

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)

Fonds Commun de Placement à Compartiments Multiples

Audited Annual Report

For the Year Ended February 29, 2016

This report does not constitute an offer of Units. No subscriptions can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current prospectus, supplemented by the last available annual report of the Fund.

Nikko Asset Management Luxembourg S.A.
R.C.S. B0123103

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)

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NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)

Report of the Investment Manager

Report of the Investment Manager -

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) - Income & Growth Currency Fund

Portfolio Review

The investment environment was dominated by a number of key factors

- Uncertainty surrounding global interest rates and the strength of the global economy. In Europe and Japan interest rates were moved into negative territory and this saw a sizeable part of global bond markets shift into negative yields. In the USA the Federal Reserve raised interest rates but shifted their expected path of interest rate rises downwards.
- Concerns about China moderated through the period as the authorities provided various stimulus measures which boosted consumption of major ticket items like autos. It also boosted both house prices and land and property sales. Concerns about the currency also moderated with the authorities getting a much firmer grip on capital outflows and fears of a one off devaluation dissipated.
- The outlook for global commodity prices appears to have improved over the period with markets looking through current oversupply and towards a better demand/supply balance in 2017. Despite rising commodity prices, inflation globally has continued to be subdued but this is likely to change in coming months with inflation starting to move upwards.

Portfolio Outlook:

India: India continued to be a source of stability through the period with the economy growing at robust levels but inflation well contained. Low inflation allowed the central bank to reduce interest rates in order to support lending as high levels of historical non-performing loans are an overhang for the banking sector. The government continued to advance reforms but continued to struggle with some of the major Bills. This is now expected to change with the Insolvency and Bankruptcy Code which has now passed both houses. This creates a framework for bankruptcy proceedings in India and will over time allow the banks to work through their non-performing loans over time and clean up balance sheets. Once this Bill is finally put in place it will be a significant positive for India and should boost asset prices.

Turkey: Growth in Turkey has proved stronger than expected in recent months and the current account has now contracted significantly from its peak levels. This has seen volatility in the Lira decline and the central bank has used this as an opportunity to slowly reduce interest rates. Political risks remain high though with Turkey embroiled in the refugee crisis, although the EU has now stepped in to help Turkey on a financial basis. Erdogan continues to consolidate power and this has seen Prime Minister Davutoglu departing office.

Indonesia: The long awaited infrastructure spending drive appears to have now started and this should support growth over the medium term, helped by central bank rate cuts. The government have embarked on an aggressive infrastructure drive now which targets investment of \$450bn between 2015 and 2019. Around 50% of the funding for this will be from the state with the rest from private investment and the government have been very successful in drawing in strategic investments from China and Japan for initial projects. Focus is now on plans for a Tax Amnesty on foreign held assets which could see up to \$42bn being returned to the country.

Brazil: Brazil has been rocked by incredible turmoil over the period with a deep recession, rising unemployment and a collapse in investment as corruption probes have deepened and dragged in more companies and politicians. In late 2015 Finance Minister Levy departed office and this saw the country downgraded by major credit rating agencies with the government effectively abandoning plans for a primary fiscal surplus. This, the deepening recession and ex-President Lula being dragged into corruption investigations all combined to pile pressure onto President Rousseff. Impeachment proceedings which originally were expected to have little chance of success started to gather momentum and Rousseff was removed from office whilst the Senate decide on her guilt. Whilst this process is ongoing Vice President Temer has taken over as President and has brought in a number of credible, highly respected people in order to try and pass medium term reforms.

Portfolio Performance

During the period the portfolio declined in value as the currencies within the portfolio declined vs. the yen.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)

Report of the Investment Manager (continued)

Report of the Investment Manager -

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) - World Core Sovereign Bond Fund

Portfolio Review

The investment environment was dominated by a number of key factors

- Uncertainty surrounding global interest rates and the strength of the global economy. In Europe and Japan interest rates were moved into negative territory and this saw a sizeable part of global bond markets shift into negative yields. In the USA the Federal Reserve raised interest rates but shifted their expected path of interest rate rises downwards.
- Concerns about China moderated through the period as the authorities provided various stimulus measures which boosted consumption of major ticket items like autos. It also boosted both house prices and land and property sales. Concerns about the currency also moderated with the authorities getting a much firmer grip on capital outflows and fears of a one off devaluation dissipated.
- The outlook for global commodity prices appears to have improved over the period with markets looking through current oversupply and towards a better demand/supply balance in 2017. Despite rising commodity prices, inflation globally has continued to be subdued but this is likely to change in coming months with inflation starting to move upwards.

