



# EnCor Fixed Income Strategy

Sub-fund of EnCor Funds SICAV, a.s.

ISIN: CZ0008043106 | FUND CURRENCY: CZK

FOR DATE: **31.01.2023**

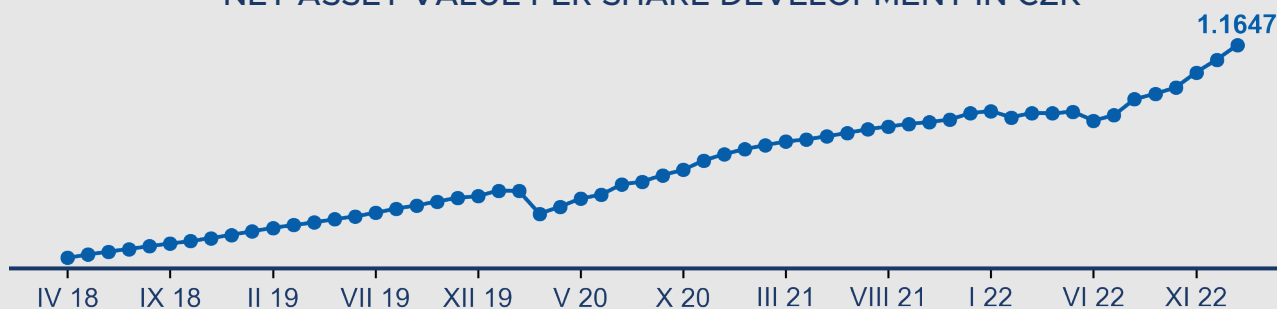
## FUND PERFORMANCE

Assets under management:  
685 mil. Kč

Investment share value:  
1.1647 Kč

Time period	1M	3M	6M	12M	Since inc. p.a.
Performance	0.97 %	2.90 %	4.89 %	4.58 %	3.26 %

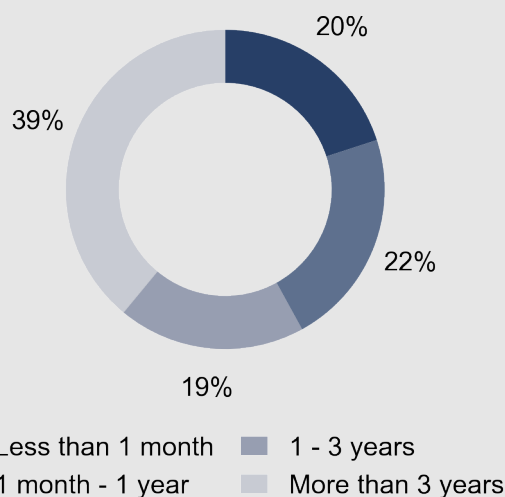
### NET ASSET VALUE PER SHARE DEVELOPMENT IN CZK



### TOP 10 POSITIONS IN PORTFOLIO

Wood reverzní repo	8%
EPH 4.5/25	7%
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](#).

*\*Important note: The investment share price is already final after the completion of the regular annual audit, the exact number of securities will be finalized in the coming days.*



## MARKET UPDATE



The global credit arena opened 2023 in rally mode, which lasted in the US marketplace until the end of January but has persisted in Europe into February. Debate over the longevity of the peak in G10 Central Bank policy interest rates and how long high levels of inflation will persist are the new uncertainties facing investors. Concern over a deep recession in the European/CEE space has receded along with energy prices but the probability of a H2 2023-2024 GDP contraction in the US is weighed against the likely recovery of the world's second-largest economy, China. Fixed Income assets remain a good investment to consider in the environment of low economic growth.

January's sharp 6.0% month-on-month spike in Czech Consumer Price Inflation ("CPI") took the year-on-year figure back up to 17.5%. The CNB remains vigilant on wage pressures and kept interest rates at 7% at its early February meeting. We do not expect the CNB to act on interest rates until Q4 2023, when a single-digit CPI picture will be clearer.

Mark Robinson, Member of the Investment Committee

## PORTFOLIO UPDATE



The Fund gained another +1.0% in January, taking the 6-month return to +4.9%, or +10.0% annualized. These returns are now clearly exceeding those of cash-in-bank interest at Czech banks. And these actual returns match the forward-looking gross annualised running yield of the portfolio, a very competitive 8.84%. Positive price returns from our bond holdings and the portfolio's interest coupon income contributed to January's performance. The Fund in January received cash from a maturing position in the floating rate bonds of Erste Bank and sold part of its position in the long-term bonds of Hungary's OTP Bank. The liquidity from these sales is being used in February for the purchase of new bond opportunities.

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/](http://www.avantfunds.com/information-info/) or [www.encorfunds.com](http://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.