

MANAGEMENT DIRECTION

Management objective

The management objective is to offer unit-holders synthetic exposure to the Basket Precious Metals Strategy index (Bloomberg code OFIBPMS Index) or an index with the same composition. This index is representative of a basket made up of precious metals futures contracts and interest rates futures contracts. The Fund shall replicate both upward and downward fluctuations in this index.

Benchmark

There is no benchmark; however, for information, the investor may consult the GSCI Precious Metals TR index, which is representative of a universe of investment in precious metals, limited to gold and silver. Fluctuations are calculated based on prices recorded in USD. This index is a total return index.

It should be reiterated that the comparison index, the GSCI Precious Metals TR index, does not have the same composition as the Basket Precious Metals Strategy index to which the Fund is permanently exposed, which may lead to differences in terms of performance achieved.

Management strategy

The investment strategy consists of setting up a basic long position based on swaps on the Basket Precious Metals Strategy index. This index is made up of futures contracts on the main precious metals and on interest rates with the following allocation: 35% Gold - 20% Silver - 20% Platinum - 20% Palladium - 5% 3-month Eurodollar.

The technical rebalancing of the index between these various components is carried out every day. The list of markets is not exhaustive.

The Fund may also resort to other indices with a more or less identical composition, issued or not by OFI ASSET MANAGEMENT.

For more information about the index used, the investor is invited to contact OFI ASSET MANAGEMENT.

Futures contracts on commodities and on interest rates may be quoted in various currencies, since, in order to hedge the index against the foreign exchange risk, a strategy of neutralisation of the foreign exchange effect is systematically implemented once a day.

The Fund exposure target is 105%.

The main categories of assets used: The Fund portfolio is invested through performance swaps (swaps traded OTC) on an index of futures contracts on commodities. It may hold 0% to 100% of its assets in term deposits and transferable securities of private or public issuers, rated at least Investment Grade and with a maturity of less than 1 year. It may invest up to 10% of its assets in units of UCITS or AIFs satisfying the four criteria (Art. R214-13 of the Monetary and Financial Code). Deposits of a maximum term of 12 months, with one or more credit establishments, are authorised within the limit of 100% of the assets. The Fund may temporarily resort to cash borrowing within the limit of 10% of the assets of the Fund.

Risk profile

The Fund will be mainly invested in financial instruments which will experience market developments and fluctuations. The investor is therefore exposed to the risks below, this list not being exhaustive.

The main risks to which the investor is exposed are:

Capital risk

The risk that the capital invested is not returned in full is inherent in this type of management, since it does not include any capital guarantee.

Risk associated with the investment in Futures Instruments on commodities

The Fund is exposed to the price of commodities through commodities index swaps. It should be noted that a drop in the commodities markets and in exogenous conditions (storage conditions, weather conditions, etc.) may result in a drop in the net asset value of the Fund. In fact, the evolution in the price of a futures contract on commodities is closely associated with the level of current and future production of the underlying product, even the level of estimated natural reserves in the case of energy sector products.

Climate and geopolitical factors can also alter the levels of supply and demand of the underlying product in question, and therefore modify the expected rarity of that product on the market.

Counterparty risk

The counterparty risk is associated with swaps and other derivative instruments contracted by the Fund. The Fund is exposed to the risk that credit establishments are unable to honour their commitments in respect of these instruments. This risk may take concrete form in a drop in the net asset value of the Fund.

Overexposure risk

The Fund may resort to a maximum leverage effect of 1.05. In this case, during market fluctuations, the Fund realises 1.05 times the market fluctuation. Therefore, a position initiated against the direction of the market will produce a loss equal to 1.05 times the market fluctuation.

Interest rate risk

The Fund, through the index, directly or through monetary UCITS selected in order to remunerate the cash position, may be invested in futures contracts on interest rates and/or on fixed-rate debt securities. In general, the price of these instruments falls when rates rise.

The ancillary risk is as follows:

Foreign exchange risk

Swaps are denominated in euros and covered against the foreign exchange risk. The Fund is however, exposed to a residual foreign exchange risk, since the currency hedging transaction in the index is completed just once a day.

CHANGE(S) MADE DURING THE CURRENT HALF-YEAR

As of 2 January 2018, RF units.

CHANGE(S) MADE DURING THE PREVIOUS HALF-YEAR

From 3 November 2017, change to terms and conditions of subscription and redemption: Subscription and redemption requests will be centralised every day up to 12:00 pm with the depositary and will be executed based on the next net asset value but the corresponding payments will be made on the second non-holiday trading day following the net asset value date applied.

Then, on 7 December 2017, since the Diversified classification was being removed on 31 December, it no longer features in the prospectus. No change regarding the strategy and management rules for the Fund.

Lastly, as of 14 December 2017, creation of two new categories of units:

- a unit called the EI C EUR unit reserved for institutional customers who subscribe via the Euronext Fund Services platform;
- a unit called the EP C EUR unit reserved for individual customers who subscribe via the Euronext Fund Services platform.

FUTURE CHANGE(S)

Nil.

