



# Managing liquidity and risk to maximize return in a challenging environment

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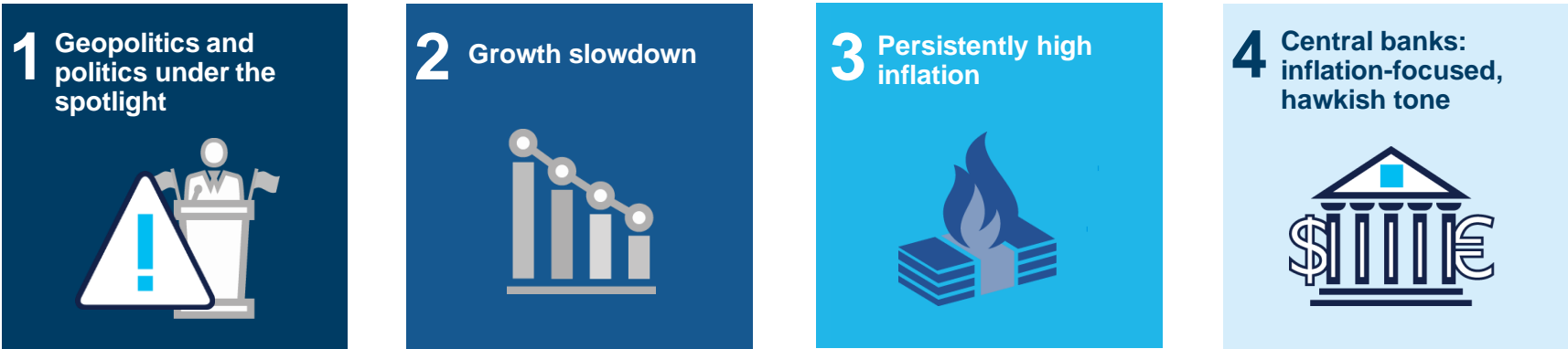
Confidence  
must be earned

