

FOR DATE: **29.02.2024**

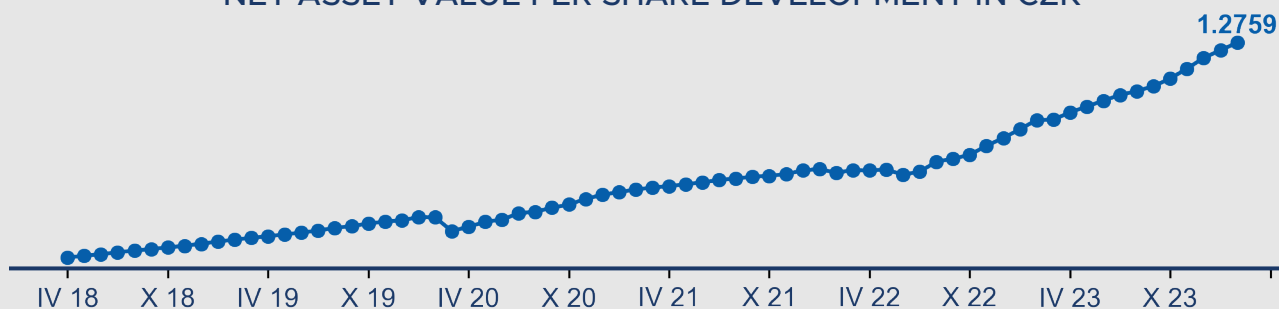
FUND PERFORMANCE

Assets under management:
1,610 mil. Kč

Investment share value:
1.2759 Kč

Time period	1M	12M	3Y	5Y	Since inc.
Performance	0.77 %	8.43 %	17.35 %	24.71 %	27.59 %

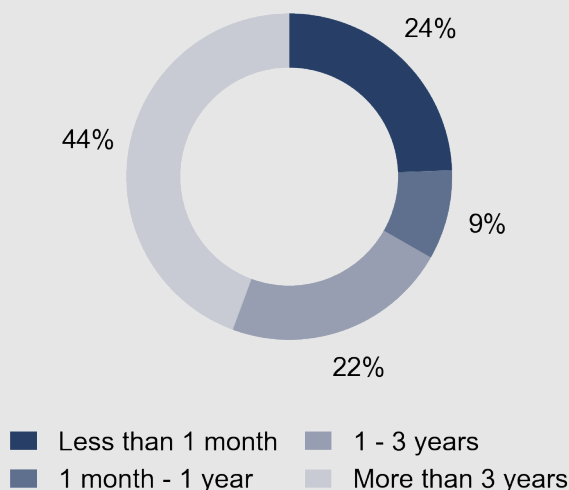
NET ASSET VALUE PER SHARE DEVELOPMENT IN CZK



TOP 10 POSITIONS IN PORTFOLIO

Orlen 4.75/30	4%
EPH 6.65/28	4%
EPH 4.5/25	3%
ČS 6.69/25	2%
ČS 4.82/30	2%
PPF Telecom 3.25/27	2%
CEZ 2.375/27	2%
CEZ 0.875/26	2%
Allwyn(Sazka) VAR/28	2%
MND VAR/27	2%

DURATION STRUCTURE



You may find the fund annual report for year 2022 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



Global credit markets again consolidated in February, following a similar pattern to January. Investors and commentators appear to have shifted to a “wait-and-see” mode, regarding the path of inflation and therefore G10 Central Bank policy rates in the coming months. Nevertheless, tightening credit spreads in the high yield arena continued to encourage more issuance of bonds, especially in the Eurozone and in the Eurozone “periphery” markets.

February’s Czech consumer price inflation reading slipped to exactly the CNB’s target of 2.0% year-on-year. Falling food prices are presently out-weighting more stubborn services inflation. These data prompted the CNB to cut policy interest rates again on 20 March by -50bps (-0.5%). Inflation remains likely to sit in a 1.5%-4.0% range during 2024.

Mark Robinson, Member of the Investment Committee

PORTFOLIO UPDATE



February’s rise of +0.77 % in the portfolio’s NAV kept the historical 12-month net-of-fees return at a high 8.43 %. The forward-looking gross running yield of the portfolio’s components stands at an attractive 7.13%. These return levels are comfortably exceeding current Czech inflation, falling cash-in-bank interest rates and 2024’s likely prevailing inflation rate. The portfolio’s interest coupon income outweighed the consolidation in pricing observed in the European credit arena in February. Investment in February of recent inflows included taking new positions in the 2026 bonds of energy giant CEZ and of J&T Banka, the 2029 CZK variable rate issue of BNP Paribas, the 2034 bonds of Belgian bank KBC, the 10-year government issue of Poland, the Invesco Senior Loan ETF and the Blackstone Senior Loan ETF. WE took the opportunity to increase our position in industrial real estate player CTP by purchasing their new issue of 2030 bonds, while selling down their lower-yielding 2025 bonds. In addition, we increased our holdings in the 2028 bonds of energy conglomerate EPH, the 2026 bonds of utility Net4Gas, the 2030 bonds of Ceska Sporitelna and Polish refining giant PKN and the 2034 bonds of Austrian financial BAWAG. We are continuing in the near term to deploy the Fund’s liquidity into well-priced 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/ or 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.