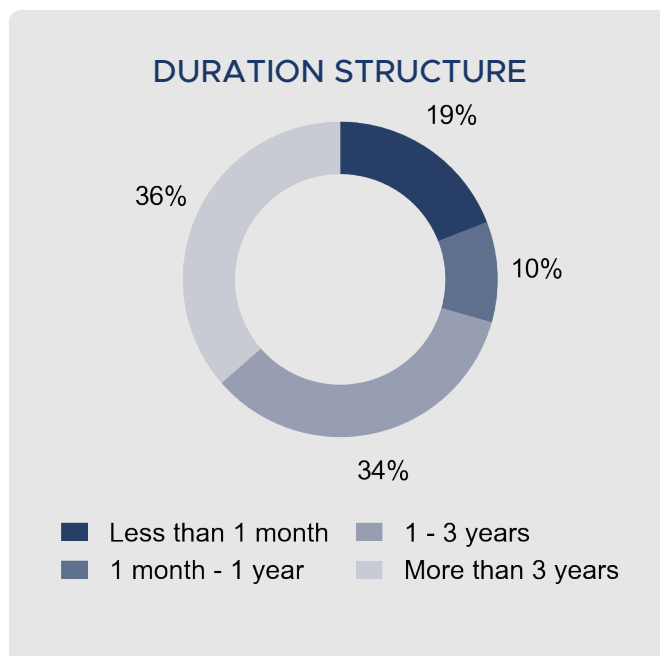
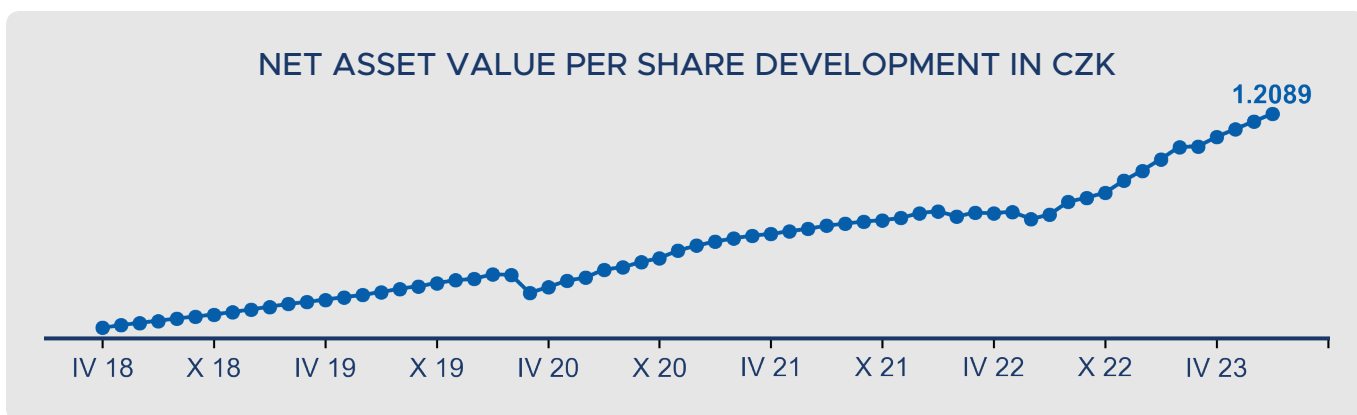


FOR DATE: **31.07.2023**

## FUND PERFORMANCE

<b>Assets under management:</b> 753 mil. Kč	<b>Investment share value:</b> 1.2089 Kč
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Time period	1M	3M	6M	12M	Since inc. p.a.
Performance	0.62 %	1.90 %	3.79 %	8.87 %	3.68 %



You may find the fund annual report for year 2022 here.

## MARKET UPDATE



The month of July saw calm sustain in global and European credit markets. These benign conditions stood in the face of continued interest rate rises from the major global Central Banks. Credit markets have sold off very moderately in August, as investors absorbed those interest rate hikes and the downgrade of the US sovereign debt rating by ratings agency Fitch. In addition, inflation may well persist as an issue for investors to consider through H2 2023, given higher oil prices, stronger wage data and consistent fiscal deficits run by governments in major economies. Higher bond yields are thus reflecting some of these risks.

July's Czech consumer price inflation eased to 8.8% year-on-year. The gradual disinflationary trend is not yet persuading the CNB to cut interest rates: policy rates were again held flat at 7% at its 3 August meeting. This policy rate level looks like sustaining well into Q4 2023, perhaps into 2024.

Mark Robinson, Member of the Investment Committee

## PORTFOLIO UPDATE



The NAV of the Fund rose +0.62% in July. Our historical 12-month return net-of-fees stands at 8.9%. The forward-looking gross running yield of the portfolio's components remains at a high 8.8%. These returns remain significantly higher than prevailing CZK cash interest rates and are matching inflation. Rising prices in both the Czech and European bond market universes and the portfolio's interest coupon income drove July's performance. The Fund bought bonds maturing in 2030 of the Central & Eastern European refining player PKN Orlen and extended a private loan well-secured by prime Prague residential real estate. We took the opportunity to increase our position in Czech armament manufacturer the Czechoslovak Group (CSG) and converted our holding in the name to a fixed rate coupon. We continue to seek to deploy the Fund's surplus liquidity slowly as market opportunities arise.

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 EnCor Asset Management, investiční společnost, a.s., Údolní 1724/59, Praha 4 - Braník. 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.