

Why Invest In GROUPAMA ETAT MONDE

GROUPAMA ETAT MONDE is designed for investors seeking active management of an international bond portfolio over a long term investing primarily in securities issued by OECD member countries and hedging fluctuations of currencies against the euro.

- **Performance objective*** : To outperform the index JP Morgan GBI Global Hedged, euro hedged

PRODUCT STRENGTHS	BENEFITS FOR THE INVESTOR
LONG DURATION HIGH MODIFIED DURATION	<ul style="list-style-type: none"> - To take advantage of trends on long term rates ; - To benefit from an active management of the rate exposure (over / under sensitive), - To benefit from a dynamic yield curve management (moves and shifts).
GEOGRAPHIC ALLOCATION	<ul style="list-style-type: none"> - To seize the sources of performance across all debt markets of the OECD Member States.
LOW LIQUIDITY RISK	<ul style="list-style-type: none"> - To ensure excellent liquidity by investing in securities issued or guaranteed by Governments.

- **Main risks for Investors :**

- Rate risk: a rise of rates on bond markets could lead to a decrease in bond quotations;
- Currency risk: a decrease in currency quotation could lead to a loss of value for the assets in foreign currencies.

* Past performances are not a reliable indicator of future performance levels.

A Recognized Player In Bond Management

- Almost **€74 billion** of assets under management in bond market products:

- Over € 37 billion invested in securities issued or guaranteed by Governments ;
- A team specialized in fixed income : 21 portfolio managers, 13 financial analysts, 5 economists.

- **7 skills areas** to diversify and maximize the sources of added value :

- **Directional**
- Credit
- Inflation Linkers
- Convertibles
- Asset Backed Securities
- **International**
- **Credit Default Swap**

- Active management of risk/reward secured by means of internal control and risk control mechanisms.

« The presence of Government bonds is a strong guarantee for investors. Geographical diversification of the portfolio provides additional sources of added value. »

Emmanuel HURAUULT
Portfolio Manager

Key features

- Mutual Fund under French law
- « Bonds and other international debt securities » fund
- Fund currency : Euro
- Investment term : > 3 years
- Investor profile : All subscribers
- Capitalization (C)
- Launch date : 12/05/2005
- UCITS in compliance with European regulations
- Admitted for Euroclear listing
- Bloomberg Code : GRPCAPT

Risk scale
(based on fund's asset class
and key features)

Risk level :
Intermediate to High

	INTERNATIONAL	EURO
THEMATIC	GROUPAMA INDEX INFLATION MONDE Barclays World Government Inflation-Linked Bonds TR hedged in Euro GROUPAMA INDEX INFLATION EURO Barclays Euro Inflation Linked All Maturities	GROUPAMA CREDIT EURO ISR Barclays Capital Euro Aggregate Credit Corporate closing GROUPAMA CONVERTIBLES Exane Convertibles Index - Euro
INTERNATIONAL	GROUPAMA ETAT MONDE JP Morgan GBI hedged in Euro GROUPAMA ETAT US JP Morgan Government Bond Index USD, closing	GROUPAMA OBLIG MONDE Barclays Global Aggregate, Hedged in Euro GROUPAMA OBLIG EUROPE Barclays Capital Pan-European Aggregate hedged in Euro, closing
EURO	GROUPAMA ETAT EURO LT EuroMTS 7-10 years GROUPAMA ETAT EURO Global EuroMTS GROUPAMA ETAT EURO CT EuroMTS 1-3 years	GROUPAMA CREDIT EURO LT Barclays Capital Euro Aggregate Corporate 7-10 years closing, non reinvested coupons GROUPAMA CREDIT EURO Barclays Capital Euro Aggregate Corporate closing GROUPAMA CREDIT EURO CT Barclays Capital Euro Aggregate Corporate 1-3 years closing
	GOVERNMENT BONDS	AGGREGATE
		CREDIT

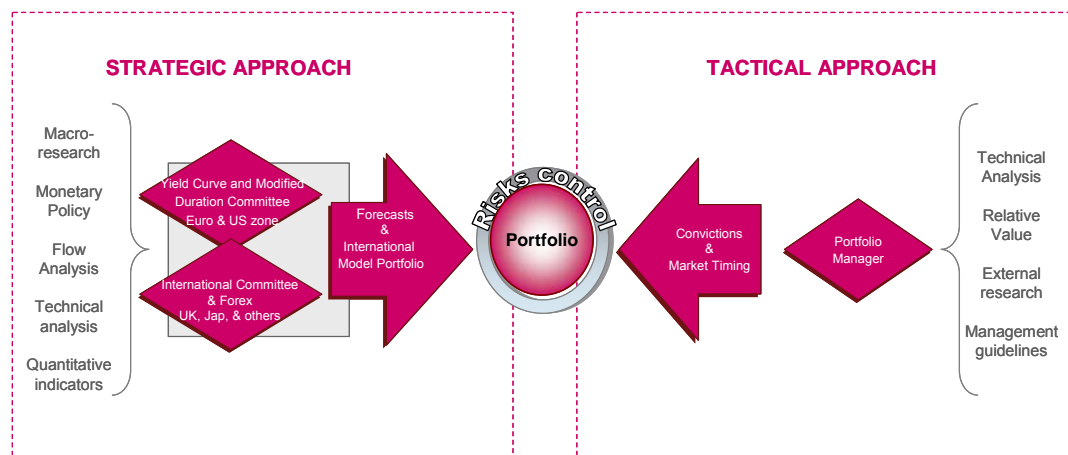
GROUPAMA ETAT MONDE

GOVERNMENT BOND MANAGEMENT

Portfolio construction

- Benchmark : JP Morgan GBI Index, euro hedged, closing price
- Modified duration : 3 - 8
- Risk management : Systematic risk monitoring (through APT).

A Rigorous Investment Process



Fund information

- Management fees : 1% taxes included ; Incentive fees : Nil
- Subscription fees not earned by the fund : 2.75% ; earned by the fund : Nil
- Redemption fees earned and not earned by the fund : Nil
- Movement commission accruing to the management company by type of instrument (taxes included):
 - Equities and similar: maximum 0,1%;
 - Bonds and similar: maximum 0.03%;
 - Futures and options: maximum €1 per lot
- Valuation frequency : Daily Reference calendar: Paris Stock Exchange
- Subscription / redemption terms and conditions : All subscription and redemption requests are centralized every day (D) before 11am by the custodian at an unknown NAV with settlement on D+3

Sources Of Added Value

	MODIFIED DURATION	CURVE MANAGEMENT	GEOGRAPHIC ALLOCATION	BOND PICKING
PORTFOLIO MANAGER	X	X	X	X
ECONOMIC RESEARCH	X	X	X	
ADDED VALUE SOURCES	25 - 35%	15 - 25%	15 - 25%	10 - 20%

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