

# Annual Report 2015

**Investment Company under Luxembourg Law (SICAV)**

**R.C.S. Luxembourg N° B 188 230**

**Audited annual report as of 31 December 2015**

EuroAmerica AM SICAV

EuroAmerica AM SICAV – Latam High Yield Bond Fund

EuroAmerica AM SICAV – Small Cap Latam Fund



# Audited annual report as of 31 December 2015

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## **Sales restrictions**

Shares of this Company may not be offered, sold or distributed within the United States of America.

## **Distribution in Germany**

**For the following subfund of the Company no notification has been filed and it has not been authorised for distribution in Germany.**

**The shares of this subfund may NOT be marketed to investors within the jurisdiction of the Investment Code:**

### **EuroAmerica SICAV – Small Cap Latam Fund**

*Paying and information agent in Germany*

HSBC Trinkaus & Burkhardt AG  
Königsallee 21/23  
D-40212 Düsseldorf

The sales prospectus, the KIID, the articles of incorporation of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge, upon request in hardcopy, from HSBC Trinkaus & Burkhardt AG, Königsallee 21/23, D-40212 Düsseldorf.

## **Distribution in Austria**

*Paying agent*

Erste Bank der österreichischen Sparkassen AG  
Graben 21  
A-1010 Wien

Shares of the following subfund of the Company may be marketed in Austria:  
EuroAmerica SICAV – Latam High Yield Bond Fund

The sales prospectus, the KIID, the articles of incorporation of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge from the paying agent in Austria, at the sales agencies and at the registered office of the Company.

# Management and Administration

Annual Report as of 31 December 2015  
EuroAmerica AM SICAV

## Registered Office

33A, avenue J.F. Kennedy,  
L-1855 Luxembourg  
R.C.S. Luxembourg N° B 188 230

## Auditors

KPMG Luxembourg, Société coopérative  
39, avenue John F. Kennedy  
L-1855 Luxembourg

## Board of Directors of the Company

*Henry Comber Sigall*  
CEO  
EuroAmerica S.A.

*Luis Felipe Bosselin Morales*  
Managing Director  
EuroAmerica S.A.

*Sergio Rosenberg Aratangy*  
CEO  
EuroAmerica Administradora General de Fondos S.A.

*Jörg Henzler*  
Non-executive Board Member  
Luxembourg Investment Solutions S.A.

## Investment Manager / Adviser

EuroAmerica Administradora General de Fondos S.A.  
Av. Apoquindo 3885 p20  
Santiago  
Chile

## Legal Advisers

Elvinger, Hoss & Prussen  
2, Place Winston Churchill  
L-2014 Luxembourg

The sales prospectus, the KIID, the articles of incorporation of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge at the sales agencies and at the registered office of the Company.

## Management Company

Luxembourg Investment Solutions S.A.  
Airport Center Luxembourg  
5, Heienhaff  
L-1736 Senningerberg

## Depositary and Paying Agent

UBS (Luxembourg) S.A.,  
33A, avenue J.F. Kennedy,  
L-1855 Luxembourg

## Administration, Domiciliary and Registrar and Transfer Agent

UBS Fund Services (Luxembourg) S.A.,  
33A, avenue J.F. Kennedy,  
L-1855 Luxembourg

# Features of the Company

Annual Report as of 31 December 2015  
EuroAmerica AM SICAV

EuroAmerica AM SICAV (hereafter called the “Company”) is an umbrella investment company with variable capital (société d’investissement à capital variable) incorporated under the form of a société anonyme in the Grand Duchy of Luxembourg. It qualifies as an undertaking for collective investment in transferable securities (“UCITS”) under Part I of the 2010 Law. As an umbrella structure, the Company may operate separate subfunds, each being distinguished among others by their specific investment policy or any other specific feature as further detailed in the relevant section of the “subfund Particulars” of the prospectus. Within each subfund, different classes with characteristics detailed in the relevant section of the “subfund Particulars” of the prospectus may be issued.

The Company constitutes a single legal entity, but the assets of each subfund are segregated from those of the other subfund(s) in accordance with the provisions of article 181 of the 2010 Law, as amended. This means that the assets of each subfund shall be invested for the shareholders of the corresponding subfund and that the assets of a specific subfund are solely accountable for the liabilities, commitments and obligations of that subfund.

The Board of Directors may at any time resolve to set up new subfund(s) and/or create within each subfund one or more classes. The Board of Directors may also at any time resolve to close a subfund, or one or more classes within a subfund, to further subscriptions.

The Company was incorporated for an unlimited period in Luxembourg on 11 June 2014. The capital of the Company shall be equal at all times to its net assets.

The Company is registered with the Registre de Commerce et des Sociétés, Luxembourg (Luxembourg register of trade and companies) under number B 188 230. The Articles of Incorporation have been deposited with the Registre de Commerce et des Sociétés, Luxembourg and thereafter published in the Mémorial on 10 July 2014.

The reference currency of the Company is the USD and all the financial statements of the Company will be presented in USD.

Within each class, separate currency hedged classes may be issued. Any fees relating to the hedging strategy (including any fees of the Administration Agent relating to the execution of the hedging policy)

will be borne by the relevant class. Any gains or losses from the currency hedging shall accrue to the relevant hedged class.

Fractions of shares up to three decimal places will be issued if so decided by the Board of Directors. Such fractions shall not be entitled to vote but shall be entitled to participate in the net assets and any distributions attributable to the relevant class on a pro rata basis.

All shares must be fully paid-up; they are of no nominal value and carry no preferential or pre-emptive rights.

As at 31 December 2015, the following subfunds are active:

EuroAmerica AM SICAV – Latam High Yield Bond Fund.

EuroAmerica AM SICAV – Small Cap Latam Fund

Classes of shares available:

- Class A shares, class B shares and class I shares where class I shares are available to Institutional Investors.
- Classes denominated in GBP are reserved to investors residing in the United Kingdom. For the classes denominated in GBP, there is no intention to hedge the value of their net assets in the base currency of the subfund into GBP.

Financial periods of the Company end on 31 December in each year.

The annual general meeting of shareholders of the Company (the “Annual General Meeting”) is held at the registered office of the Company or such other place as may be specified in the notice of meeting in Luxembourg at 10 am (Luxembourg time) on the 11th of June in each year (or, if such day is not a Business Day, on the next following Business Day in Luxembourg).

