

# MANAGEMENT REPORT

SICAV CARMIGNAC PORTFOLIO

FOURTH QUARTER 2017



# **MANAGEMENT REPORT**

**SICAV CARMIGNAC PORTFOLIO**

**FOURTH QUARTER 2017**

# OVERVIEW

6

Carmignac

10

The SICAV Carmignac Portfolio

12

Macroeconomic analysis and investment strategy

## EQUITY MANAGEMENT

16

Carmignac Portfolio Investissement

19

Carmignac Portfolio Grande Europe

22

Carmignac Portfolio Euro-Entrepreneurs

25

Carmignac Portfolio Emergents

28

Carmignac Portfolio Emerging Discovery

31

Carmignac Portfolio Commodities

## MIXED MANAGEMENT

35

Carmignac Portfolio Patrimoine

43

Carmignac Portfolio Emerging Patrimoine

47

Carmignac Portfolio Euro-Patrimoine

51

Carmignac Portfolio Investissement Latitude

## FIXED INCOME MANAGEMENT

54

Carmignac Portfolio Unconstrained Global Bond

57

Carmignac Portfolio Sécurité

66

Carmignac Portfolio Capital Plus

## CARMIGNAC GESTION LUXEMBOURG

Subsidiary of Carmignac Gestion  
UCITS management company  
CSSF agreement of 10/06/2013

CHAIRMAN: Eric Helderlé

MANAGEMENT BOARD: Yon Elosegui, Davide Fregonese, Cyril de Girardier, Mischa Cornet and Jean-Yves Lassaut

### COMPLIANCE:

– CARMIGNAC GESTION LUXEMBOURG: Ernst & Young Luxembourg  
– LUXEMBOURG-DOMICILED FUNDS: PricewaterhouseCoopers

# THE LETTER



Paris, 8 January 2018

Dear Investor,

When you're an investment manager, being right isn't enough. You also have to be right at the right time – neither too soon nor, above all, too late.

2017 was an unusually challenging period for our global funds. As we anticipated at the start of the year, equity markets did rather well, despite the fear caused by the unpredictable Donald Trump and the French elections. Our US tech, European and even emerging-market stocks chalked up substantial gains. On the downside, our oil holdings proved disappointing, especially at a time of steady oil prices. Dazzled by the prospects of a green economy, investors have apparently convinced themselves that demand for fossil fuels is on the wane. And while we did foresee a weaker dollar in early 2017, we were caught off-guard by how sharply the euro appreciated against the US currency – by 15% in eight months. From September onwards, expectations for fiscal stimulus in the United States, combined with the ECB's hugely accommodating monetary policy stance, steadied the greenback and held interest rates at levels that are hardly sustainable.

2018 is taking shape under bluer skies. In the United States, the first signs of a slowdown that we saw in recent months can be expected to loom larger, dousing the hopes for economic stimulus that had been kindled by the Trump administration's mild tax reform programme. In Europe, meanwhile, the prevailing negative interest rate policy will prove increasingly at loggerheads with a GDP growth rate of nearly 2% and what looks like an end to falling inflation. This suggests that the euro will gain further ground against the dollar and that the Federal Reserve will be less inclined to go on hiking key rates as planned. Under those conditions, European assets may soon be facing trouble on two fronts. Bonds will be hurt by gradually rising interest rates, and stocks by further appreciation of the single currency. On the brighter side, reduced upward pressure on US bond yields will be welcome news for US equities with good earnings visibility – including tech stocks – and emerging-market assets as a whole. Oil stocks, meanwhile, stand to benefit from the extension of OPEC's output-cut agreement and from a weaker dollar, which works to the advantage of raw materials in general – with gold topping the list.

Confident that this is a promising outlook, however much it runs counter to the consensus, I wish you a happy and peaceful new year.

Edouard Carmignac



## CARMIGNAC

### Close to 30 years of independence and conviction

Founded in January 1989 by Edouard Carmignac, Carmignac is now one of Europe's leading asset managers. Its capital is held entirely by its managers and staff. In this way, the company's long-term viability is ensured through a stable shareholding structure, reflecting its spirit of independence. This fundamental value ensures the freedom required for successful and renowned portfolio management.

Carmignac offers a limited range of global, specialised and mixed funds in an effort to meet the needs of its investors in the best way possible. As part of our international expansion, we are currently present in Luxembourg, Frankfurt, Milan, Zurich, Miami, Madrid and London.

Our Funds are actively marketed in 14 countries: France, Luxembourg, Belgium, Netherlands, Spain, Italy, Switzerland, Germany, Austria, United Kingdom, Ireland, Sweden, Taiwan and Singapore, for professional clients only.

### Risk Managers

The ability to manage risks has always been part of Carmignac's management style. In constantly changing market conditions, and to meet our clients' needs in the best possible way, we are continually improving our risk analysis, monitoring and management processes. This allows each member of the management team and each Carmignac employee to use the most effective resources every day. This risk management culture is inherent to our approach and is therefore applied to all of our funds, while respecting the specific risk profiles of each one.

EUR 56 billion  
of assets under management

EUR 2.2 billion  
of equity capital

282 employees

Source: Carmignac, 29/12/2017

# CONVICTION-BASED MANAGEMENT

## An international development strategy

### Strategic Development Committee



**Eric Helderlé**  
Managing Director  
France  
Chairman Luxembourg



**Christophe Peronin**  
Chief Operating Officer  
Deputy Managing  
Director France



**Davide Fregonese**  
Global Head of Sales  
Managing Director  
Luxembourg



**Yon Elosegui**  
Head of Strategic  
Marketing  
Managing Director  
Luxembourg



**Maxime Carmignac**  
Managing Director  
London



**Pascale Guillier**  
General Secretary



**Didier Saint-Georges**  
Managing Director  
Member of the  
Investment Committee



**Frédéric Leroux**  
Global Manager  
Head of Cross  
Asset Team



**Rose Ouahba**  
Head of Fixed  
Income Team



**David Older**  
Head of Equities



**Sophie Derobert**  
Head of  
Human Resources



**Ivan Monème**  
Head of  
Communication



**Cyril de Girardier**  
Chief Financial  
Officer

### Controlled expertise

- **Active management** seeking to anticipate rather than experience market trends.
- **Careful risk management**, reflected in a diversification of assets and fine-tuning of exposures.
- **An opportunistic management strategy**, reflecting our managers' convictions rather than market indices.
- **In-depth local knowledge**, which lies at the heart of our strategy. It is based on extensive knowledge of local conditions and steady relations with the directors of the companies in which we invest.
- **A completely international approach**, mirroring our fund management team of international experts, so that investment opportunities can be seized on marketplaces all over the world.
- **Transparency** at a management and portfolio level. This ensures that our investment strategies are completely clear, gaining our customers' trust.

### International development



**Ariane Tardieu**  
Head of Country,  
France



**Mischa Cornet**  
Head of Country,  
Netherlands and  
Luxembourg



**Giorgio Ventura**  
Head of Country,  
Italy



**Herwig Bogaerts**  
Head of Country,  
Belgium



**Marco Fiorini**  
Head of Country,  
Switzerland



**Frank Ruettenauer**  
Head of Retail  
Business Development  
Germany and Austria



**Ignacio Lana**  
Head of Country,  
Spain



**Mikael Fellbom**  
Head of Country,  
Nordic Countries



**David Tavares**  
Head of US  
Offshore & LATAM



**Nikolay Troptchev**  
Director, Business  
Development Asia



## A TEAM OF EXPERTS

Discussion, sharing and teamwork are essential pillars of quality fund management focused on generating performance.

Carmignac has created an international management team uniting more than 10 different nationalities. Each member brings considerable experience acquired all over the world. Mutual development stems from the daily sharing of knowledge and skills. The level of experience and synergies within the team are strengths that allow us to successfully handle any market conditions.

Conviction as a  
performance driver

# INTERNATIONAL FUND MANAGEMENT

Expertise in all asset classes

EDOUARD CARMIGNAC, CIO

## EQUITIES

– **David Older, Team Leader, 19 years' experience**

Technology, Media & Telecommunications

Huseyin Yasar, Fund Manager, 9 years' experience

Henrik Fridlund, Analyst, 5 years' experience

Pau Guzman Alcon, Analyst, 3 years' experience

European Equities

– **Mark Denham, Team Leader, 23 years' experience**

Malte Heining, Fund Manager, 11 years' experience

Vincent Steenman, Fund Manager, 13 years' experience

Juhana Kaikkonen, Analyst, 4 years' experience

Emerging Equities

– **Xavier Hovasse, Team Leader, 18 years' experience**

David Young Park, Fund Manager, 13 years' experience

Haiyan Li-Labbé, Analyst, 16 years' experience

Michel Wiskirski, Analyst, 9 years' experience

Commodities

– **Michael Hulme, Team Leader, 20 years' experience**

Simon Lovat, Analyst, 17 years' experience

Sector Analysts

Antoine Colonna, Global Consumer, 25 years' experience

Nan Ou, Global Consumer, 4 years' experience

Matthew Williams, Finance, 23 years' experience

Vincent Steenman, Industry, 13 years' experience

## FIXED INCOME

– **Rose Ouahba, Team Leader, 22 years' experience**

Charles Zerah, Fund Manager, 22 years' experience

Carlos Galvis, Fund Manager, 19 years' experience

Keith Ney, Fund Manager, 18 years' experience

Julien Chéron, Fund Manager, 17 years' experience

Nader Awada, Multi-Strategy Analyst, 11 years' experience

Joseph Mouawad, Emerging Markets Analyst, 12 years' experience

Mattia Parolari, Quantitative Analyst, 11 years' experience

James Blanning, Quantitative Analyst, 4 years' experience

Pierre Verlé, Head of Credit, 13 years' experience

Alexandre Deneuve, Credit Analyst, 10 years' experience

Florian Viros, Credit Analyst, 10 years' experience

## CROSS ASSET

– **Frédéric Leroux, Team Leader, 28 years' experience**

Laurent Chebanier, Country Risk Analyst, 19 years' experience

Obe Ejikeme, Quantitative Equity Analyst, 14 years' experience

Ozgur Kalenci, Junior Portfolio Manager, 9 years' experience

## INVESTMENT SOLUTIONS

– **Benoît Nansot, Team Leader, 17 years' experience**

Pierre-Edouard Bonenfant, Fund Manager, 6 years' experience

Yassine Basraoui, Fund Manager, 10 years' experience

Mathieu Decrop, Fund Manager, 7 years' experience

Nicolas Pierre, Quantitative Analyst, 5 years' experience

François Escoffier, Fund Manager, 20 years' experience

Cyrille Corso, Fund Manager, 17 years' experience

François Poydenot de Pontonx, Investment Solutions Manager, 17 years' experience

## PORTFOLIO ADVISORS

– **Didier Saint-Georges, Team Leader, 30 years' experience**

Sandra Crowl, 26 years' experience

Jean Médecin, 23 years' experience

Gergely Majoros, 15 years' experience

# THE SICAV CARMIGNAC PORTFOLIO

## EQUITY MANAGEMENT

Our equity fund management is based on a long-term investment approach. Macroeconomic analysis identifies current and future global economic growth drivers to help us decide on investment themes. The constant search for the best growth opportunities involves a selection of securities with strong development potential.

	Net Assets as of 29/12/2017	Fund manager(s)	Risk scale <sup>(1)</sup>	Recommended minimum investment horizon	Legal structure	Investment universe	Reference indicator <sup>(2)</sup>
<b>Carmignac Portfolio Investissement</b>	493 004 345.51 €	Edouard Carmignac	5	5 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	International equities	MSCI AC World NR (Eur)
<b>Carmignac Portfolio Grande Europe</b>	286 592 154.76 €	Mark Denham and Vincent Steenman	5	5 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	EU members/candidates equities and additionally, Russian and Turkish equities	Stoxx 600 NR (Eur)
<b>Carmignac Portfolio Euro-Entrepreneurs</b>	72 818 292.42 €	Mark Denham and Malte Heiniger	5	5 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	EU small and mid-cap equities	Stoxx 200 Small NR (Eur)
<b>Carmignac Portfolio Emergents</b>	228 638 830.35 €	Xavier Hovasse and David Young Park	5	5 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	Emerging markets equities	MSCI Emerging Markets NR (Eur)
<b>Carmignac Portfolio Emerging Discovery</b>	365 833 983.94 €	Xavier Hovasse and David Young Park	5	5 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	Emerging markets small and mid capitalisations	50% MSCI EM SmallCap NR (Eur) + 50% MSCI EM MidCap NR (Eur) <sup>(3)</sup>
<b>Carmignac Portfolio Commodities</b>	753 779 437.29 €	Michael Hulme	6	5 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	International equities – Commodities	Carmignac Portfolio Commodities Index <sup>(3)(4)</sup>

## MIXED MANAGEMENT

The management of our mixed funds combines our international equity and bond expertise. A perfect illustration of how effective flexible management can be, the three Patrimoine funds integrate long-term themes with the search for limited volatility.

	Net Assets as of 29/12/2017	Fund manager(s)	Risk scale <sup>(1)</sup>	Recommended minimum investment horizon	Legal structure	Investment universe	Reference indicator <sup>(2)</sup>
Carmignac Portfolio Patrimoine	2 279 836 932.73 €	Edouard Carmignac and Rose Ouahba	4	3 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	International equities and bonds	50% MSCI ACW NR (Eur) + 50% Citigroup WGBI (Eur) <sup>(3)</sup>
Carmignac Portfolio Emerging Patrimoine	845 977 759.32 €	Xavier Hovasse and Charles Zerah	5	5 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	Emerging bonds and equities	50% MSCI EM NR (Eur) + 50% JP Morgan GBI EM (Eur) <sup>(3)</sup>
Carmignac Portfolio Euro-Patrimoine	210 866 302.63 €	Malte Heiningner	4	3 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	EU equities and bonds denominated in Euro	50% Euro Stoxx 50 NR (Eur) + 50% Eonia compounded <sup>(3)</sup>
Carmignac Portfolio Investissement Latitude	27 360 174.86 €	Frédéric Leroux	5	5 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	International equities	MSCI AC World NR (Eur)

## FIXED INCOME MANAGEMENT

Over the years, Carmignac has developed its own particular expertise in fixed income management, which fits in perfectly with its investment philosophy: a conviction-based investment approach supported by unconstrained decision making.

	Net Assets as of 29/12/2017	Fund manager(s)	Risk scale <sup>(1)</sup>	Recommended minimum investment horizon	Legal structure	Investment universe	Reference indicator <sup>(2)</sup>
Carmignac Portfolio Unconstrained Global Bond	1 050 147 438.48 €	Charles Zerah	4	2 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	International bonds	JP Morgan GBI Global (EUR) (Accrued interest)
Carmignac Portfolio Sécurité	2 660 241 014.30 €	Keith Ney	2	2 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	Bonds denominated in Euro	Euro MTS 1-3 Y (Accrued interest)
Carmignac Portfolio Capital Plus	1 823 584 921.77 €	Carlos Galvis and Julien Chéron	2	2 Years	Sub-fund of Carmignac Portfolio, a Luxembourg SICAV	Multi-strategy and multi-asset portfolio	Eonia compounded

(1) Risk scale from 1 (lowest risk) to 7 (highest risk), category 1 does not mean the investment is risk free. The risk category of this fund is not guaranteed and may change over time. (2) From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. (3) Rebalanced quarterly. (4) Index composed of 45% MSCI ACWI Oil and Gas NR (Eur), 5% MSCI ACWI Energy Equipment NR (Eur), 40% MSCI ACWI Metal and Mining NR (Eur), 5% MSCI ACWI Paper and Forest NR (Eur) and 5% MSCI ACWI Chemicals NR (Eur). The composition of the reference index changed on 01/07/2013: the MSCI ACWI Chemicals NR index replaces the MSCI AC World Food Products and performances are presented using the chaining method.



# MACROECONOMIC ANALYSIS AND INVESTMENT STRATEGY

With the eurozone economy catching up, emerging markets still going strong, further abundant liquidity in the system and the recently passed US tax reform, stock markets have shot up to record highs. But will the current fairy-tale economy really be a never-ending story? Not only do we not believe the US economy will expand by as much as forecast, but we also think that the reversal we see coming, combined with a controlled slowdown in China, will lead to lower-than-expected-global growth accompanied by a mild uptick in inflation. And even if the reversal is limited in scope and the increase in inflation short-lived, they can be expected to occur concurrently in the next quarter – and therefore generate volatility.

## Economic analysis

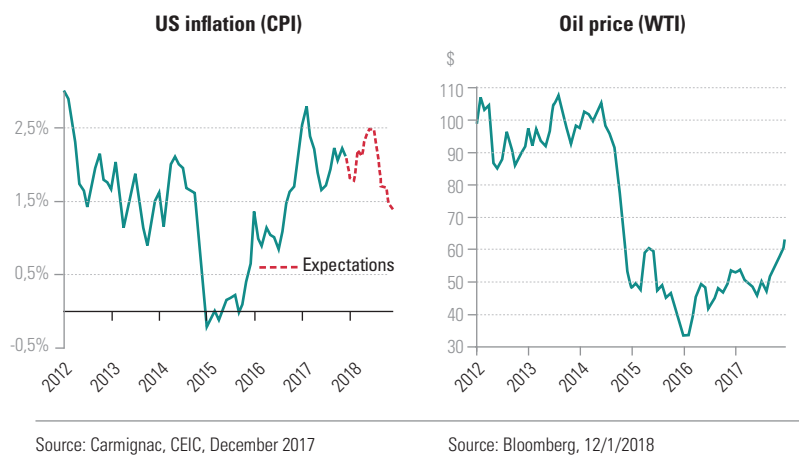
Three months ago we wrote: “Despite persistently weak inflation, central banks in the United States and Europe will soon initiate monetary policy normalisation, enabling them to manage down the amount of cash in the system. We feel that the Fed’s growing perplexity over the absence of inflation bears out that view, but we are still keeping a watchful eye out for any pick-up in prices that the current business cycle might generate.” Then we went to add: “... there are such powerful deflationary forces at work on both sides of the Atlantic that both central banks’ inflation targets have become unattainable. And that makes the prospects of substantial hikes in their key rates seem highly unlikely”. Since our last quarterly report, the Federal Reserve has increased its benchmark interest rate once, without causing turmoil in the bond, equity or forex markets – at least as of year-end. Yields on US Treasuries have risen only slightly, while European sovereign yields have remained unchanged. At the same time, stock prices have continued to climb – impressively in the United States, Japan and the emerging markets, but less so in Europe due to the euro’s appreciation. With the current economic climate buoying both the economy and financial markets, the Fed is continuing to scale back the reinvestment of proceeds from the bonds in its portfolio, the Bank of Japan has tapered its purchases of 10-year paper and the ECB is

soon likely to start preparing the market for monetary policy normalisation. The macro balance is shifting right before our eyes.

Global economic growth, now expected to hit 4% in 2018, has continued upwards, while inflation has inched further downwards, vindicating our previous forecasts. With the eurozone economy catching up, emerging markets still going strong, further abundant liquidity in the system and the recently passed US tax reform championed by President Trump, a good many observers now believe that the synchronised global economic boom under way since 2016 can endure without fits and starts, or even gain additional traction. At the same time, economists and traders still forecast an extremely low one-year inflation rate – 1.4% in Europe and 2.1% in the United States. But will the current fairy-tale economy really be a never-ending story?

We feel the expectations just mentioned reflect complacency, particularly regarding inflation. Several perfectly plausible developments could well drive up global inflation. Oil prices are rising, not least because the greenback is falling against most major currencies; wages in countries approaching full employment look set to increase, as widely expected (and feared); and the US economy is in danger of overheating as

United States: A disinflation trend doesn't stop fluctuations



Source: Carmignac, CEIC, December 2017

Source: Bloomberg, 12/1/2018

a result of the recent tax reform, which promises to be so sweeping in scope that its potential impact on GDP growth has yet to be estimated properly.

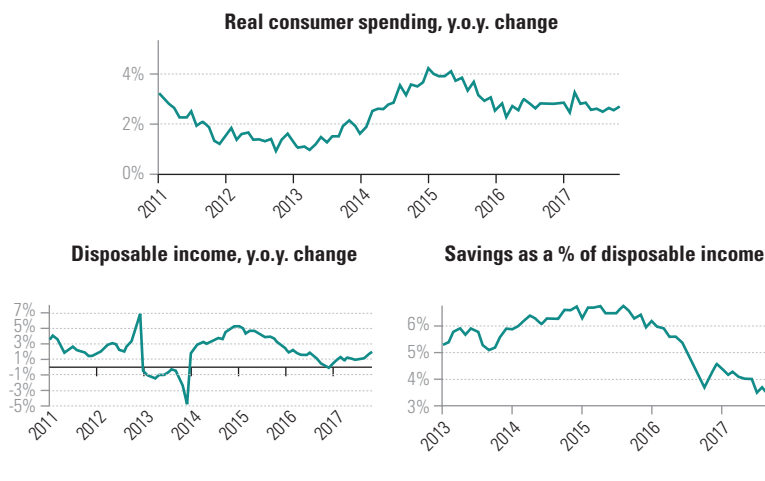
To be sure, that inflationary potential may be offset in large part by such well-identified structural factors as deflationary pressure spawned by the digital economy, the recessionary effect of the necessary global deleveraging under way and the limits created by an ageing population. But any sign of a pickup in inflation at a time of monetary policy normalisation could have a disproportionate impact on financial markets and trigger the wrong responses from central bankers and traders. As regards future global growth, both the normalisation in the works at the world's three leading central banks and our outlook for the US economy leave us slightly less sanguine than the consensus. An about-face in global monetary policy can hardly be entirely innocuous. In the current macroeconomic environment, cyclical trends are once again shaping central bank policy. So what, then, is our baseline scenario? What risks come with it? And what kind of market behaviour are those risks likely to foster?

The US economy looks today like it's recovered its lost youth. The new tax reform has boosted GDP growth estimates to the point that the consensus forecast for 2018 now stands at 2.6%. We take a less upbeat view, tax cuts or no tax cuts. For starters, the major catch-up process that has lifted capital spending in the energy and mining sectors won't be providing the same impetus going forward. In addition, we estimate that the new tax system will shave 3% off of corporate tax rates at most – a far cry from the oft-touted 15% reduction. That's too weak an incentive for investing in an economy approaching the peak of its business cycle. We therefore believe that in 2018 the tax reform is more likely to spark a fresh wave

of M&A and share buybacks than to stimulate capital spending to any meaningful extent. This is not to say that the new law doesn't matter. It may eventually enhance the US economy's growth potential, above all because it introduces a more favourable tax treatment of capital expenditure and discourages debt financing. Moreover, the pay increases granted by a number of large companies in response to the tax reform should in theory give a hike to consumer spending. Unfortunately, in light of the country's low savings rate – around 3% – and the recent record of what happens when US disposable income goes up, consumers are more likely to squirrel away a large share of their extra money. US exports could certainly be buoyed by a weaker dollar and therefore contribute to GDP growth, but it would be a mistake to place too much hope in that prospect

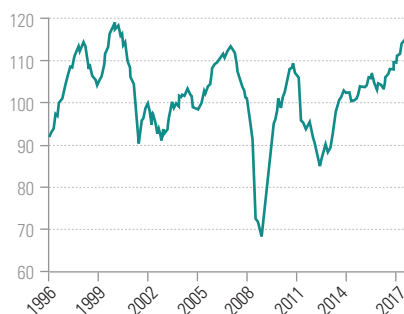
now that imports by other world trade heavyweights appear to be winding down: China, South Korea and Germany have all recently published lacklustre import numbers. Another factor with the potential to unsettle the US economy is inflation. Between March and July, the low comparison basis for energy prices should push the CPI up by anywhere from 1.7% to 2.5% – even if energy prices stop rising. Furthermore, as the US jobless rate sinks towards the 4% mark, inflation fears are likely to intensify. The combination of those fears with possible disappointment on economic growth will put the country on shaky ground at a time of ongoing monetary policy normalisation. Even if any economic reversal is limited in scope and any increase in inflation short-lived, they can be expected to occur concurrently in the next quarter – and therefore generate volatility, while offering the US economy a welcome breather. Admittedly, the trend reversal we expect could be pushed back again if the persuasive Donald Trump manages to talk Congress into endorsing his infrastructure plan. But if he does, we will be

US consumer spending in limbo

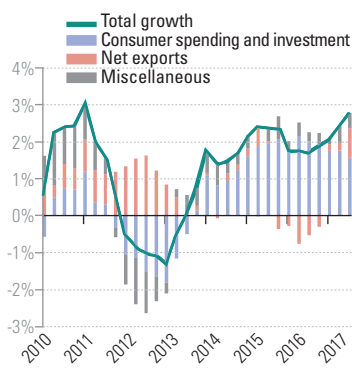


Source: Carmignac, CEIC, November 2017

European Commission's Economic Sentiment Indicator



Eurozone: Real GDP, y.o.y. change (%) and drivers of growth



Source: Carmignac, CEIC, December 2017

confronted with an overheating economy, along with all the pain that that implies.

Europe, meanwhile, has delivered pleasant surprise after pleasant surprise. France's economic output and business and consumer sentiment show marked improvement. Germany has proved resilient enough to take the lengthy process of forming a coalition government in its stride. And finally, Italy has begun – somewhat like France but with fewer reforms – to make up for years of lost growth during the eurozone crisis. Political developments in Spain and Italy's March elections are likely to slow the currency bloc's momentum, which is getting a boost from a highly favourable monetary policy. With normalisation yet to come, German sovereign yields continue to hover in the vicinity 0.5%, despite the eurozone's 1.7% inflation rate and 2.7% annualised growth rate in the third quarter of 2017. The euro's strength since early 2017 may ultimately hobble the region's economic expansion by making it harder to export outside the currency bloc. Not only do the eurozone's net exports account for nearly a third of GDP growth; they have also been its biggest driver over the past several quarters. Perhaps more than ever before, the current upswing in Europe should be viewed as the result of growth elsewhere in the world economy. On the other hand, the region has considerable potential for catching up after years of underperformance, and its abnormally low interest rates still offer major opportunities to spur growth before the normalisation process kicks in.

Loose monetary policies in advanced countries and a weaker greenback continue to provide most emerging markets with powerful tailwinds. Both factors enable them to pursue accommodative monetary policies wherever price trends make that possible – thereby letting them enjoy ample liquidity.

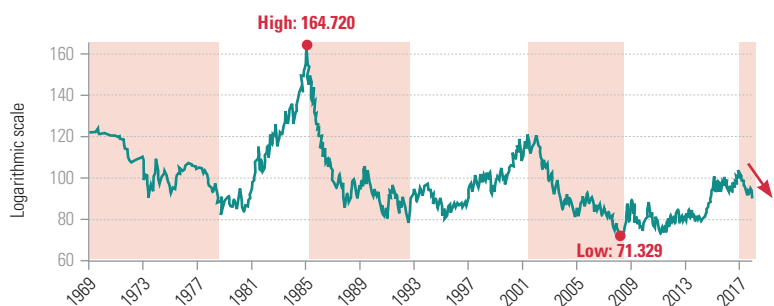
Judging by more reliable metrics such as rail freight volume and electric power consumption, China appears to be undergoing a mild slowdown. The Li Keqiang Index, which tracks those indicators of real industrial activity, has been trending downwards for the past year. Much the same can be said of credit growth, which has fallen below the 15% threshold in recent months. The government is quietly doing what it takes to avoid losing control of a slowdown that it views as positive. Elsewhere in Asia, although the Chinese slowdown has put a minor crimp

in exports, the various currencies have still appreciated, thanks to ongoing improvement in current account balances. In the rest of the world, commodity-exporting countries are reaping the benefits of the rebound in commodity prices. Russia and Brazil are prime examples, but their healthy economies offer no leading indicators of relevance to the emerging world as a whole. As both of them operate at the end of the production chain, they usually lag behind the regional and global business cycle.

Slowly but steadily, the Japanese economy is recovering. The Bank of Japan can now provide less support than promised, given that there is less of a need for it today. The country has begun gingerly to normalise monetary policy, moving in the same direction as the US and soon Europe. The challenge for us is to determine whether the pace of such concerted normalisation is in keeping with global economic growth.

Currencies: Is a new phase of dollar depreciation really in the works?

US Dollar Index (DXY)



Source: Bloomberg, 15/1/2018

## Investment strategy

As the economy gradually returns to normal, cyclical considerations will recover their former influence on monetary policy – which is great news for active managers. An increasingly synchronised, relatively robust cyclical upswing substantiates current moves to normalise monetary policy and paves the way for higher interest rates further down the road. We are less sanguine than the consensus about the global growth outlook. Not only do we not believe the US economy will expand by 2.6% as forecast, but we also think that the reversal we see coming, combined with a controlled slowdown in China, will lead to lower-than-expected-global growth accompanied by a mild uptick in inflation. Our assessment has implications for all three primary asset classes.

In currencies, we see further appreciation of the euro and, in broader terms, a weaker greenback. The spillover of US economic growth to the rest of the world will contribute to that weakening, particularly if the trend reversal in the United States unfolds at a moderate pace, as we expect. The recently passed tax cuts should offset in part the petering-out of the US boom, a factor that would otherwise limit the potential for consumer and capital spending. That outlook has prompted us to hedge our entire US dollar exposure as we enter the new year.

In bonds, the gradual convergence in sovereign yields between the United States and Europe that got started in the fourth quarter is likely to continue. With the US expansionary cycle drawing to a close, we expect the Fed to carry out fewer rate hikes than scheduled, thereby pushing down the long end of the yield curve. But as fears about inflation are bound to resurface from time to time, we don't see Treasury yields falling too sharply. In Europe, an increasingly broad-based upswing, combined with the imminent announcement by the ECB of monetary policy normalisation, should strengthen the rise in eurozone sovereign yields and therefore narrow the gap with US Treasury yields. Our investment approach will involve taking advantage of any drop in German bond yields to position our Funds for a subsequent turnaround. As the ECB moves to normalise its policy stance, just how anomalous Germany's low bond yields have been will at long



last hit home. And all the while, local-currency debt from a select group of emerging markets will continue to offer plenty of opportunity.

In equities, stock markets have already priced in the favourable macroeconomic climate, along with the near-term effects of US tax reform. The trend reversal we expect to see in the United States may initially hurt cyclical businesses, whereas companies with no major debt, decent returns on capital and operating in high-growth sectors like IT should come out ahead. At the other end of the spectrum, we believe the energy industry will continue to reap the benefits of drawdowns in global oil inventories, particularly because the further depreciation of the US dollar we anticipate should enhance the sector's appeal to investors. We will also maintain our preference for emerging-market stocks. That part of the world stands to benefit from a weaker greenback and more moderate upward pressure on US interest rates. A stronger euro, meanwhile, is likely to continue to put European equities at a relative disadvantage, suggesting the need to favour domestically-oriented firms. In summary, we feel that the economic trend reversal we see coming holds out a good many attractive investment opportunities.

Source of data: Carmignac, CEIC, 29/12/2017

← Lower risk			Higher risk →			
Potentially lower return			Potentially higher return			
1	2	3	4	5*	6	7



Edouard Carmignac

## © Carmignac Portfolio Investissement

International equity fund which benefits from our macro-economic expertise, active management and unconstrained asset allocation in terms of sectors, geographical areas and market capitalisations. The Fund aims to outperform its reference indicator over 5 years minimum. At least 60% of net assets are permanently exposed to equity markets. The Fund's main performance drivers are therefore equities but also currencies and occasionally fixed income products.

Carmignac Portfolio Investissement lost -0.34% in the fourth quarter of 2017, while its reference indicator gained +4.09%. This brings 2017 performance to +5.39%, lagging behind its reference indicator +8.89%.

2017 was an unusually challenging year for our global funds. As we anticipated at the start of the year, equity markets did rather well, despite the fear caused by the unpredictable Donald Trump and the French elections. Our US technology, European and even emerging-market stocks chalked up substantial gains. On the downside, our oil holdings proved disappointing despite steady oil prices, as investors seem dazzled by the prospects of a green economy that could hurt demand for fossil fuels. And while we did foresee a weaker dollar in early 2017, we were caught off-guard by how sharply the euro appreciated against the US currency – by 15% in eight months. Despite those powerful headwinds, our hedges on the greenback allowed the Fund to register an outperformance at the end of September. During the fourth quarter, hopes of a fiscal stimulus in the United States, along with a humming global economy, led investors to favour cyclical stocks at the expense of high visibility sectors, largely preponderant in portfolios. Towards the end of the year, Carmignac Portfolio Investissement was also hurt by the disheartening performance of the Franco-American cable network operator Altice, hurt by an unexpected deterioration of its outlook on its operations in France and the US. That investment, which had brought handsome gains to the Fund in the previous two years, has been sold.

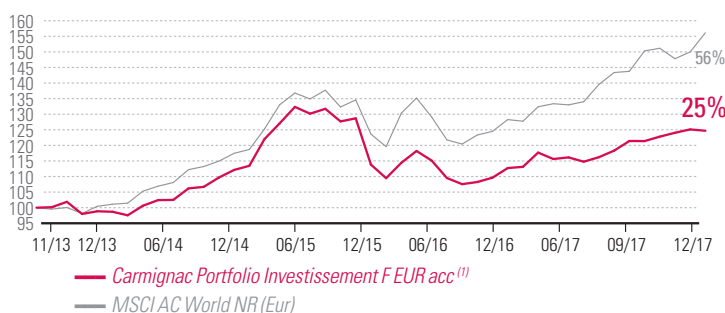
2018 is taking shape under bluer skies. In the United States, the first signs of a slowdown that we saw in recent months could douse the

hopes for economic stimulus that have been kindled by the Trump administration's mild tax reform programme. In Europe, the prevailing negative interest rate policy is proving increasingly at loggerheads with a GDP growth rate of nearly 2% and what looks like an end to falling inflation. This suggests that the euro will gain further ground against the dollar and that the Federal Reserve will be less inclined to go on hiking key rates. Under those conditions, European assets may soon be facing trouble on two fronts. Bonds will be hurt by gradually rising interest rates and stocks by further appreciation of the single currency. On the brighter side, reduced pressure on US bond yields will be welcome news for US equities with good earnings visibility – including tech stocks – and emerging-market assets as a whole. Oil stocks, meanwhile, are likely to benefit from the extension of OPEC's supply-cut agreement and from a weaker dollar, which works to the advantage of commodities – with gold topping the list.

We are accordingly entering the new year with near-zero exposure to the greenback and associated currencies. Our asset allocation at 31 December 2017 was as follows:

- We continue to focus on opportunities linked to **digital media consumption and connectivity**, where roughly **38%** of the Fund's assets are invested. Our core holdings within those themes include **Facebook, ASML, ServiceNow, Amazon, Activision Blizzard and Grubhub**. We still have a constructive view on Chinese internet giants **Tencent and 58.com**, along with **Hikvision**, a video surveillance and robotics firm. We sold our positions in **Samsung and Nvidia** following their solid performance in 2017, as we believe the risk–return trade-off in semiconductors has become less attractive. We have also pulled out of **TripAdvisor**, given that the investment case based on the company's strategy failed to pan out. At the same time, we have initiated positions in names that include **PTC**, a US provider of software for industrial use and of "Internet of Things" technology.
- We have kept our **exposure to cyclical stocks** to a modest **26%** of assets. We maintain our positive outlook for Permian Basin shale oil producers as we expect them to benefit from both substantially lower extraction costs and a higher risk premium for Middle-East oil. In contrast, we have scaled back our exposure to cement producers and European banks. Though we are exposed to the US financial sector via **Bank of America** and **Wells Fargo**, our investment case lays more emphasis on the prospects of an improving regulatory environment and rising capital returns than on a steeper yield curve or greater loan demand. Similarly, our investment in **HSBC** in Europe is based on opportunities for restructuring under the new management team.

### Performance of the fund since its launch



Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). <sup>(1)</sup> The investors eligible to invest in this share class are specified in the prospectus.

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

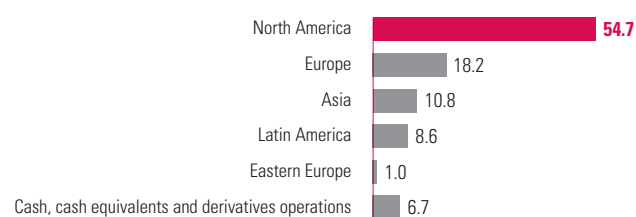
- Our exposure to under-penetrated sectors in emerging markets has held steady at 15% of the Fund's assets. As before, our core holdings are **HDFC Bank** and **IndusInd Bank** in India, and **Banco Macro** and **Banco de Galicia** in Argentina. We still have a constructive view on Latam e-commerce and online payments powerhouse **MercadoLibre**. In addition, we have initiated a position in **Yandex**, a Russian search engine and ride-hailing company.
- Within US healthcare, we have boosted our holdings in **Stryker** and **Intuitive Surgical**, two providers of cutting-edge robot-assisted surgery equipment, and have added a new position in **Clovis**, a biotech company that markets products for oncology treatments. We pared back our exposure to **Celgene** after the outlook for the drug company worsened slightly.

Source of data: Carmignac, 29/12/2017.

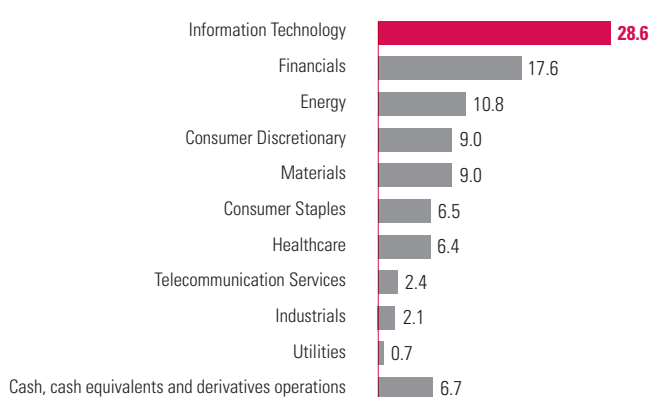
Among this year's sources of satisfaction, we note:

Stocks	Performance
Tencent, internet software and services, China	+114%
MercadoLibre, online retail, Latin America	+102%
United Spirits, spirits, India	+89%
ServiceNow, IT software, United States	+75%
Amazon, online retail, United States	+56%

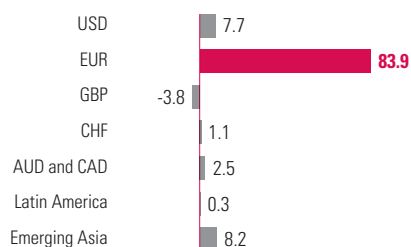
### Geographic breakdown (derivatives excluded) (%)



### Sector breakdown (derivatives excluded) (%)



### Net currency exposure of Euro share classes (%)



### Statistics (%)

	1 year	3 years
Fund volatility	8.30	11.64
Benchmark volatility	7.75	11.64
Sharpe ratio	0.60	0.30
Beta	0.74	0.83
Alpha	-0.03	-0.34

Calculation period: weekly (1 year) and monthly (3 years).

### Quarterly gross performance contribution (%)

Equity Portfolio	Bond Portfolio	Equity Derivatives	Bond Derivatives	Currency Derivatives	Mutual Fund	Total
1.31	0.00	-0.68	-0.68	-0.72	0.00	-0.77

### Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	9.54	10.06

### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Investissement F EUR acc</b>	<b>5.39</b>	<b>-0.34</b>	<b>0.52</b>	<b>5.39</b>	<b>9.92</b>	-	-	<b>24.69</b>
MSCI AC World NR (Eur)	8.89	4.09	5.63	8.89	31.57	-	-	56.13
Category average*	12.95	4.01	5.63	12.95	31.18	-	-	56.5
Ranking (quartile)	4	4	4	4	4	-	-	4

\* Global Large-Cap Growth Equity. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of funds in the Carmignac range. This is not intended to promote direct investment in those instruments, nor does it constitute investment advice. The Management Company is not subject to prohibition on trading in these instruments prior to issuing any communication. The portfolios of Carmignac funds may change without previous notice.

## HOLDINGS CARMIGNAC PORTFOLIO INVESTISSEMENT AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

<b>Cash, cash equivalents and derivatives operations</b>								<b>33 085 648.21</b>	<b>6.71</b>
Cash (including collateral cash from derivative positions)								33 085 648.21	6.71
<b>Equities Developed countries</b>								<b>359 182 197.87</b>	<b>72.86</b>
<b>North America</b>								<b>269 628 137.31</b>	<b>54.69</b>
181 155	ACTIVISION BLIZZARD (USA)	Information Technology	63.32					9 552 577.12	1.94
15 627	AMAZON.COM INC (USA)	Consumer Discretionary	1 169.47					15 219 276.89	3.09
67 704	APPLE INC (USA)	Information Technology	169.23					9 541 595.54	1.94
150 712	BANK OF AMERICA (USA)	Financials	29.52					3 705 045.17	0.75
157 782	CELGENE CORP (USA)	Healthcare	104.36					13 712 632.84	2.78
36 689	CLOVIS ONCOLOGY INC (USA)	Healthcare	68.00					2 077 658.23	0.42
78 663	CONCHO RESOURCES (USA)	Energy	150.22					9 840 736.06	2.00
145 783	EOG RESOURCES (USA)	Energy	107.91					13 100 802.41	2.66
135 216	FACEBOOK INC (USA)	Information Technology	176.46					19 870 265.96	4.03
107 741	FRANCO-NEVADA CORP (Canada)	Materials	100.46					7 194 191.33	1.46
757 743	GOLDCORP INC (Canada)	Materials	12.77					8 058 276.24	1.63
249 062	GRUBHUB INC (USA)	Information Technology	71.80					14 892 281.48	3.02
26 007	INCYTE CORP (USA)	Healthcare	94.71					2 051 234.99	0.42
277 485	INTERCONTINENTAL EXCHANGE (USA)	Financials	70.56					16 305 247.83	3.31
15 987	INTUITIVE SURGICAL (USA)	Healthcare	364.94					4 858 674.03	0.99
37 507	MASTERCARD INC (USA)	Information Technology	151.36					4 727 731.11	0.96
388 729	NEWMONT MINING (USA)	Materials	37.52					12 146 162.62	2.46
361 519	NOBLE ENERGY INC (USA)	Energy	29.14					8 773 037.69	1.78
802 900	ORYX PETROLEUM (Canada)	Energy	0.18					96 059.82	0.02
98 547	PIONEER NAT. RESOURCES (USA)	Energy	172.85					14 185 417.18	2.88
336 362	POTASH CORP (Canada)	Materials	20.65					5 784 373.17	1.17
102 238	PTC INC (USA)	Information Technology	60.77					5 174 053.35	1.05
109 362	SERVICENOW (USA)	Information Technology	130.39					11 875 175.87	2.41
11 682	SHOPIFY INC - CLASS A (Canada)	Information Technology	101.00					982 579.95	0.20
131 481	SM ENERGY CO (USA)	Energy	22.08					2 417 638.64	0.49
78 496	SPLUNK INC (USA)	Information Technology	82.84					5 415 230.38	1.10
31 404	STRYKER CORP (USA)	Healthcare	154.84					4 049 463.16	0.82
150 080	SYNCHRONY FINANCIAL (USA)	Financials	38.61					4 825 606.93	0.98
160 202	T-MOBILE US INC (USA)	Telecommunication Services	63.51					8 473 042.16	1.72
124 731	TRANSCANADA CORP (Canada)	Energy	61.18					5 072 145.28	1.03
50 023	VISA INC (USA)	Information Technology	114.02					4 749 852.15	0.96
22 514	WAYFAIR INC - CLASS A (USA)	Consumer Discretionary	80.27					1 504 995.65	0.31
162 415	WELLS FARGO (USA)	Financials	60.67					8 205 961.07	1.66
425 767	WHEATON PRECIOUS METALS CORP (Canada)	Materials	22.13					7 846 622.01	1.59
109 067	ZAYO GROUP HOLDINGS INC (USA)	Telecommunication Services	36.80					3 342 493.00	0.68
<b>Europe</b>								<b>89 554 060.56</b>	<b>18.16</b>
68 219	ASML HOLDINGS (Netherlands)	Information Technology	145.15					9 901 987.85	2.01
79 113	ASOS PLC (United Kingdom)	Consumer Discretionary	67.15					5 984 834.06	1.21
4 624	DASSAULT AVIATION SA (France)	Industrials	1 297.90					6 001 489.60	1.22
35 158	HERMES INTERNATIONAL (France)	Consumer Discretionary	446.25					15 689 257.50	3.18
1 584 950	HSBC HOLDINGS (United Kingdom)	Financials	7.67					13 693 439.48	2.78
131 518	INDITEX (Spain)	Consumer Discretionary	29.05					3 819 940.31	0.77
116 304	LONDON STOCK EXCHANGE (United Kingdom)	Financials	37.93					4 969 763.67	1.01
194 180	RECKITT BENCKISER (United Kingdom)	Consumer Staples	69.19					15 135 824.03	3.07
28 489	RENAULT SA (France)	Consumer Discretionary	83.91					2 390 511.99	0.48
299 114	RYANAIR HOLDINGS PLC (Ireland)	Industrials	15.05					4 501 665.70	0.91
82 137	TALEND SA (France)	Information Technology	37.48					2 563 703.16	0.52
45 922	VIFOR PHARMA AG (Switzerland)	Healthcare	124.90					4 901 643.21	0.99
<b>Equities Emerging markets</b>								<b>100 736 499.43</b>	<b>20.43</b>
<b>Latin America</b>								<b>42 633 290.73</b>	<b>8.65</b>
71 638	BANCO MACRO (Argentina)	Financials	115.88					6 913 234.04	1.40
532 420	CEMEX (Mexico)	Materials	7.50					3 325 408.06	0.67
136 384	GRUPO FINANCIERO GALICIA (Argentina)	Financials	65.85					7 479 085.94	1.52
373 240	GRUPO PAO DE ACUCAR (Brazil)	Consumer Staples	78.93					7 340 994.01	1.49
53 699	MERCADOLIBRE INC (Argentina)	Information Technology	314.66					14 071 391.86	2.85
62 524	PAMPA ENERGIA (Argentina)	Utilities	67.28					3 503 176.82	0.71
<b>Asia</b>								<b>53 372 431.93</b>	<b>10.83</b>
118 155	58.COM (China)	Information Technology	71.57					7 042 266.28	1.43
148 518	BITAUTO HOLDINGS LTD-ADR (China)	Information Technology	31.80					3 933 104.93	0.80
1 232 234	HANGZHOU HIKVISION DIGITAL-A (China)	Information Technology	39.00					6 145 687.59	1.25
597 255	HDFC BANK (India)	Financials	1 890.35					14 730 696.68	2.99
202 021	HDFC STANDARD LIFE INSURANCE (India)	Financials	386.00					1 017 431.30	0.21
232 890	INDUSIND BANK (India)	Financials	1 648.90					5 010 331.14	1.02
134 106	TENCENT HOLDINGS (China)	Information Technology	406.00					5 800 228.61	1.18
202 485	UNITED SPIRITS LTD (India)	Consumer Staples	3 668.85					9 692 685.40	1.97
<b>Eastern Europe</b>								<b>4 730 776.77</b>	<b>0.96</b>
173 457	YANDEX (Russia)	Information Technology	32.75					4 730 776.77	0.96
<b>Portfolio value</b>								<b>459 918 697.30</b>	<b>93.29</b>
<b>Net assets</b>								<b>493 004 345.51</b>	<b>100.00</b>



Mark Denham

Vincent Steenman

## © Carmignac Portfolio Grande Europe

Equity fund focused on stock-picking across European markets. The investment process is based on fundamental bottom-up analysis. Stock selection focuses on identifying and valuing the stocks of the companies with the best long-term growth prospects, as demonstrated by their high, sustainable profitability, ideally combined with internal or external reinvestment. Investments are then made in the names with the best asymmetric risk/return profiles. The fund aims to outperform its reference indicator over 5 years and to generate capital growth.

