



**AMUNDI GLOBAL DYNAMIC ALLOCATION PROTECT 90 FUND (HKD)
(SUB-FUND OF AMUNDI HK GUARANTEE SERIES)**

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

AND

**AMUNDI GLOBAL DYNAMIC ALLOCATION PROTECT 90 FUND (USD)
(SUB-FUND OF AMUNDI HK GUARANTEE SERIES)**

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

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AMUNDI HK GUARANTEE SERIES

CONTENTS	PAGE
Management and administration	1
Report of the Manager	2
Report of the Trustee to the unitholders	3
Statement of responsibilities of the Manager and the Trustee	4
Independent auditor's report	5 - 7
Statements of financial position	8 - 9
Statements of comprehensive income	10 - 11
Statements of changes in net assets attributable to unitholders	12 - 13
Statements of cash flows	14 - 15
Notes to the financial statements	16 - 53
Investment portfolio - Amundi Global Dynamic Allocation Protect 90 Fund (HKD) (unaudited)	54 - 55
Investment portfolio - Amundi Global Dynamic Allocation Protect 90 Fund (USD) (unaudited)	56 - 57
Statement of movements in portfolio - Amundi Global Dynamic Allocation Protect 90 Fund (HKD) (unaudited)	58
Statement of movements in portfolio - Amundi Global Dynamic Allocation Protect 90 Fund (USD) (unaudited)	59
Performance table (unaudited)	60

AMUNDI HK GUARANTEE SERIES

MANAGEMENT AND ADMINISTRATION

Manager

Amundi Hong Kong Limited
901-908, One Pacific Place
88 Queensway
Hong Kong

Sub-Investment Manager

Amundi Asset Management
90, boulevard Pasteur
75015 Paris,
France

Guarantor

Crédit Agricole S.A.
12 place des Etats-Unis
92127 Montrouge CEDEX
France

Directors of the Manager

Christianus Pellis
Jean-Yves Glain
Gilles Guerrier de Dumast
Vincent Mortier
Zhong Xiao Feng

Auditor

PricewaterhouseCoopers
22nd Floor, Prince's Building
Central
Hong Kong

Trustee and Registrar

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Solicitors to the Manager

Deacons
5th Floor, Alexandra House
18 Chater Road
Central
Hong Kong

Custodian and Sub-Custodian

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

AMUNDI HK GUARANTEE SERIES

REPORT OF THE MANAGER

Over the period, growth and employment indicators remained relatively strong in the United States (“US”). In the euro zone, the figures were very disappointing and in China, economic data signaled a loosening economic momentum over the period despite fiscal and monetary stimulus.

Over the period, the Federal Reserve (“FED”) did hike 2 times, in September 2018 and December 2018, but afterwards moved to a more cautious stance by signaling possible cuts in the second half of 2019. Moreover, the FED continued to unwind its balance sheet by not reinvesting part of its maturing bonds (per month 50 billion USD of its maturing bonds).

The central bank of China continued to loosen its monetary policy by cutting its reserve requirement ratio (“RRR”) and providing more liquidity to the local financial system over the period. Moreover, the European Central Bank (“ECB”) started to say they will wait at least for the middle of 2019 to raise the deposit rate, but at the end of the period hinted they could again cut the deposit rate and start a new round of quantitative easing.

The well-synchronized global recovery, supported by monetary policies still accommodative in some developed countries, have supported equity markets in the third quarter of 2018 but a new escalation in the trade war between the US and China, as well as a communication too hawkish from the FED, destroyed the confidence of investors during the last quarter of 2018.

The prospect of a deal between the US and China, mixed with a turn-around of a FED communication, less hawkish, helped the equity and credit markets to recover nearly all the losses that occurred during the last quarter of 2018.

At the end, over the period, the main indices posted positive returns. The momentum was particularly strong in the US market, up by 10%, much less in emerging countries (+1.5%) and Europe (+2%) markets. In terms of credits, credit markets performed very well over the period, thanks to the tightening of spreads and the fall of government yields.

The evolution of the bond markets has been significant. After a first rise in the third quarter of 2018, the US 10-year yield collapsed, thanks to the loosening momentum of the global economy and a FED communication that shifted more dovish.

In the Eurozone, the 10-year German yield fell with the release of disappointing economic data in the euro zone area and the prospect of a new round of quantitative easing from the ECB.

Over the last 12 months, the USD outperformed a lot of currencies as better economic data was released in the US rather than in the rest of the world. Gold price surged as the prospect of new quantitative easing is a strong tailwind to this asset class. Meanwhile, raw materials and energy prices fell as the prospect of a slowing global economy is a headwind to commodities.

Data Source: Bloomberg, from June 2018 to June 2019

AMUNDI HK GUARANTEE SERIES

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, the Manager of Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD) (the “Sub-Funds”) has, in all material respects, managed the Sub-Funds in accordance with the provisions of the Trust Deed dated 22 December 2016, as amended by supplemental deed dated 31 October 2017 (collectively the “Trust Deed”) for the year ended 30 June 2019.

For and on behalf of
HSBC Institutional Trust Services (Asia) Limited
as the Trustee of Amundi HK Guarantee Series

Hong Kong, 14 October 2019

AMUNDI HK GUARANTEE SERIES

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

Manager's responsibilities

The Manager of the Sub-Funds is required by the Code on Unit Trusts and Mutual Funds issued by the Securities and Futures Commission of Hong Kong (the "SFC Code") and the Trust Deed dated 22 December 2016, as amended (the "Trust Deed") to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Funds at the end of that period and of the transactions for the year then ended. In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Funds will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Sub-Funds in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities.

Trustee's responsibilities

The Trustee of the Sub-Funds is required by the SFC Code and the Trust Deed to:

- ensure that the Sub-Funds, in all material respects, are managed in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Funds and rights attaching thereto; and
- report to the unitholders for each annual accounting period should the Manager not manage the Sub-Funds in accordance with the Trust Deed.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF AMUNDI HK GUARANTEE SERIES**

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD) (each a separate sub-fund of Amundi HK Guarantee Series and referred to individually and collectively as the "Sub-Funds") set out on pages 8 to 53, which comprise:

- the statements of financial position for each of the Sub-Funds as at 30 June 2019;
- the statements of comprehensive income for each of the Sub-Funds for the year ended 30 June 2019;
- the statements of changes in net assets attributable to unitholders for each of the Sub-Funds for the year ended 30 June 2019;
- the statements of cash flows for each of the Sub-Funds for the year ended 30 June 2019;
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of each of the Sub-Funds as at 30 June 2019, and of the financial transactions and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of each of the Sub-Funds in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other Information

The Trustee and the Manager (the "Management") of the Sub-Funds are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF AMUNDI HK GUARANTEE SERIES (CONTINUED)**

Other Information (Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

The Management of the Sub-Funds is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the Sub-Funds is responsible for assessing the Sub-Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Sub-Funds or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-Funds is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 22 December 2016, as amended (the "Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Funds have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the SFC Code.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF AMUNDI HK GUARANTEE SERIES (CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the SFC Code.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 14 October 2019

AMUNDI HK GUARANTEE SERIES

**STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

		Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	
	Note	2019 HK\$	2018 HK\$
Assets			
Financial assets at fair value through profit or loss	6	68,073,858	127,020,863
Derivative financial instruments	7	129,932	186,980
Amounts due from brokers		978,338	1,273,423
Interest receivable		97	5
Cash and cash equivalents	8, 12(k)	15,877,592	4,855,792
Total assets		<u>85,059,817</u>	<u>133,337,063</u>
Liabilities			
Derivative financial instruments	7	152,104	269,567
Amounts due to brokers		10,735,610	289,161
Amounts due to unitholders		1,651,867	1,566,208
Interest payable		-	8
Other payables	9	369,399	707,975
Total liabilities		<u>12,908,980</u>	<u>2,832,919</u>
Net assets attributable to unitholders	10	<u>72,150,837</u>	<u>130,504,144</u>

Signed for and on behalf of:

.....
HSBC Institutional Trust Services (Asia) Limited
as the Trustee

.....
Amundi Hong Kong Limited
as the Manager

The notes on pages 16 to 53 form an integral part of these financial statements.

AMUNDI HK GUARANTEE SERIES

**STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	Note	2019 US\$	2018 US\$
Assets			
Financial assets at fair value through profit or loss	6	2,327,825	14,295,555
Derivative financial instruments	7	7	8,463
Amounts due from brokers		99,991	220,252
Interest receivable		12	7
Cash and cash equivalents	8, 12(k)	511,312	648,408
Total assets		2,939,147	15,172,685
Liabilities			
Derivative financial instruments	7	2,294	30,665
Amounts due to brokers		435,573	116,755
Amounts due to unitholders		-	429,187
Interest payable		-	5
Other payables	9	34,465	53,256
Total liabilities		472,332	629,868
Net assets attributable to unitholders	10	2,466,815	14,542,817

Signed for and on behalf of:

.....
HSBC Institutional Trust Services (Asia) Limited
as the Trustee

.....
Amundi Hong Kong Limited
as the Manager

The notes on pages 16 to 53 form an integral part of these financial statements.