Each share of the Company, irrespective of its subfund, is entitled to one vote at any general meeting of shareholders, in compliance with Luxembourg law and the Articles of Incorporation. The Company will recognise only one holder in respect of each share. In the event of joint ownership, the Company may suspend the exercise of any voting right deriving from the relevant share(s) until one person shall have been designated to represent the joint owners vis-à-vis the Company.

Only the information contained in the prospectus and in one of the documents referred to therein shall be deemed to be valid.

The annual and semi-annual reports are available free of charge to shareholders at the registered office of the Company and the Depositary.

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current prospectus accompanied by the latest annual report and the latest semi-annual report if available.

The figures stated in the report are historical and not necessarily indicative of future performance.

# Portfolio Manager Report

Annual Report as of 31 December 2015  
EuroAmerica AM SICAV

## **EuroAmerica AM SICAV – Latam High Yield Bond Fund**

2015 was not an easy year. The risk events we described in our 2014 Portfolio Manager Report came to fruition in 2015 affecting valuations and volatility; however, the Fund managed to navigate through the volatility avoiding defaults and outperforming the benchmark by 336 bps.

The performance of the Fund was affected by several risk off events such as the fears surrounding the US Federal Reserve (FED) rate hike (which was finally done in December), the sinking of China's stock market, and Greece's debt negotiations.

Other factors affecting the year's performance were related to global economics. The slowdown of China's growth negatively affected commodities prices (oil included) which had a large impact on oil and copper exporting countries due to lower fiscal revenues. The yuan and most LatAm currencies went through a period of devaluation. Additionally, the Brazilian recession and its subsequent downgrade by Moody's and Fitch affected the valuation and pricing of the biggest high yield issuer in LatAm.

Corporate events also impacted fund performance, in particular, the Brazilian corruption scandal called Lava Jato (or Car Wash) involving Petrobras, the most important Brazilian oil company, and a discredited political class. In Latin America, continuously falling commodity prices negatively affected oil, oil services and mining corporations, and as a result spreads widened, but the default rate actually decreased to 3.7% in 2015 compared to 4.9% in 2014.

In 2015, the Fund returned -7.04% outperforming the benchmark JP Morgan CEMBI Broad Latam High Yield Index by 336 bps.

Our main sources of outperformance were Financials (171 bps) and Consumer non-Cyclicals (61 bps) where we maintained an overweight and Oil & Gas (60 bps) where we were underweight. On a country basis the main contributors were an underweight position in Brazil (171 bps) and an overweight position in Chile (106 bps).

For 2016, our main concern continues to be Brazilian corporates as the economic environment in Brazil will likely not be supportive for corporates. For Latin America as a whole, we have identified the following risk factors: (i) a higher default rate as some corporates and sovereigns (e.g., Brazil and Venezuela) remain under pressure, and (ii) refinancing risk as 2016 maturities are approximately USD 27 bn.

On the positive side, we believe that regional economics have already been priced in and that there is enough of a spread cushion to soften the blow from further FED interest rate hikes. Additionally, some companies are buying back their debt signaling to the market that debt prices have bottomed.

## **EuroAmerica AM SICAV – Small Cap Latam Fund**

2015 was like navigating through a mine field blindfolded and yet we managed to lose less than 5% in local currency terms. The combination of USD strength, commodity price declines and negative fund flows was significantly exasperated by Brazil's macro/political implosion. In 2015, the Fund returned -25.0% outperforming the benchmark, the MSCI Latam Small Cap Index, which returned -31.6%. Brazil was responsible for about 60% of the loss followed by Colombia. The Fund had positive local currency returns in Mexico and Argentina.

Global drivers and risks that impacted emerging markets and Latin America are quite familiar, so we will focus our commentary on the region's macro and political environment and our thorough process to navigate the mine field. Brazil is, in our view, the primary weakness that contaminates investor allocation to the region as a whole. The current political situation does not seem to be one that fosters confidence; however, we doubt that the impeachment of the Dilma Rousseff's government will be successful, and thus we assume a protracted muddling through scenario with further GDP contraction and Fx devaluation in 2016 and 2017. Hopefully, the Brazil situation will culminate in an Argentine type situation where asset values reach severely depressed levels leading to a confidence boosting political change. Evidence of depressed asset values are abound with significant

M&A and controller buy backs. However, the upswing in portfolio equity values is still evasive. We are selective holders of some deep value names in Brazil with full knowledge that 3x-5x payback is possible sometime in the future.

The rest of the region's markets we invest in should continue to successfully deal with global macro headwinds and opportunities. These are investment grade, increasingly service oriented economies, that are fiscally responsible with independent Central Banks and floating exchange rates. They have benefited by high commodity prices and now are gradually transitioning to a post-super cycle world. Under this scenario of modest GDP growth, circa 2%, we are focused on companies that are either deeply discounted, able to grow faster than peers or benefit from weaker exchange rates.

During 2015 we shifted exposure from Brazil (higher risks) and Mexico (higher valuations) towards Argentina due to political/macro changes and Chile due to valuations. Colombia still had some fiscal/fx headwinds and Peru is dealing with a potential downgrade to frontier market status.

Going forward we see Mexico as having the best risk/reward symmetry with a highly competitive currency due to its significant manufacturing export base and tourism industry while remittances provide an added boost to domestic consumption. Peru could be a positive surprise post-presidential elections where all the candidates are pro-business. Argentina has generated a great deal of enthusiasm, but we see a sharp consumption contraction in 2016 and are cautious regarding the overall market. Chile currently has low historic and relative valuations, but no clear catalyst while Colombia needs to deal with a deteriorating fiscal account and while peace is good it may have a high price tag initially.

Despite the circumstances, small caps are by and large well discounted across the region and we find a whole host of companies that can continue to grow and generate positive free cash flow and/or are ripe for M&A/controller buy backs.

# Audit report

Annual Report as of 31 December 2015  
EuroAmerica AM SICAV

To the Shareholders of

EuroAmerica AM SICAV  
33A, avenue J.F. Kennedy,  
L-1855 Luxembourg

We have audited the accompanying financial statements of EuroAmerica AM SICAV and each of its subfunds which comprise the statement of net assets and the statement of investments in securities and other net assets as at 31 December 2015 and the statement of operations and the statement of changes in net assets for the year then ended and a summary of significant accounting policies and other explanatory information.