During the fourth quarter of 2017, **Carmignac Portfolio Grande Europe** shed -0.17%, providing a lower return than the reference indicator, which was up +0.57%. Since the beginning of the year, the Fund is up +10.36%, versus +10.58% for its indicator.

European markets prolonged their pause in the fourth quarter. For one thing, company earnings reported for the third quarter were largely in line with expectations, with only a limited number of upgrades. For another, the relative strength of the euro versus the US dollar kept earnings estimates for 2018 relatively subdued, as the euro value of the profits earned abroad by European companies is reduced. Profit growth for European companies is thus forecast to slow from about 13% in 2017 to only 9% in 2018 on average, despite the outlook for further economic buoyancy on the continent. Heading into 2018, we remain optimistic on European markets, due not only to ongoing economic strength, but also to the abundant stock selection opportunities Europe offers.

At the end of November, there was significant worldwide downward volatility in technology stocks caused by concern over pricing pressure on memory chips in the semiconductor sector. Several European semiconductor names performed weakly, including our holdings **ASML** and **Soitec**, but this lasted only a few days and provided an opportunity for us to modestly increase our positions. Other related areas were also caught up in the temporary volatility, such as software, and we added a new name here, **Sophos**, a cyber-security company. **Sophos** specialises in providing firewalls and anti-virus software to small companies, a growth market with sales increasing faster than 20% p.a. as companies become more security-conscious and spend more on such products. In addition, competitor **Kaspersky** has been compromised by alleged ties to Russia.

Oil prices have risen steadily, providing a boost to stocks in the industry. We have no direct exposure here as we cannot identify any companies that meet our criteria for sustainable profitability combined with reinvestment, which means that the sector's strength was a headwind for us. Nonetheless, we have added **Weir Group**, a company that is highly correlated to the sector. **Weir Group** makes pumps and valves that are supplied to both the mining and oil and gas industries. Their oil customers have been restraining capex in recent years, but we are starting to see a recovery in equipment spending, especially from US fracking-related companies. This has begun to swell order books at **Weir** and other such suppliers and the firm's stock price is responding well to rising profit expectations for the future.

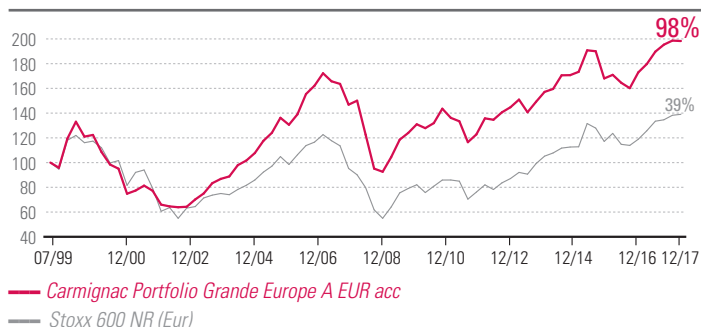
The period was a tough one for some of our core holdings. **ConvaTec**, a manufacturer of healthcare consumables such as ostomy pouches and catheters, had poor Q3 results and also issued guidance for a worse-than-expected profit outlook in the coming quarters. They are in the process of

relocating manufacturing facilities from the US to the lower-cost Dominican Republic, but the process has been fraught with operational difficulties, causing delays in achieving satisfactory output. This has resulted in both lower sales and lost orders, with customers going elsewhere for their products. The company expects to be back on track in 2018, but investors who are clearly worried that the franchise is more badly damaged have punished **ConvaTec**, driving its share price down by more than 25%. We think its current price overlooks the fact that other company divisions such as wound care are doing well and that **ConvaTec** is likely to stabilise its manufacturing.

**Iliad** was another core position that lost ground over the period. In this case, the 11% drop in the stock price was precipitated by chaos at competitor **Altice**, whose results fell short of operational metrics. Because **Altice** is so highly indebted, they are under intense pressure to improve operationally and gain subscribers. This increases the likelihood that they will go over to a more aggressive stance in the French telecom market, which could prove detrimental to others such as **Iliad**. So far we have seen no impact on **Iliad's** underlying performance and we still believe the company will continue to gain market share in France with its simple, value-based offerings. We also believe its upcoming entry into the Italian market, where **Iliad** expects to launch at the start of 2018, represents a great long-term opportunity.

On the positive side, our preferred name in the food and drink space, the food ingredients company **Kerry Group**, continued its positive performance this year, with the stock rising 15%, doing much better than other names in that sector. At a Capital Markets Day (CMD) held in October, the company announced new, positive five-year targets that showed management expects 4% to 6% organic growth in volumes over the period, i.e. much

### Performance of the fund since its launch



From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

higher than for peers. Kerry Group continues to increase its share of manufacturing clients by providing innovative solutions to food companies' problems, where it has invested enormously in recent years. For instance, Kerry is often able to offer solutions with lower salt and sugar content, as well as natural substitutes for artificial flavours and colours, while retaining great taste in recipes. We believe that the penetration of Kerry ingredient solutions in the industry is set to increase, and we will retain this name as a core holding.

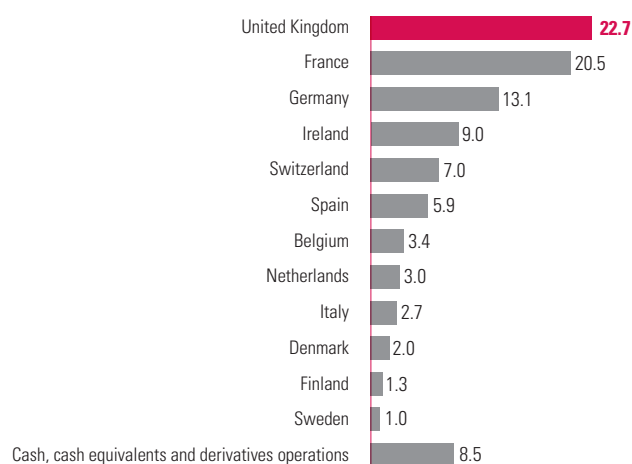
The structure of the portfolio from a top-down point of view is broadly unchanged. It is the consequence of our bottom-up stock-picking process, which focuses on profitable companies with a high return on capital. We nonetheless monitor our sector and macro risks carefully.

Source of data: Carmignac, 29/12/2017.

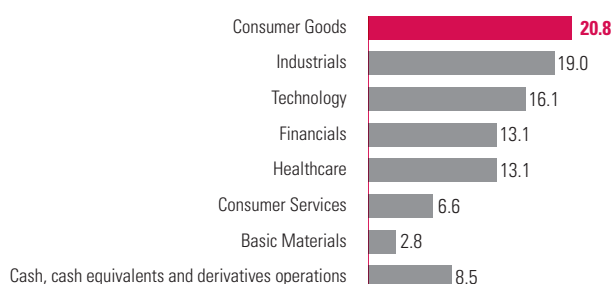
Some of the best performers in 2017 included:

Stocks	Performance
Vinci, construction, France	+32%
Teleperformance, business services, France	+25%
Unilever, consumer products, United Kingdom	+20%
Prudential, insurance, United Kingdom	+17%
Applus Services, business services, Spain	+17%

## Geographical Exposure (%)



## Sector Exposure (%)



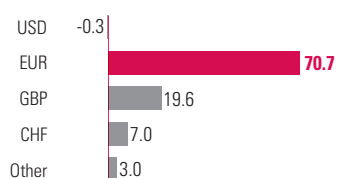
## Quarterly gross performance contribution (%)

Equity Portfolio	Equity Derivatives	Currency Derivatives	Mutual Fund	Total
0.47	-0.24	-0.04	0.00	0.19

## Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	9.58	12.96

## Net currency exposure of Euro share classes (%)



## Statistics (%)

	1 year	3 years
Fund volatility	7.41	11.71
Benchmark volatility	6.78	12.98
Sharpe ratio	1.49	0.41
Beta	1.01	0.79
Alpha	-0.01	-0.08

Calculation period: weekly (1 year) and monthly (3 years).

## Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Grande Europe A EUR acc</b>	<b>10.36</b>	<b>-0.17</b>	<b>1.52</b>	<b>10.36</b>	<b>14.37</b>	<b>36.98</b>	<b>21.20</b>	<b>98.30</b>
Stoxx 600 NR (Eur)	10.58	0.57	3.30	10.58	23.29	59.64	22.45	39.04
Category average*	13.6	0.97	4.04	13.6	32.17	68.88	54.62	199.7
Ranking (quartile)	3	3	4	3	4	4	4	3

From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. \* Europe Large-Cap Blend Equity. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of funds in the Carmignac range. This is not intended to promote direct investment in those instruments, nor does it constitute investment advice. The Management Company is not subject to prohibition on trading in these instruments prior to issuing any communication. The portfolios of Carmignac funds may change without previous notice.

## HOLDINGS CARMIGNAC PORTFOLIO GRANDE EUROPE AT 29/12/2017

Price in currencies Total value (€) % of net assets

				Price in currencies	Total value (€)	% of net assets
<b>Cash, cash equivalents and derivatives operations</b>					<b>24 501 556.52</b>	<b>8.55</b>
Cash (including collateral cash from derivative positions)					24 501 556.52	8.55
<b>Equities European Union</b>					<b>241 950 811.03</b>	<b>84.42</b>
<b>Germany</b>					<b>37 453 331.75</b>	<b>13.07</b>
76 253	BAYER AG	Basic Materials	104.00	7 930 312.00	2.77	
44 747	BEIERSDORF	Consumer Goods	97.90	4 380 731.30	1.53	
160 146	DELIVERY HERO AG	Consumer Services	33.00	5 284 818.00	1.84	
55 703	FRESENIUS MEDICAL CARE	Healthcare	65.07	3 624 594.21	1.26	
89 863	MORPHOSYS	Healthcare	76.58	6 881 708.54	2.40	
100 066	SAP AG	Technology	93.45	9 351 167.70	3.26	
<b>Belgium</b>					<b>9 721 675.49</b>	<b>3.39</b>
70 473	GALAPAGOS GENOMICS	Healthcare	78.98	5 565 957.54	1.94	
150 706	ONTEX GROUP NV	Consumer Goods	27.58	4 155 717.95	1.45	
<b>Denmark</b>					<b>5 634 156.66</b>	<b>1.97</b>
62 100	PANDORA A/S	Consumer Goods	675.50	5 634 156.66	1.97	
<b>Spain</b>					<b>16 984 095.37</b>	<b>5.93</b>
727 413	APPLUS SERVICES SA	Industrials	11.28	8 201 581.58	2.86	
1 111 148	BANKINTER	Financials	7.90	8 782 513.79	3.06	
<b>Finland</b>					<b>3 640 213.85</b>	<b>1.27</b>
119 410	FERRATUM OYJ	Financials	30.49	3 640 213.85	1.27	
<b>France</b>					<b>58 630 507.85</b>	<b>20.46</b>
37 255	AIRBUS GROUP	Industrials	83.00	3 092 165.00	1.08	
318 184	COFACE SA	Financials	8.91	2 836 292.18	0.99	
474 668	ELIS SA	Industrials	23.02	10 924 484.02	3.81	
42 036	ILIAD	Technology	199.75	8 396 691.00	2.93	
89 037	S.O.I.T.E.C.	Technology	59.45	5 293 249.65	1.85	
47 119	SOPRA STERIA GROUP	Technology	155.85	7 343 496.15	2.56	
87 304	TELEPERFORMANCE	Industrials	119.45	10 428 462.80	3.64	
121 147	VINCI SA	Industrials	85.15	10 315 667.05	3.60	
<b>Ireland</b>					<b>25 686 341.20</b>	<b>8.96</b>
1 285 560	AIB GROUP PLC	Financials	5.50	7 070 580.00	2.47	
95 453	KERRY GROUP PLC	Consumer Goods	93.50	8 924 855.50	3.11	
643 914	RYANAIR HOLDINGS PLC	Consumer Services	15.05	9 690 905.70	3.38	
<b>Italy</b>					<b>7 815 724.75</b>	<b>2.73</b>
1 078 031	PIRELLI & C SPA	Consumer Goods	7.25	7 815 724.75	2.73	
<b>Netherlands</b>					<b>8 514 644.15</b>	<b>2.97</b>
58 661	ASML HOLDINGS	Technology	145.15	8 514 644.15	2.97	
<b>United Kingdom</b>					<b>64 940 831.04</b>	<b>22.66</b>
2 051 645	CONVATEC GROUP PLC	Healthcare	2.06	4 749 766.78	1.66	
1 250 497	IBSTOCK PLC	Industrials	2.67	3 754 378.99	1.31	
474 991	INFORMA PLC	Consumer Services	7.22	3 863 499.15	1.35	
702 421	PRUDENTIAL PLC	Financials	19.06	15 078 727.16	5.26	
146 574	RECKITT BENCKISER	Consumer Goods	69.19	11 425 060.62	3.99	
204 943	SHIRE PLC	Healthcare	39.00	9 004 424.04	3.14	
585 737	SOPHOS GROUP PLC	Technology	5.70	3 761 280.80	1.31	
180 982	UNILEVER	Consumer Goods	46.96	8 498 009.81	2.97	
200 931	WEIR GROUP PLC	Industrials	21.23	4 805 683.69	1.68	
<b>Sweden</b>					<b>2 929 288.92</b>	<b>1.02</b>
169 010	ASSA ABLOY	Industrials	170.40	2 929 288.92	1.02	
<b>Equities ex European Union</b>					<b>20 139 787.21</b>	<b>7.03</b>
<b>Switzerland</b>					<b>20 139 787.21</b>	<b>7.03</b>
121 735	NESTLE SA	Consumer Goods	83.80	8 718 021.62	3.04	
33 770	TEMENOS GROUP AG	Technology	125.00	3 607 443.49	1.26	
73 210	VIFOR PHARMA AG	Healthcare	124.90	7 814 322.10	2.73	
<b>Portfolio value</b>					<b>262 090 598.24</b>	<b>91.45</b>
<b>Net assets</b>					<b>286 592 154.76</b>	<b>100.00</b>

← Lower risk			Higher risk →			
Potentially lower return			Potentially higher return			
1	2	3	4	5*	6	7



Mark Denham

Malte Heininger

# © Carmignac Portfolio Euro-Entrepreneurs

European small and mid-cap equity fund focused on stock-picking across European markets. Through a disciplined, bottom-up investment process, we aim to seize the best investment opportunities within this broad and under-researched universe. Stock selection focuses on the names with the best asymmetric risk/return profiles. The Fund aims to outperform its reference indicator over 5 years and to generate capital growth.

2017 was a good year for European equities. The STOXX Europe 600 rose 8%, while underperforming the US market (as represented by the S&P Index) by 11%. European small- and mid-caps outperformed the broader market, with the STOXX Europe Small 200 (NR) up +18.10% and **Carmignac Portfolio Euro-Entrepreneurs** beating that with +24.62%. During the last quarter of 2017, the Fund increased by +3.43%, while the indicator was up +2.24%.

Though eurozone growth accelerated to an estimated 2.3% in 2017 and small and mid-cap stocks are more sensitive to the economic environment, we think that outperformance has structural causes, because large-cap Europe has a growth problem. While we have avoided a melt-down of the financial system and a break-up of the eurozone, we are still in a structural growth crisis. With the disruptive, structural shift away from the old economy towards the new economy, our European footprint in Technology is underwhelming, particularly in the large-cap space. While we have no major, disruptive companies in Europe on a par with Google, Amazon and Netflix, we have plenty of old economy champions that are feeling the cold winds of disruption. Smaller companies in Europe naturally adjust faster and more flexibly to a changing environment and may even play a disruptive role themselves. The trick is to find the truly innovative, visionary companies that can grow in a low-growth world and proactively adapt so as to benefit from the changes unfolding.

Looking ahead, we believe we are in for a somewhat bumpier ride. We are watching developments in the US bond market with keen interest.

To put it in simplistic terms, the bull market was kicked off by a rally in bond and bond proxies driven by massive quantitative easing so it is reasonable to assume that that market is where it will start to unravel. Rumour has it that China, the largest buyer and holder of US government bonds, plans to stop buying, and with QE now ending, there are no more buyers. At the same time, with inflation creeping up under the impact of rising raw material costs, increasing oil prices and spiking wage inflation, there are lots of reasons for wanting to pull out of government bonds.

So we will get rising interest expense and pressure on margins. At that point, all it takes is a shock to growth – triggered for example by a US trade war with China – to throw the business cycle into reverse. We're not trying to call the cycle, nor do we say it will happen tomorrow, but we're pretty convinced that the goldilocks, low-volatility days have come to an end.

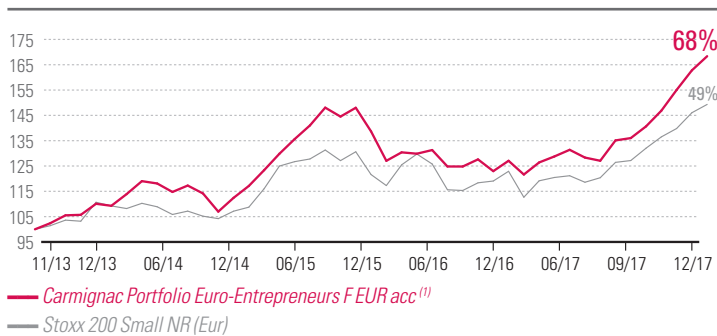
Although this is a pure bottom-up stock-picking Fund, the search for asymmetric risk-reward and long-term winners currently leads us to make technology and biotechnology stocks a larger component of our core holdings, while otherwise maintaining a diversified portfolio in terms of sector exposure.

Our largest holdings in Carmignac Portfolio Euro-Entrepreneurs quite clearly have the theme of technological disruption and innovation in common. Our number-one holding, **RIB software**, is an innovator in the field of construction software that brings construction companies into the digital age with its pioneering digital solutions. Similarly, **Ferratum** offers a mobile banking platform and innovative lending solutions that put it at the forefront of the disruptive fintech industry. **Vifor Pharma** is the world leader in the iron deficiency market and recently entered the market for hyperkalemia, with a huge addressable, underpenetrated market. **Alfa Financial Software** is a market leader in asset finance software that is broadening its addressable market through standardised "software as a service" solutions. All these companies have similar characteristics: a market-leading product, a huge addressable, underpenetrated market and a management team strong enough to leverage the opportunities.

In terms of new holdings, we wish to highlight **Pantaflix**, a position we built up during 2017. A company formerly known as Pantaleon, with roots in the film production business as Germany's most successful production house, has developed a global video-on-demand platform called Pantaflix. The platform originally focused on global distribution of local TV and movie content, but thanks to close relationships with Amazon, Warner Brothers, Disney and the like, it is also advancing into premium content.

Source of data: Carmignac, Bloomberg, 31/12/2017.

## Performance of the fund since its launch



Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). (1) The investors eligible to invest in this share class are specified in the prospectus.

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

Some of the best performers in the year included:

Stocks	Performance
Meyer Burger Technology, electrical power equipment, Switzerland	<b>+149%</b>
Ablynx, biotech, Belgium	<b>+92%</b>
Ferratum, fintech, Finland	<b>+79%</b>
Temenos, banking software, Switzerland	<b>+76%</b>
Morphosys, biotech, Germany	<b>+57%</b>

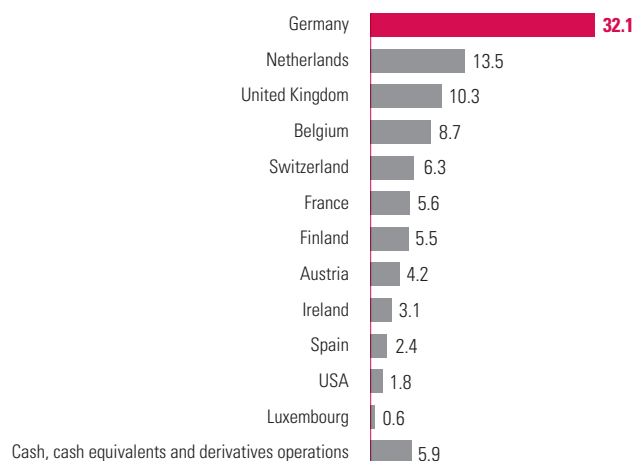
### Quarterly gross performance contribution (%)

Equity Portfolio	Equity Derivatives	Currency Derivatives	Mutual Fund	Total
4.67	-0.75	0.10	0.23	<b>4.25</b>

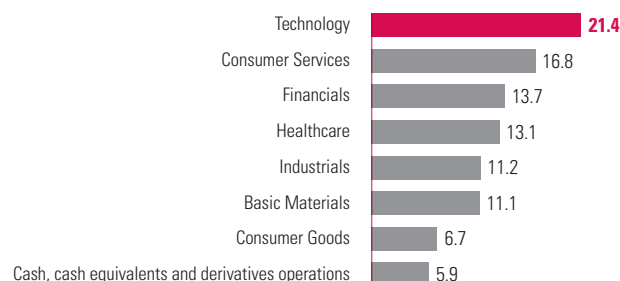
### Value at Risk (%)

	Fund	Reference indicator
99% -20 days (2 years)	8.85	11.88

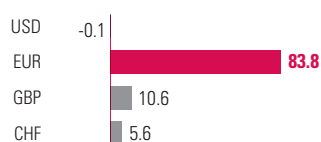
### Geographical Exposure (%)



### Sector Exposure (%)



### Net currency exposure of Euro share classes (%)



### Statistics (%)

	1 year	3 years
Fund volatility	8.12	12.42
Benchmark volatility	7.34	13.58
Sharpe ratio	3.12	1.06
Beta	0.87	0.76
Alpha	0.14	0.35

Calculation period: weekly (1 year) and monthly (3 years).

### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Euro-Entrepreneurs F EUR acc</b>	<b>24.62</b>	<b>3.43</b>	<b>8.59</b>	<b>24.62</b>	<b>43.76</b>	-	-	<b>68.37</b>
Stoxx 200 Small NR (Eur)	18.10	2.24	6.80	18.10	37.33	-	-	49.32
Category average*	18.35	1.49	6	18.35	40.03	-	-	54.07
Ranking (quartile)	1	1	1	1	2	-	-	1

\* Europe Mid-Cap Equity. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of funds in the Carmignac range. This is not intended to promote direct investment in those instruments, nor does it constitute investment advice. The Management Company is not subject to prohibition on trading in these instruments prior to issuing any communication. The portfolios of Carmignac funds may change without previous notice.

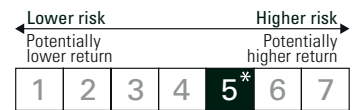
## HOLDINGS CARMIGNAC PORTFOLIO EURO-ENTREPRENEURS AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

				Price in currencies	Total value (€)	% of net assets
<b>Cash, cash equivalents and derivatives operations</b>					<b>4 304 805.28</b>	<b>5.91</b>
Cash (including collateral cash from derivative positions)					4 304 805.28	5.91
<b>Equities European Union</b>					<b>62 598 807.57</b>	<b>85.97</b>
<b>Germany</b>					<b>23 345 640.02</b>	<b>32.06</b>
37 796	BILFINGER BERGER AG	Industrials	39.57	1 495 398.74	2.05	
10 407	COMPUGROUP MEDICAL	Technology	54.72	569 471.04	0.78	
32 016	DELIVERY HERO AG	Consumer Services	33.00	1 056 528.00	1.45	
66 144	DEUTSCHE KONSUM REIT AG	Financials	10.01	662 101.44	0.91	
24 409	HAPAG-LLOYD AG	Industrials	33.50	817 701.50	1.12	
35 000	LANXESS AG	Basic Materials	66.29	2 320 150.00	3.19	
19 476	MORPHOSYS	Healthcare	76.58	1 491 472.08	2.05	
29 500	OSRAM LICHT AG	Consumer Goods	74.93	2 210 435.00	3.04	
6 573	PANTAFIX AG	Consumer Services	189.10	1 242 954.30	1.71	
110 346	PROSIEBENSAT.1 MEDIA	Consumer Services	28.71	3 167 481.93	4.35	
2 940	PUMA	Consumer Goods	363.00	1 067 220.00	1.47	
94 281	QIAGEN N.V.	Healthcare	30.93	2 428 473.79	3.33	
169 158	RIB SOFTWARE SE	Technology	24.82	4 198 501.56	5.77	
29 016	VARTA AG	Consumer Goods	21.29	617 750.64	0.85	
<b>Austria</b>					<b>3 063 618.00</b>	<b>4.21</b>
36 838	DO & CO AG	Consumer Services	47.22	1 739 490.36	2.39	
73 624	S&T AG	Consumer Services	17.99	1 324 127.64	1.82	
<b>Belgium</b>					<b>6 344 214.26</b>	<b>8.71</b>
25 066	ABLYNX SA	Healthcare	20.72	519 367.52	0.71	
45 151	FAGRON NV	Healthcare	11.42	515 398.67	0.71	
16 854	GALAPAGOS GENOMICS	Healthcare	78.98	1 331 128.92	1.83	
36 516	ONTEX GROUP NV	Consumer Goods	27.58	1 006 928.70	1.38	
76 405	TESSENDERLO CHEMIE	Basic Materials	38.89	2 971 390.45	4.08	
<b>Spain</b>					<b>1 755 253.20</b>	<b>2.41</b>
120 276	APPLUS SERVICES SA	Industrials	11.28	1 356 111.90	1.86	
21 811	NEINOR HOMES SA	Financials	18.30	399 141.30	0.55	
<b>Finland</b>					<b>4 039 140.60</b>	<b>5.55</b>
115 331	FERRATUM OYJ	Financials	30.49	3 515 865.54	4.83	
58 828	TERVEYSTALO OYJ	Healthcare	8.90	523 275.06	0.72	
<b>France</b>					<b>4 052 477.28</b>	<b>5.57</b>
93 497	ALTRAN TECHNOLOGIES SA	Technology	13.89	1 298 673.33	1.78	
7 702	SOPRA STERIA GROUP	Technology	155.85	1 200 356.70	1.65	
13 005	TELEPERFORMANCE	Industrials	119.45	1 553 447.25	2.13	
<b>Ireland</b>					<b>2 262 632.08</b>	<b>3.11</b>
291 288	AIB GROUP PLC	Financials	5.50	1 602 084.00	2.20	
23 432	SMURFIT KAPPA GROUP PLC	Industrials	28.19	660 548.08	0.91	
<b>Luxembourg</b>					<b>436 269.75</b>	<b>0.60</b>
10 839	BEFESA SA	Industrials	40.25	436 269.75	0.60	
<b>Netherlands</b>					<b>9 814 633.74</b>	<b>13.48</b>
73 483	ASR NEDERLAND	Financials	34.31	2 520 834.32	3.46	
62 500	GEMALTO NV	Technology	49.50	3 093 750.00	4.25	
53 330	IMCD GROUP NV	Basic Materials	52.43	2 796 091.90	3.84	
36 239	VAN LANSCHOT KEMPEN NV	Financials	26.15	947 649.85	1.30	
19 217	VOLKERWESSELS	Industrials	23.75	456 307.67	0.63	
<b>United Kingdom</b>					<b>7 484 928.64</b>	<b>10.28</b>
503 813	ALFA FINANCIAL SOFTWARE HOLD	Technology	5.35	3 036 556.69	4.17	
166 191	CONVATEC GROUP PLC	Healthcare	2.06	384 749.07	0.53	
293 183	INFORMA PLC	Consumer Services	7.22	2 384 702.60	3.27	
47 461	MICRO FOCUS INTER.	Technology	25.23	1 349 001.33	1.85	
409 584	NON-STANDARD FINANCE PLC	Financials	0.72	329 918.95	0.45	
<b>Equities ex European Union</b>					<b>5 914 679.57</b>	<b>8.12</b>
<b>USA</b>					<b>1 309 775.98</b>	<b>1.80</b>
21 905	GRUBHUB INC	Consumer Services	71.80	1 309 775.98	1.80	
<b>Switzerland</b>					<b>4 604 903.59</b>	<b>6.32</b>
17 030	GALENICA AG	Healthcare	50.05	728 412.17	1.00	
749 579	MEYER BURGER TECHNOLOGY	Industrials	1.67	1 069 774.76	1.47	
2 665	PANALPINA WELTTRANSPORT	Industrials	151.10	344 128.10	0.47	
7 795	TEMENOS GROUP AG	Technology	125.00	832 692.39	1.14	
15 270	VIFOR PHARMA AG	Healthcare	124.90	1 629 896.17	2.24	
<b>Portfolio value</b>					<b>68 513 487.14</b>	<b>94.09</b>
<b>Net assets</b>					<b>72 818 292.42</b>	<b>100.00</b>



Xavier Hovasse

David Young Park

## Carmignac Portfolio Emergents

Emerging market equity fund combining a fundamental top-down approach with a disciplined bottom-up analysis in order to identify the best opportunities within its investment universe by seeking companies offering long-term growth potential and attractive cash generation, in underpenetrated sectors and in countries with healthy fundamentals. The Fund aims to outperform its reference indicator over 5 years with lower volatility.

Carmignac Portfolio Emergents was up +3.34% in the last quarter of 2017, compared with a +5.77% increase in its reference indicator. That takes its full-year performance to +19.76%, versus a +20.59% gain in its reference indicator. Emerging-market equities continued on a roll in an exceptionally favourable environment.

Exactly as in the first three quarters of the year, emerging-market assets caught the tailwinds blowing in the fourth quarter as a result of both external and domestic factors. On the external front, a weak US dollar, firm oil prices and vigorous macroeconomic indicators in the developed world all spelled good news for the asset class as a whole. On the domestic front, there were no serious clouds on the emerging-market horizon. It is worth noting that the Manufacturing PMI survey for December hit 52.2 – a high for the year and a reading unmatched since 2012.

The emerging economies both fuelled and benefited from the global economic upswing, enjoying buoyant growth and solid nominal export numbers that coincided with an ongoing improvement in their balances of payments. Trending steadily upwards, emerging-world current account balances as a whole showed a surplus equal to 1% of those countries' GDP at the end of the period. Meanwhile, further disinflation in emerging markets has enabled the corresponding central banks to carry on with their easy money policies, even though at +2.1% real emerging-world interest rates are still fairly high, particularly in comparison with the -0.7% average for developed countries. That interest rate differential continue to act as a safety valve in the event of monetary tightening by developed-world central banks – first and foremost the US Federal Reserve.

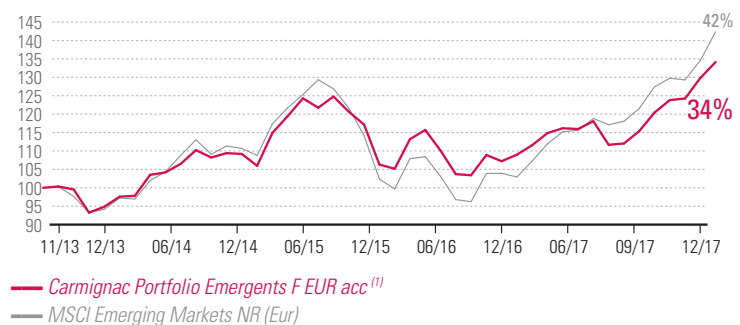
China, our primary geographic allocation with 21% of the Fund's assets, has reasonably sound economic indicators. The long-awaited Communist Party Congress proved to be fairly painless, with greater emphasis on qualitative issues than on quantitative goals. The Chinese government now seems to have its sights set on higher-quality, more environmentally friendly growth, and the language it uses unequivocally highlights the intended shift from "more" to "better". With the help of a weak greenback and reasonably low inflation, the country still boasts solid macroeconomic indicators. Now that capital outflows have dwindled to a trickle, they are no longer a source of anxiety; neither are Beijing's foreign exchange reserves, which booked yet another quarterly increase in Q4 (up 31 billion USD over the quarter). In response, we have stepped up our presence in China with a new investment in **Hangzhou Hikvision Digital**, now a top-ranking Chinese robotics company. Long an internationally recognised supplier of video surveillance equipment, Hikvision shrewdly branched out to establish a reputation as a key global robotics firm. Moreover, its business meshes admirably with the government's drive to make China a power to be reckoned with in the field of artificial intelligence. In fact, Hikvision is virtually the flagbearer of that nationwide drive. Based on the firm's growing involvement in the sectors set to shape the next decade, we consider Hikvision a highly promising investment. We have also increased our stake in **Yixin Group**. Yixin has become a leading name in car financing in China after building up an end-to-end ecosystem in automotive retail. Better still, that ecosystem has drawn equity investments from such high-flying Chinese companies

as Tencent, JD.com and Baidu. Yixin Group's mobile app spans the entire automotive value chain, from a broad-based information portal to varied car leasing solutions. The main advantage of the Chinese auto market is that it is under-penetrated. There are still only 112 motor vehicles per thousand inhabitants, and very few people take out loans to pay for their cars. That puts Yixin in an ideal position to cash in on those two sources of long-term growth.

India finally appears to have recovered from what was basically a self-inflicted wound. The debilitating banknote shortage is now past history, while the economic and accounting shake-up triggered by the new Goods and Services Tax has largely subsided. With those endogenous shocks now over, the country stands a good chance of regaining some of its former optimism. The December PMI index reached 54.6 – higher than at any time in the past several years. Additional grounds for cheer can be found in India's macroeconomic data, which show an encouraging resumption of capital spending. We stepped up our presence in Southeast Asia through our participation in the IPO of **Sea Limited**, a mobile gaming operator and leading pan-Asian eCommerce company. One of Seal Limited's biggest shareholders is none other than **Tencent**, a stock likewise included in the Carmignac Portfolio Emergents portfolio. With eCommerce still in its swaddling clothes in Indonesia, Thailand and Vietnam – where Sea Limited appears to have a strong footprint.

In Latin America, we have further increased our exposure to Argentina. We are as excited as before about the potential of this emerging economy – which has recently "re-emerged" on the international scene. We have added a new name to our Argentine portfolio, **Loma Negra**, the country's number-one cement company with a 45% market share. After years of atrophy under the Kirchner government, Argentina's basic infrastructure is on its knees. What's more the glaring inadequacy of Argentine port facilities has made the national cement market virtually autarkic – a

### Performance of the fund since its launch



Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). <sup>(1)</sup> The investors eligible to invest in this share class are specified in the prospectus.

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

factor that works clearly to the advantage of local suppliers. Loma Negra is therefore ideally positioned to take advantage of the secular construction drive that will be a prerequisite to any lasting recovery in the country.

Lastly, we added a newcomer to our Europe, Middle East and Africa (EMEA) portfolio: Yandex, an internet search engine with a leading 57% share of the Russian market. Digital advertising is steadily gaining ground at the expense of conventional media and already generates the bulk of the company's revenue, meaning Yandex is poised to derive further, long-term benefits from that trend. And while its search engine is a highly valuable asset in and of itself, the company has a lot more going for it at as well. The Yandex ecosystem includes the Yandex.taximobile app, which has enjoyed unchallenged leadership in the ride-hailing market since its recent tie-up with Uber's Russian operations. Furthermore, this company at the technological cutting edge in Russia has a presence in food delivery service via Foodfox and Uber eats, as well as in eCommerce through a partnership with national banking heavyweight Sberbank.

No doubt about it: this new year is shaping up to be a fruitful one. With economies expanding in many regions, the growth weathervanes continue to point in the right direction. Most of the ingredients behind emerging-world success this past year are still there. A weak US dollar, the ongoing strength of the Chinese locomotive,

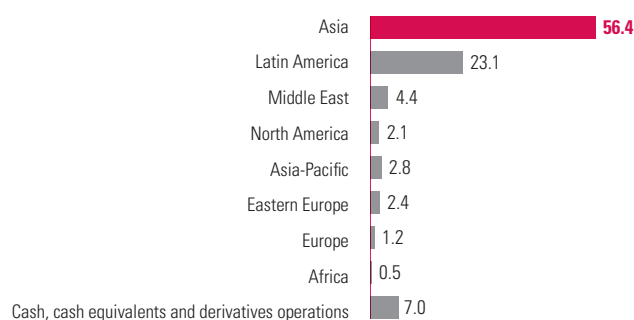
high prices for both fossil fuels and minerals, and healthy accounting fundamentals together add up to this: emerging-market assets will once again prove to be a wise investment choice.

Source of data: Carmignac, CEIC, Bloomberg, Citi Research, JP Morgan Research, Credit Suisse, Company data, 31/12/2017.

Some of the best performances of the year came from:

Stocks	Performance
58.com, internet software and services, China	<b>+156%</b>
Samsung Biologics Co Ltd, healthcare, South Korea	<b>+146%</b>
MercadoLibre Inc, internet software and services, Argentina	<b>+102%</b>
United Spirits, beverages, India	<b>+89%</b>
Dali Foods Group, processed foods, China	<b>+73%</b>

### Geographic breakdown (derivatives excluded) (%)



### Statistics (%)

	1 year	3 years
Fund volatility	11.42	13.21
Benchmark volatility	11.67	14.24
Sharpe ratio	1.71	0.66
Beta	0.92	0.83
Alpha	0.01	0.05

Calculation period: weekly (1 year) and monthly (3 years).

### Quarterly gross performance contribution (%)

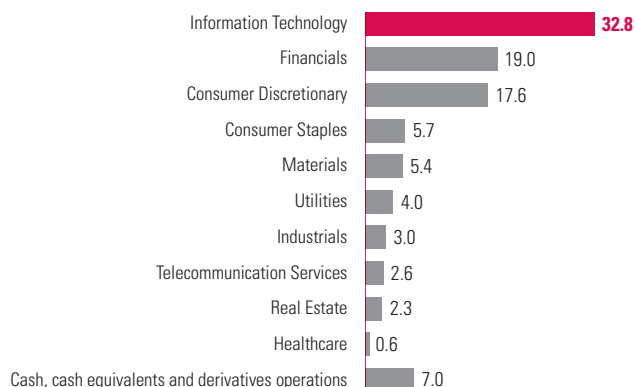
Equity Portfolio	Equity Derivatives	Currency Derivatives	Mutual Fund	Total
3.04	-0.08	0.19	0.10	<b>3.25</b>

### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Emergents F EUR acc</b>	<b>19.76</b>	<b>3.34</b>	<b>7.98</b>	<b>19.76</b>	<b>26.60</b>	-	-	<b>34.15</b>
MSCI Emerging Markets NR (Eur)	20.59	5.77	10.10	20.59	30.87	-	-	42.37
Category average*	18.9	5.01	8.81	18.9	27.16	-	-	38.77
Ranking (quartile)	2	4	3	2	3	-	-	3

\* Global Emerging Markets Equity. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of funds in the Carmignac range. This is not intended to promote direct investment in those instruments, nor does it constitute investment advice. The Management Company is not subject to prohibition on trading in these instruments prior to issuing any communication. The portfolios of Carmignac funds may change without previous notice.

