

LEGAL FORM OF THE UCITS:

French mutual fund
UCITS compliant with Directive 2009/65/EC

ASSET MANAGEMENT COMPANY:

CPR Asset Management
90, Boulevard Pasteur – 75015 Paris

DELEGATED ACCOUNTING MANAGER

CACEIS Fund Administration
1, place Valhubert- 75013 Paris

DEPOSITARY:

CACEIS Bank France
1-3, place Valhubert – 75013 Paris

INDEPENDENT AUDITOR:

Ernst & Young Audit
Tour First – 1, place des Saisons – TSA 14444
92037 Paris La Défense cedex

CPR Asset Management

A Société Anonyme (public limited company) with share capital of €46,155,465 - 399 392 141 RCS Paris
Management Company operating under AMF approval No. GP01-056

Tel. (33) 1 53 15 70 00
Fax (33) 1 53 15 70 70



CPR FOCUS INFLATION MUTUAL FUND

Fiscal year ended 31 December 2013

Independent Auditor's report on the annual financial statements

ERNST & YOUNG Audit



CPR FOCUS INFLATION Mutual Fund

Fiscal year ended 31 December 2013

Independent Auditor's report on the annual financial statements

To unitholders,

Pursuant to the audit engagement entrusted to us by the Board of Directors of the Management Company, we hereby present our report for the fiscal year ended December 31, 2013 concerning:

- our audit of the annual financial statements of the CPR FOCUS INFLATION Mutual Fund, as appended to this report;
- the justification for our assessments;
- the specific tests and information required by law.

The annual financial statements are the responsibility of the Management Company. Our responsibility is to express an opinion on these statements based on our audit.

I. Opinion on the annual financial statements

We conducted our audit according to generally accepted auditing standards in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit includes an examination, on a test basis or using other selection methods, of evidence supporting the amounts and information in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made and the overall presentation of the financial statements. We believe that the evidence collected in our audit provides a reasonable basis for our opinion.

In our opinion, the annual financial statements are, under generally accepted French accounting rules and principles, fair and accurate and present fairly the results of operations for the fiscal year ended as well as the Fund's financial position and assets and liabilities at the fiscal year-end.

Without qualifying the opinion expressed above, we draw your attention to the note in the first part of the Notes to the financial statements regarding changes in the presentation of the annual financial statements to reflect the new option to distribute capital gains or losses realised in fiscal years beginning on or after 1 January 2013.



II. Justification of our assessments

In accordance with the provisions of Article L.823-9 of the French Commercial Code, our assessments concerned the appropriate nature of the accounting principles applied and the reasonable nature of the material estimates made.

Accordingly, our opinion expressed in the first part of this report is based on the assessments we made during our audit of the annual financial statements considered in their entirety.

III. Controls and specific information

We also performed specific controls required by law in accordance with generally accepted auditing standards in France.

We have no comments regarding the fair presentation and consistency of the annual financial statements with the information provided in the Annual Report or in the documentation provided to unitholders on the financial position and the annual financial statements.

Paris la Défense, 20 March 2014

The Independent Auditor
ERNST & YOUNG Audit

A handwritten signature in black ink, appearing to read 'Zouganou', with a large, stylized flourish extending from the end of the name.

CPR FOCUS INFLATION

General Mutual Fund

ANNUAL FINANCIAL STATEMENTS

31/12/2013

BALANCE SHEET - ASSETS AS AT 31/12/2013 IN EUR

	31/12/2013	31/12/2012
Net non-current assets	0.00	0.00
Deposits	0.00	0.00
Financial instruments	48,129,942.55	85,067,975.42
Equities and similar securities	0.00	0.00
Traded on a regulated or related market	0.00	0.00
Not traded on a regulated or related market	0.00	0.00
Bonds and similar securities	43,658,056.36	48,778,677.20
Traded on a regulated or related market	43,658,056.36	48,778,677.20
Not traded on a regulated or related market	0.00	0.00
Debt securities	0.00	0.00
Traded on a regulated or related market	0.00	0.00
<i>Negotiable debt securities</i>	<i>0.00</i>	<i>0.00</i>
<i>Other debt securities</i>	<i>0.00</i>	<i>0.00</i>
Not traded on a regulated or related market	0.00	0.00
Undertakings for collective investment	473,003.37	1,775,653.77
Coordinated European UCIs and French general-purpose UCIs	473,003.37	1,775,653.77
UCIs reserved for certain investors – FCPR (French venture capital Funds) - FCIMT (French managed futures Funds) Investment funds and listed FCCs (securitisation Funds)	0.00	0.00
Investment funds and non-listed securitisation funds	0.00	0.00
Temporary securities transactions	3,340,171.48	34,288,757.53
Receivables for securities borrowed under repurchase agreements	0.00	32,420,913.44
Receivables for securities lent	0.00	0.00
Securities borrowed	0.00	0.00
Securities lent under repurchase agreements	3,340,171.48	1,867,844.09
Other temporary transactions	0.00	0.00
Financial futures	658,711.34	224,886.92
Traded on a regulated or related market	602,930.46	224,886.92
Other transactions	55,780.88	0.00
Other financial instruments	0.00	0.00
Receivables	29,456,157.88	26,326,580.91
Currency swap transactions	28,395,823.05	25,917,053.63
Other	1,060,334.83	409,527.28
Financial accounts	376,197.44	41,976.20
Cash and cash equivalents	376,197.44	41,976.20
Total assets	77,962,297.87	111,436,532.53

BALANCE SHEET - EQUITY AND LIABILITIES AT 31/12/2013 IN EUR

	31/12/2013	31/12/2012
Equity		
Capital	46,061,247.99	50,550,893.58
Prior undistributed net capital gains and losses (a)	0.00	0.00
Retained earnings (a)	0.00	0.00
Net capital gains and losses for the fiscal year (a, b)	-976,611.59	0.00
Net profit (loss) for the fiscal year (a, b)	496,688.85	377,325.07
Total equity (= Amount representative of net assets)	45,581,325.25	50,928,218.65
Financial instruments	3,958,095.40	34,534,546.60
Disposals of financial instruments	0.00	32,451,643.51
Temporary securities transactions	3,355,159.39	1,858,029.53
Liabilities representing securities lent under repurchase transactions	3,355,159.39	1,858,029.53
Liabilities representing borrowed securities	0.00	0.00
Other temporary transactions	0.00	0.00
Financial futures	602,936.01	224,873.56
Traded on a regulated or related market	602,936.01	224,873.56
Other transactions	0.00	0.00
Liabilities	28,422,877.22	25,953,888.43
Currency swap transactions	27,956,265.95	25,663,935.44
Other	466,611.27	289,952.99
Financial accounts	0.00	19,878.85
Current bank loans	0.00	19,878.85
Borrowings	0.00	0.00
Total equity and liabilities	77,962,297.87	111,436,532.53

(a) Including accruals

(b) Less the interim dividend payments made in the year

OFF-BALANCE ITEMS AT 31/12/2013

	31/12/2013	31/12/2012
Hedging transactions		
Commitments on regulated or related markets		
Futures contracts		
CBO CBOT UST 10 0313	0.00	11,682,816.29
CBO CBOT UST 10 0314	3,125,396.88	0.00
CBO CBOT USTB 3 0313	0.00	895,024.27
CBO CBOT USUL 3 0313	0.00	5,919,675.36
CBO CBOT USUL 3 0314	5,339,453.54	0.00
CBO US UST 2A 0314	7,816,548.13	0.00
EUR EUREX OAT F 0313	0.00	4,901,760.00
EUR GR EURO BTP 0314	2,296,400.00	0.00
EUREX BOBL 03/13	0.00	1,278,200.00
EUREX EUROBD 0313	0.00	4,806,120.00
EUREX EUROBND 0314	6,540,990.00	0.00
EUREX OAT FUT 0314	6,966,320.00	0.00
US TBOND 30A 0314	15,271,417.69	0.00
Commitments on over-the-counter markets		
Performance swap		
TRS MG STAN 09/01/14	3,774,637.36	0.00
TRS-0.5 M.STAN090114	5,287,637.53	0.00
Other commitments		
Other transactions		
Commitments on regulated or related markets		
Commitments on over-the-counter markets		
Other commitments		

INCOME STATEMENT AT 31/12/2013 IN EUR

	31/12/2013	31/12/2012
Income from financial transactions		
Income from deposits and financial accounts	54.72	1,162.66
Income from equities and similar securities	0.00	0.00
Income from bonds and similar securities	820,284.00	821,233.51
Income from debt securities	0.00	1,174.68
Income from temporary sales and purchases of securities	2,148.06	3,815.35
Income from futures	0.00	0.00
Other financial income	0.00	0.00
Total (1)	822,486.78	827,386.20
Expenses on financial transactions		
Expenses on temporary sales and purchases of securities	4,961.26	10,285.30
Expenses on forward financial instruments	0.00	0.00
Expenses on financial debt	1,364.26	3,081.87
Other financial expenses	0.00	0.00
Total (2)	6,325.52	13,367.17
Profit/(loss) on financial transactions (1 - 2)	816,161.26	814,019.03
Other income (3)	0.00	0.00
Management fees and depreciation and amortization (4)	310,918.87	428,837.41
Net profit/(loss) for the fiscal year (L. 214 -17-1) (12 + 3 - 4)	505,242.39	385,181.62
Adjustment of income for the fiscal year (5)	-8,553.54	-7,856.55
Interim dividends paid for the fiscal year (6)	0.00	0.00
Net profit/(loss) (1 – 2 + 3 – 4 + 5 + 6)	496,688.85	377,325.07

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. ACCOUNTING RULES AND METHODS

The annual financial statements were prepared in accordance with the provisions set forth by the Accounting Regulations Committee in Accounting Regulation 2003-02, as amended, relative to the UCITS chart of accounts.

Article 18 of Order 2011-915 allows the option to distribute net gains for the fiscal years beginning on or after 1 January 2013. The UCITS chart of accounts has changed to reflect this new option. The changes relate to the definition of distributable sums. To determine the latter, capital gains, net of fees, less capital losses, net of fees are added to net income.