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ASSET MANAGEMENT

# 01

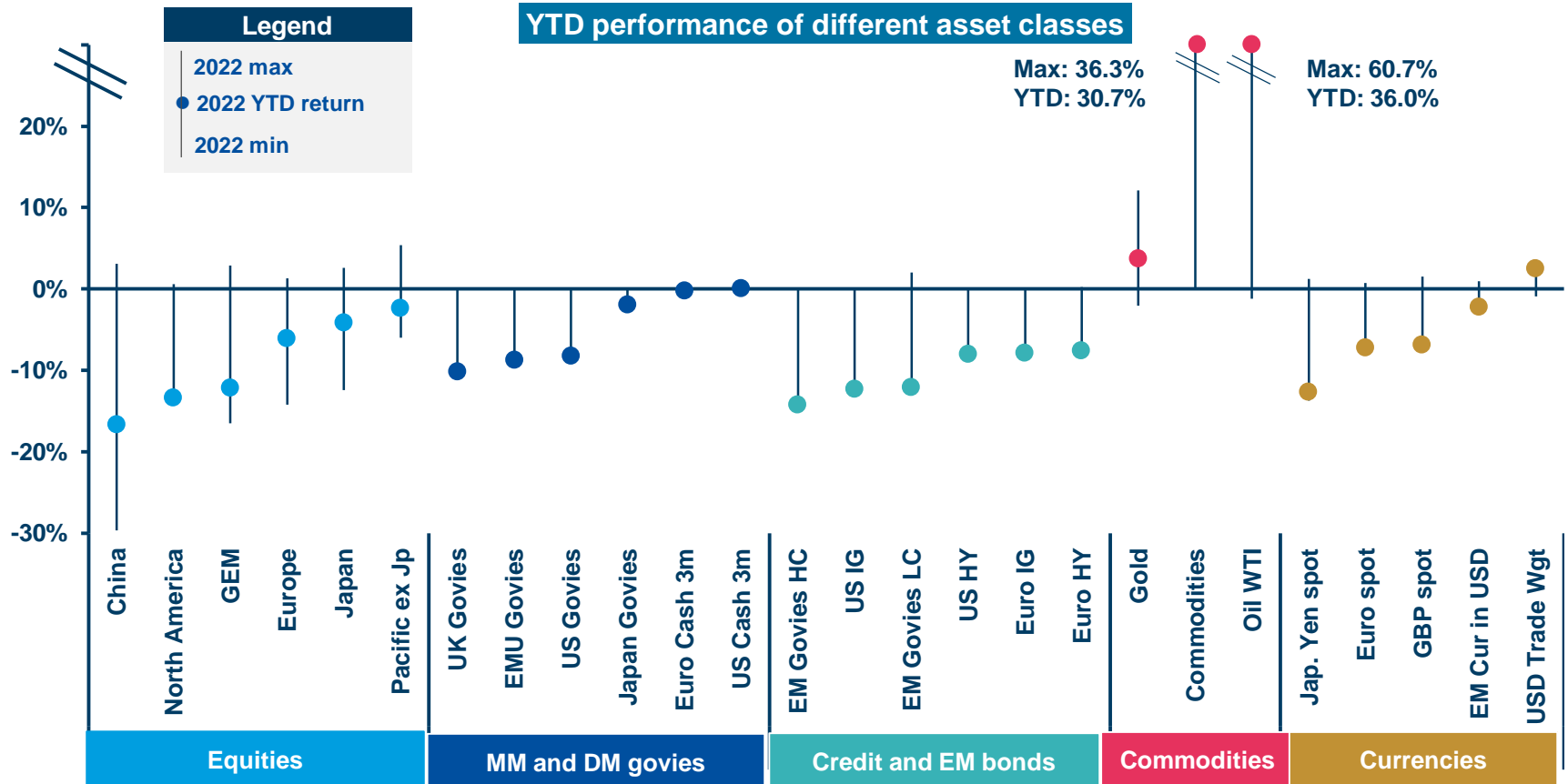
## Challenging times

# Hot themes for the global economy and for investors



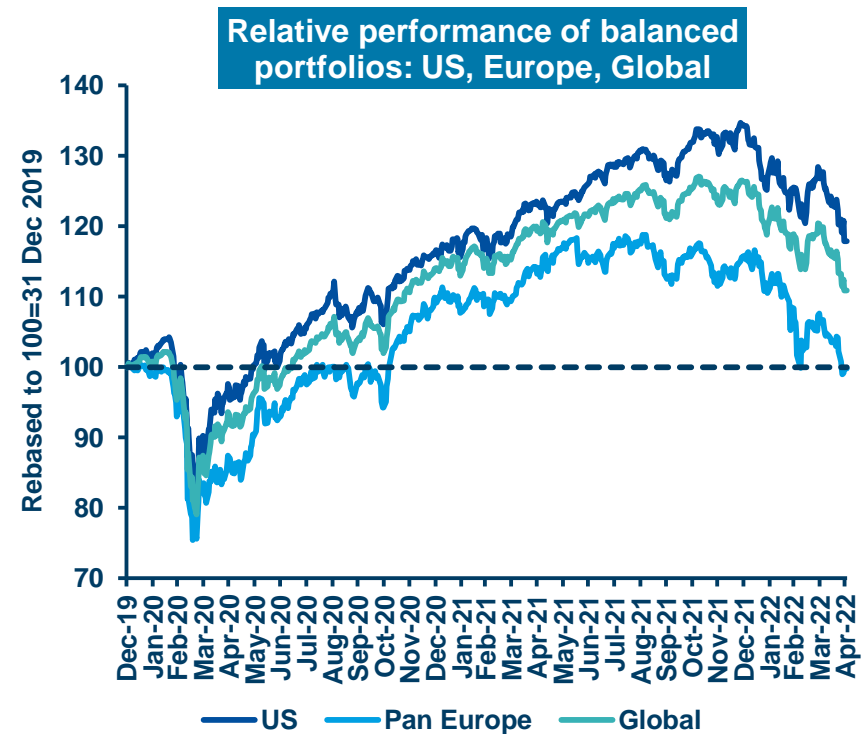