## *Responsibility of the Board of Directors of the SICAV for the financial statements*

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements, and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## *Responsibility of the Réviseur d'entreprises agréé*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgement of the Réviseur d'entreprises agréé, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the Réviseur d'entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of EuroAmerica AM SICAV and each of its subfunds as of 31 December 2015, and of the results of its operations and changes in its net assets for the year then ended in accordance with the Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

## *Other matter*

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

Luxembourg, 24 March 2016

KPMG Luxembourg, Société Coopérative  
Cabinet de révision agréé



J. Klopp

## Consolidated Statement of Net Assets

	<b>USD</b>
	<b>31.12.2015</b>
<b>Assets</b>	
Investments in securities, cost	27 584 426.91
Investments in securities, unrealized appreciation (depreciation)	-3 819 454.63
<b>Total investments in securities (Note 1)</b>	<b>23 764 972.28</b>
Cash at banks, deposits on demand and deposit accounts	2 040 267.86
Interest receivable on securities	401 968.54
Receivable on dividends	5 071.85
<b>Total Assets</b>	<b>26 212 280.53</b>
<b>Liabilities</b>	
Bank overdraft	-374.01
Provisions for All-In-Fee (Note 2)	-44 278.74
Provisions for taxe d'abonnement (Note 3)	-655.70
<b>Total provisions</b>	<b>-44 934.44</b>
<b>Total Liabilities</b>	<b>-45 308.45</b>
<b>Net assets at the end of the financial year</b>	<b>26 166 972.08</b>

## Consolidated Statement of Operations

	<b>USD</b>
	<b>1.1.2015-31.12.2015</b>
<b>Income</b>	
Interest on liquid assets	168.35
Interest on securities	1 145 323.26
Dividends	169 456.99
<b>Total income</b>	<b>1 314 948.60</b>
<b>Expenses</b>	
All-In-Fee (Note 2)	-164 388.76
Taxe d'abonnement (Note 3)	-2 637.56
Interest on cash and bank overdraft	-43 336.76
<b>Total expenses</b>	<b>-210 363.08</b>
<b>Net income (loss) on investments</b>	<b>1 104 585.52</b>
<b>Realized gain (loss) (Note 1)</b>	
Realized gain (loss) on market-priced securities without options	-837 384.54
Realized gain (loss) on financial futures	5 785.61
Realized gain (loss) on forward foreign exchange contracts	-194.06
Realized gain (loss) on foreign exchange	54 443.32
<b>Total realized gain (loss)</b>	<b>-777 349.67</b>
<b>Net realized gain (loss) of the financial year</b>	<b>327 235.85</b>
<b>Changes in unrealized appreciation (depreciation) (Note 1)</b>	
Unrealized appreciation (depreciation) on market-priced securities without options	-3 305 800.74
<b>Total changes in unrealized appreciation (depreciation)</b>	<b>-3 305 800.74</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-2 978 564.89</b>

# EuroAmerica AM SICAV

## – Latam High Yield Bond Fund

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### Most important figures

Date	ISIN	31.12.2015	31.12.2014
Net assets in USD		21 138 220.86	12 482 942.52
<b>Class B<sup>1</sup></b>	<b>LU1061932668</b>		
Shares outstanding		161.0860	-
Net asset value per share in USD		94.52	-
<b>Class I<sup>2</sup></b>	<b>LU1061932742</b>		
Shares outstanding		248 227.8960	136 359.6000
Net asset value per share in USD		85.10	91.54

<sup>1</sup> First NAV: 30.1.2015

<sup>2</sup> First NAV: 7.7.2014

### Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets		Economic Breakdown as a % of net assets	
Mexico	16.94	Finance & holding companies	29.86
Netherlands	12.13	Banks & credit institutions	18.68
Brazil	7.60	Building industry & materials	8.26
Chile	7.28	Petroleum	5.81
Peru	6.93	Telecommunications	5.23
Cayman Islands	5.63	Miscellaneous unclassified companies	4.92
Colombia	5.31	Energy & water supply	3.61
Luxembourg	5.13	Food & soft drinks	3.44
United States	4.71	Miscellaneous services	2.63
Argentina	3.67	Miscellaneous consumer goods	1.91
Austria	3.48	Retail trade, department stores	0.92
Panama	3.36	Non-ferrous metals	0.90
Bermuda	3.15	Investment funds	0.84
Paraguay	2.17	Traffic & transportation	0.84
Costa Rica	0.94	Aerospace industry	0.75
Bahamas	0.90	Agriculture & fishery	0.73
<b>Total</b>	<b>89.33</b>	<b>Total</b>	<b>89.33</b>

## Statement of Net Assets

	USD
<b>Assets</b>	<b>31.12.2015</b>
Investments in securities, cost	21 148 335.85
Investments in securities, unrealized appreciation (depreciation)	-2 265 726.20
Total investments in securities (Note 1)	18 882 609.65
Cash at banks, deposits on demand and deposit accounts	1 890 993.27
Interest receivable on securities	401 968.54
<b>Total Assets</b>	<b>21 175 571.46</b>
<b>Liabilities</b>	
Bank overdraft	-374.01
Provisions for All-In-Fee (Note 2)	-36 446.61
Provisions for taxe d'abonnement (Note 3)	-529.98
Total provisions	-36 976.59
<b>Total Liabilities</b>	<b>-37 350.60</b>
<b>Net assets at the end of the financial year</b>	<b>21 138 220.86</b>

