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## Carmignac Profil Réactif 100/75/50

The Profils Réactifs funds are managed on a discretionary basis by the portfolio manager, who pursues an active asset allocation policy, mainly involving funds invested in international equities and bonds. They aim to generate a positive annual return while keeping annual volatility below that of their reference indicator.

In the fourth quarter of 2017, **Carmignac Profil Réactif 100** returned +3.23% (versus +4.09% for its reference indicator), **Carmignac Profil Réactif 75** returned +2.66% (versus +2.94%) and **Carmignac Profil Réactif 50** returned +1.92% (versus +1.78%). Their full-year gains came in at +9.54%, +7.52% and +4.02%, respectively, while their benchmarks added +8.89%, +5.14% and +1.47%.

In our preceding quarterly report, we wrote, “In the United States, the prospect of tax reform, however remote, has created expectations that are buoying business sentiment for the time being. Although the expansionary phase in the US already shows signs of fatigue, its economy is still growing at a decent pace, and in sync with the rest of the world. We see no reason in the current environment to fear either overheating – which would drive central bankers to step up the pace of monetary policy normalisation – or an abrupt trend reversal.” Events in the past three months have borne out that viewpoint. The Federal Reserve has carried out a rate hike without seriously upsetting the markets for risk assets, while US Treasury yields have risen only slightly.

In response, we stepped up the equity exposure of Carmignac Profil Réactif 100 from 44% at the start of the quarter to an average of 61%, and to 67% by the end of the period. At the same time, Carmignac Profil Réactif 75 went from 36% at the start of the quarter to an average of 41%, while the equity exposure for Carmignac Profil Réactif 50 decreased from 25% to 21%. This lower exposure helped keep volatility in check at all three Profil Réactif funds. Twelve-month volatility stood at 5.60% for Carmignac Profil Réactif 100 (versus 7.75% for its reference indicator), 3.99% for Carmignac Profil Réactif 75 (versus 6.40%) and 2.66% for Carmignac Profil Réactif 50 (versus 5.33%).

Furthermore, on the basis of our stronger growth outlook for Europe, our move to lift the equity exposures of Carmignac Profil Réactif 100 and Carmignac Profil Réactif 75 involved shifting partially out of bonds and into European stocks. We did this by increasing our allocation to **Carmignac Euro-Entrepreneurs** and maintaining high exposure to **Carmignac Euro-Patrimoine**. The outperformance achieved by those two funds goes a long way towards explaining why Carmignac Profil Réactif 100 and Carmignac Profil Réactif 75 did so well in relative terms. Our three Profil Réactif funds started the fourth quarter with fairly high exposure to emerging markets, but we reduced that exposure by investing more heavily in **Carmignac Portfolio Commodities**.

Broadly speaking, all three funds benefitted during the quarter from their exposure to European assets (via Carmignac Euro-Entrepreneurs and Carmignac Euro-Patrimoine) and to natural resources (via Carmignac Portfolio Commodities). They also recorded gains on their investments in emerging-market equities through **Carmignac Emergents**, **Carmignac Portfolio Emerging Discovery** and **Carmignac Portfolio Emerging Patrimoine**.

Our funds of funds are entering 2018 with moderately high equity exposure and extremely low exposure to the US dollar. In our view, what distinguishes the current economic climate is that cyclical considerations are recovering their former influence on monetary policy. An increasingly synchronised, relatively robust cyclical upswing boosts the case for normalising monetary policy – already under way in the United States and Japan – and paves the way for higher interest rates further down the road. But at the same time, we are less sanguine than the consensus about the global growth outlook, as we argue in our **Macroeconomic Analysis**. In the forex market, that view has led us at the start of the new year to hedge dollar risk in the underlying funds to a significant degree.

\* 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.

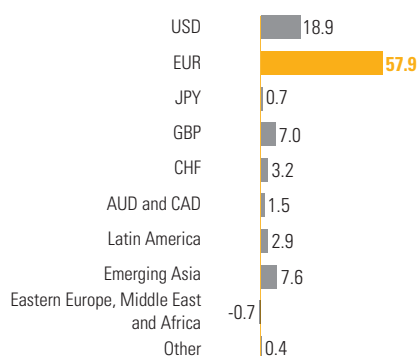
## Asset allocation (%)

