

# CARMIGNAC PROFIL RÉACTIF 50 A EUR ACC

FRENCH MUTUAL FUND (FCP)

Recommended  
minimum investment  
horizon:

3 YEARS



FR0010149203

Monthly Factsheet - 29/02/2024

## INVESTMENT OBJECTIVE

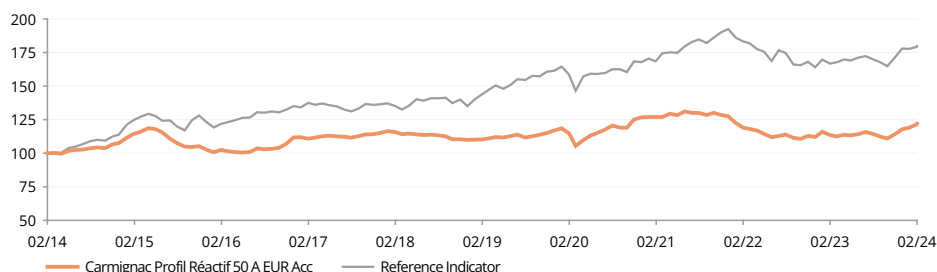
Actively managed fund, chiefly invested in selected Carmignac funds composed of international equities and bonds. No more than 50% of the fund's net assets will be invested in equities. It aims to generate a positive annual return while keeping annual volatility below that of its reference indicator.

Fund Management analysis can be found on P.3

## PERFORMANCE

Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding possible entrance fees charged by the distributor).

### FUND PERFORMANCE VS. REFERENCE INDICATOR OVER 10 YEARS (Basis 100 - Net of fees)



### CUMULATIVE AND ANNUALIZED PERFORMANCE (as of 29/02/2024 - Net of fees)

	Cumulative Performance (%)				Annualised Performance (%)		
	1 Year	3 Years	5 Years	10 Years	3 Years	5 Years	10 Years
A EUR Acc	7.41	-4.00	10.59	21.93	-1.35	2.03	2.00
Reference Indicator	7.80	6.74	24.93	79.75	2.19	4.55	6.03
Category Average	7.77	3.71	14.30	29.79	1.22	2.71	2.64
Ranking (Quartile)	3	4	3	3	4	3	3

Source: Morningstar for the category average and quartiles.

### ANNUAL PERFORMANCE (%) (Net of fees)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
A EUR Acc	5.11	-11.89	0.01	9.48	5.70	-4.52	4.02	7.80	-4.41	6.35
Reference Indicator	8.24	-14.08	13.34	5.18	18.18	-0.07	1.47	8.05	8.35	15.96

### STATISTICS (%)

	3 Years	5 Years	10 Years
Fund Volatility	5.7	7.1	6.6
Indicator Volatility	6.4	7.8	8.1
Sharpe Ratio	-0.2	0.3	0.3
Beta	0.7	0.7	0.6
Alpha	-0.1	-0.0	-0.0

Calculation : Weekly basis

### VAR

Fund VaR	6.9%
Indicator VaR	5.1%



P.-E. Bonenfant

## KEY FIGURES

Equity Investment Rate	42.7%
Net Equity Exposure	42.9%
Modified Duration	1.7
Yield to Maturity	3.4%
Average Rating	BBB

## FUND

**SFDR Fund Classification:** Article 6  
**Domicile:** France  
**Fund Type:** UCITS  
**Legal Form:** FCP  
**Fiscal Year End:** 31/12  
**Subscription/Redemption:** Daily  
**Order Placement Cut-Off Time:** Before 16:30 (CET/CEST)  
**Fund Inception Date:** 02/01/2002  
**Fund AUM:** 108M€ / 116M\$<sup>(1)</sup>  
**Fund Currency:** EUR

## SHARE

**Dividend Policy:** Accumulation  
**Date of 1st NAV:** 02/01/2002  
**Base Currency:** EUR  
**Share class AUM:** 108M€  
**NAV:** 197.91€  
**Morningstar Category™:** EUR Moderate Allocation - Global

## FUND MANAGER(S)

Pierre-Edouard Bonenfant since 01/03/2017

## REFERENCE INDICATOR<sup>(2)</sup>

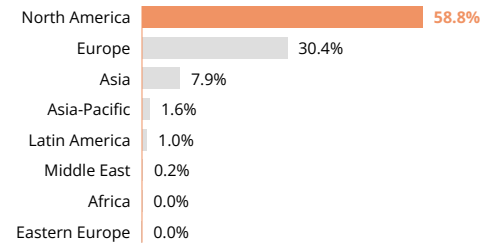
30% MSCI AC WORLD (USD, Reinvested Net Dividends) + 70% ICE BofA Global Broad Market Index EUR Hedged. Quarterly Rebalanced.