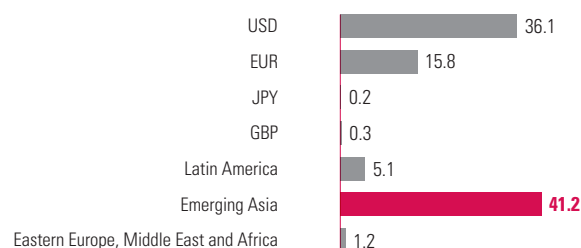
### Sector breakdown (derivatives excluded) (%)



### Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	9.98	11.51

### Net currency exposure of Euro share classes (%)



## HOLDINGS CARMIGNAC PORTFOLIO EMERGENTS AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

<b>Cash, cash equivalents and derivatives operations</b>				<b>16 022 408.51</b>	<b>7.01</b>
Cash (including collateral cash from derivative positions)				16 022 408.51	7.01
<b>Equities</b>				<b>212 616 421.84</b>	<b>92.99</b>
<b>North America</b>				<b>4 841 499.32</b>	<b>2.12</b>
83 662	LAS VEGAS SANDS (USA)	Consumer Discretionary	69.49	4 841 499.32	2.12
<b>Asia-Pacific</b>				<b>6 298 207.99</b>	<b>2.75</b>
184 573	LINE CORP (Japan)	Information Technology	4 595.00	6 298 207.99	2.75
<b>Europe</b>				<b>2 780 003.21</b>	<b>1.22</b>
107 110	JERONIMO MARTINS (Portugal)	Consumer Staples	16.20	1 734 646.45	0.76
62 296	LILAC GROUP (United Kingdom)	Consumer Discretionary	20.15	1 045 356.76	0.46
<b>Latin America</b>				<b>52 833 290.96</b>	<b>23.11</b>
27 553	BANCO MACRO (Argentina)	Financials	115.88	2 658 928.75	1.16
617 153	BANCO SANTANDER MEXICO (Mexico)	Financials	7.31	3 756 985.70	1.64
732 095	BB SEGURIDADE PARTICIPACOES (Brazil)	Financials	28.49	5 236 339.26	2.29
593 337	CEMEX (Mexico)	Materials	7.50	3 705 885.66	1.62
194 435	CIA DE ENER. ELEC. PAULISTA (Brazil)	Utilities	66.90	3 265 641.07	1.43
1 047 429	GRUPO BANORTE (Mexico)	Financials	107.83	4 807 315.37	2.10
652 262	GRUPO MEXICO SA DE CV (Mexico)	Materials	64.91	1 802 071.84	0.79
323 446	GRUPO SUPERVIELLE SA CL-B (Argentina)	Financials	29.32	7 897 598.87	3.45
142 444	LOMA NEGRA CIA INDUSTRIAL AR (Argentina)	Materials	23.04	2 733 102.73	1.20
39 730	MERCADOLIBRE INC (Argentina)	Information Technology	314.66	10 410 927.55	4.55
738 029	MEXICO REAL ESTATE MGMT (Mexico)	Real Estate	20.73	651 195.13	0.28
1 102 622	TRANSMISSORA ALIANCA (Brazil)	Utilities	21.34	5 907 299.03	2.58
<b>Asia</b>				<b>129 038 617.46</b>	<b>56.44</b>
102 229	58.COM (China)	Information Technology	71.57	6 093 045.91	2.66
994 761	AIA GROUP LTD (Hong Kong)	Financials	66.65	7 063 009.21	3.09
1 164 300	AMBUJA CEMENTS (India)	Materials	272.05	4 132 709.69	1.81
9 568 992	ASTRA INTERNATIONAL (Indonesia)	Consumer Discretionary	8 300.00	4 874 990.43	2.13
11 510	BAIDU INC (China)	Information Technology	234.21	2 244 967.60	0.98
1 219 765	BHARTI INFRAEL LTD (India)	Telecommunication Services	378.75	6 027 689.10	2.64
167 636	BITAUTO HOLDINGS LTD-ADR (China)	Information Technology	31.80	4 439 394.40	1.94
8 817 804	DALI FOODS GROUP CO LTD (China)	Consumer Staples	7.10	6 669 444.44	2.92
839 001	FUYAO GROUP GLASS INDUSTRY-A (China)	Consumer Discretionary	29.00	3 111 524.05	1.36
550 700	HANGZHOU HIKVISION DIGITAL-A (China)	Information Technology	39.00	2 746 580.73	1.20
127 505	HDFC BANK (India)	Financials	1 890.35	3 144 783.18	1.38
60 015	HERO MOTOCORP LTD (India)	Consumer Discretionary	59.30	2 963 905.35	1.30
151 990	HOUSING DEVELOPMENT FINANCE (India)	Financials	1 710.40	3 391 829.19	1.48
47 258	HYUNDAI MOTOR (South Korea)	Consumer Discretionary	156 000.00	5 734 853.10	2.51
287 136	KANGWON LAND (South Korea)	Consumer Discretionary	34 800.00	7 773 010.45	3.40
4 673	SAMSUNG BIOLOGICS CO LTD (South Korea)	Healthcare	371 000.00	1 348 627.63	0.59
7 603	SAMSUNG ELECTRONICS (South Korea)	Information Technology	2 548 000.00	14 207 941.10	6.21
16 860	SAMSUNG SDI CO (South Korea)	Information Technology	204 500.00	2 682 089.37	1.17
275 622	SEA LTD-ADR (Singapore)	Consumer Discretionary	13.33	3 059 661.28	1.34
409 983	TAIWAN SEMICONDUCTOR (Taiwan)	Information Technology	39.65	13 537 496.63	5.92
977 415	TATA MOTORS LTD (India)	Consumer Discretionary	431.85	5 507 229.75	2.41
149 762	TENCENT HOLDINGS (China)	Information Technology	406.00	6 477 367.44	2.83
97 559	UNITED SPIRITS LTD (India)	Consumer Staples	3 668.85	4 670 018.24	2.04
3 441 273	YIXIN GROUP LTD (China)	Financials	6.27	2 298 568.96	1.01
1 571 688	ZHENGZHOU YUTONG BUS CO-A (China)	Industrials	24.07	4 837 880.23	2.12
<b>Africa</b>				<b>1 244 513.35</b>	<b>0.54</b>
5 361	NASPERS LTD (South Africa)	Consumer Discretionary	3 451.00	1 244 513.35	0.54
<b>Eastern Europe</b>				<b>5 523 717.51</b>	<b>2.42</b>
2 043 079	MOSCOW EXCHANGE (Russia)	Financials	108.97	3 220 444.48	1.41
84 451	YANDEX (Russia)	Information Technology	32.75	2 303 273.03	1.01
<b>Middle East</b>				<b>10 056 572.04</b>	<b>4.40</b>
41 283	CHECK POINT SOFTWARE (Israel)	Information Technology	103.62	3 562 412.11	1.56
2 869 210	EMAAR PROPERTIES PJSC (United Arab Emirates)	Real Estate	6.94	4 514 957.58	1.97
1 494 396	ENKA INSAAT VE SANAYI (Turkey)	Industrials	6.03	1 979 202.35	0.87
<b>Portfolio value</b>				<b>212 616 421.84</b>	<b>92.99</b>
<b>Net assets</b>				<b>228 638 830.35</b>	<b>100.00</b>



Xavier Hovasse

David Young Park

## © Carmignac Portfolio Emerging Discovery

Equity fund invested in small and mid-capitalisations of emerging countries, as well as less covered frontier markets. The investment process combines a fundamental top-down approach with a disciplined bottom-up analysis in order to identify the best investment opportunities by seeking companies offering long-term growth potential and attractive cash generation, in underpenetrated sectors and in countries with healthy fundamentals. The Fund aims to outperform its reference indicator over 5 years.

**Carmignac Portfolio Emerging Discovery** was up +4.39% in the last quarter of 2017, compared with a +6.71% increase in its reference indicator. That takes its full-year performance to +17.91%, versus a +18.14% gain in its reference indicator. This last chapter of 2017 has ended on a note of justified enthusiasm about emerging markets. A weak US dollar, vigorous macroeconomic indicators and rejuvenated commodity prices have all been good news for emerging-world assets. Even better, that upbeat environment has been accompanied by two key beneficial trends. For one thing, current account balances in emerging economies have steadily improved with the help of solid nominal export numbers. For another, the cyclical upswing in those countries has in no way led to a resumption of inflationary pressure. In fact, emerging-world disinflation has continued almost uninterruptedly, enabling the corresponding central banks to maintain dovish monetary policies (see the macroeconomic section of the **Carmignac Portfolio Emergents** report).

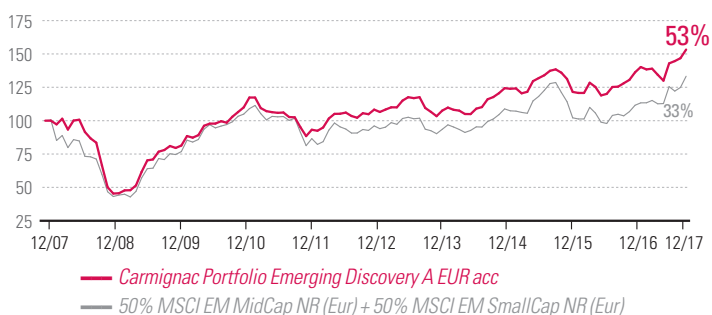
Our Asian stocks – with 57% of total assets a major component of the Fund’s portfolio – turned in mixed results in the fourth quarter, gaining +12% over the period. We were slightly disappointed with the names we hold in the region’s frontier markets, particularly in Sri Lanka and the Philippines, which fell by -10% and -2% during the quarter, respectively. In contrast, our Chinese equity portfolio had an excellent quarter that prolonged its outstanding summer performance. The readings for both tangible and intangible

economic indicators in China have remained more than respectable, with November PMI surveys pointing to a rare degree of economic buoyancy. The most common indicators, such as retail sales and motor vehicle sales, have been moving in the right direction. At the same time, a persistently low greenback has continued to relieve the pressure that previously weighed on the country’s balance of payments. Moreover, the Communist Party Congress was noteworthy for the less quantitative, more qualitative multi-year outlook that officials put forward. The stated goals for industrial, environmental and technological progress suggest that the days of “more” are over and that the new watchword is “better”.

Our Chinese portfolio performed on a par with the economy as a whole, gaining +24% over the quarter. Particularly worthy of mention were our tech stocks, with YY up +27% and Vipshop Holdings up +31%. Online video platform YY has continued to expand the scope of its business and the size of its audience. Vipshop, a leading online retailer of discounted brand-name products through flash sales, can claim first place among the Fund’s top performers in the fourth quarter. Two Chinese heavyweights, Tencent and JD.com, announced that they would be jointly investing in Vipshop, providing an obvious boon to the company. The deal will unquestionably be beneficial to all three members of this triple alliance. Through this additional minority stake, Tencent will increase its presence in China’s eCommerce market. Furthermore, this strategic tie-up between JD.com and Vipshop should offer adequate protection for JD.com’s Achilles’ heel, which is female shoppers and women’s apparel in particular. Lastly, Vipshop, whose online services attract some 60 million users a month, will get direct access to the large footprint and influence that its two new partners enjoy. From a social network standpoint, Tencent’s ecosystem boasts close to a billion captive users with a high engagement rate, while JD.com’s provides access to one of the most impressive eCommerce franchises around, with nearly 300 million digital customers.

We have stepped up our presence in Latin America once again, adding another name to our portfolio of Argentine holdings: **Transportador de Gas del Sur (TGS)**. With roughly 9,100 kilometres of pipelines and a 60% market share, TGS holds an enviable position in the natural gas transmission market, connecting up the main gas fields in southern Argentina. In addition, the company produces liquid natural gas as a secondary business line. It also benefits from a strict yet favourable regulatory environment. TGS

### Performance of the fund since its launch



From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

has been granted a long-term operating licence (until 2037) that gives it a highly predictable revenue and cash flow stream – two key criteria in our investment process at Carmignac Portfolio Emerging Discovery.

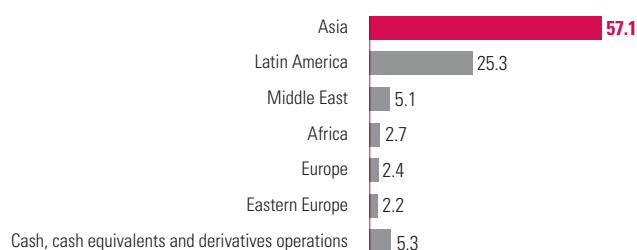
2017 has ended on an unmistakable note of enthusiasm, a mood we share. And though we would do well to keep an eye on a few metrics – such as the broad gauge of credit growth in China and emerging-market exports in real terms – the emerging world on the whole still combines solid performance with bright prospects for the year that has just begun.

Source of data: Carmignac, CEIC, JP Morgan Research, Barclays, Morgan Stanley, Credit Suisse, Company data, 31/12/2017.

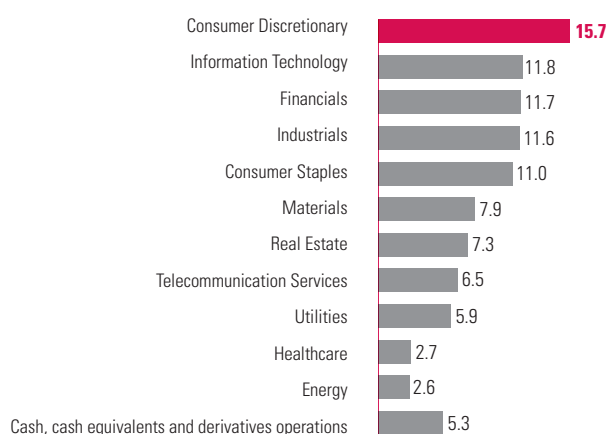
Some of the best performances of the year came from:

Stocks	Performance
YY Inc, internet software and services, China	<b>+187%</b>
Yihai International, food products, China	<b>+130%</b>
Silicon Works, semi-conductors, South Korea	<b>+90%</b>
Primax Electronics, audio and computer peripherals, Taiwan	<b>+79%</b>
Kakao Corp, internet software and services, South Korea	<b>+78%</b>

### Geographic breakdown (derivatives excluded) (%)



### Sector breakdown (derivatives excluded) (%)

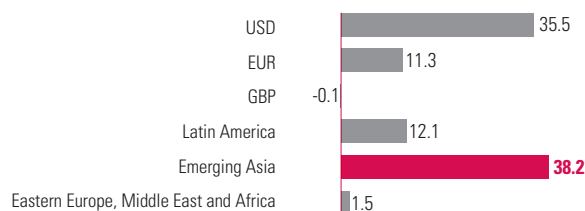


### Statistics (%)

	1 year	3 years
Fund volatility	9.50	10.49
Benchmark volatility	10.49	14.18
Sharpe ratio	1.93	0.83
Beta	0.81	0.67
Alpha	0.06	0.21

Calculation period: weekly (1 year) and monthly (3 years).

### Net currency exposure of Euro share classes (%)



### Quarterly gross performance contribution (%)

Equity Portfolio	Equity Derivatives	Currency Derivatives	Total
4.43	-0.01	0.19	<b>4.60</b>

### Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	10.04	9.79

### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Emerging Discovery A EUR acc</b>	<b>17.91</b>	<b>4.39</b>	<b>5.97</b>	<b>17.91</b>	<b>26.01</b>	<b>39.34</b>	<b>53.27</b>	<b>53.27</b>
Reference indicator*	18.14	6.71	9.10	18.14	26.27	35.27	32.63	33.27
Category average**	17.04	5.11	7.2	17.04	28.55	47.03	54.72	61.84
Ranking (quartile)	2	3	3	2	3	3	3	4

From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. \* 50% MSCI EM SmallCap NR (Eur) + 50% MSCI EM MidCap NR (Eur). \*\* Global Emerging Markets Equity. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of funds in the Carmignac range. This is not intended to promote direct investment in those instruments, nor does it constitute investment advice. The Management Company is not subject to prohibition on trading in these instruments prior to issuing any communication. The portfolios of Carmignac funds may change without previous notice.

## HOLDINGS CARMIGNAC PORTFOLIO EMERGING DISCOVERY AT 29/12/2017

Price in currencies

Total value (€)

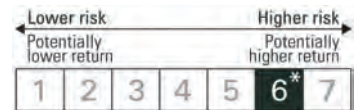
% of net assets

<b>Cash, cash equivalents and derivatives operations</b>				<b>19 365 486.27</b>	<b>5.29</b>
Cash (including collateral cash from derivative positions)				19 365 486.27	5.29
<b>Equities</b>				<b>346 468 497.67</b>	<b>94.71</b>
<b>Europe</b>				<b>8 187 729.00</b>	<b>2.24</b>
248 113	DELIVERY HERO AG (Germany)	Consumer Discretionary	33.00	8 187 729.00	2.24
<b>Latin America</b>				<b>92 479 488.22</b>	<b>25.28</b>
2 992 548	ALUPAR INVESTIMENTO SA (Brazil)	Utilities	18.45	13 861 345.30	3.79
1 157 945	ARCOS DORADOS HOLDINGS (Argentina)	Consumer Discretionary	10.35	9 980 621.88	2.73
657 386	BANCO DAVIVIENDA (Colombia)	Financials	29 940.00	5 491 992.74	1.50
2 074 654	CEMEX LATAM HOLDINGS (Colombia)	Materials	11 000.00	6 367 897.59	1.74
566 622	CRESUD S.A.C.I.F.Y.A. (Argentina)	Real Estate	22.09	10 423 617.57	2.85
225 125	DESPEGAR.COM CORP (Argentina)	Consumer Discretionary	27.48	5 151 927.88	1.41
188 475	INTERCORP FINANCIAL SERVICES (Peru)	Financials	38.50	6 042 877.66	1.65
828 896	ORGANIZACION TER CB (Colombia)	Consumer Discretionary	14 200.00	3 284 324.77	0.90
817 879	SUL AMERICA UNITS (Brazil)	Financials	18.66	3 831 497.83	1.05
7 957 754	TF ADMINISTRADOR 3 MM (Mexico)	Real Estate	29.93	10 137 611.42	2.77
517 881	TRANSPORTADORA DE GAS SUR-B (Argentina)	Energy	22.23	9 587 353.96	2.62
2 115 030	UNIFIN FINANCIERA SAB DE CV (Mexico)	Financials	66.63	5 998 252.72	1.64
788 540	WIZ SOLUCOES E CORRETAGEM DE (Brazil)	Financials	11.72	2 320 166.90	0.63
<b>Asia</b>				<b>209 022 364.68</b>	<b>57.14</b>
79 909 756	CEMEX HOLDINGS PHILIPPINES (Philippines)	Industrials	4.88	6 505 409.38	1.78
4 378 903	CHICONY ELECTRONICS CO (Taiwan)	Information Technology	75.00	9 190 623.08	2.51
29 843 435	CHINA COMMU. SERVICES-H (China)	Telecommunication Services	5.24	16 659 078.13	4.55
624 446	DR LAL PATHLABS LTD (India)	Healthcare	881.30	7 180 251.15	1.96
1 283 231	ENN ENERGY HOLDINGS (China)	Utilities	55.75	7 621 151.29	2.08
879 644	GIANT MANUFACTURING CO (Taiwan)	Consumer Discretionary	163.50	4 024 788.55	1.10
1 144 971	HAVELLS INDIA LTD (India)	Consumer Discretionary	8.81	8 402 302.17	2.30
15 926 085	HOLCIM PHILIPPINES (Philippines)	Materials	10.78	2 864 064.51	0.78
3 480 289	ICTSI INT'L CONTAINER (Philippines)	Industrials	105.50	6 125 235.25	1.67
4 651 378	INDOCEMENT TUNGGAL PRAKARSA (Indonesia)	Materials	21 950.00	6 266 797.23	1.71
223 693	INNOCEAN WORLDWIDE INC (South Korea)	Consumer Discretionary	73 200.00	12 737 548.09	3.48
6 086 631	JOHN KEELLS HOLDINGS PLC (Sri Lanka)	Industrials	0.97	4 903 569.98	1.34
52 184	KAKAO CORP (South Korea)	Information Technology	137 000.00	5 561 350.85	1.52
813 695	LIC HOUSING FINANCE LTD (India)	Financials	8.83	5 982 433.64	1.64
16 232 350	LT GROUP INC (Philippines)	Consumer Staples	18.74	5 074 648.78	1.39
6 405 000	NIYOGIN FINTECH LTD (India)	Financials	50.00	4 178 403.82	1.14
5 011 046	PHILIPPINE NATIONAL BANK (Philippines)	Financials	56.70	4 739 870.25	1.30
675 406	PRESIDENT CHAIN STORE (Taiwan)	Consumer Staples	284.00	5 367 865.45	1.47
5 230 253	PRIMAX ELECTRONICS (Taiwan)	Information Technology	79.00	11 562 936.89	3.16
5 612 748	PRISM CEMENT LTD (India)	Materials	1.77	8 271 418.10	2.26
12 300 000	PRODIA WIDYAHUSADA TBK PT (Indonesia)	Healthcare	3 700.00	2 793 420.52	0.76
211 149	SHREE CEMENT LTD (India)	Materials	283.18	4 987 438.97	1.36
171 648	SILICON WORKS (South Korea)	Information Technology	52 900.00	7 063 448.47	1.93
1 656 087	TRIPOD TECHNOLOGY CORP (Taiwan)	Information Technology	93.00	4 310 071.39	1.18
1 121 929	VARUN BEVERAGES LTD (India)	Consumer Staples	10.23	9 562 370.54	2.61
1 378 260	VIETNAM DAIRY PRODUCTS JSC (Vietnam)	Consumer Staples	208 600.00	10 543 313.27	2.88
1 437 985	VIPSHOP HOLDINGS LTD - ADR (China)	Consumer Discretionary	11.72	14 034 963.52	3.84
8 601 840	YIHAI INTERNATIONAL HOLDING (China)	Consumer Staples	7.51	6 881 801.89	1.88
59 751	YY INC (China)	Information Technology	113.06	5 625 789.52	1.54
<b>Africa</b>				<b>9 891 634.63</b>	<b>2.70</b>
1 523 560	EAST AFRICAN BREWERIES (Kenya)	Consumer Staples	238.00	2 924 661.47	0.80
32 290 983	SAFARICOM (Kenya)	Telecommunication Services	26.75	6 966 973.16	1.90
<b>Eastern Europe</b>				<b>8 064 666.11</b>	<b>2.21</b>
470 000	GLOBAL PORTS INV (Russia)	Industrials	3.80	1 487 341.77	0.41
841 113	GLOBALTRA-SPONS (Russia)	Industrials	9.39	6 577 324.34	1.80
<b>Middle East</b>				<b>18 822 615.03</b>	<b>5.15</b>
8 778 703	ARAMEX P.JSC (United Arab Emirates)	Industrials	1.17	8 559 381.64	2.34
1 056 130	AVIVASA EMEKLILIK VE HAYAT A (Turkey)	Financials	18.12	4 203 226.67	1.15
12 547 628	EMAAR MALLS GROUP (United Arab Emirates)	Real Estate	2.13	6 060 006.72	1.66
<b>Portfolio value</b>				<b>346 468 497.67</b>	<b>94.71</b>
<b>Net assets</b>				<b>365 833 983.94</b>	<b>100.00</b>



Michael Hulme

# © Carmignac Portfolio Commodities



Global equity fund invested in energy, natural resources, and related industrial companies. By combining a fundamental top-down approach and a disciplined bottom-up analysis, the Fund manager aims to select quality companies with attractive long-term growth prospects and sustainable cash flow generation, across the entire commodity value chain. The Fund aims to outperform its reference indicator over 5 years.

**Carmignac Portfolio Commodities** delivered a +6.66% return in the fourth quarter of 2017, compared with a +7.28% increase in its reference index. Over the full year, the fund gained +5.51%, versus the reference indicator's +5.15%. To put this in context, global markets (MSCI AC World total return in euros) were up +4.1% in the quarter, and +8.9% for the year. The strong absolute performance in the quarter was driven by a +16% rally in Brent crude prices (in US dollar terms), as well as by rising prices for copper (up +11% in dollar terms) and other commodities.

The strong oil price performance in the quarter reflected continuing drawdowns in visible OECD inventories, most notably in the US, continued OPEC supply discipline and a decision by OPEC to extend its output cuts into autumn 2018. Some shorter-term interruptions in supply also aided price momentum, particularly the shutdown of the Forties Pipeline in the UK for several weeks. We also saw continued steep declines in Venezuelan output as the country's economy continued its downward spiral, as well as a dip in Libyan production in the quarter, taking some of the pressure off OPEC. We expect oil prices to hold up in 2018.

The metals complex also performed well in the quarter, reflecting healthier-than-expected Chinese macro data, continued synchronised global growth and the unveiling of a new Chinese politburo with a continued commitment to commodity supply-side reforms and an environment-focused policy favouring foreign imports of quality bulk commodities. Meanwhile, supportive sector valuations with attractive free cash-flow yields underpinned mining and steel equities. Industrial base metals rose 9.4% in the quarter and ferrous metals were up 12%. Steel prices also stayed high due to continued Chinese capacity cuts. Gold, however, turned in a more modest, 2% performance in the quarter.

In the fourth quarter, our investments fared well in absolute terms. Strong performers included our core "commodity technology" holding, **Siltronic**, a silicon wafer manufacturer, up 16%, **Alcoa**, the aluminium producer, up 16%, **Propetro**, a fracking services provider, up 40%, **Gardner Denver**, a frack pump manufacturer, up 23%, and **Methanex**, a methanol producer, up 20%. On the downside, we saw an 8% drawdown in **Oasis Petroleum** in the quarter, and a 5% fall in **Tessenderlo**, a Belgian fertilizer business. Our gold holdings also underperformed, as gold prices remained stagnant.

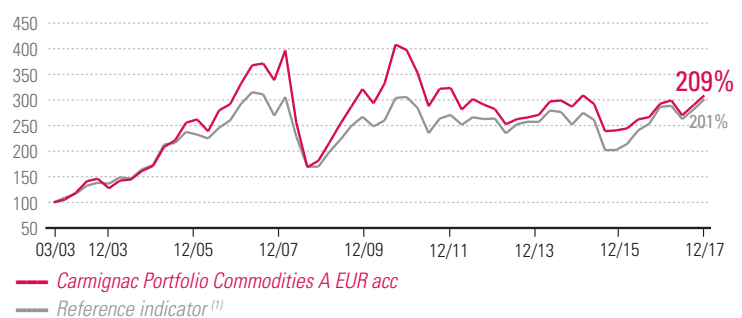
During the quarter, we purchased new positions in **SM Energy**, a shale production company focused on the Permian basin, and **Carrizo Energy**, another shale producer. We exited **Anadarko Petroleum** on

concerns about growth potential going forward and opaque executive compensation, as well as other ESG matters. In the oil services area, we purchased **Bristow Helicopters** (which serves offshore oil installations) and **PGS** (Petroleum Geo-Services), a Norwegian seismic company. We also entered an IPO in the quarter, **Ero Copper**, which performed well. We exited **Lundin Mining** in the quarter on full valuation.

Looking forward, we see continued support for oil prices as a result of accelerating declines outside the US and OPEC, and bolstered by potential weakness in production from OPEC countries like Libya, Venezuela and possibly Nigeria and Iran. Given the ongoing support from global growth, we expect the supply-demand balance to remain positive through the year, despite likely additions to US shale oil volume. Elsewhere we are maintaining a constructive outlook for mining and steel equities, even if Chinese growth slows due to top-down supply-side reforms favouring high-quality foreign raw materials and finished goods (steel). We remain on the lookout for new ideas in commodity tech, reinforcing our goal of "future-proofing" the commodities fund as consumers go further in adopting new technologies like battery-powered electric vehicles. We continue to view our gold holdings as bulwarks against any potential systemic risk in world markets, and at the same time as beneficiaries of any inflation tail-risk as a latent effect of the last decade of central bank stimulus.

Source of data: Carmignac, Bloomberg, 31/12/2017.

## Performance of the fund since its launch



(1) Index composed of 45% MSCI ACWI Oil and Gas NR (Eur), 5% MSCI ACWI Energy Equipment NR (Eur), 40% MSCI ACWI Metal and Mining NR (Eur), 5% MSCI ACWI Paper and Forest NR (Eur) and 5% MSCI ACWI Chemicals NR (Eur). The composition of the reference index changed on 01/07/2013: the MSCI ACWI Chemicals NR index replaces the MSCI AC World Food Products and performances are presented using the chaining method. Quarterly rebalanced. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

Some of the best performances of the year came from:

Stocks	Performance
Siltronic, materials, Germany	<b>+176%</b>
Alcoa Corp., aluminium, USA	<b>+92%</b>
Arizona Mining Inc., metals & mining, Canada	<b>+42%</b>
Interfor Corp., wood, Canada	<b>+41%</b>
Darling Ingredients, biodiesel, USA	<b>+40%</b>

### Quarterly gross performance contribution (%)

Equity Portfolio	Bond Portfolio	Equity Derivatives	Currency Derivatives	Total
7.92	0.01	0.01	-0.63	<b>7.31</b>

### Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	15.27	16.89

### Geographical Exposure (%)

	Positions		
	Long	Short	Net
North America	68.2	-5.1	63.0
Europe	34.7	-10.5	24.2
Asia-Pacific	5.9	0.0	5.9
Latin America	2.6	-0.3	2.3
Middle East	0.0	0.0	0.0
Eastern Europe	0.0	-0.4	-0.4
Africa	0.0	-0.5	-0.5
Asia	0.0	-1.0	-1.0
<b>Total</b>	<b>111.3</b>	<b>-17.9</b>	<b>93.4</b>

### Sector Exposure (%)

	Positions		
	Long	Short	Net
Energy	52.3	-11.3	41.0
Industrial Materials	28.3	-3.2	25.1
Precious Metals	11.0	0.0	11.0
Chemicals	4.1	0.0	4.1
Agricultural resources	2.7	0.0	2.7
Other Commodities Related	1.2	-1.7	-0.5
Regional Indexes	11.7	-1.7	10.0
<b>Total</b>	<b>111.3</b>	<b>-17.9</b>	<b>93.4</b>

### Net currency exposure of Euro share classes (%)

USD	62.6
EUR	18.0
JPY	3.4
GBP	9.5
CHF	1.1
AUD and CAD	7.9
Latin America	2.9
Emerging Asia	-0.9
Eastern Europe, Middle East and Africa	-3.7
Other	-0.9

### Statistics (%)

	1 year	3 years
Fund volatility	12.73	14.96
Benchmark volatility	12.70	19.02
Sharpe ratio	0.38	0.19
Beta	0.90	0.71
Alpha	0.01	-0.15

Calculation period: weekly (1 year) and monthly (3 years).

### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Commodities A EUR acc</b>	<b>5.51</b>	<b>6.66</b>	<b>14.34</b>	<b>5.51</b>	<b>7.64</b>	<b>6.18</b>	<b>-16.81</b>	<b>208.76</b>
Reference indicator*	5.15	7.28	14.66	5.15	19.69	14.73	-3.01	201.33
Category average**	2.42	6.27	13.14	2.42	13.14	-6.22	-24.83	175.53
Ranking (quartile)	2	2	2	2	3	2	2	2

\* Index composed of 45% MSCI ACWI Oil and Gas NR (Eur), 5% MSCI ACWI Energy Equipment NR (Eur), 40% MSCI ACWI Metal and Mining NR (Eur), 5% MSCI ACWI Paper and Forest NR (Eur) and 5% MSCI ACWI Chemicals NR (Eur). The composition of the reference index changed on 01/07/2013: the MSCI ACWI Chemicals NR index replaces the MSCI AC World Food Products and performances are presented using the chaining method. Quarterly rebalanced. \*\* Sector Equity Natural Resources. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). Past performance is not a reliable indicator of future performance. Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of funds in the Carmignac range. This is not intended to promote direct investment in those instruments, nor does it constitute investment advice. The Management Company is not subject to prohibition on trading in these instruments prior to issuing any communication. The portfolios of Carmignac funds may change without previous notice.

HOLDINGS CARMIGNAC PORTFOLIO COMMODITIES AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

				Price in currencies	Total value (€)	% of net assets
<b>Cash, cash equivalents and derivatives operations</b>					<b>-10 092 339.29</b>	<b>-1.34</b>
Cash (including collateral cash from derivative positions)					-10 092 339.29	-1.34
<b>Equities</b>					<b>747 413 824.94</b>	<b>99.16</b>
<b>Energy</b>					<b>390 906 403.81</b>	<b>51.86</b>
3 350 000	AFRICA OIL CORP (Canada)	North America	9.20	3 134 821.75	0.42	
1 050 000	BRISTOW GROUP (USA)	North America	13.47	11 778 397.73	1.56	
730 000	CANADIAN NATURAL RESOURCES LTD (Canada)	North America	44.92	21 795 679.63	2.89	
450 000	CARRIZO OIL & GAS (USA)	North America	21.28	7 974 683.54	1.06	
185 000	CIMAREX ENERGY (USA)	North America	122.01	18 797 343.44	2.49	
640 000	CONSOL ENERGY INC (USA)	North America	14.63	7 797 468.35	1.03	
300 000	ENBRIDGE (Canada)	North America	49.16	9 802 592.22	1.30	
220 000	EOG RESOURCES (USA)	North America	107.91	19 770 319.79	2.62	
575 000	HALLIBURTON (USA)	North America	48.87	23 401 274.15	3.10	
390 000	MARATHON PETROLEUM (USA)	North America	65.98	21 429 213.86	2.84	
25 000	NATIONAL OILWELL VARCO (USA)	North America	36.02	749 916.72	0.10	
500 000	NOBLE ENERGY INC (USA)	North America	29.14	12 133 577.61	1.61	
1 250 000	OASIS PETROLEUM INC (USA)	North America	8.41	8 754 580.28	1.16	
350 000	PARSLEY ENERGY INC-CLASS A (USA)	North America	29.44	8 580 946.04	1.14	
270 000	PDC ENERGY INC (USA)	North America	51.54	11 588 774.15	1.54	
2 000 000	PETROFAC LTD (United Kingdom)	Europe	5.10	11 491 015.60	1.52	
4 000 000	PETROLEUM GEO-SERVICES (Norway)	Europe	16.65	6 780 868.99	0.90	
194 000	PIONEER NAT. RESOURCES (USA)	North America	172.85	27 925 466.36	3.70	
500 000	PROPETRO HOLDING CORP (USA)	North America	20.16	8 394 403.73	1.11	
675 000	ROYAL DUTCH SHELL PLC (Netherlands)	Europe	24.80	18 858 784.43	2.50	
430 000	RPC (USA)	North America	25.53	9 142 155.23	1.21	
262 000	SILTRONIC AG (Germany)	Europe	121.30	31 780 600.00	4.22	
1 150 000	SM ENERGY CO (USA)	North America	22.08	21 145 902.73	2.81	
1 100 000	SUNCOR ENERGY (Canada)	North America	46.15	33 742 107.01	4.48	
340 000	TRANSCANADA CORP (Canada)	North America	61.18	13 825 988.70	1.83	
850 000	WEIR GROUP PLC (United Kingdom)	Europe	21.23	20 329 521.77	2.70	
<b>Industrial Materials</b>					<b>213 173 900.39</b>	<b>28.28</b>
340 000	ALCOA CORP (USA)	North America	53.87	15 252 998.00	2.02	
530 000	ALLEGHENY TECHNOLOGIES (USA)	North America	24.14	10 654 730.18	1.41	
850 000	ARCELOMITTAL (Luxembourg)	Europe	27.12	23 047 750.00	3.06	
2 300 000	ARIZONA MINING INC (Canada)	North America	3.46	5 289 464.94	0.70	
2 030 000	BHP BILLITON PLC (Australia)	Asia-Pacific	15.23	34 818 622.20	4.62	
700 000	ERO COPPER CORP (Canada)	North America	7.58	3 526 753.07	0.47	
670 000	GARDNER DENVER HOLDINGS INC (USA)	North America	33.93	18 931 628.91	2.51	
2 100 000	GLENCORE XSTRATA PLC (United Kingdom)	Europe	3.90	9 226 609.59	1.22	
5 500 000	GRUPO MEXICO SA DE CV (Mexico)	Latin America	64.91	15 195 420.16	2.02	
340 000	MUELLER INDUSTRIES INC (USA)	North America	35.43	10 031 812.13	1.33	
440 000	NIPPON STEEL CORP (Japan)	Asia-Pacific	2891.00	9 403 704.14	1.25	
180 000	NUCOR CORP (USA)	North America	63.58	9 530 646.24	1.26	
450 000	RIO TINTO PLC (United Kingdom)	Europe	39.42	19 984 228.02	2.65	
2 600 000	ROTORK PLC (United Kingdom)	Europe	2.67	7 817 720.95	1.04	
450 000	TECK RESOURCES LTD (Canada)	North America	26.17	9 807 211.86	1.30	
440 000	THYSSENKRUPP AG (Germany)	Europe	24.22	10 654 600.00	1.41	

## HOLDINGS CARMIGNAC PORTFOLIO COMMODITIES AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

<b>Precious Metals</b>				<b>83 046 474.04</b>	<b>11.02</b>
810 000	FIRST QUANTUM MINERALS LTD (Canada)	North America	17.61	9 480 957.13	1.26
1 850 000	GOLDCORP INC (Canada)	North America	12.77	19 673 967.36	2.61
1 400 000	HOCHSCHILD MINING PLC (Peru)	Latin America	2.64	4 163 803.30	0.55
2 300 000	KANSAI MINING CORP (USA)	North America	0.01	15 287.47	0.00
700 000	NEWMONT MINING (USA)	North America	37.52	21 872 085.28	2.90
137 000	ROYAL GOLD INC (USA)	North America	82.12	9 369 120.59	1.24
1 000 000	WHEATON PRECIOUS METALS CORP (Canada)	North America	27.79	18 471 252.91	2.45
<b>Agricultural resources</b>				<b>20 447 607.93</b>	<b>2.71</b>
515 000	DARLING INGREDIENTS (USA)	North America	18.13	7 775 607.93	1.03
902 700	INTERFOR CORP (Canada)	North America	21.12	12 672 000.00	1.68
<b>Chemicals</b>				<b>30 871 250.90</b>	<b>4.10</b>
350 000	METHANEX CORP (Canada)	North America	60.55	17 648 650.90	2.34
340 000	TESSENDERLO CHEMIE (Belgium)	Europe	38.89	13 222 600.00	1.75
<b>Other Commodities Related</b>				<b>8 968 187.87</b>	<b>1.19</b>
220 000	MASTEC INC (USA)	North America	48.95	8 968 187.87	1.19
<b>Developed countries fixed rate corporate bonds</b>				<b>16 457 951.64</b>	<b>2.18</b>
<b>Energy</b>				<b>16 457 951.64</b>	<b>2.18</b>
11 000 000	BRISTOW GROUP 6.25% 02/02/2018 (USA)	Energy (callable)	82.38	7 670 060.23	1.02
10 000 000	SM ENERGY CO 6.75% 15/09/2021 (USA)	Energy (callable)	103.50	8 787 891.41	1.17
<b>Portfolio value</b>				<b>763 871 776.58</b>	<b>101.34</b>
<b>Net assets</b>				<b>753 779 437.29</b>	<b>100.00</b>

## NET EQUITY EXPOSURE CARMIGNAC PORTFOLIO COMMODITIES AT 29/12/2017

Exposure (€)

% Exposure

<b>Long derivative positions</b>			<b>91 322 778.00</b>	<b>12.12</b>
	Regional Indexes (2 Positions)	Europe	88 184 000.00	11.70
	Energy (4 Positions)	North America	3 138 778.00	0.42
<b>Short derivative positions</b>			<b>-134 873 225.00</b>	<b>-17.89</b>
	Energy (12 Positions)	Europe	-41 716 393.00	-5.53
	Industrial Materials (4 Positions)	Europe	-9 515 150.00	-1.26
	Other Commodities Related (1 Position)	Europe	-2 547 600.00	-0.34
	Regional Indexes (2 Positions)	Europe	-12 526 500.00	-1.66
	Energy (8 Positions)	North America	-27 579 324.00	-3.66
	Energy (1 Position)	Latin America	-1 285 393.00	-0.17
	Energy (3 Positions)	Europe	-11 004 270.00	-1.46
	Energy (1 Position)	Eastern Europe	-2 938 041.00	-0.39
	Industrial Materials (1 Position)	Africa	-3 315 433.00	-0.44
	Industrial Materials (1 Position)	North America	-4 736 842.00	-0.63
	Industrial Materials (1 Position)	Asia	-4 531 628.00	-0.60
	Industrial Materials (2 Positions)	Europe	-1 927 166.00	-0.26
	Other Commodities Related (2 Positions)	North America	-6 403 965.00	-0.85
	Regional Indexes (1 Position)		-4 845 520.00	-0.64
<b>Equity Investment</b>			<b>747 413 824.94</b>	<b>99.16</b>
<b>Net equity exposure</b>			<b>703 863 377.94</b>	<b>93.38</b>



Edouard Carmignac

Rose Ouahba

# Carmignac Portfolio Patrimoine

A mixed fund tapping into three performance drivers: international bonds, international equities and currencies. At least 50% of its assets are invested in fixed income products and money market instruments at all times. Its flexible allocation aims to mitigate capital fluctuation while seeking the best sources of return. The Fund aims to outperform its reference indicator over 3 years.

Carmignac Portfolio Patrimoine was down -0.55% in the fourth quarter of 2017, versus a +1.78% gain in its reference indicator. That takes the Fund's full-year performance to +0.54%, versus +1.47% for its reference indicator. We have entered the new year with a high equity exposure (47%) and the equity investment approach described in our Carmignac Portfolio Investissement report. Although contracting by -0.73% in the fourth quarter, our fixed income portfolio did better than its reference indicator (-2.87%), yet was unquestionably a source of disappointment during the year, mainly because of inadequate hedging against the slide in the US dollar and our defensive bias on German long-term yields. That said, we feel that the situation at the start of the year vindicates our central investment themes:

- The monetary policy normalisation that has recently begun will likely translate into a stronger euro and rising German long-term yields, making it necessary to hedge those risks.
- A resurgent European integration process should lead to a new wave of bond-yield convergence which will work to our advantage, thanks to our peripheral eurozone debt holdings.
- Synchronised growth across the world will continue to buoy emerging-market debt given the weakness of the US dollar.

## Investment strategy

### Currencies and cash

As in the preceding quarters, the euro gained more than 2% against the US dollar, bringing its full-year appreciation to 14%. The European Central Bank has set in motion a monetary policy normalisation process in which it will begin by tapering its asset purchases and then eventually phase them out. Furthermore, the market anticipates a first interest rate hike in Q1 2019. Bolstered by a booming global economy, the eurozone has chalked up trade surpluses, even as a more benign political climate has attracted foreign investors (chiefly Asian) to the European market once again. Lastly, with a variety of economic readings indicating that the euro is still undervalued, the currency can be expected to appreciate further. We plan to maintain our foreign exchange hedges on assets denominated in other currencies.

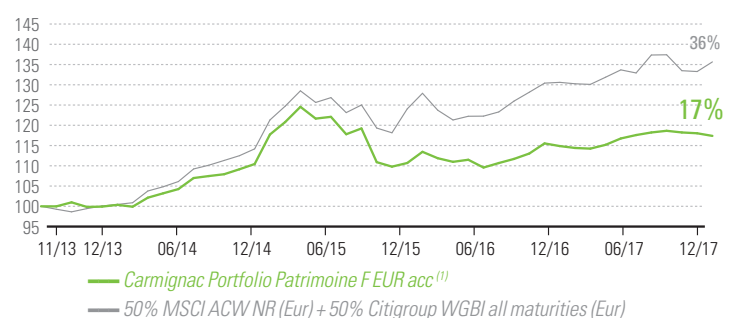
Government bonds account for 27% of the Fund's assets, with 8% allocated to those in emerging markets. Our total modified duration at year-end was 1.8.

US 10-year Treasury yields rose by 7 basis points during the fourth quarter, while 2-year yields ticked up 40 basis points – reflecting a substantial flattening of the yield curve. The US Congress finished 2017 on a positive note, due to both the new tax-cut law and a last-minute agreement to keep the government open until January 19, at which time both parties will have to either agree on a debt ceiling or pass another short-term funding extension. Analysts estimate that the tax-cut plan will raise the budget deficit from 3.5% to 4.2% of GDP (by 0.7 percentage points) and boost output by 5 percentage points in 2018. That in turn should lead to slightly higher interest rates. During the fourth quarter, we pared back our investments in the United States based on our bearish outlook for the dollar and our belief that interest rates are on the way up. The European Central Bank has announced that it would be carrying on with its asset purchases until September, but tapering them to €30 billion a month. The correction in German long-term yields – a development we are adequately positioned for – has at long last begun. At the same time, the economic upswing has put paid to the

populist wave, creating new opportunities for a more integrated Europe. A stronger eurozone could take the form of a bloc-wide finance minister and budget, with the ability to carry out transnational investments. We accordingly anticipate a wave of European bond-yield convergence and have quite deliberately increased our holdings of Italian, Greek and Spanish debt to 18%. Political uncertainty in Italy and Spain has given us a convenient way in. Italy's legislative elections on 4 March should be less polarised than initially expected now that the main Eurosceptic parties have softened their stance. In Spain, the pro-independence parties did come out ahead in the Catalan parliament, but with only 47.5% of the vote they cannot claim a majority. This means that future talks will be about more autonomy rather than "unilateral" independence. We have stepped up our exposure to Greece, the EU member with the best-performing sovereign debt in 2017. The government's progress on the road to structural reform should soon pave the way to a debt relief agreement. Moreover, the Greek government will have only minor funding needs until 2022.

Lastly, we have kept our allocation to emerging-market government bonds unchanged at 8%. Emerging economies are enjoying solid growth despite the deceleration in China. Their exports were up 15% at year-end and could expand by a further 5% to 10% in 2018. The jobless rate in the emerging world has continued to recede, suggesting a level compatible with GDP growth of close to 4.7% in 2018. Those prospects are likely to attract further foreign capital to emerging markets and strengthen their currencies, most of which are undervalued, especially now that the phase of falling interest rates is drawing to a close. In addition, emerging economies offer attractive interest-rate spreads relative to developed countries. They still face a number of risks, however, chief among them being a steep hike in US interest rates and adverse outcomes to pending political issues. In July, Mexico will be holding a presidential election against a backdrop of talks to alter the country's trade relations with the United States. Failure by the two parties to reach a deal would trigger an inflationary shock in Mexico driven by surging customs duties and currency depreciation which, compounded by recession conditions, would make it hard for the central bank to steer monetary policy. On the bright side, a little under half of all Mexican

## Performance of the fund since its launch



Past performance is not a reliable indicator of future performance. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).  
 (1) The investors eligible to invest in this share class are specified in the prospectus.

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

trade with the United States is already conducted under WTO rules, and the US business community still favours an agreement. Meanwhile, presidential candidate López Obrador has been leading the polls since the summer on an updated, more pro-business platform. Mexico's 10-year government paper combines a 7.55% yield with an investment-grade rating, backed by a primary budget surplus of about 1%. We have therefore maintained our exposure to Mexican bonds, but without losing sight of the associated currency risk. In Argentina, several far-reaching reforms have been passed into law – on pensions, taxation, public finances and a fiscal pact with the provinces – with labour- and capital-market reforms on the legislative agenda for 2018. The stage is therefore set for Argentine debt to appreciate. We are also exposed to Brazilian debt, which pays investors the highest real interest rates in Latin America.

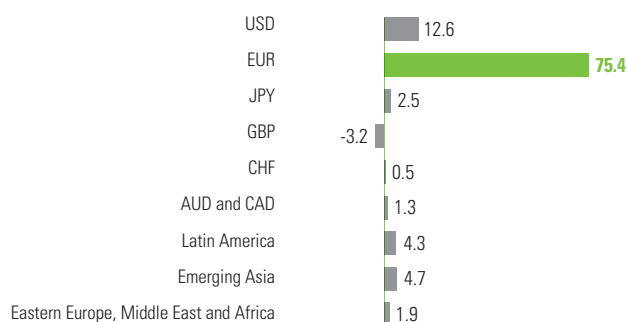
Our allocation to corporate bonds has held fairly steady at 21% of the portfolio.