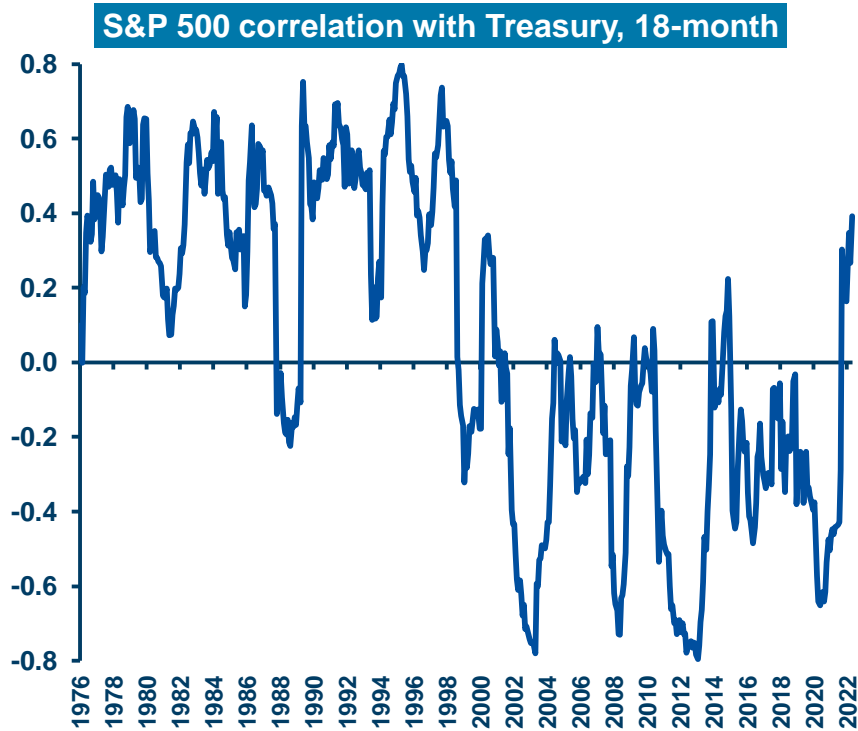
Source: Amundi Institute as of 1 May 2022. EM: emerging markets. CB: central banks. Fed: Federal Reserve. ECB: European Central Bank. BoE: Bank of England. PBoC: People's Bank of China.