## ASSET ALLOCATION

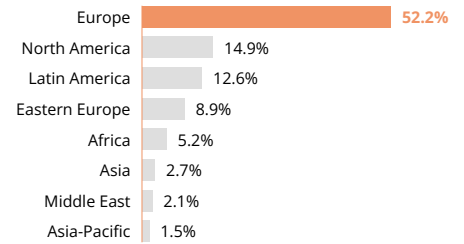
<b>Equity Strategies</b>	<b>34.2%</b>
CARMIGNAC CHINA NEW ECONOMY	1.3%
CARMIGNAC PORTFOLIO EMERGENTS	0.6%
CARMIGNAC PORTFOLIO EMERGING DISCOVERY	1.5%
CARMIGNAC PORTFOLIO GRANDCHILDREN	13.1%
CARMIGNAC PORTFOLIO GRANDE EUROPE	2.4%
CARMIGNAC PORTFOLIO INVESTISSEMENT	15.3%
<b>Diversified Strategies</b>	<b>19.3%</b>
CARMIGNAC PORTFOLIO PATRIMOINE	19.3%
<b>Fixed Income Strategies</b>	<b>44.2%</b>
CARMIGNAC PORTFOLIO CREDIT	10.6%
CARMIGNAC PORTFOLIO EM DEBT	3.9%
CARMIGNAC PORTFOLIO FLEXIBLE BOND	16.9%
CARMIGNAC PORTFOLIO GLOBAL BOND	12.8%
<b>Others</b>	<b>1.9%</b>
ETF GOLD PRODUCERS	1.9%
<b>Cash, Cash Equivalents and Derivatives Operations</b>	<b>0.4%</b>

