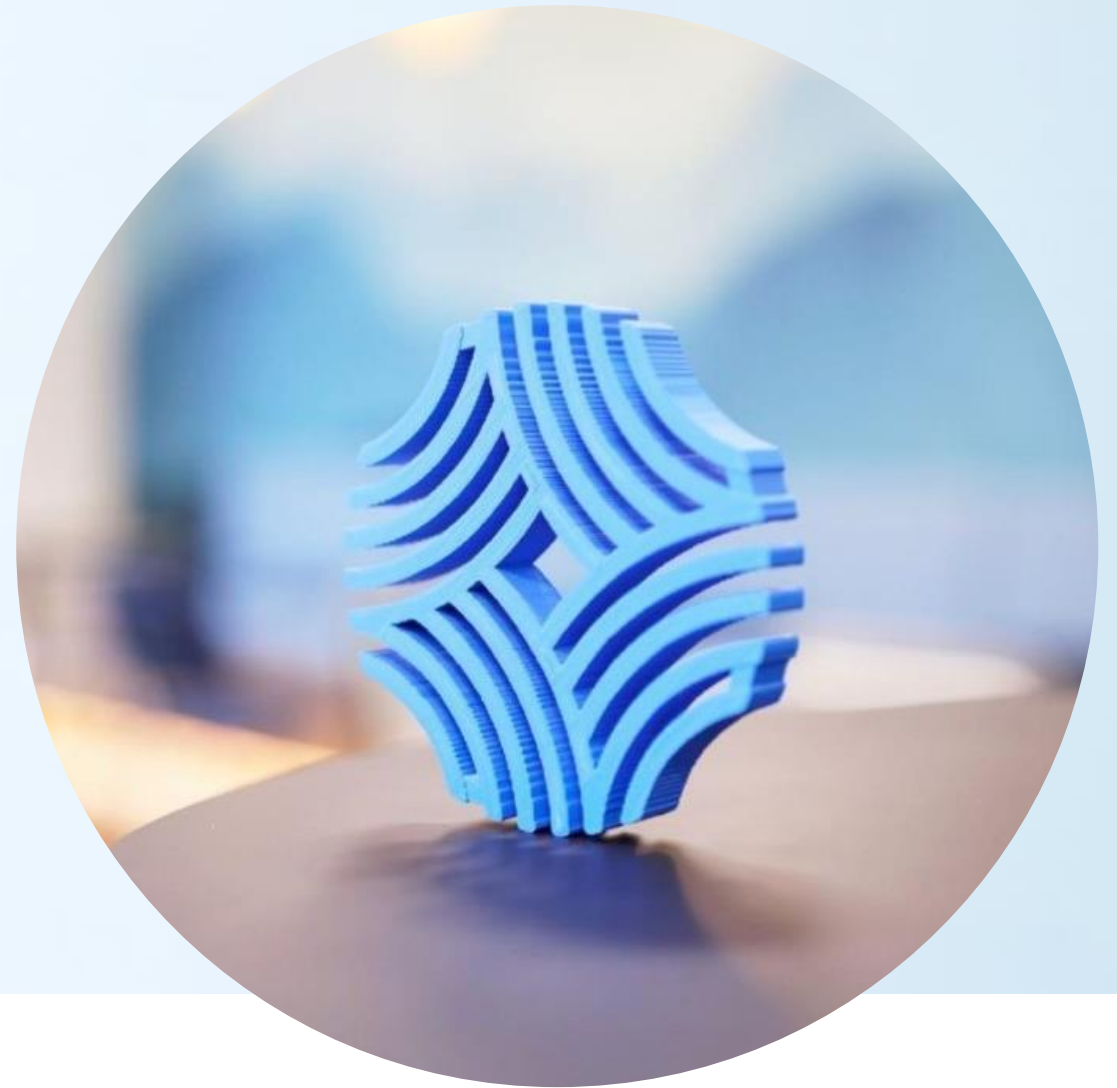


Alternative Investments

17 October 2024



Steeve Brument

Global Head of Alternative Investments •
Quantitative & Multi-Strategy



Distribuzione diretta

Fondo

Rating Morningstar

Classe Retail

CANDRIAM Index Arbitrage

Cat- Alternative

FR0010016477

CANDRIAM Diversified Futures



FR0010794792

BG Stile Libero

Fondo

Rating Morningstar

Classe Istituzionale

CANDRIAM Index Arbitrage

Cat- Alternative

FR0013213972

CANDRIAM Diversified Futures



FR0013201886

Coming Soon – Q1 2025 – in distribuzione diretta / Assicurativo

Fondo

Rating Morningstar

Classe Retail

CANDRIAM Absolute Return Equity Market Neutral



LU1819523264





Speaker

Steeve Brument.

Global Head of Alternative Investments



What will drive the price of assets in the near future?

High valuations for certain assets



Political and geopolitical risks



Global Manufacturing Slowdown



Active Monetary Policies



????



Potential impact can be very significant!



Agenda

1

Facts & Figures .

2

**How to Allocate to
Alternative .**

3

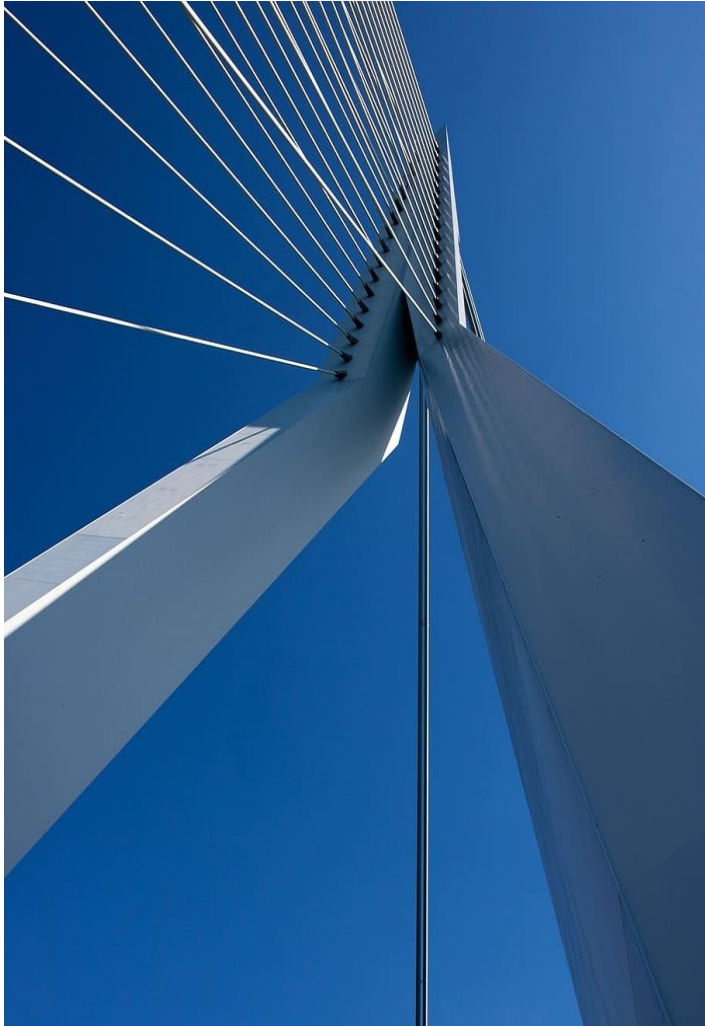
**Alternative Investments
at Candriam.**

4

Our Funds Range.

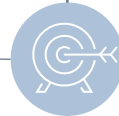


The Case for Alternative Investments



Diversification

- > Alternative Investments provide diversification beyond traditional asset classes (stocks, bonds). These strategies are uncorrelated with traditional markets, thus reducing the overall risk of the portfolio.



Attractive risk return compared to traditional investments

- > These investments can enhance the risk/reward profile of a portfolio by offering the potential for superior risk-adjusted returns. They enable the capture of specific risk premiums while limiting volatility.



Controlled Drawdown

- > Alternative Investments provide better drawdown management than passive investment. This helps protect capital during market downturns.



Liquidity

- > Daily, weekly or monthly offer flexibility and control over capital.



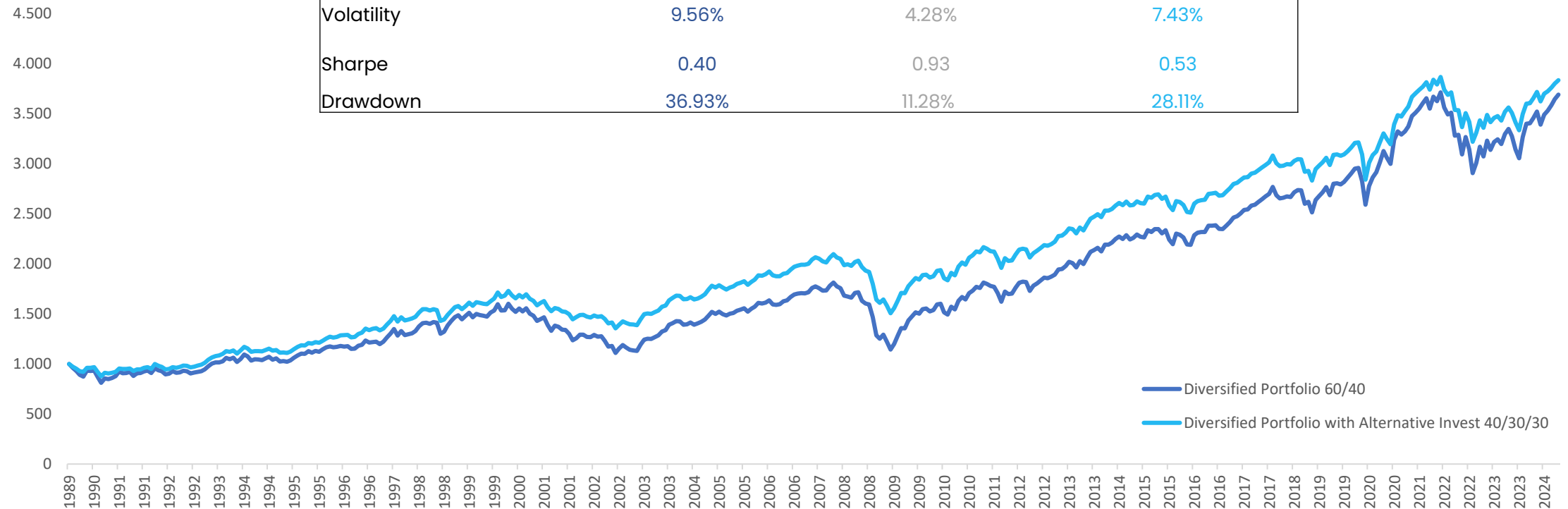


1 Facts & Figures .



Enhanced the risk return profile and Drawdown of a 60/40 portfolio.

	Diversified Portfolio	Alternative Strategies	Diversified Portfolio With Alternative
Net Excess Returns An.	3.82%	3.96%	3.94%
Volatility	9.56%	4.28%	7.43%
Sharpe	0.40	0.93	0.53
Drawdown	36.93%	11.28%	28.11%

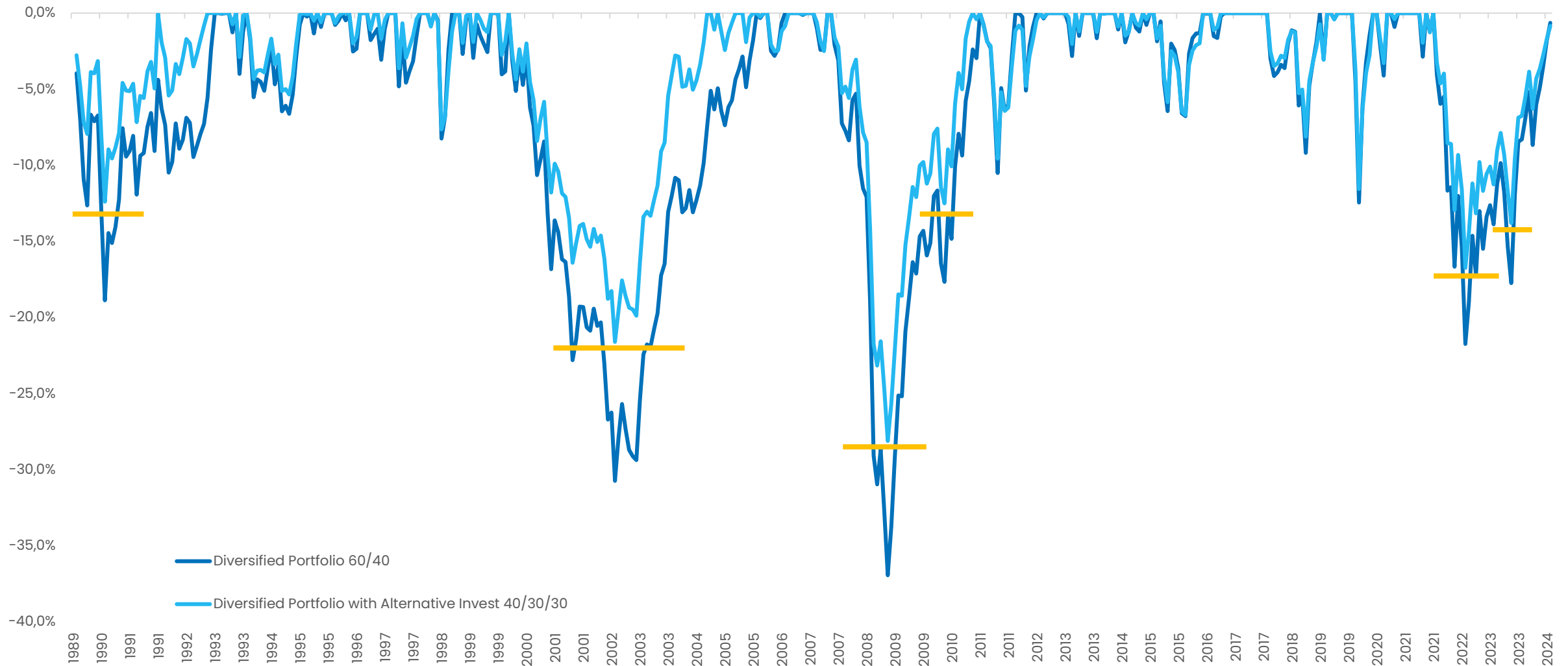


The scenarios presented are an estimate of performance based on evidence from the past on how the value of this investment varies, and/or past and current market conditions and are not an exact indicator. This example is for illustrative and educational purposes only, it is hypothetical in nature, does not reflect actual investment results and is not a guarantee of future results. It is provided as an example only and is not representative of any specific investment or strategy. There is no guarantee that any investment strategy will be successful.

Source: Candriam, Bloomberg® as of 09/30/2024. Diversified portfolio consists of 60% MSCI World Total Return® and 40 % of Bloomberg US Aggregate Bond Index®. Diversified portfolio with a pocket of alternative investments is made up of 40% of MSCI World Total Return®, 30 % of Bloomberg US Aggregate Bond Index® and 30% of a bucket of CTA, HFRI Fund of FundsF, HFRI Equity Market Neutral et HFRI Event Driven



... a drawdown reduction in most downturns.