Data from previous years were not restated.

The basic accounting principles apply:

- true and fair view, comparability, going concern,
- periodicity, faithful representation
- prudence,
- consistency of accounting methods from year to year.

The method applied for the recognition of fixed-income securities is the effective interest method.

Securities entering or leaving the portfolio are recognised excluding costs.

The base currency for the portfolio is the EURO.

The fiscal year is a 12-month period.

Asset valuation rules

Financial instruments are recognised according to the historical cost method and are posted to the balance sheet at their current value, which is determined according to the market value, or by any external means, or through the use of financial models where no market value is available.

Differences between the market values used to calculate the net asset value and the historical cost of the marketable securities when booked in the portfolio are recognised under an "Estimation Differences" account. Investments that are not in the portfolio currency are valued in accordance with the principle described below, and then converted into the portfolio currency based on the foreign exchange rates as at the valuation date.

Deposits:

Deposits with a residual maturity of three months or less are valued in accordance with the straight-line method.

Equities, bonds, and other securities traded on a regulated or related market:

For the calculation of the net asset value, equities and other securities traded on a regulated or related market are valued based on the last market price of the day.

Bonds and related securities are valued at the closing price published by various financial services providers. Accrued interest income on bonds and related securities is calculated up until the net asset value date.

Equities, bonds, and other securities not traded on a regulated or related market:

The valuation of securities that are not traded on a regulated market, which is the responsibility of the Management Company is done with asset-value and yield based methods and by taking into account the prices applied in recent material transactions.

Negotiable debt securities:

Negotiable debt securities and similar securities that are not the subject of significant transactions are valued on an actuarial basis, using a benchmark described below, plus a difference representing the intrinsic value of the issuer, where applicable:

Negotiable debt securities with maturity of less than or equal to 1 year: Interbank rate in Euros (Euribor);

Negotiable debt securities with maturity of over 1 year: Short-term Treasury note (BTAN - Bons du Trésor à intérêts Annuels Normalisés) rates or short-term treasury note equivalent (OAT - Obligations Assimilables du Trésor) rates for longer durations.

Negotiable debt securities with a residual term of less than or equal to three months may be valued using the straight-line method.

Treasury Notes are valued at the market rate listed daily by Banque de France.

UCITS held:

UCITS units or shares are valued at the last known net asset value.

Temporary securities transactions:

Securities borrowed under repurchase agreements are posted to assets under "receivables representing securities borrowed under repurchase agreements" in the amount provided for in the relevant contract, plus any accrued interest due.

Securities lent under repurchase agreements are posted in long portfolios at their current value. Debt representing securities lent under repurchase agreements are posted in short portfolios at the value set in the contract, plus any accrued interest payable.

The guarantees received or given in the form of cash as part of temporary securities transactions (securities lending/borrowing, cash collaterals, repos) are posted to assets under "Cash and cash equivalents".

Securities lent are valued at their current price and posted to assets under "receivables representing securities lent" at their current value plus any accrued interest due.

Securities borrowed are posted to assets under "securities borrowed" in the amount set forth in the agreement and under liabilities under "liabilities representing securities borrowed" in the amount set forth in the agreement plus any accrued interest payable.

Financial futures:

Financial futures traded on a regulated or related market:

Financial futures traded on regulated markets are valued at the settlement price of the day.

Financial futures not traded on a regulated or related market:

Swaps:

Interest rate and/or currency swaps are valued at their market value according to the price calculated by discounting the future interest income flows at market interest and/or foreign exchange rates. This price is adjusted for credit risk.

Index swaps are valued on an actuarial basis, using a benchmark rate provided by the counterparty.

Other swaps are valued at their market value, or at a value estimated according to the procedures approved by the Management Company.

Off-balance sheet commitments:

The market value of futures contracts is entered under off-balance sheet commitments at the price used in the portfolio.

Options are converted into their underlying equivalent.

Commitments for swap agreements are shown at nominal value, or at an equivalent amount in the absence of a nominal value.

Management fees

Management fees are calculated at each net asset valuation.

These fees are charged to the UCITS' income statement.

Management fees are paid in full to the Management Company which covers all the operating expenses of the UCITS.

Management fees do not include transaction fees.

The maximum rate applied based on net assets except for UCITS is 0.60% including tax for I units and 1.20% including tax for P units.

Performance fees are calculated as follows:

- I (C1) and P (C2) units: 20% (including tax) of the performance above that of the benchmark index (50% JPM EuroBE Index + 50% JPM USBE Index hedged in euros) up to 1% of net assets.

The retrocession of management fees receivable is taken into account at each net asset value date. The amount provisioned is equal to the share of the retrocession payable for the relevant period.

Allocation of distributable sums

Distributable sums:

The distributable sums consist of:

Net profit:

The net profit for the fiscal year is the total amount of interest, arrears, dividends, premiums and bonuses, Directors' attendance fees and yields from the securities in the portfolio, plus the product of any amount held in cash, minus management fees and interest on loans.

Any amounts carried forward are added to net profit; the balance of income accruals is either added or deducted from it.

Capital gains and losses:

Realised capital gains, net of fees, less any realised capital losses, net of fees recorded during the financial year, plus any net capital gains of the same nature recorded during prior financial years which have not been distributed or accumulated and plus/minus the balance of capital gains accruals.

Allocation of distributable sums:

<i>Distributable Sums</i>	I UNITS	P UNITS
Appropriation of net profit	Accumulation	Accumulation
Allocation of net capital gains or losses realised	Accumulation	Accumulation

2. CHANGE IN NET ASSETS AS AT 31/12/2013 IN EUR

	31/12/2013	31/12/2012
Opening net assets	50,928,218.65	56,527,275.30
Subscriptions (including subscription fees attributable to the UCI)	15,090,811.42	9,066,927.50
*Redemptions (less redemption fees payable to the UCI)	-17,582,696.52	-15,562,015.57
Capital gains on financial instruments and deposits	1,439,952.50	3,960,252.57
Capital losses on financial instruments and deposits	-4,859,088.86	-5,818,951.63
Capital gains on forward-based financial instruments	7,842,438.84	1,046,976.97
Capital losses on forward-based financial instruments	-5,433,969.20	-2,410,127.06
Transaction fees	-81,189.52	-47,399.55
Exchange rate variances	-930,431.36	-517,151.18
Changes in deposit and financial instrument estimate variance	-1,983,428.97	4,322,064.65
Estimation differences period N	1,133,741.61	3,117,170.58
Estimation differences period N-1	-3,117,170.58	1,204,894.07
Changes in financial futures estimate variance	546,624.42	-24,814.97
Estimation differences period N	641,111.34	94,486.92
Estimation differences period N-1	-94,486.92	-119,301.89
Prior year distribution on net capital gains and losses	0.00	0.00
Prior fiscal year distribution	0.00	0.00
Net income for the fiscal year before accruals	505,242.39	385,181.62
Interim dividends paid during the fiscal year on net capital gains and losses	0.00	0.00
Interim dividend(s) paid during the fiscal year on profit	0.00	0.00
Other items*	98,841.46	0.00
Closing net assets	45,581,325.25	50,928,218.65

Other items: Amount representing the coupons at purchase for transactions carried out in previous fiscal years following the transformation of portfolio coupon excluded inflows into coupon included inflows

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN BY LEGAL OR ECONOMIC TYPE OF THE FINANCIAL INSTRUMENTS

	Amount	%
Assets		
Bonds and similar securities		
Other bonds (indexed, non-voting securities)	43,658,056.36	95.78
TOTAL Bonds and similar securities	43,658,056.36	95.78
Debt securities		
TOTAL Debt securities	0.00	0.00
Liabilities		
Disposals of financial instruments		
TOTAL Disposals of financial instruments	0.00	0.00
Off-balance sheet items		
Hedging transactions		
Other	9,062,274.89	19.88
Rate	47,356,526.24	103.89
TOTAL hedging transactions	56,418,801.13	123.78
Other transactions		
TOTAL other transactions	0.00	0.00

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY INTEREST RATE TYPE

	Fixed rate	%	Floating rate	%	Adjustable rate	%	Other	%
Assets								
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds and similar securities	0.00	0.00	0.00	0.00	0.00	0.00	43,658,056.36	95.78
Debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary securities transactions	0.00	0.00	0.00	0.00	0.00	0.00	3,340,171.48	7.33
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	376,197.44	0.83
Liabilities								
Temporary securities transactions	0.00	0.00	3,355,159.39	7.36	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Off-balance sheet items								
Hedging transactions	47,356,526.24	103.89	0.00	0.00	0.00	0.00	0.00	0.00
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY REMAINING MATURITY

	< 3 months	%	[3 months – 1 year]	%	[1 - 3 years]	%	[3 - 5 years]	%	>5 years	%
Assets										
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds and similar securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43,658,056.36	95.78
Debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary securities transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,340,171.48	7.33
Financial accounts	376,197.44	0.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liabilities										
Temporary securities transactions	3,355,159.39	7.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Off-balance sheet items										
Hedging transactions	0.00	0.00	0.00	0.00	7,816,548.13	17.15	0.00	0.00	39,539,978.11	86.75
Other transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Forward and futures interest-rate positions are presented based on the maturity of the underlying.