## GEOGRAPHIC BREAKDOWN

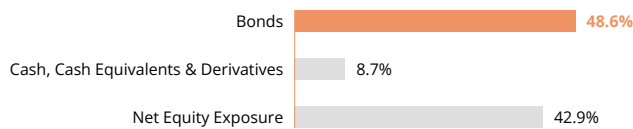
### EQUITY COMPONENT



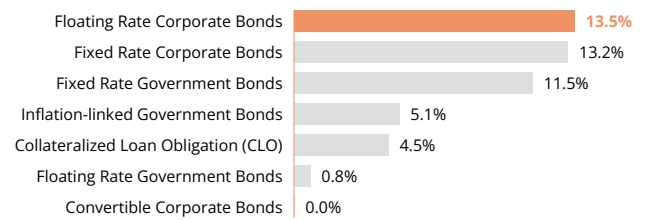
### BOND COMPONENT



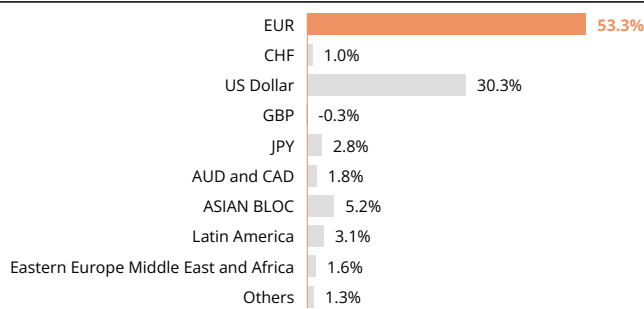
## ASSET CLASS EXPOSURE



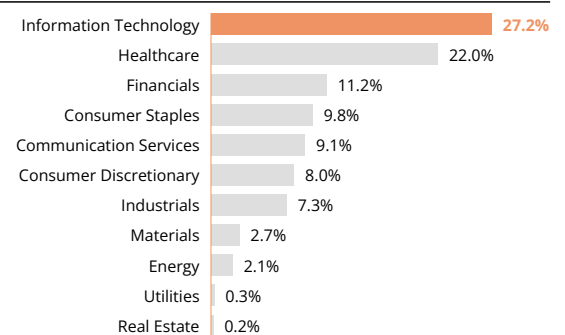
## FIXED INCOME BREAKDOWN



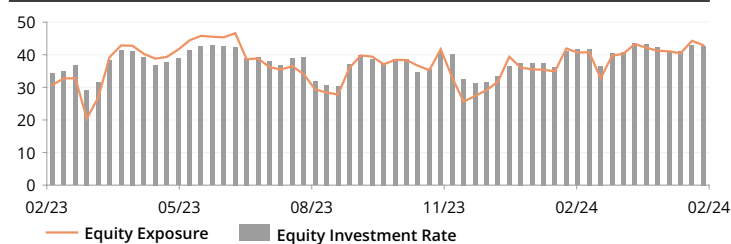
## NET CURRENCY EXPOSURE OF THE FUND



## SECTOR BREAKDOWN



## EQUITY EXPOSURE - 1 YEAR HORIZON (% AUM) <sup>(1)</sup>



## MODIFIED DURATION - 1 YEAR PERIOD



(1) Equity Exposure Rate = Equity Investment Rate + Equity Derivatives Exposure.

## MARKETING COMMUNICATION

Please refer to the KIID/KID/prospectus of the fund before making any final investment decisions. For more information please visit [www.carmignac.lu](http://www.carmignac.lu)

## FUND MANAGEMENT ANALYSIS



### MARKET ENVIRONMENT

February was a turning point for the disinflation trend that had been shoring up the markets over previous months. Economic data brought more pleasant surprises on both sides of the Atlantic, but the (dis)inflation trend disappointed investors. While share indices continued to benefit from growth being stronger than anticipated, bonds performed much less glowingly, with traders forced to lower their expectations of central bank rate cuts in 2024. In the United States, leading and lagging indicators seem to be converging towards a single sustained growth scenario. Both the manufacturing and service components of PMIs improved, and consumer confidence picked up further in February, showing businesses' and households' shared enthusiasm about the economic outlook. This US economic exceptionalism results from the knock-on effects of a growing labour market, on which job reports were surprisingly positive once again. However, this frenetic growth seems to impinge on the immaculate disinflation scenario that had been underpinning traders' risk appetite. The US Federal Reserve chair therefore took a less dovish than expected tone, driving up yields. The 10-year Treasury yield gained 34 bps over the month, reversing last December's bond rally. Albeit to a lesser extent, the Eurozone also showed signs of progress with leading indicators still rebounding as the services sector expands. Inflation slowed by less than expected due to the robust services component of core inflation. This combination of firmer growth and more dogged inflation led to the 10-year Bund yield gaining 25 bps, while credit assets made further progress as high yield spreads narrowed by 23 bps. Chinese equity markets showed signs of recovery thanks to the restrictions placed on short selling and the Caixin PMI's resilience. Japan's complacent monetary policy seems even more likely to end with the publication of higher-than-expected core inflation, above the 2% mark for the 11th month in a row. The reporting season was in full swing, with AI companies again beating all records. For example, NVIDIA, the global leader for graphics cards, increased its net income ninefold in the fourth quarter, and a number of AI firms announced similar accelerations. Overall, corporate earnings were higher than investors were expecting, fuelling the strong equity rally. However, if we exclude the Magnificent Seven – the main US tech leaders – then EPS growth for the S&P 500 was slightly negative.



### PERFORMANCE COMMENTARY

The Fund delivered a positive return in February, beating its reference indicator. Our equity component made a significant contribution to the Fund. Positions in the Carmignac Portfolio Investissement and Carmignac Portfolio Grandchildren funds rose in value. On the fixed income side, our positions in Carmignac Portfolio Credit and Carmignac Portfolio Flexible Bond also raised performance. Our diversified investments, made through Carmignac Portfolio Patrimoine, were up too, confirming the strategy's success.