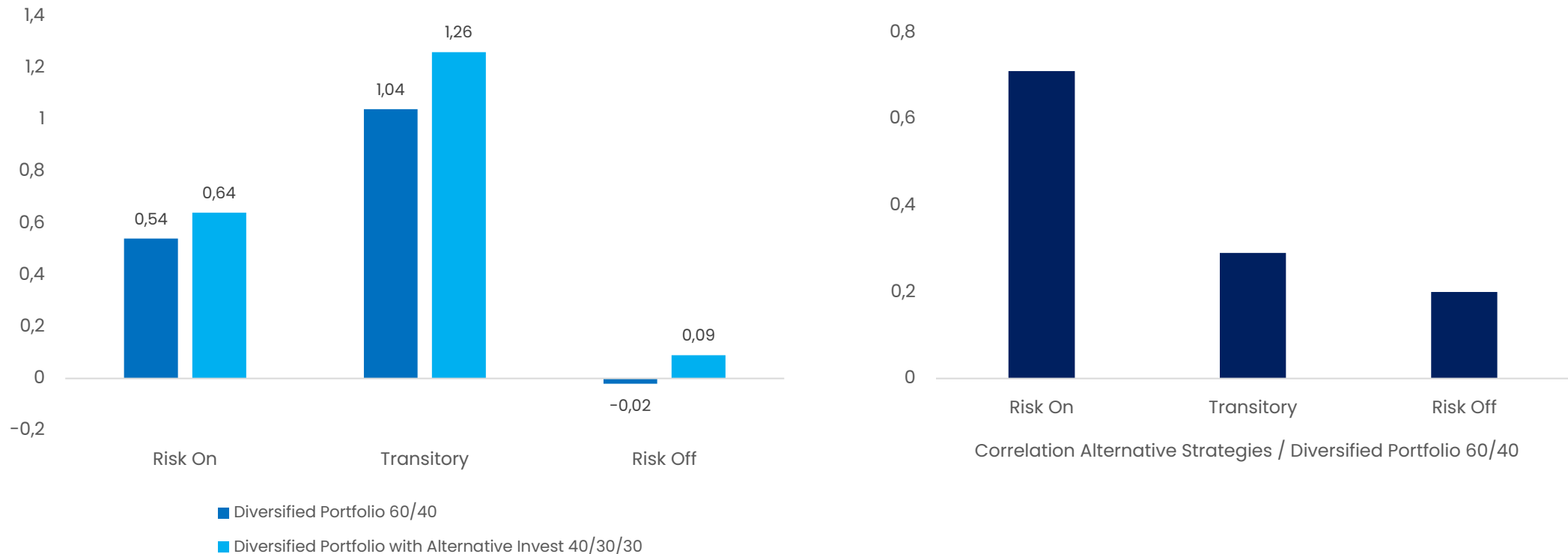


Source: Candriam, Bloomberg® as of 09/30/2024. Diversified portfolio consists of 60% MSCI World Total Return® and 40 % of Bloomberg US Aggregate Bond Index®. Diversified portfolio with a pocket of alternative investments is made up of 40% of MSCI World Total Return®, 30 % of Bloomberg US Aggregate Bond Index® and 30% of a bucket of CTA, HFRI Fund of FundsF, HFRI Equity Market Neutral et HFRI Event Driven



Better Sharpe Ratio through the different economic cycles and a variable correlation.

Sharpe Ratio and correlation by economic regime
Jan. 1st, 1990 – Sep. 30th, 2024



Source: Candriam, Bloomberg© as of 09/30/2024. Diversified portfolio consists of 60% MSCI World Total Return© and 40 % of Bloomberg US Aggregate Bond Index©. Diversified portfolio with a pocket of alternative investments is made up of 40% of MSCI World Total Return®, 30 % of Bloomberg US Aggregate Bond Index® and 30% of a bucket of CTA, HFRI Fund of Funds, HFRI Equity Market Neutral et HFRI Event Driven



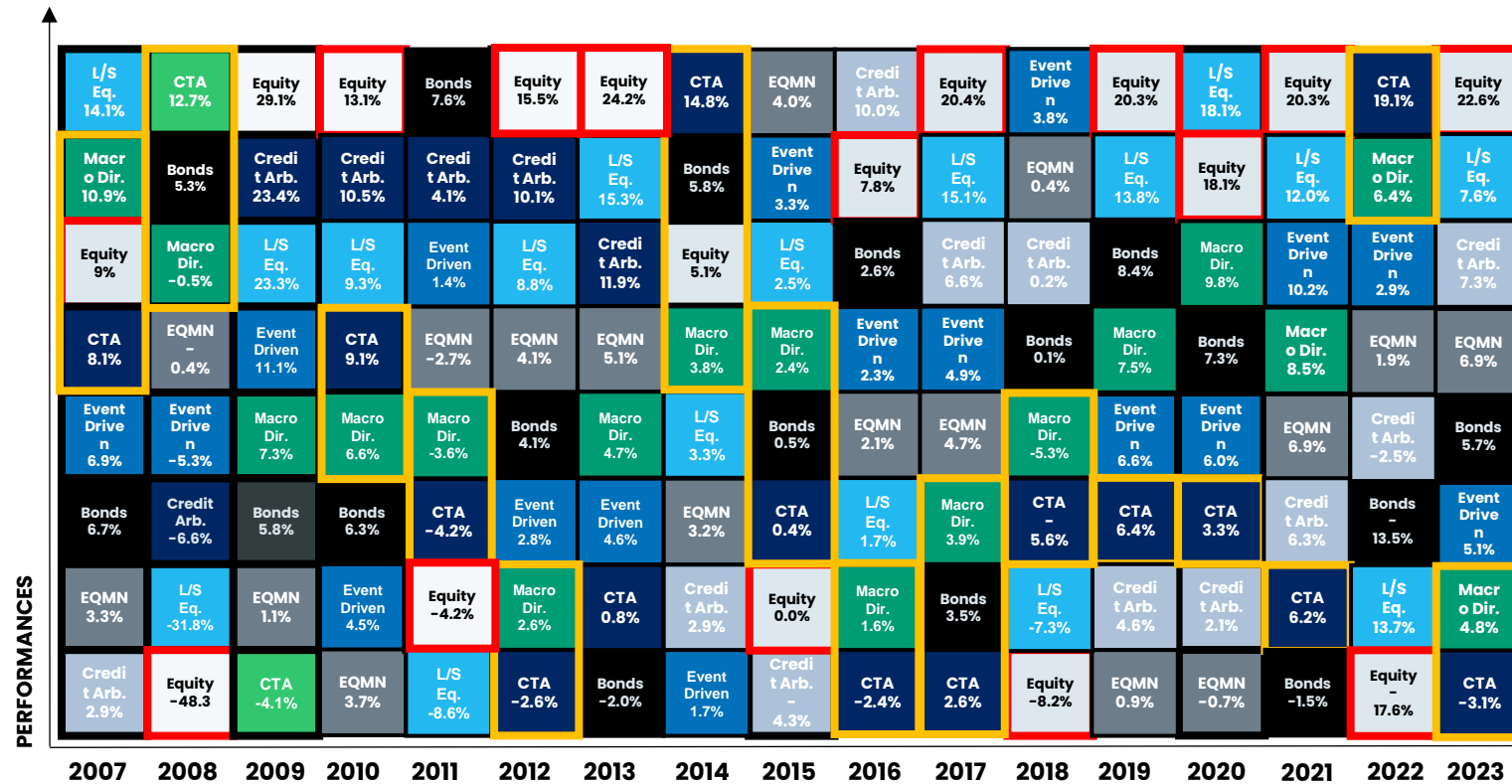


2 How to Allocate to Alternative.



Alternative Strategies Indices Performance Over Years

Index Annual Ranking by Performance



1

There is some cycle as well in alternative strategies

2

Strategies can sometimes move along Equities

3

Some strategies can provide a good hedge during Equity market correction

Past performance is no guarantee of future results and is not constant over time



How to build a portfolio that combines strategy selection and is well suited to the current environment ?



1. Strategy selection : Understand main drivers of performance
2. Assess strategy benefit in current environment
3. Combine strategies into an efficient portfolio





3 Alternative Investments at Candriam.



Alternative Investments at Candriam.



31

Investment Professionals

>20

Years of Experience on Average

11

Alternative Strategies

2.6

Bn € Assets under Management*


Continuous Innovation



Our Alternative Investment Team



Philippe Noyard
Global Head of Fixed Income




Steeve Brument
Global Head of Alternative Investments


Absolute return Credit Arbitrage



Patrick Zeenni, CFA
Head of Credit Arbitrage Investment Grade



Nicolas Jullien, CFA
Head of Credit Arbitrage High Yield



Jamie Niven, CFA
Senior Portfolio manager Global Bonds-Total Return

CPM



Charudatta Shende
Head of Client Portfolio Management Fixed Income

Equity Market Neutral




Grégoire Thomas
Head of Equity Market Neutral

4 FTE

- > Equity Market Neutral
- > Index Arbitrage
- > Climate Opportunities

Risk Arbitrage



Bertrand Dardenne
Head of Risk Arbitrage

2 FTE

- > Risk Arbitrage

Quantitative Equity



Bart Goosens
Head of Quant Equity – Deputy Global Head of AI – Equity

9 FTE

- > Sust Quant US
- > Sust Quant World
- > Sust Quant Europe
- > Sust Quant Japan
- > US Edge
- > World Edge
- > Europe Edge
- > ESG Equity Market Neutral
- > Segregated Accounts

Quantitative Multi-Assets



Steeve Brument
Global Head of Alternative Investments

3 FTE

- > Diversified Futures
- > Multi-Strategy

External Multi-Management



Jean-Gabriel Nicolay
Co-Head of External Multi-Management



Maia Ferrand
Co-Head of External Multi-Management

12 FTE

- > Alphamax
- > MM L/S Global
- > Advisory Services

Quant Research



Pieter-Jan Inghelbrecht
Quantitative Analyst – Alternative Investments

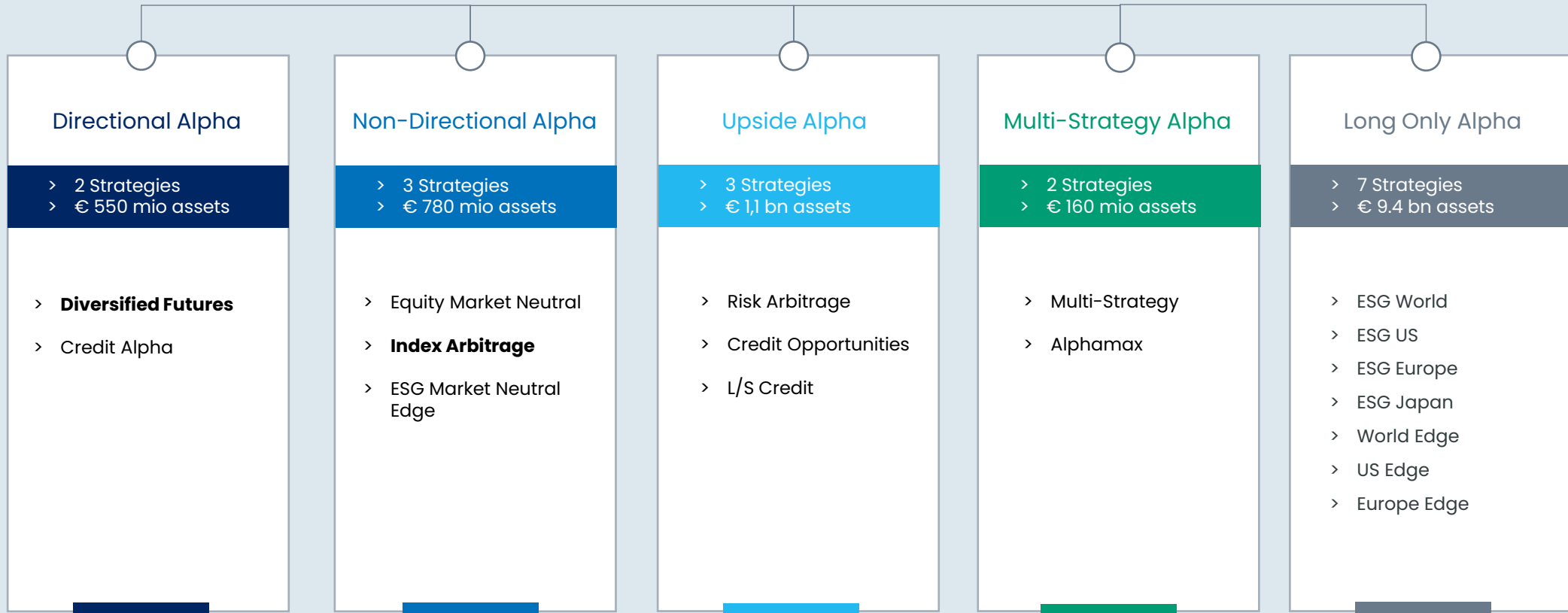
CPM



Laurie Amiot
Senior Client Portfolio Manager – Alternative Investments



Our Alternative Investment Range





4 Our Funds Range.



Candriam Diversified Futures

Absolute Return and Diversification

October 2024



What are CTA's?