Title	CPR 100 A EUR acc	CPR 75 A EUR acc	CPR 50 A EUR acc
Carmignac Portfolio Grande Europe A EUR acc	12.93	0.00	0.00
Carmignac Euro-Entrepreneurs A EUR acc	18.94	18.92	5.87
Carmignac Emergents A EUR acc	1.11	0.00	0.00
Carmignac Portfolio Emerging Discovery A EUR acc	19.03	19.01	13.58
Carmignac Portfolio Commodities A EUR acc	19.06	6.21	0.36
Carmignac Euro-Patrimoine A EUR acc	18.87	18.84	19.33
Carmignac Portfolio Global Bond A EUR acc	0.00	0.00	2.72
Carmignac Sécurité A EUR acc	0.00	15.91	19.57
Carmignac Portfolio Capital Plus A EUR acc	8.08	19.09	19.53
Carmignac Court Terme A EUR acc	0.00	0.00	19.56
Cash (including collateral cash from derivative positions)	1.98	2.01	-0.50
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

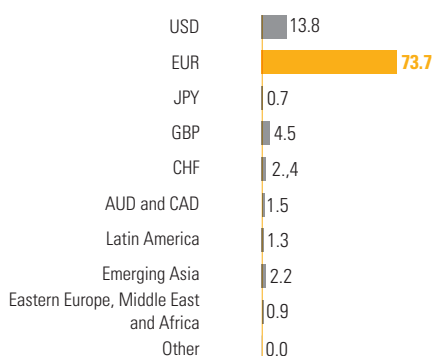
## Exposure by asset class (%)

	CPR 100 A EUR acc	CPR 75 A EUR acc	CPR 50 A EUR acc
Equities	66.63	40.90	19.44
Bonds	4.43	25.02	31.10
Cash (including collateral cash from derivative positions)	28.94	34.07	49.46

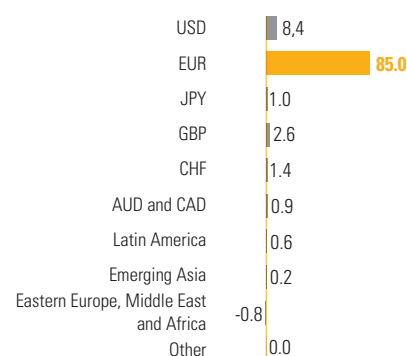
### Net currency exposure of Euro share classes (%) Carmignac Profil Réactif 100



### Net currency exposure of Euro share classes (%) Carmignac Profil Réactif 75



### Net currency exposure of Euro share classes (%) Carmignac Profil Réactif 50



## CARMIGNAC PROFIL RÉACTIF 100

Cumulative performance (%)	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Profil Réactif 100 A EUR acc</b>	<b>9.54</b>	<b>3.23</b>	<b>4.65</b>	<b>9.54</b>	<b>15.40</b>	<b>27.26</b>	<b>18.17</b>	<b>119.97</b>
MSCI AC World NR (Eur)	8.89	4.09	5.63	8.89	31.57	83.36	71.32	77.33
Category average**	4.55	1.17	2.14	4.55	8.47	19.22	10.4	40.41
Ranking (quartile)	1	1	1	1	2	2	3	1

From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. \* 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).

Statistics (%)	1 year	3 years
Fund volatility	5.60	9.32
Benchmark volatility	7.75	11.64
Sharpe ratio	1.71	0.53
Beta	0.56	0.53
Alpha	0.07	-0.01

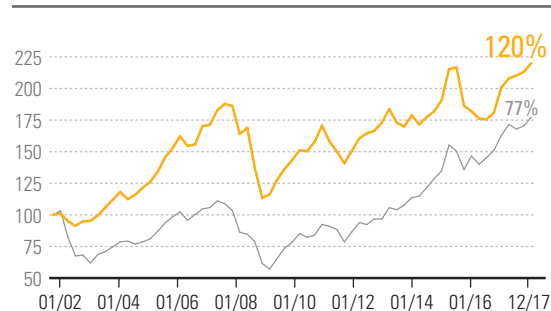
Calculation period: weekly (1 year) and monthly (3 years).

### Quarterly gross performance contribution (%)

Equity Derivatives	Currency Derivatives	Mutual Fund	Total
0.05	0.00	3.43	<b>3.49</b>

Value at Risk (%)	Fund	Reference indicator
99% - 20 days (2 years)	8.22	10.06

### Performance of the fund since its launch



— Carmignac Profil Réactif 100 A EUR acc  
— MSCI AC World NR (Eur)

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).

