

# A new target maturity Fund has joined Carmignac's Credit range

Launch of Carmignac Credit 2027


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Published	Length
May 10, 2022	 4 minute(s) read

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**After launching our first target maturity fund invested in credit markets in 2020 and confident that the current environment favours this type of carry strategy, today we are launching its second edition: Carmignac Credit 2027.**

A favourable environment



Interest rates have risen over the past several months, accelerating to levels that became attractive in credit markets.



Amidst an uncertain market context, **carry could be a well-suited strategy**, as it combines diversification through carefully selected bonds, with visibility, through an indication of return ahead of time and a clear maturity date<sup>1</sup>.

## Carmignac Credit 2027 in a nutshell

Managed by Carmignac's credit market experts, Carmignac Credit 2027 is based on a carry strategy of private and public sector issuers. The Fund **targets appreciation of invested capital over a five-year horizon, while giving investors an opportunity for early redemption** if the Fund's internal rate of return hits one of the thresholds mentioned in its prospectus prior to maturity<sup>1</sup>.

#### A carry strategy with an early-redemption option

During the third or fourth year, investors may recover their capital prior to maturity if the Fund reaches or exceeds a performance deemed appropriate, as defined in the prospectus<sup>1</sup>.

#### A vast investment universe

Carmignac Credit 2027 seeks to capture attractive credit premiums worldwide while hedging against currency risk, with the goal of building up a diversified and selective portfolio based on strong convictions.

#### Risks that recede over time

In addition to systematic hedging of currency risk, the Fund's very nature provides for a receding of interest-rate risk as the maturity date approaches.

*The Fund presents a risk of loss of capital, the performance is not guaranteed.*

Portfolio construction is based on an **in-depth analysis of each opportunity researched**, including a conservative estimate of the fundamental cost of risk<sup>2</sup>. This analysis is also used to determine the terms and conditions under which the early-redemption option may be exercised, particularly for calculating the internal rate of return that the Fund must achieve.

The fund has an initial subscription period **from 2 May 2022 to 30 June 2022**.

### Want to find out more about Carmignac Credit 2027?



## A proven approach to credit markets

The Fund benefits from the solid and proven expertise of its management team, which already manages our first target-date fund, **Carmignac Credit 2025**, which we launched in October 2020, as well as our global credit strategy **Carmignac Portfolio Credit**, which we launched in July 2017.

These strategies have already proven their potential since their respective launches:

### Carmignac Credit 2025

*Launched on 30/10/2020*

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**+2.5%**

**Annualised return**

by the Fund

### Carmignac Portfolio Credit

*Launched on 31/07/2017*

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**+6.2%**

**Annualised return**

by the Fund, vs. 0.87% by its benchmark<sup>3</sup>



Overall Morningstar Rating™

## Past performances are not a reliable indicator of future performances.

Source: Carmignac, 01/04/2022. Performances of A EUR Acc. units. They are net of fees (excluding front-end fees, if any, charged by the distributor). Returns may vary either upward or downward, owing to currency fluctuations, on units that are not hedged for currency risk. Any reference to a ranking or price is not a reliable indicator of future rankings or prices of these funds or of the management company. Morningstar category: EUR Flexible Bond. Morningstar Rating™: © 2021 Morningstar, Inc. All rights reserved. Information contained in this document is the property of Morningstar and/or its content providers; it may be neither reproduced nor disseminated. No guarantee is offered as to its reliability, exhaustiveness or relevance. Neither Morningstar nor its content providers assume any liability for damage or losses incurred from the use of said information.

Want to find out more?

Pierre Verlé

Head of Credit, Co-Head of Fixed Income, Fund Manager  
21 years’ experience, Joined Carmignac in 2013

Funds

- Carmignac Portfolio Credit
- Carmignac Credit 2027
- Carmignac Credit 2029
- Carmignac Credit 2031

Alexandre Deneuville

Fund Manager  
18 years’ experience, Joined Carmignac in 2015

Funds

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- Carmignac Credit 2027
- Carmignac Credit 2029
- Carmignac Credit 2031

Florian Viros

Fund Manager  
19 years’ experience, Joined Carmignac in 2015

Funds

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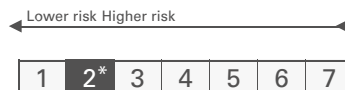
**Management team as of 02/05/2022. The management team is subject to change over the life of a fund.**

(1) Please refer to the Fund prospectus for more information on the management objective. Under no circumstances does this objective constitute a guarantee of Fund yield or performance. The Fund's performance is not guaranteed. The Fund incurs a risk of loss of capital. (2) Fundamental risk cost = Estimate of annualised probability of default x Loss in case of default. (3) Benchmark: 75% ICE BofA Euro Corporate Index, 25% ICE BofA Euro High Yield Index. Coupons reinvested. Rebalanced quarterly.

## Carmignac Credit 2027 A EUR Acc

ISIN: FR00140081Y1

Recommended  
minimum  
investment horizon



### Main risks of the Fund

**CREDIT:** Credit risk is the risk that the issuer may default.

**INTEREST RATE:** Interest rate risk results in a decline in the net asset value in the event of changes in interest rates.

**LIQUIDITY:** Temporary market distortions may have an impact on the pricing conditions under which the Fund might be caused to liquidate, initiate or modify its positions.

**DISCRETIONARY MANAGEMENT:** Anticipations of financial market changes made by the Management Company have a direct effect on the Fund's performance, which depends on the stocks selected.

The Fund presents a risk of loss of capital.

## Carmignac Portfolio Credit A EUR Acc

ISIN: LU1623762843

Recommended  
minimum  
investment horizon



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*Please refer to the Fund's prospectus to view the exhaustive list of risks.*

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