3.4. BREAKDOWN OF THE ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY LISTING CURRENCY

	USD		GBP		JPY		Other currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
Assets								
Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities and related securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonds and related securities	24,368,920.40	53.46	0.00	0.00	0.00	0.00	0.00	0.00
Debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
UCI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary securities transactions	1,991,849.22	4.37	0.00	0.00	0.00	0.00	0.00	0.00
Receivables	88,092.02	0.19	4.80	0.00	0.02	0.00	0.00	0.00
Financial accounts								
Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposals of financial instruments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary securities transactions	26,452,732.55	58.03	0.00	0.00	0.00	0.00	0.00	0.00
Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial accounts								
Off-balance sheet items	31,552,816.24	69.22	0.00	0.00	0.00	0.00	0.00	0.00
Hedging transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	31/12/2013
Receivables	
Forward currency purchases	1,493,699.80
Amounts receivable from forward currency sales	26,902,123.25
Deferred settlement purchases	4,354.29
Guarantee deposits in cash	745,775.13
Collaterals	310,205.41
Total receivables	29,456,157.88
Liabilities	
Forward currency sales	26,452,732.55
Amounts payable for forward currency purchases	1,503,533.40
Deferred settlement sales	4,386.68
Management fees	30,237.38
Variable management fees	9.72
Collaterals	430,037.35
Other payables	1,940.14
Total payables	28,422,877.22

3.6. EQUITY

3.6.1. Number of securities issued or redeemed

	Number of units	Amount
CPR FOCUS INFLATION MUTUAL FUND I		
Units subscribed during the year	1,722.000	15,005,680.20
Units redeemed during the year	-1,850.000	-16,126,850.16
Net balance of subscriptions/redemptions	-128.000	-1,121,169.96
CPR FOCUS INFLATION MUTUAL FUND P 3DEC		
Units subscribed during the year	950.425	85,131.22
Units redeemed during the year	-16,611.530	-1,455,846.36
Net balance of subscriptions/redemptions	-15,661.105	-1,370,715.14

3.6.2. Subscription and/or redemption fees

	Amount
CPR FOCUS INFLATION MUTUAL FUND I	
Redemption fees paid	0.00
Subscription fees paid	0.00
Total fees paid	0.00
CPR FOCUS INFLATION MUTUAL FUND P 3DEC	
Redemption fees paid	0.00
Subscription fees paid	0.00
Total fees paid	0.00

3.7. MANAGEMENT FEES

	31/12/2013
CPR FOCUS INFLATION MUTUAL FUND I	
Guarantee fees	0.00
Fixed management fees	245,207.62
Percentage of fixed management fees	0.58
Variable management fees	14.28
Retrocession of management fees	0.00
CPR FOCUS INFLATION MUTUAL FUND P 3DEC	
Guarantee fees	0.00
Fixed management fees	65,701.53
Percentage of fixed management fees	1.15
Variable management fees	-4.56
Retrocession of management fees	0.00

3.8. COMMITMENTS GIVEN AND RECEIVED

3.8.1. Guarantees received by the UCITS:

None

3.8.2. Other commitments given and/or received:

None

3.9. OTHER INFORMATION

3.9.1. Current value of securities subject to a temporary transaction

	31/12/2013
Securities received under repurchase agreements	0.00
Securities borrowed	0.00

3.9.2. Current value of securities that make up guarantee deposits

	31/12/2013
Financial instruments given as security and kept in their original line item	0.00
Financial instruments received as security and not recorded in the balance sheet	0.00

3.9.3. Financial instruments of the group held in the portfolio

	ISIN code	Description	31/12/2013
Equities			0.00
Bonds			0.00
Marketable			0.00
UCI			473,003.37
	FR0000291239	CPR CASH P SICAV	473,003.37
Futures			0.00

3.10. STATEMENT OF APPROPRIATION OF DISTRIBUTABLE SUMS

Statement of appropriation of the share of distributable sums pertaining to net profit

	31/12/2013	31/12/2012
Sums remaining to be appropriated		
Retained earnings	0.00	0.00
Net profit/(loss)	496,688.85	377,325.07
Total	496,688.85	377,325.07

	31/12/2013	31/12/2012
CPR FOCUS INFLATION MUTUAL FUND I		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the fiscal year	0.00	0.00
Accumulation	468 653.38	354 499.68
Total	468 653.38	354 499.68

	31/12/2013	31/12/2012
CPR FOCUS INFLATION MUTUAL FUND P 3DEC		
Appropriation		
Distribution	0.00	0.00
Retained earnings for the fiscal year	0.00	0.00
Accumulation	28,035.47	22,825.39
Total	28,035.47	22,825.39

Statement of appropriation of the share of distributable sums pertaining to net capital gains and losses

	31/12/2013	31/12/2012
Sums remaining to be appropriated		
Prior undistributed net capital gains and losses	0.00	0.00
Net capital gains and losses for the fiscal year	-976,611.59	0.00
Interim dividends paid on net capital gains and losses for the fiscal year	0.00	0.00
Total	-976,611.59	0.00

	31/12/2013	31/12/2012
CPR FOCUS INFLATION MUTUAL FUND I		
Distribution		
Prior undistributed net capital gains and losses	0.00	0.00
Accumulation	0.00	0.00
Total	-869,282.67	0.00

	31/12/2013	31/12/2012
CPR FOCUS INFLATION MUTUAL FUND P 3DEC		
Appropriation		
Distribution	0.00	0.00
Prior undistributed net capital gains and losses	0.00	0.00
Accumulation	-107,328.92	0.00
Total	-107,328.92	0.00

3.11. FINANCIAL PERFORMANCE AND OTHER CHARACTERISTICS OF THE ENTITY OVER THE LAST FIVE FISCAL YEARS

	31/12/2010	30/12/2011	31/12/2012	31/12/2013
Comprehensive net assets in EUR	73,769,393	56,527,275.30	50,928,218.65	45,581,325.25
CPR FOCUS INFLATION MUTUAL FUND I				
Net assets in €	66,460,756.42	47,811,498.91	44,214,634.79	40,606,387.17
Number of securities	7,058.000	5,311.000	4,831.000	4,703.000
Net asset value per unit in EUR	9,416.37	9,002.35	9,152.27	8,634.14
Accumulation per unit on net capital gains or losses in EUR	0.00	0.00	0.00	-184.83
Accumulation per unit in EUR on income	73.59	146.06	73.38	99.64
CPR FOCUS INFLATION MUTUAL FUND P 3DEC				
Net assets in €	7,308,637.52	8,715,776.39	6,713,583.86	4,974,938.08
Number of securities	78,092.000	97,992.650	74,591.571	58,930.466
Net asset value per unit in EUR	93.59	88.94	90.00	84.42
Accumulation per unit on net capital gains or losses in EUR	0.00	0.00	0.00	-1.82
Capitalisation per unit in EUR on income	0.15	0.89	0.30	0.47

Inventory based on valuation history (HISINV)

Stock: Main stock admitted at
PORTFOLIO: 340081 CPR FOCUS INFLATION

VALIDATED

Fixing currency: FXR REUTERS Rate
Portfolio currency: EUR

(Simplified statement, frame: NPC- AMF SORTING/ INSTRUMENT

S	T	O	C	K	STOCK/L STATUS	FILE - E units:	QUANTITY AND EXPR. QUANTITY	QUOT CURR	CURRENCY UCP AND EXPRESSED PRICE DATE	PRICE PRICE	I F	<----- TOTAL COST PRICE	Portfolio currency MARKET VALUE INTEREST	-----> TOTAL ACCRUED	PRCT CAP GAINS/LOSSES NET ASSETS
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I - Bonds & related securities																					
Bonds & related securities traded on a regulated market																					
Other bonds (indexed, non-voting securities)																					
Security currency EUR EURO																					
DE0001030526	ALLEMAG	1.75 20	INDX	(366)	150420		1,540,000.	M	114.5802	% 31/12/13	110.8	4	1,764,535.40	1,885,766.05	20,980.11	121,230.65 4.14					
IT0004243512	BTPei	2.6 15/09/23		.USTRE			2,000,000.	M	113.5758	% 31/12/13	98.625	4	2,271,516.89	2,263,766.20	17,246.50	-7,750.69 4.97					
DE0001030542	DEUTSCH	0.1% 15/4/23		(366)	150423		1,300,000.	M	105.7077	% 31/12/13	97.76	4	1,374,199.73	1,313,686.60	956.52	-60,513.13 2.88					
FR0010050559	OAT I	2.25% 07/20		MPLIV	IOC4227185		1,500,000.	M	131.2884	% 31/12/13	113.463	4	1,969,326.16	2,089,674.46	17,896.81	120,348.30 4.58					
				(366)	250720		1,500,000.	M	131.2884	% 31/12/13	113.463	4	1,969,326.16	2,089,674.46	17,896.81	120,348.30 4.58					
OAT	3.15% 0832	INDX		(366)	250732		1,250,000.	M	154.9777	% 31/12/13	134.623	4	1,937,221.45	2,096,654.87	21,155.25	159,433.42 4.60					
FRANCE	OAT	3.40% 25/07/2029		(366)	250729		1,320,000.	M	149.803	% 31/12/13	135.233	4	1,977,399.17	2,250,314.57	24,378.84	272,915.40 4.94					
FR0010447367	OATei	1.8 25/07/40		(366)	250740		1,455,000.	M	115.3432	% 31/12/13	113.533	4	1,678,243.84	1,900,319.55	13,034.43	222,075.71 4.17					
ISIN Code:	FR0010892265				250722.		2,800,000.	M	114.0326	% 31/12/13	104.863	4	3,192,913.45	3,191,859.57	14,519.06	-1,053.88 7.00					
FR0011008705	OATi	1.85% 10-27		(366)	250727		1,400,000.	M	114.0325	% 31/12/13	111.175	4	1,596,454.57	1,671,845.58	12,031.73	75,391.01 3.67					
FR0010585901	OATi	2.1 25/07/23		MPLIV	IOC4236744		1,000,000.	M	126.3934	% 31/12/13	113.408	4	1,263,934.11	1,250,497.02	10,006.30	-13,437.09 2.74					
				(366)	250723		500,000.	M	126.3934	% 31/12/13	113.408	4	631,967.06	625,248.51	5,003.15	-6,718.55 1.37					
								19/11/0													
Sub-total B		Security currency EUR		EURO						TOTAL (EUR)		21 637 037 00		22 620 307 44		175 105 51		1 002 260 45		40 65	
Security currency EUR DOLLAR US																					
US912828LA68	US TREA.I	1,875 0719		.USTRE			2,200,000.	M	110.7717	% 31/12/13	111.20703	4	1,716,286.84	1,957,243.68	15,038.45	240,956.84 4.29					
US912828MF47	US TREA.I	1,375 0120		.USTRE			450,000.	M	101.8701	% 31/12/13	107.42578	4	327,427.47	381,147.30	2,227.31	53,719.83 0.84					
US912828PP91	US TREA.I	1,125 0121		.USTRE			2,100,000.	M	114.4005	% 31/12/13	105.10156	4	1,899,921.53	1,718,628.48	8,406.87	-181,293.05 3.77					
US912810FR42	US TREA.I	2,375 0125		.USTRE			1,850,000.	M	131.6449	% 31/12/13	114.87109	4	1,741,492.68	1,929,121.25	18,144.59	187,628.57 4.23					
US912810PS15	US TREA.I	2,375 0127		.USTRE			800,000.	M	126.4953	% 31/12/13	115.11719	4	747,074.35	781,397.32	7,333.97	34,322.97 1.71					
US912810QF84	US TREA.I	2,125 0240		.USTRE			700,000.	M	117.9173	% 31/12/13	112.10156	4	605,490.26	619,762.81	4,374.49	14,272.55 1.36					
US912810QP66	US TREA.I	2,125 0241		.USTRE			2,060,000.	M	125.9063	% 31/12/13	112.16406	4	1,940,244.11	1,801,122.58	12,705.89	-139,121.53 3.95					
US912810FD55	US TREA.I	3,625 0428		.USTRE			3,000,000.	M	205.2445	% 31/12/13	132.17578	4	4,662,108.28	4,179,682.02	24,108.84	-482,426.26 9.17					
US912810FH69	US TREA.I	3,875 0429		.USTRE			3,800,000.	M	202.4367	% 31/12/13	136.95313	4	5,686,633.82	5,398,057.61	32,117.00	-288,576.21 11.84					
US912810FQ68	US TREA.I	3,375 0432		.USTRE			500,000.	M	173.3386	% 31/12/13	132.93359	4	648,172.64	638,127.10	3,408.86	-10,045.54 1.40					
US912810QV35	US TREAS I	0,75 0542		.USTRE			400,000.	M	99.3057	% 31/12/13	80.28125	4	300,150.85	241,733.69	843.91	-58,417.16 0.53					
US912828NM88	US TREAS I	1,25 0720		.USTRE			1,400,000.	M	114.4881	% 31/12/13	107.02344	4	1,182,601.73	1,170,787.47	6,246.33	-11,814.26 2.57					
US	TREASURY I	3,625% 15/04/2028		.USTRE			2,500,000.	M	125.9411	% 31/12/13	110.67188	4	2,263,492.97	2,382,495.95	19,609.86	119,002.98 5.23					
US912810PZ57	US TREAS I	2,5 01/29		.USTRE			1,250,000.	M	109.4274	% 31/12/13	117.37109	4	979,335.71	1,169,613.14	11,330.06	190,277.43 2.57					
								19/11/0													
Sub-total for security		USD unit:		R unit:						TOTAL (EUR)		24 700 433 34		24 268 030 40		165 806 42		221 513 84		53 46	