During the period we removed Brazil from the portfolio following the departure of Finance Minister Levy as without him in place it was clear that the fiscal goals would be quickly abandoned. We replaced Brazil with Indonesia where the political backdrop is now significantly more positive and where the infrastructure buildout should start to solve many of the problems that have faced the country over previous decades.

Portfolio Outlook:

Mexico: Although the central bank has raised interest rates by a larger than expected amount and economic data has broadly been better than expected in recent months, Mexican assets have still been under pressure. The unemployment rate is now below 4% though and the positive impact on inflation from government reforms such as the increase in competition in the mobile phone market should be coming to an end. Higher inflation should start to put more pressure on the central bank whilst economic forecasts look too low. At the very least Mexico will be following each US interest rate hike. Higher interest rates should support the currency and lead to some unwinding of the Peso being used as a hedge for broader emerging markets.

Indonesia: The long awaited infrastructure spending drive appears to have now started and this should support growth over the medium term, helped by central bank rate cuts. The government have embarked on an aggressive infrastructure drive now which targets investment of \$450bn between 2015 and 2019. Around 50% of the funding for this will be from the state with the rest from private investment and the government have been very successful in drawing in strategic investments from China and Japan for initial projects. Focus is now on plans for a Tax Amnesty on foreign held assets which could see up to \$42bn being returned to the country.

USA: The US economy has disappointed and this, combined with the shift to negative rates in Europe and Japan has seen the Federal Reserve lower their forecasts for the path of interest rates. Speculation has mounted that they may shift to a neutral stance for the rest of 2016 but they have instead proven determined to keep every meeting live and potentially open for a move. The unemployment rate has declined and there are now increasing signs of wage gains with inflation likely to move higher through the rest of the year. This should keep the dollar as the favoured develop market currency.

Portfolio Performance

During the period the portfolio declined in value as the currencies within the portfolio declined vs. the yen.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)

Management and Administration

Management Company

Nikko Asset Management Luxembourg S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg

Board of Directors of the Management Company

Director Mr. Michael John Cieran Mulholland, Finance Director, Nikko Asset Management Europe Ltd, 1 London Wall, London EC2Y 5AD, United Kingdom

Director Mr. Philip Yeo Phuyay Lik, Head of Product Development and Management, Nikko Asset Management Asia Ltd., 8 Cross Street, #8-07 PWC Building Singapore 048424

Director Mr. Nicolaus P. Bocklandt, Certified Independent Director, 6B, Route de Trèves, L-2633 Luxembourg, Grand Duchy of Luxembourg

Custodian Bank and Administrator

Brown Brothers Harriman (Luxembourg) S.C.A., 80, Route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg

Investment Manager

Nikko Asset Management Europe Ltd, 1 London Wall, London EC2Y 5AD, United Kingdom

Auditor of the Fund

PricewaterhouseCoopers, Société Coopérative, 2, rue Gerhard Mercator, L-2182 Luxembourg, Grand Duchy of Luxembourg

Auditor of the Management Company

KPMG Luxembourg, Société Coopérative, 9, Allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg

Legal Adviser

Elvinger, Hoss & Prussen, 2, Place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg



Audit report

To the Unitholders of
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)

We have audited the accompanying financial statements of NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) and of each of its sub-funds, which comprise the statement of net assets and the portfolio of investments as at February 29, 2016 and the statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the Management Company for the financial statements

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the “Réviseur d’entreprises agréé”

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier”. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the “Réviseur d’entreprises agréé”, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the “Réviseur d’entreprises agréé” considers internal control relevant to the entity’s preparation and fair presentation of the financial statements 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the Management Company, as well as evaluating the overall presentation of the financial statements.

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

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*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) and of each of its sub-funds as of February 29, 2016, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other matters

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 5 July 2016

A handwritten signature in black ink, appearing to read 'Laurent Marx', written over a horizontal line.

Laurent Marx

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Statement of Net Assets
As at February 29, 2016

	NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) Income & Growth Currency Fund in JPY		NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) World Core Sovereign Bond Fund in JPY		Combined in EUR	
ASSETS:						
Investments in securities, at market value (Note 2d)	JPY	3,089,481,197	JPY	38,972,604,649	EUR	342,760,740
Cash (Note 2c)		66,664,102		263,225,418		2,688,245
Receivables for:						
Interest (Note 2e)		45,334,077		515,318,379		4,568,714
Total Assets		3,201,479,376		39,751,148,446		350,017,699
LIABILITIES:						
Unrealized depreciation on foreign currency transactions . . .		20,524		157,947		1,454
Payables for:						
Units redeemed		9,415,703		155,096,125		1,340,594
Administrative Agent fees (Note 5)		1,706,444		8,347,755		81,931
Custodian fees (Note 5)		757,785		12,340,697		106,739
Investment management fees (Note 4)		574,118		7,095,101		62,496
Transfer Agent fees (Note 6)		415,649		602,776		8,299
Management fees (Note 3)		104,385		1,290,018		11,363
Audit fees		97,473		1,213,552		10,683
Taxe d'abonnement (Note 7)		65,668		810,097		7,137
Other liabilities		17,074		141,216		1,290
Total Liabilities		13,174,823		187,095,284		1,631,986
TOTAL NET ASSETS	JPY	3,188,304,553	JPY	39,564,053,162	EUR	348,385,713
NET ASSET VALUE PER UNIT:						
Class A	JPY	0.4087	JPY	0.5590		