AMUNDI HK GUARANTEE SERIES

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

		Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	
		For the year ended 30 June 2019 HK\$	For the year ended 30 June 2018 HK\$
	Note		
Revenue			
Dividend income		1,021,642	2,556,607
Interest income	12(i)	18,434	12,438
Net gains on financial assets at fair value through profit or loss and derivative financial instruments	14	3,166,530	4,966,338
Net exchange (losses)/gains		(94,097)	1,137,656
Total net income		<u>4,112,509</u>	<u>8,673,039</u>
Expenses			
Management fee	4, 12(b)	1,254,734	3,146,353
Trustee fee	5(a), 12(c)	156,000	171,187
Registrar fee	5(b), 12(d)	23,430	23,476
Valuation expenses	5(c), 12(e)	37,335	37,556
Bank and sub-custodian charges	12(f)	8,124	12,255
Out-of-pocket expenses	12(g)	244,608	260,750
Transaction handling fee	12(h)	99,441	229,952
Auditor's remuneration		118,775	215,579
Interest expenses	12(j)	419	4,886
Other operating expenses		62,154	116,137
Total operating expenses		<u>2,005,020</u>	<u>4,218,131</u>
Profit before tax		2,107,489	4,454,908
Net withholding taxes	11(b)	14,970	(67,945)
Increase in net assets attributable to unitholders from operations		<u>2,122,459</u>	<u>4,386,963</u>

The notes on pages 16 to 53 form an integral part of these financial statements.

AMUNDI HK GUARANTEE SERIES

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
		For the year ended 30 June 2019 US\$	For the year ended 30 June 2018 US\$
	Note		
Revenue			
Dividend income		108,289	167,803
Interest income	12(i)	2,728	946
Net gains on financial assets at fair value through profit or loss and derivative financial instruments	14	48,760	408,370
Net exchange gains/(losses)		20,648	(18,792)
Total net income		<u>180,425</u>	<u>558,327</u>
Expenses			
Management fee	4, 12(b)	114,894	218,027
Trustee fee	5(a), 12(c)	20,000	20,000
Registrar fee	5(b), 12(d)	3,000	3,000
Valuation expenses	5(c), 12(e)	5,975	6,000
Bank and sub-custodian charges	12(f)	608	971
Out-of-pocket expenses	12(g)	18,252	17,843
Transaction handling fee	12(h)	8,245	12,895
Auditor's remuneration		20,484	7,048
Interest expenses	12(j)	-	298
Other operating expenses		8,655	7,159
Total operating expenses		<u>200,113</u>	<u>293,241</u>
(Loss)/profit before tax		(19,688)	265,086
Net withholding taxes	11(b)	1,937	(4,905)
(Decrease)/increase in net assets attributable to unitholders from operations		<u>(17,751)</u>	<u>260,181</u>

The notes on pages 16 to 53 form an integral part of these financial statements.

AMUNDI HK GUARANTEE SERIES

**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	
		For the year ended 30 June 2019 HK\$	For the year ended 30 June 2018 HK\$
Net assets attributable to unitholders at the beginning of the year		130,504,144 -----	406,176,461 -----
Proceeds on subscription of units	10	2,917,515	21,918,043
Payments on redemption of units	10	(63,393,281)	(301,977,323)
Net redemptions		(60,475,766) -----	(280,059,280) -----
Increase in net assets attributable to unitholders from operations		2,122,459 -----	4,386,963 -----
Net assets attributable to unitholders at the end of the year		72,150,837 =====	130,504,144 =====

The notes on pages 16 to 53 form an integral part of these financial statements.

AMUNDI HK GUARANTEE SERIES

**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 30 JUNE 2019**

		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
		For the year ended	For the year ended
		30 June 2019	30 June 2018
		US\$	US\$
Note			
	Net assets attributable to unitholders at the beginning of the year	14,542,817	15,076,098
		-----	-----
	Proceeds on subscription of units	10 469,788	4,700,693
	Payments on redemption of units	10 (12,528,039)	(5,494,155)
		-----	-----
	Net redemptions	(12,058,251)	(793,462)
		-----	-----
	(Decrease)/increase in net assets attributable to unitholders from operations	(17,751)	260,181
		-----	-----
	Net assets attributable to unitholders at the end of the year	2,466,815	14,542,817
		=====	=====

The notes on pages 16 to 53 form an integral part of these financial statements.

AMUNDI HK GUARANTEE SERIES

**STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	
	For the year ended 30 June 2019 HK\$	For the year ended 30 June 2018 HK\$
Cash flows from operating activities		
Increase in net assets attributable to unitholders from operations	2,122,459	4,386,963
<u>Adjustments for:</u>		
Dividend income	(1,021,642)	(2,556,607)
Interest income	(18,434)	(12,438)
Net exchange losses/(gains)	94,097	(1,137,656)
Interest expenses	419	4,886
Withholding taxes	(14,970)	67,945
	<hr/>	<hr/>
Operating gains before working capital changes	1,161,929	753,093
Decrease in financial assets at fair value through profit or loss	58,947,005	247,805,797
Increase in derivative financial instruments	(60,415)	(1,764,125)
Decrease in amounts due from brokers	295,085	1,587,911
Increase in amounts due to brokers	10,446,449	289,161
Decrease in other payables	(338,576)	(131,275)
	<hr/>	<hr/>
Cash generated from operations	70,451,477	248,540,562
Dividend received	1,036,612	2,488,662
Interest received	18,342	12,491
Interest paid	(427)	(4,901)
	<hr/>	<hr/>
Net cash generated from operating activities	71,506,004	251,036,814
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds on subscription of units	2,917,515	21,918,043
Payments on redemption of units	(63,307,622)	(315,636,098)
	<hr/>	<hr/>
Net cash used in financing activities	(60,390,107)	(293,718,055)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	11,115,897	(42,681,241)
Cash and cash equivalents at the beginning of the year	4,855,792	46,399,377
Net exchange (losses)/gains on cash and cash equivalents	(94,097)	1,137,656
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	15,877,592	4,855,792
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 16 to 53 form an integral part of these financial statements.

AMUNDI HK GUARANTEE SERIES

**STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	For the year ended 30 June 2019 US\$	For the year ended 30 June 2018 US\$
Cash flows from operating activities		
(Decrease)/increase in net assets attributable to unitholders from operations	(17,751)	260,181
<u>Adjustments for:</u>		
Dividend income	(108,289)	(167,803)
Interest income	(2,728)	(946)
Net exchange (gains)/losses	(20,648)	18,792
Interest expenses	-	298
Withholding taxes	(1,937)	4,905
Operating (losses)/gains before working capital changes	(151,353)	115,427
Decrease in financial assets at fair value through profit or loss	11,967,730	383,027
Increase in derivative financial instruments	(19,915)	(29,324)
Decrease/(increase) in amounts due from brokers	120,261	(220,252)
Increase/(decrease) in amounts due to brokers	318,818	(47,577)
(Decrease)/increase in other payables	(18,791)	19,258
Cash generated from operations	12,216,750	220,559
Dividend received	110,226	162,898
Interest received	2,723	941
Interest paid	(5)	(295)
Net cash generated from operating activities	12,329,694	384,103
Cash flows from financing activities		
Proceeds on subscription of units	469,788	4,700,693
Payments on redemption of units	(12,957,226)	(5,064,968)
Net cash used in financing activities	(12,487,438)	(364,275)
Net (decrease)/increase in cash and cash equivalents	(157,744)	19,828
Cash and cash equivalents at the beginning of the year	648,408	647,372
Net exchange gains/(losses) on cash and cash equivalents	20,648	(18,792)
Cash and cash equivalents at the end of the year	511,312	648,408

The notes on pages 16 to 53 form an integral part of these financial statements.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Amundi HK Guarantee Series (the “Fund”) is a unit trust constituted by a Trust Deed dated 22 December 2016, as amended from time to time, consisting of two Sub-Funds, entered into between Amundi Hong Kong Limited as the Manager and HSBC Institutional Trust Services (Asia) Limited as the Trustee. The Fund is authorized by the Securities and Futures Commission of Hong Kong (“SFC”) under Section 104(1) of the Hong Kong Securities and Futures Ordinance and is required to comply with the Code on Unit Trusts and Mutual Funds issued by the SFC (the “SFC Code”).

Multiple classes of units may be issued in respect of each of the Sub-Funds and the Manager may create additional classes of units for any Sub-Fund in its sole discretion in the future.

The assets of a Sub-Fund will be invested and administered separately from the assets of other Sub-Funds.

As at 30 June 2019 and 2018, the Fund comprises two Sub-Funds.

Name of Sub-Fund	Launch date
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	10 January 2017
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	26 April 2017

Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD)

The investment objective of the Sub-Funds is to achieve stable capital growth via a dynamic capital preservation strategy, in which assets are allocated between a growth component and a conservative component.

The Manager has delegated to Amundi Asset Management (the “Sub-Investment Manager”), a limited liability company incorporated under the laws of France, the responsibility of the investment management functions of the Sub-Funds.

The Sub-Funds do not intend to pay any distributions.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below.

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires the Trustee and the Manager (the “Management”) to exercise their judgment in the process of applying the Sub-Funds’ accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(a) Basis of preparation (Continued)

New standards and amendments to standards that are relevant to the Sub-Funds and have been adopted by the Sub-Funds effective 1 July 2018

IFRS 9 'Financial Instruments' became effective for annual periods beginning on or after 1 July 2018. It addresses the classification, measurement and derecognition of financial assets and liabilities and replaces the multiple classification and measurement models in IAS 39.

Classification and measurement of debt assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure the financial assets at fair value through other comprehensive income. IFRS 9 also introduces a new expected credit loss impairment model.

IFRS 9 has been applied retrospectively by the Sub-Funds and did not result in a change to the classification or measurement of financial instruments. The Sub-Funds' investment portfolios continue to be classified as measured at fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortised cost. There was no material impact on adoption from the application of the new impairment model.

New standards and amendments to standards that are relevant to the Sub-Funds but not yet effective and have not been early adopted by the Sub-Funds

There are no standards, amendments to standards or interpretations that are not effective for annual periods beginning on 1 July 2018 that have a material effect on the financial statements of the Sub-Funds.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(b) Financial assets at fair value through profit or loss

(i) Classification

The Sub-Funds classify their investments in investment funds as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are acquired principally for the purpose of selling in the near term.