Commodity Trading Advisor

Quantitative Trend Following Models



Identify and capture trends
in financial markets

Multi Asset Classes



Interest rates



Bonds



Currencies



Equity

Objective

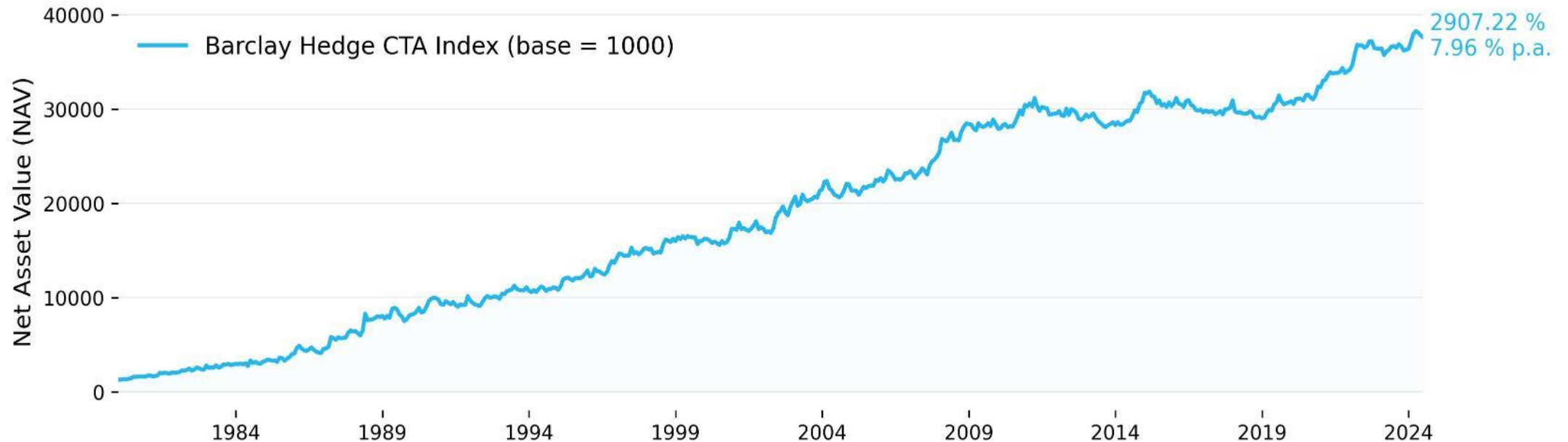
PERFORMANCE

TAIL RISK HEDGING

DECORRELATION



CTA's – Performance



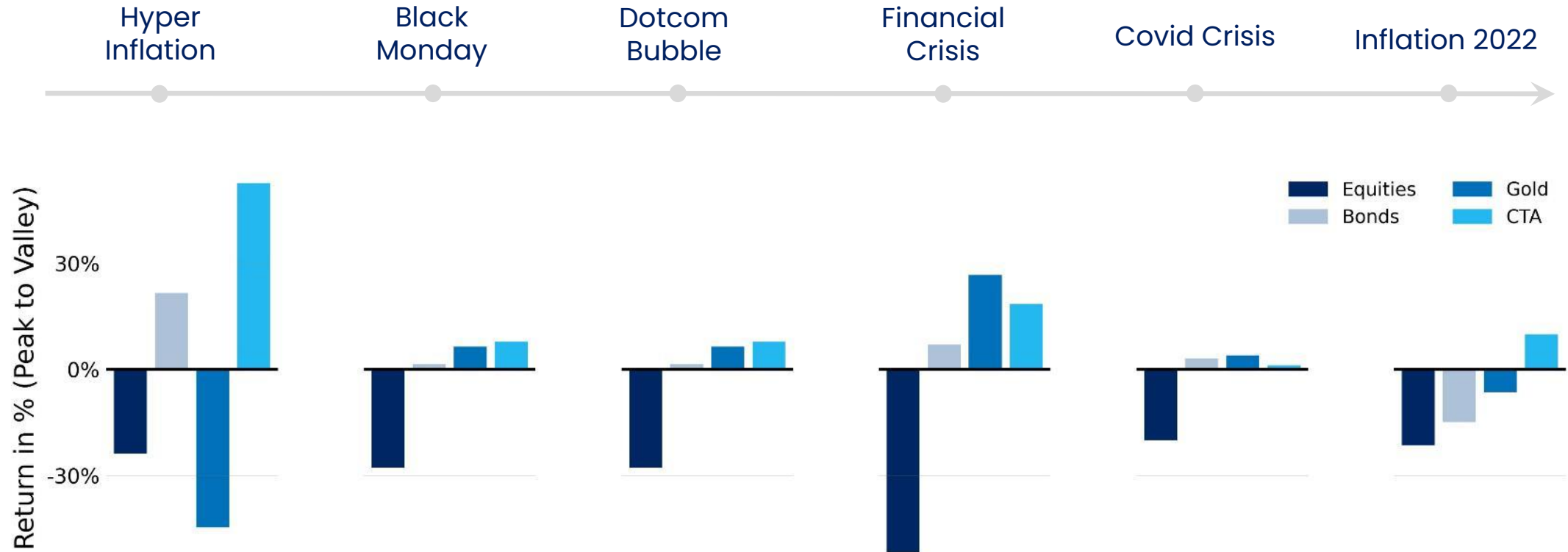
To fully understand the fund's risk profile, we advise investors to carefully review the official prospectus and the description of the underlying risks:

risks of capital loss, Equity risk, Interest rate risk, Foreign exchange risk, Risk associated with derivative financial instruments, Model risk, Risk arising from discretionary management and the arbitrage strategy, Volatility risk, Emerging countries risk, Leverage risk, Counterparty risk, Credit risk, Risk associated with external factors, Delivery risk, Operational risk, Legal risk, Custody risk, Risk of conflicts of interest, Risk of changes to the benchmark index by the index provider

Sources: Candriam, Bloomberg® All rights reserved – BARCCTA Hedge Index®, 01/01/1980 – 07/31/2024 – The fund is actively managed and the investment process implies referring to a benchmark index the Capitalised €STR® Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, with a negative or positive impact on gains. If the present document refers to a specific tax treatment, such information depends on the individual situation of each investor and may change.



CTA's – Tail Risk Hedging

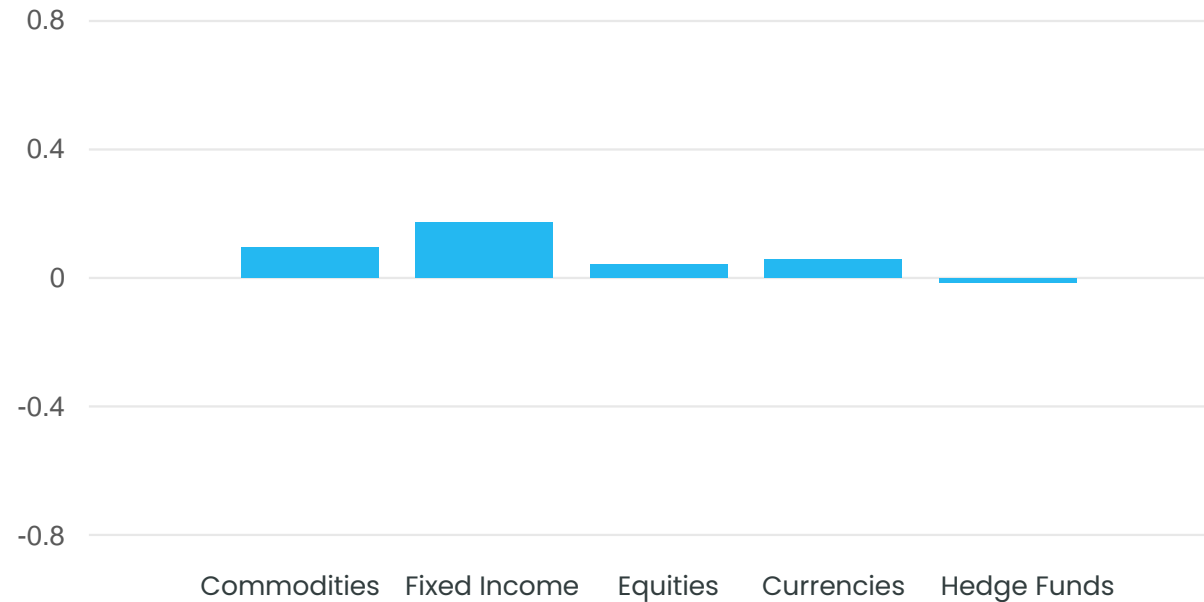


Sources: Candriam, Bloomberg© All rights reserved 01/31/1980 – 11/30/2023 (Monthly Frequency). Equities are represented by the S&P 500®; Bonds are represented by the Barclays US Aggregate Bond Index, Gold® is represented by XAU Currency and CTA is represented by the BARCCTA Hedge Index® - past performance does not guarantee future results and is not constant over time.



CTA's – Low Correlation with Traditional Asset Classes

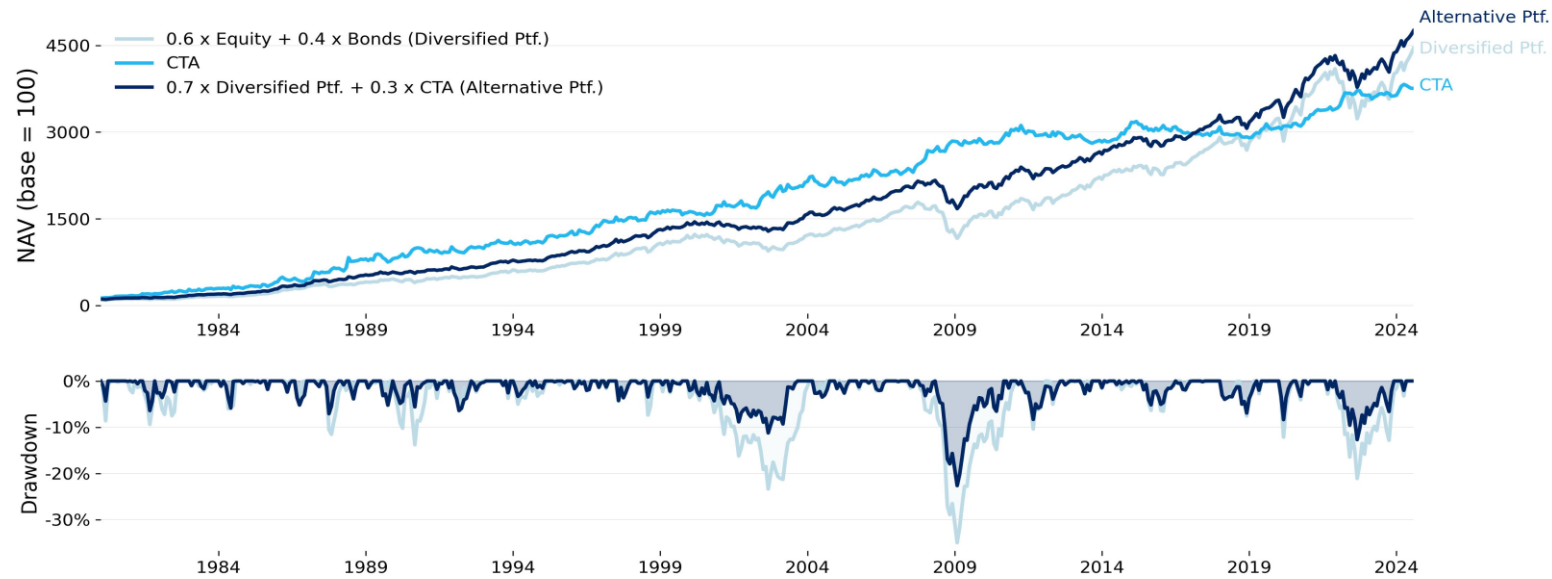
**Correlation with Barclay Hedge CTA Index[©]
31 Jan, 1999 – 31 Aug, 2024**



Sources: Candriam, Bloomberg[®] All rights reserved, 01/31/1999 – 08/31/2024 (Monthly Frequency). Commodities are represented by Bloomberg Commodity TR Index[®]; Fixed Income is represented by the Barclays US Aggregate Bond Index[®]; Equities are represented by the MSCI World Index[®]; Currencies are represented by is represented by FX CG10 Index[®]; Hedge Funds are represented by the HFRX Global Hedge Fund Index[®] and CTA is represented by the BARCCTA Hedge Index[®] - Past performance does not guarantee future results and is not constant over time.



CTA's – Benefits for a Diversified Portfolio



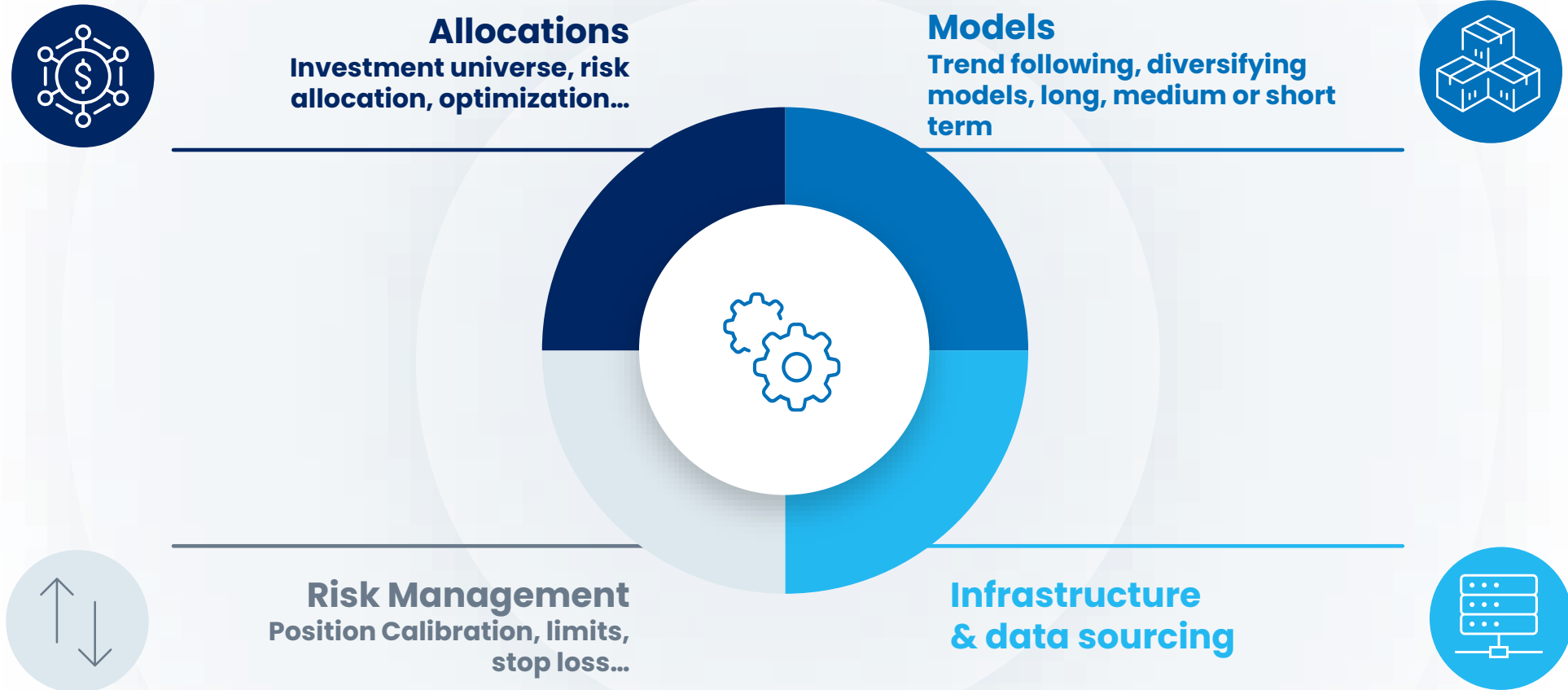
Past performance is no guarantee of future results and is not constant over time

To fully understand the fund's risk profile, we advise investors to carefully review the official prospectus and the description of the underlying risks: risks of capital loss, Equity risk, Interest rate risk, Foreign exchange risk, Risk associated with derivative financial instruments, Model risk, Risk arising from discretionary management and the arbitrage strategy, Volatility risk, Emerging countries risk, Leverage risk, Counterparty risk, Credit risk, Risk associated with external factors, Delivery risk, Operational risk, Legal risk, Custody risk, Risk of conflicts of interest, Risk of changes to the benchmark index by the index provider

Sources: Candriam, Bloomberg® All rights reserved, 01/31/1980 – 08/31/2024 (Monthly Frequency). Diversified portfolio consists of 60% MSCI World Total Return® and 40 % of Bloomberg US Aggregate Bond Index® and CTA is represented by the BARCCTA Hedge Index®. The fund is actively managed and the investment process implies referring to a benchmark index the Capitalised €STR®. Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, with a negative or positive impact on gains. If the present document refers to a specific tax treatment, such information depends on the individual situation of each investor and may change.