The accompanying notes are an integral part of these financial statements.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Statement of Operations and Changes in Net Assets
For the Year Ended February 29, 2016

	NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) Income & Growth Currency Fund in JPY	NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) World Core Sovereign Bond Fund in JPY	Combined in EUR
NET INVESTMENT INCOME:			
Income:			
Interest (Note 2e)	JPY 333,450,635	JPY 4,907,162,564	EUR 42,705,359
Total Income	333,450,635	4,907,162,564	42,705,359
Expenses:			
Investment management fees (Note 4)	9,150,851	142,654,559	1,237,051
Administrative Agent fees (Note 5)	5,250,072	34,695,206	325,511
Management fees (Note 3)	1,663,791	25,937,193	224,918
Transaction costs (Note 8)	1,551,370	1,681,694	26,346
Transfer Agent fees (Note 6)	1,269,483	2,030,824	26,894
Custodian fees (Note 5)	779,108	49,318,903	408,245
Taxe d'abonnement (Note 7)	382,148	5,930,792	51,444
Audit fees	289,143	3,839,734	33,646
Legal fees	89,074	88,982	1,451
Organization expenses (Note 2h)	44,530	76,907	990
Other expenses	453,374	1,729,552	17,788
Total Expenses	20,922,944	267,984,346	2,354,284
Net Investment Income	312,527,691	4,639,178,218	40,351,075
NET REALIZED AND UNREALIZED GAIN/(LOSS):			
Net realized loss on investments (Note 2e)	(484,140,352)	(13,045,426,439)	(110,251,411)
Net realized loss on foreign currency transactions	(13,263,067)	(264,330,023)	(2,262,085)
Net change in unrealized depreciation on investments	(372,272,734)	(4,040,249,218)	(35,957,306)
Net change in unrealized depreciation on foreign currency transactions	(418,434)	(565,827)	(8,021)
Net Realized and Unrealized Loss on Investments	(870,094,587)	(17,350,571,507)	(148,478,823)
Net Decrease in Net Assets Resulting from Operations	(557,566,896)	(12,711,393,289)	(108,127,748)
Decrease in Net Assets from capital stock transactions	(816,832,590)	(16,475,867,671)	(140,916,900)
Distributions declared to Unitholders (Note 9)	(807,746,807)	(8,990,577,386)	(79,845,799)
Total Decrease in Net Assets	(2,182,146,293)	(38,177,838,346)	(328,890,447)
NET ASSETS:			
Beginning of the year	5,370,450,846	77,741,891,508	620,350,522
Notional exchange rate adjustment	—	—	56,925,638
End of the year	JPY 3,188,304,553	JPY 39,564,053,162	EUR 348,385,713

The accompanying notes are an integral part of these financial statements.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Statistical Information
As at February 29, 2016

	<u>February 29, 2016</u>	<u>February 28, 2015</u>	<u>February 28, 2014</u>
TOTAL NET ASSETS			
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)			
Income & Growth Currency Fund			
Class A.	JPY 3,188,304,553	JPY 5,370,450,846	JPY 7,531,795,416
UNITS OUTSTANDING			
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)			
Income & Growth Currency Fund			
Class A.	7,801,375,282	9,406,986,658	11,448,987,705
NET ASSET VALUE PER UNIT			
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)			
Income & Growth Currency Fund			
Class A.	JPY 0.4087	JPY 0.5709	JPY 0.6579
TOTAL NET ASSETS			
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)			
World Core Sovereign Bond Fund			
Class A.	JPY 39,564,053,162	JPY 77,741,891,508	JPY 42,552,647,029
UNITS OUTSTANDING			
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)			
World Core Sovereign Bond Fund			
Class A.	70,780,412,957	97,805,235,169	55,222,390,167
NET ASSET VALUE PER UNIT			
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)			
World Core Sovereign Bond Fund			
Class A.	JPY 0.5590	JPY 0.7949	JPY 0.7706