III – UCITS securities															
General-purpose French UCITS															
Security currency EUR EURO															
CPR CASH P SICAV	21.	P	EUR	22520.8686	M	01/01/2014	22523.97	5	472,938.24	473,003.37	0.00	65.13	1.04		

Inventory based on valuation history (HISINV)

Stock: Main stock admitted at
PORTFOLIO: 340081 CPR FOCUS INFLATION

VALIDATED

Fixing currency: FXR REUTERS Rate
Portfolio currency: EUR

(Simplified statement, frame: NPC- AMF SORTING/ INSTRUMENT

S	T	O	C	K	STOCK/L STATUS	FILE - E units:	QUANTITY AND EXPR. QUANTITY	QUOT CURR	CURRENCY UCP AND EXPRESSED PRICE DATE	PRICE PRICE	I F	<----- TOTAL COST PRICE	Portfolio currency MARKET VALUE INTEREST	-----> TOTAL ACCRUED	PRCT CAP GAINS/LOSSES NET ASSETS
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IV – Temporary securities transactions															
Securities lent under repurchase agreements															
MATURITY DATE: 06/01/14															
IOC4236744	2.1)	25/07/2023:	MPLIV	0.15	060114	-1,256,180.85	EUR	100.	%	31/12/13	-1,256,180.85	-1,256,328.73	-147.88	-147.88 -2.76	
MATURITY DATE: 09/01/14															
IOC4227185	METRO	AG 2.25%	20/07	MPLIV	0.08	090114	-2,098,500.	EUR	100.	%	31/12/13	-2,098,500.00	-2,098,830.66	-330.66	-330.66 -4.60
Securities lent under repurchase agreements															
TOTAL (EUR)											-3,354,680.85	-3,355,159.39	-478.54	-478.54 -7.36	

VI- FUTURES CONTRACTS																	
Futures																	
Foreign futures																	
UNDERLYING : BTP10Y6 BTP 10Y 6%																	
CIK___H4	EUR	GR	EURO	BTP	0913		-20.	EUR	113.94	M	31/12/2013	114.82	S	0.00	-17,600.00	0.00	-17,600.00 -0.04
UNDERLYING : CBTTU AMUNDI ETF US TREASURY 2-10 (the 0214																	
CTU___H4	CBOT	UST	2A	0913			-49.	USD	110.1172	M	31/12/201	109.90625	4	0.00	15,001.91	0.00	15,001.91 0.03
UNDERLYING : CBTTY CBOT US T. NOTE 10 ANS																	
CTY___H4	CBO	CBOT	USUL	10	0913		-35.	USD	125.6172	M	31/12/2013	123.04688	4	0.00	65,286.07	0.00	65,286.07 0.14
UNDERLYING : CBTUL CBOT US ULTRA BOND 30 ANS																	
CWN___H4	CBO	CBOT	USUL	3	0913		-54.	USD	138.3595	M	31/12/2013	136.25	4	0.00	82,669.23	0.00	82,669.23 0.18
UNDERLYING : CBTUS CBOT US T.BOND 30 ANS																	
CUS___H4	US	TBOND	0.125%	15/04/2017			-164.	USD	130.8125	M	31/12/2013	128.3125	4	0.00	297,543.45	0.00	297,543.45 0.65
UNDERLYING : EUXOATA EUREX OAT FRENCH GOV 10Y																	
COAT___H4	EUREX	EUROBD	0313				-53.	EUR	133.05	M	31/12/2013	131.44	S	0.00	85,330.00	0.00	85,330.00 0.19
UNDERLYING : EUREX EUROBND 0913																	
CRX___H4	EUREX	EUROBD	0313				-47.	EUR	140.3849	M	31/12/2013	139.17	S	0.00	57,099.80	0.00	57,099.80 0.13
Foreign futures																	
TOTAL (EUR)														0.00	585,330.46	0.00	585,330.46 1.28

VII – OTHER COMMITMENTS

Swaps

Inventory based on valuation history (HISINV)

Stock: Main stock admitted at
PORTFOLIO: 340081 CPR FOCUS INFLATION

VALIDATED

Fixing currency: FXR REUTERS Rate
Portfolio currency: EUR

(Simplified statement, frame: NPC- AMF SORTING/ INSTRUMENT

V S T O C K														CAP	
STOCK/L - E														----->	
INE units:														GAINS/LOSSES NET	
STATUS														ASSETS	
QUANTITY															
AND EXPR.															
QUANTITY															
P R I															
CUR															
R															
UCP IN CURRENCY															
AND PRICE PRICE DATE															
STOCK															
PRICE															
I															
PRICE															
TOTAL COST															
MARKET VALUE															
TOTAL ACCRUED															
INTEREST															
Other swaps															
MATURITY DATE: 09/01/14															
TRS663752	TRS MG STAN	09/01/14	PRC	3,774,637.36	EUR	0.	31/12/13	0.76265	H	0.00	28,787.34	0.00	28,787.34	0.06	
TRS663755	TRS -0.5	25/07/13		5,287,637.53	EUR	0.	31/12/13	0.5105	H	0.00	26,993.54	0.00	26,993.54	0.06	
Sub-total EXPIRATION DATE - E units: 09/01/14															
TOTAL (EUR)															
VIII -CASH POSITION															
Payables and receivables															
Deferred settlement															
Security currency EUR EURO															
VRDEUR	Buy def. sttlmnt	> J+3		-4,386.68	EUR	1.		1.		-4,386.68	-4,386.68	0.00	0.00	-0.01	
Denomination currency: US dollar (USD)															
VRDUSD	Buy def. sttlmnt	> J+3		6,000.	USD	0.725715		0.7257157		4,354.29	4,354.29	0.00	0.00	0.01	
Deferred settlement															
TOTAL (EUR)															
Margin deposit															
Security currency EUR EURO															
DGMCIEUR	Guar. deposit	CACEIS		251,980.	EUR	1.		1.		251,980.00	251,980.00	0.00	0.00	0.55	
Denomination currency: US dollar (USD)															
DGMCIUSD	Guar. deposit	CACEIS		680,425.	USD	0.74674076		0.7257157		508,101.08	493,795.13	0.00	-14,305.95	1.08	
Margin deposit															
TOTAL (EUR)															
760,081.08															
745,775.13															
0.00															
-14,305.95															
1.64															
Margin calls															
Security currency EUR EURO															
MARCIEUR	Margin calls	C.A.I.		-124,829.81	EUR	1.		1.		-124,829.81	-124,829.81	0.00	0.00	-0.27	
Denomination currency: US dollar (USD)															
MARCIUSD	Margin calls	C.A.I.		-634,554.52	USD	0.72845996		0.7257157		-462,247.56	-460,506.20	0.00	1,741.36	-1.01	
Margin calls															
TOTAL (EUR)															
-587,077.37															
-585,336.01															
0.00															
1,741.36															
-1.28															
Management fees															
Security currency EUR EURO															
FGDEPEUR	Management fees			-1,471.19	EUR	1.		1.		-1,471.19	-1,471.19	0.00	0.00	0.00	
FGPFC2EUR	Management fees	-		-9.72	EUR	1.		1.		-9.72	-9.72	0.00	0.00	0.00	
FGPVAEUR	Management fees	Admi		-1,590.89	EUR	1.		1.		-1,590.89	-1,590.89	0.00	0.00	0.00	
FGPVFEUR	Management fees	- fixed		-22,797.3	EUR	1.		1.		-22,797.30	-22,797.30	0.00	0.00	-0.05	
FGPVHEUR	Management fees	H.C.C		-4,378.	EUR	1.		1.		-4,378.00	-4,378.00	0.00	0.00	-0.01	
Sub-total security currency EUR - EURO															

