



CARMIGNAC

# Cash Plus

Management report at 31 March 2012



C. Galvis

Net assets	€561,838,369.46	Value of the A share	€10,704.39
		Value of the GBP share	£5,042.32

**Carmignac Cash Plus** gained 1.60% over the first quarter of this year, while its performance indicator was up 0.10%. Leading central banks' monetary easing coincided with a rise in risky asset prices and fall in volatility on all markets. Equity markets made a spectacular start to the year, climbing 10% to 12% over the quarter, their sharpest increase in 10 years. Other risky assets, in particular commodities and emerging markets, generated lower returns, as their beta depends more on global growth prospects. The credit market benefited from an abundance of liquidity and investor fresh confidence in the banking sector following the ECB's long-term refinancing operations (LTRO). The dollar, on the other hand, turned in a disappointing performance, probably due to the Fed's prudent tone despite an improvement in the US property market and employment figures. Over the coming months, macroeconomic data and liquidity will have a decisive impact on market sentiment. Against a backdrop of high macroeconomic uncertainty, financial markets will probably continue their decorrelation with changes in the real economy with liquidity weighing on risk premiums. This scenario has led to us building a portfolio that takes into account the risks associated with liquidity and economic uncertainty, highlighted by our continued exposure to credit and prudently positioning in currencies. We have thus retained our long position on the dollar and short positions on currencies of commodity producing countries.

All performance drivers boosted gross performance, which came to 2.27% over the quarter. These results are consistent with our distribution of risk across various strategies.

Our **modified duration strategies** added just five basis points to performance, reflecting our neutral stance on changes in yields over the quarter. Fixed income markets experienced two conflicting trends with an abundance of liquidity counterbalancing low valuations. For the months ahead, we plan on adopting a tactical approach while keeping modified duration significant, especially on the short end of the European curve, to reflect our pessimism about the eurozone economy and balance risks attached to our credit exposure.

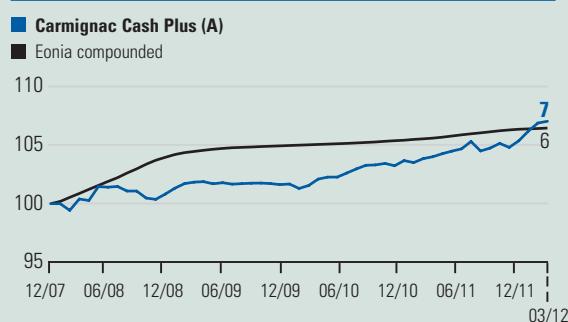
Our **foreign exchange strategies** suffered from our defensive exposure to the dollar. However, this negative contribution was largely offset by gains made on our long Mexican peso and short yen and Swiss franc strategies. Overall, our currency strategies paid off, contributing 17 basis points to gross performance over the quarter. In the coming months, we will be maintaining our

dollar positioning. We think the greenback will benefit from a situation in which a brighter environment would justify a less accommodative stance from the Fed. We have also retained our short positions on currencies of commodity producing countries, due to uncertainty around slowing Chinese growth.

The biggest contributors to quarterly performance, our **corporate bond strategies** benefited from the excellent fundamentals of securities held in the portfolio and from the abundance of liquidity. The credit component contributed 179 basis points, in line with our distribution of risk on this part of the portfolio. Following the ECB's two LTRO, the securing of bank financing for the next three years had a clear positive effect on all asset classes, helped by a decrease in systemic risk. Low interest rates and attractive credit premiums seem to have whetted institutional investors' appetite for corporate bonds. They are all the more likely to increase the current yield on the bond portfolios immediately as corporate bond issuance is expected to fall over the rest of the year. In the coming months, we think credit markets will continue to benefit from low volatility on short-term yields and from leading central banks' accommodative monetary policies.

As regards **equities**, our tactical strategies on the US and Japanese markets paid off. We took advantage of lower implied volatility on equity markets to increase our allocation to this component a little. Our equity strategies contributed eight basis points to the Fund's gross performance over the quarter.

## Performance of the Fund since launch



Please note that past performance is not a guide to future performance and that it may fluctuate over time.