Investment Process

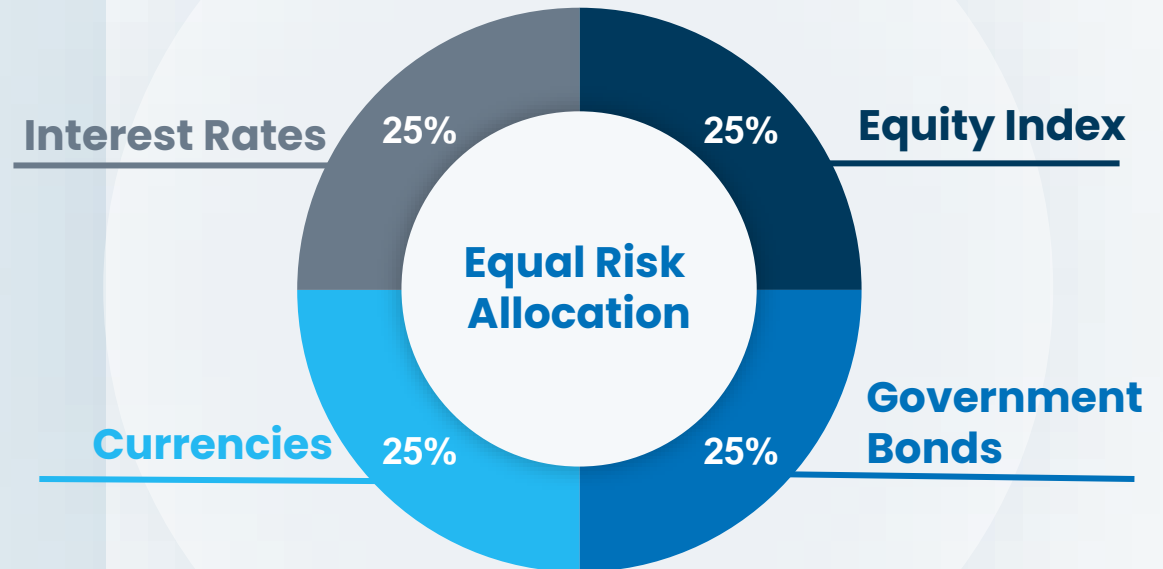


Allocation – Diversified in risk

We invest in **36 of the most liquid future contracts** out of **4 sectors**

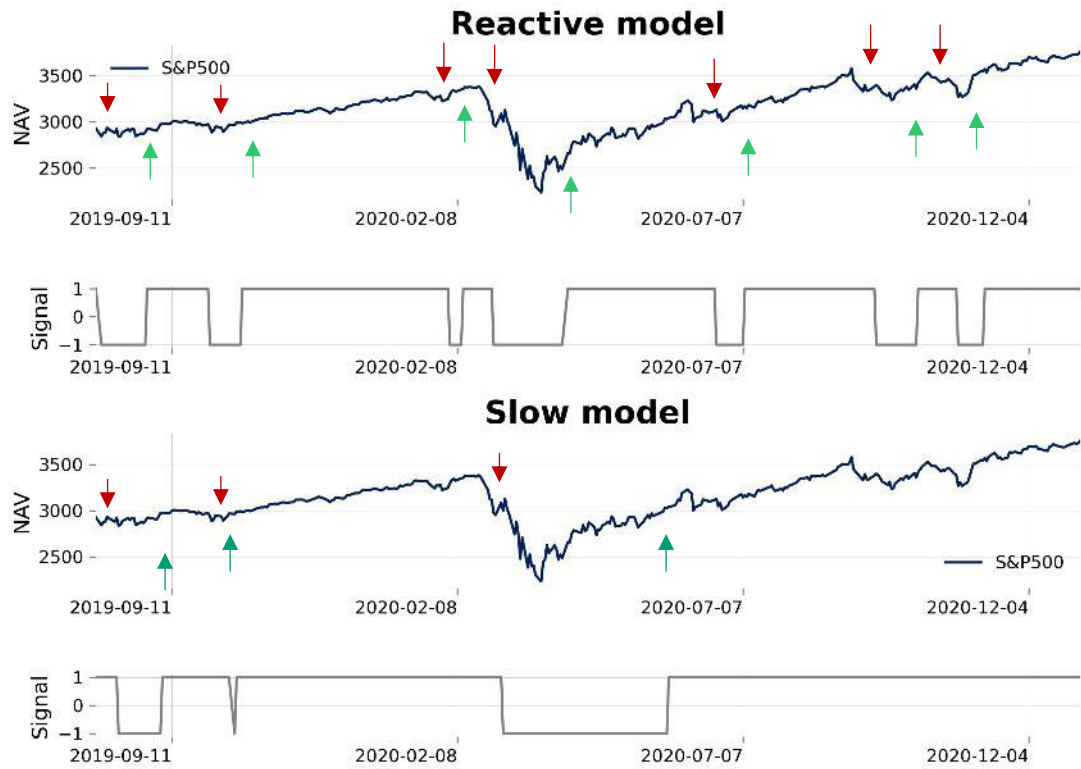
Our **long-term risk budget is equally split** between asset classes by our risk allocation models

Daily adjustment of our positions by our risk allocation models

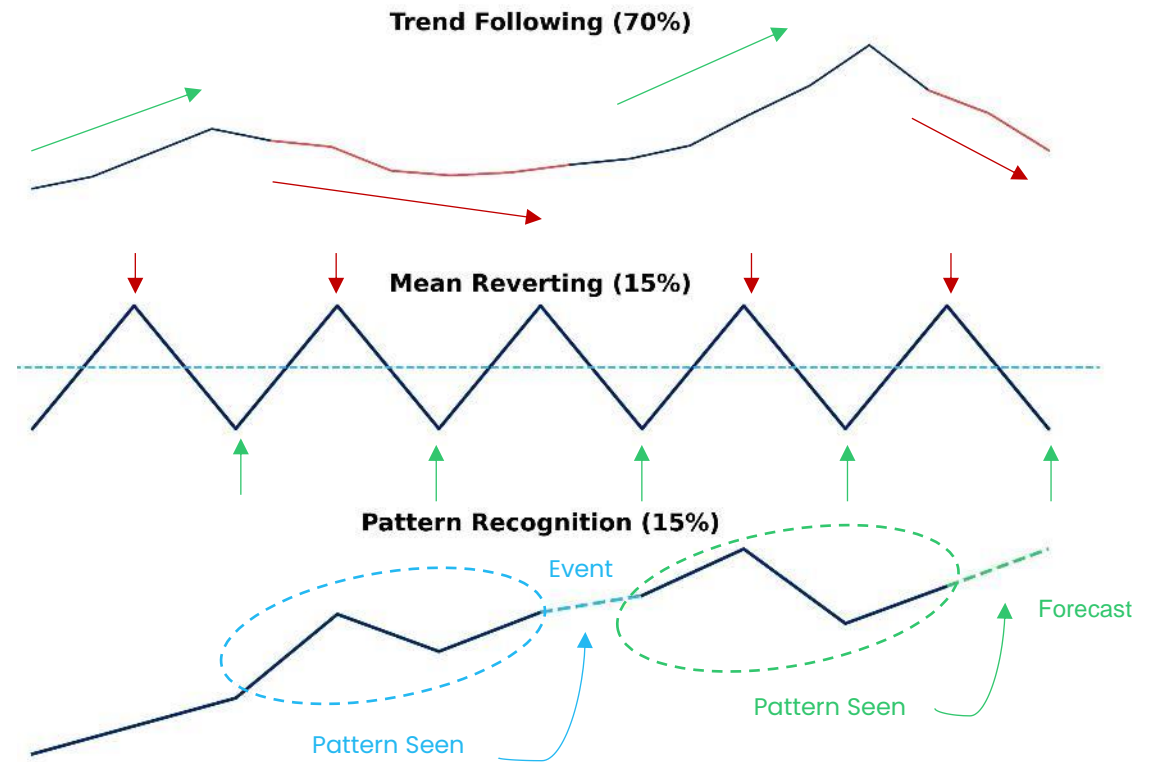


Models – Reactive & Diversified

Responsiveness of Models



Models Diversification



Risk management models – Position sizing



PORTFOLIO LEVEL

Historical Portfolio Volatility



- › Portfolio volatility target around 10%
- › Monitored by the Portfolio Management Team



ASSET CLASS LEVEL

Diversification between asset classes



- › Risk budget is equally split between the 4 asset classes (25% each)
- › **Risk budgeting algorithm**



CONSTITUENTS LEVEL

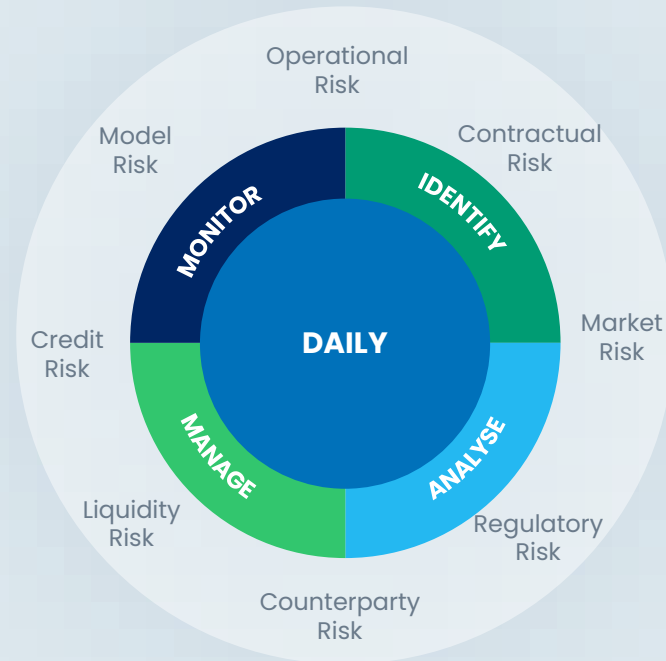
Diversification between asset classes' constituents



- › An equal amount of risk is allocated to each constituent
- › **Volatility weighting algorithm**



A dedicated risk management team



Action Plan for any Business Unit

- Independent team of **33 professionals**
 - average experience > 15 years
- Key principles, control scopes & frequencies
- Internal rules for Front Office, risk management control guidelines & methodologies
- **Cutting-edge work tools**, managed independently:
 - Risk Metrics©: market risk monitoring
 - CharlesRiver©: regulatory & contractual risks monitoring



Risk Profile – Candriam Diversified Futures



The fund presents a risk of capital loss,

the net asset value of the fund may decrease in particular because of its exposure to the risk associated with the use of derivatives instruments

- › The summary risk indicator ("SRI") is an indicator with a rating ranging from 1 to 7 and corresponds to increasing levels of risk and return. The methodology for calculating this regulatory indicator is available in the KID.
- › **The summary risk indicator ("SRI") is a guide to the level of risk of this product compared to other products.**
- › It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you

Source: Candriam
Risk Level date of calculation: March 2024
For further details on risks associated with investing in this fund, a general description and explanation of the various risk factors is available in the section Risk Factors of the Prospectus; [The prospectus is available on Candriam.com: Fund Detail](#)



Risk Profile – Candriam Diversified Futures

Investors should be aware of the significant risk below, which may not necessarily be adequately taken into account by the indicator:

- › **Arbitrage risk:** The fund may use the technique consisting in taking advantage of price differences (recorded or anticipated) between two securities/sectors/markets/currencies. If such arbitrage transactions perform unfavourably (a rise in selling transactions and/or fall in buying transactions), the net asset value of the fund may fall.
- › **Counterparty risk:** the fund may use OTC derivative products and/or effective portfolio management techniques, and these may engender a counterparty risk, i.e. the inability of the counterparty to honour its commitments to the fund. This counterparty risk could be fully or partially hedged by the receipt of guarantees.
- › **Risk arising from financial derivative instruments:** use of these instruments involves a risk arising from their underlying assets, which may amplify downturns due to the associated leverage. If there is a hedging strategy it may not be complete.
- › **Emerging countries risk:** emerging countries may experience political, legal or fiscal uncertainties or other events that could impact negatively on the assets of the fund. The assets traded in these countries may be subject to market movements that are potentially more rapid than in the major international markets and listing differentials that may be considerably bigger under certain market conditions. These assets may prove to be less liquid and may not be able to be sold quickly and at reasonable prices. Exchange rate fluctuations involving the currencies of emerging countries may be sudden and substantial.
- › **High leverage risk:** the use of potentially high leverage may result in significant volatility, and the fund may suffer increased losses depending on this level of leverage.
- › **Model risk:** the securities making up the portfolio of the fund are picked essentially on the basis of quantitative models. There is a risk that these models are less efficient, or that they may even present deficiencies, under certain specific market conditions

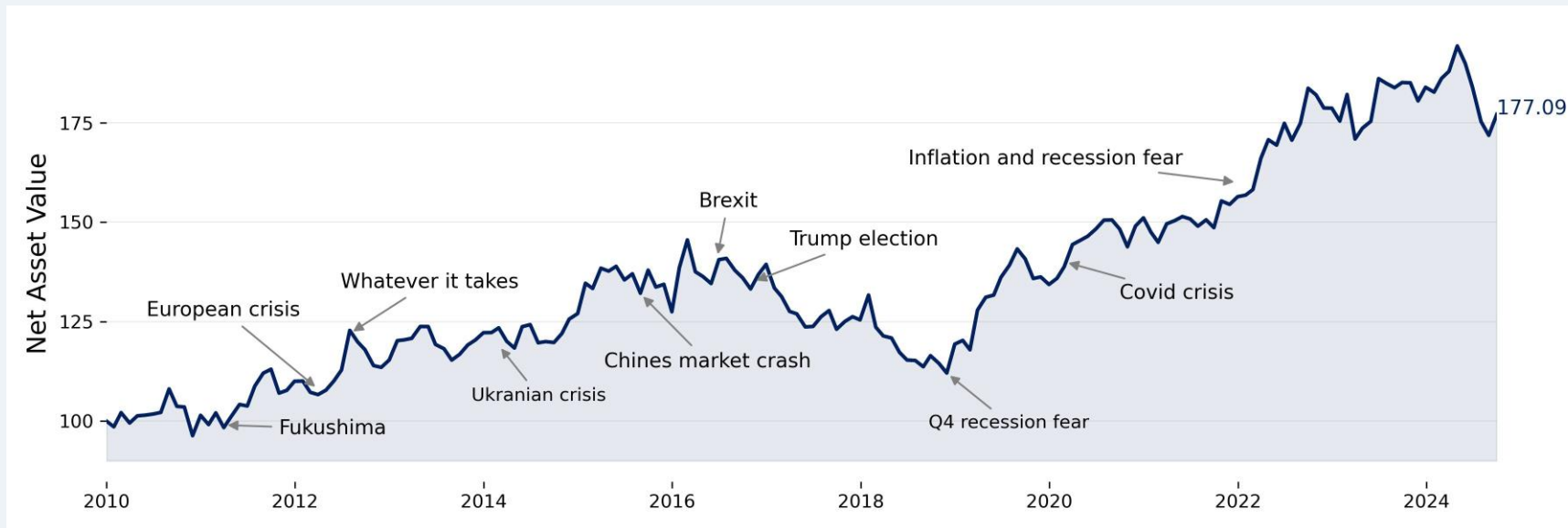
Risk factors specific to the sub-fund

- › Risk of capital loss
- › Equity risk
- › Interest rate risk
- › Foreign exchange risk
- › Risk associated with derivative financial instruments
- › Model risk
- › Risk arising from discretionary management and the arbitrage strategy
- › Volatility risk
- › Emerging countries risk
- › Leverage risk
- › Counterparty risk
- › Credit risk
- › Delivery risk
- › Operational risk
- › Legal risk
- › Custody risk



Positive Performance by Capturing Major Trends, while Maximizing « Crisis Alpha »

Fund performance 31st Dec, 2009 – 30th Sep, 2024



Past performance is no guarantee of future results and is not constant over time

To fully understand the fund's risk profile, we advise investors to carefully review the official prospectus and the description of the underlying risks:

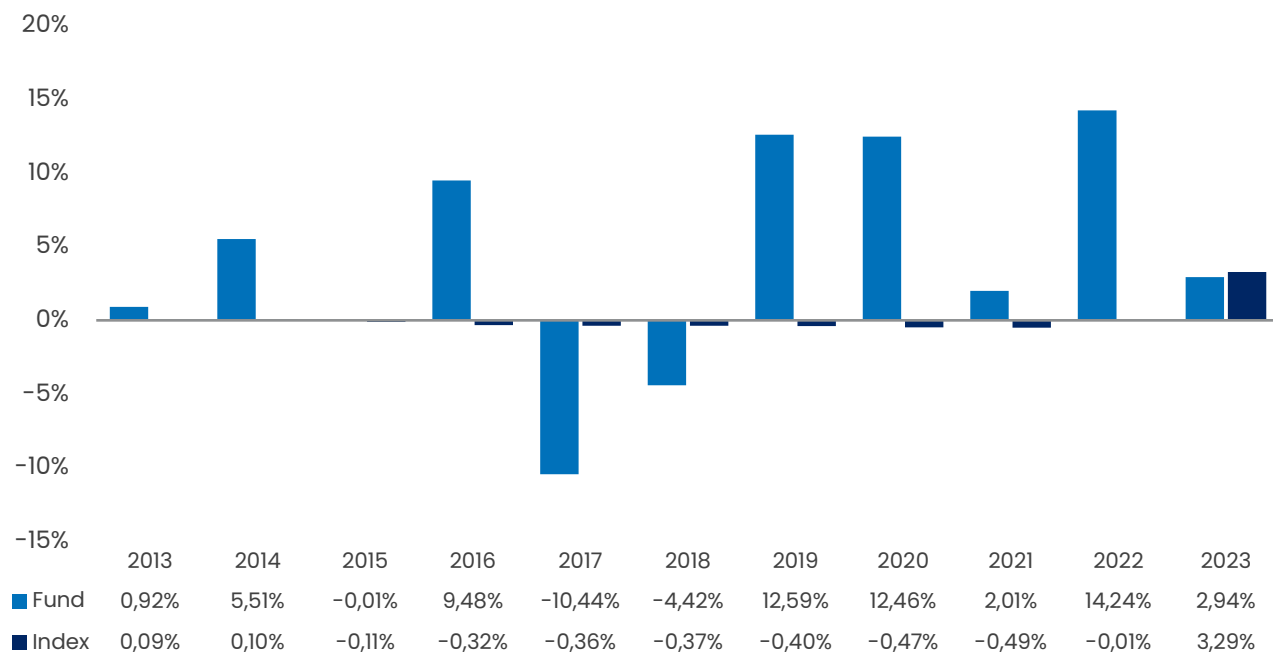
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Sources: Candriam, Bloomberg® All rights reserved, 12/31/2009 – 09/30/2024 (Monthly Frequency). The fund is actively managed and the investment process implies referring to a benchmark index the Capitalised €STR®. Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, with a negative or positive impact on gains. If the present document refers to a specific tax treatment, such information depends on the individual situation of each investor and may change - Commodities have not been part of our allocation since February 2014. Performance prior to 2014 has therefore been restated to reflect performance excluding commodities. For further details on risks associated with investing in these strategies, a general description and explanation of the various risk factors is available in the section Risk Factors of the relevant Prospectuses. [The prospectus is available on Candriam.com: Fund Detail](#)



Net Performance Review (1)

Historical performance



Annualized Trailing Returns and Risk

	YTD	1 y	3 y	5 y
Fund Returns (%)	-3.72	-4.33	5.50	4.39
Benchmark Performance (%)	2.95	3.97	2.01	0.97
Excess Return (%)	-6.67	-8.30	3.49	3.42
Fund Volatility (%)	9.6	8.8	9.8	8.7
Reference Volatility (%)	0.1	0.1	0.6	0.6
Sharpe Ratio	-0.69	-1.02	0.36	0.39

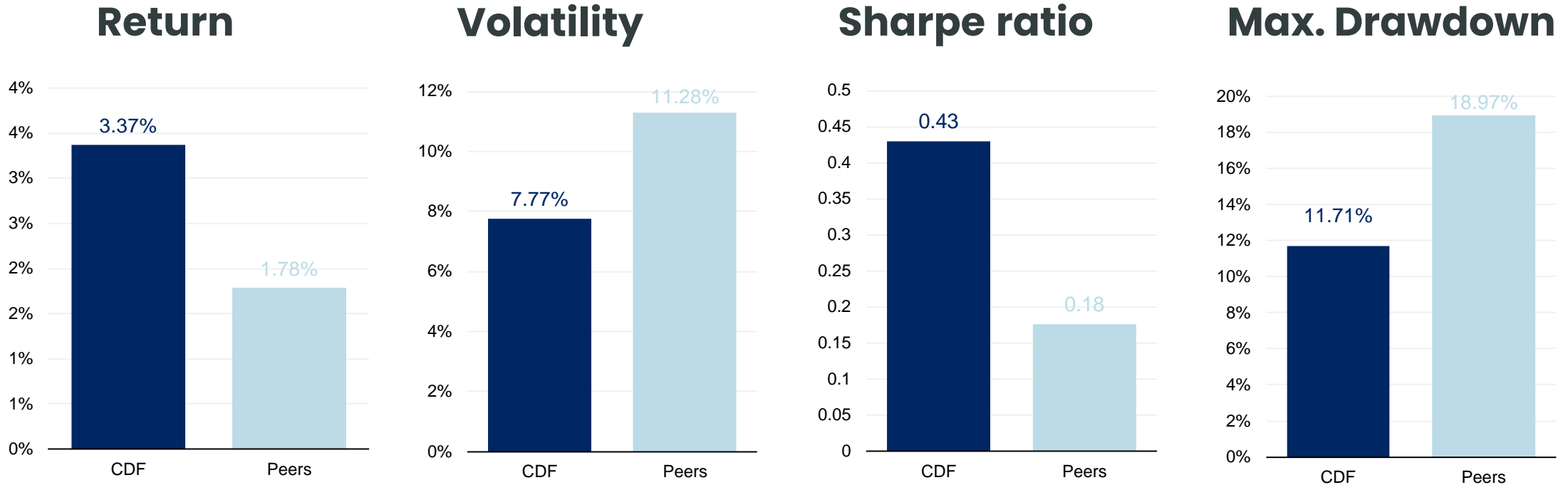
Source: Candriam. Monthly Data as of 09/30/2024. Fund performance calculated net of fees / Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, with a negative or positive impact on gains. If the present document refers to a specific tax treatment, such information depends on the individual situation of each investor and may change.. – Share class I

The fund is actively managed and the investment process implies referring to a benchmark index the Capitalised €STR©. Past performance is no guarantee of future results and is not constant over time. Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, with a negative or positive impact on gains. If the present document refers to a specific tax treatment, such information depends on the individual situation of each investor and may change. For further details on risks associated with investing in these strategies, a general description and explanation of the various risk factors is available in the section Risk Factors of the relevant Prospectuses. [The prospectus is available on Candriam.com: Fund Detail](#)

Past performance is no guarantee of future results and is not constant over time.



Net Performance Review (2)



Past performance is no guarantee of future results and is not constant over time.

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risks of capital loss, Equity risk, Interest rate risk, Foreign exchange risk, Risk associated with derivative financial instruments, Model risk, Risk arising from discretionary management and the arbitrage strategy, Volatility risk, Emerging countries risk, Leverage risk, Counterparty risk, Credit risk, Risk associated with external factors, Delivery risk, Operational risk, Legal risk, Custody risk, Risk of conflicts of interest, Risk of changes to the benchmark index by the index provider

Sources: Bloomberg® All rights reserved, Candriam, Past performance is no guarantee of future results and is not constant over time - 5-year data 08/31/2019 - 08/31/2024 (daily frequency). The fund is actively managed, and the investment process refers to a capitalized €STR®. Past performance does not guarantee future results and is not constant over time. Performance expressed in a currency other than that of the investor's country of residence is subject to exchange rate fluctuations, with a negative or positive impact on gains. If this document refers to specific tax treatment, this information depends on the individual situation of each investor and may change. For further details on risks associated with investing in these strategies, a general description and explanation of the various risk factors is available in the section Risk Factors of the relevant Prospectuses. [The prospectus is available on Candriam.com: Fund Detail](#)



Candriam Diversified Futures.

Legal Form	UCITS - FCP	ISIN Code	I - Cap FR0010813105
Domicile	France	Frequency of valuation	Daily
Launch date	November 16, 2009	Fund currency	EUR
Management Company	CANDRIAM	Management fees (max.)¹	1.20%
Depository bank	CACEIS Bank	Subscription fees (max.)¹	1.00%
Supervision authority	AMF	Redemption fees (max.)¹	1.00%
SFDR classification	Article 6	Performance fees (max.)¹	20.00%
Benchmark	Capitalised €STR (Euro Short Term Rate)©	Fund AUM	237 million
		Recommended investment horizon	3 years
Registered for sale in	All or some of the fund share classes are authorized in the following countries (blue coloured points)		

AT	BE	CH	CL	DE	DK	ES	FI	FR	GB	IE	IT	LU	NL	NO	PT	SE	SK	SG	KR
●		●		●		●		●	●		●	●							

The fund is actively managed, and the investment process implies referring to a benchmark index, the Capitalised €STR (Euro Short Term Rate)©

¹This list is not exhaustive, the sub-fund incurs other costs further information on fees and charges is available in the KID/Prospectus to allow investors to understand the overall impact of costs on the amount of their investment and on the expected returns. The prospectus is available on Candriam.com: Fund Detail. Management and performance fees are calculated annually. The fees are expressed as an annual percentage of the average net asset value of the Share Class and are payable at the end of each month.

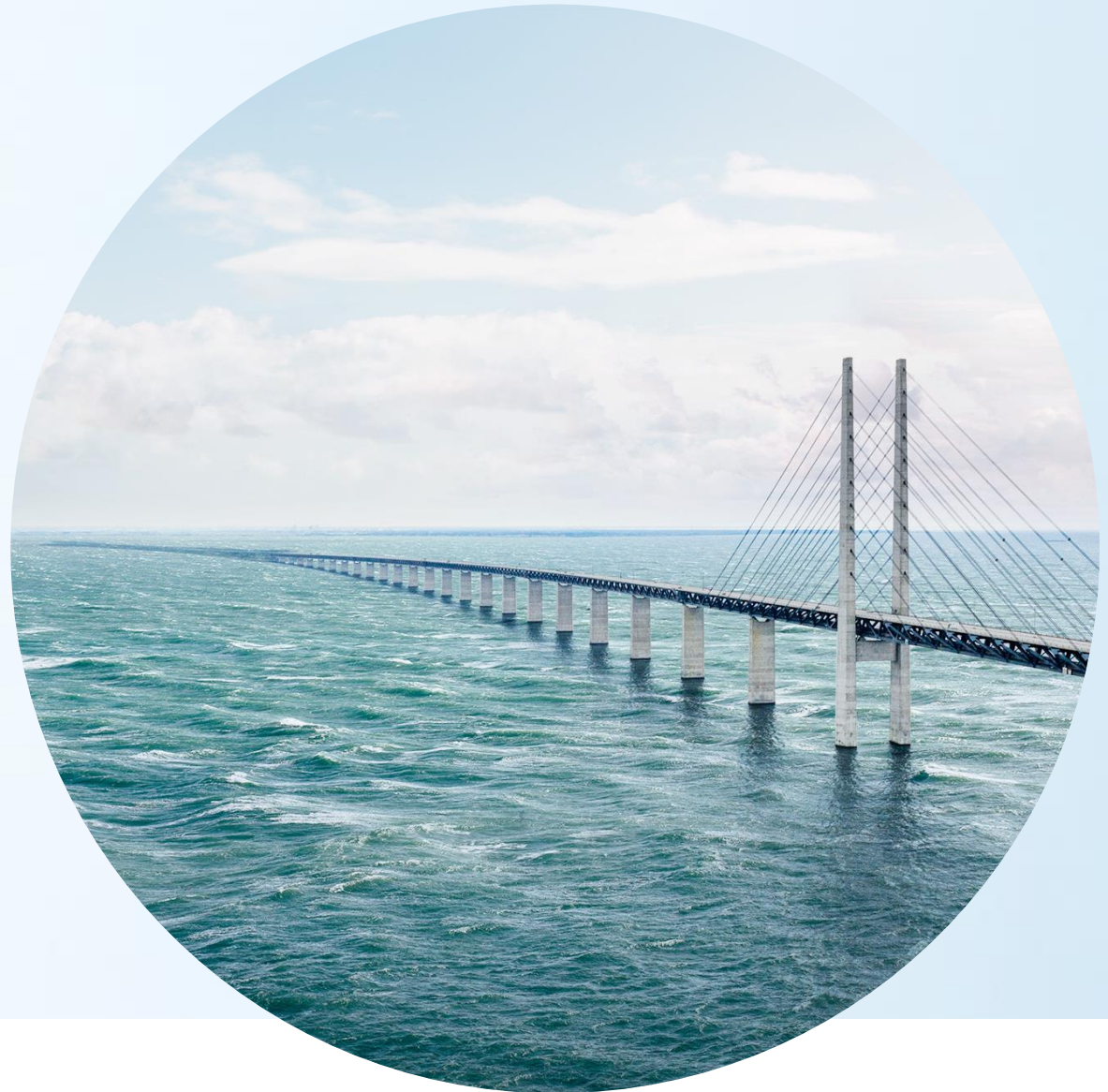
Source: Candriam – August 2024



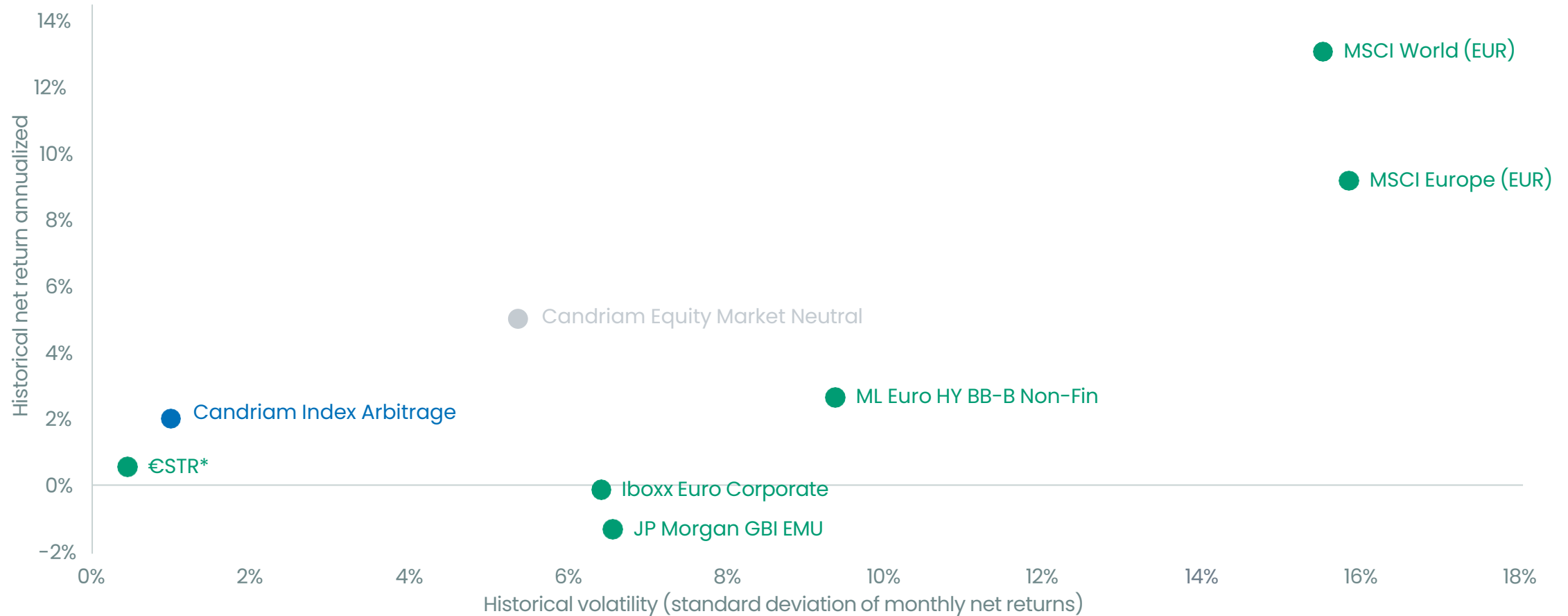
Candriam Index Arbitrage

Aiming to deliver
consistent alpha in a
passive world

October 2024



Attractive Risk–Return profiles, Different from Traditional Asset Classes.