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund
Portfolio of Investment
As at February 29, 2016

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET				
FIXED INCOME SECURITIES (88.2%)				
FINLAND (8.0%)				
GOVERNMENT BONDS (8.0%)				
		Municipality Finance PLC		
BRL	2,300,000	0.50% due 04/27/16	2.0%	JPY 64,037,831
TRY	2,200,000	0.50% due 10/27/16	2.5	77,846,540
TRY	3,200,000	0.50% due 12/21/16	3.5	111,460,134
TOTAL GOVERNMENT BONDS				253,344,505
TOTAL FINLAND				253,344,505
SUPRANATIONAL (80.2%)				
CORPORATE BONDS & NOTES (70.5%)				
		Asian Development Bank		
TRY	5,000,000	0.50% due 02/23/17	5.4	170,914,789
TRY	3,640,000	0.50% due 11/21/17	3.6	115,188,297
BRL	1,700,000	7.82% due 08/15/16	1.5	47,515,769
		European Bank for Reconstruction & Development		
BRL	9,380,000	0.50% due 03/24/16	8.3	265,265,296
IDR	42,000,000,000	4.54% due 11/16/16	10.7	341,313,510
		European Investment Bank		
BRL	2,500,000	0.00% due 04/24/17	2.0	62,698,243
		Inter-American Development Bank		
IDR	25,000,000,000	4.16% due 05/24/18	5.9	187,645,328
BRL	9,000,000	5.25% due 07/19/16	7.8	248,538,079
IDR	16,480,000,000	7.00% due 02/04/19	4.1	133,166,434
		International Finance Corp.		
TRY	5,560,000	4.60% due 10/28/16	6.3	202,282,758
TRY	4,460,000	4.70% due 11/29/16	5.1	161,428,250
INR	35,000,000	6.45% due 10/30/18	1.8	57,417,190
INR	154,000,000	7.75% due 12/03/16	8.0	255,024,148
TOTAL CORPORATE BONDS & NOTES				2,248,398,091
GOVERNMENT BONDS (9.7%)				
		International Bank for Reconstruction & Development		
INR	189,000,000	6.00% due 12/20/16	9.7	309,929,239
TOTAL GOVERNMENT BONDS				309,929,239
TOTAL SUPRANATIONAL				2,558,327,330
TOTAL FIXED INCOME SECURITIES (Cost JPY 3,397,891,467)				2,811,671,835
SHORT TERM INVESTMENTS (8.7%)				
SUPRANATIONAL (8.7%)				
CORPORATE BONDS & NOTES (8.7%)				
		European Bank for Reconstruction & Development		
INR	167,900,000	6.30% due 06/24/16	8.7	277,809,362
TOTAL CORPORATE BONDS & NOTES				277,809,362
TOTAL SUPRANATIONAL				277,809,362
TOTAL SHORT TERM INVESTMENT(Cost JPY 326,218,078)				277,809,362
TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost JPY 3,724,109,545)				
			96.9%	JPY 3,089,481,197
CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES			3.1	98,823,356
TOTAL NET ASSETS			100.0%	JPY 3,188,304,553

The accompanying notes are an integral part of these financial statements.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)

Fonds Commun de Placement à Compartiments Multiples

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund

Portfolio of Investments (continued)

As at February 29, 2016

Foreign Currency Legend

BRL	Brazilian Real
IDR	Indonesian Rupiah
INR	Indian Rupee
JPY	Japanese Yen
TRY	Turkish Lira

The accompanying notes are an integral part of these financial statements.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)**Fonds Commun de Placement à Compartiments Multiples****NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund****Classifications****As at February 29, 2016**

Industry	% of Net Assets
Supranational	88.9%
Government - Regional	8.0
Total Investments	96.9%
Cash and other net assets in excess of liabilities	3.1%
Total Net Assets	100.0%

Country	% of Net Assets
Supranational	88.9%
Finland	8.0
Total Investments	96.9%
Cash and other assets in excess of liabilities	3.1%
Total Net Assets	100.0%

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund
Portfolio of Investments
As at February 29, 2016