Accumulated performance (%)	Since 30/12/2011	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Cash Plus</b>	1.60	1.60	2.19	2.91	5.07	—	—	7.04
Eonia Compounded	0.10	0.10	0.30	0.81	1.81	—	—	6.44
Category average*	1.32	1.32	1.67	1.59	5.32	—	—	6.28
Ranking (quartile)	1	1	1	1	2	—	—	3

\* EUR Ultra Short-Term Bond

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Quarterly gross performance contribution (%)				Statistics (%)	
Portfolio	Equity & Bond Derivatives	Currency Derivatives	Total	1 year	3 years
1.79	0.09	0.39	2.27	Fund volatility 1.57	1.09
				Benchmark volatility 0.08	0.08
				Sharp ratio 1.35	0.99
				Beta -9.23	-1.43
				Alpha 0.90	0.21

#### Portfolio Carmignac Cash Plus at 31/03/2012

	Price in currencies	Total value (€)	% of net assets
<b>CASH, CASH EQUIVALENTS AND DERIVATIVES OPERATIONS</b>		<b>364 084 890.26</b>	<b>64.80</b>
CASH (INCLUDING COLLATERAL CASH FROM DERIVATIVE POSITIONS)		8 130 381.16	1.45
5 000 000 BFCM 21/06/2012	Certificat of deposit in Euros	4 993 036.46	0.89
7 000 000 BNP 02/04/2012	Certificat of deposit in Euros	6 999 883.34	1.25
4 000 000 BNP 29/06/2012	Certificat of deposit in Euros	3 993 488.95	0.71
8 000 000 HSBC 02/04/2012	Certificat of deposit in Euros	7 999 866.66	1.42
2 000 000 ING BANK 20/06/2012	Certificat of deposit in Euros	1 996 499.12	0.36
5 000 000 ING BANK 22/06/2012	Certificat of deposit in Euros	4 991 150.52	0.89
3 000 000 LLOYDS BANK PLC 19/06/2012	Certificat of deposit in Euros	2 995 148.93	0.53
3 000 000 NATIXIS 02/07/2012	Certificat of deposit in Euros	2 993 980.44	0.53
5 000 000 NATIXIS 19/06/2012	Certificat of deposit in Euros	4 992 139.06	0.89
5 000 000 NATIXIS 21/06/2012	Certificat of deposit in Euros	4 992 289.59	0.89
15 000 000 RBS 21/06/2012	Certificat of deposit in Euros	14 975 490.28	2.67
15 000 000 SANTANDER CP 22/06/2012	Certificat of deposit in Euros	14 965 785.69	2.66
3 000 000 SOCIETE GENERALE 02/07/2012	Certificat of deposit in Euros	2 993 746.38	0.53
5 000 000 SOCIETE GENERALE 21/06/2012	Certificat of deposit in Euros	4 992 576.82	0.89
5 000 000 SOCIETE GENERALE 19/06/2012	Certificat of deposit in Euros	4 992 475.38	0.89
10 000 000 ALLIANZ AG 08/06/2012	Commercial paper in Euros	9 984 476.21	1.78
10 000 000 ANHEUSER BUSCH 16/04/2012	Commercial paper in Euros	9 993 951.59	1.78
5 000 000 ANHEUSER BUSCH 19/06/2012	Commercial paper in Euros	4 991 668.30	0.89
3 000 000 BANQUE PSA 21/06/2012	Commercial paper in Euros	2 994 340.19	0.53
5 000 000 BANQUE PSA 25/06/2012	Commercial paper in Euros	4 990 112.84	0.89
12 000 000 BANQUE PSA 15/06/2012	Commercial paper in Euros	11 978 230.56	2.13
4 000 000 BANQUE PSA 29/06/2012	Commercial paper in Euros	3 992 330.28	0.71
10 000 000 BMW 18/06/2012	Commercial paper in Euros	9 969 764.97	1.77
10 000 000 BNP 07/09/2012	Commercial paper in Euros	9 984 316.20	1.78
8 000 000 BNP 13/06/2012	Commercial paper in Euros	7 988 021.52	1.42
10 022 000 CARREFOUR 15/06/2012	Commercial paper in Euros	10 003 818.94	1.78
14 000 000 CARREFOUR 20/06/2012	Commercial paper in Euros	13 974 310.47	2.49
3 500 000 CFCM ANJOU 14/05/2012	Commercial paper in Euros	3 495 940.79	0.62
10 000 000 COFIDIS 11/06/2012	Commercial paper in Euros	9 984 619.41	1.78
10 000 000 CRCAM PYRENEES GASC 09/05/2012	Commercial paper in Euros	9 989 137.73	1.78
8 000 000 CRCAM PYRENEES GASC 13/06/2012	Commercial paper in Euros	7 987 689.94	1.42
5 000 000 ENEL FINANCE 08/06/2012	Commercial paper in Euros	4 983 390.57	0.89
10 000 000 ENEL FINANCE 09/05/2012	Commercial paper in Euros	9 986 927.45	1.78
4 000 000 ENEL FINANCE 25/06/2012	Commercial paper in Euros	3 992 281.76	0.71
5 000 000 ENEL FINANCE 31/05/2012	Commercial paper in Euros	4 990 811.24	0.89
10 000 000 ING BANK 01/06/2012	Commercial paper in Euros	9 984 286.14	1.78
3 000 000 ING BANK 05/06/2012	Commercial paper in Euros	2 994 930.95	0.53
12 000 000 LLOYDS BANK PLC 15/06/2012	Commercial paper in Euros	11 980 275.47	2.13
10 000 000 NATIXIS 18/06/2012	Commercial paper in Euros	9 984 030.03	1.78
17 000 000 RCI 15/06/2012	Commercial paper in Euros	16 967 350.08	3.02
3 000 000 RCI 21/06/2012	Commercial paper in Euros	2 994 409.07	0.53
4 000 000 RCI 29/06/2012	Commercial paper in Euros	3 991 826.72	0.71
10 000 000 REPSOL INTL 07/05/2012	Commercial paper in Euros	9 989 155.09	1.78
10 000 000 REPSOL INTL 22/06/2012	Commercial paper in Euros	9 981 603.80	1.78
4 000 000 REPSOL INTL 29/06/2012	Commercial paper in Euros	3 992 088.56	0.71
10 000 000 SOCIETE GENERALE 12/06/2012	Commercial paper in Euros	9 985 636.80	1.78
7 000 000 VIVENDI 09/05/2012	Commercial paper in Euros	6 996 036.76	1.25
10 000 000 VIVENDI 13/06/2012	Commercial paper in Euros	9 989 181.05	1.78

