

Investment Objective

Amundi Global Luxury & Lifestyle Fund (the “Fund”) is structured as a feeder fund investing all or substantially all its assets in the Luxembourg registered Amundi Funds Equity Global Luxury and Lifestyle. The investment objective of the Underlying Fund is to seek long term capital growth through investment primarily in shares of companies which carry out the dominant part of their activities in the luxury or prestige goods and services sector and listed on a recognised Stock Exchange.

What happened in February

Equity market forged ahead in February, as the reflation theme continued to fuel investor optimism. Encouraging economic indicators and improving earnings expectations also contributed to the positive sentiments. The MSCI World rose 2.8% during the month to an all-time high. In contrast to last month, all markets participated in the rally, though with significant differences in performance. The US was the leader with a 3.9% rise. Emerging markets gained 3.1%, driven by Latin America and Asia. Europe and Japan also ended the month higher, but underperformed the global market. Healthcare and information technology were the best performing sectors over the month. Defensive sectors also staged a comeback, led by consumer staples on the back of M&A activity. On the other hand, cyclicals paused for breath after their strong performance over the past few months. Energy and materials were the biggest underperformers.

Despite higher headline rates of inflation and a slightly more hawkish tone from the Fed, bond yields edged down over the month. The dollar strengthened on the back of rate hike expectations after its weakness at the start of the year. On the other hand, heightened political uncertainty and renewed worries over Greece weighed on the euro which lost ground against all other currencies.

In February, the Fund slightly underperformed its reference index, while outperforming year to date. Over the month, information technology was the best positive contributing sector to the relative performance, led by good performances from Apple (better iPhone sales driven by a renewal cycle) and Activision Blizzard (Beat earnings expectations and increased dividend). Healthcare was also a strong contributing sector, driven by a robust performance of Johnson & Johnson. However, these positive contributions were compensated by underperformances in consumer discretionary (due to Yamaha Corp profit warning on the mainstay musical instruments segment; and to Pandora on concerns of a slowdown in US and soft 2017 guidance).

We trimmed our positions on growth companies that recently outperformed the market. We took profits in the video games industry on Activision Blizzard after its solid Q4 results as well as on Square Enix. Furthermore, we cut our positions in Vail resorts, the premium US ski resort, and Brunswick Corp, the US leading leisure boat player, to reinforce the cruise line Carnival, as the stock remains attractively valued and positioned to benefit from rising US consumer demand for cruises in Europe.

Renewed optimism over a huge economic stimulus in the US stoked new stock market records on both sides of the Atlantic. Stocks valuation seems stretched and upside potential now rests solely on results' dynamics. European luxury companies are supported by this positive trend and driven by strong demand for recognised brands and improved tourist flows. Tourism, leisure, as well as technology companies provided strong results in the last season and an overall positive outlook, benefiting from improving US consumer confidence and macroeconomic indicators in both Europe and the US.



Unless otherwise stated, all performances are in USD terms, bid-to-bid.

Important Information:

This document is provided for information purposes only and does not constitute an offer or solicitation to purchase or sell units in the Fund. The prospectus and the Product Highlights Sheet for the above Authorised Fund are available and may be obtained from the Manager or its authorised distributors. Investors should read the relevant prospectus and Product Highlights Sheet before deciding to invest in the Fund. All applications for the Fund must be made on application forms accompanying the prospectus. Past performance and any forecasts made are not indicative of future performance of the Fund. Any opinion or view presented is subject to change without notice. The information on this factsheet is intended for general circulation without taking into account the specific investment objectives, financial situation or particular needs of any particular investor. An investor may wish to seek advice from a financial adviser regarding the suitability of the Fund taking into account the specific investment objectives, financial situation or particular needs of any person in receipt of the recommendation, before making a commitment to purchase units in the Fund. In the event an investor chooses not to do so, the investor should consider whether the Fund is suitable for him. Investments in the Fund are subject to investment risks, including the possible loss of the principal amount invested. Value of the units in the Fund and the income accruing to the units, if any, may fall or rise. Some of the information contained herein has been obtained from sources believed to be reliable but has not been independently verified, although Amundi Singapore Limited and its affiliated companies believe it to be fair and not misleading. As the Fund may invest in financial derivatives as part of the investment strategy, it will be subject to risks associated with such investments. Additional risk factors are described in the prospectus. References to specific securities are presented to illustrate the application of our investment philosophy only and are not to be considered recommendations by Amundi. It should not be assumed that investments in the securities identified were or will always be profitable. This document is not intended for citizens or residents of the United States of America or to any «U.S. Person», as this term is defined in SEC Regulation S under the U.S. Securities Act of 1933 and in the Prospectus of the Fund.

Amundi Singapore Limited

Company Registration No. 198900774E

168 Robinson Road, #24-01,

Capital Tower, Singapore 068912

Tel: (65) 6536 4822

Website: www.amundi.com/sgp