## Statement of Operations

	USD
<b>Income</b>	<b>1.1.2015-31.12.2015</b>
Interest on liquid assets	12.17
Interest on securities	1 145 323.26
<b>Total income</b>	<b>1 145 335.43</b>
<b>Expenses</b>	
All-In-Fee (Note 2)	-117 851.72
Taxe d'abonnement (Note 3)	-2 061.50
Interest on cash and bank overdraft	-7.08
<b>Total expenses</b>	<b>-119 920.30</b>
<b>Net income (loss) on investments</b>	<b>1 025 415.13</b>
<b>Realized gain (loss) (Note 1)</b>	
Realized gain (loss) on market-priced securities without options	-736 484.10
Realized gain (loss) on financial futures	5 785.61
Realized gain (loss) on foreign exchange	38.84
<b>Total realized gain (loss)</b>	<b>-730 659.65</b>
<b>Net realized gain (loss) of the financial year</b>	<b>294 755.48</b>
<b>Changes in unrealized appreciation (depreciation) (Note 1)</b>	
Unrealized appreciation (depreciation) on market-priced securities without options	-1 752 072.31
<b>Total changes in unrealized appreciation (depreciation)</b>	<b>-1 752 072.31</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-1 457 316.83</b>

## Statement of Changes in Net Assets

	<b>USD</b>
	<b>1.1.2015-31.12.2015</b>
Net assets at the beginning of the financial year	12 482 942.52
Subscriptions	18 265 982.69
Redemptions	-8 153 387.52
Total net subscriptions (redemptions)	10 112 595.17
Net income (loss) on investments	1 025 415.13
Total realized gain (loss)	-730 659.65
Total changes in unrealized appreciation (depreciation)	-1 752 072.31
Net increase (decrease) in net assets as a result of operations	-1 457 316.83
<b>Net assets at the end of the financial year</b>	<b>21 138 220.86</b>

## Changes in the Number of Shares outstanding

	<b>1.1.2015-31.12.2015</b>
<b>Class</b>	<b>B</b>
Number of shares outstanding at the beginning of the financial year	0.0000
Number of shares issued	22 669.7940
Number of shares redeemed	-22 508.7080
<b>Number of shares outstanding at the end of the financial year</b>	<b>161.0860</b>
<b>Class</b>	<b>I</b>
Number of shares outstanding at the beginning of the financial year	136 359.6000
Number of shares issued	176 480.4510
Number of shares redeemed	-64 612.1550
<b>Number of shares outstanding at the end of the financial year</b>	<b>248 227.8960</b>

## Statement of Investments in Securities and other Net Assets as of 31 December 2015

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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### Transferable securities and money market instruments listed on an official stock exchange

#### Notes, fixed rate

##### USD

USD AES EL SALVADOR TRUST II-REG-S 6.75000% 13-28.03.23	200 000.00	178 500.00	0.84
USD AGRICOLA SENIOR TRUST-REG-S 6.75000% 15-18.06.20	200 000.00	199 292.00	0.94
USD BANCO ABC BRASIL SA REG-S-SUB 7.87500% 10-08.04.20	300 000.00	272 625.00	1.29
USD BANCO BMG SA-REG-S 8.00000% 11-15.04.18	200 000.00	183 290.00	0.87
USD BANCO DAVIVIENDA SA-REG-SUB 5.87500% 12-09.07.22	200 000.00	199 250.00	0.94
USD BANCO DE BOGOTA SA-REG-S-SUB 5.37500% 13-19.02.23	200 000.00	194 300.00	0.92
USD BANCO GNB SUDAMERIS SA-REG-S-SUB 7.50000% 12-30.07.22	300 000.00	300 000.00	1.42
USD BANCO INDUSTRIAL COMMERCIAL -REG-S-SUB 8.50000% 10-27.04.20	100 000.00	97 687.50	0.46
USD BANCO REGIONAL SAECA-REG-S 8.12500% 14-24.01.19	450 000.00	457 875.00	2.17
USD BANTRAB SENIOR TRUST-REG-S 9.00000% 13-14.11.20	150 000.00	143 241.75	0.68
USD BBVA BANCOMER SA/TEXAS-REG-S-SUB 6.75000% 12-30.09.22	500 000.00	541 250.00	2.56
USD BRASKEM FINANCE LTD-REG-S 5.75000% 11-15.04.21	200 000.00	174 000.00	0.82
USD CAMPOSOL SA-REG-S 9.87500% 12-02.02.17	208 000.00	153 920.00	0.73
USD CEMENTOS PACASMAYO SAA-REG-S 4.50000% 13-08.02.23	350 000.00	326 375.00	1.54
USD CEMEX FINANCE LLC-REG-S 9.37500% 12-12.10.22	600 000.00	631 500.00	2.99
USD CEMEX FINANCE LLC-REG-S 6.00000% 14-01.04.24	200 000.00	171 500.00	0.81
USD CEMEX SAB DE CV-REG-S 5.70000% 14-11.01.25	600 000.00	501 750.00	2.37
USD CEMEX SAB DE CV-REG-S 7.25000% 13-15.01.21	200 000.00	192 500.00	0.91
USD CIELO SA / CIELO USA INC-REG-S 3.75000% 12-16.11.22	200 000.00	165 020.00	0.78
USD CORP GROUP BANKING SA-REG-S 6.75000% 13-15.03.23	500 000.00	462 500.00	2.19
USD COSAN LUXEMBOURG SA-REG-S 5.00000% 13-14.03.23	200 000.00	164 250.00	0.78
USD CREDITO REAL SA-REG-S 7.50000% 14-13.03.19	200 000.00	198 000.00	0.94
USD EMPRESA ELECTRICA ANGAMOS SA-REG-S 4.87500% 14-25.05.29	200 000.00	178 500.00	0.84
USD ESAL GMBH-REG-S 6.25000% 13-05.02.23	200 000.00	174 900.00	0.83
USD FINANCIERA INDEPENDENCIA SA DE CV-REG-S 7.50000% 14-03.06.19	200 000.00	184 500.00	0.87
USD GEOPARK LATIN AMERICA AGCIA CHILE-REG-S 7.50000% 13-11.02.20	200 000.00	138 500.00	0.65
USD GRUPO CEMENTO DE CHIHUA SAB DE CV-REG-S 8.12500% 13-08.02.20	200 000.00	205 000.00	0.97
USD GRUPO KUO SAB DE CV-REG-S 6.25000% 12-04.12.22	200 000.00	185 500.00	0.88
USD IFH PERU LTD-REG-S 5.87500% 15-12.02.25	200 000.00	190 500.00	0.90
USD INKIA ENERGY LTD-REG-S 8.37500% 11-04.04.21	200 000.00	194 800.00	0.92
USD INRETAIL CONSUMER-REG-S 5.25000% 14-10.10.21	100 000.00	100 500.00	0.48
USD ITAU UNIBANCO HOLDING SA-REG-S-SUB 5.12500% 12-13.05.23	200 000.00	175 500.00	0.83
USD JBS INVESTMENTS GMBH-REG-S 7.75000% 13-28.10.20	400 000.00	379 000.00	1.79
USD JBS INVESTMENTS GMBH-REG-S 7.25000% 14-03.04.24	200 000.00	181 500.00	0.86
USD MAESTRO PERU SA-REG-S 6.75000% 12-26.09.19	128 000.00	134 400.00	0.64
USD MARFRIG HOLDING EUROPE BV-REG-S 8.37500% 11-09.05.18	200 000.00	192 000.00	0.91
USD MARFRIG HOLDING EUROPE BV-REG-S 6.87500% 14-24.06.19	600 000.00	535 500.00	2.53
USD MINERVA LUXEMBOURG SA-REG-S 7.75000% 13-31.01.23	600 000.00	564 000.00	2.67
USD OFFICE DEPOT DE MEXICO SA DE CV REG-S 6.87500% 13-20.09.20	400 000.00	403 000.00	1.91
USD OI BRASIL HOLDINGS COOPERATIEF UA-REG-S 5.75000% 12-10.02.22	200 000.00	90 860.00	0.43
USD PAN AMERICAN ENERGY REG-S 7.87500% 10-07.05.21	100 000.00	97 750.00	0.46
USD PETROBRAS GLOBAL FINANCE BV 5.75000% 09-20.01.20	500 000.00	390 280.00	1.85
USD PETROBRAS GLOBAL FINANCE BV 5.37500% 11-27.01.21	600 000.00	444 876.00	2.10
USD PETROBRAS GLOBAL FINANCE BV 4.375% 13-20.05.23	400 000.00	264 000.00	1.25
USD PETROBRAS GLOBAL FINANCE BV 6.25000% 14-17.03.24	400 000.00	285 388.00	1.35
USD SUZANO TRADING LTD-REG-S 5.87500% 10-23.01.21	200 000.00	193 500.00	0.92
USD TAM CAPITAL 3 INC-REG-S 8.37500% 11-03.06.21	200 000.00	158 200.00	0.75
USD UNION ANDINA DE CEMENTOS SAA-REG-S 5.87500% 14-30.10.21	150 000.00	144 375.00	0.68
USD VOLCAN CIA MINERA SAA-REG-S 5.37500% 12-02.02.22	300 000.00	190 500.00	0.90
USD YPF SA-REG-S 8.50000% 15-28.07.25	200 000.00	189 250.00	0.89
USD YPF SA-REG-S 8.75000% 14-04.04.24	400 000.00	388 000.00	1.84
USD YPF SA-REG-S 8.87500% 13-19.12.18	100 000.00	101 000.00	0.48
<b>Total USD</b>		<b>12 964 205.25</b>	<b>61.33</b>

