

FOR DATE: **31.10.2022**

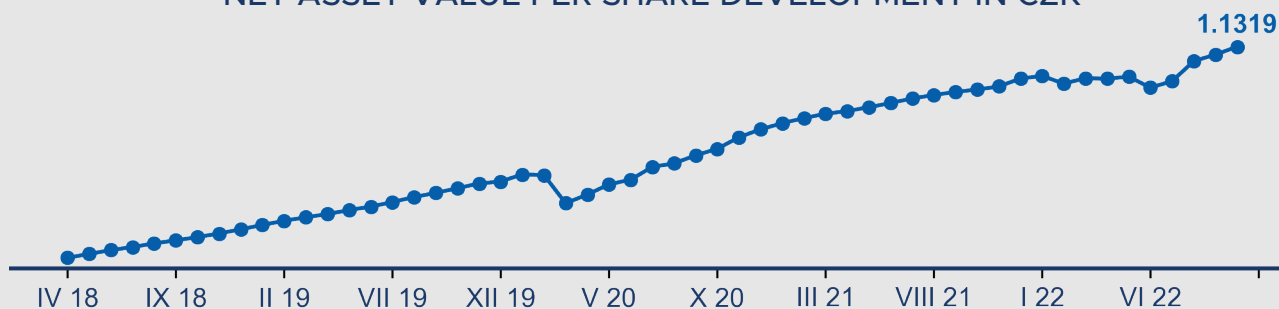
FUND PERFORMANCE

Assets under management:
657 mil. Kč

Investment share value:
1.1319 Kč

Time period	1M	3M	6M	12M	Since inc. p.a.
Performance	0.43 %	1.94 %	1.80 %	2.43 %	2.79 %

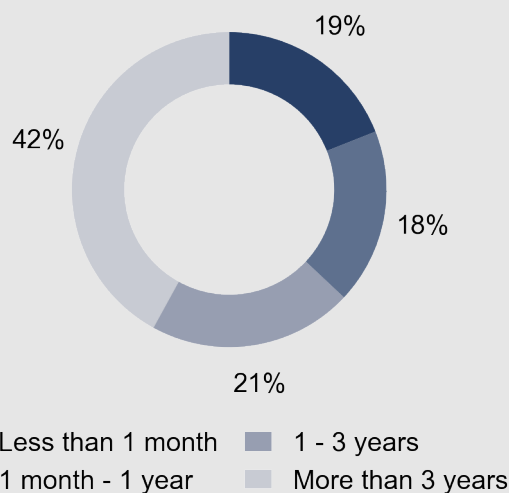
NET ASSET VALUE PER SHARE DEVELOPMENT IN CZK



TOP 10 POSITIONS IN PORTFOLIO

EPH 4.5/25	8%
Wood reverzní repo	8%
PPF Telecom 3.25/27	5%
BNP Paribas VAR/23	5%
Allwyn(Sazka) VAR/28	4%
AIR Bank VAR/29	4%
CZG VAR/2027	4%
Erste VAR/22	4%
Erste VAR/23	4%
ZDR INVEST SICAV 7.5/24	3%

DURATION STRUCTURE



You may find the fund annual report for year 2021 [here](#).

MARKET UPDATE



International credit markets stabilised in October, especially corporate bonds in Europe. This helped sentiment in Global Emerging Market and the Czech bond arenas. Investors managed to absorb a third ECB meeting in a row with a large interest rate rise, this time again 75bps. Commentators expect a slowing of the pace of interest rate hikes from the ECB and the US Fed in coming months, as the threat of a general global economic slowdown grows compared to a moderating of the threat of very high inflation rates. Fixed income assets have performed well during periods of slowing economic growth and faltering inflation in the past.

The Czech National Bank again did not raise interest rates from 7.0% at its 3 November meeting. October's consumer price inflation data release was mildly encouraging, with the annual rate falling to 15.1% year-on-year from September's 18.0%. Producer price growth remains stubbornly high though, at 24.1%.

Mark Robinson, Member of the Investment Committee

PORTFOLIO UPDATE



The Fund's price again gained +0.4% in October. The August-October 3-month net-of-fees return on an annualized basis ticked up to +8.0%, close to the 8.9% forward-looking gross annual running yield of the portfolio. Positive returns from some of our holdings and the portfolio's income stream contributed to the performance. We retained our fully-hedged interest rate swap positions against any further rises in CZK and EUR bond yields. These positions seek to dampen down future periods of volatile pricing. While retaining a high level of liquidity in the portfolio, we remain ready to diversify via buying new high-quality names with high yields for the portfolio at lower prices.

Lubor Žalman, Founder of the fund

DISCLAIMER

EnCor Funds SICAV, a.s. is a fund of qualified investors. Only a fully qualified investor within the meaning of ACT 272 of law no.240/2013 Sb., On Investment Companies and Investment Funds, can become an investor in the Fund. The investment company reminds investors that the value of the investment in the fund may vary, and the return of the originally invested amount of money is not guaranteed. Historic fund performance does not guarantee same or higher performance in the future. Investment in the fund is designed to yield returns in medium and long-term horizon and is therefore not suitable for short-term speculation. Potential investors should, in particular, consider specific risks that may arise from the investment objectives of the Fund as set out in its Statute. Investment objectives are reflected in the recommended investment horizon, as well as in fees and costs of the fund. Key Information about the Fund (KID) is available at www.avantfunds.com/information-info/ or www.encorfunds.com. In paper form, the information can be obtained at AVANT Investment Company, a.s., CITY TOWER | Hvězdova 1716/2b | 140 00 Praha 4. This information is informative only and does not constitute a proposal for conclusion of a contract or public offer according to the provisions of the Civil Code.