



Monthly report on 31.10.2019

Investment Policy The Fund's target investment ratio for bond market, treasury bills and commercial bills is limited to at least 75% of the Fund's assets; modified duration of the Fund shall not exceed 1,5; exposure to the equity market (directly or indirectly) is prohibited at any time; currency exposure is not restricted.

Fund-Facts

Base Currency	EUR
Net Asset Value in HRK	3.584.130.837,19
Net Asset Value in EUR	480.929.291,78
Initial unit price	100,0000
Unit price	129,0330
Minimum investment	400 HRK or 100 HRK in case of an investment plan
Fiscal Year	01.01. to 31.12.
Inception	28.06.2013
Licensed in	Croatia & Montenegro
Administrative Fee	1,30 % of net assets per year
Depository fees, Erste & Steiermärkische bank d.d.	0,115 % of net assets per year
Entry fee	no charge
Exit fee	for investments of up to 3 months the fee is 1%, for investments up to one year the fee is 0.5%, for investments longer than one year fee will not be charged
Contact	erste-am@erste-am.hr

Level of risk pursuant to KID

1	2	3	4	5	6	7
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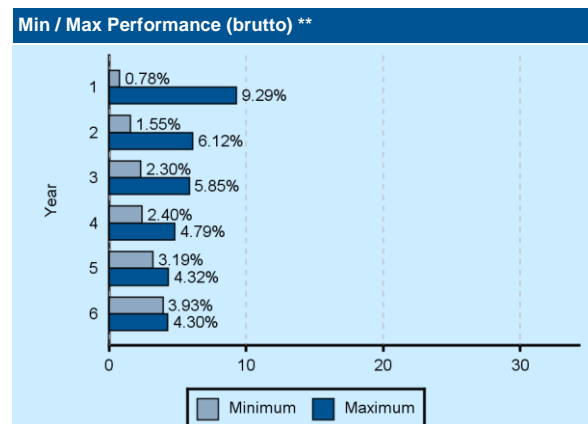
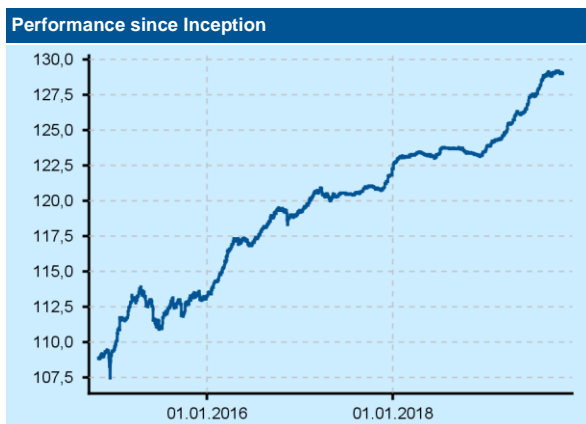
Recommended holding period (in years)

1	3	5	>15
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Performance

Currency	1 Year	3 Years	5 Years	10 Years	Since Inception	Year to Date
EUR	4,58 %	2,67 %	3,46 %	N/A	4,10 %	4,49 %

