

Monthly Report - Credins Premium Fund

The investment objective is to maximize income, by preserving the principal and holding liquidity. The Fund's portfolio will mainly consist in Lek denominated bonds and Treasury bills, issued by the Government of the Republic of Albania, as well as cash and cash equivalents deposited at commercial banks.

Report Date: 31.07.2022

Fund Information

Fund's Management Company:	Credins Invest
Fund's launch date:	1 July, 2016
Fund's currency	Lek

The Fund is addressed to investors in search of:

- ✓ a higher rate of return compared to products offered by banks,
- ✓ the liquidity lacking from these products.

Risk and return profile

The Fund's return depends on interest rate changes of Albanian Governments' bonds and T-bills. Historically, these interest rates have shown low volatility.

Low risk Lower typical benefits			High risk Higher typical benefits			
1	2	3	4	5	6	7

The Fund has a level 2 risk profile which denotes low risk.

Key Fund indicators

Net Asset Value	2.108.262.962,02
Unit Price	1,330.3128
Modified Duration	3.03 years
Return on investment (31.07.2021 - 31.07.2022)*	-1.17%

* The return on investment was calculated net of management fee.

Risk characteristics of Fund's assets

Bank deposits

A bank deposit, as an asset class, includes bank's credit risk and repricing risk at maturity. Repricing risk implies a decrease in interest rate when the deposit is rolled-over with the same maturity.

Government Bonds and Treasury Bills

These assets are issued by the Government, agencies or government sponsored enterprises (GSE). However, governments do not fully guarantee the interest payment or the principal.

Government bonds and T-bills are subject to interest rate risk and have different credit ratings. T-bills have higher interest rate risk than bonds with the same maturity.

**For additional information regarding the risks of the Fund, please refer to the respective section of the fund's Prospectus.*

Costs and Payments

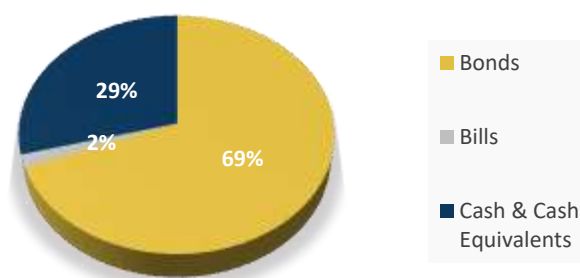
Payments are used to pay for Fund's management costs, including the costs of marketing and unit allocation. Payments may lead to a potential decrease of investment growth.

Entry or Exit Fee:	0%
Management Fee:	1% of NAV (per annum)
Commissions for unit redemptions:	0 Lek
Other costs:	
Transaction costs for the investment of assets in the fund:	according to counterparty working conditions
Annual audit fee for the fund:	according to audit company working conditions
Depository fee:	0.1836% of NAV (per annum)
Albanian Financial Supervisory Authority fee:	0.05% of NAV (per annum)

Asset Allocations as percentage of Total Assets

Asset Allocation	ALL	%Assets
Bonds	1,595,973,130.97	69.15%
Bills	38,940,778.85	1.69%
Cash and cash equivalents	672,956,633	29.16%

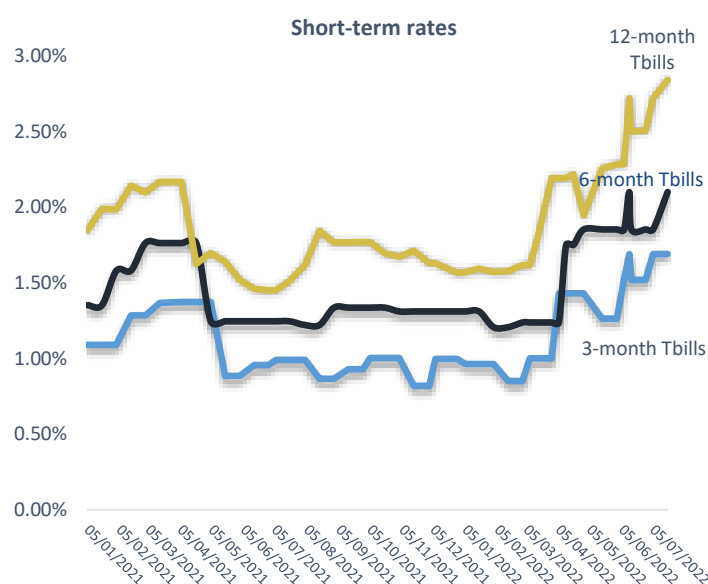
Asset Allocation according to their type