Inventory based on valuation history (HISINV)

Stock: Main stock admitted at
PORTFOLIO: 340081 CPR FOCUS INFLATION

VALIDATED

Fixing currency: FXR REUTERS Rate
Portfolio currency: EUR

(Simplified statement, frame: NPC- AMF SORTING/ INSTRUMENT

V S T O C K				STOCK/L - E INE units: STATUS	QUANTITY AND EXPR. QUANTITY	PRI CUR R	FOR CURR P.P.S AND EXP. PRICE	QUOT ATIO N	STOCK PRICE	I .	TOTAL COST PRICE	Portfolio currency		-----> MARKET VALUE INTEREST		TOTAL ACCRUED	GAINS/LOSSES NET ASSETS	CAP
TOTAL (EUR)											-30,247.10	-30,247.10	0.00	0.00	-0.07			
Other payables and receivables EURO																		
FCHCIEUR	Security currency EUR				-980.	EUR	1.		1.		-980.00	-980.00	0.00	0.00	0.00			
FTAPEUR	Management fee due				-560.14	EUR	1.		1.		-560.14	-560.14	0.00	0.00	0.00			
FTCIEUR	Pro.comm mvt CI.				-400.	EUR	1.		1.		-400.00	-400.00	0.00	0.00	0.00			
Sub-total security currency EUR - EURO																		
TOTAL (EUR)											-1,940.14	-1,940.14	0.00	0.00				
Payables and receivables																		
TOTAL (EUR)											140,784.08	128,219.49	0.00	-12,564.59	0.28			
Cash and cash equivalents																		
Assets in France																		
Security currency EUR EURO																		
BQCIEUR	CACEIS BANK:				288,100.6	EUR	1.		1.		288,100.60	288,100.60	0.00	0.00	0.63			
Devise de valeur GBP LIVRE STERLING																		
BQCIGBP	CACEIS BANK:				4.	GBP	1.2		1.2019230		4.80	4.80	0.00	0.00	0.00			
JPY units denomination currency:																		
BQCIJPY	CACEIS Bank				4.	JPY	0.01		0.0069046		0.04	0.02	0.00	-0.02	0.00			
Denomination currency: US dollar (USD)																		
BQCIUSD	CACEIS BANK:				121,480.88	USD	0.72571577		0.7257157		88,160.59	88,092.02	-68.56	-68.57	0.19			
Assets in France																		
TOTAL (EUR)											376,266.03	376,197.44	-68.56	-68.59	0.83			
Forward and futures transactions																		
MATURITY DATE: 06/01/14																		
ICAT4222731	V	USD	EUR	06/01/14	RECD 06/01/14	46,000.	EUR	1.	31/12/13	1.	46,000.00	46,000.00	0.00	0.00	0.10			
					06/01/2014	-62,439.2	USD	0.7367	31/12/13	0.72572	-46,000.00	-45,313.27	0.00	686.73	-0.10			
ISWC4219227	A	USD	EUR	06/01/14	RECD 06/01/14	141,000.	USD	0.7354	31/12/13	0.72572	103,694.62	102,326.01	0.00	-1,368.61	0.22			
					06/01/2014	-103,694.62	EUR	1.	31/12/13	1.	-103,694.62	-103,694.62	0.00	0.00	-0.23			
ISWC4221742	V	USD	EUR	06/01/14	RECD 06/01/14	26,052,119.01	EUR	1.	31/12/13	1.	26,052,119.01	26,052,119.01	0.00	0.00	57.16			
					06/01/2014	-35,284,000.	USD	0.7384	31/12/13	0.72572	-26,052,119.01	-25,606,213.42	0.00	445,905.59	-56.18			
ISWC4223253	A	USD	EUR	06/01/14	RECD 06/01/14	286,000.	USD	0.7364	31/12/13	0.72572	210,612.36	207,555.39	0.00	-3,056.97	0.46			
					06/01/2014	-210,612.36	EUR	1.	31/12/13	1.	-210,612.36	-210,612.36	0.00	0.00	-0.46			
ISWC4225324	V	USD	EUR	06/01/14	RECD 06/01/14	91,636.47	EUR	1.	31/12/13	1.	91,636.47	91,636.47	0.00	0.00	0.20			
					06/01/2014	-124,000.	USD	0.739	31/12/13	0.72572	-91,636.47	-89,989.08	0.00	1,647.39	-0.20			
ISWC4226307	A	USD	EUR	06/01/14	RECD 06/01/14	367,668.63	USD	0.7323	31/12/13	0.72572	269,227.88	266,823.24	0.00	-2,404.64	0.59			
					06/01/2014	-269,227.88	EUR	1.	31/12/13	1.	-269,227.88	-269,227.88	0.00	0.00	-0.59			
ISWC4227367	A	USD	EUR	06/01/14	RECD 06/01/14	70,000.	USD	0.7308	31/12/13	0.72572	51,157.85	50,800.65	0.00	-357.20	0.11			
					06/01/2014	-51,157.85	EUR	1.	31/12/13	1.	-51,157.85	-51,157.85	0.00	0.00	-0.11			
ISWC4229708	V	USD	EUR	06/01/14	RECD 06/01/14	63,908.02	EUR	1.	31/12/13	1.	63,908.02	63,908.02	0.00	0.00	0.14			
					06/01/2014	-88,000.	USD	0.7262	31/12/13	0.72573	-63,908.02	-63,864.03	0.00	43.99	-0.14			

Inventory based on valuation history (HISINV)

Stock: Main stock admitted at

Portfolio: 340081CPR FOCUS INFLATION

VALIDATED

Fixing currency: FXR REUTERS Rate

Portfolio currency: EUR

(Simplified statement, frame: NPC- AMF SORTING/ INSTRUMENT

S T O C K			STOCK/LINE		FILE	QUANTITY AND		QUOTA.	CURRENCY	UCP	LISTING	PRICE	I	<-----					
					Portfolio currency	----->		STATUS			EXPR. QUANTITY	CURRAND	EXPRESSED PRICE	DATE					
					F	TOTAL COST PRICE		MARKET VALUE	TOTAL	ACCRUED	INTEREST	CAP GAINS/LOSSES	NET ASSETS	PRICE					
ISWC4231054	V	USD	EUR	06/01/14	RECD 06/01/14	199,397.46	EUR	1.	31/12/13	1.	199,397.46	199,397.46		0.00	0.00 0.44				
					06/01/2014	-275,000.	USD	0.7251	31/12/13	0.72573	-199,397.46	-199,575.00		0.00	-177.54 -0.44				
ISWC4232538	A	USD	EUR	06/01/14	RECD 06/01/14	216,000.	USD	0.727	31/12/13	0.72573	157,023.42	156,757.31		0.00	-266.11 0.34				
					06/01/2014	-157,023.42	EUR	1.	31/12/13	1.	-157,023.42	-157,023.42		0.00	0.00 -0.34				
ISWC4233768	A	USD	EUR	06/01/14	RECD 06/01/14	85,500.44	USD	0.7284	31/12/13	0.72573	62,278.02	62,050.34		0.00	-227.68 0.14				
					06/01/2014	-62,278.02	EUR	1.	31/12/13	1.	-62,278.02	-62,278.02		0.00	0.00 -0.14				
ISWC4234793	V	USD	EUR	06/01/14	RECD 06/01/14	68,903.99	EUR	1.	31/12/13	1.	68,903.99	68,903.99		0.00	0.00 0.15				
					06/01/2014	-95,000.	USD	0.7253	31/12/13	0.72574	-68,903.99	-68,945.14		0.00	-41.15 -0.15				
ISWC4235994	A	USD	EUR	06/01/14	RECD 06/01/14	73,000.	USD	0.7278	31/12/13	0.72574	53,126.15	52,978.78		0.00	-147.37 0.12				
					06/01/2014	-53,126.15	EUR	1.	31/12/13	1.	-53,126.15	-53,126.15		0.00	0.00 -0.12				
ISWC4237133	V	USD	EUR	06/01/14	RECD 06/01/14	100,447.28	EUR	1.	31/12/13	1.	100,447.28	100,447.28		0.00	0.00 0.22				
					06/01/2014	-138,000.	USD	0.7279	31/12/13	0.72573	-100,447.28	-100,150.73		0.00	296.55 -0.22				
ISWC4238333	A	USD	EUR	06/01/14	RECD 06/01/14	170,000.	USD	0.7318	31/12/13	0.72572	124,406.05	123,373.10		0.00	-1,032.95 0.27				
					06/01/2014	-124,406.05	EUR	1.	31/12/13	1.	-124,406.05	-124,406.05		0.00	0.00 -0.27				
ISWC4239807	A	USD	EUR	06/01/14	RECD 06/01/14	60,687.5	USD	0.7309	31/12/13	0.72573	44,358.61	44,042.66		0.00	-315.95 0.10				
					06/01/2014	-44,358.61	EUR	1.	31/12/13	1.	-44,358.61	-44,358.61		0.00	0.00 -0.10				
ISWC4240890	V	USD	EUR	06/01/14	RECD 06/01/14	181,007.23	EUR	1.	31/12/13	1.	181,007.23	181,007.23		0.00	0.00 0.40				
					06/01/2014	-248,000.	USD	0.7299	31/12/13	0.72574	-181,007.23	-179,983.11		0.00	1,024.12 -0.39				
ISWC4242078	A	USD	EUR	06/01/14	RECD 06/01/14	163,000.	USD	0.7313	31/12/13	0.72575	119,204.16	118,296.81		0.00	-907.35 0.26				
					PAID 06/01/14	-119,204.16	EUR	1.	31/12/13	1.	-119,204.16	-119,204.16		0.00	0.00 -0.26				
ISWC4243222	A	USD	EUR	06/01/14	RECD 06/01/14	295,350.	USD	0.725	31/12/13	0.72575	214,127.72	214,351.60		0.00	223.88 0.47				
					06/01/2014	-214,127.72	EUR	1.	31/12/13	1.	-214,127.72	-214,127.72		0.00	0.00 -0.47				
Sub-total EXPIRATION DATE: 06/01/14													TOTAL (EUR)		0.00	439,524.73	0.00	439,524.73 0.96	
MATURITY DATE: 05/02/14																			
ISWC4244176	A	USD	EUR	05/02/14	RECD 05/02/14	130,000.	USD	0.7255	31/12/13	0.72572	94,316.56	94,343.91		0.00	27.35 0.21				
					PAID 05/02/14	-94,316.56	EUR	1.	31/12/13	1.	-94,316.56	-94,316.56		0.00	0.00 -0.21				
ISWC4244918	V	USD	EUR	05/02/14	RECD 05/02/14	98,703.79	EUR	1.	31/12/13	1.	98,703.79	98,703.79		0.00	0.00 0.22				
					05/02/2014	-136,000.	USD	0.7258	31/12/13	0.72573	-98,703.79	-98,698.77		0.00	5.02 -0.22				
Sub-total EXPIRATION DATE: 05/02/14													TOTAL (EUR)		0.00	32.37	0.00	32.37	
Forward and futures transactions													TOTAL (EUR)		0.00	439,557.10	0.00	439,557.10 0.96	
OTC cash coll																			
Security currency EUR EURO																			
P633667C1	MORGAN STANLEY					310,164.	EUR	1.		1.	310,164.00	310,205.41		41.41	41.41 0.68				
FR0011133644						CREDIT AGRIC PARIS		-430,000.		EUR	1.	1.		-430,000.00	-430,037.35				
						-37.35		-0.94											
Sub-total security currency EUR - EURO													TOTAL (EUR)		-119,836.00	-119,831.94	4.06	4.06 -0.26	

