



ABLV

BANKING / INVESTMENTS \ ADVISORY

Open-end investment fund ABLV Global Corporate USD Bond Fund

unaudited report for the period
from 5 June 2013 to 30 June 2013

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General information

Name of the fund:	ABLV Global Corporate USD Bond Fund
Category of the fund:	Open-end investment fund
Type of the fund:	Bond fund
Registration date of the fund:	16 May 2013
Number of the fund:	FL128-02.01.02.263/108
Name of the investment manager:	ABLV Asset Management, IPAS
Registered office of the investment manager:	Elizabetes iela 23, Riga, LV-1010
Registration number of the investment manager:	40003814724
Licence number of the investment manager:	06.03.07.263/204
Date of the licence:	04 August 2006
Name of the custodian bank:	ABLV Bank, AS
Registered office of the custodian bank:	Elizabetes iela 23, Riga, LV-1010
Registration number of the custodian bank:	50003149401120
Names and positions of council members, board members of the investment manager, and fund manager:	<p>Council of the investment manager:</p> <p>Chairman of the Council - Ernests Bernis Deputy Chairman of the Council - Māris Kanneņieks Council Member - Vadims Reinfelds</p> <p>Board of the investment manager:</p> <p>Chairman of the Board - Leonīds Kiļs Deputy Chairman of the Board - Jevgenijs Gžibovskis Board Member - Vadims Burcevs</p> <p>Fund Manager - Sergejs Gačenko</p>
Duties of the fund manager:	The fund manager operates the fund's property according to the company's Articles of Association and the Fund Management Regulations. The fund manager may be employed only by one investment manager and manage several funds of one investment manager.

Report of the Investment Management Company

On 5 June 2013, the open-end investment fund ABLV Global Corporate USD Bond Fund (hereinafter referred to as the Fund) commenced its operations as a corporate bond fund with the investment currency USD.

ABLV Asset Management, IPAS (ABLV Asset Management, IPAS new name registered with the Register of Enterprises on 27.05.2011, hereinafter referred to as the Company) was registered with the Republic of Latvia Register of Enterprises on 4 August 2006 under No 40003814724, licence for investment management activities No 06.03.07.263/204, and it is located in Riga, at Elizabetes iela 23.

The Corporate Bond Fund with moderate investment strategy and balanced risk level is established with the aim of achieving long-term capital growth. For this purpose, the Fund's assets are invested in debt securities issued or guaranteed by commercial companies or credit institutions registered in the countries of the global USD bond market.

The year 2013 is the first year of operations of ABLV Global Corporate USD Bond Fund. As at the end of June 2013, the Fund's net assets amounted to USD 5,441,071 (LVL 2,932,737), and its yield since the Fund establishment was -13.89%, average term to maturity was 4.8 years, average weighted rating of the investment portfolio was BB+, and yield to maturity was 6.01%.

The minimum amount of investment in the Fund is USD 1,000.

The company performs regular analysis of current political and economic situation, as well as comparative and technical analysis, analysis of various macroeconomic indicators, and summarizing analysis of recommendations given by the world leading brokerage and analytics companies on different financial markets.

In order to regularly provide information on situation in the world financial markets to current and prospective customers of ABLV Asset Management, IPAS, detailed monthly analysis of macroeconomic situation prepared by our chief analyst is published at ABLV Bank, AS home page www.ablv.com. Whereas the customers who invested in funds managed by ABLV Asset Management, IPAS each month are sent comments of the funds' manager, containing information on market situation, funds' performance and actions taken by the fund manager.

To ensure diversification and to minimise risks, the company constantly pays great attention to risk management issues. The company has established an Investment Strategy Committee, which determines the company's investment strategy, risk limits and financial markets where transactions in financial instruments are performed. The members of the Investment Strategy Committee are ABLV Bank, AS and the company's top specialists in financial markets.

The company will continue its efforts to efficiently manage the Fund's assets in order to increase the number of the Fund's investors and net assets in 2013.

Management of ABLV Asset Management, IPAS expresses gratitude to our customers for their loyalty and successful cooperation with us.

ABLV Asset Management, IPAS
Chairman of the Board

Leonīds Kijs

ABLV Asset Management, IPAS
Fund Manager

Sergejs Gačenko

Statement of assets and liabilities

		LVL
Assets	Notes	30.06.2013
Demand deposits with credit institutions	2	1,786,870
Financial assets at fair value through profit or loss		1,148,380
Debt securities and other fixed income securities	3	1,148,380
Total assets		2,935,250
Liabilities		
Accrued expense		(2,513)
Total liabilities		(2,513)
Net assets		2,932,737

ABLV Asset Management, IPAS
Chairman of the Board

Leonīds Kijs

ABLV Asset Management, IPAS
Fund Manager

Sergejs Gačenko

Riga, 30 July 2013

Statement of income and expense

	LVL
	05.06.2013- 30.06.2013
Income	
Interest revenue	2,607
Total	2,607
Expense	
Remuneration to investment manager	(1,905)
Remuneration to custodian bank	(381)
Other fund management expense	(192)
Other expense	(342)
Total	(2,820)
Decrease in investment value	
Unrealised decrease in investment value	(19,429)
Decrease in net assets from investment	(19,642)

