

BRADESCO GLOBAL FUNDS

Brazilian Hard Currency Bond Fund USD

As of 30/09/2024



Description

The fund seeks to maximize medium term returns by investing primarily in Dollar -denominated Brazilian Corporate and Government bonds issued abroad that comply with the criteria outlined in Article 8 of the SFDR. Investment approach based on robust credit research, market and macro monitoring and duration analysis.

Investment Objective

To obtain a superior return in the medium and long term, by investing mainly in the Brazilian debt market. Investments will be made based on risk and interest yield curve analysis, as well as fundamental credit research on the corporate and public issuers.

Investment Policy

Diversified portfolio invested in the Brazilian debt market, such as Brazilian Eurobonds issued by Brazilian Corporations in the international markets as well as in Brazilian Global Bonds issued by the Brazilian National Treasury abroad, both in USD or in any other foreign currency.

Snapshot

Fund Size	\$ 101,9 million
Inception Date	26/11/2010
Domicile	Luxembourg
Fund Legal Structure	SICAV
Base Currency	US Dollar
Settlement Frequency	Daily
Settlement Day	2

Share Class Information

	I USD	R USD	R EURO	R GBP
ISIN	LU0560844796	LU0560843715	LU0566752720	LU0858360992
BBG Ticker	BGBGBIU LX	BGBGBRU LX	BGBGBRE LX	BGBHGBR LX
Annual Fee	0,75%	1,35%	1,35%	1,35%
Inception Date	26/11/2010	26/11/2010	26/11/2010	28/12/2012
Minimum Investment	1.000.000	1.000	1.000	1.000

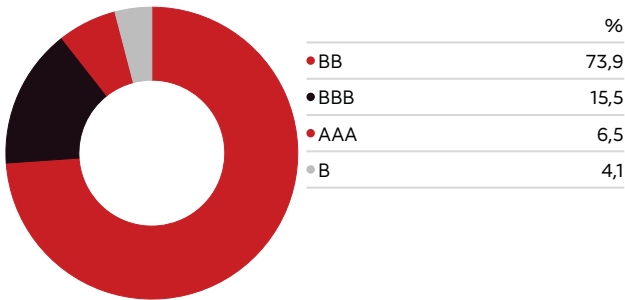
Portfolio Characteristics

Average Effective Maturity	4,20
Average Effective Duration	4,36
Average YTM	6,78
Average Credit Quality	BB

Performance

I USD	1 M	3 M	YTD	2023	2022	2021	Since Inception
Return	1,45	4,99	6,65	7,08	-3,47	-0,59	60,01

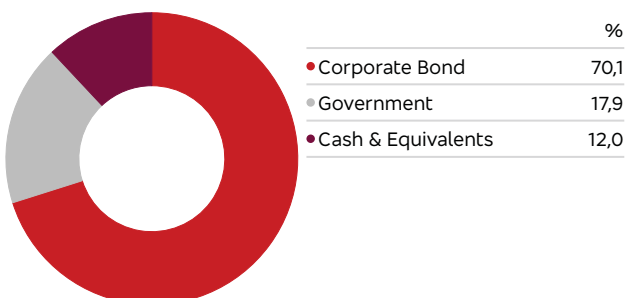
Quality Diversification



Investment Growth



Asset Allocation



Top 10 Holdings

	Maturity	Fund (%)
Brazil (Federative Republic)	22/01/2032	16,18
Arcos Dorados B.V.	27/05/2029	5,49
Petrobras Global Finance B.V.	13/01/2035	4,87
Cosan Luxembourg S.A.	27/06/2030	4,64
Suzano Austria GmbH	16/03/2047	4,34
Suzano Austria GmbH	14/07/2026	2,90
Jbs Usa Lux SA/Jbs Usa Food Company/Jbs Usa Finance Inc	15/01/2032	2,69
Tupy Overseas S.A.	16/02/2031	2,64
Amaggi Luxembourg International Sarl	28/01/2028	2,56
XP Inc.	02/07/2029	2,52

Total Number of Positions

50

Manager's Comments

Review

During the third quarter, the fixed income and credit markets remained volatile, whether due to geopolitical risks from Russia-Ukraine or the Middle East, while there is still concern about stronger data in the US market. With less pressured inflation data, we saw an intense movement in Treasuries, extending the cycle of interest rate cuts, and thus we saw a tightening in rates for the year. In Brazil, the Central Bank concluded its monetary easing cycle, leading to significant market deterioration due to fiscal issues and unhelpful political rhetoric. The situation has been further exacerbated by an unfavorable external environment. The currency continues to depreciate in 2024 and has already lost 15% against the USD.

Positioning

The external issuance market began robustly in 2024, with recent issuances from Petrobras, Eletrobras, and Raizen, as well as new issuers such as Oceânica and LD Celulose. Issuances with strong demand highlight a market in need of new bonds. Brazil's five-year CDS ended last year at 130 basis points (bps), operated at a stable level for a long time, and has worsened this year, reaching a range of 150 bps. The portfolio manager decided to continue a more active management approach with Treasuries for portfolio duration optimization and tactical opportunities. The duration of the bonds was kept below the historical level of four years, a factor that generated alpha. In the quarter, the fund returned +4.99%.

Outlook

The portfolio continues to offer an attractive average yield relative to its risks. However, the shorter duration has been a factor in reducing alpha throughout this year. Since initiating our duration reduction in mid-2022 due to market opportunities, we have remained cautious and operated accordingly. We maintain a careful "bottom-up" analysis approach in our search for new investments

About Bradesco Asset Management

Bradesco Asset Management was formed in 2001 as the result of the consolidation of Banco Bradesco's asset management divisions and subsidiaries. The merger unified over 40 years of expertise in the Latin American markets. Bradesco Asset Management has an excess of US\$100 billion of assets under management from Brazilian, Asian and American retail, private, corporate and institutional clients and is renowned for its investment capabilities in Fixed Income and Equities. Bradesco Asset Management is a wholly owned subsidiary of Banco Bradesco, one of Latin America's largest banks.

Fund Information

Manager

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Auditor

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Registered Status

This fund is currently registered for sale in Luxembourg, Portugal, and Spain.

Transfer Agent, Custodian Bank and Administrator

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Disclaimer

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