La Française LUX - Euro Inflation - I (C) EUR

LU0970531975

Monthly report - 29 December 2017

Key figures

NAV : 1 105.43€

Share AUM : 34.30M€

Fund size : 238.58M€

Investment horizon

1 year	2 years	3 years	4 years	5 years

Synthetic risk and reward profile

1	2	**3**	4	5	6	7

Characteristics

Legal form : sub-fund of the Luxembourg SICAV La Française AM Fund

Share class : Class I

Inception date : 21/02/2014

Benchmark : Barclays Capital Euro Government Inflation Linked Bond Index

Allocation of distributable amounts: Accumulated

Valuation frequency : Daily

Currency : EUR

Clients : Institutional investors

Risks incurred : fixed icome, inflation, arbitrage, credit, default, capital loss

Modified duration range : between 0 and 10

Commercial Information

ISIN Code : LU0970531975

Bloomberg Ticker : LFPEIIC LX Equity

Max. subscription fees : 3.0%

Max. redemption fees : none

Running costs as of 31/12/2016 : 0.91%

Performance fees : 20% of excess performance above Barclays Capital Euro Government Inflation Linked Bond Index (capped at 2.5% of AUM)

Cut-off time : D at 11:00 am CET

Settlement : D+2

Min. initial subscription : 100 000 €

Custodian : BPSS Luxembourg

Administrator : BPSS Luxembourg

Management company : La Française AM International

Investment manager : La Française Asset Management

Fund manager : Maud MINUIT, Yohanne LEVY

Document for the use of both non-professional and professional investors - Please read the disclaimer on the last page - Non contractual document. Before subscribing, please refer to the fund prospectus available on the internet : www.lafrançaise-group.com. Data : La Française Asset Management, Bloomberg

Investment strategy

To protect your portfolio against an expected rise in inflation.
The fund's objective is to outperform the Barclays Capital Euro Government Inflation-Linked bond index over the investment horizon of over 3 years.

Net performance in EUR

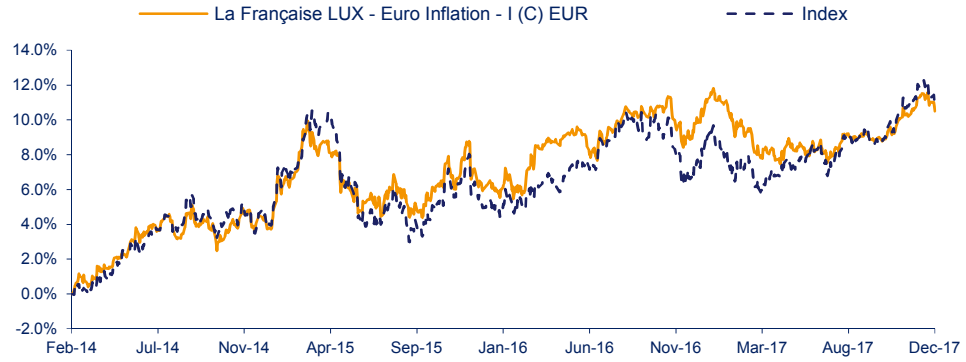
Past performances do not guarantee future results and are not constant over time

Cumulés	1 months	3 months	2017	1 year	3 years	5 years	Inception*
Fund	**-0.57%**	**1.36%**	**-0.86%**	**-0.86%**	**6.01%**	**-**	**10.50%**
Benchmark	-0.62%	1.78%	1.40%	1.40%	6.10%	-	10.81%

Annualized	1 year	3 years	5 years	Inception*
Fund	**-0.87%**	**1.97%**	**-**	**2.62%**
Benchmark	1.40%	1.99%	-	2.70%

** Inception date 21/02/14*

Evolution of net performance since inception



Risk indicators

	Fund	Index
Modified duration	4.63	8.13

Weekly	1 year	3 years	5 years
Fund volatility	2.74%	4.07%	-
Index volatility	3.33%	4.52%	-
Tracking Error	1.83%	2.25%	-

* weighted average of securities in porfolio

Return analysis

	Since inception
Max. run-up	11.81% (from 21/02/14 to 02/01/17)
Max. Drawdown	-5.09% (from 12/03/15 to 16/09/15)
Recovery	324 days (05/08/16)
Best month	2.62% (March-16)
Worst month	-2.11% (déc-15)
% Months >0	59.57%
% Months outperf.	55.32%

Monthly net performance (%)

		Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Year
2017	Fund	-0.98	-0.78	-1.28	0.22	-0.08	-0.14	0.65	0.37	-0.19	0.97	0.96	-0.57	**-0.86**
	Index	-1.70	0.48	-1.48	1.14	0.25	-0.25	0.77	0.78	-0.33	1.46	0.94	-0.62	**1.40**
2016	Fund	0.90	-1.33	2.62	0.26	0.49	-0.36	0.88	0.33	0.32	-0.61	-0.55	1.89	**4.88**
	Index	0.68	-0.86	1.36	-0.14	0.94	1.28	1.08	-0.16	0.51	-1.80	-1.12	2.02	**3.79**
2015	Fund	1.77	1.95	0.00	-0.09	-1.82	-0.48	1.22	-1.93	0.68	1.62	1.24	-2.11	**1.95**
	Index	2.41	0.87	1.19	-0.39	-2.15	-1.87	1.65	-2.29	0.60	2.24	1.12	-2.38	**0.82**
2014	Fund		0.60	0.34	0.90	1.26	0.79	0.50	0.16	-0.30	-0.61	0.90	-0.36	**4.24**
	Index		0.26	0.42	0.94	1.15	0.76	0.80	1.15	-0.62	-0.22	0.33	-0.56	**4.44**

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Portfolio structure

In % of AUM



- Index linked bonds : 86.89%
- Money market funds : 8.05%
- Cash : 5.59%
- Money market instruments 2.52%
- Fixed rate bonds : -3.05%

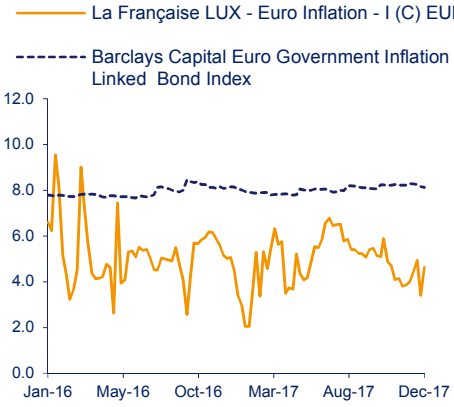
Exposure analysis

Excluding funds and cash

	Fund			Index
	Fixed Rate	Indexed	**Total**	Indexed
Euroland	-33.49%	83.61%	**50.12%**	100.00%
Germany	-27.78%	6.04%	**-21.74%**	14.08%
France		28.34%	**28.34%**	46.36%
Italy	-5.71%	37.58%	**31.87%**	30.62%
Spain		11.65%	**11.65%**	8.94%
Portugal				
Swap Euro				
Diversification	-22.53%	3.28%	**-19.25%**	
United Kingdom				
USA	-22.53%	3.28%	**-19.25%**	
Japan				
Exposure	**-56.02%**	**86.89%**	**30.87%**	**100.00%**

Evolution of modified duration

Fund modified duration : 4.63



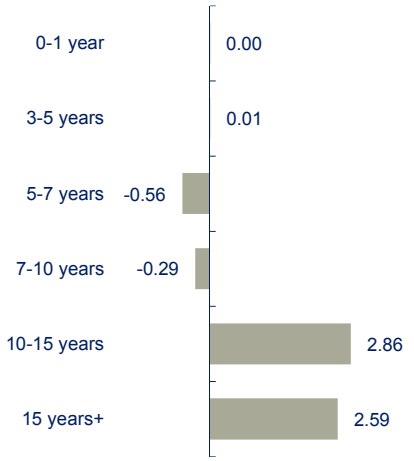
Modified duration analysis

Excluding funds and cash

	Fund			Index
	Fixed Rate	Indexed	**Total**	Indexed
Euroland	-1.98	7.72	**5.75**	8.13
Germany	-1.48	1.21	**-0.27**	1.23
France		2.00	**2.00**	3.95
Italy	-0.50	3.29	**2.80**	2.36
Spain		1.22	**1.22**	0.59
Portugal				
Swap Euro				
Diversification	-2.07	0.93	**-1.14**	
United Kingdom				
USA	-2.07	0.93	**-1.14**	
Japan				
Modified duration	**-4.05**	**8.65**	**4.61**	**8.13**

Modified duration breakdown

Contribution to modified duration



Top portfolio holdings

Name	Sector	Rating	Weight
OAT infl 0.1% 01/03/2021	Euroland government	AA	15.56%
Etat Italien Infl 2.60% 15/09/23	Euroland government	BBB	12.21%
Etat Français Infl 0.700 % 25/07/2030	Euroland government	AA	10.03%
Etat Espagnol Infl 0.65 % 30/11/2027	Euroland government	BBB	7.57%
Etat Italien Infl 1.25 % 15/09/2032	Euroland government	BBB	7.51%
Etat Italien Infl 3.10% 15/09/26	Euroland government	BBB	6.66%
Etat Italien Infl 2.10% 15/09/21	Euroland government	BBB	6.19%
Etat Italien Infl 2.55% 15/09/41	Euroland government	BBB	5.02%
Etat Espagnol Infl 1.00 % 30/11/2030	Euroland government	BBB	4.08%
Etat Allemand Infl 0.500 % 15/04/2030	Euroland government	AAA	3.02%

* Corresponds to the most recent rating from Moody's and Standard & Poor's

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