Source: Candriam, ICE BofA, JP Morgan, Iboxx, MSCI – Data: 5 years to January 2024

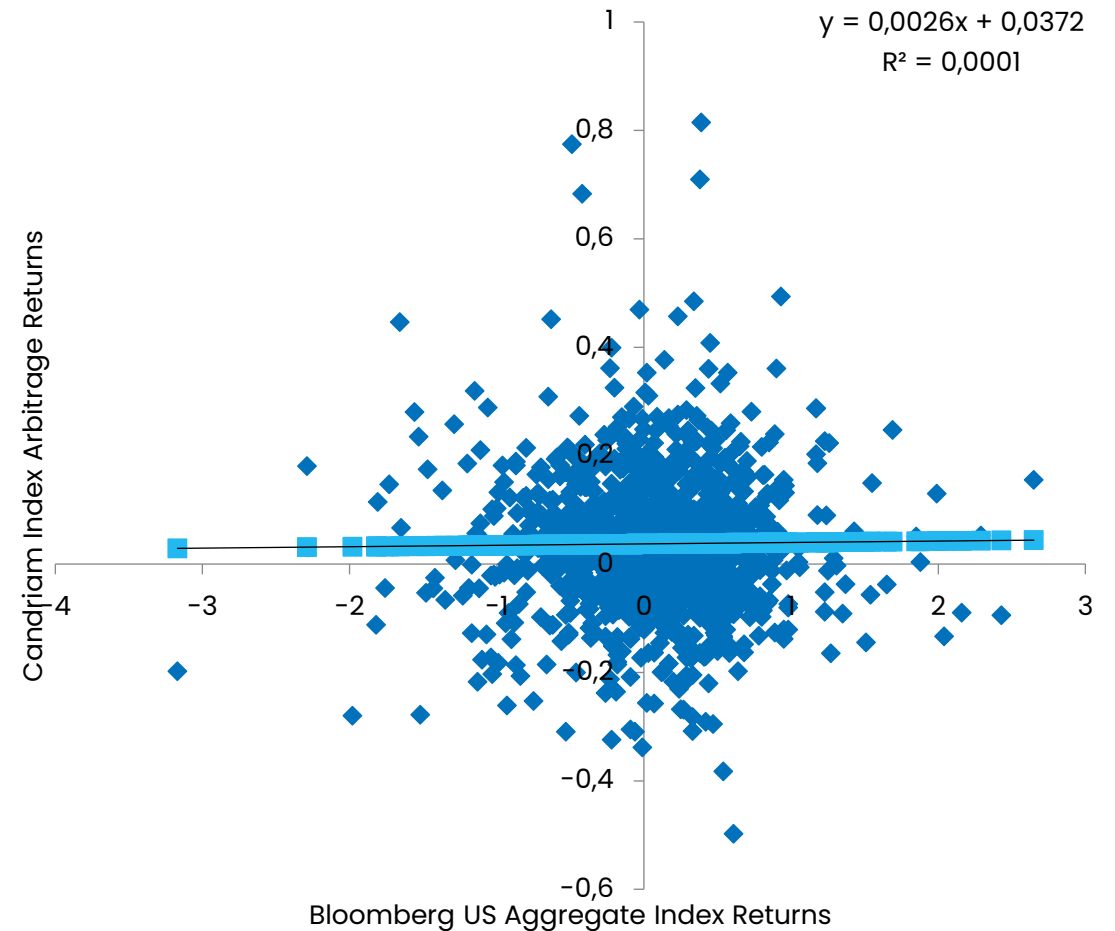
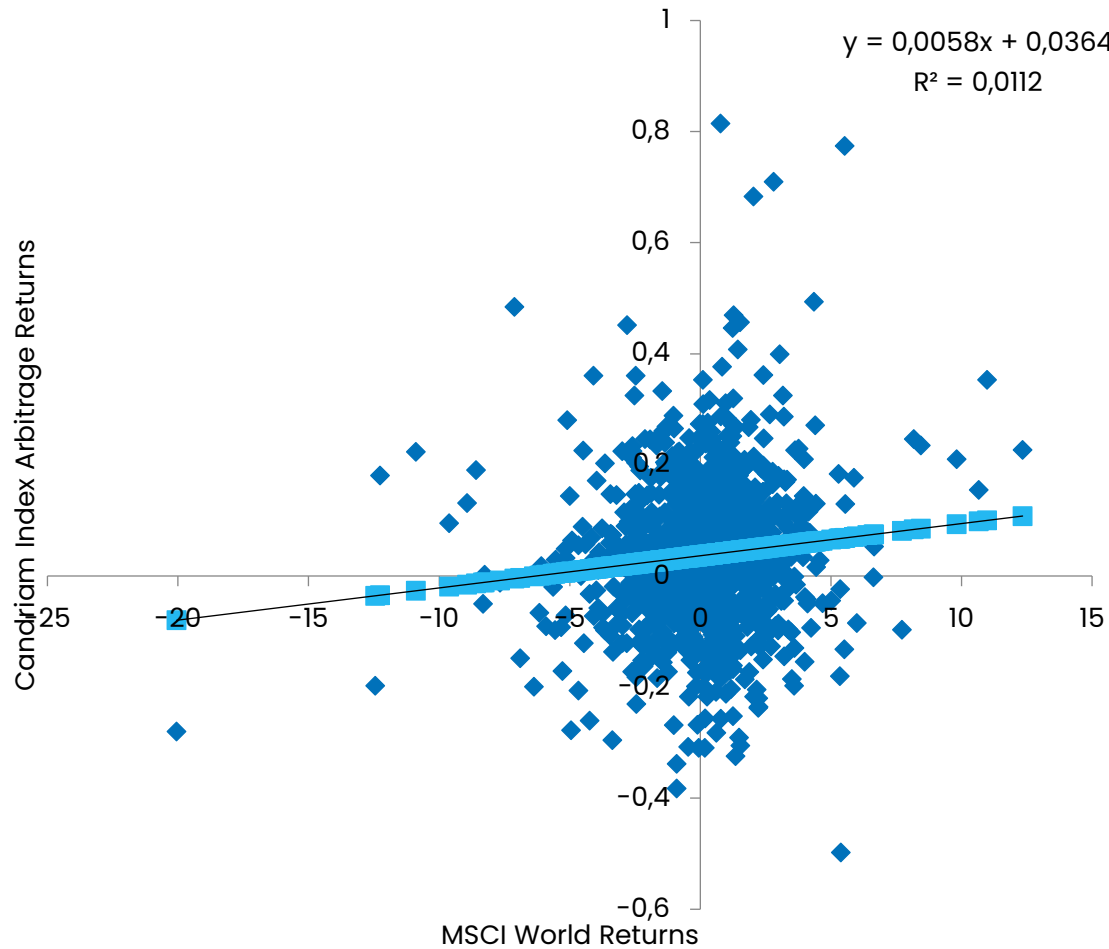
*Referring to EONIA© before end of 2021 and €STR© after end of 2021

Index mentioned are not the benchmark of the fund and are given only for illustrative and information purpose



Uncorrelated to Traditional Assets...

Correlation between Fund Returns and Equity Index/Bonds Index

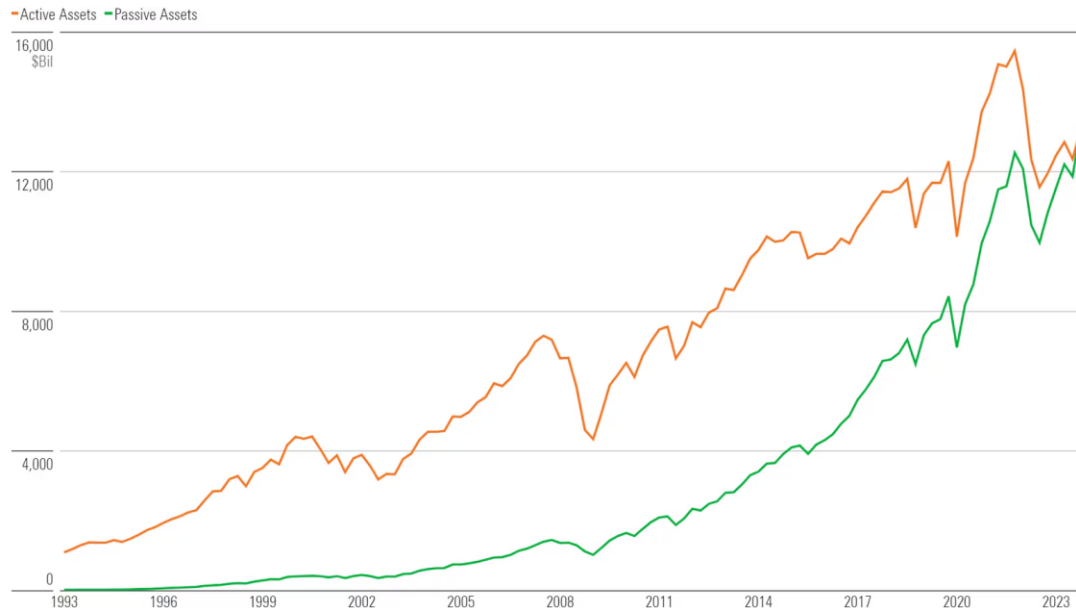


The rise of Passive Management.

A Structural Force in the Market

It's Official: Passive Funds Overtake Active Funds in the US

Historical Fund Assets: Active vs. Passive



Source: Morningstar Direct Asset Flows. Data as of Dec. 31, 2023.

Source: Morningstar®, JPMorgan, 2024

It's Official: Passive Funds Overtake Active Funds | Morningstar
Active vs. Passive Funds: Performance, Fund Flows, Fees | Morningstar



Various index funds hold 25–45% of US listed companies (depending on the index membership)



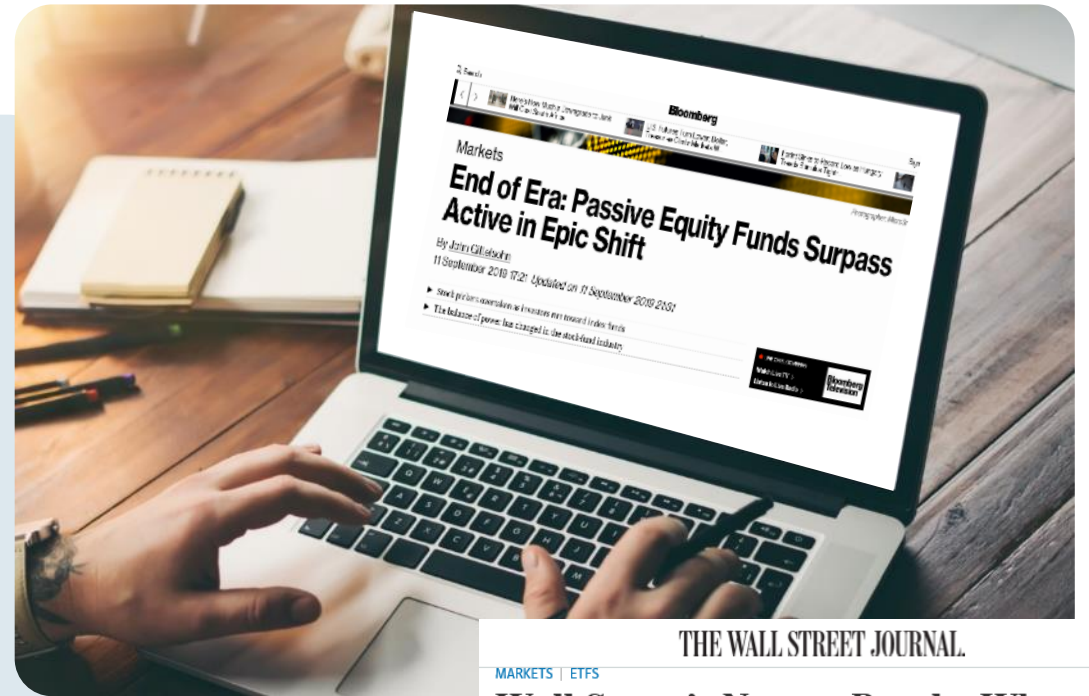
Strongly impacts Prices and Volatility.

“

«An increase in passively managed portfolios could also affect the pricing of securities through **greater portfolio-wide trading in the market.** Passive managers buy and sell the entire basket of index constituents in response to fund inflows and outflows. This trading pattern can **induce higher co-movement in the prices of the constituents of the index.**

It might also **magnify any pricing differences with securities not included in the index.»**

Jeffrey Wurgler



THE WALL STREET JOURNAL

MARKETS | ETFs

Wall Street's Newest Puzzle: What Passive Buying and Selling Means for Individual Stocks

Even active investors have resigned themselves to the influence of indexing—and are looking to profit from it

By *Chris Dieterich and Corrie Driebusch*

Sept. 21, 2017 5:30 am ET

Source: BIS Quarterly Review, "The implications of passive investing for securities markets", Vladislav Sushko & Grant Turner, March 2018



Techniques to benefit from this volatility.