Year	2014	2015	2016	2017	2018
Performance	7,52 %	3,52 %	5,25 %	2,41 %	1,17 %



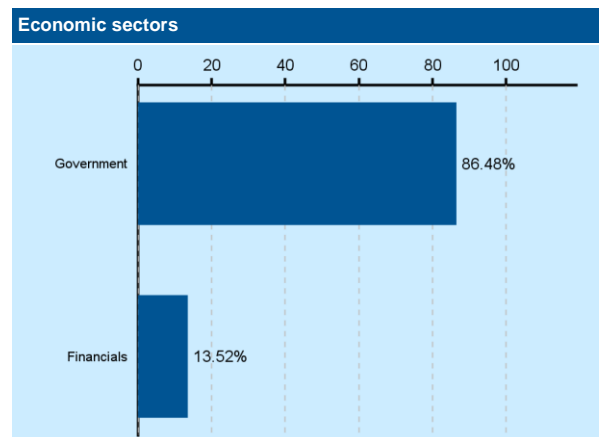
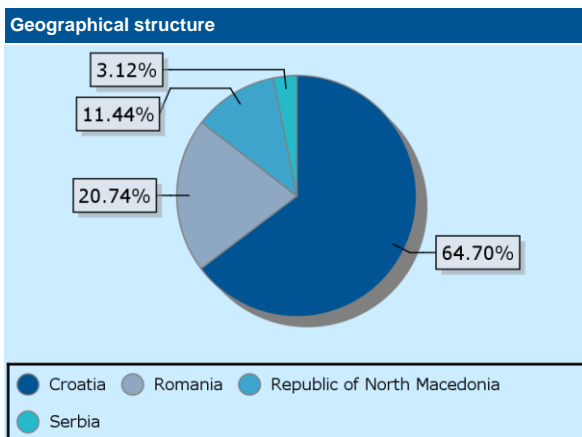
Returns are net of custody and management fees. Returns for 1, 3, 5, 10 years and since inception represent the average annualized return for respective periods. Year to date return is calculated as a percentage change in unit price from the end of the previous year until the date of this report. Min/Max return graph shows the best and worst returns of the fund for a given holding period from 1 to 7 years, based on historical data. Past performance is not a reliable indicator of the future performance of a fund.

Benefits for Investors

- High liquidity - fast payout of money
- If the recommended investment horizon time is kept, it is possible to achieve a higher yield than with money market funds
- Wide diversification of fund portfolios up to tens of titles, reducing the risk of drop in the investment value
- Wide selection of bond funds pursuant to their focus and investment strategies
- Either lump sum or regular investments
- High fund's transparency

Risks to be considered

- Interest rate risk - the value of financial instruments in which the Fund invests is directly or indirectly dependent on the movement of market interest rates
- Foreign exchange fluctuations may affect the price of the Fund (positively or negatively)
- All details about risks connected with investments in funds are provided in the Fund's Prospectus and Rules


Fund structure

Top fund positions

Bonds	MINISTRY OF FINANCE CROATIA	H23BA	7,05 %
Bonds	MINISTRY OF FINANCE CROATIA	CROATI 3 03/11/25	6,48 %
Bonds	MINISTRY OF FINANCE CROATIA	CROATI 2.7 06/15/28	6,05 %
Bonds	MINISTRY OF FINANCE CROATIA	CROATI 3.875 22	5,97 %
Deposits	ERSTE I STEIERMARKISCHE BANK D.D.	Deposits	5,61 %
Bonds	MINISTRY OF FINANCE OF NORTH MACEDONIA	MACEDO 3.975 07/24/21	4,87 %
Bonds	MINISTRY OF FINANCE CROATIA	H222E	4,63 %
Bonds	MINISTRY OF FINANCE ROMANIA	ROMANI 2 3/8 04/19/27	4,20 %
Deposits	ZAGREBAČKA BANKA D.D.	Deposits	4,17 %
Bonds	MINISTRY OF FINANCE CROATIA	CRO 2027 EUR	3,82 %

Types of assets

Government Bond	79,85 %
Deposits	12,49 %
Cash	7,75 %

The share of transferable securities and money market instruments which are listed or traded on a regulated market in NAV

79,85 %

Other information about the fund
Statistics

Sharpe Ratio	4,15
Volatility	1,16 %
Average Yield	0,50 %
Average to Time Maturity	5,02 Years
Mod. duration	4,36
Avg. Coupon	2,97 %

Currency exposure

EUR	75,15 %
HRK	24,84 %
Others	0,01 %

Securities at estimated values

Company name	Ticker	Estimated value	Date	Share in NAV
Ministry of Finance Croatia	H217A	104,57 HRK	10/2019	0,43 %
Ministry of Finance Croatia	H247E	125,86 EUR	10/2019	0,67 %
Ministry of Finance Serbia	SERBGB 1,5 12/25/20 EUR	100,99 EUR	10/2019	2,13 %
Ministry of Finance Croatia	H26CA	127,33 HRK	10/2019	1,40 %
LANIŠTE D.O.O.	3LNG	0,00 EUR	08/2015	0,00 %

* Method of assessment: BVAL, Reuters