### OUTLOOK AND INVESTMENT STRATEGY

The horizon seems to have cleared for the markets as the various data appear to show that the prospect of a recession in the United States is receding. The “no landing” scenario for the US economy provides a catalyst for risky assets, even in Europe where the economy keeps bordering on stagnation. Although price multiples have risen on equity markets, there are no signs of exuberance just yet. We therefore think it wise to remain highly exposed to this asset class, which is benefitting from both economic resilience and moderate inflation, which is helping businesses' margins. On the bond front, credit remains the cornerstone of our portfolio, being a direct recipient of flows from the money market, and delivering an attractive return. However, in the short term we think that tactical hedging could be interesting to improve the portfolio's risk elasticity, given that we are in a poor geopolitical situation and the prospect of US regional bank incidents seems to be mounting. Our sovereign bond exposure has been taken in expectation of a steeper yield curve, as the level of short-term yields in both the Eurozone and United States now seems right after the upward movement at the beginning of the year, whereas long rates are being held back by growth figures and debt trajectories in developed economies. The inflation trend should be viewed as a decisive factor in the construction of our portfolio, as recent statistics have once again shown the resilience of core consumer price indices in both the United States and Europe. Complacency over disinflation could prove naive ahead of the US Federal Reserve's monthly meeting on 20 March, suggesting that we should keep modified duration at a moderate level, and some exposure to inflation-linked instruments.

## MARKETING COMMUNICATION

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## GLOSSARY

**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).

**Capitalisation:** A company's stock market value at any given moment. It is obtained by multiplying the number of shares of a company by its stock exchange 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).

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

**Investment/net 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 net 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).

**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).

**Rating:** The rating measures the creditworthiness of a borrower (bond issuer).

**SFDR Fund Classification:** Sustainable Finance Disclosure Regulation (SFDR) 2019/2088. EU Act that requires asset managers to classify funds into categories, “Article 8” funds promote environmental and social characteristics, “Article 9” funds have sustainable investments as a measurable objective. In addition to not promoting environmental or social characteristics, “Article 6” funds have no sustainable objectives. For more information, please refer to <https://eur-lex.europa.eu/eli/reg/2019/2088/oj>

**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)

**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. It is determined using the standard deviation obtained by calculating the square root of the variance. The variance is obtained by calculating the average deviation from the mean, which is then squared. 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 estimated rate of return offered by a bond in the event it is held until maturity by the investor. Note that the yield shown does not take into account the FX carry and fees and expenses of the Fund.

## CHARACTERISTICS

Share Class	Date of 1st NAV	Bloomberg	ISIN	Management Fee	Entry costs <sup>(1)</sup>	Exit costs <sup>(2)</sup>	Management fees and other administrative or operating costs <sup>(3)</sup>	Transaction costs <sup>(4)</sup>	Performance fees <sup>(5)</sup>	Minimum Initial Subscription <sup>(6)</sup>	Single Year Performance (%)				
											28.02.23-29.02.24	28.02.22-28.02.23	26.02.21-28.02.22	28.02.20-26.02.21	28.02.19-28.02.20
A EUR Acc	02/01/2002	CARREAC FP	FR0010149203	Max. 1.5%	Max. 4%	—	2.98%	0.58%	20%	—	7.4	-4.7	-6.2	10.6	4.2

(1) of the amount you pay in when entering this investment. This is the most you will be charged. Carmignac Gestion doesn't charge any entry fee. The person selling you the product will inform you of the actual charge.

(2) We do not charge an exit fee for this product.

(3) of the value of your investment per year. This estimate is based on actual costs over the past year.

(4) of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the investments underlying the product. The actual amount varies depending on the quantity we buy and sell.

(5) max. of the outperformance once performance since the start of the year exceeds that of the reference indicator and if no past underperformance still needs to be offset. The actual amount will vary depending on how well your investment performs. The aggregated cost estimation above includes the average over the last 5 years, or since the product creation if it is less than 5 years.

(6) Please refer to the prospectus for the minimum subsequent subscription amounts. The prospectus is available on the website: [www.carmignac.com](http://www.carmignac.com).

## MAIN RISKS OF THE FUND

**INTEREST RATE:** Interest rate risk results in a decline in the net asset value in the event of changes in interest rates. **CREDIT:** Credit risk is the risk that the issuer may default. **EQUITY:** The Fund may be affected by stock price variations, the scale of which is dependent on external factors, stock trading volumes or market capitalization. **CURRENCY:** Currency risk is linked to exposure to a currency other than the Fund's valuation currency, either through direct investment or the use of forward financial instruments.

**The Fund presents a risk of loss of capital.**

## IMPORTANT LEGAL INFORMATION

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### MARKETING COMMUNICATION