

# ERSTE BOND FLEXIBLE ROMANIA EUR

Bond fund

## Investment Policy

Over 80% of the portfolio is invested in fixed income financial instruments such as State, bonds or corporate. A maximum of 20% of the resources available to them are directed by the strategic and other types of financial instruments and bank deposits.

The fund deploys an active investment policy. The assets are selected on a discretionary basis within the investment process and according to the applicable legal provisions, within the limits provided by the Prospectus. The fund is oriented towards a benchmark (for licensing reasons, the specific naming of the index used is available in the Prospectus at article 3.2.1. Financial objective). The composition and performance of the fund can deviate substantially in a positive or negative direction from that of the benchmark over the short or long term.

## Current market management comment

Eurobonds issued by Romania (-0.92% month on month) and Eurozone government bonds (-1.38% month on month) delivered a negative performance during April. The overall environment was not supportive for bonds nor for equities. Macroeconomic data has continued to show a resilient US economy with a strong labor market and an inflation figure that is not descending anymore. FED's members are not confident anymore that CPI will converge with the targeted value of 2% in the near future. As such, the message coming from the US central bank is that they would rather wait a longer period of time until they decide to cut the rates. In Europe, even though the labor market is strong, economic growth and price pressures are weaker. The main reason that is keeping ECB from cutting the rates are the wage negotiations that usually happen in the Euro Area during this period of the year. Higher wage increases will put upside pressure on inflation and will make any rate cut premature, hence the waiting stance. ECB's message is diverging from FED's, which is a rare event. For the time being, it seems that ECB will cut the rates in June, but the rate path afterwards is very uncertain. Bond markets have continued to deliver poor returns due to ongoing correction of yields and the lack of interest from investors to buy at these price levels.

Past performance is not a reliable indicator of the future performance of a fund.

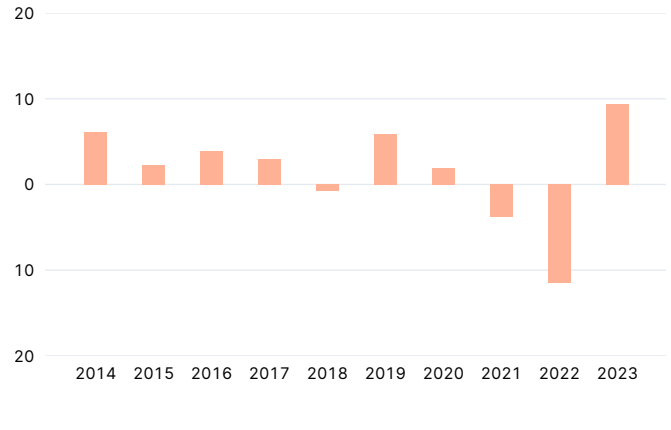
**Performance**



Year to date	1 year	3 years	5 years	10 years	Since launch
1,1%	8,0%	-1,6% p.a.	0,0% p.a.	1,3% p.a.	1,6% p.a.

Fund/Tranche

**Yearly performance**



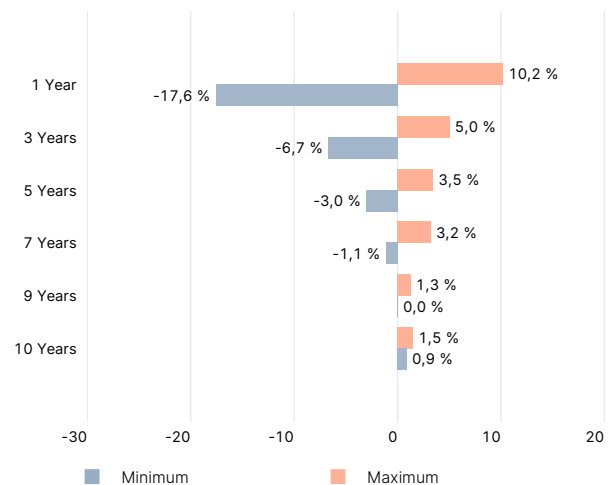
2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
6,2%	2,3%	3,9%	3,0%	-0,8%	5,8%	1,9%	-3,8%	-11,5%	9,4%

Presented performance (time-weighted rate of return) includes fees paid by the fund. Any other fees, that might be applicable on purchase, any individual transaction specific costs or ongoing costs or costs imposed by the credit institution maintaining the clients custody account are not considered.

