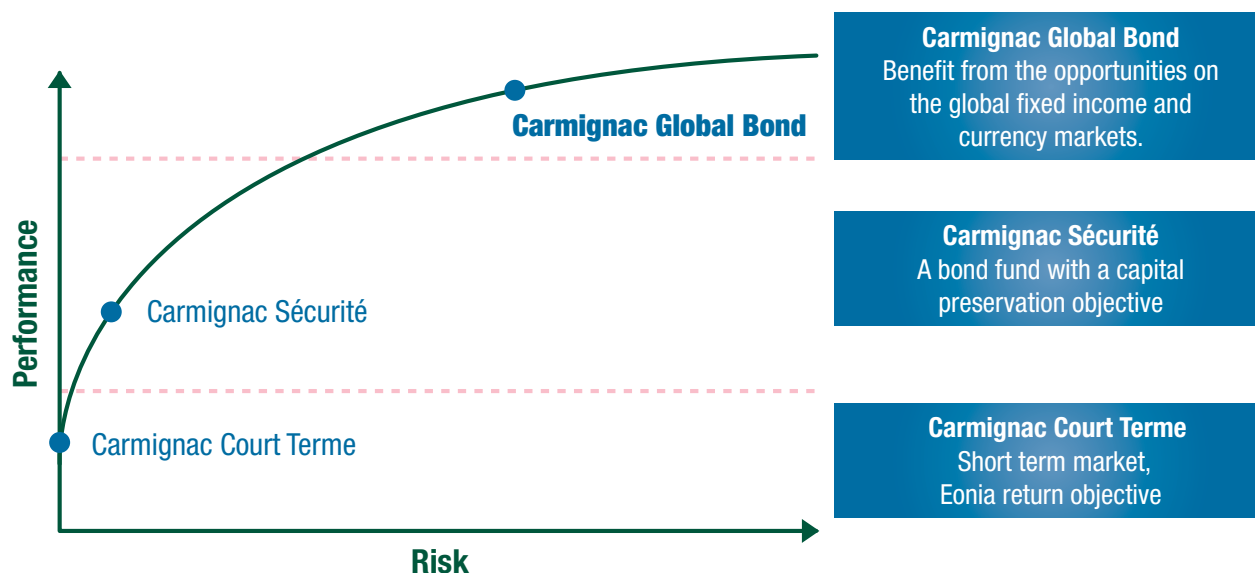
The first step in the investment process is to identify positive and negative trends through analysis of macroeconomic fundamental data. The fund manager then complements this analysis by examining characteristics and variations in the bond and currency markets in order to implement strategies which allows him to assess and control the risk within the portfolio.

Through a quantitative approach, he evaluates the volatility of each strategy before implementation. The correlation between each strategy is also a deciding factor. Assets are attributed to different strategies with a return objective and a pre-defined risk budget. In this way, the portfolio is globally controlled and adjusted in order to unite the best conditions to achieve the performance objective.

Long-standing experience on the fixed income markets

The management of Carmignac Global Bond is supported by Carmignac Gestion's 20 year experience on the global fixed income markets. This experience is demonstrated in the comprehensive range of money market, bond and balanced funds.

Carmignac Global Bond within our bond fund range



Fund characteristics

- Launch date: 14/12/2007
- Legal form: Sub-fund of a Luxembourg-domiciled SICAV
- Bloomberg Code: CARGLBD LX
- ISIN Code: LU0336083497
- Currency: EUR
- Distribution policy: Accumulation only
- Reference indicator: JP Morgan Global Government Bond (Eur)
- Fixed management fees: 1%
- Performance fees: 10% of the outperformance of the Fund compared to its reference indicator in case of performance positive
- Maximum subscription fee: 4%
- Modified duration: -4 à +10
- Minimum recommended investment horizon: 2 years
- The fund has no capital guarantee