

Investment strategy

The Fund's investment strategy is flexible, seeking to capitalize on investment opportunities, particularly in the equity markets of the Central and Eastern European region. The Fund allocates its assets across various asset classes, primarily equities, money market instruments, and, where appropriate, commodities.

The Fund also takes positions in foreign currencies; currency risk is actively managed with the aim of maximizing returns in Czech koruna. The Fund applies an absolute return strategy, does not use any benchmark for performance comparison, and does not track any market index.

Fund performance as of 31.08.2026 (net return)

Period	1 month	6 months	1 year	YTD	Since inc. p.a.
Fund	1,1 %	10,2 %	23,6 %	15,6 %	4,8 %

Monthly market review

In August, the strong second-quarter earnings season continued to dominate equity markets and remained the key theme of the month, repeatedly pushing U.S. indices to new all-time highs. While the European Euro Stoxx 50 index rose by only 1%, the U.S. S&P 500 gained 2.6% over the month. The technology-focused Nasdaq advanced approximately 3.9% in August, driven primarily by very strong results from major U.S. technology companies, which confirmed the continuation of the AI-driven rally. The most closely watched event was the release of Nvidia's earnings, which exceeded expectations, prompting the Nasdaq to rise by 1.6% in a single day. Sentiment toward the semiconductor sector was further supported by news that Nvidia had signed a memorandum of understanding with six major financial institutions to secure capital for financing infrastructure for AI companies and cloud service providers. However, following a further escalation of the conflict in the Middle East, the fragility of current technology sector valuations once again became apparent. On the other hand, markets viewed the speech by Federal Reserve Chairman Kevin Warsh at Jackson Hole as an even more important signal, as it raised concerns about potential interest rate increases. Analysts also closely monitored developments in bond markets, where U.S. Treasury yields climbed to record highs. This factor negatively affects the profitability of investments in AI infrastructure, which is largely financed through debt instruments.

The Central and Eastern European region presented a more mixed picture. While Poland's WIG20 gained 3.5% and Hungary's BUX rose 1.7% in local currency terms, Romania's BET index ended the month with a sharp decline of 6.7%, reflecting weaker market sentiment. In Hungary, August was marked by a political change, with Parliament electing a new president, András Baku, replacing Tamás Sulyok, who had been appointed by Viktor Orbán. In Poland, the government announced a reform of personal income tax financed through higher corporate taxation for large companies. The PX Index of the Prague Stock Exchange also advanced, gaining 3.4% in CZK terms during August. The market was driven mainly by defense-related stocks. Shares of Czechoslovak Group rose 9.7% following the publication of second-quarter results, after which the company announced a series of new contracts, including an expansion of its manufacturing operations in the United States. Shares of Colt CZ gained 4.7% thanks to the continuing recovery in demand for firearms in both the civilian and military segments. ČEZ added 2.0% after the company raised its full-year profit guidance.

Fund unit performance (CZK)



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Basic information

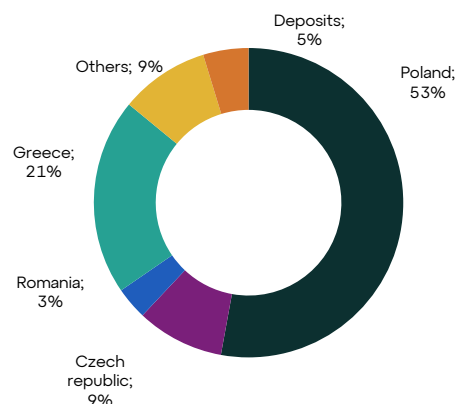
Fund manager	WOOD & Co. inv. spol.
Currency	CZK
Fund Type	Reinvesting
Custodian bank	UniCredit Bank
Liquidity	daily
Management fee	0,7 % p.a.
TER (2025)	0,91%
Performance fee	20 %*
Minimal initial subscription (CZK)	100
Unit value (CZK)	1,7834
Fund capital (mil. CZK)	348

* of positive portfolio return

Top positions

Nova Ljubljanska banka d.d.	8,6 %
Bank PEKAO	8,3 %
BENEFIT SYSTEMS SA	7,8 %
PKO Bank Polski	7,3 %
Colt CZ	5,5 %

Regional asset allocation



Fund performance in years

