

YIELD-RADAR

June 2019

	Yield per 31 May 2019 ¹⁾	Reference funds	SRRI ²⁾
Euro Base Rate	0.00%	ECB Euro Base Rate	
Euro Money Market	0.49%	ESPA RESERVE EURO PLUS	2
US Federal Funds Rate	2.25%	Federal Reserve Base Rate (lower bandwidth)	
Euro Government Bonds	0.90%	ESPA BOND COMBIRENT	3
Euro Bonds Responsible	0.77%	ERSTE RESPONSIBLE BOND	3
Euro Corporate Bonds Responsible	1.16%	ERSTE RESPONSIBLE BOND EURO CORPORATE	3
European Corporate Bonds	1.06%	ESPA BOND EURO CORPORATE	3
US Mortgage Bonds	2.84%	ESPA MORTGAGE	3
Corporate Hybrid Bonds	2.51%	ERSTE BOND CORPORATE PLUS	3
US Corporate Bonds	3.96%	ESPA BOND USA CORPORATE	3
CEE sovereigns	2.97%	ERSTE BOND DANUBIA	4
Corporate Bonds Rating BB	3.25%	ESPA BOND CORPORATE BB	3
European High Yield	4.11%	ESPA BOND EUROPE HIGH YIELD	3
Emerging Corporate Bonds Responsible	4.45%	ERSTE RESPONSIBLE BOND EMERGING CORPORATE	3
Emerging Sovereigns Hard Currency	5.03%	ERSTE BOND EMERGING MARKETS	3
Emerging Corporate Bonds	5.58%	ERSTE BOND EMERGING MARKETS CORPORATE	3
Emerging Sovereigns Local Currency	6.76%	ERSTE BOND LOCAL EMERGING	4

- Money market and short term maturities
- Bonds with good and very good ratings
- High interest rate bonds and mixed ratings

Source: Erste Asset Management GmbH; www.erste-am.at;
Data as of 31 May 2019; Fund-Ratio: Yield - see footnote 1)

Bond market comment:

The global economy is entering a new phase of the economic cycle. The technical term is „growth below potential“. In this environment, unemployment rates are starting to rise slowly but continuously. At the same time, the risks to economic growth remain on the downside.

Whether this is a period of weakness or a transition into recession depends primarily on whether the trade conflict between the US and China intensifies or an agreement is reached. Since market prices already contain some fear of recession, an economically weaker phase would not (necessarily) be negative for risky asset categories.

1) NB: the fund ratio "yield" equals the average yield of the securities held by a fund prior to costs for forex hedging; please bear in mind that this ratio is not equivalent to the fund performance. For the fund performance (i.e. the development of the value) of the aforementioned funds, please refer to the overview table on page three. The above-cited table does also not account for any fees reducing return such as the management fee or individual account or depositary fees.

2) The risk classification of investment funds is based on the SRRI-indicator. The calculation is based on European regulatory requirements and forms an integral part of the Key Investor Document and gives the historical volatility of the fund unit price on a scale from 1 to 7, with 7 being the highest risk. More information about the calculation of the indicator: fundglossary.erste-am.com/srri/

Development of bond yields of US- and EUR-Government-Bonds and EUR-Corporate-Bonds Investment-Grade (5/2014-5/2019)



Quelle: Thomson Reuters Datastream

Development of bond yields of European High-Yield-Bonds compared with global High-Yield-Bonds and Emerging-Markets-Corporate-Bonds (5/2014-5/2019)



Quelle: Thomson Reuters Datastream

Please note:

The development of historic yields is not a reliable indicator for future developments of a specific asset category or asset class. The charts above do not include any fees or costs.