#### Total Notes, fixed rate

**12 964 205.25**      **61.33**

#### Notes, floating rate

##### USD

USD BANCO DE CREDITO DEL PERU/P-REG-S-SUB 6.125%/VAR 12-24.04.27	300 000.00	313 500.00	1.48
USD BANCO DO BRASIL CAYMAN-REG-S-SUB 6.250%/VAR 13-PRP	600 000.00	291 000.00	1.38
USD BANCO DO BRASIL CAYMAN-REG-S-SUB 9.000%/VAR 14-PRP	200 000.00	131 000.00	0.62
USD BANCO INTL PERU-REG-S 6.625%/3M LIBOR+576BP 14-19.03.29	100 000.00	100 500.00	0.48
USD COLOMBIA TELECOMUNICACIONES SA-REG-S-SUB 8.500%/VAR 15-PRP	500 000.00	428 750.00	2.02
USD MINERVA LUXEMBOURG SA-REG-S 8.750%/VAR 14-PRP	200 000.00	182 000.00	0.86
<b>Total USD</b>		<b>1 446 750.00</b>	<b>6.84</b>

#### Total Notes, floating rate

**1 446 750.00**      **6.84**

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
<b>Medium term notes, fixed rate</b>			
<b>USD</b>			
USD TV AZTECA SA DE CV-REG-S 7.62500% 13-18.09.20	400 000.00	233 364.00	1.10
<b>Total USD</b>		<b>233 364.00</b>	<b>1.10</b>
<b>Total Medium term notes, fixed rate</b>		<b>233 364.00</b>	<b>1.10</b>
<b>Bonds, fixed rate</b>			
<b>USD</b>			
USD AES PANAMA SRL-REG-S 6.00000% 15-25.06.22	200 000.00	198 500.00	0.94
USD BANCO DO BRASIL CAYMAN-REG-S-SUB 9.25000% 12-PRP	400 000.00	290 000.00	1.37
USD BANCO INTL PERU-REG-S 5.75000% 10-07.10.20	100 000.00	106 900.00	0.51
USD CEMEX SAB DE CV-REG-S 6.50000% 13-10.12.19	200 000.00	193 000.00	0.91
USD PETROBRAS GLOBAL FINANCE BV 7.87500% 09-15.03.19	200 000.00	177 000.00	0.84
USD TUPY OVERSEAS SA-REG-S 6.62500% 14-17.07.24	200 000.00	174 500.00	0.83
USD UNIFIN FINANCIERA SA DE CV-REG-S 6.25000% 14-22.07.19	400 000.00	366 000.00	1.73
<b>Total USD</b>		<b>1 505 900.00</b>	<b>7.13</b>
<b>Total Bonds, fixed rate</b>		<b>1 505 900.00</b>	<b>7.13</b>
<b>Total Transferable securities and money market instruments listed on an official stock exchange</b>		<b>16 150 219.25</b>	<b>76.40</b>
<b>Transferable securities and money market instruments traded on another regulated market</b>			
<b>Notes, fixed rate</b>			
<b>USD</b>			
USD AES GENER SA-REG-S 5.00000% 15-14.07.25	200 000.00	191 079.80	0.90
USD AGROMERCANTIL SENIOR TRUST-REG-S 6.25000% 14-10.04.19	100 000.00	100 750.00	0.48
USD AVIANCA HOLDINGS SA-REG-S 8.37500% 13-10.05.20	350 000.00	226 625.00	1.07
USD BANCO DE COSTA RICA-REG-S 5.25000% 13-12.08.18	200 000.00	199 500.00	0.94
USD CENCOSUD SA-REG-S 5.15000% 15-12.02.25	200 000.00	185 935.60	0.88
USD DIGICEL GROUP LTD-REG-S 8.25000% 12-30.09.20	200 000.00	165 000.00	0.78
USD DIGICEL LTD-REG-S 6.00000% 13-15.04.21	200 000.00	168 500.00	0.80
USD EL PUERTO DE LIVERPOOL SA DE CV-REG-S 3.95000% 14-02.10.24	200 000.00	194 250.00	0.92
USD ELEMENTIA SAB DE CV-REG-S 5.50000% 14-15.01.25	200 000.00	183 000.00	0.87
USD LATAM AIRLINES GROUP SA-REG-S 7.25000% 15-09.06.20	200 000.00	178 500.00	0.84
USD MARFRIG OVERSEAS LTD-REG-S 9.50000% 10-04.05.20	200 000.00	196 000.00	0.93
USD SAGICOR FINANCE 2015 LTD-REG-S 8.87500% 15-11.08.22	200 000.00	218 000.00	1.03
USD TANNER SERVICIOS FINANCIEROS SA-REG-S 4.37500% 13-13.03.18	350 000.00	341 250.00	1.62
USD VTR FINANCE B V-REG-S 6.87500% 14-15.01.24	200 000.00	184 000.00	0.87
<b>Total USD</b>		<b>2 732 390.40</b>	<b>12.93</b>
<b>Total Notes, fixed rate</b>		<b>2 732 390.40</b>	<b>12.93</b>
<b>Total Transferable securities and money market instruments traded on another regulated market</b>		<b>2 732 390.40</b>	<b>12.93</b>
<b>Total investments in securities</b>		<b>18 882 609.65</b>	<b>89.33</b>
<b>Cash at banks, deposits on demand and deposit accounts and other liquid assets</b>		<b>1 890 993.27</b>	<b>8.95</b>