**Fund key figures (fixed income funds)**

Average Yield	3,93%
Modified Duration	4,87%
Duration	5,05 year(s)
Average Coupon	3,01%

**Min / Max performance annualized without benchmark**



**Risk indicator according to PRIIPs KID (SRI)<sup>1</sup>**



**Recommended holding period in years**



<sup>1</sup> KID: Key Information Document, SRI = Summary Risk Indicator

## Share classes

Share certificate type	Frequency of dividend distribution	ISIN	Currency	Unit price
Accumulating share	-	ROFDIN0001W9	EUR	11,9304

### Fund key facts



Net asset value	EUR 100,04 Mio.
Day of first issue	25.04.2013
Fund financial year	01.01. to 31.12.
Purchase Fee up to	0,10%
Redemption fee	0,00%
Management Fee	0,72% p.a.
Performance Fee	-
Custodian bank	Banca Comercială Română S.A.
Investment company	S.A.I. Erste Asset Management S.A.
Contact	office@erste-am.ro

### Sustainability



Disclosure Regulation	-
Consideration of environmentally sustainable economic activities	No
Consideration of PAIs	No

## Advantages for the investor

- ✓ Fund shares may be purchased or redeemed at any time
- ✓ The objective of the Fund is to achieve returns that are higher than the average EUR interest rates on the Romanian market
- ✓ The expertise of the fund manager

## Risks to be considered

- ⚠ Investment gains usually depend on the level of risk undertaken .
- ⚠ Investment objectives may not be achieved, resulting in losses for investors .
- ⚠ Increasing bond yields may result in short-term price reductions .
- ⚠ Risks that may be significant for the fund are in particular: credit and counterparty risk, liquidity risk, custody risk, derivative risk and operational risk. Comprehensive information on the risks of the fund can be found in the prospectus.

Further information on the technical terms used can be found on the ERSTE ASSET MANAGEMENT homepage under the heading Investing Money/Funds ABC. [FondsABC](#)

This is an advertising material and does not represent a recommendation for investment in financial instruments, an offer to contract the products or services mentioned in this material, is not an informative document of a legal nature, does not create contractual obligations and is not sufficient to take an investment decision. Investors will be fully responsible for any investment decision they will make.

Past performance of investment funds is not a guarantee of future performance. Read the Prospectuses and the Key Information Documents of the funds, the information provided according to the art. 98 of the Government Emergency Ordinance no. 32/2012, before investing in investment funds. These documents are available in Romanian/English on the website [www.erste-am.ro](http://www.erste-am.ro) and can be obtained free of charge at the headquarters of S.A.I. Erste Asset Management S.A. or at Banca Comercială Română S.A. (BCR) branches, which is the Depository of the investment funds.

Please note that investments in financial instruments also involve risks, not just opportunities, which can lead to financial loss if there is no guarantee of the capital, and that they do not have the characteristics of bank deposits. Investment value and investment return may fluctuate over time. Any future performance is subject to taxation, which depends on each investor's personal situation and may change in the future. If the currency of the fund is different from the currency of the investor's country, fluctuations in the exchange rate may have a positive or negative impact on the value of the investment and on the value of the costs incurred within the fund, as a result of the conversion to the currency of the investor's country.

Administrator: S.A.I. Erste Asset Management S.A., asset management company with headquarters in Bucharest, 92 Aviatorilor Blvd., District 1, Romania, registered in the Public Registry of the Romanian Financial Supervisory Authority (FSA) with no. PJR05SAIR/ 400028, VAT code RO24566377, registered at the Trade Register with no. J40/17060/2008, authorized by the C.N.V.M. by Decision no. 98/21.01.2009, registered in the ANSPDCP General Register with no. 0017716, telephone: +40 372.269.999; e-mail: [office@erste-am.ro](mailto:office@erste-am.ro); website: [www.erste-am.ro](http://www.erste-am.ro).

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