

Portfolio Manager Commentary and Performance

November 30, 2017

Market Update

In November, the Fund returned 0.10%, and YTD 10.26%

NAFTA renegotiation, the lack of advance in Brazil reforms agenda, mainly Pension reform, and volatility in oil prices caused a sharp decrease in Latam HY market in the first half of the month. The continuous inflows to EM were not enough to balance the market. In the second half of the month market rebounded due to attractive valuations on fixed income assets driven the market to a modest performance in the month.

One important development was the increase in new issuance intention by the end of November that would materialize during December.

Comment by Country:

Brazil: The statistical office published the 3Q National Accounts, which showed that the slow recovery is on track. The 3Q GDP yoy growth rate was 1.4% compared to 0.4% in the 2Q. The increase in Private Consumption (2.2%) and Exports (7.6%) were the main drivers behind this acceleration but Investments fell slightly (-0.5%). This last figure was still better compared to the Investments' 2Q fall of -6.7%. This provides the basis for a stronger recovery next year.

Mexico: The statistical office published the sectorial breakdown of the 3Q National Accounts, showing that the economy has continued its slowdown (1.6% yoy growth rate in 3q vs. 1.8% in 2Q). This slowdown was across the board except in Manufacturing and Construction. The key sectors that explained this deceleration were Mining (-10.7%) and Commerce (2.8%).

Chile: The statistical office published the 3Q National Accounts, showing a recovery in economic activity. The 3Q GDP yoy growth rate was 2.3% compared to 0.9% in the 2Q. This recovery is based on Private Consumption (yoy growth rate of 2.5%) and fall in Imports (-1.4%). However, investments have kept falling (-3.9%). This shows that the Chilean economy is having a cyclical recovery but it is not very strong .

Colombia: The statistical office published the 3Q National Accounts, which showed that growth is slowing turning around. The 3Q GDP yoy growth rate was 2% compared to 1.2% in the 2Q. The increased in Private Consumption (1.7%) and Government Consumption (3.9%) mainly explained this acceleration. This is a strong footing for a higher recovery next year.

Argentina: This month the economy has persisted a strong recovery lead by investment related sector and inflation has continued slowly falling. Manufacturing grew (yoy) 4.4% (Oct.) and Construction had an impressive growth rate (yoy) of 25.3% (Oct.). Annualized Inflation went from 24.2% (Oct.) to 22.9% (Sep.). The improving economic situation is a key underpin of the current Administration's ongoing market-friendly reform process.

Fund Description

EuroAmerica AM SICAV – Latam High Yield Bond Fund seeks to outperform its benchmark, the JP Morgan CEMBI Broad Latin America High Yield Index by investing in Latin America high yield corporate bonds denominated in USD and issued in the United States. The Fund has the ability to invest in out-of-benchmark positions up to 30% and can hedge the base rate up to 40%. The Fund has a maximum annual tracking error limit of between 3% and 4%.



Marco Salin, Portfolio Manager and Head of Fixed Income for EuroAmerica Investments
Diego Granados, Co-Portfolio manager

Share Classes and Fees

Class	ISIN	Bloomberg Ticker	Min. Subscription Amount (USD)	Current TER
Class I	LU1061932742	EALHYBI	1,000,000	1,05%

Fund Returns

	November	3 Months	YTD
Class I	0.10%	1.52%	10.26%

Asset Under Management

AUM
USD 53,968,049.38

Disclosure for Switzerland: The state of origin of the Fund is Luxembourg. This document may only be distributed in or from Switzerland to qualified investors within the meaning of Ar. 10 Para. 2, 3bis and 3ter CISA. The Representative in Switzerland is ACOLIN Fund Services AG, Stadelhoferstrasse 18, CH-8001 Zurich, whilst the Paying Agent is Neue Helvetische Bank AG, Seefeldstrasse 215, 8008 Zürich. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss representative.

The basic documents of the Fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge at the registered office of the Swiss Representative.



