



# EnCor Fixed Income Strategy

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

ISIN: CZ0008043106 | FUND CURRENCY: CZK

FOR DATE: **30.06.2024**

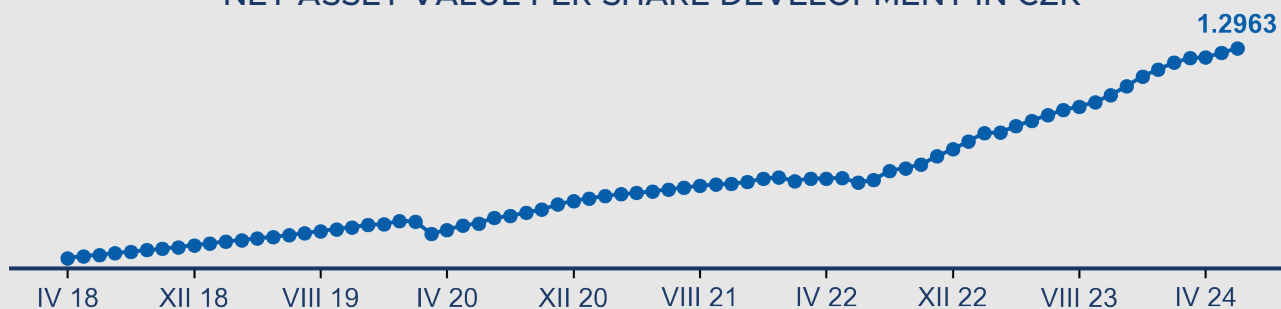
## FUND PERFORMANCE

Assets under management:  
1,904 mil. Kč

Investment share value:  
1.2963 Kč

Time period	1M	YTD	12M	5Y	Since inc.
Performance	0.54 %	3.18 %	7.89 %	25.61 %	29.63 %

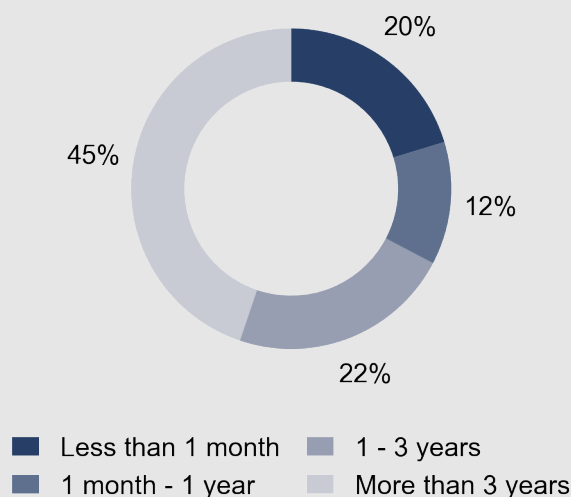
### NET ASSET VALUE PER SHARE DEVELOPMENT IN CZK



### TOP 10 POSITIONS IN PORTFOLIO

EPH 6.65/28	4%
Orlen 4.75/30	4%
EnCor Dluhopisový OPF	4%
EPH 4.5/25	3%
ČS 4.82/30	2%
ČS 6.69/25	2%
CEZ 4.25/32	2%
PPF Telecom 3.25/27	2%
CEZ 2.375/27	2%
CEZ 0.875/26	2%

### DURATION STRUCTURE



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



## MARKET UPDATE



Global bond and credit markets again provided a stable backdrop in June, with investors absorbing the first -25bp interest rate cut of this cycle by the ECB. Despite this move, the European bond arena continued to adjust to the probability of fewer-than-expected further interest rate cuts in 2024. Food and energy prices are falling in the G10 countries but, with the cost of services still rising and some worries over higher government spending, inflation outlooks remain mixed across economies.

The CNB delivered, right at the end of June, another -50bp reduction of its key policy interest rate. The CNB has thus reduced policy rates by a total of -225bps from 7.0% to 4.75% in 5 steps over the last 7 months. Czech inflation falling to just 2.0% year-on-year in June, the target level, provides some justification for these moves. Returns on Czech deposits and bank accounts are now, though, less attractive compared to bonds.

Mark Robinson, Member of the Investment Committee

## PORTFOLIO UPDATE



The Fund's unit price rose +0.54% during June, implying a 7.9% jump over 12 months. Our 3.2% half-year performance plus the coupon income from the assets within the portfolio should imply a return comfortably higher than inflation in 2024. The Fund's gross running yield to maturity remained steady at 6.39% per annum. We added the new 2029 issues from state-owned Czech Railways, from real-estate group Accolade and the new 2032 issue from power giant CEZ to the portfolio in June. Lottery and gambling operator Allwyn called the 2028 variable rate bonds we have held in the Fund for several years, paying a small premium to par value. In addition, we swapped our secured real estate development exposure to Spolumajtele with bonds of the same issuer maturing in 2029. We are continuing to diversify the portfolio, thereby controlling risk and maximising returns.

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.