# Few places to hide this year, some asset class sell-offs becoming rather extreme



Source: Bloomberg, analysis by Amundi Institute of 26 asset classes and FX. Data is as of 2 May 2022. MM: money markets. DM: developed markets. Index providers: cash, government bond and EM bond indices are from JPMorgan; corporate bond indices are from BofA; equity indices and EM currency indices are from MSCI; commodities indices are from Bloomberg Barclays. All indices used to represent asset classes are in local currency. **Past performance is no guarantee of future results.**

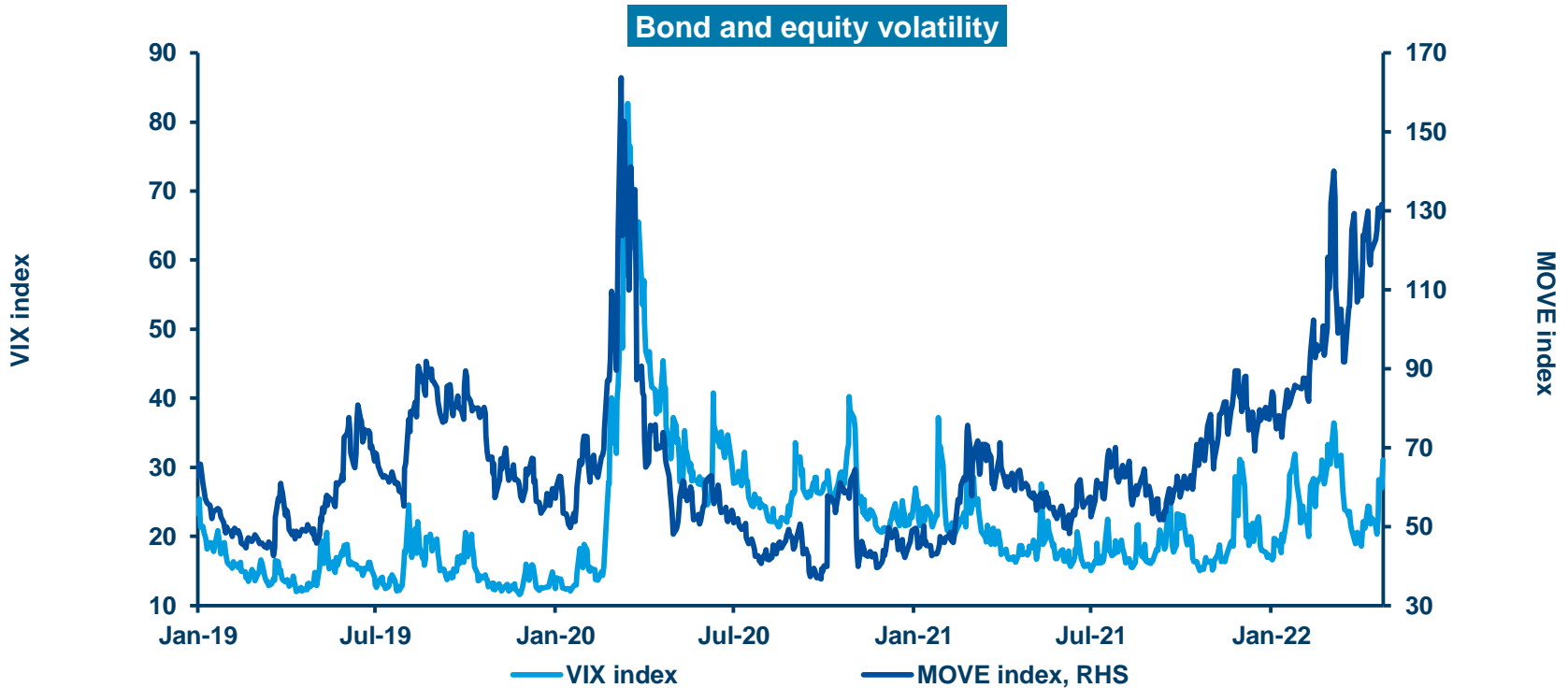
# Inflation blurs the correlation picture, balanced portfolio under pressure this year



Source: Amundi Institute, Bloomberg as of 26 April 2022.

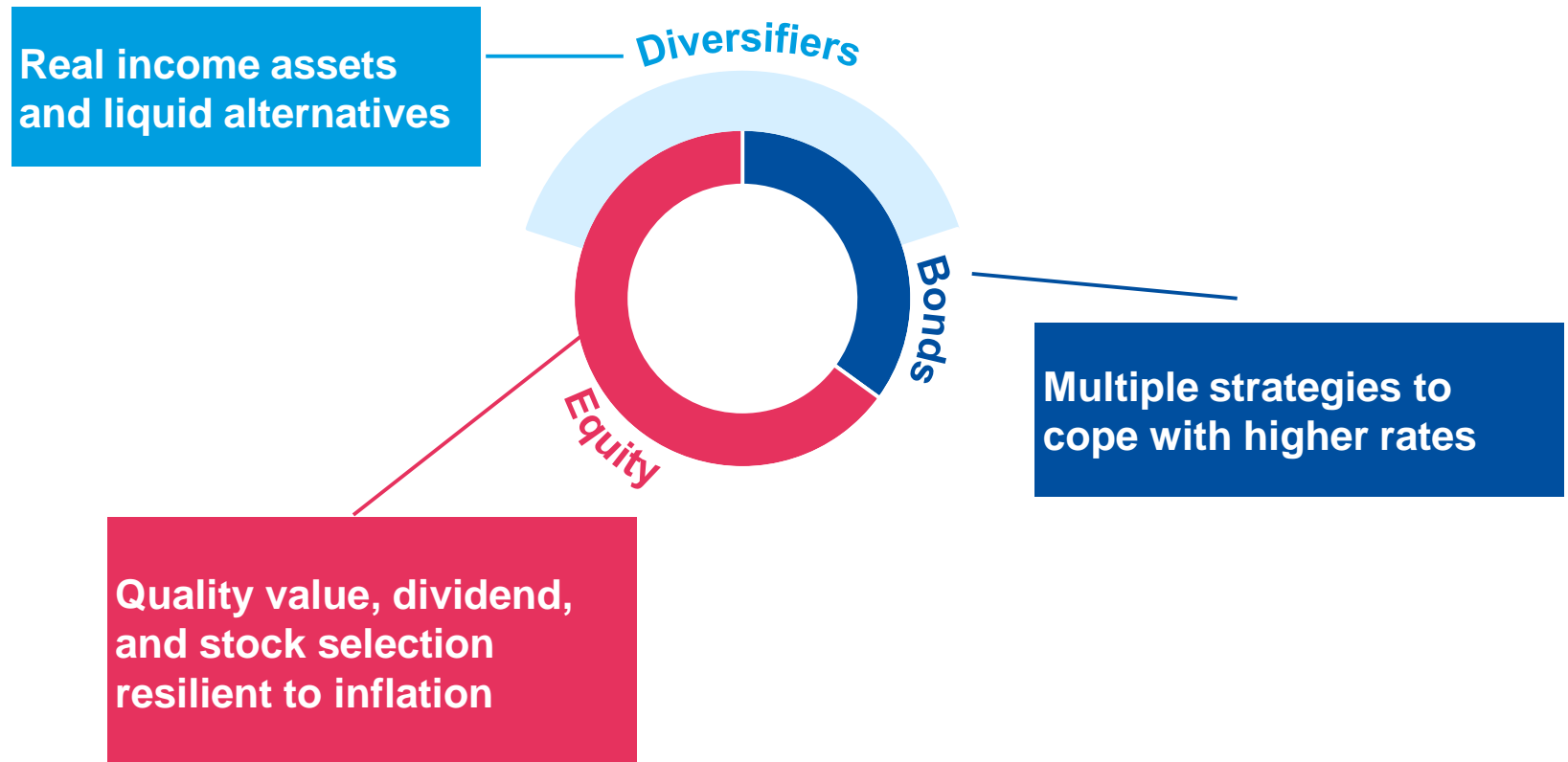
Source: Amundi Institute analysis on Bloomberg data as of 2 May 2022. Chart shows Bloomberg indices for cross-asset market performance of the US, European, and global markets. Each index rebalances monthly to 60% equities and 40% fixed income. **Past performance is no guarantee of future results.**