As previously, those instruments delivered high returns in 2017, along with a historically low 1.5% default rate. But that achievement may conceal any number of weak points,

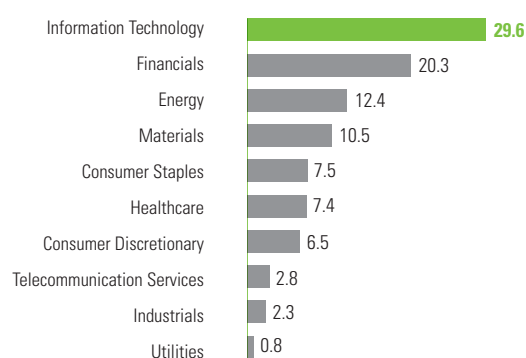
including a considerable deterioration in issuers' fundamentals. Since 2009, the percentage of BBB corporate bonds on investment-grade indices has risen from 35% to 50% and the size of that market has shot up by 116%. Most of them are held by investment funds rather than by banks, with passive management styles and ETFs accounting for 20% of the total, versus 8% previously. We have accordingly scaled back our credit risk, which we feel offers paltry returns. As an alternative to investment-grade corporate paper, we favour Collateralised Loan Obligations (CLOs), whose credit spreads are nearly 100 basis points higher than equivalently rated straight corporate issues. Because the underlying assets are bank loans, CLOs are senior to plain vanilla bonds, and that has given them a recovery rate in the event of default that is almost double the rate for conventional senior bonds over the past decade. Last of all, we have maintained our positioning in subordinated bank bonds, as we are encouraged by the decreasing weight of bad debt on bank balance sheets.

Source of data: Carmignac, CEIC, 29/12/2017

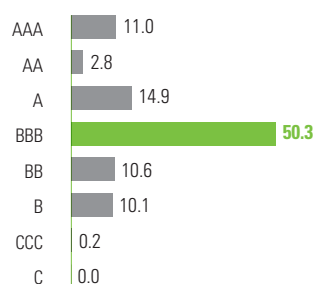
### Net currency exposure of Euro share classes (%)



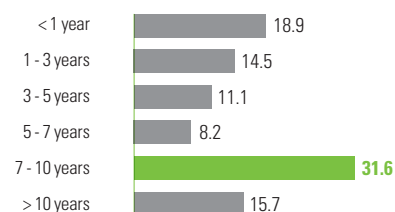
### Sector breakdown (derivatives excluded) (%)



### Bond portfolio (derivatives excluded) – Rating breakdown (%)



### Bond portfolio (derivatives excluded) – Maturity breakdown (%)



Cumulative performance (%)	Since							Since the first NAV
	30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	
<b>Carmignac Portfolio Patrimoine FEUR acc</b>	<b>0.54</b>	<b>-0.55</b>	<b>-0.72</b>	<b>0.54</b>	<b>6.28</b>	-	-	<b>17.38</b>
Reference indicator*	1.47	1.78	1.63	1.47	18.80	-	-	35.65
Category average**	4.42	1.21	2.1	4.42	9.99	-	-	18.41
Ranking (quartile)	4	4	4	4	4	-	-	3

\* 50% MSCI ACW NR (Eur) + 50% Citigroup WGBI (Eur) (Accrued interest). \*\* EUR Moderate Allocation - Global. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

Statistics (%)	1 year	3 years
Fund volatility	4.68	7.51
Benchmark volatility	5.33	7.66
Sharpe ratio	0.07	0.33
Beta	0.61	0.82
Alpha	-0.01	-0.21

Calculation period: weekly (1 year) and monthly (3 years).

### Modified duration of the bond portfolio (derivatives included)

Euro	0.07
United States	1.28
Other	0.40

### Quarterly gross performance contribution (%)

Equity Portfolio	Bond Portfolio	Equity Derivatives	Bond Derivatives	Currency Derivatives	Mutual Fund	Total
0.71	0.09	-0.40	-0.43	-0.30	-0.03	<b>-0.36</b>

### Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	5.86	6.36

### HOLDINGS CARMIGNAC PORTFOLIO PATRIMOINE AT 29/12/2017

	prices in currencies	total value (€)	% of net assets	
<b>Cash, cash equivalents and derivatives operations</b>		<b>157 916 378.50</b>	<b>6.93</b>	
Cash (including collateral cash from derivative positions)		88 992 542.88	3.90	
6 554 000 ITALY 12/01/2018	Treasury bill in Euro	6 555 599.45	0.29	
3 495 577 PORTUGAL 18/05/2018	Treasury bill in Euro	3 499 876.56	0.15	
2 299 823 PORTUGAL 20/07/2018	Treasury bill in Euro	2 303 847.69	0.10	
68 416 000 UNITED STATES 21/06/2018	Treasury bill in Dollar	56 564 511.92	2.48	
<b>Developed countries fixed rate Government bonds</b>		<b>411 812 482.48</b>	<b>18.06</b>	
4 753 413 GREECE 3.75% 30/01/2028 (Greece)	Euro	97.38	4 642 106.95	0.20
4 966 437 GREECE 3.90% 30/01/2033 (Greece)	Euro	93.92	4 680 546.44	0.21
6 342 251 GREECE 4.00% 30/01/2037 (Greece)	Euro	92.85	5 909 377.60	0.26
5 495 303 GREECE 4.20% 30/01/2042 (Greece)	Euro	92.84	5 120 644.53	0.22
2 115 000 GREECE 4.38% 01/08/2022 (Greece)	Euro	103.95	2 237 794.29	0.10
14 900 IRELAND 3.90% 20/03/2023 (Ireland)	Euro	119.94	18 331.16	0.00
28 778 000 ITALY 0.45% 01/06/2021 (Italy)	Euro	100.54	28 945 429.46	1.27
31 121 000 ITALY 1.25% 01/12/2026 (Italy)	Euro	95.31	29 696 070.30	1.30
32 498 000 ITALY 1.85% 15/05/2024 (Italy)	Euro	103.46	33 703 141.59	1.48
60 522 000 ITALY 2.05% 01/08/2027 (Italy)	Euro	100.47	61 332 115.99	2.69
110 339 000 ITALY 2.20% 01/06/2027 (Italy)	Euro	102.11	112 891 035.27	4.95
11 353 000 ITALY 3.75% 01/05/2021 (Italy)	Euro	111.37	12 718 382.66	0.56
6 907 000 PORTUGAL 2.20% 17/10/2022 (Portugal)	Euro	108.51	7 527 327.13	0.33
8 631 842 PORTUGAL 3.88% 15/02/2030 (Portugal)	Euro	116.23	10 328 127.37	0.45
11 006 000 PORTUGAL 4.10% 15/02/2045 (Portugal)	Euro	117.13	13 289 523.37	0.58
28 000 PORTUGAL 4.10% 15/04/2037 (Portugal)	Euro	119.25	34 217.19	0.00
4 966 000 PORTUGAL 4.12% 14/04/2027 (Portugal)	Euro	118.67	6 090 192.20	0.27
2 948 600 PORTUGAL 4.45% 15/06/2018 (Portugal)	Euro	102.19	3 085 672.74	0.14
22 748 PORTUGAL 4.95% 25/10/2023 (Portugal)	Euro	123.32	28 270.24	0.00
8 974 112 PORTUGAL 5.65% 15/02/2024 (Portugal)	Euro	127.26	11 869 148.60	0.52
8 437 000 SPAIN 1.40% 31/01/2020 (Spain)	Euro	103.46	8 838 145.83	0.39
27 452 000 SPAIN 1.50% 30/04/2027 (Spain)	Euro	100.48	27 863 554.37	1.22
9 084 000 SPAIN 2.90% 31/10/2046 (Spain)	Euro	101.21	9 240 107.92	0.41
9 620 000 SPAIN 5.50% 30/04/2021 (Spain)	Euro	118.13	11 723 219.28	0.51
<b>Developed countries inflation-linked Government bonds</b>		<b>19 669 692.23</b>	<b>0.86</b>	
23 239 000 USA I/L 0.38% 15/01/2027 (USA)	Dollar	99.33	19 669 692.23	0.86
<b>Emerging markets fixed rate Government bonds</b>		<b>131 321 010.79</b>	<b>5.78</b>	
4 341 337 ARGENTINA 2.26% 31/12/2038 (Argentina)	Euro	73.23	3 204 637.50	0.14
8 349 353 ARGENTINA 2.50% 31/12/2038 (Argentina)	Dollar	73.85	5 180 157.33	0.23
7 203 501 ARGENTINA 7.82% 31/12/2033 (Argentina)	Euro	117.07	8 439 325.67	0.37
4 437 000 BAHRAIN 6.75% 20/09/2029 (Bahrain)	Dollar	98.85	3 723 756.31	0.16
6 605 000 BAHRAIN 7.00% 12/10/2028 (Bahrain)	Dollar	101.80	5 686 141.53	0.25
69 000 BRAZIL 10.00% 01/01/2025 (Brazil)	Real Brazil	1 047.28	18 141 723.49	0.80

## HOLDINGS CARMIGNAC PORTFOLIO PATRIMOINE AT 29/12/2017

			prices in currencies	total value (€)	% of net assets
5 669 000	BRAZIL 5.62% 21/02/2047 (Brazil)	Dollar	102.65	4 944 140.60	0.22
314 780 000	CZECH REPUBLIC 0.00% 10/02/2020 (Czech Republic)	Czech Crown	99.29	12 242 992.58	0.54
385 090 000	CZECH REPUBLIC 0.00% 17/07/2019 (Czech Republic)	Czech Crown	99.76	15 048 211.21	0.66
2 280 400	MEXICO 8.00% 07/11/2047 (Mexico)	Mexican peso	102.46	9 990 175.91	0.44
2 007 000	REPUBLIC OF ECUADOR 10.50% 24/03/2020 (Ecuador)	Dollar	111.00	1 903 499.44	0.08
1 804 000	REPUBLIC OF ECUADOR 10.75% 28/03/2022 (Ecuador)	Dollar	117.46	1 807 765.85	0.08
4 600 000	RUSSIA 5.25% 23/06/2047 (Russia)	Dollar	104.72	4 017 852.41	0.18
1 383 584 000	RUSSIA 7.75% 16/09/2026 (Russia)	Russian Ruble	102.28	20 889 799.66	0.92
7 830 000	TURKEY 3.25% 14/06/2025 (Turkey)	Euro	101.57	8 094 695.83	0.36
2 816 000	TURKEY 4.88% 16/04/2043 (Turkey)	Dollar	88.18	2 092 364.65	0.09
7 200 000	TURKEY 5.75% 11/05/2047 (Turkey)	Dollar	97.80	5 913 770.82	0.26
	<b>Emerging countries inflation-linked Government bonds</b>			<b>40 312 516.88</b>	<b>1.77</b>
25 000	BRAZIL I/L 6.00% 15/08/2050 (Brazil)	Real Brazil	3 355.38	21 059 594.04	0.92
708 156	MEXICO I/L 4.50% 04/12/2025 (Mexico)	Mexican peso	107.28	19 252 922.84	0.84
	<b>Developed countries fixed rate corporate bonds</b>			<b>292 688 715.08</b>	<b>12.87</b>
4 792 000	ABN AMRO BANK 2.88% 30/06/2020 (Netherlands)	Financials(subordinated debt. callable)	105.99	5 149 576.41	0.23
1 733 000	ALLERGAN FUND 0.50% 01/05/2021 (Ireland)	Healthcare (callable)	100.21	1 741 874.86	0.08
3 633 000	ALLIED IRISH 2.75% 16/04/2019 (Ireland)	Financials (senior debt)	103.60	3 835 647.74	0.17
1 195 000	ALLIED IRISH 4.12% 26/11/2020 (Ireland)	Financials(subordinated debt. callable)	108.94	1 306 905.20	0.06
887 000	ALTICE SA 4.75% 15/01/2028 (Deutschland)	Consumer Discretionary (callable)	95.78	859 156.58	0.04
4 400 000	ALTICE SA 6.25% 15/02/2020 (Netherlands)	Consumer Discretionary (callable)	98.51	4 404 849.78	0.19
2 824 000	ALTICE SA 6.62% 15/02/2018 (Netherlands)	Consumer Discretionary (callable)	104.05	2 486 899.24	0.11
12 862 000	ALTICE SA 7.25% 26/01/2018 (Netherlands)	Consumer Discretionary (callable)	101.71	13 441 601.02	0.59
3 674 000	ALTICE SA 7.62% 15/02/2020 (Netherlands)	Consumer Discretionary (callable)	95.88	2 991 203.96	0.13
2 675 000	ALTICE SA 7.75% 29/01/2018 (Netherlands)	Consumer Discretionary (callable)	98.55	2 261 649.98	0.10
1 000 000	ASSICURAZIONI GENERALI 10.12% 10/07/2022 (Italy)	Financials(subordinated debt. callable)	138.30	1 432 406.71	0.06
685 000	ATENTO LUXCO 1 SA 6.12% 10/08/2019 (Luxembourg)	Industrials (callable)	104.27	608 707.53	0.03
1 057 000	BANCO BPM SPA 2.75% 27/07/2020 (Italy)	Financials (senior debt)	104.33	1 115 579.08	0.05
2 372 000	BANK OF IRELAND 7.38% 18/06/2020 (Ireland)	Financials(subordinated debt. callable)	112.33	2 672 135.98	0.12
6 600 000	BANKIA 3.50% 17/01/2019 (Spain)	Financials (senior debt)	103.68	7 065 454.60	0.31
4 300 000	BANKIA 4.00% 22/05/2019 (Spain)	Financials(subordinated debt. callable)	104.16	4 585 892.86	0.20
1 918 000	BARCLAYS 2.62% 11/11/2020 (United Kingdom)	Financials(subordinated debt. callable)	103.98	2 001 666.31	0.09
4 700 000	BBVA 3.50% 10/02/2027 (Spain)	Financials (subordinated debt)	112.84	5 450 853.97	0.24
3 100 000	BBVA 3.50% 11/04/2019 (Spain)	Financials(subordinated debt. callable)	104.18	3 308 886.49	0.15
4 000 000	BBVA 8.88% 14/04/2021 (Spain)	Financials(subordinated debt. callable)	118.78	4 829 338.59	0.21
6 800 000	BBVA 9.00% 09/05/2018 (Spain)	Financials(subordinated debt. callable)	102.50	5 880 629.58	0.26
1 300 000	BELFIUS BANK SA 3.12% 11/05/2026 (Belgium)	Financials (subordinated debt)	109.87	1 454 688.42	0.06
2 682 000	BERKSHIRE HATHAWAY 0.50% 13/02/2020 (USA)	Financials (senior debt. callable)	101.10	2 722 323.32	0.12
3 400 000	CAIXABANK 6.75% 13/06/2024 (Spain)	Financials(subordinated debt. callable)	111.30	3 797 506.11	0.17
1 225 000	CHANNEL LINK 1.76% 30/06/2022 (United Kingdom)	Information Technology (callable)	101.84	1 247 764.16	0.05
1 817 000	CHANNEL LINK 2.71% 30/06/2027 (United Kingdom)	Information Technology (callable)	103.64	1 883 732.14	0.08
4 872 000	CITIGROUP INC 4.30% 20/11/2026 (USA)	Financials (subordinated debt)	104.66	4 267 000.94	0.19
4 790 000	CITIGROUP INC 4.40% 10/06/2025 (USA)	Financials (subordinated debt)	105.61	4 224 163.74	0.19
3 859 000	CREDIT AGRICOLE 4.38% 17/03/2025 (France)	Financials (subordinated debt)	104.68	3 405 393.78	0.15
4 000 000	CREDIT MUTUEL ARKEA 3.50% 09/02/2029 (France)	Financials (subordinated debt)	113.55	4 667 808.22	0.20
1 205 000	CREDIT SUISSE 5.75% 18/09/2020 (Switzerland)	Financials(subordinated debt. callable)	113.70	1 390 336.43	0.06
7 283 000	CREDIT SUISSE 6.50% 08/08/2023 (Switzerland)	Financials (subordinated debt)	112.14	6 960 035.56	0.31
9 000	DANSKE BANK A/S 5.88% 06/04/2022 (Denmark)	Financials(subordinated debt. callable)	113.81	10 372.45	0.00
1 846 000	EBAY INC 2.15% 05/06/2020 (USA)	Information Technology	99.29	1 528 964.29	0.07
1 700 000	EUROFINS SCIENTIFIC SE 2.12% 25/04/2024 (Luxembourg)	Healthcare (callable)	102.35	1 755 949.56	0.08
1 633 000	EUROFINS SCIENTIFIC SE 2.25% 27/01/2022 (Luxembourg)	Healthcare	104.96	1 748 356.01	0.08
114 000	EUROFINS SCIENTIFIC SE 3.25% 13/11/2025 (Luxembourg)	Healthcare(subordinated debt. callable)	100.73	115 353.30	0.01
995 000	EUROFINS SCIENTIFIC SE 3.38% 30/10/2022 (Luxembourg)	Healthcare (callable)	108.78	1 113 438.26	0.05
1 713 000	EUROFINS SCIENTIFIC SE 4.88% 29/04/2023 (Luxembourg)	Healthcare(subordinated debt. callable)	110.67	1 952 763.21	0.09
1 848 000	FCA BANK SPA IRELAND 1.25% 21/01/2021 (Italy)	Consumer Discretionary	102.93	1 924 162.66	0.08

## HOLDINGS CARMIGNAC PORTFOLIO PATRIMOINE AT 29/12/2017

			prices in currencies	total value (€)	% of net assets
3 940 000	FCA BANK SPA IRELAND 1.38% 17/04/2020 (Italy)	Consumer Discretionary	102.91	4 093 541.26	0.18
2 763 000	FCA BANK SPA IRELAND 2.00% 23/10/2019 (Italy)	Financials (senior debt)	103.55	2 871 931.84	0.13
3 225 000	FCA BANK SPA IRELAND 2.62% 17/04/2019 (Italy)	Consumer Discretionary	103.49	3 398 351.70	0.15
2 703 000	FCA BANK SPA IRELAND 4.00% 17/10/2018 (Italy)	Consumer Discretionary	103.32	2 816 113.89	0.12
2 559 000	IBERDROLA 5.00% 11/09/2019 (Spain)	Utilities	104.16	2 252 839.68	0.10
6 689 000	INTESA SAN PAOLO 3.00% 28/01/2019 (Italy)	Financials (senior debt)	103.37	7 102 162.12	0.31
5 093 000	INTESA SAN PAOLO 3.88% 16/01/2018 (Italy)	Financials (senior debt)	100.06	4 320 209.75	0.19
7 030 000	INTESA SAN PAOLO 5.25% 12/01/2024 (Italy)	Financials (senior debt)	109.47	6 554 547.08	0.29
872 000	INTESA SAN PAOLO 5.71% 15/01/2026 (Italy)	Financials (subordinated debt)	105.73	787 236.54	0.03
5 366 000	INTRUM JUSTIT 2.75% 15/07/2019 (Sweden)	Financials (senior debt. callable)	100.80	5 485 472.50	0.24
2 416 000	INTRUM JUSTIT 3.12% 15/07/2020 (Sweden)	Financials (senior debt. callable)	100.56	2 468 795.98	0.11
2 737 000	JP MORGAN 1.65% 23/08/2019 (USA)	Financials (senior debt. callable)	99.14	2 270 204.13	0.10
7 235 000	LEUCADIA 5.50% 18/01/2023 (USA)	Financials (senior debt. callable)	107.65	6 554 931.29	0.29
5 414 000	LLOYDS 4.58% 10/12/2025 (United Kingdom)	Financials (subordinated debt)	105.03	4 748 509.88	0.21
5 313 000	MERCURY BONDCO PLC 7.12% 08/01/2018 (Italy)	Information Technology (callable)	103.73	5 563 698.33	0.24
4 744 260	MERCURY BONDCO PLC 8.25% 08/01/2018 (Italy)	Information Technology (callable)	104.23	4 980 773.22	0.22
3 459 000	MURPHY OIL CORP 5.75% 15/08/2020 (USA)	Energy (callable)	103.23	3 035 821.25	0.13
3 559 000	NETFLIX INC 3.62% 15/05/2027 (USA)	Consumer Discretionary	100.84	3 606 313.44	0.16
5 383 000	NORTH ATLANTIC DRILLING 6.25% 01/02/2019 (Norway)	Energy	11.81	529 536.04	0.02
6 551 000	NUMERICABLE 6.00% 26/01/2018 (France)	Consumer Discretionary (callable)	101.31	5 652 583.38	0.25
7 754 000	NUMERICABLE 6.25% 15/05/2019 (France)	Consumer Discretionary (callable)	100.27	6 629 492.46	0.29
8 203 000	PERSHING SQUARE HOLDINGS LTD 5.50% 15/06/2022 (Netherlands)	Financials (senior debt. callable)	104.36	7 304 664.02	0.32
3 887 000	ROYAL BANK OF SCOTLAND 3.62% 25/03/2019 (United Kingdom)	Financials (subordinated debt. callable)	103.25	4 123 001.07	0.18
3 460 000	ROYAL BANK OF SCOTLAND 6.93% 09/04/2018 (United Kingdom)	Financials (subordinated debt)	101.79	3 698 749.10	0.16
3 963 000	ROYAL BANK OF SCOTLAND 8.62% 15/08/2021 (United Kingdom)	Financials (subordinated debt. callable)	112.47	3 714 219.28	0.16
1 565 000	SBERBANK OF R 3.8% 07/03/2019 (Luxembourg)	Financials (senior debt)	102.79	1 624 117.01	0.07
4 860 000	TULLOW OIL 6.00% 08/01/2018 (United Kingdom)	Energy (callable)	100.94	4 127 128.08	0.18
6 270 000	TULLOW OIL 6.25% 26/01/2018 (United Kingdom)	Energy (callable)	100.65	5 326 114.72	0.23
1 500 000	UBS 0.50% 15/05/2018 (Switzerland)	Financials (subordinated debt)	117.34	1 501 705.80	0.07
4 745 000	UBS 4.12% 15/04/2026 (Switzerland)	Financials (senior debt)	100.72	4 005 786.85	0.18
8 273 000	UBS 4.75% 22/05/2018 (Switzerland)	Financials (subordinated debt. callable)	100.93	7 154 269.12	0.31
10 994 000	UBS 7.62% 17/08/2022 (Switzerland)	Financials (subordinated debt)	105.88	9 991 359.04	0.44
5 486 000	UBS 4.75% 12/02/2021 (Schweiz)	Financials (subordinated debt. callable)	112.23	6 389 347.62	0.28
4 270 000	UBS GROUP 4.12% 15/04/2026 (Switzerland)	Financials (senior debt)	104.78	3 757 576.89	0.16
5 134 000	UNICREDIT 5.86% 19/06/2027 (Italy)	Financials (subordinated debt. callable)	106.76	4 574 079.66	0.20
4 850 000	UNICREDIT 6.38% 02/05/2018 (Italy)	Financials (subordinated debt. callable)	101.31	4 135 473.52	0.18
7 631 000	UNICREDIT 6.95% 31/10/2022 (Italy)	Financials (subordinated debt)	123.18	9 494 236.18	0.42
2 000 000	UNICREDIT 9.25% 03/06/2022 (Italy)	Financials (subordinated debt. callable)	121.35	2 442 792.33	0.11
<b>Developed countries floating rate corporate bonds</b>				<b>5 355 025.37</b>	<b>0.23</b>
2 581 000	ALLERGAN FUND TV 01/06/2019 (Ireland)	Healthcare	100.20	2 586 263.30	0.11
1 421 000	AP MOELLER-MAERSK A/S TV 18/03/2019 (Denmark)	Industrials	101.73	1 446 384.74	0.06
1 300 000	INTRUM JUSTIT TV 15/06/2018 (Sweden)	Industrials (callable)	101.14	1 322 377.33	0.06
<b>Emerging markets fixed rate corporate bonds</b>				<b>71 366 199.45</b>	<b>3.12</b>
2 200 000	BANISTMO SA 3.65% 19/09/2022 (Colombia)	Financials (senior debt)	99.03	1 833 567.44	0.08
4 794 000	BRF SA 2.75% 03/06/2022 (Brazil)	Consumer Staples	103.93	5 059 603.36	0.22
2 848 000	CEDC FINANCE 10.00% 08/01/2018 (Poland)	Consumer Discretionary (callable)	90.25	2 142 482.79	0.09
2 172 000	CESKE DRAHY 1.88% 25/05/2023 (Czech Republic)	Industrials	104.99	2 305 332.24	0.10
3 804 000	CPI PROPERTY 2.13% 04/01/2024 (Czech Republic)	Real Estate (callable)	100.44	3 840 890.98	0.17
1 752 000	GLOBALWORTH REAL ESTATE 2.88% 20/06/2022 (Romania)	Real Estate	103.84	1 846 653.36	0.08
3 611 000	ICICI BANK 4.70% 21/02/2018 (India)	Financials (senior debt)	100.32	3 068 518.02	0.13
3 408 000	MOL HUNGARIAN OIL AND GAS 2.62% 28/04/2023 (Hungary)	Energy	108.49	3 758 715.41	0.16
7 253 000	MYRIAD INTERNATIONAL HOLDINGS BV 6.00% 18/07/2020 (South Africa)	Consumer Discretionary	107.70	6 671 032.52	0.29
1 669 000	NTPC LTD 2.75% 01/02/2027 (India)	Utilities	103.79	1 774 439.19	0.08
4 100 000	PETROBRAS GLOBAL FINANCE BV 6.00% 27/01/2028 (Mexico)	Energy	100.49	3 485 707.92	0.15
1 029 000	PETROBRAS GLOBAL FINANCE BV 6.12% 17/01/2022 (Mexico)	Energy	106.31	935 168.92	0.04

## HOLDINGS CARMIGNAC PORTFOLIO PATRIMOINE AT 29/12/2017

			prices in currencies	total value (€)	% of net assets
4 675 000	PETROLEOS MEXICANOS 5.50% 27/06/2044 (Mexico)	Dollar	92.62	3 609 641.42	0.16
1 392 000	PETROLEOS MEXICANOS 4.25% 15/01/2025 (Mexico)	Energy	99.73	1 179 030.65	0.05
3 712 000	PETROLEOS MEXICANOS 4.88% 21/02/2028 (Mexico)	Energy	111.13	4 281 886.58	0.19
12 614 000	PETROLEOS MEXICANOS 6.75% 21/09/2047 (Mexico)	Energy	104.48	11 160 878.52	0.49
4 850 000	PHOSAGRO 4.20% 13/02/2018 (Russia)	Materials	100.16	4 111 469.11	0.18
3 590 000	SANTANDER 4.12% 09/11/2022 (Spain)	Financials (senior debt)	103.28	3 106 203.56	0.14
800 000	SIGMA ALIMENTOS SA 2.62% 07/02/2024 (Mexico)	Consumer Staples	106.67	872 362.30	0.04
1 700 000	STONEWAY CAP 10.00% 01/03/2027 (Argentinien)	Utilities (callable)	106.25	1 552 182.80	0.07
1 841 000	TEVA PHARMACEUTICAL 1.88% 31/12/2026 (Israel)	Healthcare (callable)	86.88	1 625 825.43	0.07
926 000	TEVA PHARMACEUTICAL 0.38% 25/07/2020 (Israel)	Healthcare	95.37	884 676.68	0.04
510 000	TEVA PHARMACEUTICAL 1.12% 15/10/2024 (Israel)	Healthcare	86.89	444 391.43	0.02
926 000	TEVA PHARMACEUTICAL 1.25% 31/12/2022 (Israel)	Healthcare (callable)	91.50	856 078.25	0.04
926 000	TEVA PHARMACEUTICAL 2.88% 15/04/2019 (Israel)	Healthcare	101.53	959 460.57	0.04
<b>Developed countries convertible corporate bonds</b>				<b>3 130 335.00</b>	<b>0.14</b>
4 500 000	MITSUBISHI UF 4.17% 15/12/2050 (Japan)	Financials (subordinated debt)	69.56	3 130 335.00	0.14
<b>Asset Backed Securities</b>				<b>117 532 203.32</b>	<b>5.16</b>
5 313 000	SPIRE PARTNERS. AURIUM CLO I (Europe)	CLO (AAA tranche)	100.14	5 328 770.87	0.23
1 216 000	SPIRE PARTNERS. AURIUM CLO II (Europe)	CLO (AAA tranche)	100.74	1 228 963.38	0.05
416 000	SPIRE PARTNERS. AURIUM CLO II (Europe)	CLO (AA tranche)	101.08	422 566.74	0.02
384 000	SPIRE PARTNERS. AURIUM CLO II (Europe)	CLO (A tranche)	101.75	393 474.75	0.02
4 336 000	AXA IM. ADAGIO V CLO (Europe)	CLO (AAA tranche)	100.96	4 389 366.77	0.19
640 000	AXA IM. ADAGIO V CLO (Europe)	CLO (AA tranche)	101.25	650 943.84	0.03
1 763 000	AXA IM. ALLEGRO CLO III (USA)	CLO (AAA tranche)	100.01	1 476 387.13	0.06
1 390 000	APOLLO MANAGEMENT. ALME LOAN FUNDING IV (Europe)	CLO (AAA tranche)	100.06	1 395 417.02	0.06
1 091 000	APOLLO MANAGEMENT. ALME LOAN FUNDING IV (Europe)	CLO (AAA tranche)	100.02	1 091 218.15	0.05
1 364 000	APOLLO MANAGEMENT. ALME LOAN FUNDING IV (Europe)	CLO (AA tranche)	0.00	1 364 000.00	0.06
640 000	APOLLO MANAGEMENT. ALME LOAN FUNDING V (Europe)	CLO (AAA tranche)	101.11	649 165.84	0.03
247 000	APOLLO MANAGEMENT. ALME LOAN FUNDING V (Europe)	CLO (A tranche)	101.92	253 446.80	0.01
2 289 000	APEX CREDIT. APEXC CLO 2016-1 (USA)	CLO (AAA tranche)	100.56	1 928 070.73	0.08
3 385 000	APEX CREDIT. APEXC CLO 2017-1 (USA)	CLO (AAA tranche)	100.57	2 850 673.47	0.13
3 500 000	APEX CREDIT. APEXC CLO 2017-2 (USA)	CLO (AAA tranche)	100.52	2 933 378.77	0.13
1 850 000	OAKTREE CAPITAL. ARBOUR CLO III (Europe)	CLO (AAA tranche)	100.21	1 855 453.72	0.08
1 100 000	OAKTREE CAPITAL. ARBOUR CLO IV (Europe)	CLO (AAA tranche)	102.46	1 129 828.08	0.05
2 764 301	NEWSTAR CAPITAL. ARCH STREET CLO (USA)	CLO (AAA tranche)	100.72	2 333 276.43	0.10
4 921 000	BARINGS. BABSON EURO CLO 2016-1 (Europe)	CLO (AAA tranche)	100.62	4 963 419.68	0.22
320 000	BARINGS. BABSON EURO CLO 2016-1 (Europe)	CLO (AA tranche)	100.77	323 680.84	0.01
154 000	BARINGS. BABSON EURO CLO 2016-1 (Europe)	CLO (A tranche)	101.47	157 142.15	0.01
3 038 000	BLACK DIAMOND. BLACK DIAMOND CLO 2014-1 (USA)	CLO (AAA tranche)	100.41	2 554 273.18	0.11
1 053 000	BLACK DIAMOND. BLACK DIAMOND CLO 2015-1 (Europe)	CLO (AAA tranche)	0.00	1 053 000.00	0.05
1 634 000	BLACK DIAMOND. BLACK DIAMOND CLO 2015-1 (Europe)	CLO (AA tranche)	0.00	1 634 000.00	0.07
5 688 833	COMMERZBANK. BOSPHORUS CLO III (Europe)	CLO (AAA tranche)	100.40	5 722 184.53	0.25
1 237 000	CSAM. CADOGAN SQUARE CLO X (Europe)	CLO (AA tranche)	0.00	1 237 000.00	0.05
678 000	CSAM. CADOGAN SQUARE CLO VII (Europe)	CLO (AA tranche)	100.79	684 792.36	0.03
318 000	CSAM. CADOGAN SQUARE CLO VII (Europe)	CLO (A tranche)	101.32	323 174.86	0.01
212 000	CSAM. CADOGAN SQUARE CLO VII (Europe)	CLO (BBB tranche)	102.59	218 526.54	0.01
3 419 000	CARLYLE. CARLYLE GMS EURO CLO 2015-2 (Europe)	CLO (AAA tranche)	100.23	3 426 877.03	0.15
794 000	CVC CREDIT PARTNERS. CVC CORDATUS VI (Europe)	CLO (AA tranche)	100.90	804 858.55	0.04
290 000	CVC CREDIT PARTNERS. CVC CORDATUS VI (Europe)	CLO (A tranche)	101.37	296 216.78	0.01
318 000	CVC CREDIT PARTNERS. CVC CORDATUS VI (Europe)	CLO (BBB tranche)	102.66	329 957.79	0.01
1 157 000	PRAMERICA. DRYDEN 27 EURO CLO (Europe)	CLO (AAA tranche)	100.26	1 171 232.09	0.05
1 350 000	PRAMERICA. DRYDEN 27 EURO CLO (Europe)	CLO (AA tranche)	100.45	1 375 814.24	0.06
851 000	BLACKSTONE/GSO. ELM PARK (Europe)	CLO (AAA tranche)	101.19	866 771.81	0.04
532 000	BLACKSTONE/GSO. ELM PARK (Europe)	CLO (AA tranche)	100.75	538 469.53	0.02
665 000	BLACKSTONE/GSO. ELM PARK (Europe)	CLO (A tranche)	101.53	679 839.94	0.03
474 000	BLACKSTONE/GSO. ELM PARK (Europe)	CLO (BBB tranche)	101.96	487 859.37	0.02

## HOLDINGS CARMIGNAC PORTFOLIO PATRIMOINE AT 29/12/2017

			prices in currencies	total value (€)	% of net assets
5 045 000	GLG PARTNERS. GLG EURO CLO I (Europe)	CLO (AAA tranche)	100.32	5 070 263.23	0.22
3 976 000	GOLUB CAPITAL. GOLUB CAPITAL CLO 35 (USA)	CLO (AAA tranche)	100.56	3 373 225.79	0.15
170 537	INVESTCORP. HARVEST CLO IV (Europe)	CLO (AAA tranche)	100.02	170 685.98	0.01
5 471 591	HALCYON. HALCYON HLA 2017-1 (USA)	CLO (AAA tranche)	100.26	4 592 176.10	0.20
1 339 000	ICG. ICG US CLO 2016-1 (USA)	CLO (AAA tranche)	100.77	1 129 751.47	0.05
264 000	ALCENTRA. JUBILEE CLO 2016-XVII (Europe)	CLO (AAA tranche)	100.77	266 754.31	0.01
483 000	ALCENTRA. JUBILEE CLO 2016-XVII (Europe)	CLO (AA tranche)	101.26	491 302.22	0.02
461 000	ALCENTRA. JUBILEE CLO 2016-XVII (Europe)	CLO (A tranche)	101.88	472 828.33	0.02
1 773 000	MARBLE POINT. MP CLO VII (USA)	CLO (AAA tranche)	100.01	1 485 758.59	0.07
800 000	SEIX. MOUNTAIN VIEW CLO 2017-1 (USA)	CLO (AAA tranche)	100.80	671 549.97	0.03
700 000	SEIX. MOUNTAIN VIEW CLO X (USA)	CLO (AAA tranche)	100.38	588 989.25	0.03
985 000	NASSAU CREDIT. NASSAU 2017-1 (USA)	CLO (AAA tranche)	100.56	833 565.47	0.04
1 383 000	BAIN CREDIT. NEWHAVEN II CLO (Europe)	CLO (AAA tranche)	100.48	1 392 435.81	0.06
3 245 000	ONEX CREDIT. OCP CLO 2016-12 (USA)	CLO (AAA tranche)	101.18	2 751 313.56	0.12
5 400 000	OFS CLO MANAGEMENT. OFSI VIII (USA)	CLO (AAA tranche)	100.65	4 526 369.67	0.20
1 321 000	OAK HILL ADVISORS. OAK HILL ECP IV (Europe)	CLO (AAA tranche)	100.55	1 336 929.98	0.06
6 000 000	BLACKSTONE/GSO. ORWELL PARK PARK (Europe)	CLO (AAA tranche)	100.04	6 012 362.00	0.26
548 000	NATIXIS ASSET MANAGEMENT. PURPLE FINANCE I (Europe)	CLO (AAA tranche)	0.00	548 000.00	0.02
667 000	NATIXIS ASSET MANAGEMENT. PURPLE FINANCE I (Europe)	CLO (AA tranche)	0.00	667 000.00	0.03
411 000	NATIXIS ASSET MANAGEMENT. PURPLE FINANCE I (Europe)	CLO (A tranche)	0.00	411 000.00	0.02
4 300 000	ROCKFORD TOWER CAPITAL. ROCKFORD TOWER 2017-2 (USA)	CLO (AAA tranche)	100.90	3 642 327.78	0.16
1 685 000	INVESCO. RISERVA CLO (USA)	CLO (AAA tranche)	100.83	1 423 474.14	0.06
562 841	SOFI. SOFI CONSUMER LOAN PROGRAM 2016-3 (USA)	CLO (A tranche)	101.16	474 453.60	0.02
4 605 000	ALCENTRA. SHACKLETON 2016-IX (USA)	CLO (AAA tranche)	101.26	3 906 603.84	0.17
730 000	ICG. ST PAUL'S IV (Europe)	CLO (AA tranche)	100.51	733 710.30	0.03
3 000 000	SARANAC CLO MANAGEMENT. SARANAC CLO V (USA)	CLO (AAA tranche)	100.12	2 514 238.23	0.11
1 825 704	TRINITAS CAPITAL MANAGEMENT. TRINITAS CLO V (USA)	CLO (AAA tranche)	100.73	1 538 749.49	0.07
4 278 000	TRINITAS CAPITAL MANAGEMENT. TRINITAS CLO VI (USA)	CLO (AAA tranche)	100.38	3 594 909.74	0.16
622 000	TRINITAS CAPITAL MANAGEMENT. TRINITAS CLO VI (USA)	CLO (A tranche)	100.52	524 818.64	0.02
2 200 000	MJX MANAGEMENT. VENTURE XXVI CLO (USA)	CLO (AAA tranche)	101.10	1 863 162.07	0.08
<b>Equities Developed countries</b>				<b>796 723 092.85</b>	<b>34.95</b>
<b>North America</b>				<b>630 476 751.32</b>	<b>27.65</b>
432 599	ACTIVISION BLIZZARD (USA)	Information Technology	63.32	22 811 599.50	1.00
37 105	AMAZON.COM INC (USA)	Consumer Discretionary	1 169.47	36 136 895.69	1.59
159 694	APPLE INC (USA)	Information Technology	169.23	22 505 842.46	0.99
353 349	BANK OF AMERICA (USA)	Financials	29.52	8 686 594.34	0.38
380 480	CELGENE CORP (USA)	Healthcare	104.36	33 067 032.64	1.45
85 466	CLOVIS ONCOLOGY INC (USA)	Healthcare	68.00	4 839 846.77	0.21
187 141	CONCHO RESOURCES (USA)	Energy	150.22	23 411 326.63	1.03
352 879	EOG RESOURCES (USA)	Energy	107.91	31 711 503.07	1.39
366 416	FACEBOOK INC (USA)	Information Technology	176.46	53 845 575.75	2.36
265 685	FRANCO-NEVADA CORP (Canada)	Materials	100.46	17 740 588.30	0.78
1 836 513	GOLDCORP INC (Canada)	Materials	12.77	19 530 538.82	0.86
196 976	GRUBHUB INC (USA)	Information Technology	71.80	11 777 878.75	0.52
62 963	INCYTE CORP (USA)	Healthcare	94.71	4 966 044.08	0.22
683 987	INTERCONTINENTAL EXCHANGE (USA)	Financials	70.56	40 191 641.17	1.76
38 812	INTUITIVE SURGICAL (USA)	Healthcare	364.94	11 795 512.39	0.52
93 982	MASTERCARD INC (USA)	Information Technology	151.36	11 846 365.36	0.52
946 968	NEWMONT MINING (USA)	Materials	37.52	29 588 806.93	1.30
861 769	NOBLE ENERGY INC (USA)	Energy	29.14	20 912 682.10	0.92
236 961	PIONEER NAT. RESOURCES (USA)	Energy	172.85	34 109 517.70	1.50
803 520	POTASH CORP (Canada)	Materials	20.65	13 818 027.98	0.61
247 472	PTC INC (USA)	Information Technology	60.77	12 524 045.17	0.55
260 313	SERVICENOW (USA)	Information Technology	130.39	28 266 332.50	1.24
27 397	SHOPIFY INC - CLASS A (Canada)	Information Technology	101.00	2 304 377.91	0.10

## HOLDINGS CARMIGNAC PORTFOLIO PATRIMOINE AT 29/12/2017

			prices in currencies	total value (€)	% of net assets
307 530	SM ENERGY CO (USA)	Energy	22.08	5 654 782.15	0.25
189 214	SPLUNK INC (USA)	Information Technology	82.84	13 053 370.89	0.57
76 142	STRYKER CORP (USA)	Healthcare	154.84	9 818 310.53	0.43
351 592	SYNCHRONY FINANCIAL (USA)	Financials	38.61	11 304 935.98	0.50
383 611	T-MOBILE US INC (USA)	Telecommunication Services	63.51	20 289 086.12	0.89
298 973	TRANSCANADA CORP (Canada)	Energy	61.18	12 157 639.18	0.53
123 901	VISA INC (USA)	Information Technology	114.02	11 764 816.81	0.52
52 770	WAYFAIR INC- CLASS A (USA)	Consumer Discretionary	80.27	3 527 521.57	0.15
390 639	WELLS FARGO (USA)	Financials	60.67	19 736 898.84	0.87
1 011 838	WHEATON PRECIOUS METALS CORP (Canada)	Materials	22.13	18 647 547.42	0.82
265 392	ZAYO GROUP HOLDINGS INC (USA)	Telecommunication Services	36.80	8 133 265.82	0.36
<b>Europe</b>				<b>166 246 341.53</b>	<b>7.29</b>
158 523	ASML HOLDINGS (Netherlands)	Information Technology	145.15	23 009 613.45	1.01
190 926	ASOS PLC (United Kingdom)	Consumer Discretionary	67.15	14 443 396.50	0.63
9 660	DASSAULT AVIATION SA (France)	Industrials	1 297.90	12 537 714.00	0.55
14 744	HERMES INTERNATIONAL (France)	Consumer Discretionary	446.25	6 579 510.00	0.29
3 770 495	HSBC HOLDINGS (United Kingdom)	Financials	7.67	32 575 819.48	1.43
29 226	INDITEX (Spain)	Consumer Discretionary	29.05	848 869.17	0.04
278 732	LONDON STOCK EXCHANGE (United Kingdom)	Financials	37.93	11 910 443.03	0.52
468 820	RECKITT BENCKISER (United Kingdom)	Consumer Staples	69.19	36 543 294.99	1.60
61 275	RENAULT SA (France)	Consumer Discretionary	83.91	5 141 585.25	0.23
718 609	RYANAIR HOLDINGS PLC (Ireland)	Industrials	15.05	10 815 065.45	0.47
110 935	VIFOR PHARMA AG (Switzerland)	Healthcare	124.90	11 841 030.21	0.52
<b>Equities Emerging markets</b>				<b>232 009 280.78</b>	<b>10.18</b>
<b>Latin America</b>				<b>102 038 313.97</b>	<b>4.48</b>
168 839	BANCO MACRO (Argentina)	Financials	115.88	16 293 357.20	0.71
1 408 263	CEMEX (Mexico)	Materials	7.50	8 795 779.90	0.39
326 077	GRUPO FINANCIERO GALICIA (Argentina)	Financials	65.85	17 881 554.34	0.78
883 235	GRUPO PAO DE ACUCAR (Brazil)	Consumer Staples	78.93	17 372 403.76	0.76
127 891	MERCADOLIBRE INC (Argentina)	Information Technology	314.66	33 512 809.84	1.47
146 038	PAMPA ENERGIA (Argentina)	Utilities	67.28	8 182 408.93	0.36
<b>Asia</b>				<b>118 989 816.54</b>	<b>5.22</b>
284 036	58.COM (China)	Information Technology	71.57	16 929 094.37	0.74
29 786	BITAUTO HOLDINGS LTD-ADR (China)	Information Technology	31.80	788 803.13	0.03
2 955 778	HANGZHOU HIKVISION DIGITAL-A (China)	Information Technology	39.00	14 741 752.12	0.65
1 429 475	HDFC BANK (India)	Financials	1 890.35	35 256 569.86	1.55
483 891	HDFC STANDARD LIFE INSURANCE (India)	Financials	386.00	2 437 003.32	0.11
561 621	INDUSIND BANK (India)	Financials	1 648.90	12 082 559.09	0.53
311 558	TENCENT HOLDINGS (China)	Information Technology	406.00	13 475 218.31	0.59
486 306	UNITED SPIRITS LTD (India)	Consumer Staples	3 668.85	23 278 816.34	1.02
<b>Eastern Europe</b>				<b>10 981 150.27</b>	<b>0.48</b>
402 631	YANDEX (Russia)	Information Technology	32.75	10 981 150.27	0.48
<b>Portfolio value</b>				<b>2 121 920 554.23</b>	<b>93.07</b>
<b>Net assets</b>				<b>2 279 836 932.73</b>	<b>100.00</b>



Xavier Hovasse

Charles Zerah

# © Carmignac Portfolio Emerging Patrimoine

Mixed emerging market fund combining three performance drivers: equities, bonds and emerging market currencies. By actively managing the equity exposure between 0% and 50%, the Fund manager seeks to benefit from market upturns while limiting drawdowns. The Fund aims to outperform its reference indicator over 5 years.

