

FOR DATE: **30.11.2022**

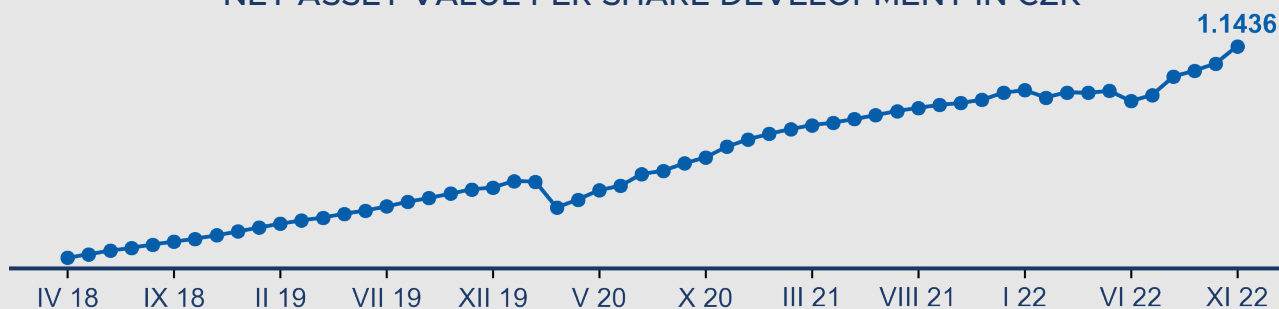
FUND PERFORMANCE

Assets under management:
679 mil. Kč

Investment share value:
1.1436 Kč

Time period	1M	3M	6M	12M	Since inc. p.a.
Performance	1.03 %	1.84 %	2.73 %	3.30 %	2.97 %

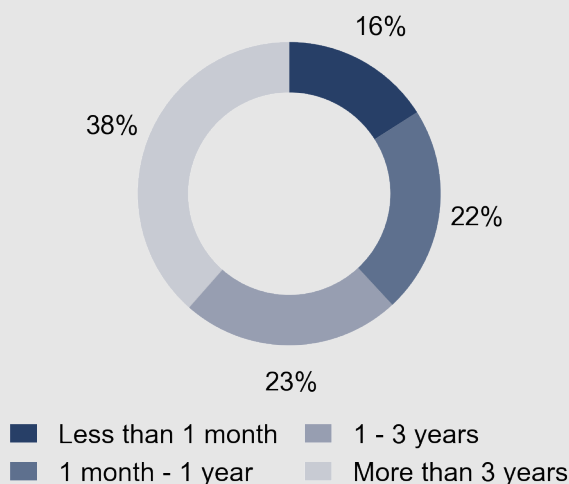
NET ASSET VALUE PER SHARE DEVELOPMENT IN CZK



TOP 10 POSITIONS IN PORTFOLIO

Wood reverzní repo	8%
EPH 4.5/25	8%
ČS Eur 6.69/25	6%
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%
ZDR INVEST SICAV 7.5/24	3%
GTC 2.25/26	3%

DURATION STRUCTURE



You may find the fund annual report for year 2021 here.

MARKET UPDATE



November saw a rally in international credit markets, which led to a solid performance in both the Emerging Market and Czech bond arenas. A perception that inflation rates, though still very high, have stopped rising in G10 countries helped investor sentiment. Predictions of further interest rate rises from major Central Banks, such as the US Fed and the ECB, are largely priced into government bonds already. Fears over global economic growth for 2023 are now centre stage. Fixed income assets have in the past performed well during periods of slowing economic growth and faltering inflation.

Price pressures remain elevated in the Czech Republic, but the CNB has kept policy interest rates flat at 7.0% since June. November's consumer price inflation data release came in higher than expectations, at 16.2% year-on-year, compared to 15.1% in October. We do not expect the CNB to move interest rates at its final meeting of the year on 21 December: the CNB's expectations are for easing price pressures in H1 2023.

Mark Robinson, Member of the Investment Committee

PORTFOLIO UPDATE



The Fund gained +1.03% in November. Positive price returns from our bond holdings and the portfolio's interest income 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. We continued in November to diversify the portfolio into higher-quality names: we bought into the 3-year maturity new issue of Ceska Sporitelna and purchased 5-year maturity bonds of rail operator Ceske Drahy. One of our Erste Bank positions matured with full repayment, while we trimmed our positions in power conglomerate EPH and gaming operator Sazka Group. These transactions raised the forward-looking gross running yield of the portfolio to 8.8%. The portfolio remains relatively liquid, in anticipation of further purchase opportunities in the marketplace.

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.