Provide liquidity and capture price swings



INDEX REBALANCING

Large trades coming from passive investments lead to:

Price spread opportunities



RELATIVE VALUE

Large inflows/outflows coming from passive investments lead to:

Valuation spread opportunities

Candriam Index Arbitrage
invest in these two complementary buckets

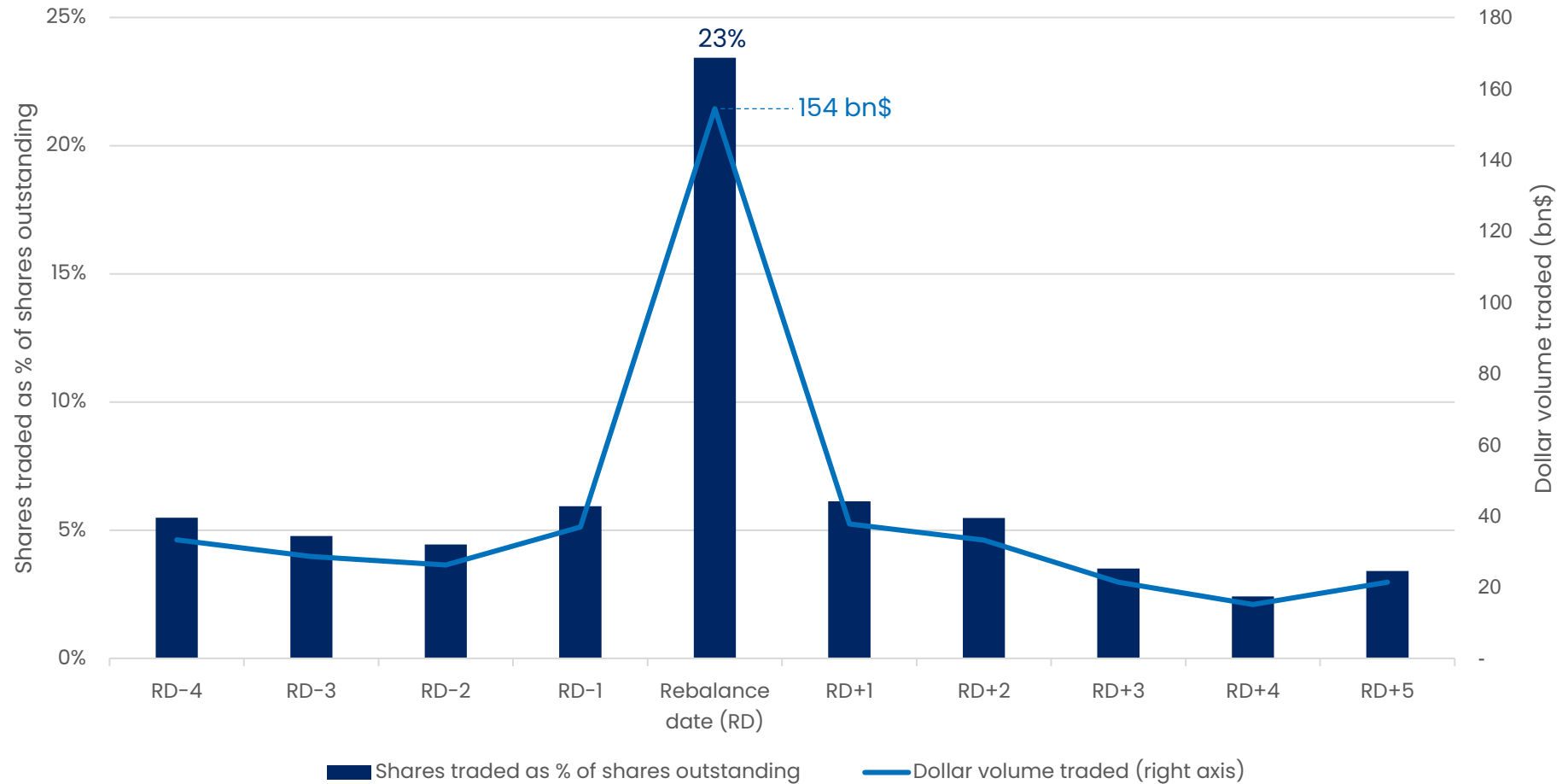
To fully understand the fund's risk profile, we advise investors to carefully review the official prospectus and the description of the underlying risks: Risk of capital loss, Equity risk, Risk associated with derivative financial instruments, Interest rate risk, Credit risk, Foreign exchange risk, Counterparty risk, Emerging countries risk, Liquidity risk, Delivery risk, Volatility risk.

This list of risks is not exhaustive and further details on risks associated with investing in the fund is available in the Prospectus and Key Information Document.



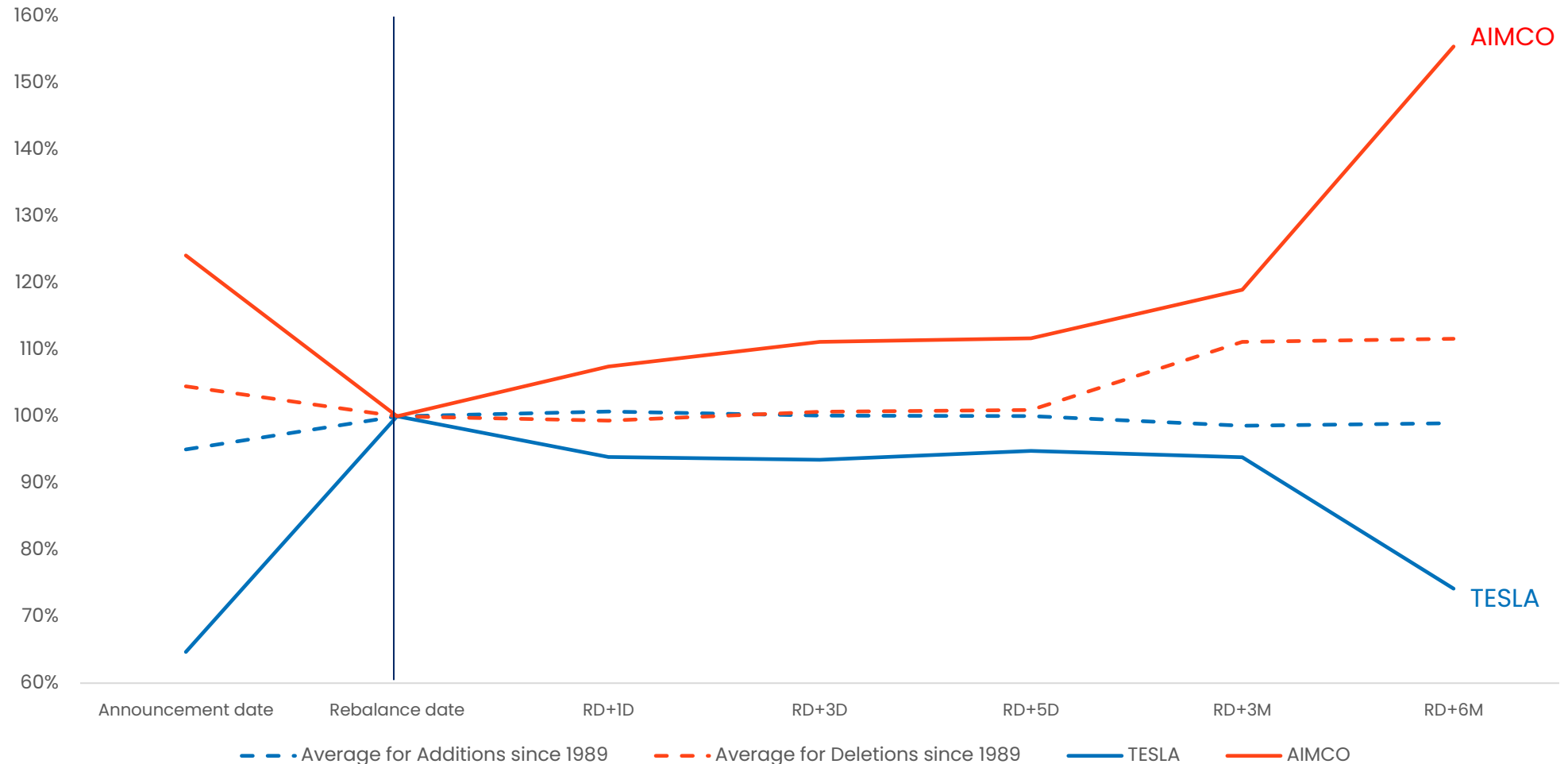
Example of the biggest S&P rebalance.

S&P 500 rebalance impact on TESLA[®] trading volumes



Example of the biggest S&P rebalance.

Performance of S&P 500 additions and deletions relative to market



Past performance is no guarantee of future results and is not constant over time



Index Rebalancing Implementation.

Example

Announcement of **Tesla**® addition in the S&P® 500 on November 30th, 2020

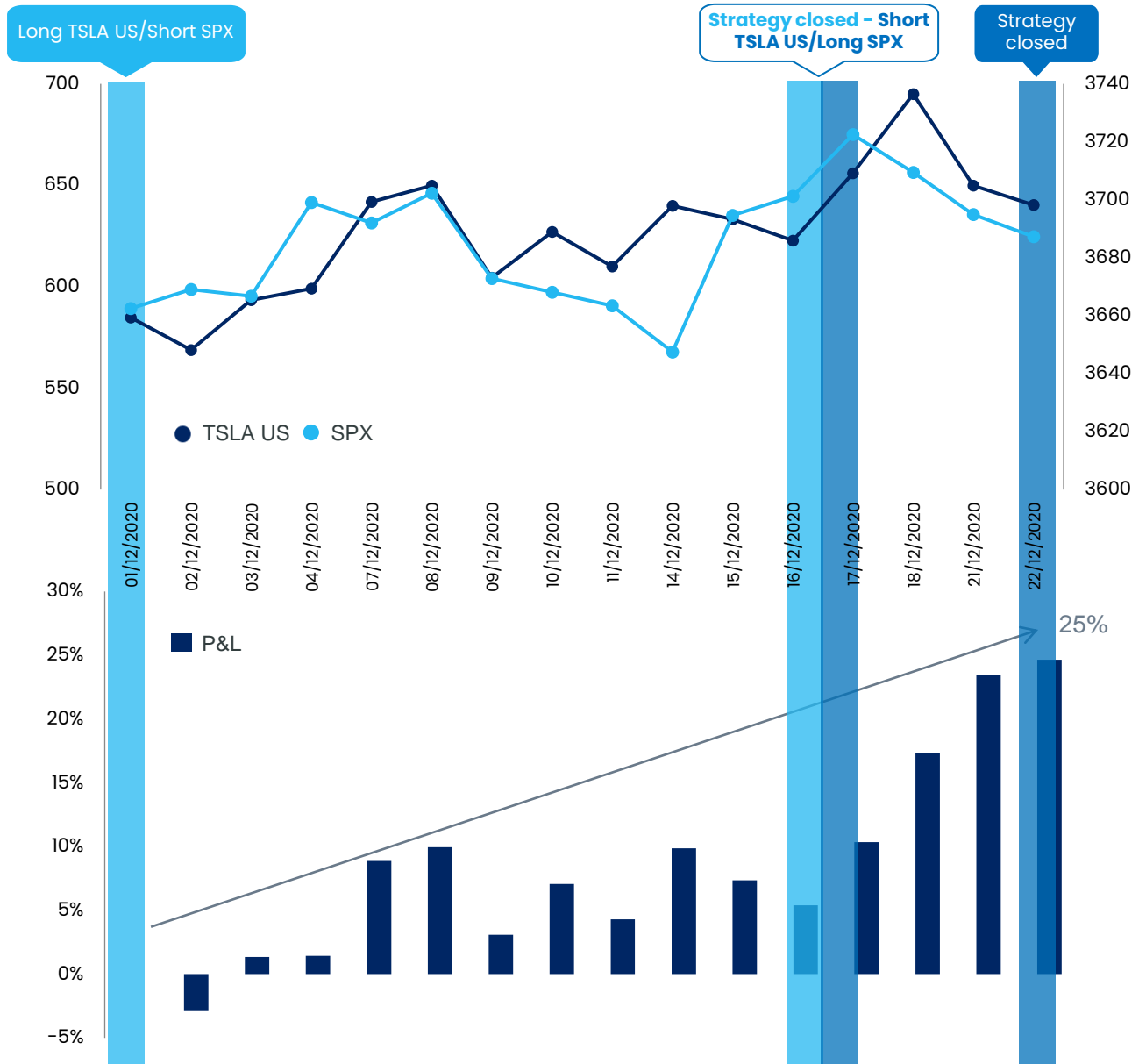
Effective addition on December 18th



Example of strategy implementation

- December 1st **long TSLA US**® / **short S&P 500**®
- December 18th **short TSLA US**® / **long S&P 500**®
- December 22nd **strategy closed**

These trades would have generated a **total return of 25%**



Past performance is no guarantee of future results and is not constant over time

Sources: Candriam, Bloomberg®, 2024 All rights reserved.
The above example is an example of a portfolio security.
The fund is actively managed and the investment process implies referring to a benchmark index 100% €STR Capi©.



Relative Value strategies.

Example of Pair-Trading

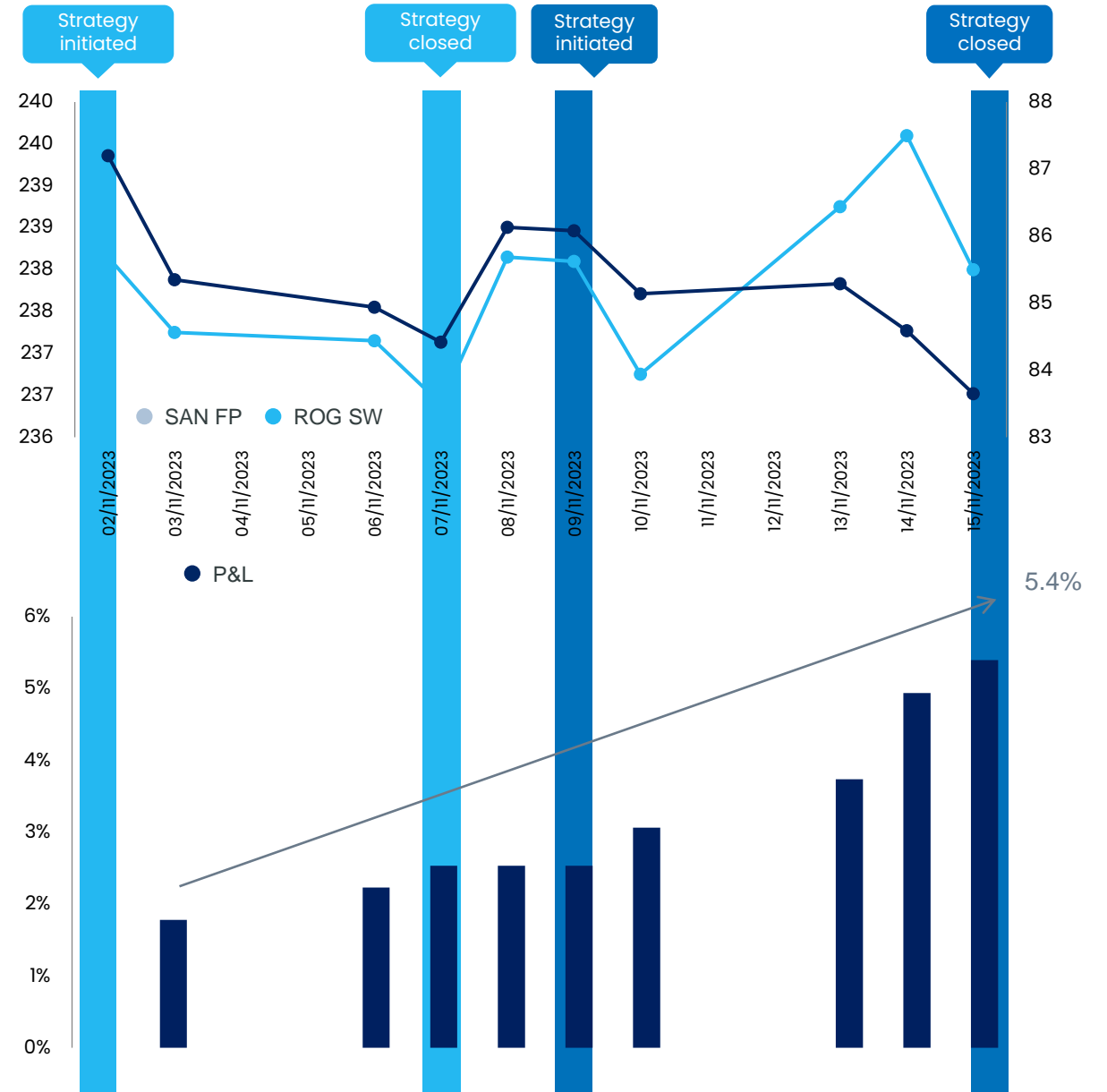
Pair trading exploits mean reversion of two highly correlated assets