# Repricing of core yields is creating high volatility; the movement is becoming extreme



Source: Amundi, Bloomberg. Data is as of 26 April 2022.

# Investors may have to rethink portfolios in a regime shift



Source: Amundi Institute as of 2 May 2022.

# 02

## Why liquidity and risk management are important?



# Market liquidity crises

Happened several time over the past decades



Source: Amundi

# Importance of liquidity and risk management

**Liquidity**



Systemic risk

Market risk

Liability risk

**Risk Management**



Financial risk

Operational risk

Third party risk

Source: Amundi

# 03

How to manage liquidity and risk, while investors look for higher return?

# Challenging times ahead.. but new opportunities !

Solutions are available to streamline access to new pools of assets in a secure environment

**1**

**Diversify with  
alternative assets... in  
a controlled  
environment**

**Alternative  
Managed Accounts**

**2**

**Customise  
your offer**

**Fund Hosting  
Services**

**3**

**Access a large pool of  
asset managers and  
funds to select from**

**Fund Distribution  
Platform**

<sup>1</sup> Source: Amundi CASM model, Amundi Quant Solutions and Research teams, Bloomberg. Data is as of 20 April 2021, macro figures are as per latest release. Expected returns are not necessarily indicative of future performance, which may differ significantly. Past performance is not indicative of future results. Returns on credit asset include default losses. Forecasts for annualised returns are based on estimates and reflect subjective judgments and assumptions. These results were achieved by means of a mathematical formula and do not reflect the effects of unforeseen economic or market factors on decision-making.



# Amundi Solutions

- Liquid alternative assets via managed accounts
- Fund Hosting Solutions
- Fund Channel, the Fund Platform