<b>Bank overdraft and other short-term liabilities</b>		<b>-374.01</b>	<b>0.00</b>
<b>Other assets and liabilities</b>		<b>364 991.95</b>	<b>1.72</b>
<b>Total net assets</b>		<b>21 138 220.86</b>	<b>100.00</b>

# EuroAmerica AM SICAV

## – Small Cap Latam Fund

Annual Report as of 31 December 2015

### Most important figures

Date	ISIN	31.12.2015
Net assets in USD		5 028 751.22
<b>Class I<sup>1</sup></b>	<b>LU1061932403</b>	
Shares outstanding		66 415.9930
Net asset value per share in USD		75.72

<sup>1</sup> First NAV: 22.1.2015

### Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets		Economic Breakdown as a % of net assets	
Brazil	43.24	Finance & holding companies	23.20
Mexico	30.01	Real Estate	15.74
Chile	8.43	Banks & credit institutions	9.91
Peru	5.34	Miscellaneous unclassified companies	8.81
Colombia	3.85	Building industry & materials	6.49
Luxembourg	3.24	Traffic & transportation	6.48
Panama	2.98	Lodging, catering & leisure	6.37
<b>Total</b>	<b>97.09</b>	Miscellaneous services	3.13
		Food & soft drinks	2.61
		Internet, software & IT services	2.23
		Mining, coal & steel	2.21
		Chemicals	1.95
		Mechanical engineering & industrial equipment	1.72
		Tobacco & alcohol	1.53
		Electrical devices & components	1.49
		Retail trade, department stores	1.30
		Agriculture & fishery	1.25
		Textiles, garments & leather goods	0.50
		Insurance	0.17
		<b>Total</b>	<b>97.09</b>

## Statement of Net Assets

	<b>USD</b>
<b>Assets</b>	<b>31.12.2015</b>
Investments in securities, cost	6 436 091.06
Investments in securities, unrealized appreciation (depreciation)	-1 553 728.43
Total investments in securities (Note 1)	4 882 362.63
Cash at banks, deposits on demand and deposit accounts	149 274.59
Receivable on dividends	5 071.85
<b>Total Assets</b>	<b>5 036 709.07</b>
<b>Liabilities</b>	
Provisions for All-In-Fee (Note 2)	-7 832.13
Provisions for taxe d'abonnement (Note 3)	-125.72
Total provisions	-7 957.85
<b>Total Liabilities</b>	<b>-7 957.85</b>
<b>Net assets at the end of the period</b>	<b>5 028 751.22</b>

## Statement of Operations

	<b>USD</b>
<b>Income</b>	<b>22.1.2015-31.12.2015</b>
Interest on liquid assets	156.18
Dividends	169 456.99
<b>Total income</b>	<b>169 613.17</b>
<b>Expenses</b>	
All-In-Fee (Note 2)	-46 537.04
Taxe d'abonnement (Note 3)	-576.06
Interest on cash and bank overdraft	-43 329.68
<b>Total expenses</b>	<b>-90 442.78</b>
<b>Net income (loss) on investments</b>	<b>79 170.39</b>
<b>Realized gain (loss) (Note 1)</b>	
Realized gain (loss) on market-priced securities without options	-100 900.44
Realized gain (loss) on forward foreign exchange contracts	-194.06
Realized gain (loss) on foreign exchange	54 404.48
<b>Total realized gain (loss)</b>	<b>-46 690.02</b>
<b>Net realized gain (loss) of the period</b>	<b>32 480.37</b>
<b>Changes in unrealized appreciation (depreciation) (Note 1)</b>	
Unrealized appreciation (depreciation) on market-priced securities without options	-1 553 728.43
<b>Total changes in unrealized appreciation (depreciation)</b>	<b>-1 553 728.43</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-1 521 248.06</b>

## Statement of Changes in Net Assets

	<b>USD</b>
	<b>22.1.2015-31.12.2015</b>
Net assets at the beginning of the period	0.00
Subscriptions	7 149 999.44
Redemptions	-600 000.16
Total net subscriptions (redemptions)	6 549 999.28
Net income (loss) on investments	79 170.39
Total realized gain (loss)	-46 690.02
Total changes in unrealized appreciation (depreciation)	-1 553 728.43
Net increase (decrease) in net assets as a result of operations	-1 521 248.06
<b>Net assets at the end of the period</b>	<b>5 028 751.22</b>