Stock: Main stock admitted at

PORTFOLIO: 340081

CPR FOCUS INFLATION

VALIDATED

Fixing currency: FXR REUTERS Rate

Portfolio currency: EUR

(Simplified statement, frame: NPC- AMF SORTING/ INSTRUMENT

S	T	O	C	K	STOCK/LINE	ETIF	QUANTITY AND	QUOTA.	CURRENCY UCP	LISTING	PRICE	T	<-----	
						Portfolio currency	----->	STATUS		EXPR. QUANTITY	CURRAND EXPRESSED PRICE		DATE	PRICE
					F	TOTAL COST	PRICEMARKET VALUE	TOTAL ACCRUED INTEREST		CAP GAINS/LOSSES	NET ASSETS			
Cash and cash equivalents														
TOTAL (EUR)										256,430.03	695,922.60		-64.50	439,492.57 1.53
VIII –CASH POSITION														
TOTAL (EUR)										397,214.11	824,142.09		-64.50	426,927.98 1.81
PORTFOLIO: CPR FOCUS INFLATION														
(EUR)										43,842,942.73	45,581,325.25		340,458.90	1,738,382.52 100.00

Inventory based on valuation history (HISINV)

Stock: Main stock admitted at

PORTFOLIO: 340081CPR FOCUS INFLATION

VALIDATED

Fixing currency: FXR REUTERS Rate

Portfolio currency: EUR

(Simplified statement, frame: NPC- AMF SORTING/ INSTRUMENT

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Securities portfolio:		45,196,740.26						
Daily Management fee								
Management fees Admi :	21.64	EUR						
Management fees Admi :	24.81	EUR						
Management fees Admi :	3.04	EUR						
Management fees .dMIEUOHCOONUS	12.87	EUR						
Prov:	27.3	EUR						
Prov:	16.58	EUR						
Prov:	2.03	EUR						
Management fees - fixed	564.14	EUR						
Management fees - fixed	150.05	EUR						
Management fee paid by the Company								
Management fees: :	660.59	EUR						
Management fees: :	161.87	EUR						
Units	Currenc	Net assets	Number of units	NAV	Coefficient	Currencies	Std. subscrip.	Std redmpt.
C1 FR0010838722 CPR FOCUS INFLAT. I	EUR	40,606,387.17	4,703.	8,634.14	89.085420089885		8,720.48	8,634.14
C2 FR0010832469 CPR FOCUS INFLAT. P	EUR	4,974,938.08	58,930.466	84.42	10.914579910115		85.26	84.42
Total net asset in EUR:		45,581,325.25						
Previous NAV on 30/12/2013:								
C1	ACCUM UNITS 1	Prev. NAV	8,643.75	(EUR)	Change:	-0.111%		
C2	ACCUM UNITS 2	Prev. NAV	84.51	(EUR)	Change:	-0.106%		
Tax on savings: weighting and status of portfolio units								
Type of reporting: TISF TIS France.								
Official weightings and status dated 31/12/13 :				Unofficial weightings and status dated 31/12/13 :				
Weightings DD:	95.67	Status DD: I	Weightings DD:	95.67				
Weightings DI:	96.71	Status DI: M	Weightings DI:	96.71				

Inventory based on valuation history (HISINV)

Stock: Main stock admitted at

Fixing currency: FXR REUTERS Rate

PORTFOLIO: 340081 CPR FOCUS INFLATION

VALIDATED

Portfolio currency: EUR

(Simplified statement, frame: NPC- AMF SORTING/ INSTRUMENT

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EXCHANGE RATES USED									
for valuation				for inventory		for previous valuation			change
Rate	EUR to GBP:	0.832	quotation	31/12/13	0.	0.8359	quotation	30/12/13	-0.46656
Rate	EUR to JPY:	144.82945	quotation	31/12/13	0.	145.1006	quotation	30/12/13	-0.18687
Rate	EUR to USD:	1.37795	quotation	31/12/13	0.	1.38145	quotation	30/12/13	-0.25336
Rate	USD to EUR:	0.7257157371	quotation	31/12/13	0.	0.7238770857	quotation	30/12/13	0.254
			:				:		

INVERTED EXCHANGE RATE USED									
for valuation				for inventory		for previous valuation			
Rate	EUR to GBP:	1.2019230769	quotation	31/12/13	0.	1.1963153487	quotation	30/12/13	
Rate	EUR JPY:	0.006904673	quotation	31/12/13	0.	0.0068917702	quotation	30/12/13	
Rate	USD to EUR:	0.7257157371	quotation	31/12/13	0.	0.7238770856	quotation	30/12/13	
Rate	EUR to USD:	1.37795	quotation	31/12/13	0.	1.3814499999	quotation	30/12/13	
			.				.		

At December 31, 2013

▪ REGULATORY INFORMATION

➔ Life of the UCITS**Changes during the period:**

► **Since 4 February 2013**, the registered office of CPR Asset Management, your UCITS' Management Company, was transferred to 90, boulevard Pasteur - 75015 PARIS (to replace 10, place des Cinq Martyrs du Lycée Buffon- 75015 PARIS).

► **Since December 23, 2013**, the prospectus of your Mutual Fund has been modified as follows:

In relation to regulatory compliance with ESMA^[1] guidelines, the following adjustments have been made to your Mutual Fund, which is compliant with European Standards.

1. A paragraph titled "*Information on the counterparties of derivative contracts*" has been inserted in the "derivative instruments" section after the table pertaining to financial forwards (IFTs).
2. A new section titled "*Information on the financial guarantees of the UCITS*" has been inserted between the sections titled "Other Transactions" and "Risk Profile".
3. The definition of "counterparty risk" has been reworded.
4. The explanation that "*fees related to the temporary purchases and sales of securities*" may be charged in addition to the management fees has been included in the "Costs and fees" section.
5. The "Summary description of the process for selecting intermediaries" section has been reworded.
6. In addition, for Funds holding convertible bonds, since those qualify as embedded derivatives financial instruments, the prospectus section titled "Assets used" has been split into two parts: Assets used (except embedded derivatives) and Assets used (embedded derivatives)

^[1] A number of guidelines have been issued by ESMA (European Securities and Market Authorities) regarding ETFs and other UCITS issues (ESMA/2012/832EN). The guidelines are based on the UCITS IV (2009/65/EC) Directive which is transposed into national law through the Monetary and Financial Code and the General Regulations of the AMF.

The guidelines are applied by the AMF, particularly in AMF position 2013-06 titled "ETFs and other UCITS issues". They apply to funds compliant with European standards.

They present ESMA's understanding of the manner in which European Union laws should be applied in the field of UCITS management in particular, by indicating the disclosures to be made for index-tracking UCITS and ETFs as well as the specific rules that UCITS must apply if using OTC financial derivatives and efficient portfolio management techniques. The guidelines also set the criteria to be met by the financial indices in which UCITS invest.

In relation to the ESMA [1] guidelines update, the impacts of the terminology used in the AIFM Directive [2] have also been incorporated in your UCITS prospectus.

The Directive requires the following terminology changes:

- We will be using the term UCITS solely for funds compliant with European standards.
- For non-compliant funds (AIFs), the terminology will be adjusted after the publication of the pending instructions of the AMF.



- When referring to both compliant and non-compliant funds we will adopt the term "UCI".

Accordingly, the prospectuses for the UCITS (i.e. those compliant with European standards) have been updated in the following respects:

- UCITS title box: "French FCP Fund/SICAV / UCITS compliant with Directive 2009/65/EC".
(to replace *Mutual Fund compliant with European standards*)

- Section "Legal form and Member State in which the Fund was established":

Legal form and Member State in which the Fund was established:

- French Mutual Fund (FCP);
- UCITS compliant with Directive 2009/65/EC.
(to replace *French Mutual Fund (FCP)*)

- Section "UCITS held":

UCI held: Up to 10% of net assets.
(to replace "UCITS held")

- Section "Assets used":

UCI units and shares (1)

The Fund may hold up to 10% of its assets in units and/or shares of the collective investments or investment funds listed below.

These collective investments and investment funds are representative of all asset classes, in compliance with the requirements of the Fund/SICAV.

They may be collective investments and investment funds managed by the Management Company or by other entities – regardless of whether they belong to Amundi Group – including related companies.