Financial assets at fair value through profit or loss are those that are managed and their performance evaluated on a fair value basis in accordance with the Sub-Funds' investment strategy. The Sub-Funds' policy is for the Manager and the Trustee to evaluate the information about these financial assets on a fair value basis together with other related financial information. All the Sub-Funds' assets are held for the purpose of being traded or are expected to be realized within one year.

(ii) Recognition/derecognition

Regular purchases and sales of investments are recognized on the trade date, the date on which the Sub-Funds commit to purchase or sell the investment. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Sub-Funds have transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets at fair value through profit or loss are initially recognized at fair value. Transaction costs are expensed as incurred in the statements of comprehensive income. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of investments are presented in the statements of comprehensive income in the year in which they arise.

(iv) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets that are traded in active markets (such as publicly traded securities) is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Sub-Funds was the last traded market price which falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets that are not listed on an exchange or are thinly traded are valued by using quotes from brokers or valuation technique.

The Manager may from time to time determine the prices or make adjustments to the fair values of investments at its discretion if it believes that an adjustment is required to arrive at the fair value of the position.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(b) Financial assets at fair value through profit or loss (Continued)

(iv) Fair value estimation (Continued)

The Sub-Funds' investments in investment funds ("Investee Funds") are subject to the terms and conditions of the respective Investee Funds' offering documentation. The investments in Investee Funds are valued based on the latest available net asset value of such units/shares for each Investee Fund, as determined by the Investee Funds' administrators. The Sub-Funds review the information obtained from the Investee Funds and consider:

- the liquidity of the Investee Fund or its underlying investments;
- the value date of the net asset value ("NAV") provided;
- any restrictions on redemptions; and
- the basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information provided by the Investee Fund's administrator.

If necessary, the Sub-Funds make adjustments to the net asset value of the Investee Funds to obtain the best estimate of fair value.

(v) Transfer between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

(c) Derivative financial instruments

Derivatives are categorized as fair value through profit or loss. Changes in fair value are recognized in the statements of comprehensive income.

Derivatives are initially recognized at fair value on the date the derivative contract is entered into and are subsequently re-measured at fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and through the use of valuation techniques, as appropriate. All derivatives are carried as assets when fair value is positive and liabilities when fair value is negative.

(d) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (i) restricted activities; (ii) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors; (iii) insufficient equity to permit the structured entity to finance its activities without subordinated financial support; and (iv) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(d) Structured entities (Continued)

The Sub-Funds consider all of their Investee Funds to be investments in unconsolidated structured entities. The Sub-Funds invest in Investee Funds whose objectives range from achieving medium to long-term capital growth and whose investment strategy do not include the use of leverage. The Investee Funds apply different investment strategies to accomplish their respective investment objectives. The Investee Funds finance their operations by issuing redeemable units/shares which are puttable at the holder's option and entitle the holder to a proportional stake in the respective Investee Funds' net assets. The Sub-Funds hold redeemable units/shares in each Investee Fund.

The change in fair value of each Investee Fund is included in the statements of comprehensive income in net gains/(losses) on financial assets at fair value through profit or loss and derivative financial instruments.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statements of financial position where the Sub-Funds currently have a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(f) Amounts due from and due to brokers

Amounts due from and due to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the reporting date respectively.

(g) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks with original maturities of three months or less.

(h) Units

The Sub-Funds issue one class of units, which are redeemable at the holder's option and are classified as equity.

The net asset value of each Sub-Fund is computed daily. Prices for subscriptions and redemptions are based on the net asset value at the close of business on the relevant dealing day. The Sub-Funds' net asset value per unit is calculated by dividing the net assets attributable to the unitholders of each class of units with the total number of outstanding units of each respective class.

Proceeds and payments for units issued and redeemed are shown as movements in the statements of changes in net assets attributable to unitholders for each of the Sub-Funds.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(i) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Funds operate (the “functional currency”).

For Amundi Global Dynamic Allocation Protect 90 Fund (HKD), its performance is measured and reported to the unitholders in Hong Kong dollars (“HK\$”). The Trustee and the Manager consider the HK\$ as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the Sub-Fund. The financial statements are presented in HK\$, which is the functional and presentation currency of the Sub-Fund.

For Amundi Global Dynamic Allocation Protect 90 Fund (USD), its performance is measured and reported to the unitholders in United States dollars (“US\$”). The Trustee and the Manager consider the US\$ as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the Sub-Fund. The financial statements are presented in US\$, which is the functional and presentation currency of the Sub-Fund.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rates prevailing at the reporting date.

Foreign exchange gains and losses arising from translation are included in the statements of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statements of comprehensive income within net exchange gains/(losses). Foreign exchange gains and losses relating to the financial assets carried at fair value through profit or loss are presented in the statements of comprehensive income within net gains/(losses) on financial assets at fair value through profit or loss and derivative financial instruments.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

(j) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial or operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. Details of related party transactions are detailed in Note 12.

(k) Income and expenses

Dividend income is recognised on the ex-dividend date with the corresponding foreign withholding taxes recorded as an expense.

Interest income is recognised on a time proportion basis using the effective interest method.

All expenses are accounted for on an accrual basis.

3 Critical judgments

Management makes estimates and assumptions concerning the future. The resulting accounting estimates may not equal the related actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

Fair value of derivative financial instruments

The Sub-Funds may, from time to time, hold financial instruments that are not quoted in active markets, such as over-the-counter derivatives. Fair values of the Sub-Funds' investments in forward foreign exchange contracts are based on the brokers' quotations from external sources and reviewed by the Manager with reference to its internal valuation model.

4 Management fee

The Manager is entitled to receive a monthly management fee from the Sub-Funds up to a maximum amount of 1.75% per annum of the net asset value calculated and accrued on a daily basis.

The Manager will pay the Sub-Investment Manager fees for any management functions it has delegated.

In addition, the Manager is entitled to a preliminary charge of up to 4.5% of the subscription proceeds. The preliminary charge will be added to the initial offer price or the issue price, or deducted from the amount of subscriptions, as the case may be.

Under the terms of the Explanatory Memorandum, the Manager may impose a maximum realization charge payable of 1% of the redemption proceeds. The realization charge shall be deducted from the amount payable to the realizing unitholders and shall be retained by or paid to the relevant Sub-Fund or the Manager.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

5 Trustee fee, registrar fee and valuation expenses

(a) Trustee fee

HSBC Institutional Trust Services (Asia) Limited, the Trustee, is entitled to receive a monthly trustee fee from the Sub-Funds up to a maximum amount of 0.06% per annum of the net asset value calculated and accrued as at each valuation day, subject to a minimum annual fee of US\$20,000 for each Sub-Fund. The Trustee has waived the minimum fee for the first twelve months for Amundi Global Dynamic Allocation Protect 90 Fund (HKD).

(b) Registrar fee

HSBC Institutional Trust Services (Asia) Limited, the Registrar, is entitled to receive a registrar fee of US\$3,000 per annum for maintaining the register of unitholders for the first 40 unitholders and thereafter US\$100 per annum per unitholder from each Sub-Fund.

(c) Valuation expenses

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

HSBC Institutional Trust Services (Asia) Limited, the Trustee, is entitled to receive a valuation expense of US\$25 for each daily valuation per hedged class and US\$20 for each daily valuation per non-hedged class. During the year, the Sub-Fund did not issue any hedged class of units. The fee is paid by the Sub-Fund monthly in arrears.

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

HSBC Institutional Trust Services (Asia) Limited, the Trustee, is entitled to receive a valuation expense of US\$25 for each daily valuation. The fee is paid by the Sub-Fund monthly in arrears.

6 Financial assets at fair value through profit or loss

	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	2019 HK\$	2018 HK\$	2019 US\$	2018 US\$
<u>Listed/quoted investments</u>				
Equity funds	7,810,836	29,556,155	260,657	3,267,508
Fixed income funds	28,036,719	73,076,587	957,089	8,136,963
Money market funds	32,226,303	24,388,121	1,110,079	2,891,084
Financial assets at fair value through profit or loss	<u>68,073,858</u>	<u>127,020,863</u>	<u>2,327,825</u>	<u>14,295,555</u>
Total costs of financial assets at fair value through profit or loss	<u>64,676,487</u>	<u>122,164,127</u>	<u>2,241,256</u>	<u>14,174,576</u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

7 Derivative financial instruments

Outstanding forward foreign exchange contracts and options at the reporting date were as follows:

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

Contract to deliver	In exchange for	Maturity date	Unrealised gains/(losses) HK\$
As at 30 June 2019			
Forward foreign exchange contracts			
GBP 40,000	HKD 397,828	5 July 2019	59
USD 1,900,000	HKD 14,907,038	5 July 2019	63,675
USD 2,500,000	HKD 19,585,399	12 July 2019	55,541
EUR 1,250,000	HKD 10,996,702	2 August 2019	(152,087)
USD 600,000	HKD 4,697,475	2 August 2019	10,657
USD 350,000	HKD 2,733,873	9 August 2019	(17)
			<u>(22,172)</u>
As at 30 June 2018			
Forward foreign exchange contracts			
EUR 650,000	HKD 5,894,181	6 July 2018	(61,285)
USD 3,200,000	HKD 25,078,387	6 July 2018	(26,413)
HKD 918,405	EUR 100,000	6 July 2018	(2,179)
HKD 3,919,437	USD 500,000	6 July 2018	3,188
EUR 270,000	HKD 2,470,988	13 July 2018	(3,859)
EUR 320,000	HKD 2,949,229	13 July 2018	16,077
GBP 470,000	HKD 4,950,525	13 July 2018	80,480
USD 600,000	HKD 4,708,609	13 July 2018	1,899
USD 2,350,000	HKD 18,424,902	13 July 2018	(9,713)
USD 900,000	HKD 7,061,874	20 July 2018	2,726
USD 3,150,000	HKD 24,708,754	20 July 2018	1,736
EUR 2,550,000	HKD 23,227,005	27 July 2018	(165,489)
USD 900,000	HKD 7,060,835	27 July 2018	2,605
HKD 517,420	GBP 50,000	27 July 2018	881
HKD 1,177,000	USD 150,000	27 July 2018	(629)
			<u>(159,975)</u>
Options			
S&P 500		20 July 2018	77,388
			<u>(82,587)</u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