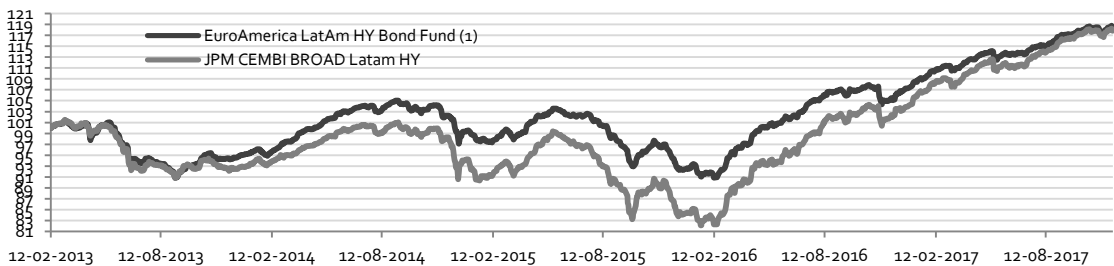
EuroAmerica

Portfolio Manager Commentary and Performance

During November, the Fund returned 0.10%, and YTD 10.26%. The month driver was the continuous inflows to EM fixed Income.

The performance comes mainly from Mexico (11 bps) and Argentina (8 bps) partially offset by Chile (-9 bps) and Brazil (-5 bps). By Sector, Government bonds contributed 12 bps that was offset by financial sector (-12 bps). By Credit Rating, BB bucket contributed with 12 bps. Finally, Argentina Sovereigns was the most contributor with 7 bps and Enjoyperformed the worst with -6 bps

Performance

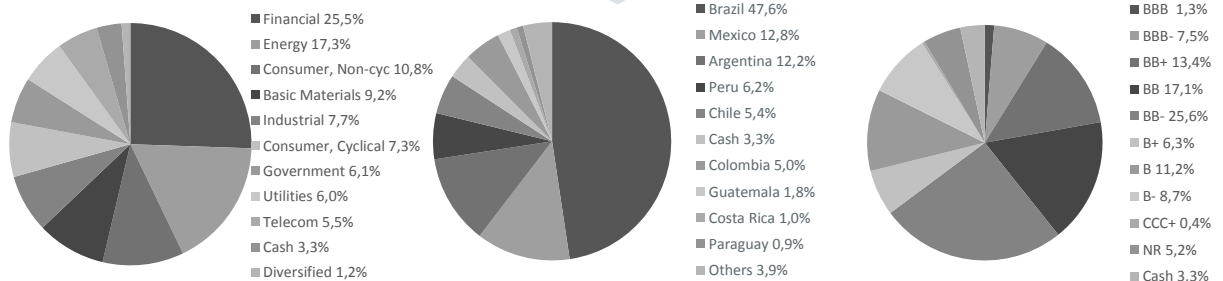


(1) Performance is net of fees. SICAV Series I performance is shown as of January 1, 2015; prior to that, the performance shown is that of the Chilean-domiciled Series D, which has an identical strategy. Fees can be up to 1.15% on an annual basis.

Source: Bloomberg, J.P. Morgan

Portfolio Positioning and Outlook

Portfolio Allocations: Sector, Country, and Rating



Outlook

- Latin American companies will remain in good credit standing with fundamentals remaining unchanged. Brazilian political and economic instability have faded away in some extent.
- Hike in FED rates have diluted in the way. Although, any intention of increasing them before actual market expectations, can be well cushioned by high current spreads of around 433 bps.

Top Holdings

Issuer	% Weight	Sector
1 BEEFBZ 6.5 26	2,72%	Consumer
2 BUEAIR 7.5 27	2,14%	Govt
3 BANBRA 9 PERP	2,07%	Financial
4 ARGENT 6.875 27	2,07%	Govt
5 PETBRA 5.299 25	1,99%	Oil & Gas
6 BRAZIL 4.625 28	1,86%	Govt
7 PETBRA 4.375 23	1,84%	Oil & Gas
8 ITAU 5.125 23	1,72%	Financial
9 YPF DAR 8.75 24	1,72%	Oil & Gas
10 PETBRA 7.375 27	1,68%	Oil & Gas

Detailed Risk Metrics*

Yield to Maturity	5.37%
Duration (years)	4.9
Volatility (annual)	3.5%
Sharpe Ratio (annual)	1.0
Beta	0.59
Alpha	1.52%
Tracking Error (annual)	2.75%
Information Ratio	0,04

*Statistics from 12 February 2013

This mutual fund is managed by EuroAmerica Administradora General de Fondos. Find out about the essential characteristics of each mutual fund investment, which are contained in its rules of procedure and contract underwriting fees. Profitability or profit obtained in the past by this fund does not guarantee that it will be repeated in the future. The values of the shares of the mutual funds are variable.