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET				
FIXED INCOME SECURITIES (98.5%)				
FINLAND (4.1%)				
GOVERNMENT BONDS (4.1%)				
Finnvera OYJ				
USD	10,000,000	2.38% due 06/04/25	2.9%	JPY 1,142,778,395
Municipality Finance PLC				
MXN	38,000,000	3.13% due 05/20/16	0.6	237,297,961
IDR	30,000,000,000	4.00% due 07/28/17	0.6	231,837,408
TOTAL GOVERNMENT BONDS				1,611,913,764
TOTAL FINLAND				1,611,913,764
GERMANY (7.9%)				
CORPORATE BONDS & NOTES (7.9%)				
KFW				
USD	7,500,000	1.63% due 03/15/21	2.1	849,385,134
USD	5,000,000	2.13% due 08/07/23	1.5	576,360,156
USD	5,000,000	2.38% due 08/25/21	1.5	586,915,255
Landwirtschaftliche Rentenbank				
USD	2,500,000	1.38% due 10/23/19	0.7	282,675,267
USD	7,430,000	1.88% due 04/17/23	2.1	844,222,153
TOTAL CORPORATE BONDS & NOTES				3,139,557,965
TOTAL GERMANY				3,139,557,965
MEXICO (33.6%)				
GOVERNMENT BONDS (33.6%)				
Mexican Bonos				
MXN	189,100,000	5.00% due 12/11/19	3.0	1,168,902,115
MXN	313,500,000	6.50% due 06/09/22	5.1	2,035,539,051
MXN	608,700,000	7.50% due 06/03/27	10.6	4,193,103,352
MXN	14,050,000	7.75% due 12/14/17	0.2	93,020,731
MXN	293,200,000	7.75% due 05/29/31	5.1	2,037,303,327
MXN	306,800,000	8.00% due 12/07/23	5.5	2,166,874,612
MXN	190,300,000	10.00% due 11/20/36	4.1	1,616,628,501
TOTAL GOVERNMENT BONDS				13,311,371,689
TOTAL MEXICO				13,311,371,689
SOUTH KOREA (1.2%)				
GOVERNMENT BONDS (1.2%)				
Export-Import Bank of Korea				
IDR	21,000,000,000	8.00% due 05/15/18	0.4	172,297,173
IDR	34,000,000,000	8.40% due 07/06/16	0.8	284,999,322
TOTAL GOVERNMENT BONDS				457,296,495
TOTAL SOUTH KOREA				457,296,495
SUPRANATIONAL (42.8%)				
CORPORATE BONDS & NOTES (42.8%)				
European Bank for Reconstruction & Development				
IDR	18,000,000,000	4.16% due 06/14/18	0.3	134,451,002
IDR	94,760,000,000	7.25% due 08/22/17	2.0	785,683,318
IDR	129,000,000,000	10.00% due 11/16/18	2.8	1,108,454,396
European Investment Bank				
IDR	12,000,000,000	4.95% due 03/01/19	0.2	91,261,500
IDR	19,700,000,000	5.20% due 03/01/22	0.4	138,045,702
Inter-American Development Bank				
USD	5,000,000	2.13% due 11/09/20	1.5	580,524,830
IDR	50,000,000,000	5.80% due 07/26/18	1.0	386,564,577
IDR	56,000,000,000	5.81% due 09/11/18	1.1	425,631,152
IDR	140,000,000,000	7.06% due 07/25/19	2.8	1,090,798,677
IDR	100,000,000,000	7.20% due 11/14/17	2.1	818,638,636
IDR	350,000,000,000	7.20% due 01/22/18	7.2	2,868,785,032
IDR	111,190,000,000	7.35% due 09/12/18	2.3	906,253,606
MXN	97,025,000	7.50% due 12/05/24	1.8	694,972,664

The accompanying notes are an integral part of these financial statements.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund
Portfolio of Investments (continued)
As at February 29, 2016

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
FIXED INCOME SECURITIES (98.5%) (continued)				
SUPRANATIONAL (42.8%) (continued)				
CORPORATE BONDS & NOTES (42.8%)				
IDR	69,580,000,000	8.00% due 06/11/18	1.5%	JPY 582,257,921
IDR	201,000,000,000	9.50% due 04/15/19	4.3	1,744,949,546
		International Bank for Reconstruction & Development		
USD	1,785,000	1.88% due 03/15/19	0.5	206,545,293
USD	7,500,000	2.13% due 11/01/20	2.2	875,002,453
USD	7,500,000	2.25% due 06/24/21	2.2	879,229,518
USD	10,670,000	2.50% due 11/25/24	3.2	1,267,900,000
USD	3,250,000	7.63% due 01/19/23	1.3	506,147,119
		International Finance Corp.		
USD	4,673,000	1.75% due 09/16/19	1.3	536,933,240
MXN	50,000,000	3.25% due 01/23/17	0.8	310,445,114
TOTAL CORPORATE BONDS & NOTES				16,939,475,296
TOTAL SUPRANATIONAL				16,939,475,296
UNITED STATES (8.9%)				
GOVERNMENT BONDS (8.9%)				
		U.S. Treasury Note		
USD	10,000,000	1.50% due 06/30/16	2.9	1,133,175,253
USD	8,974,000	2.38% due 08/15/24	2.7	1,069,798,214
USD	5,385,000	2.50% due 05/15/24	1.6	648,173,762
USD	5,400,000	2.75% due 02/15/24	1.7	661,842,211
TOTAL GOVERNMENT BONDS				3,512,989,440
TOTAL UNITED STATES				3,512,989,440
TOTAL FIXED INCOME SECURITIES (Cost JPY 42,077,522,397)				38,972,604,649
TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost JPY 42,077,522,397)			98.5%	JPY 38,972,604,649
CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES			1.5	591,448,513
TOTAL NET ASSETS			100.0%	JPY 39,564,053,162