7 Derivative financial instruments (Continued)

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

Contract to deliver	In exchange for	Maturity date	Unrealised gains/(losses) US\$
As at 30 June 2019			
Forward foreign exchange contracts			
EUR 540,000	USD 613,176	12 July 2019	(2,294)
GBP 10,000	USD 12,741	12 July 2019	7
			<u>(2,287)</u>
At 30 June 2018			
Forward foreign exchange contracts			
EUR 3,360,000	USD 3,900,745	27 July 2018	(29,525)
GBP 400,000	USD 527,572	27 July 2018	(1,140)
USD 115,908	EUR 100,000	27 July 2018	1,065
			<u>(29,600)</u>
Options			
S&P 500		20 July 2018	7,398
			<u>(22,202)</u>

8 Cash and cash equivalents

	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	2019 HK\$	2018 HK\$	2019 US\$	2018 US\$
Cash at bank	15,201,206	4,114,077	458,781	591,900
Margin deposit accounts	676,386	741,715	52,531	56,508
	<u>15,877,592</u>	<u>4,855,792</u>	<u>511,312</u>	<u>648,408</u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

9 Other payables

	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	2019	2018	2019	2018
	HK\$	HK\$	US\$	US\$
Management fee payable	78,628	324,058	2,820	34,235
Trustee fee payable	12,822	12,822	1,644	1,644
Registrar fee payable	1,923	1,935	247	246
Valuation expenses payable	2,808	3,138	450	500
Bank and sub-custodian charges payable	641	504	22	57
Transaction handling fee payable	2,266	28,832	1,340	2,770
Auditor's remuneration payable	147,124	206,436	14,900	6,687
Accounting fees payable	21,311	28,374	2,160	673
Set up fees payable	101,876	101,876	6,444	6,444
Other payables	-	-	4,438	-
	<u>369,399</u>	<u>707,975</u>	<u>34,465</u>	<u>53,256</u>

10 Number of units in issue and net assets attributable to unitholders

The Sub-Funds' objective when managing capital is to safeguard the Sub-Funds' ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the investment activities of the Sub-Funds. In order to maintain or adjust the capital structure, the Sub-Funds' policy is to perform the following:

- monitor the level of subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the Trust Deed of the Sub-Funds

The Manager monitors capital on the basis of the value of net assets attributable to unitholders.

As stated in Note 2(h), redeemable units of the Sub-Funds, which are represented by total assets less total liabilities, are classified as equity and accounted for in accordance with IFRSs (the "Accounting NAV"). For the purpose of determining the net asset value per unit for subscriptions and redemptions and for various fees calculation (the "Dealing NAV"), the Trustee calculates the Dealing NAV in accordance with the provisions of the Sub-Funds' Trust Deed, which may be different from accounting policies under IFRSs.

In accordance with the Explanatory Memorandum of the Sub-Funds, the establishment costs of establishing the Sub-Funds will be amortized over the first 3 accounting periods of the Sub-Funds. However, with respect to the Sub-Funds for the purpose of financial statements preparation in compliance with IFRSs, the accounting policy is to expense the establishment costs in the statements of comprehensive income as incurred.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

10 Number of units in issue and net assets attributable to unitholders (Continued)

The difference between the Accounting NAV reported in the statements of financial position and the Dealing NAV for the purpose of calculating the net asset value per unit for processing subscriptions and redemptions and for various fees calculation at the reporting date is reconciled below:

	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	
	2019 HK\$	2018 HK\$
Net asset value as reported in the statement of financial position (Accounting NAV)	72,150,837	130,504,144
Adjustment for establishment costs	-	199,984
Net assets attributable to unitholders (Dealing NAV)	<u>72,150,837</u>	<u>130,704,128</u>
	2019 Number of units	2018 Number of units
At the beginning of the year	12,825,719	40,034,740
Units subscribed	286,676	2,129,456
Units redeemed	(6,226,592)	(29,338,477)
At the end of the year	<u>6,885,803</u>	<u>12,825,719</u>
	HK\$	HK\$
Net assets attributable to unitholders per unit (Accounting NAV)	10.47	10.17
Net assets attributable to unitholders per unit (Dealing NAV)	<u>10.47</u>	<u>10.19</u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

10 Number of units in issue and net assets attributable to unitholders (Continued)

	Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	2019 US\$	2018 US\$
Net asset value as reported in the statement of financial position (Accounting NAV)	2,466,815	14,542,817
Adjustment for establishment costs	-	14,212
	<u>2,466,815</u>	<u>14,557,029</u>
Net assets attributable to unitholders (Dealing NAV)	<u>2,466,815</u>	<u>14,557,029</u>
	2019 Number of units	2018 Number of units
At the beginning of the year	143,577	150,976
Units subscribed	4,823	46,380
Units redeemed	(124,808)	(53,779)
	<u>23,592</u>	<u>143,577</u>
At the end of the year	<u>23,592</u>	<u>143,577</u>
	US\$	US\$
Net assets attributable to unitholders per unit (Accounting NAV)	104.56	101.28
Net assets attributable to unitholders per unit (Dealing NAV)	<u>104.56</u>	<u>101.38</u>

11 Taxation

(a) Hong Kong

No provision for Hong Kong profits tax has been made for the Sub-Funds as they were authorized as a collective investment scheme under Section 104 of the Hong Kong Securities and Futures Ordinance and are therefore exempt from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

(b) Withholding tax

The Sub-Funds incur withholding tax imposed by certain countries on dividend and interest income. Such income is recorded gross of withholding tax in the statements of comprehensive income.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

12 Transactions with the Trustee, the Manager and their related parties/connected persons

The following is a summary of transactions entered into during the year between the Sub-Funds, the Manager and its connected persons, and the Trustee and its related parties, in addition to those disclosed elsewhere in the financial statements. Connected persons of the Manager are those as defined in the SFC Code. All such transactions were entered into in the ordinary course of business and on normal commercial terms.

(a) Investments in other funds managed by Amundi

The balances of investments in Investee Funds managed by the related parties of the Manager are disclosed in Note 13(b).

(b) Management fee

The Manager charged a management fee to the Sub-Funds. The fees charged to each Sub-Fund during the year are set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	1,254,734	3,146,353
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	114,894	218,027

For management fee payable as at 30 June 2019 and 2018, please refer to Note 9 for details.

(c) Trustee fee

The Trustee charged a trustee fee to the Sub-Funds. The fees charged to each Sub-Fund during the year are set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	156,000	171,187
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	20,000	20,000

For trustee fee payable as at 30 June 2019 and 2018, please refer to Note 9 for details.

The Trustee is also entitled to reimbursement of out-of-pocket expenses relating to the Sub-Funds, please refer to Note 12(g).

(d) Registrar fee

The Trustee is also the Registrar and charged a registrar fee to the Sub-Funds. The fees charged to each Sub-Fund during the year are set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	23,430	23,476
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	3,000	3,000

For registrar fee payable as at 30 June 2019 and 2018, please refer to Note 9 for details.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

12 Transactions with the Trustee, the Manager and their related parties/connected persons (Continued)

(e) Valuation expenses

The Trustee charged valuation expenses to the Sub-Funds. The expenses charged to each Sub-Fund during the year are set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	37,335	37,556
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	5,975	6,000

For valuation expenses payable as at 30 June 2019 and 2018, please refer to Note 9 for details.

(f) Bank and sub-custodian charges

The Hongkong and Shanghai Banking Corporation Limited, the custodian bank, charged bank and sub-custodian charges to the Sub-Funds. The fees charged to each Sub-Fund during the year are set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	8,124	12,255
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	608	971

For bank and sub-custodian charges payable as at 30 June 2019 and 2018, please refer to Note 9 for details.

(g) Out-of-pocket expenses

The Trustee charged out-of-pocket expenses to the Sub-Funds. The expenses charged to each Sub-Fund during the year are set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	244,608	260,750
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	18,252	17,843

(h) Transaction handling fee

The Trustee charged transaction handling fee for the purchase and sale of investments to the Sub-Funds. The fees charged to each Sub-Fund during the year are set out below:

		2019	2018
<u>Dealing fee</u>			
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	22,583	52,870
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	1,600	2,460
<u>Purchase and sale of investments</u>			
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	76,858	177,082
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	6,645	10,435

For transaction handling fee payable as at 30 June 2019 and 2018, please refer to Note 9 for details.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

12 Transactions with the Trustee, the Manager and their related parties/connected persons (Continued)

(i) Interest income

Bank interest income received from The Hongkong and Shanghai Banking Corporation Limited, the custodian bank, for each Sub-Fund during the year is set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	18,434	7,173
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	2,728	946

Bank interest income received from Crédit Agricole Corporation and Investment Bank (“CA-CIB”) for each Sub-Fund during the year is set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	-	5,265
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	-	-

(j) Interest expenses

Bank interest expense to The Hongkong and Shanghai Banking Corporation Limited, the custodian bank, for each Sub-Fund during the year is set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	419	3,051
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	-	267

(k) Cash and cash equivalents

The bank balances maintained with The Hongkong and Shanghai Banking Corporation Limited, the custodian bank, of each Sub-Fund as at year end are set out below:

		2019	2018
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	15,201,206	4,114,077
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	458,781	591,900

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

12 Transactions with the Trustee, the Manager and their related parties/connected persons (Continued)

(1) Investment transactions with connected persons of the Manager

Transactions with CA-CIB

During the year, Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD) entered into purchases and sales of investment transactions with CA-CIB. The respective value of investment transactions executed with CA-CIB are set out below:

		Value of transactions executed with CA-CIB	% of the total transactions of the Sub-Fund %	Commission paid	Average rate of commission charged by CA-CIB %
Year ended 30 June 2019					
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	340,955,120	34.98	-	-
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	4,960,542	15.52	-	-

		Value of transactions executed with CA-CIB	% of the total transactions of the Sub-Fund %	Commission paid	Average rate of commission charged by CA-CIB %
Year ended 30 June 2018					
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)	HK\$	1,118,303,309	37.41	-	-
Amundi Global Dynamic Allocation Protect 90 Fund (USD)	US\$	1,472,847	1.75	-	-

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management

(a) Investment strategy

The Sub-Funds offer a daily guarantee protection calculated based on 90% of the highest net asset value per unit reached since the launch dates.