INFORMATION RELATING TO TRANSPARENCY OF SECURITIES FINANCING TRANSACTIONS AND RE-USE

General information as at 29/06/2018

- the securities loaned by the Fund represented 0% of the total assets which can be loaned;
- the assets borrowed by the Fund represented a total of EUR 0, i.e. 0% of the assets managed in the Fund;
- the assets committed in a repurchase transaction represented a total of EUR 0, i.e. 0% of assets managed in the Fund;
- the assets committed in a purchase-resale or sale-redemption transaction represented a total of EUR 0, i.e. 0% of assets managed in the Fund;
- the assets committed in a loan transaction with margin call represented a total of EUR 0, i.e. 0% of assets managed in the Fund;
- the assets committed in a total return swap represented a total of EUR 212,976,815.16, i.e. 104.90% of assets managed in the Fund.

Information about concentration as at 29/06/2018

- the main counterparties to the Fund's loan-borrowing were as follows:

Name of counterparty	Gross volume of transactions in progress	Volume of guarantees received
NA	NA	NA
NA	NA	NA

- the main counterparties to the Fund's repurchase transactions were as follows:

Name of counterparty	Gross volume of transactions in progress	Volume of guarantees received
NA	NA	NA
NA	NA	NA

- the main counterparties to the Fund's total return swaps were as follows:

Name of counterparty	Gross volume of transactions in progress	Volume of guarantees received
UBS Ltd	106,491,796.65	3,640,000
SG CIB	106,485,018.51	3,660,000

Information about transactions

As at 29/06/2018, the characteristics of the Fund's transactions were as follows:

Type of transaction	Total return swaps	Loan-borrowing	Repurchase
Type and quality of guarantees	Cash	NA	NA
Expiry of guarantee	Open transactions	NA	NA
Currency of collateral	Euro	NA	NA
Maturity of transactions	Open transactions	NA	NA
Jurisdiction of counterparties	United Kingdom/France	NA	NA
Settlement and compensation	Bilateral	NA	NA

Data on reuse of collateral

The guarantees received from the counterparties are held in a cash account held by the Fund depositary.

Safe-keeping

The guarantees received by the Fund are kept by the Fund depositary, CACEIS BANK France.

The guarantees furnished by the Fund are kept by its counterparties in grouped accounts.

Income

The Fund receives the entirety of the income generated by securities financing transactions and total return swaps. Neither the management company nor any third party receives any remuneration in respect of these transactions.

Statement of assets

Elements on the statement of assets	Amount on the periodic statement
Eligible financial securities mentioned in Article L. 214-20 (1)(1) of the Monetary and Financial Code	142,086,800.00
Bank assets	25,441,049.18
Other assets held by the UCI	36,368,132.56
Total assets held by the UCI	203,895,981.74
Financial accounts	-
Financial instruments and Receivables	-8,332,608.16
Total liabilities	-8,332,608.16
Net asset value	195,563,373.58

Changes in net assets

	29/06/2018	29/12/2017	30/12/2016	31/12/2015	31/12/2014	31/12/2013
NET ASSETS						
in EUR	195,563,373.58	168,849,184.99	59,370,723.31	20,638,178.54	13,761,940.66	13,331,645.49
Number of securities						
Category of I units	3,693.3205	2,823.0172	1,253.6100	268.9000	132.0000	172.0000
Category of R units	66,869.7351	80,831.7730	40,176.9886	25,495.1546	14,103.6764	9,980.0000
Category of XL units	403.0000	403.0000	-	-	-	-
Category of EI C EUR units	2,500.0000	2,500.0000	-	-	-	-
Category of EP C EUR units	2,500.0000	2,500.0000	-	-	-	-
Category of RF units	24,354.5978	-	-	-	-	-
Unit net asset value						
Category of I EUR units	30,790.47	33,545.40	29,264.79	26,998.32	33,715.50	36,138.94

Change in net assets (continued)

	29/06/2018	29/12/2017	30/12/2016	31/12/2015	31/12/2014	31/12/2013
Category of R EUR units	587.41	642.36	564.60	524.74	660.21	713.00
Category of XL EUR units	49,513.77	53,849.89 ⁽¹⁾	-	-	-	-
Category of EI C EUR units in EUR	96.33	104.95 ⁽²⁾	-	-	-	-
Category of EP C EUR units in EUR	96.26	104.95 ⁽³⁾	-	-	-	-
Category of RF EUR units	908.60 ⁽⁴⁾	-	-	-	-	-
Unit distribution on net capital gains and losses (including advances)						
in EUR	-	-	-	-	-	-
Unit distribution on result (including advances)						
in EUR	-	-	-	-	-	-
Unit tax credit transferred to bearer (individuals)						
Category of I EUR units	-	-	-	-	-	-
Category of R EUR units	-	-	-	-	-	-
Category of XL EUR units	-	-	-	-	-	-
Category of EI C EUR units in EUR	-	-	-	-	-	-
Category of EP C EUR units in EUR	-	-	-	-	-	-
Category of RF EUR units	-	-	-	-	-	-
Unit capitalisation						
Category of I EUR units	-	-256.19	-244.26	-7,724.00	-4,054.64	-11,917.93
Category of R EUR units	-	-9.54	-9.15	-155.08	-84.96	-242.34
Category of XL EUR units	-	-185.73	-	-	-	-
Category of EI C EUR units in EUR	-	-0.03	-	-	-	-
Category of EP C EUR units in EUR	-	-0.03	-	-	-	-
Category of RF EUR units	-	-	-	-	-	-

(1) The category of XL units was created on 08/03/2017 with a nominal value of EUR 50,000.00.