In the fourth quarter of 2017, **Carmignac Portfolio Emerging Patrimoine** returned +0.60%, compared with a +2.54% increase in its reference indicator. This takes its full-year gain to +7.30%, versus +10.59% for its indicator. The Fund benefited from the stock-market rally, whereas political risk in Brazil, Mexico, South Africa and Turkey produced more erratic behaviour in emerging world-bond markets.

## Fixed income component

As in the previous quarter, the key emerging markets saw an acceleration in GDP growth driven by a rebound in commodity prices, a booming Chinese economy and vigorous international trade. But we also had to deal with a resumption of volatility in several emerging bond markets as political risk rose in connection with pension reform in Brazil, candidacy announcements for the 2018 presidential election in Mexico, the ANC party congress in South Africa and Turkey's diplomatic dispute with the United States.

Our bond portfolio was buoyed by gains for local-currency debt from Chile (up +2.2% over the period) and Russia (up +1.44%). However, our exposure to Brazilian and Mexican local-currency paper detracted from performance as political risk became significant once again in the fourth quarter. In Brazil, the Temer administration failed to get the legislature to pass a pension reform that is vital to improving the country's long-term debt profile. In Mexico, several candidates announced their intention to run for president in the wake of a scandal involving the current administration. Both countries have presidential elections scheduled for 2018 which in our view will have a major impact on their economic fundamentals, while also potentially generating volatility. On the other hand, with real interest rates quite high – 5% in Brazil and 3.5% in Mexico – their bonds still offer excellent value for the money. We therefore plan to maintain our preference for local-currency paper issued by both countries, while tactically managing our exposure due to the high political risk there.

We will also continue to diversify our bond portfolio, favouring sovereign debt denominated in euros and US dollars from countries like Turkey and Argentina that still pay attractive risk premia. However, with many corporate bonds carrying risk premia that we consider too low to create a decent risk–return trade-off, we will confine ourselves as before to an opportunistic approach. This goes in particular for the energy sector, where we remain constructive on oil prices (see the **macroeconomic section** in our **Carmignac Portfolio Commodities** report).

We maintain our constructive outlook on bonds from emerging markets, which are being buoyed by sound economic fundamentals and ample capital flows from abroad. We plan to keep our exposure to local-currency emerging market debt high, while taking a much more selective approach to dollar- and euro-denominated sovereign debt now that monetary policy tightening is on the cards.

## Currency component

The depreciation of such emerging-world currencies as the Brazilian real and the Mexican peso, which lost considerable ground against the euro (see the

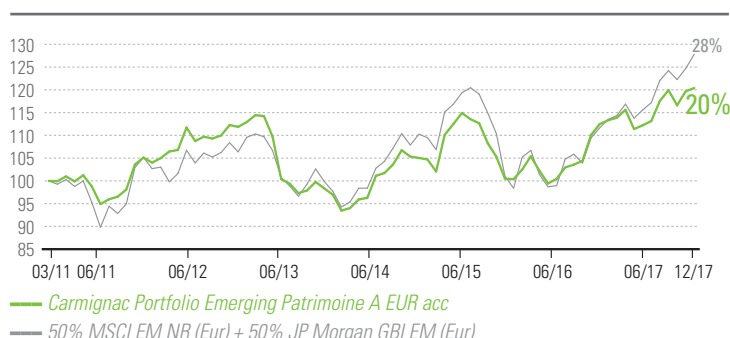
preceding section on political risk) likewise put a slight dent in the Fund's performance. Then again, our exposure to Europe's single currency shielded us considerably from forex market volatility. Other emerging-market currencies experienced bouts of volatility as a result of binary political risk, as in South Africa. During the first part of the fourth quarter, the rand slid 6% against the euro, only to shoot up by over 13% following Mr Ramaphosa's election as ANC President. We also moved in the last quarter to rebalance our Asian currency holdings by increasing our exposure to the Malaysian ringgit and the Thai baht in recognition of accelerating growth in the region. As with our bond allocation, we are maintaining our diversification into Latin American and Asian currency positions to lessen volatility in the portfolio and reap the benefits of improving fundamentals in both regions.

## Equity component

Emerging-market assets caught the tailwinds blowing in the fourth quarter as a result of both external and domestic factors. A weak US dollar, firm oil prices and vigorous macroeconomic indicators in the developed world all spelled good news for the asset class as a whole. Even better, that upbeat environment has been accompanied by two key beneficial trends. For one thing, current account balances in emerging economies have steadily improved with the help of solid nominal export numbers. For another, the cyclical upswing in those countries has in no way led to a resumption of inflationary pressure. In fact, emerging-world disinflation has continued. All that made our equity portfolio a strong contributor to the Fund's fourth-quarter performance.

China, a major equity allocation with 7.9% of the Fund's assets, saw more of the solid performance it delivered in the summer. The readings for both tangible and intangible economic indicators have remained more than respectable. At the same time, a low greenback has continued to relieve the pressure that previously

## Performance of the fund since its launch



From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

weighed on the country's balance of payments. Moreover, the Communist Party Congress was noteworthy for the less quantitative, more qualitative multi-year outlook that officials put forward. The stated goals for industrial, environmental and technological progress suggest that the days of "more" are over and that the new watchword is "better". Our Chinese portfolio performed on a par with the economy as a whole. Particularly noteworthy were the gains we booked on our tech and consumer stocks, first and foremost **58.com** and **Dali Foods**. We also moved to strengthen our presence in the country with a new investment in **Hangzhou Hikvision Digital**, whose business meshes admirably with the government's drive to make China a power to be reckoned with in the field of artificial intelligence.

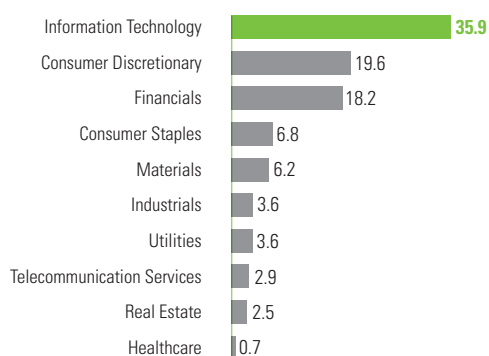
In Latin America, we were especially pleased with our Argentine holdings, which account for 9.2% of the Fund's assets. As excited as before about Argentina's potential, we expanded our portfolio to include **Loma Negra**, the nation's number-one cement maker with a 45% market share. The company is ideally positioned to take advantage of the need for infrastructure investment in the country.

Lastly, we added a newcomer to our Europe, Middle East and Africa (EMEA) portfolio, which accounts for 4.4% of the Fund's assets: **Yandex**, an internet search engine with a leading 57% share of the Russian market. Digital advertising is steadily gaining ground at the expense of conventional media and already generates the bulk of the company's revenue, meaning Yandex is poised to derive further, long-term benefits from that trend. Furthermore, the company boasts the **Yandex.taximobile** app, which has enjoyed unchallenged leadership in the ride-hailing market since its recent tie-up with Uber's Russian operations.

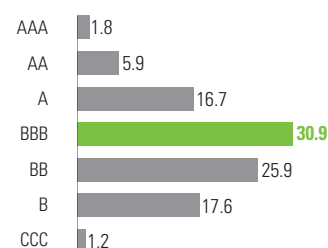
2018 is taking shape under blue skies. With economies expanding in many regions, the growth weathervanes continue to point in the right direction. Most of the ingredients behind emerging-world success this past year are still there. A weak US dollar, the ongoing strength of the Chinese locomotive, high prices for both fossil fuels and minerals, and healthy accounting fundamentals together add up to this: emerging-market assets will once again prove to be a wise investment choice.

Source of data: Carmignac, CEIC, Bloomberg, Citi Research, JP Morgan Research, Credit Suisse, Company data, 31/12/2017.

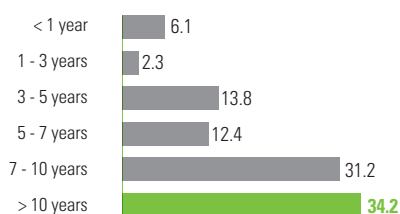
### Sector breakdown (derivatives excluded) (%)



### Bond portfolio (derivatives excluded) - Rating breakdown (%)



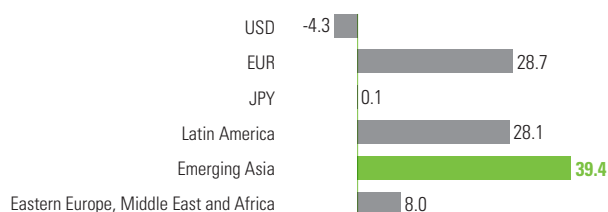
### Bond portfolio (derivatives excluded) - Maturity breakdown (%)



### Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	9.89	9.14

### Net currency exposure of Euro share classes (%)



### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Emerging Patrimoine A EUR acc</b>	<b>7.30</b>	<b>0.60</b>	<b>3.26</b>	<b>7.30</b>	<b>17.97</b>	<b>7.25</b>	-	<b>20.40</b>
Reference indicator*	10.59	2.51	4.56	10.59	19.62	17.94	-	27.83
Category average**	7.07	2.01	3.37	7.07	15.78	15.81	-	19.61
Ranking (quartile)	3	4	3	3	2	4	-	2

From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. \* 50% MSCI EM NR (Eur) + 50% JP Morgan GBI EM (Eur) (Accrued interest). \*\* Global Emerging Markets Equity. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

## Quarterly gross performance contribution (%)

Equity Portfolio	Bond Portfolio	Equity Derivatives	Bond Derivatives	Currency Derivatives	Total
1.39	-0.54	0.21	0.15	-0.14	<b>1.07</b>

## Modified duration of the bond portfolio (derivatives included)

Euro	1,12
United States	0,21
Other	2,68

## Statistics (%)

	1 year	3 years
Fund volatility	7.93	9.20
Benchmark volatility	8.46	11.49
Sharpe ratio	0.90	0.67
Beta	0.86	0.72
Alpha	-0.04	0.11

Calculation period: weekly (1 year) and monthly (3 years).

## HOLDINGS CARMIGNAC PORTFOLIO EMERGING PATRIMOINE AT 29/12/2017

		Price in currencies	Total value (€)	% of net assets	
<b>Cash, cash equivalents and derivatives operations</b>					
			<b>55 077 736.23</b>	<b>6.51</b>	
	Cash (including collateral cash from derivative positions)		33 731 192.81	3.99	
2 500 000	FRANCE 07/03/2018	Treasury bill in Euro	2 504 367.34	0.30	
22 650 000	UNITED STATES 01/02/2018	Treasury bill in Dollar	18 842 176.08	2.23	
<b>Developed countries fixed rate Government bonds</b>					
			<b>29 591 436.73</b>	<b>3.50</b>	
2 908 750	GREECE 3.75% 30/01/2028 (Greece)	Euro	97.38	2 840 638.63	0.34
18 830 000	GREECE 3.90% 30/01/2033 (Greece)	Euro	93.92	17 746 060.08	2.10
4 667 500	GREECE 4.20% 30/01/2042 (Greece)	Euro	92.84	4 349 279.44	0.51
4 400 000	GREECE 4.38% 01/08/2022 (Greece)	Euro	103.95	4 655 458.58	0.55
<b>Emerging markets fixed rate Government bonds</b>					
			<b>190 380 336.07</b>	<b>22.50</b>	
1 930 000	ARGENTINA 5.25% 15/01/2028 (Argentina)	Euro	104.17	2 026 007.45	0.24
14 970 000	ARGENTINA 6.25% 09/11/2047 (Argentina)	Euro	101.58	15 350 672.75	1.81
7 010 190	ARGENTINA 8.28% 31/12/2033 (Argentina)	Dollar	118.65	6 932 253.60	0.82
16 000 000	BAHRAIN 7.00% 12/10/2028 (Bahrain)	Dollar	101.80	13 774 150.57	1.63
130 000 000 000	INDONESIA 7.00% 15/05/2022 (Indonesia)	IDR	104.13	8 386 228.11	0.99
470 000 000 000	INDONESIA 7.00% 15/05/2027 (Indonesia)	IDR	104.95	30 556 865.49	3.61
100 000 000 000	INDONESIA 8.38% 15/09/2026 (Indonesia)	IDR	112.89	7 086 978.75	0.84
100 000 000	MALAYSIA 3.90% 16/11/2027	MYR	99.94	20 671 607.79	2.44
4 389 700	MEXICO 7.50% 03/06/2027 (Mexico)	Mexican peso	99.03	18 583 905.68	2.20
5 150 000	NIGERIA 6.50% 28/11/2027 (Nigeria)	Dollar	104.50	4 509 852.60	0.53
6 000 000	REPUBLIC OF ECUADOR 10.50% 24/03/2020 (Ecuador)	Dollar	111.00	5 690 581.28	0.67
9 454 000	SOUTH AFRICA 3.75% 24/07/2026 (South Africa)	Euro	108.33	10 399 462.16	1.23
250 000 000	THAILAND 4.88% 22/06/2029 (Thailand)	Thai baht	122.87	7 860 139.07	0.93
40 000 000	TURKEY 11.00% 02/03/2022 (Turkey)	TRY	96.40	8 787 220.45	1.04
14 700 000	TURKEY 3.25% 14/06/2025 (Turkey)	Euro	101.57	15 196 938.53	1.80
10 000 000	TURKEY 5.75% 11/05/2047 (Turkey)	Dollar	97.80	8 213 570.59	0.97
7 600 000	UKRAINE 7.38% 25/09/2032 (Ukraine)	Dollar	98.38	6 353 901.20	0.75
<b>Emerging countries inflation-linked Government bonds</b>					
			<b>165 307 094.45</b>	<b>19.54</b>	
78 689	BRAZIL I/L 6.00% 15/08/2050 (Brazil)	Real Brazil	3 355.38	66 286 335.83	7.84
73 400 000	CHILE I/L 1.50% 01/03/2021 (Chile)	Chilean peso	101.35	26 998 260.76	3.19
900 000	MEXICO I/L 4.50% 04/12/2025 (Mexico)	Mexican peso	107.28	24 468 663.06	2.89
3 000 000 000	RUSSIA I/L 2.50% 16/08/2023 (Russia)	Russian Ruble	96.60	47 553 834.80	5.62
<b>Developed countries fixed rate corporate bonds</b>					
			<b>25 208 209.75</b>	<b>2.98</b>	
4 319 050	AFREN 10.25% 26/01/2018 (United Kingdom)	Energy (callable)	0.31	11 042.21	0.00
19 516 720	AFREN 6.62% 09/12/2018 (United Kingdom)	Energy (callable)	0.27	43 639.57	0.01
100 000 000	JP MORGAN 0.00% 03/01/2030 (USA)	Financials	28.95	7 266 770.44	0.86
1 768 000 000	JP MORGAN 0.00% 07/05/2018 (Netherlands)	Financials	91.96	3 761 232.14	0.44
1 500 000 000	JP MORGAN 0.00% 22/02/2032 (USA)	Financials (callable)	7.38	4 714 600.38	0.56
2 500 000 000	JP MORGAN 0.00% 29/06/2022 (USA)	Financials (callable)	12.71	4 144 154.61	0.49
4 200 000	LIQUID TELECO 8.5% 13/07/2022 (United Kingdom)	Telecommunication Services (callable)	105.62	3 834 524.76	0.45
1 538 462	TIZIR LTD 9.50% 19/07/2020 (United Kingdom)	Materials (callable)	107.42	1 432 245.64	0.17
<b>Emerging markets fixed rate corporate bonds</b>					
			<b>46 459 536.45</b>	<b>5.47</b>	
2 700 000	BANCO MERCANTIL 6.88% 06/07/2022 (Mexico)	Financials (subordinated debt, callable)	105.28	2 404 647.22	0.28
5 100 000	CEDC FINANCE 10.00% 08/01/2018 (Poland)	Consumer Discretionary (callable)	90.25	3 836 608.93	0.45
5 000 000	CYDSA SAB 6.25% 04/01/2027 (Mexico)	Materials (callable)	100.88	4 264 662.67	0.50
5 000 000	ITAU UNIBANCO 6.13% 12/12/2022 (Brazil)	Financials (subordinated debt, callable)	100.98	4 219 719.84	0.50
640 000 000	INTERNATIONAL FINANCE CORP 6.30% 25/11/2024 (India)	Financials	100.13	8 416 251.22	0.99
10 000 000	PETROLEOS MEXICANOS 4.25% 15/01/2025 (Mexico)	Energy	99.73	8 470 047.74	1.00

HOLDINGS CARMIGNAC PORTFOLIO EMERGING PATRIMOINE AT 29/12/2017				Price in currencies	Total value (€)	% of net assets
2 350 000	STONEWAY CAP 10.00% 01/03/2027 (Argentinien)	Utilities (callable)	106.25	2 145 664.47	0.25	
10 000 000	PETROLEOS MEXICANOS 6.50% 13/03/2027 (Mexico)	Dollar	109.65	9 296 977.94	1.10	
4 000 000	GTLK EUROPE 5.12% 31/05/2024 (Russia)	Dollar	101.75	3 404 956.42	0.40	
<b>Equities</b>				<b>333 953 409.64</b>	<b>39.48</b>	
<b>North America</b>				<b>10 063 326.35</b>	<b>1.19</b>	
110 103	LAS VEGAS SANDS (USA)	Consumer Discretionary	69.49	6 371 633.47	0.75	
332 557	SEA LTD-ADR (USA)	Consumer Discretionary	13.33	3 691 692.88	0.44	
<b>Asia-Pacific</b>				<b>10 031 331.29</b>	<b>1.19</b>	
293 961	LINE CORP (Japan)	Information Technology	4 595.00	10 031 331.29	1.19	
<b>Europe</b>				<b>5 897 388.57</b>	<b>0.70</b>	
206 836	JERONIMO MARTINS (Portugal)	Consumer Staples	16.20	3 349 709.02	0.40	
151 824	LILAC GROUP (United Kingdom)	Consumer Discretionary	20.15	2 547 679.55	0.30	
<b>Latin America</b>				<b>78 188 790.63</b>	<b>9.24</b>	
25 185	BANCO MACRO (Argentina)	Financials	115.88	2 430 411.23	0.29	
734 965	BANCO SANTANDER MEXICO (Mexico)	Financials	7.31	4 474 179.01	0.53	
1 145 099	BB SEGURIDADE PARTICIPACOES (Brazil)	Financials	28.49	8 190 367.17	0.97	
1 125 352	CEMEX (Mexico)	Materials	7.50	7 028 764.16	0.83	
201 166	CIA DE ENER. ELEC. PAULISTA (Brazil)	Utilities	66.90	3 378 691.86	0.40	
1 758 733	GRUPO BANORTE (Mexico)	Financials	107.83	8 071 940.13	0.95	
2 042 735	GRUPO MEXICO SA DE CV (Mexico)	Materials	64.91	5 643 675.74	0.67	
424 084	GRUPO SUPERVIELLE SA CL-B (Argentina)	Financials	29.32	10 354 882.48	1.22	
158 941	LOMA NEGRA CIA INDUSTRIAL AR (Argentina)	Materials	23.04	3 049 634.11	0.36	
62 015	MERCADOLIBRE INC (Argentina)	Information Technology	314.66	16 250 532.89	1.92	
822 302	MEXICO REAL ESTATE MGMT (Mexico)	Real Estate	20.73	725 552.87	0.09	
1 603 389	TRANSMISSORA ALIANCA (Brazil)	Utilities	21.34	8 590 158.98	1.02	
<b>Asia</b>				<b>198 310 027.00</b>	<b>23.44</b>	
168 343	58.COM (China)	Information Technology	71.57	10 033 568.05	1.19	
1 684 163	AIA GROUP LTD (Hong Kong)	Financials	66.65	11 957 906.26	1.41	
1 415 704	AMBUJA CEMENTS (India)	Materials	272.05	5 025 073.99	0.59	
15 733 651	ASTRA INTERNATIONAL (Indonesia)	Consumer Discretionary	8 300.00	8 015 619.42	0.95	
11 732	BAIDU INC (China)	Information Technology	234.21	2 288 267.59	0.27	
1 988 109	BHARTI INFRAEL LTD (India)	Telecommunication Services	378.75	9 824 621.57	1.16	
221 183	BITAUTO HOLDINGS LTD-ADR (China)	Information Technology	31.80	5 857 444.54	0.69	
12 282 741	DALI FOODS GROUP CO LTD (China)	Consumer Staples	7.10	9 290 188.20	1.10	
1 193 169	FUYAO GROUP GLASS INDUSTRY-A (China)	Consumer Discretionary	29.00	4 424 993.57	0.52	
616 100	HANGZHOU HIKVISION DIGITAL-A (China)	Information Technology	39.00	3 072 759.01	0.36	
159 460	HDFC BANK (India)	Financials	1 890.35	3 932 921.27	0.46	
98 806	HERO MOTOCORP LTD (India)	Consumer Discretionary	59.30	4 879 640.62	0.58	
202 506	HOUSING DEVELOPMENT FINANCE (India)	Financials	1 710.40	4 519 151.02	0.53	
56 731	HYUNDAI MOTOR (South Korea)	Consumer Discretionary	156 000.00	6 884 420.65	0.81	
443 386	KANGWON LAND (South Korea)	Consumer Discretionary	34 800.00	12 002 827.97	1.42	
7 540	SAMSUNG BIOLOGICS CO LTD (South Korea)	Healthcare	371 000.00	2 176 043.72	0.26	
12 337	SAMSUNG ELECTRONICS (South Korea)	Information Technology	2 548 000.00	23 358 828.27	2.76	
22 710	SAMSUNG SDI CO (South Korea)	Information Technology	204 500.00	3 612 707.56	0.43	
741 912	TAIWAN SEMICONDUCTOR (Taiwan)	Information Technology	39.65	24 497 677.22	2.90	
2 248 911	TATA MOTORS LTD (India)	Consumer Discretionary	431.85	12 671 460.74	1.50	
201 418	TENCENT HOLDINGS (China)	Information Technology	406.00	8 711 544.95	1.03	
207 032	UNITED SPIRITS LTD (India)	Consumer Staples	3 668.85	9 910 343.53	1.17	
3 978 504	YIXIN GROUP LTD (China)	Financials	6.27	2 657 407.82	0.31	
2 827 877	ZHENGZHOU YUTONG BUS CO-A (China)	Industrials	24.07	8 704 609.46	1.03	
<b>Africa</b>				<b>3 829 182.56</b>	<b>0.45</b>	
16 495	NASPERS LTD (South Africa)	Consumer Discretionary	3 451.00	3 829 182.56	0.45	
<b>Eastern Europe</b>				<b>7 495 827.04</b>	<b>0.89</b>	
2 696 677	MOSCOW EXCHANGE (Russia)	Financials	108.97	4 250 691.51	0.50	
118 985	YANDEX (Russia)	Information Technology	32.75	3 245 135.53	0.38	
<b>Middle East</b>				<b>20 137 536.20</b>	<b>2.38</b>	
104 502	CHECK POINT SOFTWARE (Israel)	Information Technology	103.62	9 017 735.88	1.07	
4 935 648	EMAAR PROPERTIES PJSC (United Arab Emirates)	Real Estate	6.94	7 766 681.89	0.92	
2 531 771	ENKA INSAAT VE SANAYI (Turkey)	Industrials	6.03	3 353 118.43	0.40	
<b>Portfolio value</b>				<b>790 900 023.09</b>	<b>93.49</b>	
<b>Net assets</b>				<b>845 977 759.32</b>	<b>100.00</b>	



Malte  
Heininger

# © Carmignac Portfolio Euro-Patrimoine

← Lower risk			Higher risk →			
Potentially lower return			Potentially higher return			
1	2	3	4*	5	6	7

European equity fund with an actively managed net equity exposure ranging between 0% and 50%. The Fund aims to generate alpha through the combination of long and short positions, while following a flexible and active management with an emphasis on limiting downside risk. The Fund aims to outperform its reference indicator over 3 years.

**Carmignac Portfolio Euro-Patrimoine** ended 2017 up +16.73%, versus +4.38% for the reference indicator, while keeping net exposure at very moderate levels. During the fourth quarter, the Fund was up +5.76%, while the indicator was down -1.20%.

2017 was marked by a goldilocks environment for global equities, with low rates, decent growth and moderate inflation that led to low volatility and overall benign conditions for equity markets. While the European economy outgrew the US slightly for the second year in a row, European equity markets once again lagged their US counterpart, by 11% in local currency terms<sup>1</sup>, due partly to the strong euro rally, partly to the excitement about US tax reform, but also partly for structural reasons.

European stocks – large-caps in particular – clearly have a growth problem. While we have avoided a melt-down of the financial system and a break-up of the Eurozone, we are still in a structural growth crisis. With the disruptive, structural shift away from the old economy towards the new economy, our European footprint in Technology is underwhelming, particularly in the large-cap space. While we have no major, disruptive companies in Europe on a par with Google, Amazon and Netflix, we have plenty of old economy champions that are feeling the cold winds of disruption.

Looking ahead, we believe we are in for a somewhat bumpier ride. We are watching developments in the US bond market with keen interest. To put it in simplistic terms, the bull market was kicked off by a rally in bond and bond proxies driven by massive quantitative easing, so it is reasonable to assume that that market is where it will start to unravel. Rumour has it that China, the largest buyer and holder of US government bonds, plans to stop buying, and with QE now ending, there are no more buyers. At the same time, with inflation creeping up under the impact of rising raw material costs, increasing oil prices and spiking wage inflation, there are lots of reasons for wanting to pull out of government bonds.

So we will get rising interest expenses and pressure on margins. At that point, all it takes is a shock to growth – triggered for example by a US trade war with China – to throw the cycle into reverse. We're not trying to call the cycle, nor do we say it will happen tomorrow, but we're pretty convinced that the goldilocks, low-volatility days have come to an end.

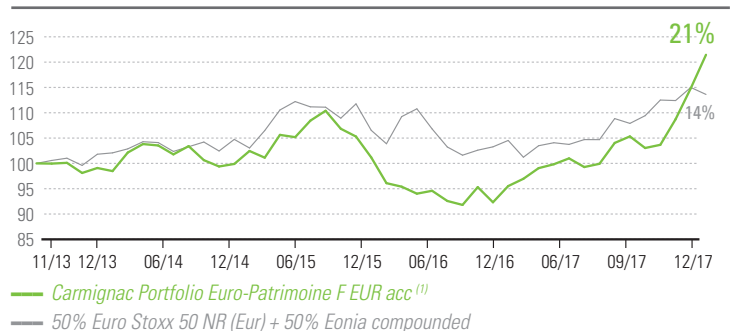
We are spending our time looking for the truly innovative, visionary companies that can grow in a low-growth world and

proactively adapt so as to benefit from a changing environment. Moreover, this being a zero-sum game, we also try to determine who will be on the losing end. And lastly, because there are usually only a few disrupters and many more "disruptees", being able to go both long and short is arguably more important today than ever before.

The search for asymmetric risk-reward and long-term winners currently leads us to make technology and biotechnology stocks a larger component of our core holdings, while otherwise maintaining a diversified portfolio in terms of sector exposure. Our largest holdings quite clearly have the theme of technological disruption and innovation in common. **RIB Software** is an innovator in the field of construction software that brings construction companies into the digital age with its pioneering digital solutions. **Vifor Pharma** is the world leader in the iron deficiency market and recently entered the market for hyperkalemia, a huge addressable, underpenetrated market. **Alfa Financial Software** is a market leader in asset finance software that is broadening its addressable market through standardised "software as a service" solutions. All these companies have similar characteristics: a market-leading product, a huge addressable, underpenetrated market and a management team strong enough to leverage the opportunities.

<sup>1</sup> The Stoxx Europe 600 was up 8% in euro terms, while the S&P 500 was up 19% in USD in 2017. Source of data: Carmignac, Bloomberg, 31/12/2017.

## Performance of the fund since launch



Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). (1) The investors eligible to invest in this share class are specified in the prospectus.

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

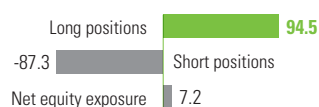
Statistics (%)	1 year	3 years
Fund volatility	5.92	8.32
Benchmark volatility	4.19	7.75
Sharpe ratio	2.96	0.74
Beta	0.63	0.39
Alpha	0.24	0.40

Calculation period: weekly (1 year) and monthly (3 years).

## Sector Exposure (%)

	Positions		
	Long	Short	Net
Cons. Goods	15.9	-10.6	5.3
Regional Indexes	0.0	-10.9	-10.9
Industrials	11.3	-17.1	-5.8
Basic Materials	7.0	-7.9	-0.9
Oil & Gas	0.0	-4.8	-4.8
Healthcare	12.3	-6.9	5.4
Cons. Services	16.7	-12.2	4.5
Financials	11.0	-9.1	1.9
Technology	20.2	-5.4	14.8
Telecommunication	0.1	-2.1	-2.0
Utilities	0.0	-0.3	-0.3
<b>Total</b>	<b>94.5</b>	<b>-87.3</b>	<b>7.2</b>

## Exposure by asset class (%)



## Quarterly gross performance contribution (%)

Equity Portfolio	Bond Portfolio	Equity Derivatives	Bond Derivatives	Currency Derivatives	Mutual Fund	Total
4.97	0.00	1.99	-0.04	0.02	0.09	<b>7.03</b>

## Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	3.51	6.37

## Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Euro-Patrimoine F EUR acc</b>	<b>16.73</b>	<b>5.76</b>	<b>11.72</b>	<b>16.73</b>	<b>18.55</b>	-	-	<b>21.45</b>
Reference indicator*	4.38	-1.20	1.08	4.38	10.27	-	-	13.62
Category average**	5.53	0.66	1.77	5.53	12.27	-	-	18.49
Ranking (quartile)	1	1	1	1	1	-	-	2

\* 50% EuroStoxx 50 NR (Eur) + 50% Eonia compounded. \*\* EUR Moderate Allocation. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

## HOLDINGS CARMIGNAC PORTFOLIO EURO-PATRIMOINE AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

				Price in currencies	Total value (€)	% of net assets
<b>Cash, cash equivalents and derivatives operations</b>					<b>46 506 427.11</b>	<b>22.05</b>
Cash (including collateral cash from derivative positions)					22 699 151.74	10.76
	ITALY 14/06/2018	Treasury bill in Euro		2 938 362.44	1.39	
	ITALY 30/04/2018	Treasury bill in Euro		3 926 664.00	1.86	
	ITALY 31/05/2018	Treasury bill in Euro		5 016 463.23	2.38	
	SPAIN 13/07/2018	Treasury bill in Euro		6 046 944.30	2.87	
	SPAIN 15/06/2018	Treasury bill in Euro		5 878 841.40	2.79	
<b>Equities European Union</b>					<b>140 879 854.32</b>	<b>66.81</b>
<b>Germany</b>					<b>88 523 033.42</b>	<b>41.98</b>
	64 900 BASF SE	Basic Materials	91.74	5 953 926.00	2.82	
	14 088 BAYER AG	Basic Materials	104.00	1 465 152.00	0.69	
	21 834 BILFINGER BERGER AG	Industrials	39.57	863 862.21	0.41	
	168 688 BMW	Consumer Goods	86.83	14 647 179.04	6.95	
	65 118 CANCOM SE	Technology	69.40	4 519 189.20	2.14	
	652 461 COMMERZBANK AG	Financials	12.51	8 159 024.81	3.87	
	50 905 DELIVERY HERO AG	Consumer Services	33.00	1 679 865.00	0.80	
	55 815 HAPAG-LLOYD AG	Industrials	33.50	1 869 802.50	0.89	
	34 368 LINDE AG	Basic Materials	181.40	6 234 355.20	2.96	
	61 781 MORPHOSYS	Healthcare	76.58	4 731 188.98	2.24	
	287 163 QIAGEN N.V.	Healthcare	30.93	7 396 695.19	3.51	
	624 932 RIB SOFTWARE SE	Technology	24.82	15 510 812.24	7.36	
	64 700 SAP AG	Technology	93.45	6 046 215.00	2.87	
	69 977 SIEMENS AG	Industrials	116.15	8 127 828.55	3.85	
	28 125 SOFTWARE AG	Technology	46.86	1 317 937.50	0.63	
<b>Austria</b>					<b>3 539 645.84</b>	<b>1.68</b>
	196 811 S&T AG	Consumer Services	17.99	3 539 645.84	1.68	
<b>Belgium</b>					<b>1 017 906.86</b>	<b>0.48</b>
	26 174 TESSENDERLO CHEMIE	Basic Materials	38.89	1 017 906.86	0.48	
<b>Finland</b>					<b>1 938 785.03</b>	<b>0.92</b>
	63 598 FERRATUM OYJ	Financials	30.49	1 938 785.03	0.92	
<b>France</b>					<b>7 656 817.02</b>	<b>3.63</b>
	43 100 ALTRAN TECHNOLOGIES SA	Technology	13.89	598 659.00	0.28	
	39 752 MAISONS DU MONDE SA	Consumer Goods	37.75	1 500 638.00	0.71	
	1 581 SOPRA STERIA GROUP	Technology	155.85	246 398.85	0.12	
	9 917 TELEPERFORMANCE	Industrials	119.45	1 184 585.65	0.56	
	184 056 VIVENDI	Consumer Services	22.42	4 126 535.52	1.96	
<b>Ireland</b>					<b>5 011 406.26</b>	<b>2.38</b>
	764 300 AIB GROUP PLC	Financials	5.50	4 203 650.00	1.99	
	28 654 SMURFIT KAPPA GROUP PLC	Industrials	28.19	807 756.26	0.38	
<b>Netherlands</b>					<b>9 069 724.66</b>	<b>4.30</b>
	84 021 ABN AMRO GROUP	Financials	26.90	2 260 164.90	1.07	
	23 999 ALTICE SA	Telecommunication	8.75	209 895.25	0.10	
	192 382 ASR NEDERLAND	Financials	34.31	6 599 664.51	3.13	
<b>Romania</b>					<b>3 974 509.41</b>	<b>1.88</b>
	3 304 893 GOCOMPARE.COM GROUP PLC	Consumer Services	1.07	3 974 509.41	1.88	
<b>United Kingdom</b>					<b>20 148 025.82</b>	<b>9.55</b>
	1 169 156 ALFA FINANCIAL SOFTWARE HOLD	Technology	5.35	7 046 678.98	3.34	
	709 410 INFORMA PLC	Consumer Services	7.22	5 770 224.98	2.74	
	111 008 MICRO FOCUS INTER.	Technology	25.23	3 155 220.91	1.50	
	19 192 RECKITT BENCKISER	Consumer Goods	69.19	1 495 966.29	0.71	
	60 996 SHIRE PLC	Healthcare	39.00	2 679 934.66	1.27	
<b>Equities ex European Union</b>					<b>23 480 021.20</b>	<b>11.14</b>
<b>USA</b>					<b>7 238 401.75</b>	<b>3.43</b>
	89 737 GRUBHUB INC	Consumer Services	71.80	5 365 686.71	2.54	
	65 257 TRIPADVISOR INC	Consumer Services	34.46	1 872 715.04	0.89	
<b>Switzerland</b>					<b>16 241 619.45</b>	<b>7.70</b>
	329 068 ARYZTA AG	Consumer Goods	38.65	10 869 100.71	5.15	
	17 454 DUFREY AG	Consumer Services	144.90	2 161 333.68	1.02	
	1 175 NESTLE SA	Consumer Goods	83.80	84 147.33	0.04	
	10 725 PANALPINA WELTTRANSPORT	Industrials	151.10	1 384 905.78	0.66	
	1 877 TEMENOS GROUP AG	Technology	125.00	200 508.48	0.10	
	14 443 VIFOR PHARMA AG	Healthcare	124.90	1 541 623.47	0.73	
<b>Portfolio value</b>					<b>164 359 875.52</b>	<b>77.95</b>
<b>Net assets</b>					<b>210 866 302.63</b>	<b>100.00</b>

## NET EQUITY EXPOSURE CARMIGNAC PORTFOLIO EURO-PATRIMOINE AT 29/12/2017

Exposure (€)

% Exposure

			Exposure (€)	% Exposure
<b>Long derivative positions</b>			<b>34 930 891.00</b>	<b>16.57</b>
European Union			1 463 969.00	0.69
	Consumer Services (1 Position)	United Kingdom	838 273.00	0.40
	Healthcare (1 Position)	Ireland	625 696.00	0.30
ex European Union			33 466 922.00	15.87
	Consumer Goods (2 Positions)	Switzerland	5 043 813.00	2.39
	Consumer Services (2 Positions)	USA	3 485 138.00	1.65
	Consumer Services (1 Position)	Switzerland	2 335 367.00	1.11
	Healthcare (1 Position)	Switzerland	8 994 636.00	4.27
	Industrials (2 Positions)	Switzerland	9 551 874.00	4.53
	Technology (1 Position)	USA	1 849 112.00	0.88
	Technology (1 Position)	Switzerland	2 206 982.00	1.05
<b>Short derivative positions</b>			<b>-184 048 789.00</b>	<b>-87.28</b>
European Union			-152 419 278.00	-72.28
	Basic Materials (2 Positions)	Germany	-12 639 516.00	-5.99
	Consumer Goods (2 Positions)	Germany	-17 749 108.00	-8.42
	Consumer Goods (1 Position)	Spain	-392 310.00	-0.19
	Consumer Goods (1 Position)	Sweden	-1 863 636.00	-0.88
	Consumer Services (1 Position)	France	-1 075 002.00	-0.51
	Consumer Services (1 Position)	Netherlands	-2 317 745.00	-1.10
	Consumer Services (5 Positions)	United Kingdom	-11 581 391.00	-5.49
	Financials (2 Positions)	Germany	-9 154 999.00	-4.34
	Financials (2 Positions)	Netherlands	-4 155 986.00	-1.97
	Financials (1 Position)	United Kingdom	-1 729 295.00	-0.82
	Healthcare (1 Position)	Germany	-818 373.00	-0.39
	Healthcare (2 Positions)	France	-10 565 243.00	-5.01
	Industrials (5 Positions)	Germany	-15 284 118.00	-7.25
	Industrials (1 Position)	Belgium	-487 895.00	-0.23
	Industrials (1 Position)	Denmark	-1 581 860.00	-0.75
	Industrials (3 Positions)	France	-3 815 098.00	-1.81
	Industrials (1 Position)	Italy	-2 035 812.00	-0.97
	Industrials (3 Positions)	United Kingdom	-9 282 686.00	-4.40
	Industrials (1 Position)	Sweden	-780 156.00	-0.37
	Oil & Gas (1 Position)	Germany	-2 370 271.00	-1.12
	Oil & Gas (1 Position)	Denmark	-4 635 341.00	-2.20
	Technology (1 Position)	Germany	-6 042 016.00	-2.87
	Technology (1 Position)	Belgium	-1 243 224.00	-0.59
	Telecommunication (1 Position)	Sweden	-3 854 716.00	-1.83
	Regional Indexes (5 Positions)	Europe	-23 905 130.00	-11.34
	Regional Indexes (1 Position)	Sweden	-3 058 351.00	-1.45
ex European Union			-31 629 511.00	-15.00
	Basic Materials (2 Positions)	USA	-2 951 884.00	-1.40
	Consumer Services (4 Positions)	USA	-10 423 932.00	-4.94
	Financials (1 Position)	USA	-1 301 105.00	-0.62
	Healthcare (1 Position)	Switzerland	-2 334 498.00	-1.11
	Industrials (1 Position)	Switzerland	-1 026 730.00	-0.49
	Oil & Gas (1 Position)	China	-2 233 138.00	-1.06
	Technology (1 Position)	USA	-3 111 088.00	-1.48
	Regional Indexes (1 Position)	USA	-5 870 774.00	-2.78
	Regional Indexes (1 Position)	Switzerland	-2 376 362.00	-1.13
<b>Equity Investment</b>			<b>164 359 875.52</b>	<b>77.95</b>
<b>Net equity exposure</b>			<b>15 241 977.52</b>	<b>7.23</b>



Frédéric Leroux

# Carmignac Portfolio Investissement Latitude



Fund combining strong convictions on global equities and expertise in managing market risk exposure. Its flexible equity exposure rate is defined by our risk management process. This process includes monitoring macroeconomic conditions as well as quantitative and country risk analysis. The Fund aims to outperform its reference indicator over 5 years.

**Carmignac Portfolio Investissement Latitude** had unusually rough fourth quarter, falling -2.31% while its reference indicator gained +4.09% and its underlying fund, **Carmignac Portfolio Investissement**, decreased -0.34%. The Fund's full-year performance was a mere +1.40%. In contrast, its reference indicator was up by +8.89% and Carmignac Portfolio Investissement by +5.39%. It was therefore mainly in the last quarter of 2017 that we underperformed.

Our poor results in relation to the underlying fund were primarily attributable to the Fund Manager's choice of adding cyclical stocks to the portfolio and turning away from defensive stocks. That choice stemmed in turn from our view that the European and global economies would expand more vigorously than expected by the market.

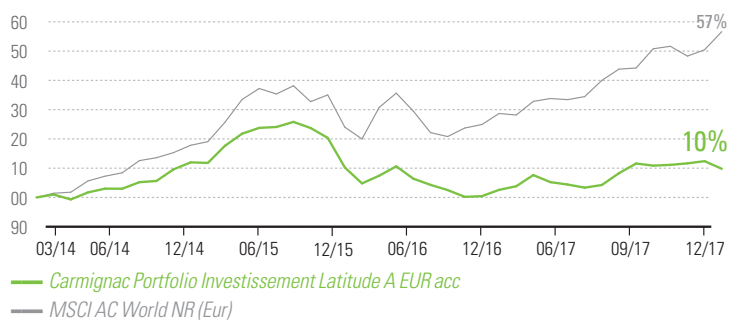
But while our macroeconomic forecast was on target, the implementation of our strategy was flawed. Most of our efforts to peg our investments to the cyclical upswing were focused on Europe through what turned out to be largely unprofitable options or long positions in futures contracts on Germany, Spain, the banking sector, and mining and oil companies. Moreover, the short positions we initiated to keep Carmignac Portfolio Investissement Latitude's sizeable investments in cyclical stocks from making it more exposed to equities than its underlying fund detracted further from performance. The large losses we sustained on our short positions on the S&P 500 were not fully offset by our gains on short positions in European power and telecommunications companies. In addition, the gains we made elsewhere in the world – for example on Hong Kong-listed Chinese equities and Japanese stocks – were also insufficient. Our forex transactions negatively impacted fund performance, due in large part to our short position on the pound sterling. In a word, we had an extremely frustrating fourth quarter marked by dismal implementation of an otherwise sound macroeconomic forecast.

Still, economic indicators and market signals since the start of the new year bear out our analysis and allow the Fund to move forward under better conditions. After taking a fresh look at macroeconomic conditions, we are convinced that we were right to be upbeat on equities. As discussed in our Macroeconomic Analysis, we expect the currently strong global economic expansion to be dragged down somewhat by the US economy, which we consider less robust at this stage than the consensus does. Likewise, with the US savings rate as low as it is today, any increase in disposable income is likely to go into extra savings

rather than additional consumer spending. Meanwhile, with infrastructure spending heading downwards and corporate profit margins showing only feeble growth, we have very little reason to assume that capital expenditure will shoot up any time soon. The big question is whether the US tax cuts can offset those negative trends. We believe they won't. At best, the cuts will accelerate the shift to a higher savings rate and shorten the lull in capital spending. But as the country's factories are running well below capacity, it seems doubtful that much new capacity will be added in the near term. Eventually, however, the tax reform may well enhance the US economy's growth potential by providing companies with incentives for capital spending in expansionary phases and moderate disincentives for taking on too much debt. The Chinese economy is also slowing, albeit slightly, much to the government's delight. With the US and China both likely to decelerate in 2018, the world economy is unlikely to expand at the 4% pace forecast by the consensus.

Concurrently with the global slowdown, we expect to see a technical rebound in inflation, caused initially by the low comparison basis for energy prices, and then potentially fuelled by further rises in commodity prices as the dollar continues to depreciate. The combination of weaker growth and a mild uptick in inflation raises doubts about how long the current boom can last, particularly as the world's central banks move in tandem to normalise monetary policy.