## CARMIGNAC PROFIL RÉACTIF 75

Cumulative performance (%)	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Profil Réactif 75 A EUR acc</b>	<b>7.52</b>	<b>2.66</b>	<b>3.80</b>	<b>7.52</b>	<b>11.42</b>	<b>20.49</b>	<b>22.30</b>	<b>134.96</b>
Reference indicator*	5.14	2.94	3.62	5.14	25.19	63.07	79.46	93.67
Category average**	7.28	2.08	3.49	7.28	16.58	38.36	25.53	58.91
Ranking (quartile)	2	2	2	2	4	4	3	1

From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. \* 75% MSCI ACW NR (Eur) + 25% Citigroup WGBI (Eur) (Accrued interest). \*\* EUR Aggressive 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	3.99	7.69
Benchmark volatility	6.40	9.43
Sharpe ratio	1.89	0.49
Beta	0.43	0.54
Alpha	0.09	-0.04

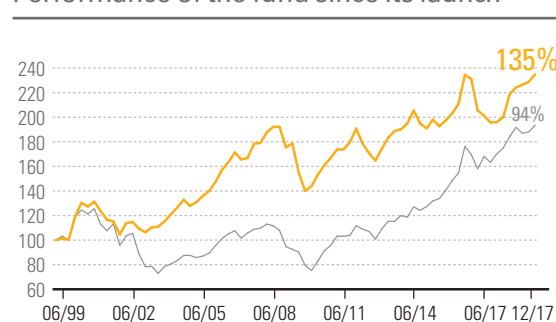
Calculation period: weekly (1 year) and monthly (3 years).

### Quarterly gross performance contribution (%)

Equity Derivatives	Currency Derivatives	Mutual Fund	Total
0.04	0.00	2.88	<b>2.92</b>

Value at Risk (%)	Fund	Reference indicator
99% - 20 days (2 years)	5.76	8.28

### Performance of the fund since its launch



— Carmignac Profil Réactif 75 A EUR acc  
— 75% MSCI ACW NR (Eur) + 25% Citigroup WGBI all maturities (Eur)

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).

## CARMIGNAC PROFIL RÉACTIF 50

Cumulative performance (%)	Since 30/12/2016	3 months	6 months	1 year	3 years	5 years	10 years	Since the first NAV
<b>Carmignac Profil Réactif 50 A EUR acc</b>	<b>4.02</b>	<b>1.92</b>	<b>2.87</b>	<b>4.02</b>	<b>7.18</b>	<b>12.59</b>	<b>22.32</b>	<b>87.08</b>
Reference indicator*	1.47	1.78	1.63	1.47	18.80	44.17	78.73	89.34
Category average**	4.42	1.21	2.1	4.42	9.99	24.01	19.52	47.11
Ranking (quartile)	3	1	2	3	3	4	3	1

From 01/01/2013 the equity index reference indicators are calculated net dividends reinvested. \* 50% MSCI ACW NR (Eur) + 50% Citigroup WGBI (Eur) (Accrued interest). \*\* 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).

Statistics (%)	1 year	3 years
Fund volatility	2.66	6.09
Benchmark volatility	5.33	7.66
Sharpe ratio	1.55	0.42
Beta	0.28	0.50
Alpha	0.06	-0.05

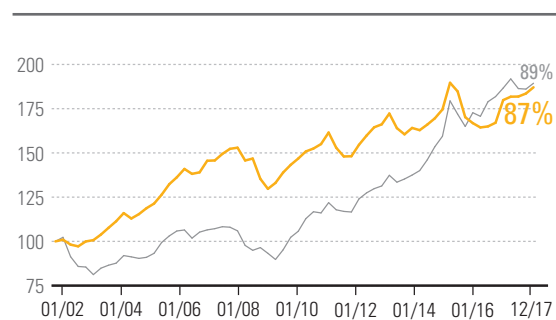
Calculation period: weekly (1 year) and monthly (3 years).

### Quarterly gross performance contribution (%)

Equity Derivatives	Currency Derivatives	Mutual Fund	Total
0.03	0.00	2.15	<b>2.18</b>

Value at Risk (%)	Fund	Reference indicator
99% - 20 days (2 years)	3.09	6.36

### Performance of the fund since its launch



— Carmignac Profil Réactif 50 A EUR acc  
— 50% MSCI ACW NR (Eur) + 50% Citigroup WGBI all maturities (Eur)

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).