Auctions of government securities and interest rate

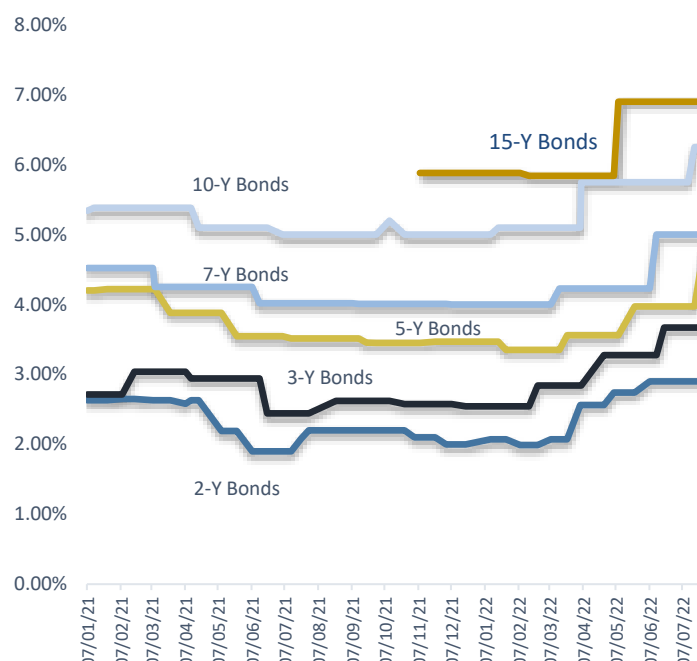
The Government of the Republic of Albania issues securities in relatively frequent and regular periods. According to the reports published by the Ministry of Finances, the auctions for 3-month and 6-month T-bills are held once a month, whereas the auctions for the 12-month T-bills are held every two weeks. Except for the auctions of the 2-year bonds which are held monthly, auctions for all other bonds (3,5,7,10-year) are held approximately quarterly.

Performance of 6- and 12-month Treasury Bills' yields



The result of the 3-month bill auction held on 5th of July, increased from 1.52% to 1.69%. The result of the 6-month bill auction held on 12th of July also increased from 1.853% to 2.1%. As for the 12-month bill, there were two auctions held on 5th and 19th of July. The results of the auction held on 5th of July increased to 2.72% from 2.505%. The result of the 19th of July also increased to 2.84%.

Performance of Bonds' yields



During the month of July, the yield of the 2-year bond resulted the same as last month at 2.90%. The auction of the 5-year bond, held on 26th of July, resulted at 4.75% from 3.97% in May. On 18th of July, the auction for the 10-year bond was held, which increased by a large spread to 6.25% from the result of 5.75% in April. During the month of July, no auctions were held for the 3-year, 7-year and 15-year bonds. The results of the daily changes of the referred benchmark bonds 3-5 years have pursued a rising trend. The yield changes from 30 June to 31 July are as follows: for the 3-year bond from 3.85% to 4%, for the 4-year bond from 4.13% to 4.8% and for the 5-year bond from 4.53% to 4.96%.

Annual historical net returns

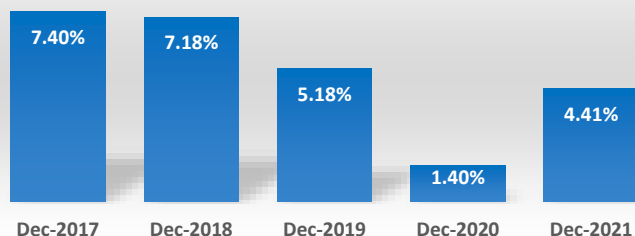
The assets of the fund are all invested in securities issued by the Government of the Republic of Albania. Consequently, the return rate of the Fund and the price of the quota is affected by the movement of interest rates in auctions of securities issued by the Albanian Government.

The Fund has to recognize all securities at fair value which implies calculating their values daily. The price of every bond or bill has an inverse relationship with interest rates. When interest rates increase, the price of bonds issued in the past decreases leading to a decrease of their period rate of return. The opposite happens when there is a fall in interest rates.