## Changes in the Number of Shares outstanding

	<b>22.1.2015-31.12.2015</b>
<b>Class</b>	<b>I</b>
Number of shares outstanding at the beginning of the period	0.0000
Number of shares issued	73 126.6300
Number of shares redeemed	-6 710.6370
<b>Number of shares outstanding at the end of the period</b>	<b>66 415.9930</b>

## Statement of Investments in Securities and other Net Assets as of 31 December 2015

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
<b>Transferable securities and money market instruments listed on an official stock exchange</b>			
<b>Bearer shares</b>			
<b>Brazil</b>			
BRL BRASIL BROKERS PARTICIPACOES	72 200.00	23 906.98	0.48
BRL BRASIL INSURANCE P COM NPV	1 650.00	8 424.64	0.17
BRL CIA LOCACAO AMERIC COM NPV	87 800.00	75 677.22	1.50
BRL DIRECIONAL ENGENHA COM NPV	41 000.00	36 375.36	0.72
BRL EVEN CONSTRUT INCO COM NPV	256 200.00	266 804.17	5.31
BRL HELBOR EMPREENDIME COM NPV	42 900.00	17 024.45	0.34
BRL IGUATEMI EMP SHOPP COM NPV	17 600.00	84 124.11	1.67
BRL IOCHPE-MAXION COM NPV	27 900.00	86 741.23	1.72
BRL JHSF PARTICIPACOES COM NPV	215 500.00	69 177.88	1.38
BRL LINX SA COM NPV	10 000.00	111 974.72	2.23
BRL LPS BRASIL-CONSULT COM NPV	43 000.00	24 563.67	0.49
BRL RESTOQUE COM E COM COM NPV	54 000.00	25 251.18	0.50
BRL SAO MARTINHO SA COM NPV	17 000.00	196 759.56	3.91
BRL SER EDUCACIONAL S. COM NPV	30 000.00	58 388.63	1.16
BRL SLC AGRICOLA SA COM NPV	12 000.00	49 895.73	0.99
BRL SMILES SA COM NPV	6 500.00	57 175.36	1.14
BRL TPI TRIUNFO PARTIC COM STK NPV	102 000.00	118 597.16	2.36
BRL TUPY SA COM NPV	23 500.00	111 077.41	2.21
BRL VALID SOLU E SERV COM NPV	12 000.00	128 909.95	2.56
<b>Total Brazil</b>		<b>1 550 849.41</b>	<b>30.84</b>
<b>Chile</b>			
CLP BESALCO SA COM NPV	358 732.00	118 225.64	2.35
CLP EMPRESAS AQUACHILE COM NPV	50 885.00	12 925.91	0.26
CLP INV LA CONSTRUCCIO COM NPV	13 131.00	134 604.80	2.67
CLP RIPLEY CORP SA COM NPV	198 517.00	81 488.35	1.62
<b>Total Chile</b>		<b>347 244.70</b>	<b>6.90</b>
<b>Colombia</b>			
COP ORGANIZ TERPEL SA COM COP1000	21 063.00	56 132.61	1.12
<b>Total Colombia</b>		<b>56 132.61</b>	<b>1.12</b>
<b>Luxembourg</b>			
USD ADECOAGRO SA COM USD1.5	13 244.00	162 768.76	3.24
<b>Total Luxembourg</b>		<b>162 768.76</b>	<b>3.24</b>
<b>Mexico</b>			
MXN ALSEA SA DE CV COM NPV	92 500.00	320 541.77	6.37
MXN BANREGIO GRUPO FIN NPV	27 700.00	141 682.40	2.82
MXN BOLSA MEXICANA DE SER'A'NPV	118 945.00	157 434.95	3.13
MXN CORPORACION INMOBI COM NPV	140 300.00	213 238.55	4.24
MXN CORPOVAEL SA DE CV COM NPV 'A'	88 889.00	92 588.69	1.84
MXN CYDSA SAB DE CV SER'A' NPV	68 977.00	98 166.87	1.95
MXN GRUPO AEROPORTUARIO DEL CENTRO NORTE SAB DE CV-B	20 000.00	96 820.42	1.93
MXN GRUPO SPORTS WORLD COM NPV	117 702.00	131 664.81	2.62
MXN MACQUARIE MEXICO REAL ESTATE	203 000.00	256 818.45	5.11
<b>Total Mexico</b>		<b>1 508 956.91</b>	<b>30.01</b>
<b>Peru</b>			
PEN ALICORP S.A.A PEN1	77 084.00	131 054.89	2.60
<b>Total Peru</b>		<b>131 054.89</b>	<b>2.60</b>
<b>Total Bearer shares</b>		<b>3 757 007.28</b>	<b>74.71</b>
<b>Other shares</b>			
<b>Brazil</b>			
BRL ALUPAR INVEST SA UNITS (1 COM & 2 PRF)	22 500.00	74 786.73	1.49
BRL VIA VAREJO SA UNITS (REPR 1 COM & 2 PRF)	79 400.00	65 627.30	1.30
<b>Total Brazil</b>		<b>140 414.03</b>	<b>2.79</b>
<b>Total Other shares</b>		<b>140 414.03</b>	<b>2.79</b>
<b>Preference shares</b>			
<b>Brazil</b>			
BRL BANCO DAYCOVAL SA	53 900.00	119 618.83	2.38
BRL BCO ABC BRASIL SA PRF STK NPV	113 245.00	249 890.39	4.97
BRL EUCATEX SA IND&COM PRF NPV	49 000.00	34 060.03	0.68
<b>Total Brazil</b>		<b>403 569.25</b>	<b>8.03</b>