By way of information, the regulatory limits applicable to UCITS compliant with Directive 2009/65/EC:

. Up to 100%* of aggregate net asset value
- French or foreign UCITS

*To the extent and subject to the condition that these UCITS can invest up to 10% maximum of their assets in collective investments and/or in investment funds.

. Up to 30%* of aggregate net asset value
- French AIFs

- AIFs in another Member State of the European Union and foreign investment funds that comply with the criteria set forth in the Article of the Monetary and Financial Code.

*To the extent and subject to the condition that these AIFs and investment funds can invest up to 10% maximum of their assets in collective investments and/or in investment funds.

(1) The term "UCI", when used in a prospectus/regulations/KIID, is used generically and refers to: Collective investments - UCITS, French AIFs and AIFs in another member State of the European Union – and/or investment funds.

Your UCITS regulations were updated in the following respects:

- UCITS title box: "French FCP Fund/SICAV / UCITS compliant with Directive 2009/65/EC".
(to replace *Mutual Fund compliant with European standards*)



Generally:

- The term UCITS has been kept in the prospectus, the regulations and the KIID if reference was made to a compliant Fund.
- The term UCI has been used (*to replace UCITS*) if reference was made to both compliant and non-compliant funds in the prospectus, the regulations and the KIID.

^[1] A number of guidelines have been issued by ESMA (European Securities and Market Authorities) regarding ETFs and other UCITS issues (ESMA/2012/832EN). The guidelines are based on the UCITS IV (2009/65/EC) Directive which is transposed into national law through the Monetary and Financial Code and the General Regulations of the AMF.

The guidelines are applied by the AMF, particularly in AMF position 2013-06 titled "ETFs and other UCITS issues". They apply to funds compliant with European standards.

They present ESMA's understanding of the manner in which European Union laws should be applied in the field of UCITS management in particular, by indicating the disclosures to be made for index-tracking UCITS and ETFs as well as the specific rules that UCITS must apply if using OTC financial derivatives and efficient portfolio management techniques. The guidelines also set the criteria to be met by the financial indices in which UCITS invest.

^[2] Directive 2011/61/EU of 8 June 2011 on Alternative Investment Fund Managers (the "AIFM" Directive) effective as from 22 July 2013. The AMF instructions relative to that Directive are expected in January 2014.

Future changes:

None.

→ REPORT ON THE EXERCISE OF VOTING RIGHTS AT THE SHAREHOLDERS' MEETINGS OF THE CPR AM UCI

The information and documents relating to the voting policy and the exercise of voting rights at the Shareholders' Meetings of the CPR Asset Management UCI are sent to shareholders upon written request to: CPR Asset Management – 90, boulevard Pasteur – CS 61595 – 75730 Paris Cedex 15

Website: www.cpr-am.fr

Fax: +33 (0) 1.53.15.70.70

→ REPORT REGARDING THE PORTFOLIO TRANSACTION COSTS INVOICED TO THE CPR AM UCI

In accordance with Article 314-82 of the General Regulations of French Market Regulator (AMF), the report on portfolio transaction costs specifying the conditions under which CPR Asset Management has used for the fiscal year ended support services for the investment decision and the execution of orders is published in a document available on CPR Asset Management's website: www.cpr-am.fr.

CPR Asset Management

A Société Anonyme (public limited company) with share capital of €46,155,465 - 399 392 141 RCS Paris
Management Company operating under AMF approval No. GP01-056

Tel. (33) 1 53 15 70 00
Fax (33) 1 53 15 70 70



→ SUMMARY DESCRIPTION OF THE PROCESS FOR SELECTING INTERMEDIARIES

The CPR AM brokers and counterparties committee is the body that officially approves the list of intermediaries, counterparties and research brokers selected by the Management Company. The brokers and counterparties committee meets several times per year. Under the chairmanship of CPR AM's General Management, it includes the Investment Director, the Management Directors, representatives of the Amundi Intermédiation trading desk, the Head of the Legal Department, the Head of Risk Control and the Head of Compliance.

The purpose of the brokers and counterparties committee is to:

- approve the list of financial brokers and/or intermediaries;
- monitor volumes (share broking and net amounts for other products) allocated to each broker;
- express its opinion on the quality of the services provided by the brokers.

The assessment of the brokers and counterparties to define those on the authorised list and the maximum volumes allowed for each one of them, involves the input of several teams with respect to various criteria:

- Counterparty risk;
- Quality of order execution;
- Assessment of the investment decision support services.

→ REPORT RELATIVE TO THE INTERMEDIARIES SELECTION AND EVALUATION POLICY

In accordance with Article 314-75-V of the General Regulations of the French Market Regulator (AMF), CPR Asset Management makes available to unitholders its report relative to its policy for the selection and evaluation of intermediaries who provide it with support services in its investment decisions and in the execution of orders and describing the policy adopted in this matter. The report is published in a document available on CPR Asset Management's website: www.cpr-am.fr.

→ INFORMATION RELATING TO COMPLIANCE WITH SOCIAL, ENVIRONMENTAL AND GOVERNANCE QUALITY (ESG) OBJECTIVES

CPR Asset Management provides investors with information on how the criteria relating to compliance with social, environmental and governance quality objectives are taken into account in its investment policy on its website www.cpr-am.fr and, for fiscal years starting on or after 1 January 2012, in the UCI's annual report.



FEATURES OF THE UCITS

AMF Classification: International bonds and other debt instruments

Allocation of distributable sums:

- Net profit: The UCITS accumulates its net profit.
- Realised net capital gain: The UCITS accumulates its net capital gains realised.

Investment objective:

The Fund seeks to benefit from the rise in inflation anticipated by the US and European markets by aiming to outperform the 50% JPM Euro BE Index + 50% JPM US BE Index composite index hedged in euros.

Benchmark index: 50% JPM Euro BE Index + 50% JPM US BE Index hedged in euros

The index is composed of 50% government bonds indexed to inflation with 5 to 30 year maturity for the Eurozone and 50% government bonds indexed to inflation with 5 to 30 year maturity for the US hedged in euros.

The sensitivity of each bond in the index is covered with a short position in a fixed-rate bond with a similar maturity.

The index will be rebalanced on a monthly basis.

It is calculated and circulated by JP Morgan.

Investment strategy:

CPR Focus Inflation is an international bond fund that aims to provide pure exposure to inflation in order to benefit from the rise in expected inflation, which is achieved while being protected from a possible rate hike.

To achieve this, the manager will implement active management through exposure to the global inflation-indexed bond market (mainly in the Eurozone and the United States) while at the same time hedging their sensitivity to interest rates.

The sensitivity to real rates bracket may be between +6 and +14 and exposure to real interest rates induced by holding bonds indexed to inflation will be systematically hedged using nominal rate with derivatives. The hedges will aim to reduce the overall interest rate sensitivity of the Fund to a [-2; +2] bracket.

Coupons and a return of capital indexed to an inflation index area of the issuer are among the features of inflation-indexed bonds. Their price vary both depending on the rate levels (as with any conventional bond) and on the level of inflation.

The investment strategy includes the following steps:

- Forecast of inflation levels by area based on a macroeconomic analysis and on the technical characteristics of the markets;
- Depending on the levels thus anticipated and the risk constraints associated with the portfolio, decision on the allocation of exposures to inflation by major geographic region;

CPR Asset Management

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- Selection of maturities and investments based on technical criteria;
- Hedging of interest rate risk.

The Fund is primarily invested in Government bonds and / or bonds guaranteed by an OECD member country.

The geographical distribution of the portfolio may differ from that of the benchmark (50% US and 50% Euro zone).

		Minimum	Maximum
Sensitivity to real rate bracket		+ 6	+ 14
Overall sensitivity to interest rate bracket		-2	+2
Geographic area of stock issuers ⁽¹⁾	OECD	0%	100%
Currency of the securities ⁽¹⁾	Euro	0%	100%
	Currencies other than the euro	0%	100%

⁽¹⁾ excluding derivatives

I – Implementation of efficient portfolio management techniques

To improve performance, the Fund conducted temporary acquisitions and sales of securities and has received securities or cash as collateral.

II – Use of derivative instruments

The Fund used interest rate derivatives (currency/credit) as hedges or exposures, in order to manage the overall exposure of the portfolio to interest-rate or curve (currency/credit) risks.

Risk profile:

The main risks related to this type of investment

Interest rate risk
Capital risk

Main investment risks:

Risk with respect to inflation
Risk of performance compared to the benchmark index
Currency risk
Credit risk
Counterparty risk

Other risks ('ancillary' risks)

Operational risk

The risks mentioned in this section are explained in further detail in the prospectus.

Global risk calculation methods:

The method used by the Management Company to calculate global risk is the accrual method of accounting as defined in the General Regulations of the AMF.

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CPR FOCUS INFLATION		Valuation date
		31/12/2013
FORWARD EXCHANGE		TOTAL: 439,557.10

COUNTERPARTY CODE	COUNTERPARTY NAME	AMOUNT (Portfolio currency)
BNPAFRPP	BNP PARIBAS FRANCE	-3,681.89
CRLYGB2L	CACIB LONDON	443,415.77
GSILGB2X	GOLDMAN SACHS INTL LTD	-1,023.36
SOGEFRPP	SOCIETE GENERALE PAR	846.58

CPR FOCUS INFLATION

Valuation date

31/12/2013

Cash collateral received by the UCITS

COUNTERPARTY CODE	COUNTERPARTY NAME	AMOUNT (Portfolio currency)
OTC cash coll		430,037.35
BSUIFRPP	CREDIT AGRICOLE CIB	430,037.35

CPR FOCUS INFLATION

Valuation date

31/12/2013

SECURITIES REVERSE REPOS

TOTAL: 3,340,171.48

COUNTERPARTY CODE

COUNTERPARTY NAME

AMOUNT
(Portfolio currency)

BSUIFRPP CREDIT AGRICOLE CIB 1,250,497.02

SOGEFRPP SOCIETE GENERALE PAR 2,089,674.46

CPR FOCUS INFLATION

Valuation date

31/12/2013

SWAPS

TOTAL: 55,780.88

TYPE	COUNTERPARTY CODE	COUNTERPARTY NAME	QUOT	NOMINAL (Contract currency)	Current value Non-Euro currency
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Other swaps

MSLNGB2X	MORGAN STANLEY & CO INTL LONDON	EUR	9,062,274.89	55,780.88
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31 December 2013

The start of normalisation in the United States, the start of stabilisation in the eurozone, the start of hope in Japan, the start of anxiety in the emerging markets: This is how we could, at the risk of some caricature, [describe] ^[AI]the state of the economy in 2013.