(2) The category of EI C EUR units was created on 14/12/2017 with a nominal value of EUR 100.00.

(3) The category of EP C EUR units was created on 14/12/2017 with a nominal value of EUR 100.00.

(4) The category of RF units was created on 02/01/2018 with a nominal value of EUR 1,000.00.

(5) The unit capitalisation from 31/12/2013 is that of the result and the net capital gains or losses.

For previous financial years, the unit capitalisation is only that of the result.

Securities portfolio

Elements of the securities portfolio	Percentage	
	Net assets	Total assets
Eligible financial securities and money market instruments admitted for trading on a regulated market within the meaning of Article L. 422-1 of the Monetary and Financial Code.	72.66	69.69
Shares	-	-
Bonds	-	-
Debt securities	72.66	69.69
FRAN TREA BILL BTF ZCP 08/08/2018	20.47	19.63
FRAN TREA BILL BTF ZCP 11/07/2018	17.90	17.17
FRAN TREA BILL BTF ZCP 12/09/2018	12.29	11.78
FRAN TREA BILL BTF ZCP 18/07/2018	1.02	0.98
FRAN TREA BILL BTF ZCP 19/09/2018	5.63	5.40
FRAN TREA BILL BTF ZCP 22/08/2018	2.56	2.45
FRAN TREA BILL BTF ZCP 25/07/2018	12.79	12.27
Eligible financial securities and money market instruments admitted for trading on another regulated market, duly functioning, recognised and open to the public, and with its registered office in a Member State of the European Union or in another State party to the Agreement on the European Economic Area.	-	-
Shares	-	-
Bonds	-	-
Debt securities	-	-
Eligible financial securities and money market instruments admitted for official trading on a stock market of a third country or traded on another market of a third country, regulated, duly functioning, recognised and open to the public, provided that this stock market or this market does not feature on a list drawn up by the Autorité des Marchés Financiers or the choice of this stock market or this market is provided for by law or by regulation or by the articles of association of the UCITS	-	-
Shares	-	-
Bonds	-	-
Debt securities	-	-
The newly issued securities mentioned in Article R.214-11(1)(4) of the Monetary and Financial Code	-	-
Shares	-	-
Bonds	-	-
Debt securities	-	-
Other assets: These are the assets mentioned in II of Article R. 214-11 of the Monetary and Financial Code	9.24	8.87
Variable capital UCI	9.24	8.87
OFI RS LIQUIDITES	9.24	8.87
Shares	-	-
Bonds	-	-
Debt securities	-	-

**Indication of movements occurring in the composition of the securities portfolio,
during the reference period**

Elements of the securities portfolio	Movements (in amount)	
	Acquisitions	Purchase and sale
Eligible financial securities and money market instruments admitted for trading on a regulated market within the meaning of Article L. 422-1 of the Monetary and Financial Code.	317,438,923.80	300,009,678.47
Shares	-	-
Bonds	-	-
Debt securities	317,438,923.80	300,009,678.47
Eligible financial securities and money market instruments admitted for trading on another regulated market, duly functioning, recognised and open to the public, and with its registered office in a Member State of the European Union or in another State party to the Agreement on the European Economic Area.	-	-
Shares	-	-
Bonds	-	-
Debt securities	-	-
Eligible financial securities and money market instruments admitted for official trading on a stock market of a third country or traded on another market of a third country, regulated, duly functioning, recognised and open to the public, provided that this stock market or this market does not feature on a list drawn up by the Autorité des Marchés Financiers or the choice of this stock market or this market is provided for by law or by regulation or by the articles of association of the UCITS	-	-
Shares	-	-
Bonds	-	-
Debt securities	-	-
The newly issued securities mentioned in Article R.214-11(1)(4) of the Monetary and Financial Code	-	-
Shares	-	-
Bonds	-	-
Debt securities	-	-
Other assets: These are the assets mentioned in II of Article R. 214-11 of the Monetary and Financial Code	6,884,597.65	4,102,218.84
Variable capital UCI	6,884,597.65	4,102,218.84

Promoters: OFI ASSET MANAGEMENT - 22 rue Vernier - 75017 PARIS

Management Company: OFI ASSET MANAGEMENT - 22 rue Vernier - 75017 PARIS

Depository and Custodian: CACEIS BANK FRANCE - 1-3 place Valhubert - 75206 Paris CEDEX 13

Administrative and accounts management: CACEIS FUND ADMINISTRATION - 1-3 place Valhubert - 75206 Paris CEDEX 13