Foreign Currency Legend

IDR	Indonesian Rupiah
JPY	Japanese Yen
MXN	Mexican Peso
USD	US Dollar

The accompanying notes are an integral part of these financial statements.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)**Fonds Commun de Placement à Compartiments Multiples****NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund****Classifications****As at February 29, 2016**

Industry	% of Net Assets
Supranational	42.8%
Government - National	33.6
United States Government - National.	8.9
Bank.	7.9
Government - Agency	4.1
Government - Regional	1.2
Total Investments	98.5%
Cash and other net assets in excess of liabilities	1.5%
Total Net Assets	100.0%

Country	% of Net Assets
Supranational	42.8%
Mexico	33.6
United States	8.9
Germany	7.9
Finland	4.1
South Korea	1.2
Total Investments	98.5%
Cash and other assets in excess of liabilities	1.5%
Total Net Assets	100.0%

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Notes to Financial Statements
As at February 29, 2016

1. General Information

The Fund was converted as a UCITS subject to Part I of the 2010 Law by decision of the Management Company and the Custodian with effect from 14 July 2014. Prior to 14 July 2014, the Fund was established in Luxembourg as an open-ended unincorporated mutual investment fund (Fonds Commun de Placement — Fonds d'Investissement Spécialisé) (Specialised Investment Fund) ("FCP-SIF"). The Fund was organised in Luxembourg pursuant to the amended Law of February 13, 2007 concerning Specialised Investment Funds.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) (the "Fund") has been established in Luxembourg as a mutual investment umbrella fund ("Fonds commun de placement à compartiments multiples") organized under the laws of the Grand Duchy of Luxembourg and registered under Part I of the Luxembourg Law of 17 December 2010, as amended, relating to undertakings for collective investment (the "2010 Law") for an unlimited period of time.

The Fund qualifies as an Undertaking for Collective Investments in Transferable Securities ("UCITS") under Article 1(2) of the UCITS Directive (the "Directive"), and may therefore be offered for sale in European Union ("EU") Member States (subject to registration in countries other than Luxembourg).

The Fund is managed by Nikko Asset Management Luxembourg S.A. (the "Management Company"), a company incorporated under the laws of Luxembourg and which has its registered office in Luxembourg. The Management Company was incorporated on November 29, 2006 as "société anonyme" under the laws of the Grand Duchy of Luxembourg and its articles of incorporation are on file with the Registre de Commerce et des Sociétés in Luxembourg. The Management Company is approved as a management company regulated by chapter 15 of the 2010 Law.

The Management Company may on behalf of the Fund issue different classes of units (the "Units") which are related to specific pools of assets (each a "Sub-Fund") established within the Fund. In respect of each Sub-Fund, the Management Company pursues a specific investment policy. For the purposes of relations between the Unitholders, each Sub-Fund is deemed to be a separate entity.

The securities and other assets of the Fund are segregated from the assets of the Management Company and are managed by the Management Company in the interest of the Unitholders and on their behalf.

Brown Brothers Harriman (Luxembourg) S.C.A. has been entrusted with the duties of the custodian bank (the "Custodian Bank") and of the administrator (the "Administrator").

The Fund currently consists of two Sub-Funds: NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund and NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund.

The Sub-Funds each offer a single class of units, Class A Units, denominated in Japanese Yen ("JPY"). They commenced operations on 18 March 2010 and 31 August 2010, respectively.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund (the "Sub-Fund") seeks to achieve income and capital growth over the mid to long term through investment in sovereign debt securities denominated in different currencies.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund (the "Sub-Fund") seeks to achieve income and capital growth over the mid to long term through investment in sovereign debt securities denominated in different currencies.