<b>Portefeuille Carmignac Cash Plus at 31/03/2012 (continued)</b>				<b>Price in currencies</b>	<b>Total value (€)</b>	<b>% of net assets</b>
<b>FIXED INCOME INVESTMENTS</b>					<b>197 753 479.20</b>	<b>35.20</b>
<b>Emerging markets fixed rate Government bonds</b>					<b>14 898 629.85</b>	<b>2.65</b>
80 000 000	MEXIQUE 7.25% 15/12/2016 (Mexico)	Mexican peso	108.21	5 167 942.09	0.92	
31 000 000	MEXIQUE 7.50% 21/06/2012 (Mexico)	Mexican peso	100.66	1 866 523.54	0.33	
10 000 000	POLOGNE 0.00% 25/01/2013 (Poland)	Zloty	96.45	2 322 322.01	0.41	
8 850 000	POLOGNE 0.00% 25/07/2012 (Poland)	Zloty	98.66	2 102 175.98	0.37	
5 000 000	POLOGNE 5.25% 25/04/2013 (Poland)	Zloty	100.78	1 271 940.98	0.23	
2 000 000	ROUMANIE 8.50% 08/05/2012 (Romania)	Euro	100.79	2 167 725.25	0.39	
<b>Developed countries fixed rate corporate bonds</b>					<b>123 026 045.05</b>	<b>21.90</b>
5 000 000	AIR FRANCE 4.75% 22/01/2014	Industrials	100.92	5 090 325.68	0.91	
5 000 000	AMERICAN IN 3.00% 20/03/2015	Financials	100.95	3 792 715.76	0.68	
6 000 000	ANADARKO 7.625% 15/03/2014	Energy	111.51	5 038 348.88	0.90	
2 500 000	APRR 7.50% 12/01/2015	Industrials	113.78	2 884 384.02	0.51	
1 000 000	BACARDI 7.75% 09/04/2014	Consumer Staples	111.58	1 191 162.51	0.21	
7 500 000	BANK AMERICA 6.75% 21/05/2013	Financials	104.55	8 275 348.77	1.47	
2 000 000	BARCLAYS 4.875% 31/03/2013	Financials	102.43	2 145 833.61	0.38	
2 872 000	BK SCOTLAND 5.50% 29/10/2012	Financials	101.37	2 977 407.58	0.53	
2 500 000	CITIGROUP 2.65% 02/03/2015	Financials	100.18	1 885 892.51	0.34	
13 000 000	CITIGROUP 7.375% 16/06/2014	Financials	110.09	15 066 386.23	2.68	
1 000 000	CONTINENTAL 8.50% 15/07/2015	Consumer Discretionary	110.13	1 119 028.33	0.20	
6 000 000	CREDIT SUI. 6.375% 07/06/2013	Financials	104.77	6 596 289.34	1.17	
2 000 000	CRH FIN 7.375% 28/05/2014	Materials	111.51	2 353 842.68	0.42	
1 000 000	FCE BANK 7.125% 15/01/2013	Consumer Discretionary	103.80	1 052 560.41	0.19	
5 000 000	FGA CAPITAL 4.00% 28/03/2013	Industrials	100.98	5 051 079.45	0.90	
4 000 000	FIAT 9.00% 30/07/2012	Consumer Discretionary	102.04	4 321 680.00	0.77	
3 600 000	FMG RES 6.00% 01/04/2015	Materials	99.30	2 689 236.31	0.48	
5 000 000	FONCIERE LY. 4.625% 25/05/2016	Financials	102.49	5 320 567.49	0.95	
2 500 000	FRENET 7.125% 20/04/2016	Telecommunication Services	108.29	2 875 666.39	0.51	
5 000 000	LLOYDS 5.875% 08/07/2014	Financials	102.13	5 319 840.44	0.95	
7 000 000	MERRILL 4.875% 30/05/2014	Financials	103.87	7 555 275.00	1.34	