Example of strategy implementation

- November 2nd **long Roche® / short Sanofi®**
- November 7th **strategy closed**
- November 9th **long Roche® / short Sanofi®**
- November 15th **strategy closed**

These trades would have generated a **total return of 5.4%**



Past performance is no guarantee of future results and is not constant over time

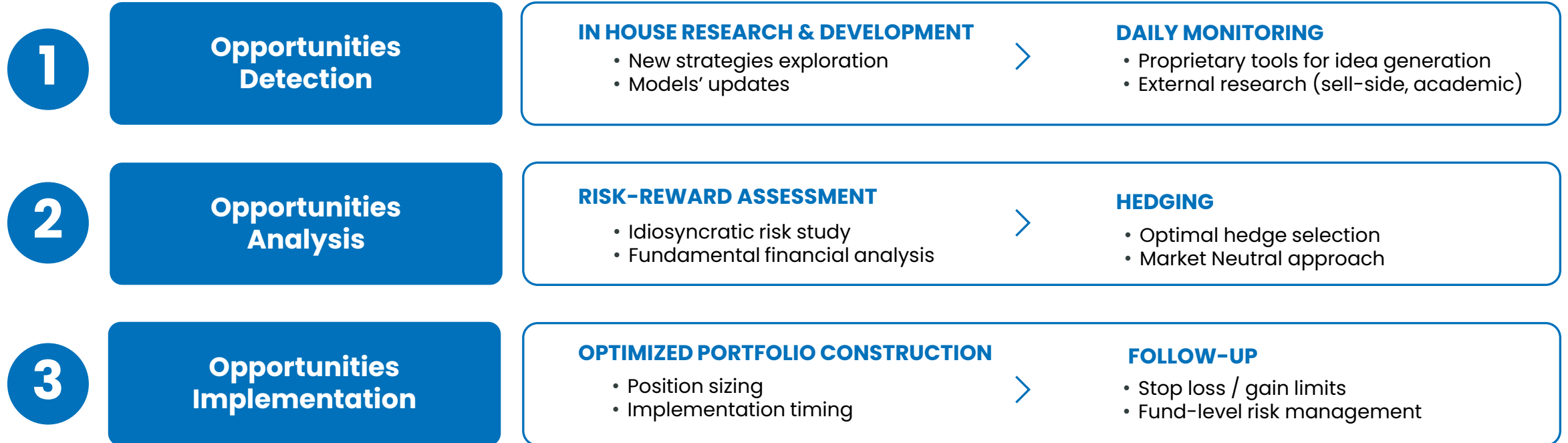
Sources: Candriam ; Bloomberg©, 2024 All rights reserved.
The above example is an example of a portfolio security. The fund is actively managed and the investment process implies referring to a benchmark index 100% €STR Capi©.



A Rigorous Investment Process.

Benefiting from Price Volatility

Investment Universe : North America & Western Europe Equities



Candriam Index Arbitrage

- 01 Benefit from the growth of passive management and its impact on prices and volatility
- 02 In a well diversified portfolio balanced to capturing these price swings
- 03 With low sensitivity to market fluctuations, and so
- 04 Improves risk-return profile of a traditional portfolio
- 05 Managed by an experienced team in a daily liquid UCITS fund

To fully understand the fund's risk profile, we advise investors to carefully review the official prospectus and the description of the underlying risks: Risk of capital loss, Equity risk, Risk associated with derivative financial instruments, Interest rate risk, Credit risk, Foreign exchange risk, Counterparty risk, Emerging countries risk, Liquidity risk, Delivery risk, Volatility risk.

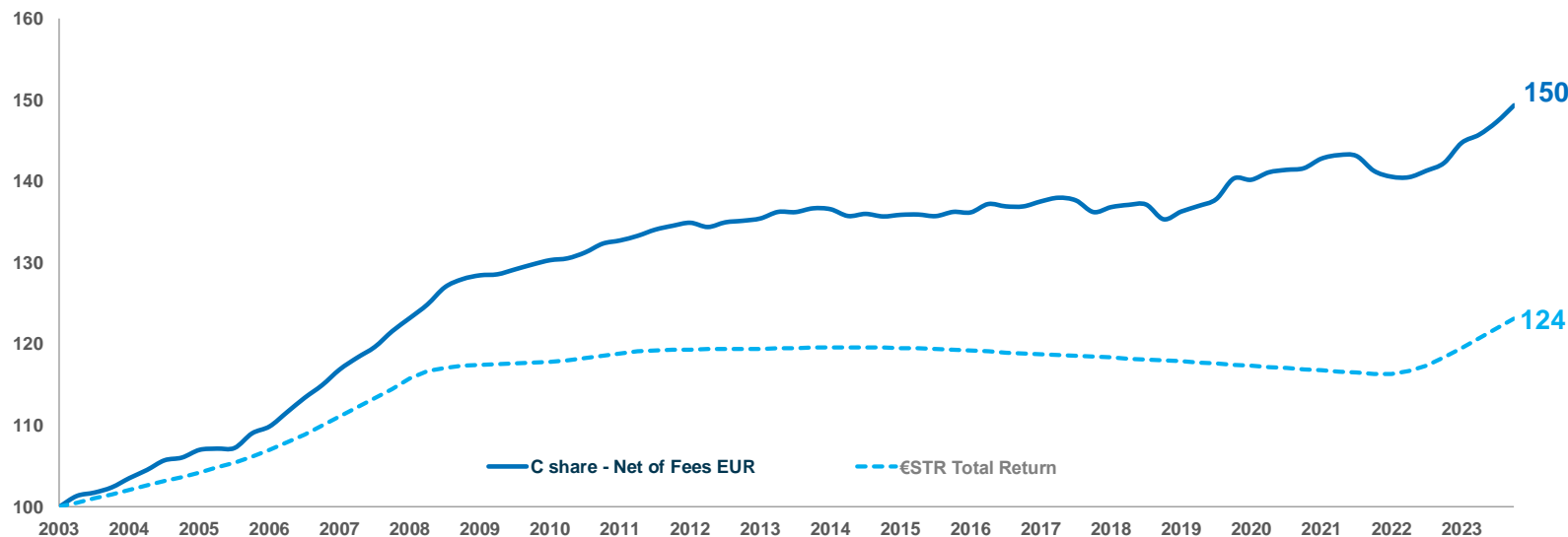
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Cumulative performance since inception

Candriam Index Arbitrage

Past performance is no guarantee of future results and is not constant over time



Performance C share class (as of 09/30/2024)	Since 2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003*	Annualized since inception*
Candriam Index Arbitrage	3.55%	3.72%	-1.90%	1.50%	3.00%	-0.08%	-0.55%	0.47%	0.94%	0.18%	-0.36%	1.33%	0.81%	2.12%	1.54%	2.96%	5.52%	6.00%	4.19%	2.51%	3.15%	1.06%	1.96%
€STR	2.95%	3.29%	-0.01%	-0.51%	-0.47%	-0.40%	-0.37%	-0.36%	-0.32%	-0.11%	0.10%	0.09%	0.24%	0.88%	0.44%	0.72%	3.99%	4.00%	2.92%	2.13%	2.12%	0.58%	1.04%

To fully understand the fund's risk profile, we advise investors to carefully review the official prospectus and the description of the underlying risks: Risk of capital loss, Equity risk, Risk arising from discretionary management and the arbitrage strategy, Risk associated with derivative financial instruments Counterparty risk, Interest rate risk, Credit risk, Foreign exchange risk, Liquidity risk, Volatility risk, Emerging countries risk, Risk related to external factors, Delivery risk, Operational risk, Legal risk, Custody risk

Source: Candriam. The fund is actively managed and the investment process implies referring to a benchmark index the Capitalised €STR (Euro Short Term Rate)©. Data as of September 30th, 2024. Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, with a negative or positive impact on gains. If the present document refers to a specific tax treatment, such information depends on the individual situation of each investor and may change. The investment process does not replicate the reference index which is mentioned for information purpose only. For further details on risks associated with investing in these strategies, a general description and explanation of the various risk factors is available in the section Risk Factors of the relevant Prospectuses. [The prospectus is available on Candriam.com: Fund Detail.](#) *Inception date : 09/09/2003



Risk Profile - Candriam Index Arbitrage



The fund presents a risk of capital loss,

the net asset value of the fund may decrease in particular because of its exposure to the risk associated with the use of derivatives instruments

- › The summary risk indicator ("SRI") is an indicator with a rating ranging from 1 to 7 and corresponds to increasing levels of risk and return. The methodology for calculating this regulatory indicator is available in the KID.
- › **The summary risk indicator ("SRI") is a guide to the level of risk of this product compared to other products.**
- › It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you



Risk Profile – Candriam Index Arbitrage

Investors should be aware of the significant risk below, which may not necessarily be adequately taken into account by the indicator:

- › **Counterparty risk:** The fund may use OTC derivative products and/or effective portfolio management techniques, and these may engender a counterparty risk, i.e. the inability of the counterparty to honour its commitments to the fund. This counterparty risk could be fully or partially hedged by the receipt of guarantees.
- › **Risk arising from financial derivative instruments:** Use of these instruments involves a risk arising from their underlying assets, which may amplify downturns due to the associated leverage. If there is a hedging strategy it may not be complete

Risk factors specific to the sub-fund

- › Risk of capital loss
- › Equity risk
- › Risk arising from discretionary management and the arbitrage strategy
- › Risk associated with derivative financial instruments
- › Counterparty risk
- › Interest rate risk
- › Credit risk
- › Foreign exchange risk
- › Liquidity risk
- › Volatility risk
- › Emerging countries risk
- › Risk related to external factors
- › Delivery risk
- › Operational risk
- › Legal risk
- › Custody risk



Candriam Index Arbitrage.

Legal Form	UCITS - FCP	ISIN Code	I - Cap FR0012502268
Domicile	France	Frequency of valuation	Daily
Launch date	September 9, 2003	Fund currency	EUR
Management Company	CANDRIAM	Management fees (max.)¹	0.70%
Depository bank	CACEIS Bank	Subscription fees (max.)¹	1.00%
Supervision authority	AMF	Redemption fees (max.)¹	1.00%
SFDR classification	Article 6	Performance fees (max.)¹	20.00%
Benchmark	Capitalised €STR (Euro Short Term Rate)©	Fund AUM	307 million
		Recommended investment horizon	3 years
Registered for sale in	All or some of the fund share classes are authorized in the following countries (blue coloured points)		

AT	BE	CH	CL	DE	DK	ES	FI	FR	GB	IE	IT	LU	NL	NO	PT	SE	SK	SG	KR
●		●		●		●	●	●	●	●	●	●	●						

The fund is actively managed, and the investment process implies referring to a benchmark index, the Capitalised €STR (Euro Short Term Rate)©

¹This list is not exhaustive, the sub-fund incurs other costs further information on fees and charges is available in the KID/Prospectus to allow investors to understand the overall impact of costs on the amount of their investment and on the expected returns. The prospectus is available on Candriam.com: Fund Detail. Management and performance fees are calculated annually. The fees are expressed as an annual percentage of the average net asset value of the Share Class and are payable at the end of each month.

Source: Candriam – August 2024



This is a marketing communication. Please refer to the prospectus of the funds and to the key information document before making any final investment decisions. This marketing communication does not constitute an offer to buy or sell financial instruments, nor does it represent an investment recommendation or confirm any kind of transaction, except where expressly agreed. Although Candriam selects carefully the data and sources within this document, errors or omissions cannot be excluded a priori. Candriam cannot be held liable for any direct or indirect losses as a result of the use of this document. The intellectual property rights of Candriam must be respected at all times, contents of this document may not be reproduced without prior written approval.

Warning: Past performance of a given financial instrument or index or an investment service or strategy, or simulations of past performance, or forecasts of future performance does not predict future returns. Gross performances may be impacted by commissions, fees and other expenses. Performances expressed in a currency other than that of the investor's country of residence are subject to exchange rate fluctuations, with a negative or positive impact on gains. If the present document refers to a specific tax treatment, such information depends on the individual situation of each investor and may change.

In respect to money market funds, please be aware that an investment in a fund is different from an investment in deposits and that the investment's principal is capable of fluctuation. The fund does not rely on external support for guaranteeing its liquidity or stabilizing its NAV per unit or share. The risk of loss of the principal is borne by the investor.

Candriam consistently recommends investors to consult via our website <https://www.candriam.com> the key information document, prospectus, and all other relevant information prior to investing in one of our funds, including the net asset value ("NAV") of the funds. Investor rights and complaints procedure, are accessible on Candriam's dedicated regulatory webpages <https://www.candriam.com/en/professional/legal-information/regulatory-information/>. This information is available either in English or in local languages for each country where the fund's marketing is approved.

According to the applicable laws and regulations, Candriam may decide to terminate the arrangements made for the marketing of a relevant fund at any time.

Information on sustainability-related aspects: the information on sustainability-related aspects contained in this communication are available on Candriam webpage <https://www.candriam.com/en/professional/sfdr/>. The decision to invest in the promoted product should take into account all the characteristics or objectives of the promoted product as described in its prospectus, or in the information documents which are to be disclosed to investors in accordance with the applicable law.

Notice to investors in Switzerland: The information provided herein does not constitute an offer of financial instruments in Switzerland pursuant to the Swiss Financial Services Act ("FinSA") and its implementing ordinance. This is solely an advertisement pursuant to FinSA and its implementing ordinance for financial instruments.

Swiss representative: CACEIS (Switzerland) SA, Route de Signy 35, CH-1260 Nyon. The legal documents as well as the latest annual and semi-annual financial reports, if any, of the investment funds may be obtained free of charge from the Swiss representative.

Swiss paying agent: CACEIS Bank, Montrouge, succursale de Nyon/Suisse, Route de Signy, 35, CH-1260 Nyon.

Place of performance: Route de Signy 35, CH-1260 Nyon.

Place of jurisdiction: Route de Signy 35, CH-1260 Nyon.

Specific information for investors in France: the appointed representative and paying agent in France is CACEIS Bank, Luxembourg Branch, sis 1-3, place Valhubert, 75013 Paris, France. The prospectus, the key investor information, the articles of association or as applicable the management rules as well as the annual and semi-annual reports, each in paper form, are made available free of charge at the representative and paying agent in France.

Specific information for investors in Spain: Candriam Luxembourg Sucursal en España has its registered office at C/ Pedro Teixeira, 8, Edif. Iberia Mart I, planta 4, 28020 Madrid and is registered with the Comisión Nacional del Mercado de Valores (CNMV) as an European Economic Area management company with a branch. CNMV: 657 & 707

Specific information for investors in Austria: The appointed Paying and Information Agent in Austria is Erste Bank der oesterreichischen Sparkassen AG, Am Belvedere 1, 1100 Vienna, Austria. The prospectus, the Key Investor Information Documents (KIIDs) relating to the portfolios of the Fund, the Articles, the audited annual accounts, the semi-annual accounts as well as the issuance and redemption prices are available in Austria free of charge (in the German language) at the Austrian Paying and Information Agent.



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