2. Significant Accounting Policies

(a) Presentation of Financial Statements

The financial statements are presented in accordance with Luxembourg legal and regulatory requirements. The preparation of financial statements, in accordance with Luxembourg requirements, requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Notes to Financial Statements (continued)
As at February 29, 2016

(b) Determination of Net Asset Value per Unit

The NAV per Unit of each Sub-Fund is expressed in its currency of denomination. The NAV per Unit of each Class of each Sub-Fund is calculated in the currency of the Sub-Fund on each valuation day ("Valuation Day") at the valuation point, which is the time, in New York City, as of which the New York financial markets for publicly-traded instruments close for "regular trading" on the relevant Valuation Day.

(c) Cash

Cash and other liquid assets are valued at their face value with interest accrued to the end of the Valuation Day.

(d) Valuation of the Investments in Securities and Financial Derivative Instruments

The assets of each Sub-Fund were valued as follows:

Securities and/or financial derivative instruments which are quoted or dealt in on any stock exchange shall be based on the last available closing price and each security traded on any other organized market shall be valued in a manner as similar as possible to that provided for quoted securities. For securities for which trading on the relevant stock exchanges is thin and secondary market trading is done between dealers who, as main market makers, offer prices in response to market conditions, the Management Company may decide to value such securities in line with the prices established.

For non-quoted securities or securities not traded or dealt in on any stock exchange or other organized market, as well as quoted or non-quoted securities on such other market for which no valuation price is available, or securities for which the quoted prices are not representative of the fair value, the value thereof shall be determined prudently and in good faith by the Management Company on the basis of foreseeable sales prices.

Financial derivative instruments which are not listed or traded on a regulated market are valued at their estimated market value in a reliable and verifiable manner, in accordance with market practice.

Shares or units in underlying open-ended investment funds shall be valued at their last available NAV reduced by any applicable charges.

In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Management Company is authorized, prudently and in good faith, to follow other rules in order to achieve a fair valuation of the assets of the Sub-Fund.

(e) Securities Transactions and Investment Income

Securities transactions are recorded as of trade date for financial reporting purposes. Realized gains and losses from securities sold are recorded on the identified cost basis. Interest income, including discount and amortization of premiums, is recorded daily on an accrual basis, net of any applicable withholding tax.

(f) Distribution Policy

Each year the Management Company may decide to distribute all available income as well as all other distributable items allowed by Luxembourg investment fund laws consisting, in addition of net income, of gains (realized or unrealized) or of capital as a distribution to the Unitholders, as long as and to the extent that the minimum sum of net assets of each Sub-Fund prescribed by Luxembourg law or its foreign equivalent is maintained. Distributions to Unitholders may be paid only if the net assets of the Fund do not fall below EUR 1,250,000. Annual distributions may be declared separately in respect of each Class of each Sub-Fund by the Management Company. Interim distributions may be paid at any time of the year as deemed appropriate upon a decision of the Management Company in relation to any of the Classes of each Sub-Fund.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Notes to Financial Statements (continued)
As at February 29, 2016

Distributions, if declared, shall be paid as soon as practicable after the declaration, and considering that all Units of each Sub-Fund are entitled to participate equally in the profits made and dividends paid in respect of the relevant Sub-Fund of the Fund.

The amount of distributions to be paid to Unitholders, if any, is determined by the Management Company in its sole discretion. Distributions, if any, are paid to the relevant Unitholders generally on the second Business Day following the relevant Ex-Distribution Date. A Unitholder who submits subscription documents on or before the Business Day immediately prior to the relevant Ex-Distribution Date is entitled to receive relevant distributions.

Entitlement to distributions and allocations not claimed within 5 years of the due date shall be forfeited and the corresponding assets shall revert to the relevant Sub-Fund of the Fund.

(g) Foreign Exchange Transactions and Translations

The market values of foreign securities, currency holdings and other assets and liabilities, which are not denominated in the Sub-Fund's currency, are translated based on the current exchange rates each business day. Fluctuations in the value of currency holdings and other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains or losses. Realized gains or losses and unrealized appreciation or depreciation on investment securities and income and expenses are translated on the respective dates of such transactions. The effects of changes in foreign currency exchange rates on investments in securities are not segregated on the Statements of Operations from the effects of changes in market prices of those securities, but are included with the net realized and unrealized gain or loss on investment securities.

The presentation currency of the Sub-Funds is denominated in Japanese Yen. The presentation currency of the Fund is denominated in Euro. The financial statements of each Sub-Fund on the Combined Statement of Assets and Liabilities and the Combined Statement of Operations have been translated from their presentation currency to the presentation currency of the Fund (EUR) at exchange rates prevailing at February 29, 2016 to arrive at the Fund totals.