Ratio-Overview (more information can be found at www.erste-am.com)

Fund-Name (Performance in %)	Since	2018	2017	2016	2015	2014	Front-Load-Fee	Mgmt-Fee	Fund-Volume in EUR Mio.	Risk-classification acc. KID	Volatility	Warning notice
ESPA RESERVE EURO PLUS	1,1	-1,4	0,1	0,2	0,4	2,3	0,75%	0,24%	366	2	0,9%	A, B
ERSTE RESPONSIBLE BOND	3,1	-1,3	0,7	3,2	0,8	0,4	3,50%	0,60%	105	3	2,0%	none
ESPA BOND COMBIRENT	3,3	-0,1	-0,9	1,9	2,4	1,8	2,50%	0,50%	244	3	3,5%	B
ERSTE RESPONSIBLE BOND EURO-CORPORATE *	3,4	-2,1	1,8	4,1	0,0	1,5	3,50%	0,60%	162	3	2,3%	none
ESPA BOND EURO CORPORATE	3,6	-2,0	2,0	3,3	0,3	8,1	3,50%	0,60%	607	3	2,3%	none
ERSTE BOND DANUBIA	-0,1	-5,9	1,7	-0,5	2,0	6,9	3,50%	0,72%	296	4	5,3%	B
ESPA BOND EUROPE HIGH YIELD	6,1	-5,0	5,1	6,1	3,1	2,0	3,50%	1,20%	214	3	3,8%	none
ERSTE BOND EMERGING MARKETS	5,0	-7,2	6,7	5,4	0,2	6,1	3,50%	1,20%	415	3	5,0%	none
ERSTE RESPONSIBLE BOND EMERGING CORPORATE **	4,2	-5,5	3,8	3,8	2,0	7,1	3,50%	0,96%	97	3	2,7%	none
ERSTE BOND EMERGING MARKETS CORPORATE	5,0	-4,3	6,4	8,4	2,2	3,7	3,50%	0,96%	391	3	3,8%	none
ERSTE BOND LOCAL EMERGING	5,7	-4,8	-0,7	8,1	-0,4	7,8	3,50%	0,96%	217	4	8,0%	none
ESPA BOND CORPORATE BB	5,7	-4,6	4,5	6,9	0,8	5,3	3,50%	1,20%	152	3	3,3%	none
ERSTE BOND CORPORATE PLUS	6,2	-4,8	-	-	-	-	3,50%	0,60%	279	3	n.v.	none
ESPA BOND USA CORPORATE	4,6	-6,0	2,8	3,1	-2,1	5,0	3,50%	0,72%	121	3	3,4%	B

Data as of 31 May 2019

The performance is calculated in accordance with the OeKB method. The management fee as well as any performance-related remuneration is already included. The issue premium of up to 3.50 % which might be applicable on purchase and as well as any individual transaction specific costs or ongoing costs that reduce earnings (e.g. account- and deposit fees) have not been taken into account in this presentation. Past performance is not a reliable indicator of the future performance of a fund. *) **) Responsible Investment Funds products.

1) Risk notes according to 2011 Austrian Investment Fund Act

A ESPA RESERVE EURO PLUS may make significant investments in demand deposits or time deposits with a maximum maturity of 12 months pursuant to section 72 of the 2011 Austrian Investment Fund Act.

B In accordance with the fund provisions approved by the Austrian Financial Market Authority (FMA), ESPA RESERVE EURO PLUS, ESPA BOND COMBIRENT, ESPA BOND USA CORPORATE and ERSTE BOND DANUBIA intend to invest more than 35% of their assets in securities and/or money market instruments of public issuers. A detailed list of these issuers can be found in the prospectus, para. II, point 12.

Disclaimer

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The prospectus for UCITS (including any amendments) is published in Amtsblatt zur Wiener Zeitung in accordance with the provisions of the InvFG 2011 in the currently amended version. Information for Investors pursuant to § 21 AIFMG is prepared for the alternative investment funds (AIF) administered by Erste Asset Management GmbH pursuant to the provisions of the AIFMG in connection with the InvFG 2011. The fund prospectus, Information for Investors pursuant to § 21 AIFMG, and the key investor document/KID can be viewed in their latest versions at the web site www.erste-am.com or obtained in their latest versions free of charge from the domicile of the management company and the domicile of the custodian bank. The exact date of the most recent publication of the fund prospectus, the languages in which the key investor document is available, and any additional locations where the documents can be obtained can be viewed on the web site www.erste-am.com.

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