The net returns of the Fund, from establishment to 31 July 2022, are presented in the table below:

Investment Period	Annualized return for the investment period
1 year	-1.17% per annum
2 years	1.22% per annum
3 years	1.56% per annum
4 years	3.03% per annum
5 years	3.58% per annum
Since establishment	4.31% per annum

Net historical Returns



The fund was initiated on July 1, 2016. The net annual return of the last 5 years states the return of the portfolio after deducting the costs and fees held by the fund.

Historical data is presented for illustrative purposes only and should not be considered as a guarantee of the future.

The projected increase in inflation as a result of the global energy crisis has affected the monetary policies of the Central Bank of Albania, which has increased the policy interest rate three times, from 0.5% to 1% in March, to 1.25% in July and to 1.75% in August. The increase of inflation in Albanian along with the rise of the policy interest rate of the Bank of Albania, has cause a high upward trend in the interest rates of all Albanian Government's securities. As the fund's assets consist mainly of these securities, the upward trend has had continuous negative impacts on the return of the fund. Nevertheless, the expectation is that these volatilities in the rates are of a cyclical nature for the fund, considering the investment horizon. The measures that are being taken by the Albanian government to keep under control the domestic debt rates may bring stability in the domestic financial market in the future.

What are the current expectations for the duration of inflation?

According to economists, some of the causes that have impacted the increase in inflation are:

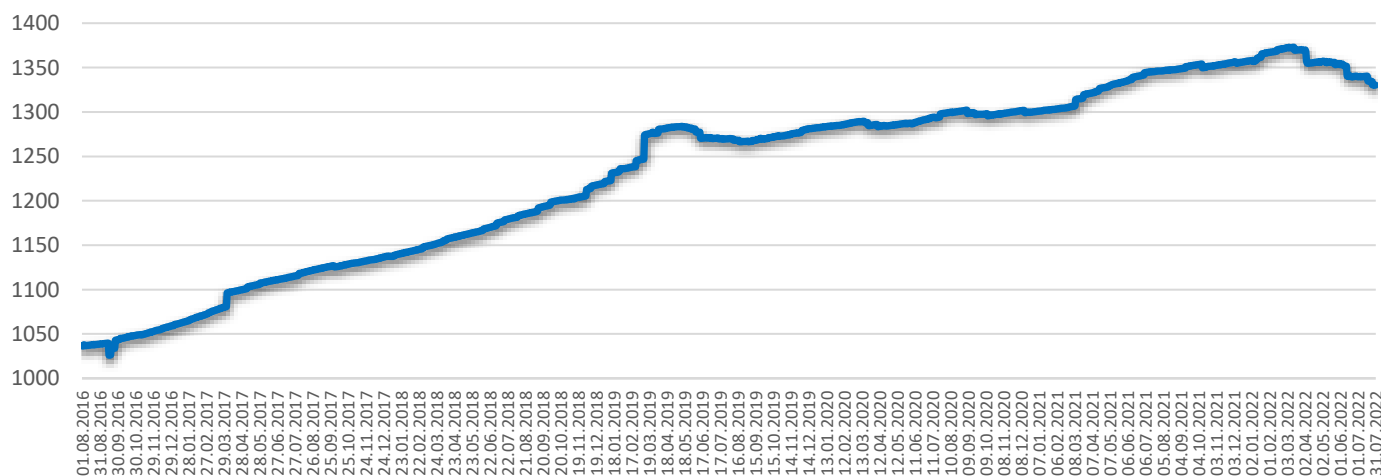
- high growth in consumer demand;
- relatively high consumer savings;
- raw material or energy supply constraints and geopolitical tensions.

These reasons generally lead to short-term inflationary trends. In addition, the expectations of the international financial markets, through the assessment of inflation protection instruments 'inflation swap', reflect short-term inflation uncertainty, and estimate that nothing has changed in the long-term inflation picture after the next two years are over.

In the same line are the predictions of the Central Bank of Albania, according to which inflation is expected to be at high levels during 2022, to continue with a downward trend during 2023 and then reach the objective at the level of 3% by the year 2024.

Considering the above, the Fund's investors are encouraged to be patient, not execute disinvestments during unfavorable market conditions and to have an approach oriented towards the long-term value of their investments.

Unit Price



Past performance is not a guide, a promise or a guarantee of future performance and it should not be the only factor taken under consideration during the selection of a fund. All financial investments involve risk. Hence, the value of your investment and the returns from it will change. Levels and tax basis change from time to time. For additional information, you are kindly invited to read the Fund's Prospectus, as well as visit our company's website: www.credinsinvest.com.