In the United States, growth, though still hampered by budget cuts, has consolidated in the first months of the year and it is now self-sustaining. The “fiscal cliff” dreaded at the turn of the year with the implementation of budget cuts and tax hikes in the end turned out to be smaller than feared. Because of that, the central bank was able to state, as early as May, that it was in favour of tapering its asset purchases (\$85 billion per month), starting in the fall. Although the Fed has noted before that short-term rates would remain near zero for a long time, the announcement still caused a strong reaction from the markets. Long-term interest rates surged, and so did volatility, while equities retreated sharply. The consequences of that had an almost immediate effect in the housing sector, with a marked slowdown of sales, but with no impact on prices which continued rising at a sustained pace. The reaction of the other sectors of the economy seem not to have been as strong and -- since the end of the summer -- economic polls were back up, consistent in any case with significantly higher than 2% growth. In light of the various statements by leaders of the Federal Reserve, the slowdown in securities purchases was expected to be announced at the September FOMC meeting. No such thing happened: very low inflation, a declining unemployment rate but high long-term unemployment and especially an employment rate that is not increasing along with a declining labour force participation rate, have contributed to this *status quo*. Budget uncertainties undoubtedly also played a role: Without a budget in good and due form for the new fiscal year, Democrats and Republicans were unable to agree on a budget extension, which led to the shutdown, on 1 October, of a number of federal services considered non-essential. Finally, a temporary and partial solution was found and those services were able to resume without resolving the underlying issues. Be that as it may, at its December meeting, the Federal Reserve announced it would trim its asset purchases starting in January 2014, from \$85 billion down to \$75 billion per month. At the same time, it has strengthened its forward guidance to anchor expectations of a rise in short-term rates as farther away in time as possible by dissociating the rate policy from the balance sheet policy. It indicated in particular that rates would remain low long after the unemployment rate has passed under 6.5%. Finally, the current Vice-Chair, Mrs Janet Yellen became Mr Bernanke’s successor as head of the Federal Reserve.

Meanwhile, the eurozone was still in recession at the beginning of the year. Until spring, the polls showed a pronounced pessimism, as fiscal policies were still restrictive, very restrictive even in many countries. Except in Germany, unemployment reached record levels. Tensions in the markets reappeared, admittedly only temporarily, at the time of the parliamentary elections in Italy and the Cypriot crisis.

The eurozone also had to face both the fragmentation of the monetary and financial markets and its outcome, the decline in private-sector lending. In fact, while in the spring, French and German companies were able to borrow at a rate of between 3% and 3.5%, Italian and Spanish companies



had to pay 6%. Since summer, however, the surveys, and then concrete figures showed signs of a restart, in industry and in the consumer sector, including in France, Italy or Spain, a country that surprises by the strength of its rebound, driven by foreign trade. The economic activity in Italy in turn is finally stabilising after having declined for eight consecutive quarters. Tensions in the public debt market have subsided, and banks, or at least the strongest ones, i.e. especially those in the hard-core countries, continue repaying early their three-year loans from the ECB. On the other hand, bank lending has yet to start increasing, and, above all, inflation continues to slow, and is now below 1%. In this environment, the ECB lowered its key rates twice and reduced the rate of the main refinancing operations to 0.25%, the rate of the marginal lending facility to 0.75% and left the deposit facility rate at 0%. It has also once again innovated by announcing at the July meeting of the Governing Council, that “the policy would remain accommodative as long as necessary and that interest rates would remain at their current level or lower for an extended period of time”. This forward guidance is a break from previous policy when the ECB “never made forward commitments”. Its President, Mr Draghi in addition has said he was ready, should the circumstances so require, to implement new standard and non-standard measures, ranging from negative rates on central bank deposits to buying securities backed by loans to SMEs. In politics, we should mention the formation of a ‘grand coalition’ government (CDU / CSU and SPD) in Germany, Mrs Merkel remaining Chancellor, Mr Schäuble (CDU) remaining Minister of Finance, and Mr Gabriel (SPD) becoming Minister of the Economy and Mr Steinmeier (SPD) Minister of Foreign Affairs. In Italy, a deep political tension has opposed Mr Letta’s Government and the hard wing of Mr Berlusconi’s PdL. The latter was eventually stripped of his term as Senator and has recreated the Forza Italia party made up of his supporters within the PdL; the other members of that party, under the direction of the vice-president of the Council, Mr Alfano in turn created the NCD.

In Japan, a new policy, known under the name Abenomics, is being implemented by Mr Abe’s Government. Two of the three “arrows”, as called by the Prime Minister, are well known: the fiscal stimulus and the monetary policy known as quantitative and qualitative easing, i.e. the doubling of the monetary base (bills + bank accounts in the central bank), in order to bring inflation permanently to +2% (excluding a VAT rise). They seem to be starting to bear fruit, although probably less dramatically as it had been occasionally hoped in early 2013: After a notable turning point of expectations, investing accelerated, household confidence started recovering thanks to the combination of the change in Government, a wealth effect and the increase in revenues, the job market improved, long-term interest rates were at their lowest, the stock market was going up, the exchange rate fell sharply, which would have an impact on both activity and prices, with the latter finally beginning to rise. While admittedly for now revenue increases only come from bonuses or overtime, this better macroeconomic environment gives hope for fixed wage increases in the spring.

The “third arrow” - reforms to increase productivity, especially when faced with the ageing of the population - remains uncertain, despite some first laws intended to increase competition. Having won the senatorial elections in the summer, the Government’s hands are in any case free for three years, and, all in all, Japan could finally get out of the undeniably moderate but tenacious inflation in which it has been trapped for more than 15 years.



The emerging countries almost all experienced a sometimes marked slowdown in activity which seemed to reverse at the end of the year. Exchange rates and financial markets have suffered, and capital outflows have been aggravated, in the spring, by the announcement of the asset purchases tapering by the Federal Reserve, but this phenomenon had begun earlier and had, more specifically, affected countries undergoing balance-of-payments difficulties. Beyond short-term fluctuations, there are fears of a radical challenge of the development model followed by many of the largest emerging countries, namely the investment-based growth of export industries. From this point of view, the inflections that seem to bring the new Chinese leadership could be, in the medium term very favourable; in the meantime, the country must succeed to slow down without excessive social unrest and control a shadow banking system undoubtedly too developed.

The 10-year real interest rates in the US started the year at a negative level of -0.70%, and rose sharply in late April following the Federal Reserve's announcement of a start of the monthly asset purchases tapering and ended 2013 at +0.75%. The 10-year real interest rates in the Eurozone followed a downward movement at the beginning of 2013, dropping from -0.30% to -0.60%, then similarly to US rates went up after the Federal Reserve's announcement of the tapering and ended 2013 at +0.35%. The 10-year real interest rates in the UK followed the same path and started 2013 at -0.80% to touch a low in April at -1.60%, before going back up ending 2013 at -0.25%.

From a management perspective, we started 2013 with an overall exposure to inflation expectations close to that of the benchmark, with a bias to the overexposure on Italian inflation expectations versus France in the Eurozone. Then in the spring, after the announcement of the policy of "Quantitative Easing" of the Bank of Japan, we had a change of heart and switched to overexpose the portfolio to the rise in inflation expectations in the US, due to the global abundance of liquidity and the resumption of US growth. Early in May, following a very good report on US employment, rates began to rise significantly both in the US as in the Eurozone to be led further upward by Ben Bernanke's speech before the Senate, referring for the first time to a slowdown in the "Quantitative Easing" policy. But this speech caused fears about whether US growth will continue, causing a drop in commodities, emerging markets, and a sharp fall in inflation expectations for all areas as a whole. This mistrust for securities indexed to inflation, whose real rates rose more than their nominal rates, has weighed on the performance of the Fund compared to its index.

During the summer, we implemented an underweight in terms of sensitivity to real rates in view of the possibility that the Federal Reserve would begin to cut the pace of its asset purchases at its September meeting.

After the summer break however, in September, rates headed down again creating a pocket of underperformance with our position underexposed to real rates. Overall, directional management has had an annual negative contribution on relative performance. The Fund used interest rate derivatives as hedges or exposures, in order to manage the overall exposure to interest-rate and exposure.



For the periphery countries, namely Italy, we overexposed the portfolio for inflation expectations at the beginning of the year but we quickly exited these positions because Mr Berlusconi's rise in the polls disrupted the market and caused risk premiums to go up. This same overexposure was added again in mid-April, considering that despite Italy's government not being formed, debt was performing. After taking profits on these positions during the summer, we postponed them to the fall and ended the year overexposed in these areas. Overall, all of these "periphery" positions have had a positive effect on the performance of the portfolio. Likewise, to improve performance, the portfolio has conducted temporary acquisitions and sales of securities and has received securities or cash as collateral.

Overall, the net asset value of the portfolio (CPR FOCUS INFLATION I unit) which was €9152.27 at 30/12/2012 reached €8634.14 at 31/12/2013, i.e. a net performance of -5.66%. During the same period, the benchmark posted a performance of -4.09%.


The net asset value of the portfolio (CPR FOCUS INFLATION P unit) which was €90.00 at 31/12/2012 ended €84.42 at 31/12/2013, i.e. a net performance of -6.20%. During the same period, the benchmark posted a performance of -4.09%.

I – Implementation of efficient portfolio management techniques

To improve performance, the Fund has conducted temporary acquisitions and sales of securities and has received securities or cash as collateral.

II – Use of derivative instruments

The Fund used interest rate derivatives (currency/credit) as hedges or exposures, in order to manage the overall exposure of the portfolio to interest-rate or curve (currency/credit) risks.

 ***Past performance is no guarantee of future results for the UCI. Performance is not constant over time.***