ABLV Asset Management, IPAS
Chairman of the Board

Leonīds Kijs

ABLV Asset Management, IPAS
Fund Manager

Sergejs Gačenko

Riga, 30 July 2013

Statement of changes in net assets

Item	LVL	
	05.06.2013-	30.06.2013
Net assets at the beginning of the period		-
Decrease in net assets from investment		(19,642)
Transactions with investment certificates		
Inflow from sale of investment certificates		2,952,379
Total result of transactions with investment certificates		2,952,379
Increase in net assets for the period		2,932,737
Net assets at the end of the period		2,932,737
Issued investment certificates at the beginning of the period		-
Issued investment certificates at the end of the period		550,135
Net assets per investment certificate at the beginning of the period		-
Net assets per investment certificate at the end of the period		5.33

ABLV Asset Management, IPAS
Chairman of the Board

Leonīds Kijs

ABLV Asset Management, IPAS
Fund Manager

Sergejs Gačenko

Riga, 30 July 2013

Note 1

General information

The open-end investment fund ABLV Global Corporate USD Bond Fund is a corporate bond fund registered on 16 May 2013. The registered address of its investment manager is Elizabetes iela 23, Riga, LV-1010, Latvia.

The Fund's business includes investments in debt securities issued or guaranteed by commercial companies or credit institutions registered in the countries of the global USD bond market.

The Fund's financial statements have been prepared in accordance with the laws of the Republic of Latvia and the Regulations of the Financial and Capital Market Commission on the Preparation of Reports of Investment Funds, on a going concern basis. Appropriate accounting policies have been applied on a consistent basis in the reporting period. Prudent and reasonable judgements have been made by the management in the preparation of the financial statements.

The Fund's functional currency is USD. The monetary unit used in the financial statements is lat (LVL), the monetary unit of the Republic of Latvia. These financial statements have been prepared in lats, unless otherwise stated.

Assets and liabilities denominated in foreign currencies are translated into lats at the official exchange rate of the bank of Latvia at the reporting date (lats per foreign currency unit):

Reporting date	USD
30 June 2013	0.539

The following abbreviations are used in the notes to the financial statements: Financial and Capital Market Commission (FCMC), European Monetary Union (EMU), European Union (EU), Organisation for Economic Cooperation and Development (OECD), Republic of Latvia (RL), ABLV Asset Management, IPAS (the Company), open-end investment fund (AIF).

Note 2

Deposits with credit institutions

	30.06.2013	
	Carrying amount	Carrying amount to fund's assets
Demand deposits with credit institutions	LVL	%
Demand deposits with ABLV Bank, AS	1,786,870	60.88
Total demand deposits with credit institutions	1,786,870	60.88

Note 3

Debt securities and other fixed income securities

All debt securities and other fixed income securities are classified as financial assets at fair value through profit or loss. All securities are listed on the regulated market (stock exchange). All securities are traded over-the-counter.

Financial assets at fair value by geographical placement:

Geographical placement	30.06.2013	
	Carrying amount	Carrying amount to fund's assets
	LVL	%
Other countries	816,950	27.83
Other EU Member States	226,447	7.71
OECD countries	104,983	3.58
Total debt securities and other fixed income securities	1,148,380	39.12

Debt securities and other fixed income securities by country profile and issuers:

fixed income debt securities traded on regulated markets as at 30 June 2013:

Issuer	Amount	Acquisition value	Carrying amount	Carrying amount to fund's assets
	number	LVL	LVL	(%)
USA	200	105,866	104,983	3.58
CLIFFS NATURAL RESOURCES INC	200	105,866	104,983	3.58
Brazil	450	275,038	271,568	9.25
BRASKEM SA	150	90,754	88,700	3.02
PETROLEO BRASILEIRO SA	150	95,597	94,925	3.23
VALE SA	150	88,687	87,943	3.00
Croatia	200	111,034	108,689	3.70
HRVATSKA ELEKTROPRIVREDA	200	111,034	108,689	3.70
Russia	400	224,763	221,628	7.55
BRUNSWICK RAIL LTD	200	108,608	106,909	3.64
JSC VTB BANK	200	116,155	114,719	3.91
China	200	109,417	108,727	3.70
CITIC LTD	200	109,417	108,727	3.70
UK	200	122,079	119,966	4.09
MARKS AND SPENCER GROUP PLC	200	122,079	119,966	4.09
Ukraine	200	106,453	106,338	3.62
EXIM OF UKRAINE CJSC/THE	200	106,453	106,338	3.62
Hungary	200	109,417	106,481	3.63
MOL HUNGARIAN OIL AND GAS	200	109,417	106,481	3.63
Total financial instruments traded on regulated markets		1,164,067	1,148,380	39.12

Note 4

Dynamics of Fund's performance

The following table demonstrates the dynamics of the Fund's performance – the yield of the investment fund*:

Item	30.06.2013
Net assets (LVL)	2,932,737
Number of investment certificates	550,135
Value of investment fund's shares (LVL)	5.33
Net assets (USD)	5,441,071
Number of investment certificates	550,135
Value of investment fund's shares (USD)	9.89
Item	05.06.2013- 30.06.2013
Annual performance of investment fund's shares (%)	-13.89

* Performance is calculated as the ratio of the value of the Fund's share at the end of the reporting period against its value at the beginning of the reporting period. This ratio is expressed as annual percentage raised to the power, where the dividend is 365 and the divisor is the number of days in the reporting period.

Note 5

Events after reporting date

As of the last day of the reporting period until the date of approval of these financial statements there have been no significant events that could produce a material effect on the Fund's performance for the reporting period.