## Performance of the fund since its launch



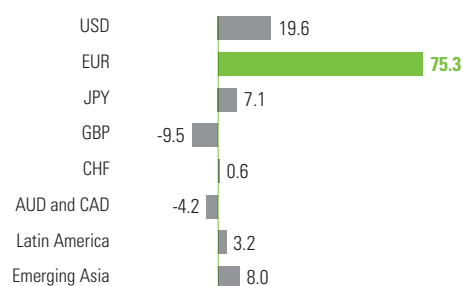
From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

In all likelihood, the macroeconomic climate we have just described will engender a return to volatility, make bond investing trickier business and impose hefty losses on companies whose heavy debt loads make them too dependent on fixed income markets and that suffer from low returns on capital. On the other hand, the shares of companies with little debt and operating in sectors with long-term growth prospects should be able to beat market

indices by a comfortable margin. Sound tech stocks immediately come to mind, as do a number of high-quality manufacturing and healthcare names. As soon as we see the first signs of the trend reversal we anticipate, we will up our investments in stocks with good earnings visibility and negatively correlate our holdings to movements in interest rates. We believe that such a strategy will soon wipe out the memory of our poor performance in Q4 2017.

### Net currency exposure of Euro share classes (%)



### Statistics (%)

	1 year	3 years
Fund volatility	8.52	9.75
Benchmark volatility	7.75	11.64
Sharpe ratio	0.12	-0.05
Beta	0.79	0.60
Alpha	-0.11	-0.50

Calculation period: weekly (1 year) and monthly (3 years).

### Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	8.59	10.06

### Quarterly gross performance contribution (%)

Equity Portfolio	Bond Portfolio	Equity Derivatives	Bond Derivatives	Currency Derivatives	Mutual Fund	Total
1.26	0.00	-2.21	-0.64	-0.31	0.02	-1.88

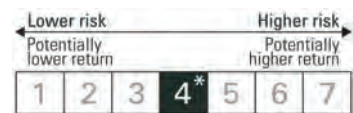
Exposure rate (%): **84.14**

### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Investissement Latitude A EUR acc</b>	<b>1.40</b>	<b>-2.31</b>	<b>-1.66</b>	<b>1.40</b>	<b>-1.78</b>	-	-	<b>9.80</b>
MSCI AC World NR (Eur)	8.89	4.09	5.63	8.89	31.57	-	-	56.64
Category average*	4.55	1.17	2.14	4.55	8.47	-	-	14.6
Ranking (quartile)	4	4	4	4	4	-	-	3

\* EUR Flexible Allocation - Global. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

HOLDINGS CARMIGNAC PORTFOLIO INVESTISSEMENT LATITUDE AT 29/12/2017			prices in currencies	total value (€)	% of net assets
<b>Cash, cash equivalents and derivatives operations</b>				<b>2 312 032.03</b>	<b>8.45</b>
739 000	Cash (including collateral cash from derivative positions)			2 312 032.03	8.45
<b>Mutual Fund</b>				<b>499.45</b>	<b>0.00</b>
0.4	Carmignac Investissement	Mutual Fund	1 206.39	499.45	0.00
<b>Equities Developed countries</b>				<b>19 558 932.75</b>	<b>71.49</b>
<b>North America</b>				<b>14 670 589.21</b>	<b>53.62</b>
9 830	ACTIVISION BLIZZARD (USA)	Information Technology	63.32	518 350.77	1.89
836	AMAZON.COM INC (USA)	Consumer Discretionary	1 169.47	814 187.97	2.98
3 689	APPLE INC (USA)	Information Technology	169.23	519 894.63	1.90
8 150	BANK OF AMERICA (USA)	Financials	29.52	200 356.43	0.73
8 605	CELGENE CORP (USA)	Healthcare	104.36	747 849.60	2.73
1 960	CLOVIS ONCOLOGY INC (USA)	Healthcare	68.00	110 992.67	0.41
4 298	CONCHO RESOURCES (USA)	Energy	150.22	537 679.51	1.97
7 981	EOG RESOURCES (USA)	Energy	107.91	717 213.28	2.62
7 296	FACEBOOK INC (USA)	Information Technology	176.46	1 072 162.03	3.92
5 896	FRANCO-NEVADA CORP (Canada)	Materials	100.46	393 693.69	1.44
41 415	GOLDCORP INC (Canada)	Materials	12.77	440 431.00	1.61
13 568	GRUBHUB INC (USA)	Information Technology	71.80	811 277.81	2.97
1 423	INCYTE CORP (USA)	Healthcare	94.71	112 235.45	0.41
15 050	INTERCONTINENTAL EXCHANGE (USA)	Financials	70.56	884 350.43	3.23
872	INTUITIVE SURGICAL (USA)	Healthcare	364.94	265 013.06	0.97
2 039	MASTERCARD INC (USA)	Information Technology	151.36	257 014.52	0.94
21 304	NEWMONT MINING (USA)	Materials	37.52	665 661.29	2.43
19 957	NOBLE ENERGY INC (USA)	Energy	29.14	484 299.62	1.77
46 100	ORYX PETROLEUM (Canada)	Energy	0.18	5 515.45	0.02
5 368	PIONEER NAT. RESOURCES (USA)	Energy	172.85	772 700.53	2.82
18 273	POTASH CORP (Canada)	Materials	20.65	314 238.38	1.15
5 610	PTC INC (USA)	Information Technology	60.77	283 910.48	1.04
5 954	SERVICENOW (USA)	Information Technology	130.39	646 520.70	2.36
620	SHOPIFY INC - CLASS A (Canada)	Information Technology	101.00	52 148.57	0.19
7 137	SM ENERGY CO (USA)	Energy	22.08	131 233.31	0.48
4 326	SPLUNK INC (USA)	Information Technology	82.84	298 439.24	1.09
1 720	STRYKER CORP (USA)	Healthcare	154.84	221 789.47	0.81
8 098	SYNCHRONY FINANCIAL (USA)	Financials	38.61	260 379.56	0.95
8 598	T-MOBILE US INC (USA)	Telecommunication Services	63.51	454 745.99	1.66
6 828	TRANSCANADA CORP (Canada)	Energy	61.18	277 658.38	1.01
2 705	VISA INC (USA)	Information Technology	114.02	256 848.85	0.94
1 203	WAYFAIR INC- CLASS A (USA)	Consumer Discretionary	80.27	80 417.06	0.29
8 821	WELLS FARGO (USA)	Financials	60.67	445 677.94	1.63
23 117	WHEATON PRECIOUS METALS CORP (Canada)	Materials	22.13	426 031.99	1.56
6 189	ZAYO GROUP HOLDINGS INC (USA)	Telecommunication Services	36.80	189 669.55	0.69
<b>Europe</b>				<b>4 888 343.54</b>	<b>17.87</b>
3 754	ASML HOLDINGS (Netherlands)	Information Technology	145.15	544 893.10	1.99
4 351	ASOS PLC (United Kingdom)	Consumer Discretionary	67.15	329 149.61	1.20
251	DASSAULT AVIATION SA (France)	Industrials	1 297.90	325 772.90	1.19
1 910	HERMES INTERNATIONAL (France)	Consumer Discretionary	446.25	852 337.50	3.12
86 753	HSBC HOLDINGS (United Kingdom)	Financials	7.67	749 516.99	2.74
7 147	INDITEX (Spain)	Consumer Discretionary	29.05	207 584.62	0.76
6 217	LONDON STOCK EXCHANGE (United Kingdom)	Financials	37.93	265 657.42	0.97
10 689	RECKITT BENCKISER (United Kingdom)	Consumer Staples	69.19	833 179.64	3.05
1 468	RENAULT SA (France)	Consumer Discretionary	83.91	123 179.88	0.45
16 348	RYANAIR HOLDINGS PLC (Ireland)	Industrials	15.05	246 037.40	0.90
4 452	TALEND SA (France)	Information Technology	37.48	138 958.16	0.51
2 549	VIFOR PHARMA AG (Switzerland)	Healthcare	124.90	272 076.32	0.99
<b>Equities Emerging markets</b>				<b>5 488 710.63</b>	<b>20.06</b>
<b>Latin America</b>				<b>2 327 424.53</b>	<b>8.51</b>
4 019	BANCO MACRO (Argentina)	Financials	115.88	387 842.87	1.42
32 041	CEMEX (Mexico)	Materials	7.50	200 122.83	0.73
7 390	GRUPO FINANCIERO GALICIA (Argentina)	Financials	65.85	405 256.08	1.48
19 991	GRUPO PAO DE ACUCAR (Brazil)	Consumer Staples	78.93	393 171.80	1.44
2 874	MERCADOLIBRE INC (Argentina)	Information Technology	314.66	753 108.63	2.75
3 354	PAMPA ENERGIA (Argentina)	Utilities	67.28	187 922.32	0.69
<b>Asia</b>				<b>2 907 260.87</b>	<b>10.63</b>
6 411	58.COM (China)	Information Technology	71.57	382 107.99	1.40
8 232	BITAUTO HOLDINGS LTD-ADR (China)	Information Technology	31.80	218 002.66	0.80
67 855	HANGZHOU HIKVISION DIGITAL-A (China)	Information Technology	39.00	338 422.44	1.24
32 478	HDFC BANK (India)	Financials	1 890.35	801 037.36	2.93
8 339	HDFC STANDARD LIFE INSURANCE (India)	Financials	386.00	41 997.41	0.15
12 652	INDUSIND BANK (India)	Financials	1 648.90	272 191.63	0.99
7 484	TENCENT HOLDINGS (China)	Information Technology	406.00	323 691.04	1.18
11 068	UNITED SPIRITS LTD (India)	Consumer Staples	3 668.85	529 810.34	1.94
<b>Eastern Europe</b>				<b>254 025.23</b>	<b>0.93</b>
9 314	YANDEX (Russia)	Information Technology	32.75	254 025.23	0.93
<b>Portfolio value</b>				<b>25 048 142.83</b>	<b>91.55</b>
<b>Net assets</b>				<b>27 360 174.86</b>	<b>100.00</b>



Charles Zerah

# Carmignac Portfolio Unconstrained Global Bond

International fixed income fund that implements interest rate, credit and currency strategies across the globe. Its flexible and opportunistic style enables the Fund to implement a largely unconstrained, conviction-driven allocation and swiftly adapt, when necessary, to fully exploit opportunities in all market conditions. The Fund aims to outperform its reference indicator over 2 years.

In the fourth quarter of 2017, **Carmignac Portfolio Unconstrained Global Bond returned +0.48%**, whereas its reference indicator fell by **-0.57%**. Our performance benefitted from our exposure to sovereign bonds, particularly from Austria and Greece, as well as to bonds issued by banks. However, the euro's appreciation against most G10 and emerging-world currencies was detrimental to our foreign currency-denominated holdings despite the ample exchange rate hedges we had in place. Although the Fund's full-year return (+0.10%) was something of a let-down in absolute terms, we still significantly outperformed our benchmark, which was down **-6.16%** for the year.

## Government bond component

In our previous report, we reiterated our cautious stance on developed-country government bonds, motivated by the monetary policy normalisation cycle kicked off by the US Federal Reserve and the European Central Bank's gradual tapering of its asset purchases. But even with the tax cuts passed by the US Congress and the balance-sheet shrinkage initiated by the Fed in early October, yields on longer-dated Treasuries (i.e., more than 10 years) barely moved. The lack of any serious inflationary pressure at this stage of the business cycle has apparently prevented any significant rise in US yields. However, short- and medium-term yields were affected by the 25 basis-point hike in the Federal Funds rate, and their prices already

factor in the next increases scheduled for 2018. We have therefore stuck to our prudent approach to US paper.

Throughout the fourth quarter, we continued to short the 5-year, 10-year and 30-year segments of the German yield curve. Those positions still offer our Fund an attractive risk/return trade-off, particularly in light of the highly encouraging recent macroeconomic data from across the eurozone. At the same time, we have kept our holdings of eurozone periphery sovereigns, which gained substantial ground over the period.

The emerging-market bonds in our portfolio did well, though they contributed less to our performance than in previous quarters. But given that most emerging economies can look forward to accelerating growth, moderate inflation and therefore large investment inflows as in 2017, we have maintained our allocation to this asset class.

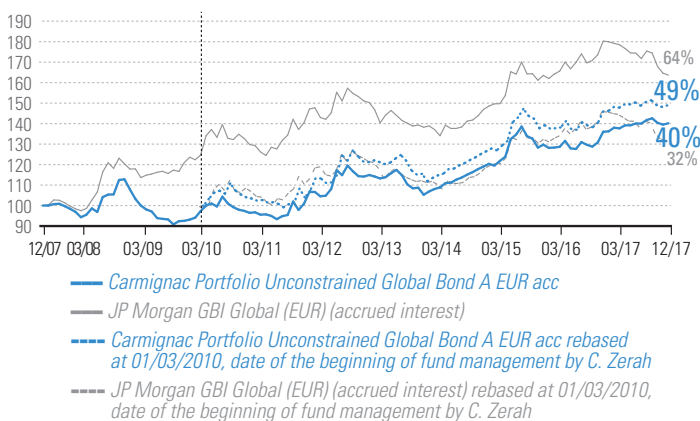
## Corporate bond component

Corporate credit was a significant driver of the Fund's performance in the fourth quarter, contributing nearly 44 basis points. For many months now, our corporate credit investments have had three clear-cut focus areas: subordinated bank bonds from Europe, structured credit and energy sector bonds issued mainly in emerging markets. We have also taken advantage of an opportunity in pharmaceuticals created by problems at **Teva Pharmaceutical Industries**, as the company's restructuring plan should boost its share price in the medium term. Our global macroeconomic outlook prompts us to stick to the three investment themes discussed above, all of which should benefit from a booming world economy. Paper issued by companies in those different sectors accounts for roughly 15% of the Fund's assets.

## Currency component

The euro gained further ground against the US dollar and the yen in the fourth quarter of 2017, in spite of a 25 basis-point increase in the US Federal Funds rate. That appreciation was driven by healthier economic fundamentals in the eurozone throughout the year and a marked improvement in the balance of payments (a statistical report that traces, in accounting form, all flows of real, financial and monetary assets between the residents of an economy and non-residents over a defined period). The currency bloc's balance of payments tripled between 2016 and 2017 (to nearly €600 billion) – highly unusual for this stage of the business cycle. We accordingly

## Performance of the fund since its launch



Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

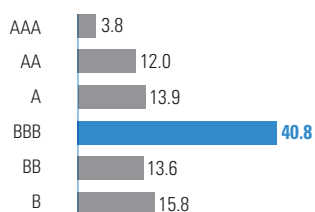
\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

plan to maintain a large share of our holdings in euros and to diversify our currency risk with exposure to the yen, a move we initiated in the fourth quarter. The Bank of Japan is now reaping the rewards of an extremely accommodative monetary policy, as evidenced by the recent +0.6% inflation reading. We consider it conceivable that the BoJ will change its target for the 10-year sovereign yield in the course of 2018, strengthening the yen in the process. We have also maintained our diversified allocation to emerging-market currencies,

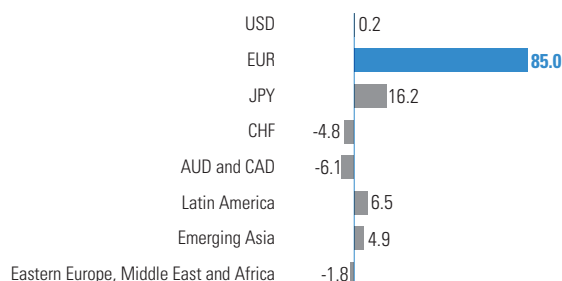
which account for 11% of the Fund's assets (see **Carmignac Portfolio Emerging Patrimoine** report).

To conclude, we are maintaining our cautious stance on developed-country government bonds, as well as our diversified allocation to emerging-market sovereigns and to corporate bonds. We will also continue with our prudent approach to currency allocation, with the euro as our primary exposure.

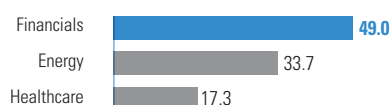
### Bond portfolio (derivatives excluded) - Rating breakdown (%)



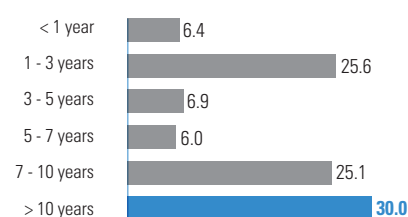
### Net currency exposure of Euro share classes (%)



### Sector breakdown (derivatives excluded) (%)



### Bond portfolio (derivatives excluded) - Maturity breakdown (%)



### Modified duration of the bond portfolio (derivatives included)

Euro	0.00
United States	0.12
Other	1.00

### Statistics (%)

	1 year	3 years
Fund volatility	2.91	6.82
Benchmark volatility	5.07	7.22
Sharpe ratio	0.09	0.70
Beta	0.26	0.82
Alpha	0.02	0.21

Calculation period: weekly (1 year) and monthly (3 years).

### Quarterly gross performance contribution (%)

Bond Portfolio	Bond Derivatives	Currency Derivatives	Total
1.86	-0.86	-0.72	<b>0.27</b>

### Value at Risk (%)

	Fund	Reference indicator
99% - 20 days (2 years)	4.45	3.61

### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Unconstrained Global Bond A EUR acc</b>	<b>0.10</b>	<b>0.48</b>	<b>-0.12</b>	<b>0.10</b>	<b>13.22</b>	<b>22.80</b>	<b>40.18</b>	<b>40.18</b>
JP Morgan GBI (Eur) (Accrued interest)	-6.16	-0.57	-2.49	-6.16	6.49	11.54	63.19	63.66
Category average*	-5.08	-0.7	-2.46	-5.08	4.05	9.99	58.76	59.93
Ranking (quartile)	1	1	1	1	1	1	4	4

\* Global Bond. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

HOLDINGS CARMIGNAC PORTFOLIO UNCONSTRAINED GLOBAL BOND AT 29/12/2017		Price in currencies	Total value (€)	% of net assets	
<b>Cash, cash equivalents and derivatives operations</b>			<b>83 778 167.63</b>	<b>7.98</b>	
Cash (including collateral cash from derivative positions)			38 594 015.18	3.68	
5 000 000	GREECE 05/01/2018	Treasury bill in Euro	4 998 552.45	0.48	
40 000 000	SPAIN 16/11/2018	Treasury bill in Euro	40 185 600.00	3.83	
<b>Fixed income investments</b>			<b>966 369 270.85</b>	<b>92.02</b>	
<b>Supranational Bonds</b>			<b>36 518 640.05</b>	<b>3.48</b>	
2 777 000 000	INTERNATIONAL FINANCE CORP 6.30% 25/11/2024		36 518 640.05	3.48	
<b>Developed countries fixed rate Government bonds</b>			<b>465 694 615.58</b>	<b>44.35</b>	
20 000 000	AUSTRIA 2.10% 20/09/2117 (Austria)	Euro	107.95	21 711 421.92	2.07
20 000 000	GREECE 3.50% 30/01/2023 (Greece)	Euro	99.54	19 965 933.33	1.90
28 000 000	GREECE 3.75% 30/01/2028 (Greece)	Euro	97.38	27 344 351.23	2.60
19 000 000	GREECE 3.90% 30/01/2033 (Greece)	Euro	93.92	17 906 274.11	1.71
9 000 000	GREECE 4.20% 30/01/2042 (Greece)	Euro	92.84	8 386 398.49	0.80
20 000 000	GREECE 4.38% 01/08/2022 (Greece)	Euro	103.95	21 161 175.34	2.02
20 000 000	ITALY 0.00% 01/03/2067 (Italy)	Euro	19.60	3 920 625.00	0.37
45 000 000	ITALY 2.05% 01/08/2027 (Italy)	Euro	100.47	45 602 346.58	4.34
25 000 000	ITALY 2.45% 01/09/2033 (Italy)	Euro	97.96	24 697 582.19	2.35
25 000 000	ITALY 2.70% 01/03/2047 (Italy)	Euro	90.99	22 978 965.47	2.19
57 000 000	PORTUGAL 4.12% 14/04/2027 (Portugal)	Euro	118.67	69 903 535.07	6.66
50 000 000	PORTUGAL 4.75% 14/06/2019 (Portugal)	Euro	107.12	54 882 390.41	5.23
50 000 000	PORTUGAL 4.80% 15/06/2020 (Portugal)	Euro	111.84	57 252 794.52	5.45
50 000 000	SPAIN 1.45% 31/10/2027 (Spain)	Euro	99.02	49 637 123.29	4.73
20 000 000	SPAIN 2.90% 31/10/2046 (Spain)	Euro	101.21	20 343 698.63	1.94
<b>Emerging markets fixed rate Government bonds</b>			<b>297 277 094.63</b>	<b>28.31</b>	
10 000 000	ARGENTINA 5.25% 15/01/2028 (Argentina)	Euro	104.17	10 497 447.95	1.00
5 000 000	ARGENTINA 6.25% 09/11/2047 (Argentina)	Euro	101.58	5 127 145.21	0.49
5 000 000	BAHRAIN 7.00% 12/10/2028 (Bahrain)	Dollar	101.80	4 304 422.05	0.41
164 000	BRAZIL 10.00% 01/01/2025 (Brazil)	Real Brazil	1 047.28	43 119 458.73	4.11
22 225 000 000	CHILE 4.5% 01/03/2021 (Chile)	Chilean peso	103.94	31 744 480.43	3.02
15 000 000	CROATIA 2.75% 27/01/2030 (Croatia)	Euro	101.44	15 259 095.21	1.45
1 080 000 000	CZECH REPUBLIC 0.00% 10/02/2020 (Czech Republic)	Czech Crown	99.29	42 005 311.61	4.00
1 611 170 000	CZECH REPUBLIC 0.00% 17/07/2019 (Czech Republic)	Czech Crown	99.76	62 959 896.27	6.00
5 000 000	INDONESIA 3.85% 18/07/2027 (Indonesia)	Dollar	102.67	4 348 500.31	0.41
5 000 000	INDONESIA 4.62% 15/04/2043 (Indonesia)	Dollar	103.90	4 367 924.86	0.42
161 000 000 000	INDONESIA 7.00% 15/05/2022 (Indonesia)	IDR	104.13	10 386 020.97	0.99
2 150 000	MEXICO 7.50% 03/06/2027 (Mexico)	Mexican peso	99.03	9 102 079.23	0.87
2 050 000	MEXICO 8.00% 07/11/2047 (Mexico)	Mexican peso	102.46	8 980 819.42	0.86
20 000 000	ROMANIA 2.88% 26/05/2028 (Romania)	Euro	106.23	21 594 726.03	2.06
10 000 000	TURKEY 3.25% 14/06/2025 (Turkey)	Euro	101.57	10 338 053.42	0.98
16 000 000	TURKEY 5.75% 11/05/2047 (Turkey)	Dollar	97.80	13 141 712.93	1.25
<b>Developed countries fixed rate corporate bonds</b>			<b>45 088 369.86</b>	<b>4.29</b>	
3 150 000	BANK OF IRELAND 4.12% 19/09/2022 (Ireland)	Financials (subordinated debt, callable)	99.79	2 648 897.82	0.25
8 500 000	EUROFINS SCIENTIFIC SE 3.25% 13/11/2025 (Luxembourg)	Healthcare (subordinated debt, callable)	100.73	8 600 904.32	0.82
5 000 000	HSBC HOLDINGS 6.00% 22/05/2027 (United Kingdom)	Financials (subordinated debt, callable)	105.12	4 405 410.28	0.42
5 000 000	HSBC HOLDINGS 6.38% 17/09/2024 (United Kingdom)	Financials (subordinated debt, callable)	106.68	4 520 031.79	0.43
1 500 000 000	JP MORGAN 0.00% 22/02/2032 (USA)	Financials (callable)	7.38	4 714 600.38	0.45
2 500 000 000	JP MORGAN 0.00% 29/06/2022 (USA)	Financials (callable)	12.71	4 144 154.61	0.39
15 470 000	SBERBANK 3.8% 07/03/2019 (Luxembourg)	Financials	102.79	16 054 370.66	1.53
<b>Emerging markets fixed rate corporate bonds</b>			<b>51 126 127.61</b>	<b>4.87</b>	
10 000 000	PETROLEOS MEXICANOS 4.25% 15/01/2025 (Mexico)	Energy	99.73	8 470 047.74	0.81
35 000 000	PETROLEOS MEXICANOS 6.75% 21/09/2047 (Mexico)	Energy	104.48	30 970 956.86	2.95
14 000 000	TEVA PHARMACEUTICAL 1.62% 15/10/2028 (Israel)	Healthcare	83.11	11 685 123.01	1.11
<b>Developed countries convertible corporate bonds</b>			<b>20 868 900.00</b>	<b>1.99</b>	
30 000 000	mitsubishi UF 4.17% 15/12/2050 (Japan)	Financials (subordinated debt)	69.56	20 868 900.00	1.99
<b>Asset Backed Securities</b>			<b>49 795 523.12</b>	<b>4.74</b>	
2 000 000	APOLLO MANAGEMENT. ALME LOAN FUNDING V (Europe)	CLO (BB tranche)	101.47	2 056 162.47	0.20
2 000 000	ARES MANAGEMENT. ARES EUROPEAN CLO VIII (Europe)	CLO (BB tranche)	102.68	2 070 556.33	0.20
2 500 000	KKR CREDIT ADVISORS. AVOCA CAPITAL CLO X (Europe)	CLO (B tranche)	101.90	2 593 454.33	0.25
2 000 000	CARLYLE. CARLYLE GMS EURO CLO 2013-1 (Europe)	CLO (B tranche)	101.85	2 069 951.47	0.20
2 200 000	CVC CREDIT PARTNERS. CVC CORDATUS VIII (Europe)	CLO (B tranche)	101.69	2 271 274.72	0.22
3 700 000	CAIRN CAPITAL. CAIRN CLO 2016-6 (Europe)	CLO (B tranche)	101.23	3 805 689.43	0.36
3 100 000	CAIRN CAPITAL. CAIRN CLO 2016-7 (Europe)	CLO (B tranche)	102.34	3 220 079.98	0.31
5 000 000	PRAMERICA. DRYDEN 46 EURO CLO (Europe)	CLO (BB tranche)	101.96	5 162 057.39	0.49
1 000 000	BAIN CREDIT. NEWHAVEN CLO (Europe)	CLO (B tranche)	102.18	1 033 637.66	0.10
1 000 000	BAIN CREDIT. NEWHAVEN II CLO (Europe)	CLO (B tranche)	100.73	1 016 874.03	0.10
2 250 000	ONEX CREDIT. OCP EURO CLO 2017-1 (Europe)	CLO (B tranche)	96.58	2 180 538.20	0.21
2 750 000	PARTNERS GROUP. PENTA CLO 3 (Europe)	CLO (BB tranche)	98.00	2 713 336.85	0.26
7 400 000	CHENAVARI. TORO EUROPEAN CLO 1 (Europe)	CLO (BB tranche)	98.32	7 362 354.47	0.70
5 200 000	CHENAVARI. TORO EUROPEAN CLO 2 (Europe)	CLO (BB tranche)	103.29	5 447 933.92	0.52
3 000 000	CHENAVARI. TORO EUROPEAN CLO 2 (Europe)	CLO (B tranche)	102.43	3 125 684.27	0.30
3 600 000	TIKEHAU CAPITAL. TIKEHAU CLO II (Europe)	CLO (BB tranche)	101.83	3 665 937.60	0.35
<b>Portfolio value</b>			<b>966 369 270.85</b>	<b>92.02</b>	
<b>Net assets</b>			<b>1 050 147 438.48</b>	<b>100.00</b>	



Keith  
Ney

## © Carmignac Portfolio Sécurité



Fund invested in bonds and other debt securities denominated in Euro. It seeks to outperform its reference indicator, the Euro MTS 1-3 years, over a 2-year investment horizon with lower volatility.

In the fourth quarter of 2017, **Carmignac Portfolio Sécurité** decreased by -0.07%, as did its benchmark. For the full year, the Fund was up +0.38%, while the benchmark lost -0.39%.

### Performance review

Carmignac Portfolio Sécurité's full-year performance was a bit disappointing. Although significantly better than its benchmark, which suffered from its first annual capital loss in history, we left money on the table. Our actions to de-risk the portfolio for a weaker liquidity environment were clearly too early. The ECB continues to communicate that their "patience, persistence, and prudence" will keep the normalization process as gradual as possible to protect against an unwanted tightening of financial conditions. Investment grade, high yield and subordinated bank credit spreads all tightened, supporting the portfolio in part, but less than our full capacity in these risk buckets would have allowed. Our bearish portfolio construction, which worked well preserving capital during the twelve month period of rising rates since they bottomed in July 2016 until July 2017, was clearly too conservative for second half of the year. Over the medium-term, our view remains that this positioning is appropriate to manage the alignment of economic, political, and liquidity cycles that all call for higher rates.

Although we were early de-risking our credit book, we remain sceptical that the portfolio rebalance channel won't eventually work in reverse, and that as monetary policy makers' confidence in normalizing policy increases, risky assets will eventually need to reflect a less accommodating liquidity environment. The current unique market regime combining risk premia suppression by central banks, deteriorating secondary market liquidity, and inflows into non-fundamentally driven index funds and volatility sensitive investment strategies, will eventually break, producing opportunities for the discerning long-term value investor.

### Investment Strategy

With Carmignac Portfolio Sécurité's benchmark offering a negative average yield to maturity close to -0.38%, short-maturity Eurozone fixed income is severely challenged. Although subject to an attendant higher level of volatility, we are convinced that a flexible and opportunistic strategy with disciplined risk management is essential to outperform and protect the purchasing power of our clients' assets during this era of financial repression and its heightened political, macro, and market-driven uncertainty.

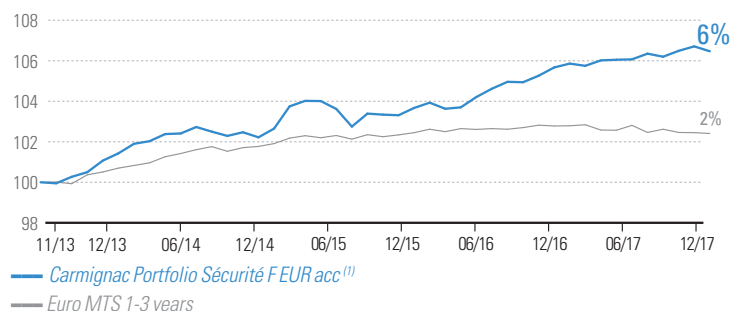
Carmignac Portfolio Sécurité will continue to focus on the following core strategies:

Firstly, non-core European government bond spreads are likely to tighten over the medium-term. We have re-established exposure in both Italy and Spain. In particular in Italy, spreads to Germany have materially lagged the risk premia compression seen across other European asset classes, including Italian equities and subordinated bank credit. In our view, the widening in the 10 year BTP/Bund spread from its cycle trough in March 2015 near 90bp to 157bp at year-end is excessive. Sparked by political concerns that we feel will pass, this spread cushion will serve to absorb the risk premia shift to a post-QE era that few other asset classes have yet to reflect. Italy will benefit from the Eurozone's broadening cyclical recovery and increasing political momentum for further, faster integration.

Secondly, bank credit across the capital structure should outperform, as the multi-year trend of de-risking, de-leveraging, and re-regulating banks works to decrease the excessive systemic discount still in bank credit spreads. In particular, the banking policy shift from taxpayer funded bail-outs to unsecured creditor funded restructuring and resolution should drive increased bank risk differentiation and flight to quality within the periphery. Financials remain our largest credit exposure at 21% of the Fund, with the underlying risk today mostly focused on senior unsecured and very short-maturity securities.

Thirdly, tight European non-financial credit spreads have kept us focused on the fringes of the market. Our exposure to European Collateralised Loan Obligations is around 6.6%, mostly in AAA/AA tranches. This remains a broken asset class, where regulatory constraints and crisis scars allow us to benefit from very attractive spread levels, considering the near complete absence of historical defaults. At 35% of the Fund, the non-

### Performance of the fund since its launch



Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor). <sup>(1)</sup> The investors eligible to invest in this share class are specified in the prospectus.

\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

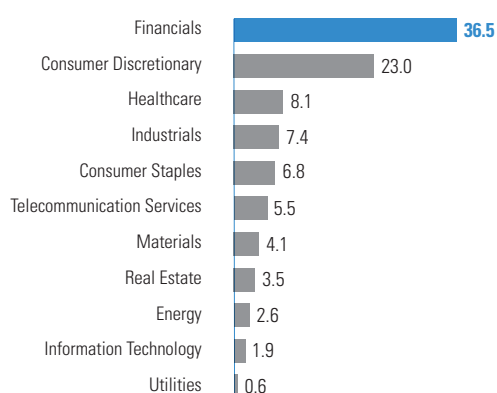
financial corporate credit portfolio is highly rated and short-maturity, designed to take minimal risk. Within this allocation, non-European corporate credit geographic risk is 14% and non-euro-denominated corporate credit risk is 0.8%, but the underlying currency risk remains fully hedged.

Lastly, the overall duration will be managed tactically, with an opportunistic approach to curve positioning beyond our benchmark's 1 to 3-year maturity focus, but always within our -3 to +4 portfolio duration risk limitation. This flexible low duration strategy, instead of short-maturity, will help to support directional, carry, and roll-down driven performance in this

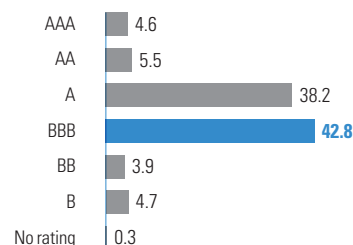
difficult negative front-end yield environment. The degree of monetary policy normalization priced into the markets, both in terms of balance sheet growth and the timing and pace of rate hikes, appears too dovish. With a durable and broad-based growth cycle, medium-term inflation expectations rising modestly, the global liquidity outlook deteriorating significantly, and political momentum pointing to greater, not less, Eurozone integration, we have maintained our core European duration shorts. We ended the quarter with a modified duration at -19bp and cash and equivalents around 10.2%.

Source of data: Carmignac, 29/12/2017.

### Sector breakdown (derivatives excluded) (%)



### Bond portfolio (derivatives excluded) – Rating breakdown (%)

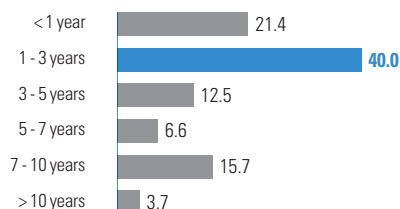


### Statistics (%)

	1 year	3 years
Fund volatility	0.77	1.15
Benchmark volatility	0.39	0.49
Sharpe ratio	1.01	1.41
Beta	-0.64	0.62
Alpha	0.00	0.10

Calculation period: weekly (1 year) and monthly (3 years).

### Bond portfolio (derivatives excluded) – Maturity breakdown (%)



### Quarterly gross performance contribution (%)

	Bond Portfolio	Bond Derivatives	Currency Derivatives	Mutula Fund	Total
	0.25	-0.12	-0.06	0.00	<b>0.07</b>

### Modified duration of the bond portfolio (derivatives included)

Euro	-0.23
United-States	0.03
Other	0.01

### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Sécurité F EUR acc</b>	<b>0.38</b>	<b>-0.07</b>	<b>-0.22</b>	<b>0.38</b>	<b>4.16</b>	-	-	<b>6.47</b>
Euro MTS 1-3 Y (Accrued interest)	-0.39	-0.12	-0.04	-0.39	0.63	-	-	2.41
Category average*	0.25	-0.02	0.15	0.25	1.01	-	-	2.79
Ranking (quartile)	2	3	4	2	1	-	-	1

\* EUR Diversified Bond - Short Term. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

## HOLDINGS CARMIGNAC PORTFOLIO SÉCURITÉ AT 29/12/2017

Price in currencies Total value (€) % of net assets

<b>Cash, cash equivalents and derivatives operations</b>				<b>271 796 521.98</b>	<b>10.22</b>
Cash (including collateral cash from derivative positions)				220 431 576.26	8.29
9 274 000	GREECE 05/01/2018	Treasury bill in Euro	9 271 106.80	0.35	
23 979 100	PORTUGAL 16/03/2018	Treasury bill in Euro	24 002 131.84	0.90	
18 086 898	PORTUGAL 19/01/2018	Treasury bill in Euro	18 091 707.08	0.68	
<b>Fixed income investments</b>				<b>2 388 444 492.32</b>	<b>89.78</b>
<b>Developed countries fixed rate Government bonds</b>				<b>700 743 134.81</b>	<b>26.34</b>
24 922 000	GREECE 4.38% 01/08/2022 (Greece)	Euro	103.95	26 368 940.59	0.99
25 105 000	GREECE 4.75% 17/04/2019 (Greece)	Euro	104.04	26 972 705.39	1.01
15 949 000	ITALY 0.65% 15/10/2023 (Italy)	Euro	97.62	15 592 614.13	0.59
7 903 000	ITALY 0.95% 15/03/2023 (Italy)	Euro	100.18	7 939 693.74	0.30
47 647 000	ITALY 1.20% 01/04/2022 (Italy)	Euro	102.42	48 946 281.33	1.84
7 974 000	ITALY 1.25% 01/12/2026 (Italy)	Euro	95.31	7 608 896.39	0.29
7 903 000	ITALY 1.35% 15/04/2022 (Italy)	Euro	103.03	8 166 067.42	0.31
7 969 000	ITALY 1.50% 01/06/2025 (Italy)	Euro	99.59	7 946 924.99	0.30
31 850 000	ITALY 1.60% 01/06/2026 (Italy)	Euro	98.62	31 455 587.92	1.18
37 665 000	ITALY 1.85% 15/05/2024 (Italy)	Euro	103.46	39 061 752.35	1.47
44 676 000	ITALY 2.00% 01/12/2025 (Italy)	Euro	102.43	45 843 079.49	1.72
15 829 000	ITALY 2.05% 01/08/2027 (Italy)	Euro	100.47	16 040 878.75	0.60
104 281 000	ITALY 2.20% 01/06/2027 (Italy)	Euro	102.11	106 692 919.53	4.01
23 872 000	ITALY 2.70% 01/03/2047 (Italy)	Euro	90.99	21 942 154.55	0.82
20 949 000	ITALY 3.75% 01/03/2021 (Italy)	Euro	110.98	23 518 924.94	0.88
15 949 000	ITALY 3.75% 01/09/2024 (Italy)	Euro	115.24	18 584 656.84	0.70
465	PORTUGAL 4.80% 15/06/2020 (Portugal)	Euro	111.84	532.45	0.00
26 371 000	SPAIN 0.40% 30/04/2022 (Spain)	Euro	100.73	26 635 179.62	1.00
23 978 000	SPAIN 0.75% 30/07/2021 (Spain)	Euro	102.46	24 644 972.70	0.93
44 880 000	SPAIN 1.15% 30/07/2020 (Spain)	Euro	103.37	46 612 663.10	1.75
50 247 000	SPAIN 1.30% 31/10/2026 (Spain)	Euro	99.81	50 267 573.74	1.89
31 653 000	SPAIN 1.45% 31/10/2027 (Spain)	Euro	99.02	31 423 277.27	1.18
7 903 000	SPAIN 1.50% 30/04/2027 (Spain)	Euro	100.48	8 021 480.04	0.30
15 916 000	SPAIN 2.90% 31/10/2046 (Spain)	Euro	101.21	16 189 515.37	0.61
31 614 000	SPAIN 5.90% 30/07/2026 (Spain)	Euro	137.48	44 265 862.17	1.66
<b>Developed countries inflation-linked Government bonds</b>				<b>18 603 785.40</b>	<b>0.70</b>
18 344 000	ITALY I/L 0.45% 22/05/2023 (Italy)	Euro	101.66	18 603 785.40	0.70
<b>Emerging markets fixed rate Government bonds</b>				<b>46 530 649.31</b>	<b>1.75</b>
4 008 379	ARGENTINA 2.26% 31/12/2038 (Argentina)	Euro	73.23	2 958 858.45	0.11
3 165 000	ARGENTINA 3.38% 15/01/2023 (Argentina)	Euro	102.11	3 248 043.53	0.12
779 000	ARGENTINA 5.25% 15/01/2028 (Argentina)	Euro	104.17	817 751.19	0.03
1 985 000	ARGENTINA 6.25% 09/11/2047 (Argentina)	Euro	101.58	2 035 476.65	0.08
8 060 000	BAHRAIN 5.88% 26/01/2021 (Bahrain)	Dollar	103.31	7 106 140.66	0.27
3 524 000	BAHRAIN 6.75% 20/09/2029 (Bahrain)	Dollar	98.85	2 957 520.23	0.11
109 250 000	CZECH REPUBLIC 0.00% 17/07/2019 (Czech Republic)	Czech Crown	99.76	4 269 176.23	0.16
4 565 000	KUWAIT 2.75% 20/03/2022 (Kuwait)	Dollar	99.86	3 826 587.85	0.14
4 782 000	SOUTH KOREA 0.50% 30/05/2022 (South Korea)	Euro	99.56	4 760 720.10	0.18
1 516 000	SOUTH KOREA 2.00% 30/04/2020 (South Korea)	Euro	104.11	1 598 923.75	0.06
8 765 000	TURKEY 3.25% 14/06/2025 (Turkey)	Euro	101.57	9 061 303.83	0.34
2 424 000	TURKEY 4.35% 12/11/2021 (Turkey)	Euro	109.51	2 669 617.28	0.10
1 081 000	TURKEY 5.12% 18/05/2020 (Turkey)	Euro	109.68	1 220 529.56	0.05
<b>Developed countries fixed rate corporate bonds</b>				<b>1 211 400 142.62</b>	<b>45.52</b>
4 783 000	3M CO 1.88% 15/11/2021 (USA)	Industrials	106.69	5 115 213.42	0.19
4 600 000	ABN AMRO BANK 5.75% 22/09/2020 (Netherlands)	Financials (subordinated debt, callable)	109.35	5 105 312.29	0.19
700 000	AIR LIQUIDE 0.12% 13/05/2020 (France)	Materials (callable)	100.42	703 417.44	0.03
2 000 000	AIR LIQUIDE 2.91% 12/01/2018 (France)	Materials	102.45	2 062 305.42	0.08
2 983 000	AIRBUS GROUP 5.50% 25/09/2018 (France)	Industrials	104.16	3 151 982.46	0.12
6 757 000	AKELIUS RESIDENTIAL PROPERTY 1.50% 23/01/2022 (Sweden)	Real Estate	102.93	7 067 720.18	0.27
2 668 000	AKZO NOBEL NV 4.00% 17/12/2018 (Netherlands)	Materials	104.05	2 781 104.56	0.10
3 812 000	ALLERGAN FUND 0.50% 01/05/2021 (Ireland)	Healthcare (callable)	100.21	3 831 521.62	0.14
2 988 000	ALLIED IRISH 2.75% 16/04/2019 (Ireland)	Financials	103.60	3 154 669.82	0.12
1 600 000	ALLIED IRISH 7.38% 03/12/2020 (Ireland)	Financials (subordinated debt, callable)	113.13	1 820 069.92	0.07
1 595 000	ALTICE 4.75% 15/01/2028 (Germany)	Consumer Discretionary (callable)	95.78	1 544 932.06	0.06
8 090 000	ALTICE SA 6.25% 15/02/2020 (Netherlands)	Consumer Discretionary (callable)	98.51	8 098 916.98	0.30
2 131 000	ALTICE SA 6.62% 15/02/2018 (Netherlands)	Consumer Discretionary (Dollar, callable)	104.05	1 876 622.62	0.07
9 683 000	ALTICE SA 7.25% 26/01/2018 (Netherlands)	Consumer Discretionary (callable)	101.71	10 119 345.57	0.38
771 000	AMERICAN HONDA FINANCE 1.88% 04/09/2019 (USA)	Consumer Discretionary	103.44	802 322.46	0.03
1 852 000	AMGEN INC 2.12% 13/09/2019 (USA)	Healthcare	103.78	1 934 063.13	0.07