The investment objective of the Sub-Funds is to achieve stable capital growth via a dynamic capital preservation strategy, in which assets are allocated between a growth component and a conservative component.

The growth component consists of higher-risk investments and is designed to act as the return driver of the Sub-Fund (the “Growth Component”). It is composed of three main asset classes, namely equities (including related collective investment schemes), fixed income (including related collective investment schemes) and absolute return funds.

The conservative component consists of lower-risk investments and is designed to act as a preservation tool to the portfolio (the “Conservative Component”). It is composed of cash, money market and fixed income instruments as well as related collective investment schemes.

The asset allocation between the Growth Component and the Conservative Component will change according to the Manager’s views of fundamental economic and market conditions and investment trends across the globe, taking into consideration factors such as liquidity, costs, timing of execution, relative attractiveness of individual securities and issuers available in the market.

(b) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The investments of the Sub-Funds are subject to market fluctuations and there can be no assurance that investments will appreciate in value, therefore presenting a risk of loss of capital. The Sub-Funds’ market price risk is managed through diversification of the investment portfolio and investment selection. It is monitored by the Manager on a regular basis.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(b) Market price risk (Continued)

As at 30 June 2019, the overall market exposures were as follows:

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	Number of Investee Funds	Fair value HK\$	% of net assets (Accounting NAV)
Listed/quoted investments			
- Equity funds	6	7,810,836	10.83
- Fixed income funds	12	28,036,719	38.86
- Money market funds	2	32,226,303	44.66
		<u>68,073,858</u>	<u>94.35</u>

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	Number of Investee Funds	Fair value US\$	% of net assets (Accounting NAV)
Listed/quoted investments			
- Equity funds	6	260,657	10.57
- Fixed income funds	12	957,089	38.80
- Money market funds	2	1,110,079	45.00
		<u>2,327,825</u>	<u>94.37</u>

As at 30 June 2018, the overall market exposures were as follows:

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	Number of Investee Funds	Fair value HK\$	% of net assets (Accounting NAV)
Listed/quoted investments			
- Equity funds	6	29,556,155	22.65
- Fixed income funds	14	73,076,587	55.99
- Money market funds	1	24,388,121	18.69
		<u>127,020,863</u>	<u>97.33</u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(b) Market price risk (Continued)

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	Number of Investee Funds	Fair value US\$	% of net assets (Accounting NAV)
Listed/quoted investments			
- Equity funds	6	3,267,508	22.47
- Fixed income funds	14	8,136,963	55.95
- Money market funds	1	2,891,084	19.88
		14,295,555	98.30
		14,295,555	98.30

The following derivative instruments were held as at 30 June 2019:

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	HK\$	% of net assets (Accounting NAV)
Derivative financial instruments		
- Forward foreign exchange contracts	(22,172)	(0.03)
	(22,172)	(0.03)
	(22,172)	(0.03)

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	US\$	% of net assets (Accounting NAV)
Derivative financial instruments		
- Forward foreign exchange contracts	(2,287)	(0.09)
	(2,287)	(0.09)
	(2,287)	(0.09)

The following derivative instruments were held as at 30 June 2018:

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	HK\$	% of net assets (Accounting NAV)
Derivative financial instruments		
- Forward foreign exchange contracts	(159,975)	(0.12)
- Options	77,388	0.06
	(82,587)	(0.06)
	(82,587)	(0.06)

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(b) Market price risk (Continued)

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	US\$	% of net assets (Accounting NAV)
Derivative financial instruments		
- Forward foreign exchange contracts	(29,600)	(0.20)
- Options	7,398	0.05
	<u>(22,202)</u>	<u>(0.15)</u>

The table below shows the investment strategies and fair value of the Investee Funds which individually accounts for more than 10% of the net asset value of the Sub-Funds as at 30 June 2019 and 2018.

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

Investee Fund	Investee Fund's strategy	Fair value of the Investee Fund HK\$	% of net assets (Accounting NAV)
As at 30 June 2019			
Amundi Funds - Cash USD	To achieve similar performance with the USD 3-month LIBOR	21,490,693	29.79
Amundi Funds - Cash EUR	To achieve similar performance with the EUR 3-month LIBOR	10,735,610	14.88
As at 30 June 2018			
Amundi Funds - Cash USD	To achieve similar performance with the USD 3-month LIBOR	24,388,121	18.69
Amundi Index Solutions - Amundi Index S&P 500	To replicate the S&P 500 index performance	13,914,255	10.66

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(b) Market price risk (Continued)

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

Investee Fund	Investee Fund's strategy	Fair value of the Investee Fund US\$	% of net assets (Accounting NAV)
As at 30 June 2019			
Amundi Funds - Cash USD	To achieve similar performance with the USD 3-month LIBOR	736,766	29.87
Amundi Funds - Cash EUR	To achieve similar performance with the EUR 3-month LIBOR	373,133	15.13
As at 30 June 2018			
Amundi Funds - Cash USD	To achieve similar performance with the USD 3-month LIBOR	2,891,084	19.88
Amundi Index Solutions - Amundi Index S&P 500	To replicate the S&P 500 index performance	1,528,971	10.51

The table below shows the analysis of investments by region allocation as at 30 June 2019 and 2018.

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	2019		2018	
	HK\$	% of net assets (Accounting NAV)	HK\$	% of net assets (Accounting NAV)
Financial assets				
Europe	66,562,733	92.26	119,150,686	91.30
North America	1,511,125	2.09	7,870,177	6.03
Total financial assets at fair value through profit or loss	<u>68,073,858</u>	<u>94.35</u>	<u>127,020,863</u>	<u>97.33</u>
Forward foreign exchange contracts	129,932	0.18	109,592	0.08
Options	-	-	77,388	0.06
Total derivative financial instruments	<u>129,932</u>	<u>0.18</u>	<u>186,980</u>	<u>0.14</u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(b) Market price risk (Continued)

Amundi Global Dynamic Allocation Protect 90 Fund (HKD) (Continued)

	2019		2018	
	HK\$	% of net assets (Accounting NAV)	HK\$	% of net assets (Accounting NAV)
Financial liabilities				
Forward foreign exchange contracts	152,104	0.21	269,567	0.21
Total derivative financial instruments	152,104	0.21	269,567	0.21

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	2019		2018	
	US\$	% of net assets (Accounting NAV)	US\$	% of net assets (Accounting NAV)
Financial assets				
Europe	2,269,376	92.00	13,416,200	92.25
North America	58,449	2.37	879,355	6.05
Total financial assets at fair value through profit or loss	2,327,825	94.37	14,295,555	98.30
Forward foreign exchange contracts	7	0.00	1,065	0.01
Options	-	-	7,398	0.05
Total derivative financial instruments	7	0.00	8,463	0.06
Financial liabilities				
Forward foreign exchange contracts	2,294	0.09	30,665	0.21
Total derivative financial instruments	2,294	0.09	30,665	0.21

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(b) Market price risk (Continued)

In order to assess the market risk of the Sub-Funds, the Manager has used expected shortfall to monitor market risk exposure to ensure that the cushion is sufficient to absorb the potential loss in extreme market conditions.

Expected shortfall

One of the principal tools used to monitor market risk exposure is expected shortfall, which estimates the size of portfolio losses based on the statistical analysis of historical price trends and volatilities, considering movement of various market factors, for example: equity, interest rate, FX and etc.

Taking into account the Sub-Funds' portfolio, cash and outstanding trade positions, the expected shortfall is computed based on loss parameters since 2008 at a 99% confidence level and expressed as a percentage of net asset value.

As of 30 June 2019, the expected shortfall was 1.45% (equivalent to HK\$1,046,276) and 1.41% (equivalent to US\$34,790) for Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD) respectively.

As of 30 June 2018, the expected shortfall was 2.16% (equivalent to HK\$2,818,890) and 2.16% (equivalent to US\$314,125) for Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD) respectively.

The Manager recognizes that while expected shortfall is a valuable guide to risk, it has its limitations. The use of historical correlations may not encompass all potential event relationships, particularly events which may be extreme in nature. Both the size and probability of actual portfolio losses can differ significantly from historical losses, which may lead to tail-risk underestimation or overestimation.

The Sub-Funds can invest directly into securities or indirectly through collective investment schemes. The Sub-Funds' investments in Investee Funds are subject to the terms and conditions of the respective Investee Funds' offering documentation and are susceptible to market price risk arising from uncertainties about future values of the Investee Funds. The Manager makes investment decisions after performing extensive due diligence of the underlying fund, its strategy and the overall quality of the underlying fund's manager. All of the Investee Funds in the investment portfolio are managed by portfolio managers who are compensated by the respective Investee Funds for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the Sub-Funds' investments in each of the Investee Funds.