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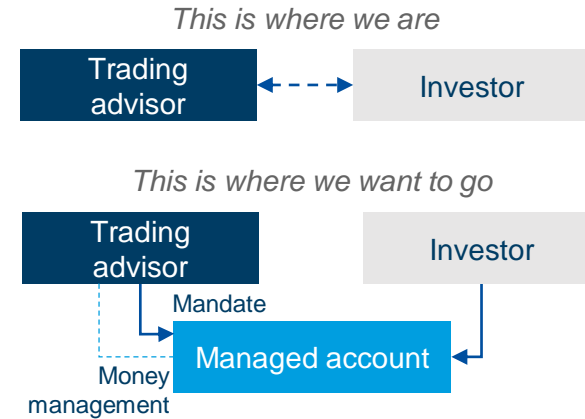
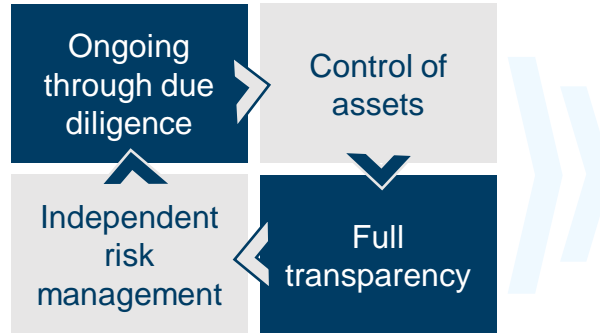
# Liquid Alternative Investment

Add protection, limit volatility and drawdown in the portfolio

## Key benefits of alternative investments



-  Absolute return oriented
-  Low correlation to traditional asset class
-  Diversification
-  Controlled down-side volatility

## What is the managed account platform?



## Strategic value of managed account platform

-  **Knowledge transfer**
-  **Enhance transparency**
-  **Customized liquidity terms**
-  **Mitigate excessive risk**
-  **Facilitate term negotiations**
-  **Monitoring and enforcement**

	 Managed account platform	 Direct investment in Hedge fund
Customization	↑	↓
Transparency	↑	↓
Risk control	↑	↓
Liquidity	↑	↓

For illustrative purpose only.

# Fund Hosting

building bridges between investors, asset managers and fund promoters



## Your challenges



**Investment Managers:** offer you investment capabilities in new markets or participate to institutional RFPs requiring local fund wrappers



**Distributors :** expand your product range through sub-advisory to offer your clients white label exclusive investment names



**Institutions :** consolidate your investments in dedicated fund specifically tailored to your needs, with greater transparency and risk control

## Amundi solutions

**Comprehensive local and cross-border hosting solutions for AIFs and UCITS over the world:**

- ✓ ManCo in **Luxembourg, Ireland, France, Austria & Singapore**
- ✓ Comprehensive range of services, including **structuring advice, setting-up of fund vehicle and liaison with local supervisory authorities**
- ✓ **Value-added services**, including RFP support, portfolio management, asset allocation advice, manager selection and due diligence as well as distribution support

## Benefits of Amundi Fund Hosting solutions

1



### EXPERTISE

39 industry Amundi professionals with proven history and in-depth experience

2



### SUBSTANCE

Regulatory capital and operational substance fully aligned with regulatory requirements

3



### TIME TO MARKET

Time-tested fund launch process

4



### ROBUST INFRASTRUCTURE

Scalable systems and processes

## Scope of services

Fund Design & Structuring Advice


Fiduciary Oversight & Governance

Operational Support & Reporting


Distribution Support & Pan-EU  
Registration Services





# Fund Distribution Solutions

Streamlining fund analysis, fund execution, selection, distribution and monitoring


**Fund Channel provides** 

<b>Fund Dealing and Custody</b>	<b>Contract Management</b>	<b>Oversight</b>	
<b>Market Intelligence</b>	<b>Fund Data Dissemination &amp; Selection Tool</b>	<b>Rebate Management</b>	<b>Sales Monitoring Digital Solutions</b>

**In order to deliver:**  
A complete 360° fund distribution ecosystem in operation since 2005 

 <b>€330 billion</b> of assets under intermediation	 <b>100,000 ISIN</b> on our platform	 <b>100 distributors</b>	 <b>600 asset managers</b>
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**Solid and long term Shareholders**

**Amundi**   
ASSET MANAGEMENT

Fully owned

**Fund Channel**

- ✓ Engagement
- ✓ Stability

## What's in it for you?

-  Streamlined complex infrastructure and operations: **one single agreement** with Fund Channel vs. Multiple DA
-  **One single enriched source of data** available at all times
-  Compliance with complete **suitability rules and regulatory requirements**
-  Improving your financial results, **optimizing revenues on rebates** and reinforcing cost savings
-  **Maximized operational efficiency in the value chain**, from order processing to trade settlement until final distribution
-  **Quality of service**, high flexibility, technical innovation and transparent pricing model.



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