## HOLDINGS CARMIGNAC PORTFOLIO SÉCURITÉ AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

9 797 000	AMGEN INC 4.38% 05/12/2018 (USA)	Healthcare	104.25	10 246 937.29	0.39
18 500 000	ANHEUSER-BUSCH INBEV 0.62% 17/03/2020 (Belgium)	Consumer Staples	101.45	18 861 490.00	0.71
5 082 000	ANHEUSER-BUSCH INBEV 1.88% 20/01/2020 (Belgium)	Consumer Staples	103.97	5 374 452.39	0.20
7 336 000	ANHEUSER-BUSCH INBEV 2.00% 16/12/2019 (Belgium)	Consumer Staples	104.18	7 649 586.87	0.29
1 534 000	ANHEUSER-BUSCH INBEV 4.00% 26/04/2018 (Belgium)	Consumer Staples	101.36	1 597 256.70	0.06
1 711 000	ATENTO LUXCO 1 SA 6.12% 10/08/2019 (Luxembourg)	Industrials (Dollar. callable)	104.27	1 520 435.89	0.06
754 000	ATLANTIA SPA 3.62% 30/11/2018 (Italy)	Industrials	103.45	782 664.08	0.03
8 000 000	ATOS 2.38% 02/04/2020 (France)	Information Technology (callable)	104.97	8 493 981.37	0.32
12 400 000	AUCHAN SA 3.62% 19/10/2018 (France)	Consumer Staples	103.11	12 878 738.52	0.48
2 400 000	AUCHAN SA 6.00% 15/04/2019 (France)	Consumer Staples	107.98	2 695 350.90	0.10
1 200 000	AUTOROUTES DU SUD 4.00% 24/09/2018 (France)	Industrials	103.06	1 250 014.19	0.05
5 050 000	AUTOROUTES DU SUD 7.38% 20/03/2019 (France)	Industrials	109.07	5 802 923.87	0.22
1 538 000	AVIVA PLC 0.10% 13/12/2018 (United Kingdom)	Financials	100.35	1 543 486.87	0.06
20 190 000	BANK OF AMERICA 1.88% 10/01/2019 (USA)	Financials	102.13	20 990 339.90	0.79
7 997 000	BANK OF AMERICA 2.50% 27/07/2020 (USA)	Financials	106.28	8 586 690.02	0.32
10 339 000	BANK OF AMERICA 4.62% 14/09/2018 (USA)	Financials (subordinated debt)	103.31	10 826 743.03	0.41
753 000	BANK OF IRELAND 7.38% 18/06/2020 (Ireland)	Financials (subordinated debt. callable)	112.33	848 279.26	0.03
5 100 000	BANKIA 3.50% 17/01/2019 (Spain)	Financials	103.68	5 459 669.47	0.21
3 000 000	BANKIA 4.00% 22/05/2019 (Spain)	Financials (subordinated debt. callable)	104.16	3 199 460.14	0.12
4 000 000	BANKINTER 2.50% 06/04/2022 (Spain)	Financials (subordinated debt. callable)	102.96	4 193 040.55	0.16
18 800 000	BANQUE FED CRED MUTUEL 0.25% 14/06/2019 (France)	Financials	100.59	18 937 247.73	0.71
4 500 000	BANQUE FED CRED MUTUEL 0.38% 13/01/2022 (France)	Financials	100.43	4 535 718.90	0.17
6 446 000	BARCLAYS 2.62% 11/11/2020 (United Kingdom)	Financials (subordinated debt. callable)	103.98	6 727 185.12	0.25
2 714 000	BARCLAYS 8.00% 15/12/2020 (United Kingdom)	Financials (subordinated debt. callable)	115.29	3 139 718.04	0.12
800 000	BASF SE 1.38% 22/10/2018 (Germany)	Materials (callable)	101.31	820 939.40	0.03
1 607 000	BASF SE 1.50% 01/10/2018 (Germany)	Materials	101.34	1 634 773.80	0.06
1 600 000	BBVA 2.38% 22/01/2019 (Spain)	Financials	102.71	1 679 301.92	0.06
1 600 000	BBVA 6.75% 18/02/2020 (Spain)	Financials (subordinated debt. callable)	108.43	1 748 673.48	0.07
7 200 000	BBVA 7.00% 19/02/2019 (Spain)	Financials (subordinated debt. callable)	105.43	7 653 024.99	0.29
2 400 000	BBVA 8.88% 14/04/2021 (Spain)	Financials (subordinated debt. callable)	118.78	2 897 603.15	0.11
4 267 000	BENI STABILI 1.62% 17/10/2024 (Italy)	Real Estate	100.59	4 307 054.86	0.16
1 938 000	BERKSHIRE HATHAWAY 0.50% 13/02/2020 (USA)	Financials (callable)	101.10	1 967 137.43	0.07
3 400 000	BERTELSMANN SE & CO 0.25% 26/04/2021 (Germany)	Consumer Discretionary (callable)	100.49	3 421 887.15	0.13
14 971 000	BG ENERGY CAPITAL 3.00% 16/11/2018 (Netherlands)	Energy	102.86	15 458 533.69	0.58
14 195 000	BHP BILLITON FINANCE LTD 2.12% 29/11/2018 (Australia)	Materials	102.17	14 531 388.44	0.55
10 546 000	BMW 0.12% 12/01/2021 (Germany)	Consumer Discretionary	100.28	10 588 280.79	0.40
2 621 000	BMW 0.12% 15/04/2020 (Germany)	Consumer Discretionary	100.45	2 635 102.78	0.10
1 938 000	BMW 0.50% 21/01/2020 (Germany)	Consumer Discretionary	101.32	1 972 793.74	0.07
3 545 000	BMW 1.62% 17/07/2019 (Germany)	Consumer Discretionary	102.84	3 672 366.51	0.14
7 012 000	BMW 3.25% 14/01/2019 (Germany)	Consumer Discretionary	103.62	7 486 856.48	0.28
150 000	BOUYGUES 3.64% 29/10/2019 (France)	Industrials	106.77	161 148.56	0.01
4 100 000	BOUYGUES 4.00% 12/02/2018 (France)	Industrials	100.46	4 265 051.40	0.16
1 493 000	BP CAPITAL MARKETS PLC 2.99% 18/02/2019 (United Kingdom)	Materials	103.59	1 585 680.57	0.06
5 797 000	BRITISH TELECOMMUNICATIONS 1.12% 10/06/2019 (United Kingdom)	Telecommunication Services	101.77	5 936 360.67	0.22
1 100 000	BUREAU VERITAS 3.12% 21/10/2020 (France)	Industrials (callable)	107.85	1 219 029.79	0.05
5 800 000	CAIXABANK 6.75% 13/06/2024 (Spain)	Financials (subordinated debt. callable)	111.30	6 478 098.66	0.24
12 105 000	CARLSBERG BREWERIES 2.62% 03/07/2019 (Denmark)	Consumer Staples	104.11	12 762 457.37	0.48
4 056 000	CHANNEL LINK 1.76% 30/06/2022 (United Kingdom)	Information Technology (callable)	101.84	4 131 372.59	0.16
4 034 000	CHANNEL LINK 2.71% 30/06/2027 (United Kingdom)	Information Technology (callable)	103.64	4 182 154.89	0.16
1 200 000	CHRISTIAN DIOR 0.75% 24/03/2021 (France)	Consumer Discretionary (callable)	101.07	1 217 574.90	0.05
1 500 000	CHRISTIAN DIOR 1.38% 19/03/2019 (France)	Consumer Discretionary (callable)	101.69	1 536 493.36	0.06
1 497 000	CIBA SPECIAL CHEMICALS 4.88% 20/06/2018 (Luxembourg)	Materials	102.37	1 571 927.31	0.06
18 675 000	CITIGROUP INC 5.00% 02/08/2019 (USA)	Financials	108.13	20 587 616.75	0.77
18 937 000	CITIGROUP INC 7.38% 04/09/2019 (USA)	Financials	112.55	21 775 819.73	0.82
2 255 000	COCA-COLA 0.00% 09/03/2021 (USA)	Consumer Staples	99.89	2 252 474.40	0.08
3 226 000	COCA-COLA 2.00% 05/09/2019 (USA)	Consumer Staples (callable)	103.51	3 344 455.63	0.13
1 503 000	COFIROUTE 5.25% 30/04/2018 (France)	Industrials	101.76	1 583 066.66	0.06
5 700 000	COMPAGNIE DE ST GOBAIN 0.00% 27/03/2020 (France)	Industrials	99.98	5 699 031.00	0.21
1 314 000	COMPAGNIE DE ST GOBAIN 4.00% 08/10/2018 (France)	Industrials	103.24	1 369 154.16	0.05
8 442 000	COMPAGNIE DE ST GOBAIN 4.50% 30/09/2019 (France)	Industrials	108.03	9 219 105.76	0.35
3 216 000	COMPASS GROUP 3.12% 13/02/2019 (United Kingdom)	Consumer Discretionary	103.63	3 422 080.40	0.13
8 486 000	CON'L RUBBER CRP AMERICA 0.50% 19/02/2019 (Germany)	Consumer Discretionary	100.78	8 588 817.77	0.32
1 331 000	CONTINENTAL AG 0.00% 05/01/2020 (Germany)	Consumer Discretionary (callable)	100.23	1 334 021.37	0.05
409 000	CONTINENTAL AG 3.00% 16/07/2018 (Germany)	Consumer Discretionary	101.77	421 936.76	0.02
900 000	CREDIT AGRICOLE 4.25% 13/01/2025 (France)	Financials (subordinated debt. callable)	112.10	1 046 066.05	0.04

## HOLDINGS CARMIGNAC PORTFOLIO SÉCURITÉ AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

2 100 000	CREDIT AGRICOLE 4.50% 14/10/2025 (France)	Financials (subordinated debt. callable)	114.38	2 422 780.50	0.09
1 051 000	CREDIT AGRICOLE 6.50% 23/06/2021 (France)	Financials (subordinated debt. callable)	113.41	1 194 015.99	0.04
3 700 000	CREDIT MUTUEL ARKEA 1.88% 25/10/2024 (France)	Financials (subordinated debt. callable)	100.58	3 734 838.79	0.14
8 784 000	CREDIT SUISSE 1.38% 29/11/2019 (United Kingdom)	Financials	102.85	9 045 837.80	0.34
8 100 000	CRH FINANCE 5.00% 25/01/2019 (Ireland)	Materials	105.40	8 917 746.04	0.34
5 320 000	DAIMLER AG 0.25% 11/05/2020 (Germany)	Consumer Discretionary	100.60	5 360 715.49	0.20
20 599 000	DAIMLER AG 0.50% 09/09/2019 (Germany)	Consumer Discretionary	101.08	20 854 201.86	0.78
4 031 000	DAIMLER AG 1.50% 19/11/2018 (Germany)	Consumer Discretionary	101.57	4 101 902.53	0.15
2 094 000	DAIMLER AG 2.12% 27/06/2018 (Germany)	Consumer Discretionary	101.22	2 142 647.06	0.08
1 658 000	DAIMLER AG 2.62% 02/04/2019 (Germany)	Consumer Discretionary	103.47	1 748 442.76	0.07
7 800 000	DAIMLER INTERNATIONAL 0.00% 15/03/2019 (Germany)	Consumer Discretionary	100.19	7 814 898.00	0.29
4 800 000	DANONE SA 0.17% 03/10/2020 (France)	Consumer Staples (callable)	100.48	4 824 475.66	0.18
2 900 000	DANONE SA 1.25% 06/06/2018 (France)	Consumer Staples	100.76	2 942 966.48	0.11
235 000	DELHAIZE LION/DE LEEUW 4.25% 19/10/2018 (Netherlands)	Consumer Staples	103.40	245 071.94	0.01
4 045 000	DEUTSCHE POST AG 0.38% 01/01/2021 (Germany)	Industrials (callable)	100.99	4 096 395.33	0.15
926 000	DH EUROPE FINANCE SA 1.00% 08/04/2019 (USA)	Healthcare (callable)	101.41	943 579.29	0.04
6 860 000	DIAGEO FINANCE PLC 1.12% 20/04/2019 (United Kingdom)	Consumer Staples (callable)	101.64	7 020 643.35	0.26
751 000	DOVER CORP 2.13% 01/12/2020 (USA)	Industrials	105.77	795 753.02	0.03
1 671 000	EC FINANCE PL 2.38% 15/11/2022 (United Kingdom)	Industrials (callable)	102.69	1 722 674.51	0.06
6 770 000	EE FINANCE 3.25% 03/08/2018 (United Kingdom)	Telecommunication Services	101.98	6 996 546.46	0.26
327 000	ENGIE SA 6.88% 24/01/2019 (France)	Utilities	107.55	372 866.50	0.01
5 257 000	EUROBANK ERGA 2.75% 02/11/2020 (Greece)	Financials	99.77	5 269 413.00	0.20
6 070 000	EUROFINS SCIENTIFIC SE 2.12% 25/04/2024 (Luxembourg)	Healthcare (callable)	102.35	6 269 772.85	0.24
5 221 000	EUROFINS SCIENTIFIC SE 2.25% 27/01/2022 (Luxembourg)	Healthcare	104.96	5 589 814.30	0.21
4 742 000	EUROFINS SCIENTIFIC SE 3.12% 26/11/2018 (Luxembourg)	Healthcare	102.85	4 892 385.06	0.18
1 600 000	EUROFINS SCIENTIFIC SE 3.25% 13/11/2025 (Luxembourg)	Healthcare (subordinated debt. callable)	100.73	1 618 993.75	0.06
6 702 000	EUROFINS SCIENTIFIC SE 3.38% 30/10/2022 (Luxembourg)	Healthcare (callable)	108.78	7 499 762.01	0.28
1 381 000	EUROFINS SCIENTIFIC SE 4.88% 29/04/2023 (Luxembourg)	Healthcare (subordinated debt. callable)	110.67	1 574 294.22	0.06
1 300 000	EUROFINS SCIENTIFIC SE 7.00% 31/01/2020 (Luxembourg)	Healthcare (subordinated debt. callable)	112.42	1 545 453.18	0.06
4 742 000	FCA BANK SPA IRELAND 0.25% 12/10/2020 (Italy)	Financials	100.12	4 750 228.99	0.18
4 080 000	FCA BANK SPA IRELAND 1.25% 13/06/2018 (Italy)	Financials	100.71	4 137 512.91	0.16
2 448 000	FCA BANK SPA IRELAND 1.25% 21/01/2021 (Italy)	Consumer Discretionary	102.93	2 548 890.80	0.10
1 212 000	FCA BANK SPA IRELAND 1.25% 23/09/2020 (Italy)	Financials	102.99	1 252 526.13	0.05
6 190 000	FCA BANK SPA IRELAND 2.00% 23/10/2019 (Italy)	Financials	103.55	6 434 042.02	0.24
7 242 000	FCA BANK SPA IRELAND 2.62% 17/04/2019 (Italy)	Consumer Discretionary	103.49	7 631 275.36	0.29
11 666 000	FCA BANK SPA IRELAND 2.88% 26/01/2018 (Italy)	Financials	100.19	12 003 580.48	0.45
7 766 000	FCA BANK SPA IRELAND 4.00% 17/10/2018 (Italy)	Consumer Discretionary	103.32	8 090 987.95	0.30
3 384 000	FCE BANK PLC 0.87% 13/09/2021 (United Kingdom)	Consumer Discretionary	101.75	3 452 175.83	0.13
2 279 000	FCE BANK PLC 1.75% 21/05/2018 (United Kingdom)	Consumer Discretionary	100.78	2 321 689.10	0.09
10 379 000	FCE BANK PLC 1.88% 18/04/2019 (United Kingdom)	Consumer Discretionary	102.53	10 780 419.91	0.41
6 588 000	FEDEX CORP 0.50% 09/03/2020 (USA)	Industrials (callable)	100.93	6 673 412.97	0.25
6 014 000	FERRARI NV .25% 16/01/2021 (Italy)	Consumer Discretionary	99.34	5 976 104.39	0.22
4 080 000	FERROVIAL 3.38% 30/01/2018 (Spain)	Industrials	100.26	4 217 958.77	0.16
17 931 000	FIAT INDUSTRIAL 6.25% 09/03/2018 (Luxembourg)	Consumer Discretionary	101.22	19 074 120.90	0.72
6 100 000	FONCIERE DES REGIONS 3.88% 16/01/2018 (France)	Real Estate	100.17	6 338 265.16	0.24
3 600 000	FONCIERE LYONNAISE 1.88% 26/08/2021 (France)	Real Estate (callable)	105.39	3 800 995.40	0.14
2 700 000	FONCIERE LYONNAISE 2.25% 16/08/2022 (France)	Real Estate (callable)	107.15	2 901 120.04	0.11
6 800 000	GALERIES LAFAYETTE 4.75% 26/04/2019 (France)	Consumer Discretionary	106.18	7 443 038.74	0.28
6 308 000	GENERAL ELECTRIC CAPITAL 2.25% 20/07/2020 (USA)	Financials	105.64	6 728 709.04	0.25
13 204 000	GENERAL ELECTRIC CAPITAL 2.88% 18/06/2019 (USA)	Financials	104.48	14 002 639.42	0.53
1 791 000	GENERAL ELECTRIC CAPITAL 5.38% 23/01/2020 (USA)	Financials	111.24	2 083 281.88	0.08
7 900 000	GENERAL ELECTRIC CAPITAL 6.00% 15/01/2019 (USA)	Financials	106.50	8 871 916.44	0.33
2 015 000	GENERAL MOTORS FINANCIAL 1.88% 15/10/2019 (USA)	Consumer Discretionary	103.37	2 091 166.17	0.08
6 323 000	GLAXOSMITHKLINE CAPITAL PLC 0.00% 12/08/2020 (United Kingdom)	Healthcare (callable)	99.90	6 316 866.69	0.24
6 765 000	GLAXOSMITHKLINE CAPITAL PLC 0.62% 02/12/2019 (United Kingdom)	Healthcare	101.42	6 864 972.80	0.26
7 242 000	GOLDMAN SACHS GROUP INC 0.75% 10/05/2019 (USA)	Financials	101.15	7 360 626.94	0.28
3 161 000	GOLDMAN SACHS GROUP INC 2.62% 19/08/2020 (USA)	Financials	106.62	3 401 465.93	0.13
6 133 000	HEIDELBERGCEMENT 5.62% 04/01/2018 (Germany)	Materials	100.02	6 478 078.71	0.24
754 000	HEIDELBERGCEMENT 8.50% 31/10/2019 (Germany)	Materials	115.66	883 299.69	0.03
6 400 000	HEIDELBERGCEMENT 9.50% 15/12/2018 (Germany)	Materials	109.17	7 017 536.00	0.26
3 728 000	HEINEKEN NV 2.50% 19/03/2019 (Netherlands)	Consumer Staples	103.15	3 919 555.88	0.15
5 004 000	HEMSO FASTIGHETS 1.00% 09/06/2026 (Sweden)	Real Estate (callable)	97.05	4 872 135.00	0.18
3 663 000	HONEYWELL INTERNATIONAL INC 0.65% 21/02/2020 (USA)	Industrials	101.36	3 733 466.59	0.14
4 000 000	HSBC 1.88% 16/01/2020 (United Kingdom)	Financials	103.98	4 231 894.25	0.16
8 877 000	IBM CORP 1.88% 06/11/2020 (USA)	Information Technology	105.24	9 368 514.63	0.35

## HOLDINGS CARMIGNAC PORTFOLIO SÉCURITÉ AT 29/12/2017

Price in currencies

Total value (€)

% of net assets

			Price in currencies	Total value (€)	% of net assets
3 222 000	ING BANK NV 0.70% 16/04/2020 (Netherlands)	Financials	101.76	3 294 961.09	0.12
1 875 000	ING BANK NV 1.25% 13/12/2019 (Netherlands)	Financials	102.75	1 927 985.96	0.07
3 227 000	ING BANK NV 3.25% 03/04/2019 (Netherlands)	Financials	104.31	3 445 356.06	0.13
1 735 000	INTERXION 6.00% 08/01/2018 (Netherlands)	Information Technology (callable)	103.50	1 844 322.35	0.07
2 912 000	INTESA SAN PAOLO 1.12% 14/01/2020 (Italy)	Financials	102.18	3 007 373.19	0.11
5 411 000	INTESA SAN PAOLO 3.00% 28/01/2019 (Italy)	Financials	103.37	5 745 223.39	0.22
1 800 000	INTESA SAN PAOLO 4.38% 15/10/2019 (Italy)	Financials	107.87	1 959 154.03	0.07
2 714 000	INTESA SAN PAOLO 7.00% 19/01/2021 (Italy)	Financials (subordinated debt. callable)	110.86	3 095 551.82	0.12
5 879 000	INTRUM JUSTIT 2.75% 15/07/2019 (Sweden)	Financials (callable)	100.80	6 009 894.30	0.23
2 138 000	INTRUM JUSTIT 3.12% 15/07/2020 (Sweden)	Financials (callable)	100.56	2 184 720.94	0.08
1 400 000	IPSEN SA 1.88% 16/03/2023 (Luxembourg)	Healthcare (callable)	103.86	1 468 467.48	0.06
10 716 000	JP MORGAN 1.88% 21/11/2019 (USA)	Financials	103.86	11 152 986.74	0.42
8 200 000	KBC BANK 8.00% 25/01/2018 (Belgium)	Financials (subordinated debt. callable)	100.48	7 101 120.18	0.27
1 669 000	KBC GROEP NV 5.62% 19/03/2019 (Belgium)	Financials (subordinated debt. callable)	104.52	1 748 300.45	0.07
2 421 000	LAFARGE SA 5.50% 16/12/2019 (France)	Materials	110.70	2 686 661.97	0.10
7 894 000	LUXOTTICA GROUP 3.62% 19/03/2019 (Italy)	Consumer Discretionary	104.51	8 477 298.47	0.32
768 000	LVMH 1.75% 13/11/2020 (France)	Consumer Discretionary	104.87	807 248.80	0.03
800 000	LVMH 4.00% 06/04/2018 (France)	Consumer Discretionary	101.12	832 814.58	0.03
6 057 000	MEDIOBANCA SPA 0.75% 17/02/2020 (Italy)	Financials	101.36	6 183 427.01	0.23
1 996 000	MEDIOBANCA SPA 4.00% 30/09/2018 (Italy)	Financials	103.13	2 071 444.36	0.08
6 474 000	MERCK FINANCIAL SERVICES 0.75% 02/06/2019 (Germany)	Healthcare (callable)	101.34	6 576 855.01	0.25
2 341 000	MERCK FINANCIAL SERVICES 4.50% 24/03/2020 (Germany)	Healthcare	110.20	2 662 131.32	0.10
4 477 000	MORGAN STANLEY 2.25% 12/03/2018 (USA)	Financials	100.52	4 582 156.76	0.17
7 250 000	MORGAN STANLEY 5.00% 02/05/2019 (USA)	Financials	106.80	7 987 605.07	0.30
2 815 000	NATIONWIDE BUILDING SOCIETY 0.50% 29/10/2019 (United Kingdom)	Financials	101.01	2 845 863.97	0.11
6 214 000	NE PROPERTY C 1.75% 23/11/2024 (Romania)	Real Estate (callable)	97.82	6 090 861.50	0.23
6 000 000	NESTE OYJ 2.12% 17/12/2021 (Finland)	Energy (callable)	105.19	6 413 100.00	0.24
100 000	NESTE OYJ 4.00% 18/09/2019 (Finland)	Energy	106.77	107 941.60	0.00
7 987 000	NETFLIX INC 3.62% 15/05/2027 (USA)	Consumer Discretionary	100.84	8 093 179.40	0.30
897 000	NN GROUP NV 0.25% 01/03/2020 (Netherlands)	Financials (callable)	100.53	903 072.20	0.03
7 552 000	NOMURA EUROPE 1.88% 29/05/2018 (Japan)	Financials	100.89	7 704 323.84	0.29
5 109 000	NUMERICABLE 5.38% 26/01/2018 (France)	Consumer Discretionary (callable)	103.32	5 383 885.49	0.20
5 147 000	NUMERICABLE 5.62% 15/05/2019 (France)	Consumer Discretionary (callable)	104.48	5 488 516.32	0.21
5 633 000	NYKRE 0.38% 16/06/2020 (Denmark)	Financials	100.67	5 682 431.50	0.21
8 095 000	NYKRE 0.75% 14/07/2021 (Denmark)	Financials	101.37	8 234 677.56	0.31
1 925 000	NYKRE 0.88% 13/06/2019 (Denmark)	Financials	101.33	1 960 062.69	0.07
5 600 000	ORANGE 1.88% 02/10/2019 (France)	Telecommunication Services	103.57	5 826 673.42	0.22
4 500 000	ORANGE 1.88% 03/09/2018 (France)	Telecommunication Services	101.54	4 597 412.05	0.17
4 100 000	ORANGE 4.12% 23/01/2019 (France)	Telecommunication Services	104.53	4 445 751.88	0.17
3 031 000	PACCAR FINANCIAL EUROPE 0.12% 19/05/2020 (Netherlands)	Industrials	100.29	3 042 227.57	0.11
1 260 000	PACCAR FINANCIAL EUROPE 0.12% 24/05/2019 (Netherlands)	Industrials	100.36	1 265 552.98	0.05
2 478 000	PFIZER INC 0.00% 06/02/2020 (USA)	Healthcare (callable)	100.17	2 482 311.72	0.09
4 742 000	PPG INDUSTRIES INC 0.00% 03/10/2019 (USA)	Materials (callable)	100.23	4 752 954.02	0.18
3 700 000	PPR 1.88% 08/10/2018 (France)	Consumer Discretionary	101.66	3 777 807.96	0.14
2 100 000	PPR 2.50% 15/07/2020 (France)	Consumer Discretionary	106.35	2 258 026.73	0.08
5 635 000	PPR 3.12% 23/04/2019 (France)	Consumer Discretionary	104.26	5 997 850.00	0.23
12 984 000	RENAULT 0.38% 10/07/2019 (France)	Consumer Discretionary	100.66	13 093 825.08	0.49
7 571 000	RENAULT 0.75% 12/10/2021 (France)	Consumer Discretionary (callable)	100.94	7 697 549.78	0.29
1 338 000	RENAULT 2.88% 22/01/2018 (France)	Consumer Discretionary	100.17	1 376 726.30	0.05
3 161 000	ROYAL BANK OF SCOTLAND 3.62% 25/03/2019 (United Kingdom)	Financials (subordinated debt. callable)	103.25	3 352 921.63	0.13
1 509 000	ROYAL BANK OF SCOTLAND 5.38% 30/09/2019 (United Kingdom)	Financials	109.49	1 673 582.08	0.06
14 642 000	ROYAL BANK OF SCOTLAND 6.93% 09/04/2018 (United Kingdom)	Financials (subordinated debt)	101.79	15 652 336.51	0.59
2 303 000	SAMPO OYJ 1.12% 24/05/2019 (Finland)	Financials	101.79	2 360 008.71	0.09
1 900 000	SANTANDER CONSUMER .75% 17/01/2022 (Spain)	Financials	100.21	1 907 093.25	0.07
1 900 000	SANTANDER CONSUMER 0.38% 17/02/2020 (Spain)	Financials	100.68	1 919 090.58	0.07
6 600 000	SANTANDER CONSUMER 0.62% 20/04/2018 (Spain)	Financials	100.30	6 648 825.53	0.25
1 500 000	SANTANDER CONSUMER 0.90% 18/02/2020 (Spain)	Financials	101.77	1 538 393.63	0.06
8 100 000	SANTANDER CONSUMER 1.10% 30/07/2018 (Spain)	Financials	100.80	8 203 531.32	0.31
3 044 000	SATO OYJ 2.38% 24/12/2020 (Finland)	Real Estate (callable)	105.28	3 261 340.35	0.12
2 675 000	SBERBANK OF R 3.8% 07/03/2019 (Luxembourg)	Financials	102.79	2 776 046.64	0.10
700 000	SCHNEIDER ELECTRIC SE 3.50% 22/01/2019 (France)	Industrials	103.84	750 076.66	0.03
400 000	SCHNEIDER ELECTRIC SE 3.62% 20/07/2020 (France)	Industrials	109.20	443 414.25	0.02
3 200 000	SCHNEIDER ELECTRIC SE 3.75% 12/07/2018 (France)	Industrials	102.09	3 324 414.25	0.12
937 000	SECURITAS AB 2.25% 14/03/2018 (Sweden)	Industrials	100.47	958 405.70	0.04
8 558 000	SKANDINAVISKA 1.88% 14/11/2019 (Sweden)	Financials	103.87	8 910 747.86	0.33

## HOLDINGS CARMIGNAC PORTFOLIO SÉCURITÉ AT 29/12/2017

			Price in currencies	Total value (€)	% of net assets
4 825 000	SKANDINAVISKA 2.00% 18/03/2019 (Sweden)	Financials	102.67	5 030 956.12	0.19
800 000	SOCIETE DES AUTOROUTES 2.25% 16/01/2020 (France)	Industrials	104.58	853 998.90	0.03
6 300 000	SOCIETE DES AUTOROUTES 4.88% 21/01/2019 (France)	Industrials	105.26	6 923 044.11	0.26
6 700 000	SOCIETE DES AUTOROUTES 5.12% 18/01/2018 (France)	Industrials	100.22	7 044 271.70	0.26
3 950 000	SOCIETE GENERALE 5.85% 26/03/2018 (France)	Financials (subordinated debt)	101.39	4 184 056.38	0.16
213 000	SPAREBANK 1 SR BANK 2.00% 14/05/2018 (Norway)	Financials	100.85	217 530.92	0.01
1 306 000	STATOIL ASA 2.00% 10/09/2020 (Norway)	Energy	105.46	1 385 563.31	0.05
7 552 000	SWISSCOM AG 2.00% 30/09/2020 (Switzerland)	Telecommunication Services	105.27	7 989 226.66	0.30
2 498 000	SYMRISE AG 1.75% 10/07/2019 (Germany)	Materials	102.53	2 582 281.83	0.10
3 800 000	TELEFONICA EMISIONES 2.74% 29/05/2019 (Spain)	Telecommunication Services	104.01	4 014 608.80	0.15
2 000 000	TELEFONICA EMISIONES 4.80% 21/02/2018 (Spain)	Telecommunication Services	100.67	2 096 500.38	0.08
2 307 000	TELENOR ASA 4.12% 26/03/2020 (Norway)	Telecommunication Services	109.29	2 595 104.80	0.10
3 572 000	TELSTRA CORP LTD 4.25% 23/03/2020 (Australia)	Telecommunication Services	109.55	4 032 078.49	0.15
4 700 000	TIKEHAU CAPIT 3.% 27/08/2023 (France)	Financials (callable)	98.79	4 657 950.45	0.18
3 228 000	TOYOTA MOTOR 1.80% 23/07/2020 (Japan)	Consumer Discretionary	104.59	3 402 175.36	0.13
4 323 000	UBS 3.00% 15/04/2021 (Switzerland)	Financials	100.33	4 351 150.43	0.16
2 500 000	UNICREDIT 2.62% 30/01/2018 (Italy)	Financials	100.23	2 566 420.55	0.10
7 502 000	UNICREDIT 3.38% 11/01/2018 (Italy)	Financials	100.10	7 757 838.75	0.29
1 276 000	UNICREDIT 5.00% 21/05/2018 (Italy)	Financials	101.94	1 340 458.28	0.05
3 066 000	UNICREDIT 5.65% 24/07/2018 (Italy)	Financials	103.23	3 241 930.49	0.12
730 000	UNICREDIT 9.25% 03/06/2022 (Italy)	Financials (subordinated debt, callable)	121.35	891 619.20	0.03
8 700 000	UNIPER SE 0.12% 08/12/2018 (Germany)	Utilities	100.29	8 725 569.66	0.33
300 000	VINCI SA 3.38% 30/03/2020 (France)	Industrials	107.64	330 650.38	0.01
3 250 000	VIVENDI 4.88% 02/12/2019 (France)	Consumer Discretionary	109.53	3 573 615.41	0.13
6 930 000	VODAFONE GROUP PLC 0.38% 22/11/2021 (United Kingdom)	Telecommunication Services	100.17	6 945 050.44	0.26
4 035 000	VODAFONE GROUP PLC 5.00% 04/06/2018 (United Kingdom)	Telecommunication Services	102.22	4 242 701.90	0.16
1 578 000	VOLKSWAGEN 0.75% 11/08/2020 (Germany)	Consumer Discretionary	101.71	1 609 748.50	0.06
8 059 000	VOLKSWAGEN 1.50% 13/02/2019 (Germany)	Consumer Discretionary	101.75	8 307 338.64	0.31
118 000	VOLKSWAGEN 2.00% 14/01/2020 (Germany)	Consumer Discretionary	103.96	124 958.14	0.00
9 500 000	VOLKSWAGEN 3.25% 10/05/2018 (Germany)	Consumer Discretionary	101.27	9 821 496.92	0.37
7 522 000	VOLKSWAGEN 3.25% 21/01/2019 (Germany)	Consumer Discretionary	103.49	8 017 227.87	0.30
3 874 000	VOLKSWAGEN 5.38% 22/05/2018 (Germany)	Consumer Discretionary	102.15	4 086 104.68	0.15
6 100 000	WACHOVIA CORP 4.38% 27/11/2018 (USA)	Financials (subordinated debt)	104.08	6 375 689.08	0.24
2 371 000	WELLS FARGO & COMPANY 2.25% 03/09/2020 (USA)	Financials	105.89	2 528 530.54	0.10
6 309 000	WPP FINANCE 0.75% 18/11/2019 (United Kingdom)	Industrials	101.44	6 405 812.90	0.24
<b>Developed countries floating rate corporate bonds</b>				<b>164 648 311.09</b>	<b>6.19</b>
5 674 000	ALLERGAN FUND TV 01/06/2019 (Ireland)	Healthcare	100.20	5 685 570.70	0.21
7 005 000	AT&T INC TV 04/06/2019 (USA)	Telecommunication Services	100.69	7 054 449.46	0.27
10 682 000	BANK OF AMERICA TV 26/07/2019 (USA)	Financials	100.74	10 764 634.17	0.40
4 700 000	BARCLAYS BANK PLC TV 11/09/2019 (United Kingdom)	Financials	100.04	4 702 199.21	0.18
16 103 000	BARCLAYS BANK PLC TV 13/03/2019 (United Kingdom)	Financials	100.43	16 173 572.74	0.61
8 000 000	BMW TV 17/05/2019 (Germany)	Consumer Discretionary	100.36	8 028 960.00	0.30
4 800 000	BMW TV 22/11/2019 (Germany)	Consumer Discretionary	100.46	4 822 008.00	0.18
6 400 000	DANONE SA TV 03/11/2018 (France)	Consumer Staples	100.21	6 413 632.00	0.24
7 685 000	DANSKE BANK A/S TV 19/11/2018 (Denmark)	Financials	100.30	7 708 559.65	0.29
6 560 000	DEUTSCHE TELEKOM INTERNATIONAL TV 03/04/2020 (Netherlands)	Telecommunication Services	100.62	6 600 606.40	0.25
1 813 000	GOLDMAN SACHS GROUP INC TV 29/04/2019 (USA)	Financials	100.78	1 828 313.50	0.07
8 053 000	GOLDMAN SACHS GROUP INC TV 31/12/2018 (USA)	Financials	100.37	8 083 023.15	0.30
1 594 000	INTRUM JUSTIT TV 15/06/2018 (Sweden)	Industrials (callable)	101.14	1 621 438.05	0.06
1 035 000	JOHN DEERE CASH MANAGEMENT SA TV 15/09/2020 (USA)	Industrials	100.51	1 040 247.45	0.04
7 900 000	MCDONALD'S CO TV 05/04/2019 (USA)	Consumer Discretionary	100.35	7 927 255.00	0.30
4 700 000	MERCEDES-BENZ TV 22/06/2020 (Germany)	Consumer Discretionary	100.19	4 708 915.90	0.18
4 023 000	MOLSON COORS BREWING TV 15/03/2019 (USA)	Consumer Staples	100.12	4 027 827.60	0.15
1 800 000	SAFRAN SA TV 28/06/2019 (France)	Industrials	100.20	1 803 546.00	0.07
3 200 000	SAFRAN SA TV 28/06/2021 (France)	Industrials	100.55	3 217 760.53	0.12
8 100 000	SANTANDER CONSUMER TV 11/01/2019 (Spain)	Financials	100.34	8 129 854.13	0.31
4 000 000	SCANIA CV AB TV 20/04/2020 (Sweden)	Industrials	100.47	4 019 191.67	0.15
1 368 000	SCANIA CV AB TV 24/10/2018 (Sweden)	Industrials	100.22	1 371 038.90	0.05
3 556 000	THERMO FISHER SCIENTIFIC INC TV 24/07/2019 (USA)	Healthcare	100.24	3 564 569.96	0.13
4 187 000	TOYOTA MOTOR TV 20/07/2018 (Japan)	Consumer Discretionary	100.19	4 194 829.69	0.16
2 820 000	UNICREDIT TV 03/05/2020 (Italy)	Financials (subordinated debt, callable)	101.63	2 877 393.35	0.11
818 000	VOLKSWAGEN TV 16/07/2018 (Germany)	Consumer Discretionary	100.11	818 924.34	0.03
12 100 000	VOLKSWAGEN TV 30/03/2019 (Germany)	Consumer Discretionary	100.25	12 129 801.29	0.46
4 700 000	VOLVO TV 03/04/2019 (Sweden)	Consumer Discretionary	100.20	4 709 541.00	0.18
1 700 000	VOLVO TV 06/09/2019 (Sweden)	Consumer Discretionary	100.56	1 709 717.20	0.06

## HOLDINGS CARMIGNAC PORTFOLIO SÉCURITÉ AT 29/12/2017

			Price in currencies	Total value (€)	% of net assets
800 000	VOLVO TV 13/02/2019 (Sweden)	Consumer Discretionary	100.21	801 673.13	0.03
8 053 000	WELLS FARGO & COMPANY TV 02/06/2020 (USA)	Financials	100.69	8 109 256.92	0.30
<b>Emerging markets fixed rate corporate bonds</b>				<b>70 087 085.96</b>	<b>2.64</b>
6 429 000	BHARTI AIRTEL INTERNATIONAL 4.00% 10/12/2018 (India)	Telecommunication Services	103.73	6 685 453.69	0.25
8 921 000	CPI PROPERTY 2.13% 04/01/2024 (Czech Republic)	Real Estate (callable)	100.44	9 007 515.37	0.34
3 024 000	GLOBALWORTH REAL ESTATE 2.88% 20/06/2022 (Romania)	Real Estate	103.84	3 187 374.29	0.12
2 838 000	MOL HUNGARIAN OIL AND GAS 2.62% 28/04/2023 (Hungary)	Energy	108.49	3 130 057.02	0.12
1 447 000	SIGMA ALIMENTOS SA 2.62% 07/02/2024 (Mexico)	Consumer Staples	106.67	1 577 885.31	0.06
7 034 000	SINOPEC GRP 0.50% 27/04/2018 (China)	Energy	100.23	7 074 082.24	0.27
15 679 000	TEVA PHARMACEUTICAL 0.38% 25/07/2020 (Israel)	Healthcare	95.37	14 979 314.96	0.56
871 000	TEVA PHARMACEUTICAL 1.12% 15/10/2024 (Israel)	Healthcare	86.89	758 950.86	0.03
8 653 000	TEVA PHARMACEUTICAL 1.25% 31/12/2022 (Israel)	Healthcare (callable)	91.50	7 999 616.71	0.30
3 897 000	TEVA PHARMACEUTICAL 2.88% 15/04/2019 (Israel)	Healthcare	101.53	4 037 816.23	0.15
6 901 000	TEVA PHARMACEUTICALS 1.70% 19/07/2019 (Israel)	Healthcare (Dollar)	97.32	5 637 489.68	0.21
2 028 000	TEVA PHARMACEUTICAL 1.88% 31/12/2026 (Israel)	Healthcare (callable)	86.88	1 790 969.03	0.07
4 740 000	YPF SA 3.75% 30/09/2019 (Argentina)	Energy (CHF)	103.22	4 220 560.57	0.16
<b>Asset Backed Securities</b>				<b>176 431 383.13</b>	<b>6.63</b>
2 227 000	ADAGI VI-X A (Ireland)	CLO (AAA tranche)	0.00	2 227 337.76	0.08
1 645 000	ADAGI VI-X B1 (Ireland)	CLO (AA tranche)	0.00	1 645 399.83	0.06
225 000	ALME 5X A (Ireland)	CLO (AAA tranche)	101.11	228 222.37	0.01
564 000	ARBR 3X C (Ireland)	CLO (A tranche)	100.49	567 623.84	0.02
4 672 000	AVOCA 14X A1R (Ireland)	CLO (AAA tranche)	100.38	4 695 154.43	0.18
1 500 000	AVOCA 15X A2 (Ireland)	CLO (AAA tranche)	100.34	1 509 535.95	0.06
451 000	AVOCA 15X C (Ireland)	CLO (A tranche)	100.95	458 110.90	0.02
2 660 000	AVOCA 16X A (Ireland)	CLO (AAA tranche)	100.62	2 684 404.44	0.10
1 074 000	AVOCA 16X B (Ireland)	CLO (AA tranche)	100.99	1 089 479.94	0.04
453 000	AVOCA 16X C (Ireland)	CLO (A tranche)	101.95	464 975.46	0.02
301 000	BECL0 2X B (Ireland)	CLO (AA tranche)	102.46	309 471.33	0.01
2 770 000	BECL0 4X A (Ireland)	CLO (AAA tranche)	100.91	2 797 902.70	0.11
2 239 000	BECL0 4X B2 (Ireland)	CLO (AA tranche)	100.60	2 257 972.64	0.08
1 500 000	BLACK 2017-2X A1 (Ireland)	CLO (NR tranche)	100.18	1 503 198.80	0.06
2 700 000	BLACK 2017-2X B (Ireland)	CLO (NR tranche)	100.27	2 708 843.40	0.10
1 300 000	BLACK 2017-2X C (Ireland)	CLO (NR tranche)	100.52	1 307 846.15	0.05
4 647 877	BOPHO 3X A (Ireland)	CLO (AAA tranche)	100.40	4 675 125.15	0.18
6 010 000	CGMSE 2015-2X AA1R (Ireland)	CLO (AAA tranche)	100.23	6 023 846.44	0.23
1 459 000	CGMSE 2015-3X A1 (Ireland)	CLO (AAA tranche)	100.06	1 464 795.78	0.06
547 000	CGMSE 2015-3X D (Ireland)	CLO (BB tranche)	100.41	555 925.33	0.02
7 823 000	CGMSE 2016-1X A1 (Netherlands)	CLO (AAA tranche)	100.53	7 879 943.88	0.30
546 000	CGMSE 2016-1X C (Netherlands)	CLO (BBB tranche)	102.36	562 005.74	0.02
1 154 000	CGMSE 2016-2X A2 (Netherlands)	CLO (AA tranche)	100.58	1 164 987.73	0.04
524 000	CGMSE 2016-2X D (Netherlands)	CLO (BB tranche)	102.57	544 538.53	0.02
3 312 000	CORDA 7X A1 (Ireland)	CLO (AAA tranche)	100.73	3 342 088.38	0.13
3 410 000	CORDA 7X B1 (Ireland)	CLO (AA tranche)	100.79	3 446 882.79	0.13
318 000	CORDA 7X C (Ireland)	CLO (A tranche)	101.43	323 960.51	0.01
2 644 000	CRNCL 2016-6X A (Netherlands)	CLO (AAA tranche)	100.65	2 667 955.93	0.10
380 000	CRNCL 2016-6X B (Netherlands)	CLO (AA tranche)	101.01	385 383.25	0.01
385 000	CRNCL 2016-6X C (Netherlands)	CLO (A tranche)	101.72	391 605.95	0.01
1 000 000	CRNCL 2017-8X A (Netherlands)	CLO (AAA tranche)	100.61	1 007 391.78	0.04
2 975 000	CRNCL 2017-8X B1 (Netherlands)	CLO (AA tranche)	101.03	3 011 752.62	0.11
500 000	CRNCL 2017-8X C (Netherlands)	CLO (A tranche)	100.90	505 916.04	0.02
2 671 000	DRYD 2015-39X AR (Netherlands)	CLO (AAA tranche)	100.98	2 702 311.15	0.10
455 000	DRYD 2015-39X B1R (Netherlands)	CLO (AA tranche)	101.23	461 968.64	0.02
1 365 000	DRYD 2015-39X B2R (Netherlands)	CLO (AA tranche)	0.00	1 371 062.88	0.05
1 251 000	DRYD 2015-39X CR (Netherlands)	CLO (A tranche)	101.28	1 266 970.89	0.05
7 000 000	DRYD 2015-44X A1 (Netherlands)	CLO (AAA tranche)	100.76	7 101 083.50	0.27
800 000	DRYD 2015-44X B1 (Netherlands)	CLO (AA tranche)	100.96	815 843.68	0.03
400 000	DRYD 2015-44X C (Netherlands)	CLO (A tranche)	101.57	412 348.88	0.02
1 890 000	DRYD 2016-46X B1 (Netherlands)	CLO (AA tranche)	100.85	1 913 580.40	0.07
1 094 000	DRYD 2017-56X A (Netherlands)	CLO (NR tranche)	100.19	1 096 457.23	0.04
1 504 000	DRYD 2017-56X B2 (Netherlands)	CLO (NR tranche)	100.66	1 515 160.83	0.06
937 000	DRYD 2017-56X C (Netherlands)	CLO (A tranche)	100.25	939 982.72	0.04
3 435 000	EGLXY 2016-5X A (Netherlands)	CLO (AAA tranche)	101.00	3 475 231.41	0.13
3 116 000	GLGE 1X A1R (Ireland)	CLO (AAA tranche)	100.32	3 131 603.61	0.12
843 000	GLGE 2X B (Ireland)	CLO (AA tranche)	100.94	854 099.85	0.03
1 776 000	GRIPK 1X A2A (Ireland)	CLO (AA tranche)	101.22	1 805 542.60	0.07

## HOLDINGS CARMIGNAC PORTFOLIO SÉCURITÉ AT 29/12/2017

		Price in currencies	Total value (€)	% of net assets	
382 000	GRIPK 1X B (Ireland)	CLO (A tranche)	101.32	389 605.87	0.01
700 000	GRIPK 1X C (Ireland)	CLO (BBB tranche)	102.30	722 470.71	0.03
886 000	HARVT 12X AR (Ireland)	CLO (AAA tranche)	100.80	895 222.40	0.03
729 000	HARVT 12X B1R (Ireland)	CLO (AA tranche)	100.52	734 671.77	0.03
384 000	HARVT 12X CR (Ireland)	CLO (A tranche)	101.37	390 643.32	0.01
1 978 000	HARVT 15X B (Ireland)	CLO (AA tranche)	101.18	2 006 707.31	0.08
2 972 000	HARVT 15X C (Ireland)	CLO (A tranche)	101.66	3 033 256.45	0.11
702 000	HARVT 15X D (Ireland)	CLO (BBB tranche)	101.60	717 226.81	0.03
1 768 000	HARVT 16X B (Ireland)	CLO (AA tranche)	100.64	1 787 352.63	0.07
322 000	HARVT 16X C (Ireland)	CLO (A tranche)	101.65	329 501.69	0.01
414 000	HARVT 16X D (Ireland)	CLO (BBB tranche)	102.01	426 167.81	0.02
1 097 000	HARVT 16X E (Ireland)	CLO (BB tranche)	101.25	1 126 297.16	0.04
5 086 000	JUBIL 2015-15X AR (Netherlands)	CLO (AAA tranche)	100.22	5 103 049.97	0.19
202 000	JUBIL 2015-15X BR (Netherlands)	CLO (AA tranche)	100.31	203 100.32	0.01
1 237 000	JUBIL 2017-19X A1 (Netherlands)	CLO (AAA tranche)	100.11	1 239 024.21	0.05
4 226 000	JUBIL 2017-19X B (Netherlands)	CLO (AA tranche)	100.11	4 233 971.88	0.16
866 000	JUBIL 2017-19X C (Netherlands)	CLO (A tranche)	100.15	868 235.53	0.03
21 058	MALIN 2007-1A A1 (Netherlands)	CLO (AAA tranche)	100.00	21 057.71	0.00
561 000	MALIN 2007-1X B (Netherlands)	CLO (AAA tranche)	99.75	559 653.89	0.02
927 000	OCPE 2017-2X A (Ireland)	CLO (AAA tranche)	100.31	930 284.39	0.03
1 373 000	OCPE 2017-2X B (Ireland)	CLO (AA tranche)	100.39	1 379 390.90	0.05
480 000	OCPE 2017-2X C (Ireland)	CLO (A tranche)	100.42	482 515.97	0.02
824 000	OCPE 2017-2X E (Ireland)	CLO (BB tranche)	98.66	815 333.06	0.03
300 000	OHECP 2015-4X CNE (Ireland)	CLO (A tranche)	100.33	305 095.57	0.01
4 882 000	ORWPK 1X A1R (Ireland)	CLO (AAA tranche)	100.04	4 892 058.55	0.18
340 000	ORWPK 1X A2R (Ireland)	CLO (AA tranche)	100.07	341 320.24	0.01
4 476 000	PENTA 2015-2X AR (Netherlands)	CLO (AAA tranche)	100.13	4 487 673.96	0.17
1 709 000	PENTA 2017-3X A (Ireland)	CLO (AAA tranche)	100.56	1 718 614.83	0.06
1 208 000	PENTA 2017-3X B (Ireland)	CLO (AA tranche)	100.27	1 213 603.01	0.05
589 000	PENTA 2017-3X C (Ireland)	CLO (A tranche)	100.27	592 097.03	0.02
5 000 000	SPAUL 4X A1RR (Ireland)	CLO (AAA tranche)	99.94	5 005 552.94	0.19
1 000 000	SPAUL 4X A2AR (Ireland)	CLO (AA tranche)	100.02	1 002 735.29	0.04
975 000	SPAUL 4X A2BR (Ireland)	CLO (AA tranche)	100.48	983 608.13	0.04
900 000	SPAUL 4X BRR (Ireland)	CLO (A tranche)	100.07	900 634.14	0.03
3 961 000	SPAUL 6X A1 (Ireland)	CLO (AAA tranche)	100.84	4 005 690.47	0.15
113 000	SPAUL 6X B (Ireland)	CLO (A tranche)	101.43	115 294.44	0.00
4 179 000	TCLO 2X A (Ireland)	CLO (AAA tranche)	100.67	4 218 818.77	0.16
545 000	TCLO 2X D (Ireland)	CLO (BBB tranche)	102.05	561 281.68	0.02
10 000 000	TIKEH 2X A (Netherlands)	CLO (AAA tranche)	100.79	10 086 683.00	0.38
462 000	TIKEH 2X E (Netherlands)	CLO (BB tranche)	101.83	470 461.99	0.02
1 527 000	TIKEH 3X A (Netherlands)	CLO (AAA tranche)	100.59	1 538 028.50	0.06
1 748 000	TIKEH 3X B (Netherlands)	CLO (AA tranche)	100.67	1 763 486.19	0.07
1 049 000	TIKEH 3X C (Netherlands)	CLO (A tranche)	100.72	1 059 521.87	0.04
5 072 000	TYMPK 1X A1A (Ireland)	CLO (AAA tranche)	100.39	5 106 703.53	0.19
1 324 000	WILPK 1X A1 (Ireland)	CLO (AAA tranche)	99.97	1 324 663.94	0.05
2 226 000	WILPK 1X A2A (Ireland)	CLO (AA tranche)	100.56	2 241 491.85	0.08
824 000	WILPK 1X B (Ireland)	CLO (A tranche)	100.57	828 687.41	0.03
<b>Portfolio value</b>				<b>2 388 444 492.32</b>	<b>89.78</b>
<b>Net assets</b>				<b>2 660 241 014.30</b>	<b>100.00</b>



Carlos Galvis

Julien Chéron

## Carmignac Portfolio Capital Plus

Multi-asset and multi-strategy fund. Its investment philosophy focuses on optimizing performance while maintaining ex-ante volatility below 2.5% on an annual basis, in all market conditions.