The right of the Sub-Funds to request redemption of their investments in Investee Funds is on a daily basis.

The Sub-Funds' holding in a third party Investee Fund, as a percentage of the Investee Fund's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Investee Fund level. It is possible that the Sub-Funds may, at any point in time, hold a majority of an Investee Fund's total units/shares in issue.

As at 30 June 2019, Investee Funds of HK\$50,972,815 (2018: HK\$82,444,722) and US\$1,756,689 (2018: US\$9,343,651) held by Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD) respectively are managed by subsidiaries of Amundi, parent company of the Manager, with the remaining managed by third party fund managers.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(b) Market price risk (Continued)

The Sub-Funds' maximum exposure to loss from their interests in Investee Funds is equal to the total fair value of their investments in Investee Funds.

Once the Sub-Funds have disposed of their units/shares in an Investee Fund, the Sub-Funds cease to be exposed to any risk from that Investee Fund.

The Sub-Funds' investment strategy entails trading in other funds on a regular basis. Total purchases in Investee Funds during the year were HK\$81,508,762 (2018: HK\$165,479,670) and US\$8,841,328 (2018: US\$12,747,575) for Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD) respectively. The Sub-Funds intend to continue opportunistic trading in other funds. As at 30 June 2019 and 2018, there were no capital commitment obligations and amounts due to Investee Funds for unsettled purchases.

During the year ended 30 June 2019, total net gains of HK\$2,218,317 (2018: HK\$12,434,535) and net losses of US\$91,242 (2018: net gains of US\$377,536) were recognised on investments in Investee Funds by Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD), respectively.

(c) Interest rate risk

Interest rate risk arises from the effects from fluctuations in the prevailing levels of market interest rates on the fair value and future cash flows of interest-bearing assets and liabilities. The Sub-Funds hold fixed interest securities through the underlying Investee Funds that indirectly expose the Sub-Funds to fair value interest rate risk. The Sub-Funds' exposure to market interest rates on their cash deposits is considered minimal.

(d) Currency risk

Currency risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD) hold assets and liabilities denominated in currencies other than their functional currency, Hong Kong dollar and United States dollar respectively, and are therefore exposed to currency risk with respect to these currencies. The Manager considers that there is no currency risk to the Hong Kong dollar which is a linked currency with the United States dollar.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(d) Currency risk (Continued)

Currency position is monitored by the Manager on a daily basis.

The table below summarizes the Sub-Funds' net exposure to different major currencies except for Hong Kong dollar which is a linked currency with the United States dollar as at 30 June 2019 and 2018:

	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	Monetary HK\$	Non- Monetary HK\$	Monetary US\$	Non- Monetary US\$
As at 30 June 2019				
British Pound	314,422	469,106	16,839	13,887
Euro	(8,595,990)	21,777,993	(78,608)	738,345
As at 30 June 2018				
British Pound	260,317	4,582,277	43,700	510,880
Euro	850,149	35,603,673	59,942	3,765,476

Currency risk, as defined in IFRS 7, arises as the value of future transactions and recognized monetary assets and liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk, not currency risk. However, the Manager monitors the exposure on all foreign currency denominated assets and liabilities. Please refer to Note 13(b) for the expected shortfall analysis.

The Sub-Funds enter into forward foreign exchange contracts to partially hedge their exposure to assets denominated in currencies other than Sub-Funds' functional currency. As at 30 June 2019, the notional amount of outstanding forward foreign exchange contracts represented 73.90% (2018: 101.96%) and 25.37% (2018: 31.25%) of Amundi Global Dynamic Allocation Protect 90 Fund (HKD) and Amundi Global Dynamic Allocation Protect 90 Fund (USD)'s net asset value respectively. For the positions in forward foreign exchange contracts as at 30 June 2019 and 2018, refer to Note 7.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(e) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Sub-Funds. The Sub-Funds are exposed to counterparty risk through their trading activities (risk that the broker will fail to deliver) as well as through banks with which cash-related assets are deposited. In addition, the Sub-Funds are exposed to the counterparty risk of their custodian through the safe-keeping of their assets.

The table below summarises the financial assets held with the custodian, bank and brokers as at 30 June 2019 and 2018:

	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	HK\$	Credit rating	US\$	Credit rating
As at 30 June 2019				
Custodian				
HSBC Institutional Trust Services (Asia) Limited	68,073,858	AA-	2,327,825	AA-
Bank and brokers				
BNP Paribas	129,932	A+	7	A+
NewEdge Group	676,386	A	52,531	A
The Hongkong and Shanghai Banking Corporation Limited	16,179,544	AA-	558,772	AA-
As at 30 June 2018				
Custodian				
HSBC Institutional Trust Services (Asia) Limited	127,020,863	AA-	14,295,555	AA-
Bank and brokers				
BNP Paribas	99,174	A	116,770	A
Crédit Agricole Corporate and Investment Bank	10,418	A	-	A
NewEdge Group	819,103	A	63,906	A
The Hongkong and Shanghai Banking Corporation Limited	5,387,500	AA-	696,447	AA-

The above credit ratings are Standard and Poor's ratings. Credit rating attributed to the custodian, HSBC Institutional Trust Services (Asia) Limited, is that of its parent company, The Hongkong and Shanghai Banking Corporation Limited.

The maximum exposure to credit risk at the reporting date is the carrying amounts of the financial assets as shown on the statements of financial position.

None of the financial assets is impaired nor past due but not impaired.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(e) Credit risk (Continued)

The Sub-Funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit losses. At 30 June 2019 and 2018, all interest receivables, amounts due from brokers, cash and cash equivalents are held with counterparties with a credit rating of AA- or higher and are due to be settled in a short period of time. Management considers the probability of default to be insignificant as the counterparties generally have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Funds.

(f) Liquidity risk

Liquidity risk is the risk that the Sub-Funds will encounter difficulty in settling a liability, including a redemption request, or selling a financial asset quickly at close to its fair value.

The Sub-Funds are exposed to redemptions on each dealing day. The Sub-Funds invest the majority of their assets in collective investment schemes that can be readily disposed of, subject to redemption restrictions of the respective collective investment schemes. Also the Manager is able, by the provisions in the Explanatory Memorandum, to defer settlement of redemptions of significant size to facilitate an orderly disposition of investments in the interests of the remaining unitholders.

The table below analyzes the Sub-Funds' non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying accounts, as the impact of discounting is not significant.

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	Less than 1 month HK\$	1 - 3 months HK\$	Over 3 months HK\$	Total HK\$
As at 30 June 2019				
Amounts due to brokers	10,735,610	-	-	10,735,610
Amounts due to unitholders	1,651,867	-	-	1,651,867
Interest and other payables	99,088	-	270,311	369,399
	<u>12,486,565</u>	<u>-</u>	<u>270,311</u>	<u>12,756,876</u>
As at 30 June 2018				
Amounts due to brokers	289,161	-	-	289,161
Amounts due to unitholders	1,566,208	-	-	1,566,208
Interest and other payables	371,298	-	336,685	707,983
	<u>2,226,667</u>	<u>-</u>	<u>336,685</u>	<u>2,563,352</u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(f) Liquidity risk (Continued)

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	Less than 1 month US\$	1 - 3 months US\$	Over 3 months US\$	Total US\$
As at 30 June 2019				
Amounts due to brokers	435,573	-	-	435,573
Interest and other payables	10,961	-	23,504	34,465
	<u>446,534</u>	<u>-</u>	<u>23,504</u>	<u>470,038</u>
As at 30 June 2018				
Amounts due to brokers	116,755	-	-	116,755
Amounts due to unitholders	429,187	-	-	429,187
Interest and other payables	39,457	-	13,804	53,261
	<u>585,399</u>	<u>-</u>	<u>13,804</u>	<u>599,203</u>

As at 30 June 2019, 1 unitholder (2018: 1 unitholder), which was the nominee account holder, held 89.32% (2018: 86.29%) of Amundi Global Dynamic Allocation Protect 90 Fund (HKD)'s net assets and 3 unitholders (2 unitholders), which were the nominee account holders, held 88.85% (2018: 86.67%) of Amundi Global Dynamic Allocation Protect 90 Fund (USD)'s net assets.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(f) Liquidity risk (Continued)

The table below analyses the Sub-Funds' derivative financial instruments in a net position based on an expected maturity basis rather than on a contractual basis, as the contractual maturities for such contracts are not considered to be essential to an understanding of the timing of cash flows based on the Sub-Funds' investment strategies. The amounts disclosed in the table represent the undiscounted cash flows. Balances due within 12 months equal their carrying amounts, as the impact of discounting is not significant.

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	Less than 1 month HK\$	1 - 3 months HK\$	Total HK\$
As at 30 June 2019			
Gross settled derivatives			
- Outflow	15,241,133	38,099,354	53,340,487
- Inflow	15,304,867	38,013,448	53,318,315
As at 30 June 2018			
Gross settled derivatives			
- Outflow	133,228,788	-	133,228,788
- Inflow	133,146,201	-	133,146,201

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	Less than 1 month US\$	1 - 3 months US\$	Total US\$
As at 30 June 2019			
Gross settled derivatives			
- Outflow	628,204	-	628,204
- Inflow	625,917	-	625,917
As at 30 June 2018			
Gross settled derivatives			
- Outflow	4,574,889	-	4,574,889
- Inflow	4,552,687	-	4,552,687

As at 30 June 2019 and 2018, all of the Sub-Funds' positions are in liquid instruments that can be liquidated without any significant market impact.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(f) Liquidity risk (Continued)

The following table illustrates the expected liquidity of assets held by each Sub-Fund, which is represented by the time expected for the assets to be realised and converted into cash and cash equivalents:

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	Less than 1 month HK\$
As at 30 June 2019	
Total assets	85,059,817
	<u><u>85,059,817</u></u>
As at 30 June 2018	
Total assets	133,337,063
	<u><u>133,337,063</u></u>

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	Less than 1 month US\$
As at 30 June 2019	
Total assets	2,939,147
	<u><u>2,939,147</u></u>
As at 30 June 2018	
Total assets	15,172,685
	<u><u>15,172,685</u></u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(g) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the close of trading on the reporting date.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The Sub-Funds have classified their fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the assets or liabilities.

