



# EnCor Fixed Income Strategy

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

ISIN: CZ0008043106 | FUND CURRENCY: CZK

FOR DATE: **31.03.2024**

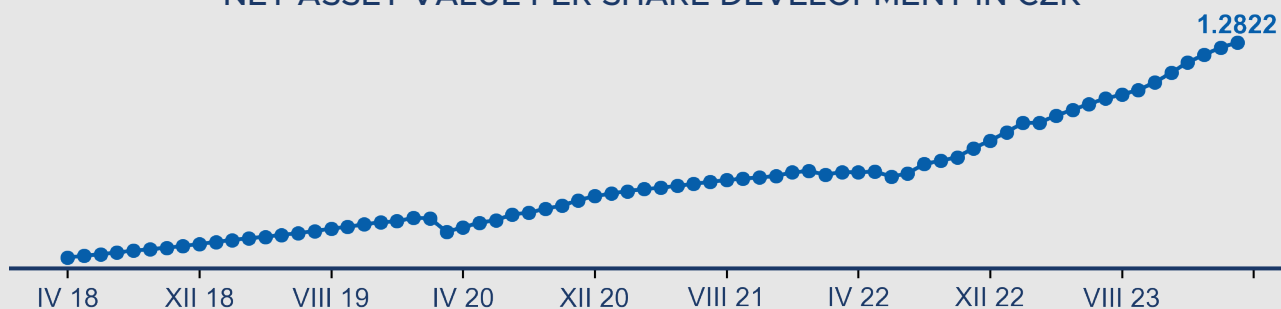
## FUND PERFORMANCE

Assets under management:  
1,709 mil. Kč

Investment share value:  
1.2822 Kč

Time period	1M	12M	3Y	5Y	Since inc.
Performance	0.49 %	8.92 %	17.63 %	25.06 %	28.22 %

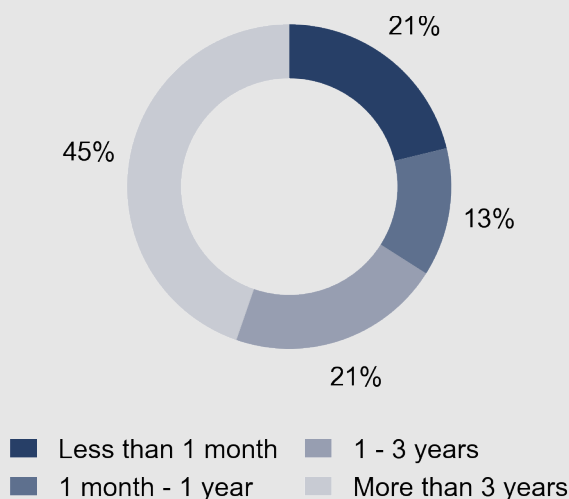
NET ASSET VALUE PER SHARE DEVELOPMENT IN CZK



### TOP 10 POSITIONS IN PORTFOLIO

EPH 6.65/28	4%
Orlen 4.75/30	4%
EnCor Konzervativní OPF	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 VAR/28	2%

### DURATION STRUCTURE



You may find the fund annual report for year 2023 here.



## MARKET UPDATE



Credit market investors remained in a “wait-and-see” mode regarding the path of inflation and G10 Central Bank interest rates during March. Early April brought a correction in prices, as yields rose in reaction to stronger inflation data out of the key US economy. Stronger-than-expected US economic growth certainly pushes back the date in 2024 that the US Fed will first cut interest rates. The ECB made a stronger signal, with the Euro area’s slow GDP growth probably allowing for the first policy rate move downwards at the end of June. The supply of new issues in the EU arena remains high, helping to maintain liquidity and providing continuing opportunities for investment.

Soft Czech inflation readings in March, with consumer price inflation again sitting at the target 2.0% year-on-year level, underlined why the CNB moved to cut interest rates on 20 March by another -50bps to a level of 5.75%. Rising commodity prices and a weakening currency pushing up import prices will likely lead to a more balanced inflation picture in the near term. This may mean a more cautious approach to further monetary easing in the coming CNB meetings.

Mark Robinson, Member of the Investment Committee

## PORTFOLIO UPDATE



The NAV of the Fund rose +0.49% in March, maintaining the historical 12-month return net-of-fees at a high 8,92%. The forward-looking gross running yield of the portfolio’s components remains at a competitive 6.8%. These returns are substantially above the current and expected Czech inflation rates and available cash-in-bank interest returns. Moderate pricing gains and the portfolio’s interest coupon income contributed to last month’s return. The Fund invested during March in the 2028 bonds of Polish bank PKO BP and Denmark’s Saxo Bank, a 2031 government Eurobond issue of Romania, the 2029 issue of Slovak metal components producer Gevorkyan, the Mezzanine Capital Loan podfund and the C-shares, with zero management fee, of the EnCor Konservativni OPF. Portfolio liquidity remains at a healthy level and we look to continue to deploy capital 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/](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.