In the fourth quarter, **Carmignac Portfolio Capital Plus** increased by +0.30%, while its benchmark was down -0.09%, bringing the Fund's net performance for 2017 to +1.65%, while the EONIA (compounded) decreased by -0.36%.

The Fund's strategy during the quarter rested as before on three pillars. First, strong global economic expansion combined with low inflation. Second, abundant liquidity and low interest rates that supported risk assets. Third, positive correlation between bonds and equities combined with low systematic risk. At the same time, we focused on actively managing portfolio risk by reducing exposure across the various performance drivers as markets became less liquid and more volatile near the end of the year. With this background, the portfolio delivered a strong positive performance over the year with volatility below 1%.

Over the medium term and going into 2018, we remain constructive on the global economy as the expansion continues to broaden and becomes more synchronised between developed and emerging markets. Although we expect major central banks to further reduce their balance sheets, we don't believe this will be detrimental to risk assets in general. In addition, we maintained our strategy of focusing the portfolio on long exposure to global equity and credit markets, and we expect yield curves to steepen and the dollar to remain under pressure as the business cycle matures in the US. In Europe, our forecast is for further compression of spreads on peripheral bonds as the economic recovery broadens and political risk diminishes. In Japan, good fundamentals, high liquidity and attractive valuations will continue to support both the currency and the equity markets. Finally, emerging markets will continue to be buoyed by both better idiosyncratic factors and low real interest rates in developed markets. The risks to our global strategy

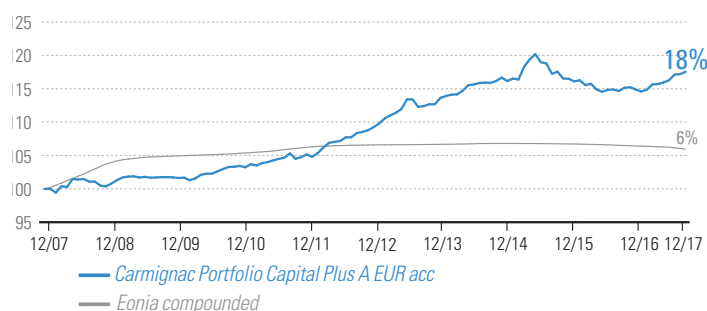
are centred on two main factors: first, on lower US growth with recession probability increasing as the economic expansion goes into its tenth year and second, stronger deceleration in China as policymakers further tighten liquidity to counterbalance credit growth and thereby rein in asset price bubbles, particularly in housing. This will definitely weigh on the rest of the emerging world and the commodity space.

Our **rate strategy** over the quarter focused on European bond markets, as abundant liquidity, less political risk and limited realised inflation – but strong growth – called for adding duration risk in the portfolio with EU-periphery bonds. Despite the political hubbub around the Italian elections, there was limited contagion to other markets during the fourth quarter, with spreads in Greece, Portugal and Spain behaving well and compressing. In this respect, the strategy of adding 30-year EU-periphery bonds paid off nicely as curves flattened. Our **duration strategy** made a +0.12% contribution in the quarter. Going into 2018, we anticipate more tightening of peripheral spreads and favour Italian BTPs over German bunds now that the political risk premium is fading as we approach the elections in March. Furthermore, as we expect German bund yields to go higher, we prefer to manage this strategy in a more tactical way, given that inflation risk remains limited. Lastly, we assume the US yield curve will steepen, which is why we have taken a short 2y versus long 4y rates position via swaps.

Our **equity strategy** made a positive +0.23% contribution to performance. Our strong conviction on global equities – favouring Japan on the basis of high liquidity and strong economic data – played well over the quarter. Furthermore, we tactically played dislocations in equity volatility on both the EuroStoxx and specific names that contributed positively to performance. Our strategy going forward will be to remain max long equities in line with the MSCI country risk allocation. We are tactically adding cyclical sectors like US oil services to play the most sensitive among them to a spike in inflation and a rebound in growth from the recent US tax reform.

Our **credit book** continued to do well, with all themes – subordinated bank debt, CLO tranches and specific opportunities – contributing positively to performance. During the last quarter of 2017, Carmignac Portfolio Capital Plus increased its exposure to credit by around 3%, primarily in the financial space, which performed well. The contribution of our **credit strategy** to performance was +0.11%. As the new year gets under way, credit risk will remain relevant as a way to generate performance. We will therefore continue with our opportunistic but conservative approach to picking the names with good risk/reward profiles when volatility increases and liquidity becomes more constrained. Moreover, we are now particularly cautious on credit, as the potential upside has

### Performance of the fund since its launch



Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

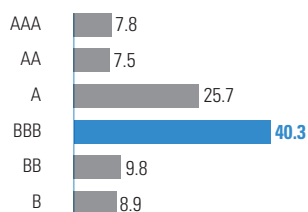
\* Risk scale from 1 (lowest risk) to 7 (highest risk); risk 1 doesn't mean an investment without risk. The risk category associated with this fund is not guaranteed and may change with time.

significantly shrunk, but we still see value in those two themes, financials and CLOs, and we can still find interesting idiosyncratic opportunities.

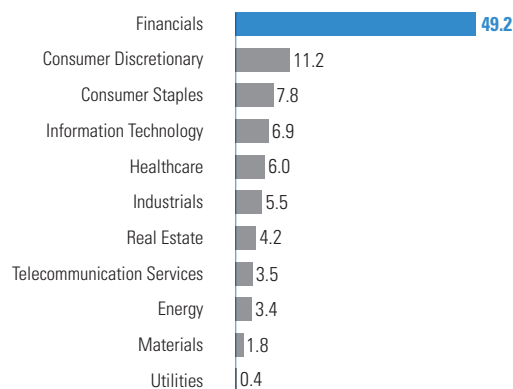
Finally, our **currency strategy** had a negative effect on our Q4 performance (-0.16%). US dollar weakness during the fourth quarter for the most part reflected the improved economic environment outside the US, as well as the smooth medium-term path for rate

hikes set by the Fed. Going forward, we plan to remain neutral on the USD, but like the fundamentals underpinning the yen, whereas short positions currently dominate the market. In contrast, we favour shorting the Canadian dollar, given that three rate hikes are already priced into the yield curve, while the fundamentals are more mixed and the risk surrounding NAFTA has been moderately priced into the currency's value.

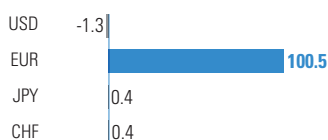
### Bond portfolio (derivatives excluded) - Rating breakdown (%)



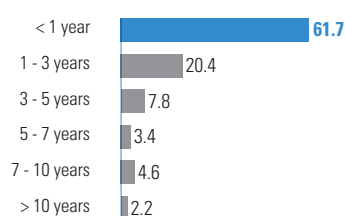
### Sector breakdown (derivatives excluded) (%)



### Net currency exposure of Euro share classes (%)



### Bond portfolio (derivatives excluded) - Maturity breakdown (%)



### Cumulative performance (%)

	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Portfolio Capital Plus A EUR acc</b>	<b>1.65</b>	<b>0.30</b>	<b>0.38</b>	<b>1.65</b>	<b>1.00</b>	<b>6.34</b>	<b>17.55</b>	<b>17.55</b>
Eonia compounded	-0.36	-0.09	-0.18	-0.36	-0.78	-0.60	5.77	5.96
Category average*	2.01	0.56	0.93	2.01	4.64	13.11	19.57	21.62
Ranking (quartile)	3	3	4	3	4	4	3	3

\* EUR Cautious Allocation - Global. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding applicable entrance fee due to the distributor).

Statistics (%)	1 year	3 years
Fund volatility	0.78	1.86
Benchmark volatility	0.00	0.03
Sharpe ratio	2.58	0.31
Beta	NS	NS
Alpha	NS	NS

Calculation period: weekly (1 year) and monthly (3 years).

#### Quarterly gross performance contribution (%)

Bond portfolio	Equity Derivatives	Bond Derivatives	Currency Derivatives	Mutual Fund	Total
0.54	0.23	0.02	-0.05	0.00	<b>0.74</b>

#### Modified duration of the bond portfolio (derivatives included)

Euro	1.05
United-States	0.13
Other	0.01

Equity exposure rate (%) : **0.47**

#### Value at Risk (%)

99% - 20 days (2 years)	Fund
	0.62

#### HOLDINGS CARMIGNAC PORTFOLIO CAPITAL PLUS AT 29/12/2017

	Price in currencies	Total value (€)	% of net assets
<b>Cash, cash equivalents and derivatives operations</b>		<b>918 635 548.62</b>	<b>50.38</b>
Cash (including collateral cash from derivative positions)		149 577 913.47	8.20
13 300 000 GREECE 05/01/2018	Treasury bill in Euro	13 296 149.51	0.73
23 000 000 GREECE 09/02/2018	Treasury bill in Euro	22 957 251.72	1.26
62 000 000 GREECE 16/03/2018	Treasury bill in Euro	61 803 506.15	3.39
20 000 000 ITALY 13/04/2018	Treasury bill in Euro	20 032 000.00	1.10
20 000 000 ITALY 14/02/2018	Treasury bill in Euro	20 012 363.04	1.10
15 000 000 ITALY 14/03/2018	Treasury bill in Euro	15 021 375.00	0.82
20 000 000 PORTUGAL 16/03/2018	Treasury bill in Euro	20 018 822.22	1.10
50 000 000 PORTUGAL 16/11/2018	Treasury bill in Euro	50 169 000.00	2.75
45 000 000 PORTUGAL 20/07/2018	Treasury bill in Euro	45 078 750.00	2.47
40 000 000 SPAIN 07/12/2018	Treasury bill in Euro	40 199 200.00	2.20
15 000 000 SPAIN 09/03/2018	Treasury bill in Euro	15 016 800.00	0.82
100 000 000 SPAIN 13/07/2018	Treasury bill in Euro	100 281 000.00	5.50
20 000 000 SPAIN 16/02/2018	Treasury bill in Euro	20 011 397.83	1.10
50 000 000 BANCO DE SABADELL SA 19/06/2018	Certificate of deposit in Euro	50 080 150.00	2.75
100 000 000 BANCO DE SABADELL SA 31/01/2018	Certificate of deposit in Euro	100 035 797.83	5.49
60 000 000 DEUTSCHE BANK AG 31/10/2018	Certificate of deposit in Euro	60 097 056.60	3.30
15 000 000 INTESA SANPAOLO BANK 01/03/2018	Certificate of deposit in Euro	15 009 796.00	0.82
15 000 000 SANTANDER CONSUMER 12/06/2018	Certificate of deposit in Euro	15 033 765.00	0.82
15 000 000 UNICREDIT 02/03/2018	Certificate of deposit in Euro	15 009 754.50	0.82
18 667 Carmignac Court Terme	Mutual Fund - Money Market	69 893 699.75	3.83
<b>Fixed income investments</b>		<b>904 949 373.15</b>	<b>49.62</b>
<b>Developed countries fixed rate Government bonds</b>		<b>122 579 737.15</b>	<b>6.72</b>
500 GREECE 4.20% 30/01/2042 (Greece)	Euro	92.84	465.91
10 000 000 PORTUGAL 2.20% 17/10/2022 (Portugal)	Euro	108.51	10 898 113.70
20 000 000 PORTUGAL 2.88% 15/10/2025 (Portugal)	Euro	110.26	22 178 227.40
45 000 000 PORTUGAL 4.45% 15/06/2018 (Portugal)	Euro	102.19	47 091 932.88
40 000 000 SPAIN 2.75% 30/04/2019 (Spain)	Euro	104.16	42 410 997.26
<b>Emerging markets fixed rate Government bonds</b>		<b>11 062 104.43</b>	<b>0.61</b>
12 500 000 ARGENTINA 9.00% 29/11/2018 (Argentina)	Dollar	106.27	11 062 104.43
<b>Developed countries fixed rate corporate bonds</b>		<b>483 667 184.09</b>	<b>26.52</b>
5 490 000 AIRBUS GROUP 5.50% 25/09/2018 (France)	Industrials	104.16	5 801 000.23
2 290 000 ALLERGAN FUND 0.50% 01/05/2021 (Ireland)	Healthcare (callable)	100.21	2 301 727.31
5 800 000 ALLIED IRISH 7.38% 03/12/2020 (Ireland)	Financials (subordinated debt, callable)	113.13	6 597 753.45
10 000 000 ALTICE SA 7.25% 26/01/2018 (Netherlands)	Consumer Discretionary (callable)	101.71	10 450 630.56
1 538 000 AMGEN INC 4.38% 05/12/2018 (USA)	Healthcare	104.25	1 608 634.23
4 162 000 ANADARKO PETROLEUM 8.70% 15/03/2019 (USA)	Energy	107.21	3 806 212.77
30 000 000 ANHEUSER-BUSCH INBEV 0.62% 17/03/2020 (Belgium)	Consumer Staples	101.45	30 586 200.00
1 600 000 BANK OF IRELAND 4.12% 19/09/2022 (Ireland)	Financials (subordinated debt, callable)	99.79	1 345 471.91
10 000 000 BARCLAYS 2.62% 11/11/2020 (United Kingdom)	Financials (subordinated debt, callable)	103.98	10 436 216.44

HOLDINGS CARMIGNAC PORTFOLIO CAPITAL PLUS AT 29/12/2017			Price in currencies	Total value (€)	% of net assets
6 800 000	BBVA 3.50% 10/02/2027 (Spain)	Financials (subordinated debt)	112.84	7 886 341.92	0.43
11 700 000	BBVA 3.50% 11/04/2019 (Spain)	Financials (subordinated debt. callable)	104.18	12 488 378.05	0.68
5 200 000	BBVA 8.88% 14/04/2021 (Spain)	Financials (subordinated debt. callable)	118.78	6 278 140.16	0.34
6 749 000	BERKSHIRE HATHAWAY 0.50% 13/02/2020 (USA)	Financials (callable)	101.10	6 850 469.83	0.38
507 000	BG ENERGY CAPITAL 3.00% 16/11/2018 (Netherlands)	Energy	102.86	523 510.56	0.03
8 133 000	BMW 0.12% 15/04/2020 (Germany)	Consumer Discretionary	100.45	8 176 761.11	0.45
5 220 000	BNP PARIBAS 6.12% 17/06/2022 (France)	Financials (subordinated debt. callable)	115.72	6 055 359.61	0.33
3 000 000	CHANNEL LINK 1.76% 30/06/2022 (United Kingdom)	Information Technology (callable)	101.84	3 055 748.96	0.17
2 000 000	CHANNEL LINK 2.71% 30/06/2027 (United Kingdom)	Information Technology (callable)	103.64	2 073 453.10	0.11
2 000 000	CHRISTIAN DIOR 0.75% 24/03/2021 (France)	Consumer Discretionary (callable)	101.07	2 029 291.51	0.11
2 745 000	CIBA SPECIAL CHEMICALS 4.88% 20/06/2018 (Luxembourg)	Materials	102.37	2 882 391.76	0.16
8 300 000	COMMONWEALTH 1.94% 03/10/2024 (Australia)	Financials (subordinated debt. callable)	100.49	8 381 944.42	0.46
11 600 000	COMMONWEALTH BANK OF AUSTRALIA 2.00% 22/04/2022 (Australia)	Financials (subordinated debt. callable)	103.45	12 162 453.81	0.67
5 340 000	CREDIT AGRICOLE 6.50% 23/06/2021 (France)	Financials (subordinated debt. callable)	113.41	6 066 646.43	0.33
1 700 000	CREDIT MUTUEL ARKEA 1.88% 25/10/2024 (France)	Financials (subordinated debt. callable)	100.58	1 716 007.01	0.09
7 000 000	CREDIT MUTUEL ARKEA 3.50% 09/02/2029 (France)	Financials (subordinated debt)	113.55	8 168 664.38	0.45
4 200 000	DANONE SA 1.25% 06/06/2018 (France)	Consumer Staples	100.76	4 262 227.32	0.23
5 340 000	DANSKE BANK A/S 5.88% 06/04/2022 (Denmark)	Financials (subordinated debt. callable)	113.81	6 154 321.69	0.34
15 000 000	DEXIA CREDIT 0.04% 11/12/2019 (Belgium)	Financials	100.68	15 102 228.08	0.83
15 500 000	EBAY INC 2.50% 09/03/2018 (USA)	Information Technology	100.13	13 027 417.83	0.71
2 125 000	EC FINANCE PL 2.38% 15/11/2022 (United Kingdom)	Industrials (callable)	102.69	2 190 714.15	0.12
2 000 000	ELDORADO GOLD 6.12% 26/01/2018 (Canada)	Materials (callable)	99.38	1 660 247.34	0.09
8 400 000	EUROFINS SCIENTIFIC SE 2.12% 25/04/2024 (Luxembourg)	Healthcare (callable)	102.35	8 676 456.66	0.48
2 000 000	EUROFINS SCIENTIFIC SE 2.25% 27/01/2022 (Luxembourg)	Healthcare	104.96	2 141 281.10	0.12
2 125 000	EUROFINS SCIENTIFIC SE 3.25% 13/11/2025 (Luxembourg)	Healthcare (subordinated debt. callable)	100.73	2 150 226.08	0.12
9 900 000	FCA BANK SPA IRELAND 1.25% 23/09/2020 (Italy)	Financials	102.99	10 231 030.23	0.56
7 620 000	FCA BANK SPA IRELAND 2.00% 23/10/2019 (Italy)	Financials	103.55	7 920 420.07	0.43
9 642 000	FEDEX CORP 0.50% 09/03/2020 (USA)	Industrials (callable)	100.93	9 767 007.87	0.54
4 023 000	FERRARI NV .25% 16/01/2021 (Italy)	Consumer Discretionary	99.34	3 997 650.14	0.22
8 375 000	GENERALI FINANCE 4.6% 21/11/2025 (Italy)	Financials (subordinated debt. callable)	109.84	9 244 362.40	0.51
6 150 000	ING GROEP NV 6.50% 16/04/2025 (Netherlands)	Financials (subordinated debt. callable)	108.86	5 646 613.57	0.31
10 000 000	INTESA SAN PAOLO 2.75% 20/03/2020 (Italy)	Financials	105.90	10 808 293.15	0.59
3 600 000	INTESA SAN PAOLO 4.38% 15/10/2019 (Italy)	Financials	107.87	3 918 308.05	0.21
5 200 000	INTESA SAN PAOLO 7.75% 11/01/2027 (Italy)	Financials (subordinated debt. callable)	121.91	6 534 539.40	0.36
3 000 000	INTRUM JUSTIT 2.75% 15/07/2019 (Sweden)	Financials (callable)	100.80	3 066 794.17	0.17
2 200 000	IPSEN SA 1.88% 16/03/2023 (Luxembourg)	Healthcare (callable)	103.86	2 307 591.75	0.13
2 500 000	KBC GROEP NV 2.38% 25/11/2019 (Belgium)	Financials (subordinated debt. callable)	103.96	2 605 294.18	0.14
7 500 000	MEDIOBANCA SPA 0.75% 17/02/2020 (Italy)	Financials	101.36	7 656 546.58	0.42
4 803 000	MERCK FINANCIAL SERVICES 0.75% 02/06/2019 (Germany)	Healthcare (callable)	101.34	4 879 307.17	0.27
8 200 000	MERCURY BONDCO PLC 7.12% 08/01/2018 (Italy)	Information Technology (callable)	103.73	8 586 923.83	0.47
14 000 000	MERCURY BONDCO PLC 8.25% 08/01/2018 (Italy)	Information Technology (callable)	104.23	14 697 935.00	0.81
5 182 000	MORGAN STANLEY 2.25% 12/03/2018 (USA)	Financials	100.52	5 303 715.95	0.29
10 000 000	MURPHY OIL CORP 5.75% 15/08/2020 (USA)	Energy (callable)	103.23	8 776 586.44	0.48
3 800 000	NETFLIX INC 3.62% 15/05/2027 (USA)	Consumer Discretionary	100.84	3 850 517.31	0.21
2 100 000	ORANGE 1.88% 02/10/2019 (France)	Telecommunication Services	103.57	2 185 002.53	0.12
1 691 000	PACCAR FINANCIAL EUROPE 0.12% 24/05/2019 (Netherlands)	Industrials	100.36	1 698 452.45	0.09
7 650 000	PERSHING SQUARE HOLDINGS LTD 5.50% 15/06/2022 (Netherlands)	Financials (callable)	104.36	6 812 224.77	0.37
7 500 000	ROYAL BANK OF SCOTLAND 5.25% 30/03/2018 (United Kingdom)	Financials (subordinated debt. callable)	101.49	7 811 606.25	0.43
2 900 000	ROYAL BANK OF SCOTLAND 5.50% 31/03/2018 (United Kingdom)	Financials (subordinated debt. callable)	101.41	2 942 306.17	0.16
3 100 000	SANOFI 0.00% 05/04/2019 (France)	Healthcare	100.33	3 110 261.00	0.17
10 000 000	SANTANDER 3.12% 19/01/2027 (Spain)	Financials (subordinated debt)	109.35	11 233 401.37	0.62
5 500 000	SANTANDER 6.75% 25/04/2022 (Spain)	Financials (subordinated debt. callable)	113.79	6 329 373.63	0.35
20 500 000	SANTANDER CONSUMER 0.62% 20/04/2018 (Spain)	Financials	100.30	20 651 655.07	1.13
6 228 000	SATO OYJ 2.38% 24/12/2020 (Finland)	Real Estate (callable)	105.28	6 672 676.64	0.37
2 900 000	SOCIETE GENERALE 0.75% 25/11/2020 (France)	Financials	102.08	2 962 614.97	0.16
10 000 000	SOCIETE GENERALE 3.25% 12/01/2022 (France)	Financials	100.85	8 526 794.64	0.47
7 400 000	SOCIETE GENERALE 5.85% 26/03/2018 (France)	Financials (subordinated debt)	101.39	7 838 485.38	0.43

HOLDINGS CARMIGNAC PORTFOLIO CAPITAL PLUS AT 29/12/2017			Price in currencies	Total value (€)	% of net assets
5 340 000	SOCIETE GENERALE 6.75% 07/04/2021 (France)	Financials (subordinated debt. callable)	112.32	6 085 083.16	0.33
6 300 000	TELEFONICA EMISIONES 2.74% 29/05/2019 (Spain)	Telecommunication Services	104.01	6 655 798.80	0.36
5 000 000	TULLOW OIL 6.25% 26/01/2018 (United Kingdom)	Energy (callable)	100.65	4 247 300.41	0.23
2 500 000	UBS 7.62% 17/08/2022 (Switzerland)	Financials (subordinated debt)	105.88	2 272 002.69	0.12
5 000 000	UBS 4.75% 12/02/2021 (Schweiz)	Financials (subordinated debt. callable)	112.23	5 823 320.83	0.32
3 000 000	UNICREDIT 5.86% 19/06/2027 (Italy)	Financials (subordinated debt. callable)	106.76	2 672 816.31	0.15
5 570 000	UNICREDIT 6.75% 10/09/2021 (Italy)	Financials (subordinated debt. callable)	108.12	6 141 779.27	0.34
7 750 000	WACHOVIA CORP 4.38% 27/11/2018 (USA)	Financials (subordinated debt)	104.08	8 100 260.72	0.44
<b>Developed countries floating rate corporate bonds</b>				<b>114 932 047.08</b>	<b>6.30</b>
3 410 000	ALLERGAN FUND TV 01/06/2019 (Ireland)	Healthcare	100.20	3 416 953.84	0.19
7 000 000	BMW TV 22/11/2019 (Germany)	Consumer Discretionary	100.46	7 032 095.00	0.39
30 000 000	BMW TV 29/01/2018 (Netherlands)	Consumer Discretionary	100.06	30 021 379.17	1.65
2 000 000	CARREFOUR BANQUE SA TV 20/01/2021 (France)	Industrials (callable)	101.46	2 030 582.50	0.11
15 000 000	COCA-COLA TV 08/03/2019 (USA)	Consumer Staples	100.38	15 057 600.00	0.83
13 450 000	DEUTSCHE TELEKOM INTERNATIONAL TV 03/04/2020 (Netherlands)	Telecommunication Services	100.62	13 533 255.50	0.74
8 000 000	JOHN DEERE TV 15/09/2020 (USA)	Industrials	100.51	8 040 560.00	0.44
10 000 000	MORGAN STANLEY TV 27/01/2021 (USA)	Financials (callable)	101.19	10 125 470.00	0.56
3 000 000	SAP AG TV 01/04/2020 (Germany)	Information Technology	100.69	3 020 820.00	0.17
6 411 000	TOYOTA MOTOR TV 20/07/2018 (Japan)	Consumer Discretionary	100.19	6 422 988.57	0.35
6 000 000	JOHN DEERE TV 03/10/2022 (USA)	Industrials	100.45	6 026 820.00	0.33
10 000 000	UNICREDIT TV 03/05/2020 (Italy)	Financials (subordinated debt. callable)	101.63	10 203 522.50	0.56
<b>Emerging markets fixed rate corporate bonds</b>				<b>42 056 528.34</b>	<b>2.31</b>
17 850 000	CPI PROPERTY 2.13% 04/01/2024 (Czech Republic)	Real Estate (callable)	100.44	18 023 108.32	0.99
1 800 000	GLOBALWORTH REAL ESTATE 2.88% 20/06/2022 (Romania)	Real Estate	103.84	1 897 246.60	0.10
4 119 000	MOL HUNGARIAN OIL AND GAS 2.62% 28/04/2023 (Hungary)	Energy	108.49	4 542 884.03	0.25
3 545 000	PRESS METAL 4.8% 30/10/2020	Materials (callable)	100.87	3 002 651.61	0.16
4 700 000	SAN MIGUEL IN 4.5% 18/09/2022 (Peru)	Materials (callable)	101.88	4 038 974.43	0.22
2 950 000	STONEWAY CAP 10.00% 01/03/2027 (Argentinien)	Utilities (callable)	106.25	2 693 493.69	0.15
8 500 000	TEVA PHARMACEUTICAL 1.25% 31/12/2022 (Israel)	Healthcare (callable)	91.50	7 858 169.66	0.43
<b>Asset Backed Securities</b>				<b>130 651 772.06</b>	<b>7.16</b>
4 000 000	APOLLO MANAGEMENT. ALME LOAN FUNDING IV (Europe)	CLO (BB tranche)	100.04	4 052 749.91	0.22
4 500 000	APOLLO MANAGEMENT. ALME LOAN FUNDING IV (Europe)	CLO (B tranche)	100.03	4 570 708.25	0.25
13 700 000	APEX CREDIT. APEXC CLO 2017-1 (USA)	CLO (AAA tranche)	100.57	11 537 437.66	0.63
2 900 000	BLACKROCK. BLACKROCK EUROPEAN CLO IV (Europe)	CLO (BB tranche)	98.09	2 861 238.12	0.16
9 480 000	BLACK DIAMOND. BLACK DIAMOND CLO 2014-1 (USA)	CLO (AAA tranche)	100.41	7 970 543.04	0.44
17 000 000	CARLYLE. CARLYLE GMS EURO CLO 2015-3 (Europe)	CLO (AAA tranche)	100.06	17 067 531.37	0.94
8 000 000	CARLYLE. CARLYLE GMS EURO CLO 2015-3 (Europe)	CLO (AA tranche)	100.08	8 043 437.33	0.44
2 000 000	CARLYLE. CARLYLE GMS EURO CLO 2015-3 (Europe)	CLO (BB tranche)	100.41	2 032 633.73	0.11
12 100 000	ALCENTRA. JUBILEE CLO 2015-XVI (Europe)	CLO (AA tranche)	100.92	12 222 818.50	0.67
3 010 000	NASSAU CREDIT. NASSAU 2017-1 (USA)	CLO (AAA tranche)	100.56	2 547 240.69	0.14
5 000 000	BAIN CREDIT. NEWHAVEN II CLO (Europe)	CLO (BB tranche)	101.02	5 089 268.11	0.28
2 800 000	BAIN CREDIT. NEWHAVEN II CLO (Europe)	CLO (B tranche)	100.73	2 847 247.29	0.16
7 500 000	OFS CLO MANAGEMENT. OFSI VIII (USA)	CLO (AAA tranche)	100.65	6 286 624.54	0.34
6 000 000	OAK HILL ADVISORS. OAK HILL ECP IV (Europe)	CLO (BB tranche)	100.77	6 187 846.60	0.34
3 000 000	OAK HILL ADVISORS. OAK HILL ECP IV (Europe)	CLO (B tranche)	100.14	3 097 223.20	0.17
10 690 000	PARTNERS GROUP. PENTA CLO 2 (Europe)	CLO (AAA tranche)	100.13	10 717 880.83	0.59
3 000 000	ROCKFORD TOWER CAPITAL. ROCKFORD TOWER 2017-2 (USA)	CLO (AAA tranche)	100.90	2 541 158.92	0.14
605 470	FUNDING CIRCLE. SBOLT 2016-1 (United Kingdom)	CLO (AA tranche)	100.15	684 104.32	0.04
2 000 000	FUNDING CIRCLE. SBOLT 2016-1 (United Kingdom)	CLO (A tranche)	100.55	2 271 444.20	0.12
844 261	SOFI. SOFI CONSUMER LOAN PROGRAM 2016-3 (USA)	CLO (A+ tranche)	101.16	711 680.40	0.04
5 000 000	ICG. ST PAUL'S IV (Europe)	CLO (BB tranche)	98.70	4 984 046.22	0.27
4 000 000	BLACKSTONE/GSO. TYMON PARK (Europe)	CLO (AAA tranche)	100.39	4 027 368.71	0.22
9 800 000	MJX MANAGEMENT. VENTURE XXVI CLO (USA)	CLO (AAA tranche)	101.10	8 299 540.12	0.46
<b>Portfolio value</b>				<b>904 949 373.15</b>	<b>49.62</b>
<b>Net assets</b>				<b>1 823 584 921.77</b>	<b>100.00</b>

# GLOSSARY

**Active Management:** An investment management approach where a manager aims to beat the market through research, analysis and their own judgement. See also Passive management.

**Alpha:** Alpha measures the performance of a portfolio compared to its reference indicator. Negative alpha means the fund performed less well than its reference indicator (e.g. if the indicator increased by 10% in one year and the fund increased by only 6%, its alpha is -4). Positive alpha means the fund performed better than its reference indicator (e.g. if the indicator increased by 6% in one year and the fund increased by 10%, its alpha is 4).

**Beta:** Beta measures the relationship between the fluctuations of the net asset values of the fund and the fluctuations of the levels of its reference indicator. Beta of less than 1 indicates that the fund "cushions" the fluctuations of its index (beta = 0.6 means that the fund increases by 6% if the index increases by 10% and decreases by 6% if the index falls by 10%). Beta higher than 1 indicates that the fund "magnifies" the fluctuations of its reference indicator (beta = 1.4 means that the fund increases by 14% when the index increases by 10% but also decreases by 14% when the index decreases by 10%). Beta of less than 0 indicates that the fund reacts inversely to the fluctuations of its reference indicator (beta = -0.6 means that the fund falls by 6% when the index increases by 10% and vice versa).

**Bottom-up approach:** Bottom-up investment: Investment based on an analysis of companies, where the track record, management and potential of the companies in question are considered to be more important than general trends on the market or sector (unlike top-down investment).

**Correlation:** Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation coefficient of 0 suggests there is no correlation.

**Directional strategies:** A directional strategy is an investment strategy that strives to benefit from a rise or fall of a specific asset class price.

**Duration:** A bond's duration is the period beyond which interest rate variations will no longer affect its return. The duration is like a discounted average lifetime of all flows (interest and capital).

**FCP:** Fonds commun de placement (French common fund).

**Forward financial instruments:** A forward contract is a customized contract between two parties to buy or sell an asset at a specified price on a future date. A forward contract can be used for hedging or speculation, although its non-standardized nature makes it particularly apt for hedging. Unlike standard futures contracts, a forward contract can be customized to any commodity, amount and delivery date. A forward contract settlement can occur on a cash or delivery basis.

**Frontier markets:** Less developed countries within the emerging markets. Investments in these countries may be associated with higher risks, such as increased political instability and lower liquidity, than more developed markets.

**Fund Turnover:** Percentage of holdings in a mutual fund that are sold in a specified period.

**High Yield:** A loan or bond rated below investment grade because of its higher default risk. The return on these securities is generally higher.

**Investment/exposure rate:** The investment rate constitutes the volume of assets invested expressed as a percentage of the portfolio. Adding the impact of the derivatives to this investment rate results in the exposure rate, which corresponds to the real percentage of asset exposure to a certain risk. Derivatives can be used to increase the underlying asset's exposure (stimulation) or reduce it (hedging).

**Investment grade:** A loan or bond that rating agencies have rated AAA to BBB-, generally indicating relatively low default risk.

**Large-capitalisation companies:** The market capitalization of the stocks of companies with market values greater than \$10 billion.

**Market capitalisation :** a measure of a company's size, calculated by multiplying the total number of shares in issue by the current share price. Companies are commonly grouped according to size as small cap, mid cap or large cap. There is no consensus on the monetary boundaries of these ranges but as a rough guide in the US market: large cap is over \$10 billion, mid cap is \$2 billion–\$10 billion and small cap is \$250 million–\$2 billion.

**Mid-capitalisation companies:** The market capitalization of the stocks of companies with market values between \$3 to \$10 billion.

**Modified duration:** A bond's modified duration measures the risk attached to a given change in the interest rate. Modified duration of +2 means that for an instantaneous 1% rate increase, the portfolio's value would drop by 2%.

**Net asset value:** Price of all units (in an FCP) or shares (in a SICAV).

**Non-benchmarked:** Portfolio construction is a result of Fund manager views and market analysis with no bias to any benchmark.

**Quantitative easing:** Quantitative easing is an unconventional monetary policy in which a central bank purchases government securities or other securities from the market in order to lower interest rates and increase the money supply.

**Rating:** The rating measures the creditworthiness of a borrower (bond issuer). Ratings are published by rating agencies and offer the investor reliable information on the risk profile associated with a debt security.

**Relative strategies:** Strategies that seek to exploit differences in the price or rate of the same or similar securities. Those strategy trade on gaps, rather than the price of a specific security alone. The relative strategie may take positions if the gap between prices or rates is considered to have reached its peak and is thus expected to shrink, or may take a position in a security if similar securities are experiencing price changes.

**Sharpe ratio:** The Sharpe ratio measures the excess return over the risk-free rate divided by the standard deviation of this return. It thus shows the marginal return per unit of risk. When it is positive, the higher the Sharpe ratio, the more risk-taking is rewarded. A negative Sharpe ratio does not necessarily mean that the portfolio posted a negative performance, but rather that it performed worse than a risk-free investment.

**SICAV:** Société d'Investissement à Capital Variable (Open-ended investment company with variable capital).

**Small-capitalisation companies:** The market capitalization of the stocks of companies with market values less than \$3 billion.

**Top-down approach:** Top-down investment: strategy where we choose the best sectors or industries in which to invest, based on an analysis of the sector as a whole and general economic trends (unlike bottom-up investment).

**Track Record:** The success or failure of a Fund in the past

**UCITS:** Undertakings for Collective Investments in Transferable Securities.

UCITS funds are authorised funds that can be sold in any country in the EU. UCITS III regulations allow funds to invest in a wider range of financial instruments, including derivatives.

**Unconstrained approach:** This is an active approach that is unconstrained by any reference indicator, thereby allowing greater flexibility in terms of exposure management and enabling the Fund to face extremely varied market environments.

**VaR:** Value at Risk (VaR) represents an investor's maximum potential loss on the value of a financial asset portfolio, based on a holding period (20 days) and confidence interval (99%). This potential loss is expressed as a percentage of the portfolio's total assets. It is calculated on the basis of a sample of historical data (over a two-year period).

**Volatility:** Range of price variation of a security, fund, market or index, which enables the measurement of risk over a given period. The greater the volatility, the greater the risk.

**Yield to maturity:** Yield to maturity corresponds to the concept of actuarial yield. It is, at the time of calculation, the rate of return offered by a bond in the event it is held until maturity by the investor.

*This document may not be reproduced, in whole or in part, without prior authorisation from the management company. This document does not constitute a subscription offer, nor does it constitute investment advice. Reference to certain securities and financial instruments is for illustrative purposes to highlight stocks that are or have been included in the portfolios of funds in the Carmignac range. This is not intended to promote direct investment in those instruments, nor does it constitute investment advice. The Management Company is not subject to prohibition on trading in these instruments prior to issuing any communication. The portfolios of Carmignac funds may change without previous notice. The information contained in this document may be partial information, and may be modified without prior notice. Access to the Funds may be subject to restrictions with regard to certain persons or countries. The Funds are not registered for retail distribution in Asia, in Japan, in North America, nor are they registered in South America. Carmignac Funds are registered in Singapore as restricted foreign scheme (for professional clients only). The Funds have not been registered under the US Securities Act of 1933. The Funds may not be offered or sold, directly or indirectly, for the benefit or on behalf of a «U.S. person», according to the definition of the US Regulation S. Units mentioned in the management commentaries are the units shown in the aggregate performance tables. Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding possible entrance fees charged by the distributor). The return may increase or decrease as a result of currency fluctuations.*

*The Funds present a risk of loss of capital. The risks and fees are described in the KIIDs (Key Investor Information Document). The Funds' respective prospectuses, KIIDs and annual reports are available at [www.carmignac.com/.lu/.se/.co.uk](http://www.carmignac.com/.lu/.se/.co.uk) or upon request to the Management Company. The KIIDs must be made available to the subscriber prior to subscription.*

*- In Switzerland, the Fund's respective prospectuses, KIIDs and annual reports are available at [www.carmignac.ch](http://www.carmignac.ch), or through our representative in Switzerland, CACEIS (Switzerland), S.A., Route de Signy 35, CH-1260 Nyon. The paying agent is CACEIS Bank, Paris, succursale de Nyon/Suisse, Route de Signy 35, 1260 Nyon.*

*- In the United Kingdom, the Funds' respective prospectuses, KIIDs and annual reports are available at [www.carmignac.co.uk](http://www.carmignac.co.uk), or upon request to the Management Company, or for the French Funds, at the offices of the Facilities Agent at BNP PARIBAS SECURITIES SERVICES, operating through its branch in London: 55 Moorgate, London EC2R. This material was prepared by Carmignac Gestion and/or Carmignac Gestion Luxembourg and is being distributed in the UK by Carmignac Gestion Luxembourg UK Branch (Registered in England and Wales with number FC031103, CSSF agreement of 10/06/2013).*



## **CARMIGNAC GESTION LUXEMBOURG**

City Link - 7, rue de la Chapelle - L-1325 Luxembourg  
Tel. : (+352) 46 70 60 1

Subsidiary of Carmignac Gestion  
Investment fund management company approved by the CSSF  
Public limited company with share capital of € 23,000,000 - RC Luxembourg B 67 549

**[www.carmignac.com](http://www.carmignac.com)**