The determination of what constitutes observable requires significant judgment by the Manager. The Manager considers observable data to be such market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(g) Fair value estimation (Continued)

The table below analyses within the fair value hierarchy the Sub-Funds' financial assets at fair value through profit and loss and derivative financial instruments measured at fair value as at 30 June 2019 and 2018:

Amundi Global Dynamic Allocation Protect 90 Fund (HKD)

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
As at 30 June 2019				
Assets				
Financial assets at fair value through profit or loss				
- Listed/quoted investments	18,849,470	49,224,388	-	68,073,858
Derivative financial instruments				
- Forward foreign exchange contracts	-	129,932	-	129,932
	<u>18,849,470</u>	<u>49,354,320</u>	<u>-</u>	<u>68,203,790</u>
Liabilities				
Derivative financial instruments				
- Forward foreign exchange contracts	-	(152,104)	-	(152,104)
	<u>-</u>	<u>(152,104)</u>	<u>-</u>	<u>(152,104)</u>
As at 30 June 2018				
Assets				
Financial assets at fair value through profit or loss				
- Listed/quoted investments	56,440,564	70,580,299	-	127,020,863
Derivative financial instruments				
- Forward foreign exchange contracts	-	109,592	-	109,592
- Options	-	77,388	-	77,388
	<u>56,440,564</u>	<u>70,767,279</u>	<u>-</u>	<u>127,207,843</u>
Liabilities				
Derivative financial instruments				
- Forward foreign exchange contracts	-	(269,567)	-	(269,567)
	<u>-</u>	<u>(269,567)</u>	<u>-</u>	<u>(269,567)</u>

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(g) Fair value estimation (Continued)

Amundi Global Dynamic Allocation Protect 90 Fund (USD)

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
As at 30 June 2019				
Assets				
Financial assets at fair value through profit or loss				
- Listed/quoted investments	633,694	1,694,131	-	2,327,825
Derivative financial instruments				
- Forward foreign exchange contracts	-	7	-	7
	<u>633,694</u>	<u>1,694,138</u>	<u>-</u>	<u>2,327,832</u>
Liabilities				
Derivative financial instruments				
- Forward foreign exchange contracts	-	(2,294)	-	(2,294)
	<u>-</u>	<u>(2,294)</u>	<u>-</u>	<u>(2,294)</u>
As at 30 June 2018				
Assets				
Financial assets at fair value through profit or loss				
- Listed/quoted investments	6,274,179	8,021,376	-	14,295,555
Derivative financial instruments				
- Forward foreign exchange contracts	-	1,065	-	1,065
- Options	-	7,398	-	7,398
	<u>6,274,179</u>	<u>8,029,839</u>	<u>-</u>	<u>14,304,018</u>
Liabilities				
Derivative financial instruments				
- Forward foreign exchange contracts	-	(30,665)	-	(30,665)
	<u>-</u>	<u>(30,665)</u>	<u>-</u>	<u>(30,665)</u>

Financial instruments whose values are based on quoted market prices in active markets are classified within Level 1. The Sub-Funds do not adjust the quoted prices for these instruments.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(g) Fair value estimation (Continued)

Financial instruments that trade in markets that are not considered to be active and are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

The investment funds that are classified in Level 2 were fair valued using the net asset value of the investment funds, as reported by the respective investment funds' administrators. For these investment funds, the Management considers that the Sub-Funds could have redeemed their investments at the net asset value per unit/share at the reporting date.

Financial instruments classified within Level 3 have significant unobservable inputs, as they trade infrequently.

As at 30 June 2019 and 2018, the Sub-Funds did not have any financial instruments classified in Level 3.

There were no transfers between levels for the years ended 30 June 2019 and 2018.

The assets and liabilities included in the statements of financial position, other than financial assets at fair value through profit or loss and derivative financial instruments, are carried at amortized cost; their carrying amounts are a reasonable approximation of fair value.

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(h) Offsetting and amounts subject to master netting arrangements and similar agreements

As at 30 June 2019 and 2018, the Sub-Funds were subject to master netting arrangements with their derivative counterparties. All the derivative assets and liabilities of the Sub-Funds are held with their derivative counterparties.

The tables below present the Sub-Funds' financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by derivative counterparties.

	A	B	C = A - B	D		E = C - D
	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised financial (liabilities)/ assets offset in the statement of financial position	Net amounts of financial assets/ (liabilities) presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amount
				D(i) Financial instruments	D(ii) Cash collateral	
<u>Amundi Global Dynamic Allocation Protect 90 Fund (HKD)</u>						
As at 30 June 2019	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Assets						
BNP Paribas	129,932	-	129,932	(129,932)	-	-
Liabilities						
BNP Paribas	(152,104)	-	(152,104)	129,932	-	(22,172)
<u>Amundi Global Dynamic Allocation Protect 90 Fund (USD)</u>						
As at 30 June 2019	US\$	US\$	US\$	US\$	US\$	US\$
Assets						
BNP Paribas	7	-	7	(7)	-	-
Liabilities						
BNP Paribas	(2,294)	-	(2,294)	7	-	(2,287)

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(h) Offsetting and amounts subject to master netting arrangements and similar agreements (Continued)

	A	B	C = A - B	D		E = C - D
	Gross amounts of recognised financial assets/ (liabilities)	Gross amounts of recognised financial (liabilities)/ assets offset in the statement of financial position	Net amounts of financial assets/ (liabilities) presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amount
				D(i) Financial instruments	D(ii) Cash collateral	
Amundi Global Dynamic Allocation Protect 90 Fund (HKD)						
As at 30 June 2018	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Assets						
BNP Paribas	99,174	-	99,174	(99,174)	-	-
Crédit Agricole Corporate and Investment Bank	10,418	-	10,418	(10,418)	-	-
NewEdge Group	77,388	-	77,388	-	-	77,388
Liabilities						
BNP Paribas	(178,010)	-	(178,010)	99,174	-	(78,836)
Crédit Agricole Corporate and Investment Bank	(91,557)	-	(91,557)	10,418	-	(81,139)
Amundi Global Dynamic Allocation Protect 90 Fund (USD)						
As at 30 June 2018	US\$	US\$	US\$	US\$	US\$	US\$
Assets						
BNP Paribas	1,065	-	1,065	(1,065)	-	-
NewEdge Group	7,398	-	7,398	-	-	7,398
Liabilities						
BNP Paribas	(30,665)	-	(30,665)	1,065	-	(29,600)

AMUNDI HK GUARANTEE SERIES

NOTES TO THE FINANCIAL STATEMENTS

13 Financial risk management (Continued)

(h) Offsetting and amounts subject to master netting arrangements and similar agreements (Continued)

Amounts in D(i) and D(ii) above relate to amounts subject to offset that do not qualify for offsetting under B above. This includes (i) amounts which are subject to offset against the asset or liability disclosed in A which have not been offset in the statements of financial position, and (ii) any financial collateral (including cash collateral), both received and pledged.

The Sub-Funds and their counterparties have elected to settle all transactions on a gross basis. However, each party has the option to settle all open contracts on a net basis in the event of default of the other party. Pursuant to the terms of the master netting agreements, an event of default includes the following:

- (i) failure by a party to make payment when due;
- (ii) failure by a party to comply with or perform any agreement or obligation (other than payment) required by the agreement if such failure is not remedied within 30 days after notice of such failure is given to the party;
- (iii) bankruptcy.

14 Net gains/(losses) on financial assets at fair value through profit or loss and derivative financial instruments

	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	2019	2018	2019	2018
	HK\$	HK\$	US\$	US\$
Net realised gains/(losses) on financial assets at fair value through profit or loss	3,677,683	22,878,799	(56,833)	400,103
Net realised gains/(losses) on derivative financial instruments	842,740	(9,187,266)	115,768	5,831
Net change in unrealized gains or losses on financial assets at fair value through profit or loss	(1,459,365)	(10,444,264)	(34,410)	(22,567)
Net change in unrealised gains or losses on derivative financial instruments	105,472	1,719,069	24,235	25,003
	<u>3,166,530</u>	<u>4,966,338</u>	<u>48,760</u>	<u>408,370</u>

15 Soft commission arrangements

During the years ended 30 June 2019 and 2018, the Manager and its connected persons did not enter into any soft commission arrangements in connection with directing transactions of the Sub-Funds through brokers and dealers.

16 Approval of financial statements

The financial statements were approved for issue by the Trustee and the Manager on 14 October 2019.