The following table reflects the exchange rates used at February 29, 2016 for each of the above referenced statements:

JPY vs. BRL	0.035212
JPY vs. EUR	0.008149
JPY vs. IDR	118.414885
JPY vs. INR	0.604069
JPY vs. MXN	0.160077
JPY vs. TRY	0.026246
JPY vs. USD	0.008855

(h) Organizational Costs

The organization expenses of the Sub-Fund are organization costs incurred by each Sub-Fund from its inception date. Organization expenses are amortized on a straight-line basis over a five year period. Each Sub-Fund bears its own organization expenses.

3. Management Fees

The Management Company is entitled to receive fees out of the assets of each Sub-Fund at the rate of 0.04% per annum of the NAV on the average daily aggregate NAVs of each Sub-Fund during the relevant calendar month. These fees shall be accrued daily and payable monthly.

4. Investment Management Fees

The Investment Manager is entitled to receive fees for investment advisory services conducted on behalf of the Fund out of the assets of each Sub-Fund at the rate of 0.22% per annum of the NAV on the average daily aggregate NAVs of each Sub-Fund during the relevant calendar month. Investment Management fees for each Sub-Fund are calculated and payable monthly.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Notes to Financial Statements (continued)
As at February 29, 2016

5. Custodian and Administrative Agent Fees

The Custodian Bank is entitled to receive fees out of each Sub-Fund calculated and payable monthly at fixed rates per annum based on the market value of investments held in different countries by each Sub-Fund during the relevant month plus customary safekeeping fees. The Administrative Agent is entitled to receive fees out of each Sub-Funds' assets at the rate of 0.05% per annum of net assets, subject to an annual minimum fee of EUR 37,000 per Sub-Fund, per annum plus additional fees for tax reporting if necessary.

6. Transfer Agent Fees

The Transfer Agent is entitled to receive an annual register maintenance fee for one Sub-Fund of EUR 3,700 per annum plus EUR 370 for each additional share class and additional fees for transactions out of the assets of each Sub-Fund. These fees are payable monthly.

7. Taxe d'abonnement

The Fund is not liable to any Luxembourg income or corporation tax. However, the Fund is liable in Luxembourg to a tax of 0.05% of its net assets at the end of the relevant quarter. Each Sub-Fund is subject to Luxembourg law with respect to its tax status. In respect of the Sub-Funds the Units of which are comprised only of Institutional Investors, the rate is reduced to 0.01% per annum. This tax is payable quarterly and calculated on the basis of each Sub-Fund's Units.

8. Transaction Costs and Custodian Transaction Fees

Transaction costs are the costs incurred by a Sub-Fund in connection with transactions on its portfolio of investments. These costs are both incremental and directly attributable to the acquisition, issue or disposal of financial assets and liabilities, with incremental costs being those that would not have been incurred if the Sub-Fund had not entered into the transaction. These costs comprise fees and commissions paid to custodian, agents, advisers, brokers and dealers, in addition to any taxes associated with the transaction.

Transaction costs are itemized separately as an expense in the Statement of Operations and Changes in Net Assets.

The transaction fees for fixed income securities and derivatives are included in the spread.

9. Dividends

The Board of Directors decided to distribute the following dividends for the Sub-Funds below:

Name of the Sub-Fund	Ex-Date	Currency	Dividend per Unit in JPY
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	3/12/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	4/13/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	5/12/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	6/12/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	7/13/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	8/12/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	9/14/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	10/13/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	11/12/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	12/14/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	01/12/2016	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – World Core Sovereign Bond Fund – Class A	02/12/2016	JPY	0.0080

Name of the Sub-Fund	Ex-Date	Currency	Dividend per Unit in JPY
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	3/16/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	4/15/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	5/15/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	6/15/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	7/15/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	8/17/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	9/15/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	10/15/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	11/16/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	12/15/2015	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	01/15/2016	JPY	0.0080
NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG) – Income & Growth Currency Fund – Class A	02/16/2016	JPY	0.0080

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Notes to Financial Statements (continued)
As at February 29, 2016

10. Statement of Changes in Portfolio Composition

A statement giving the changes in the portfolio of investments for the year ended February 29, 2016, can be obtained free of charge from the registered office of the Management Company of the Fund.

NIKKO AM GLOBAL INVESTMENTS (LUXEMBOURG)
Fonds Commun de Placement à Compartiments Multiples
Additional Information (unaudited)
As at February 29, 2016

Global Exposure

The Management Company employs the standard commitment approach to comply with the CSSF Circular 11/512 which requires each UCITS Fund to calculate its global risk exposure. The standard commitment approach requires the Investment Manager to convert each financial derivative instrument position into the market value of an equivalent position in the underlying asset of that financial derivative taking into account of the netting and hedging arrangements.

The Sub-Funds' total commitments to financial derivative instruments is limited to 100% of its total net asset value.