4 000 000	PIRELLI 5.125% 22/02/2016	Consumer Discretionary	103.20	4 148 804.04	0.74	
2 500 000	PPR 8.625% 03/04/2014	Consumer Discretionary	113.35	3 046 893.44	0.54	
4 000 000	RBS 6.00% 10/05/2013	Financials	102.43	4 310 194.75	0.77	
6 000 000	SEADRILL 6.50% 05/10/2015	Energy	100.75	4 681 327.09	0.83	
3 500 000	SFR 3.375% 18/07/2012	Telecommunication Services	100.66	3 605 547.95	0.64	
2 000 000	SWISS RE 6.00% 18/05/2012	Financials	100.62	2 116 294.43	0.38	
1 242 000	VIRGIN MEDIA 9.50% 15/08/2013	Consumer Discretionary	113.40	1 068 654.40	0.19	
500 000	WELLS FARGO 6.00% 23/05/2013	Financials	105.43	552 733.77	0.10	
2 500 000	WPP GROUP 6.625% 12/05/2016	Consumer Discretionary	116.52	3 059 116.33	0.54	
3 664 000	XSTRATA 4.875% 14/06/2012	Materials	100.75	3 833 607.46	0.68	
<b>Developed countries floating rate corporate bonds</b>					<b>5 052 993.01</b>	<b>0.90</b>
5 000 000	GALP ENERGIA TV 20/05/2013	Energy	98.96	5 052 993.01	0.90	
<b>Emerging markets fixed rate corporate bonds</b>					<b>54 775 811.29</b>	<b>9.75</b>
4 000 000	BANK OF INDIA 4.50% 23/10/2014 (India)	Financials	103.28	3 161 027.26	0.56	
3 000 000	CESKE DRAHY 4.5% 24/06/2016 (Czech Republic)	Industrials	102.84	3 188 478.69	0.57	
4 000 000	EXP-JMP BK 4.125% 09/09/2015 (South Korea)	Financials	105.34	3 171 243.52	0.56	
4 000 000	GAZPROM 4.56% 09/12/2012 (Russia)	Energy	102.03	4 136 816.39	0.74	
3 000 000	GAZPROM 5.875% 01/06/2015 (Russia)	Energy	107.59	3 373 671.89	0.60	
6 000 000	GAZPROM 8.125% 31/07/2014 (Russia)	Energy	110.88	5 056 732.00	0.90	
4 000 000	K. NAT. OIL 5.375% 30/07/2014 (South Korea)	Energy	106.72	3 232 404.69	0.58	
4 000 000	KAZMUNAIGAZ 8.375% 02/07/2013 (Kazakhstan)	Energy	106.71	3 266 778.47	0.58	
4 000 000	KOROIL 2.875% 09/11/2015 (South Korea)	Energy	100.92	3 065 106.01	0.55	
2 500 000	MUBADALA 3.75% 20/04/2016 (United Arab Emirates)	Financials	102.98	1 964 475.23	0.35	
6 000 000	PEMEX 6.25% 05/08/2013 (Mexico)	Energy	106.31	6 622 392.46	1.18	
5 000 000	PETROBRAS 2.875% 06/02/2015 (Brazil)	Energy	102.64	3 885 991.59	0.69	
5 000 000	SBERBANK 4.95% 07/02/2017 (Germany)	Financials	101.68	3 845 000.75	0.68	
4 000 000	SBERBANK 5.499% 07/07/2015 (Russia)	Financials	105.84	3 217 055.64	0.57	
5 000 000	VEDANTA RES. 6.75% 07/06/2016 (India)	Materials	93.46	3 588 636.70	0.64	
<b>PORTFOLIO VALUE</b>					<b>197 753 479.20</b>	<b>35.20</b>
<b>NET ASSETS</b>					<b>561 838 369.46</b>	<b>100.00</b>