AMUNDI HK GUARANTEE SERIES

**INVESTMENT PORTFOLIO - AMUNDI GLOBAL DYNAMIC ALLOCATION PROTECT 90
FUND (HKD) (UNAUDITED)
AS AT 30 JUNE 2019**

	Quantity	Fair value HK\$	% of net assets
Listed / quoted investments (94.35%)			
FRANCE (2.43%)			
AMUNDI ETF GLOBAL EMERGING BOND MARKET IBOXX UCITS ETF	1,243	1,362,103	1.89
AMUNDI US TREASURY 7-10 UCITS ETF	183	386,324	0.54
		<hr/>	<hr/>
		1,748,427	2.43
		-----	-----
LUXEMBOURG (68.22%)			
AMUNDI FUNDS - BOND EURO CORPORATE	233	4,438,668	6.15
AMUNDI FUNDS - BOND EURO HIGH YIELD	78	1,881,690	2.61
AMUNDI FUNDS - CASH EUR	1,200	10,735,610	14.88
AMUNDI FUNDS - CASH USD	2,565	21,490,693	29.79
AMUNDI FUNDS - CPR GLOBAL GOLD MINES	75	751,121	1.04
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX BARCLAYS EURO AGG CORPORATE	156	1,597,668	2.21
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX JP MORGAN EMU GOVIES	163	1,738,329	2.41
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX MSCI EMERGING MARKETS	174	1,603,464	2.22
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX MSCI EMU/OEF	41	634,907	0.88
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX MSCI JAPAN/OEF	64	609,850	0.84
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX S&P 500	284	3,742,388	5.19
		<hr/>	<hr/>
		49,224,388	68.22
		-----	-----
UNITED KINGDOM (21.61%)			
ISHARES JP MORGAN EM LOCAL GOVT BOND UCITS ETF	3,079	1,487,301	2.06
ISHARES USD HIGH YIELD CORP BOND UCITS ETF	3,161	2,540,901	3.52
ISHARES USD TREASURY BOND 7-10YR UCITS ETF USD DIST	257	405,498	0.56
LYXOR USD LIQUID INVESTMENT GRADE CORPORATE BONDS UCITS ETF	8,041	6,671,517	9.25
SPDR FTSE UK ALL SHARE UCITS ETF	908	469,106	0.65
XTRACKERS USD CORPORATE BOND UCITS ETF	33,611	4,015,595	5.57
		<hr/>	<hr/>
		15,589,918	21.61
		-----	-----

AMUNDI HK GUARANTEE SERIES

**INVESTMENT PORTFOLIO - AMUNDI GLOBAL DYNAMIC ALLOCATION PROTECT 90 FUND (HKD) (UNAUDITED)
AS AT 30 JUNE 2019 (CONTINUED)**

	Quantity	Fair value HK\$	% of net assets
Listed / quoted investments (94.35%) (Continued)			
UNITED STATES (2.09%)			
VANGUARD INTERMEDIATE-TERM TREASURY ETF	2,932	1,511,125	2.09
		<u>1,511,125</u>	<u>2.09</u>
		-----	-----
Total listed / quoted investments		68,073,858	94.35
		-----	-----
Derivative financial instruments			
Forward foreign exchange contracts		(22,172)	(0.03)
		<u>(22,172)</u>	<u>(0.03)</u>
		-----	-----
Total derivative financial instruments		(22,172)	(0.03)
		<u>(22,172)</u>	<u>(0.03)</u>
		-----	-----
Total investments		68,051,686	94.32
Other net assets		4,099,151	5.68
		<u>4,099,151</u>	<u>5.68</u>
		-----	-----
Net assets attributable to unitholders as at 30 June 2019		<u>72,150,837</u>	<u>100.00</u>
		-----	-----
Total investments at cost		<u>64,676,487</u>	

AMUNDI HK GUARANTEE SERIES

**INVESTMENT PORTFOLIO - AMUNDI GLOBAL DYNAMIC ALLOCATION PROTECT 90
FUND (USD) (UNAUDITED)
AS AT 30 JUNE 2019**

	Quantity	Fair value US\$	% of net assets
Listed / quoted investments (94.37%)			
FRANCE (2.54%)			
AMUNDI ETF GLOBAL EMERGING BOND MARKIT IBOXX UCITS ETF	315	44,183	1.79
AMUNDI US TREASURY 7-10 UCITS ETF	68	18,375	0.75
		<hr/>	<hr/>
		62,558	2.54
		-----	-----
LUXEMBOURG (68.68%)			
AMUNDI FUNDS - BOND EURO CORPORATE	64	156,058	6.33
AMUNDI FUNDS - BOND EURO HIGH YIELD	21	64,846	2.63
AMUNDI FUNDS - CASH EUR	326	373,313	15.13
AMUNDI FUNDS - CASH USD	687	736,766	29.87
AMUNDI FUNDS - CPR GLOBAL GOLD MINES	63	25,066	1.02
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX BARCLAYS EURO AGG CORPORATE	44	57,680	2.34
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX JP MORGAN EMU GOVIES	43	58,698	2.38
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX MSCI EMERGING MARKETS	40	47,182	1.91
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX MSCI EMU/OEF	14	27,750	1.12
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX MSCI JAPAN/OEF	18	21,955	0.89
AMUNDI INDEX SOLUTIONS - AMUNDI INDEX S&P 500	74	124,817	5.06
		<hr/>	<hr/>
		1,694,131	68.68
		-----	-----
UNITED KINGDOM (20.78%)			
ISHARES JP MORGAN EM LOCAL GOVT BOND UCITS ETF	745	46,063	1.87
ISHARES USD HIGH YIELD CORP BOND UCITS ETF	813	83,650	3.39
ISHARES USD TREASURY BOND 7-10YR UCITS ETF USD DIST	64	12,925	0.52
LYXOR USD LIQUID INVESTMENT GRADE CORPORATE BONDS UCITS ETF	2,059	218,666	8.87
SPDR FTSE UK ALL SHARE UCITS ETF	210	13,888	0.56
XTRACKERS USD CORPORATE BOND UCITS ETF	8,991	137,495	5.57
		<hr/>	<hr/>
		512,687	20.78
		-----	-----

AMUNDI HK GUARANTEE SERIES

**INVESTMENT PORTFOLIO - AMUNDI GLOBAL DYNAMIC ALLOCATION PROTECT 90
FUND (USD) (UNAUDITED)
AS AT 30 JUNE 2019 (CONTINUED)**

	Quantity	Fair value US\$	% of net assets
Listed / quoted investments (94.37%) (Continued)			
UNITED STATES (2.37%)			
VANGUARD INTERMEDIATE-TERM TREASURY ETF	886	58,449	2.37
		<u>58,449</u>	<u>2.37</u>
		<u><u>58,449</u></u>	<u><u>2.37</u></u>
Total listed / quoted investments		2,327,825	94.37
		<u><u>2,327,825</u></u>	<u><u>94.37</u></u>
Derivative financial instruments			
Forward foreign exchange contracts		(2,287)	(0.09)
		<u>(2,287)</u>	<u>(0.09)</u>
Total derivative financial instruments		(2,287)	(0.09)
		<u><u>(2,287)</u></u>	<u><u>(0.09)</u></u>
Total investments		2,325,538	94.28
		<u>2,325,538</u>	<u>94.28</u>
Other net assets		141,277	5.72
		<u>141,277</u>	<u>5.72</u>
Net assets attributable to unitholders as at 30 June 2019		2,466,815	100.00
		<u><u>2,466,815</u></u>	<u><u>100.00</u></u>
Total investments at cost		2,241,256	
		<u><u>2,241,256</u></u>	

AMUNDI HK GUARANTEE SERIES**STATEMENT OF MOVEMENTS IN PORTFOLIO - AMUNDI GLOBAL DYNAMIC ALLOCATION PROTECT 90 FUND (HKD) (UNAUDITED)
AS AT 30 JUNE 2019**

	Percentage holdings of net assets at 2019 %	Percentage holdings of net assets at 2018 %
Listed / quoted investments		
France	2.43	9.08
Luxembourg	68.22	54.00
United Kingdom	21.61	28.08
United States	2.09	6.02
Total listed / quoted investments	<u>94.35</u>	<u>97.18</u>
Derivative financial instruments		
Forward foreign exchange contracts	(0.03)	(0.12)
Options	-	0.06
Other net assets	<u>5.68</u>	<u>2.88</u>
Net assets attributable to unitholders as at year end	<u><u>100.00</u></u>	<u><u>100.00</u></u>

AMUNDI HK GUARANTEE SERIES

**STATEMENT OF MOVEMENTS IN PORTFOLIO - AMUNDI GLOBAL DYNAMIC ALLOCATION PROTECT 90 FUND (USD) (UNAUDITED)
AS AT 30 JUNE 2019**

	Percentage holdings of net assets at 2019 %	Percentage holdings of net assets at 2018 %
Listed / quoted investments		
France	2.54	9.08
Luxembourg	68.68	55.11
United Kingdom	20.78	27.97
United States	2.37	6.04
	<hr/>	<hr/>
Total listed / quoted investments	94.37	98.20
Derivative financial instruments		
Forward foreign exchange contracts	(0.09)	(0.20)
Options	-	0.05
Other net assets	5.72	1.95
	<hr/>	<hr/>
Net assets attributable to unitholders as at year end	<u>100.00</u>	<u>100.00</u>

AMUNDI HK GUARANTEE SERIES

PERFORMANCE TABLE (UNAUDITED) FOR THE YEAR ENDED 30 JUNE 2019

Net asset value (Dealing NAV)

At year end	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	Net asset value (at dealing value) HK\$	Net asset value per unit HK\$	Net asset value (at dealing value) US\$	Net asset value per unit US\$
2019	72,150,837	10.47	2,466,815	104.56
2018	130,704,128	10.19	14,557,029	101.38
2017 ¹	406,574,479	10.15	15,104,527	100.04

Performance record

Year ended	Amundi Global Dynamic Allocation Protect 90 Fund (HKD)		Amundi Global Dynamic Allocation Protect 90 Fund (USD)	
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Highest issue price per unit US\$	Lowest redemption price per unit US\$
2019	10.47	9.86	104.58	98.46
2018	10.51	10.12	104.02	99.76
2017 ¹	10.23	9.96	100.80	99.86

¹For the period from 10 January 2017 (date of launch) to 30 June 2017 for Amundi Global Dynamic Allocation Protect 90 Fund (HKD)
For the period from 26 April 2017 (date of launch) to 30 June 2017 for Amundi Global Dynamic Allocation Protect 90 Fund (USD)