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
<b>Colombia</b>			
COP BANCO DAVIVIENDA S PRF COP160.00	20 000.00	137 344.45	2.73
<b>Total Colombia</b>		<b>137 344.45</b>	<b>2.73</b>
<b>Total Preference shares</b>		<b>540 913.70</b>	<b>10.76</b>
<b>Registered shares</b>			
<b>Chile</b>			
CLP VINA CONCHA Y TORO NPV	51 500.00	77 148.25	1.53
<b>Total Chile</b>		<b>77 148.25</b>	<b>1.53</b>
<b>Total Registered shares</b>		<b>77 148.25</b>	<b>1.53</b>
<b>Depository receipts</b>			
<b>Brazil</b>			
BRL SANTOS BR PART SA UNITS (1 COM & 4 PRF)	24 900.00	79 302.37	1.58
<b>Total Brazil</b>		<b>79 302.37</b>	<b>1.58</b>
<b>Panama</b>			
USD AVIANCA HOLDINGS SPON ADR EACH REPR 8 PREF	35 100.00	149 877.00	2.98
<b>Total Panama</b>		<b>149 877.00</b>	<b>2.98</b>
<b>Peru</b>			
USD CEMENTOS PACASMAYO SPON ADR EA REP 0.20 ORD	18 000.00	137 700.00	2.74
<b>Total Peru</b>		<b>137 700.00</b>	<b>2.74</b>
<b>Total Depository receipts</b>		<b>366 879.37</b>	<b>7.30</b>
<b>Total Transferable securities and money market instruments listed on an official stock exchange</b>		<b>4 882 362.63</b>	<b>97.09</b>
<b>Total investments in securities</b>		<b>4 882 362.63</b>	<b>97.09</b>
<b>Cash at banks, deposits on demand and deposit accounts and other liquid assets</b>		<b>149 274.59</b>	<b>2.97</b>
<b>Other assets and liabilities</b>		<b>-2 886.00</b>	<b>-0.06</b>
<b>Total net assets</b>		<b>5 028 751.22</b>	<b>100.00</b>

# Notes to the Financial Statements

Annual Report as of 31 December 2015  
EuroAmerica AM SICAV

## Note 1 – Summary of significant accounting policies

The financial statements have been prepared in accordance with the generally accepted accounting principles for investment funds in Luxembourg. The significant accounting policies are summarised as follows:

### a) Calculation of the net asset value

The net asset value of each class within each subfund (expressed in the currency of denomination of the subfund) is determined by aggregating the value of securities and other permitted assets of the Company allocated to that class and deducting the liabilities of the Company allocated to that class.

The Net Asset Value per share will be determined on each Business Day and (ii) any other day as the Board of Directors may determine on a case-by-case basis or generally from time to time (the "Valuation Day").

### b) Valuation principles

The assets of each class within each subfund are valued as of the Valuation Day as follows:

- shares or units in open-ended undertakings for collective investment, which do not have a price quotation on a Regulated Market, will be valued at the actual net asset value for such shares or units as of the relevant Valuation Day, failing which they shall be valued at the last available net asset value which is calculated prior to such Valuation Day. In the case where events have occurred which have resulted in a material change in the net asset value of such shares or units since the last net asset value was calculated, the value of such shares or units may be adjusted at their fair value in order to reflect, in the reasonable opinion of the Board of Directors, such change;
- the value of securities (including a share or unit in a closed-ended undertaking for collective investment and in an exchange traded fund) and/or financial derivative instruments which are listed and with a price quoted on any official stock exchange or traded on any other organized market at the last available stock price. Where such securities or other assets are quoted or dealt in or on more than one stock exchange or other organised markets, the Board of Directors shall select the principal of such stock exchanges or markets for such purposes;
- shares or units in undertakings for collective investment the issue or redemption of which is restricted and in respect of which a secondary market is maintained by dealers who, as principal

market-makers, offer prices in response to market conditions may be valued by the Board of Directors in line with such prices;

- the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof;
- the financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Company;
- swap contracts will be valued according to generally accepted valuation rules that can be verified by auditors. Asset based swap contracts will be valued by reference to the market value of the underlying assets. Cash flow based swap contracts will be valued by reference to the net present value of the underlying future cash flows;
- the value of any security or other asset which is dealt principally on a market made among professional dealers and institutional investors shall be determined by reference to the last available price;
- any assets or liabilities in currencies other than the relevant currency of the subfund concerned will be converted using the relevant spot rate quoted by a bank or other responsible financial institution;
- in the event that any of the securities held in the Company portfolio on the relevant day are not listed on any stock exchange or traded on any organised market or if with respect to securities listed on any stock exchange or traded on any other organised market, the price as determined pursuant to subparagraph (2) is not, in the opinion of the Board of Directors, representative of the fair market value of the relevant securities, the value of such securities will be determined prudently and in good faith based on the reasonably foreseeable sales price or any other appropriate valuation principles;
- in the event that the above mentioned calculation methods are inappropriate or misleading, the Board of Directors may adopt to the extent such valuation principles are in the best interests of the shareholders any other appropriate valuation principles for the assets of the Company; and

- in circumstances where the interests of the Company or its shareholders so justify (avoidance of market timing practices, for example), the Board of Directors may take any appropriate measures, such as applying a fair value pricing methodology to adjust the value of the Company's assets.

#### *Dilution Provisions*

The subfunds are single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, switches and/or redemptions in and out of a subfund. This is known as "dilution".

#### *Swing Pricing*

In order to counter this and to protect shareholders' interests, the Company may apply a technique known as swing pricing as part of its valuation policy. This will mean that in certain circumstances the Company will make adjustments in the calculations of the Net Asset Values per share, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

#### *Dilution Adjustment*

The need to make a dilution adjustment will depend upon the net value of subscriptions, conversions and redemptions received by a subfund on each Valuation Day. The Company therefore reserves the right to make a dilution adjustment where a subfund experiences a net cash movement which exceeds a threshold, set by the Board of Directors from time to time, of the previous Valuation Day's net asset value.

The Company may also make a discretionary dilution adjustment if, in its opinion, it is in the interest of existing shareholders to do so.

Where a dilution adjustment is made, it will typically increase the Net Asset Value per share when there are net inflows into a subfund and decrease the Net Asset Value per share when there are net outflows. The Net Asset Value per share of each class in a subfund will be calculated separately but any dilution adjustment will, in percentage terms, affect the Net Asset Value per share of each class identically.

As dilution is related to the inflows and outflows of money from a subfund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the Company will need to make such dilution adjustments. Because the dilution adjustment for each subfund will be calculated by reference to the costs of dealing in the underlying investments of that subfund, including any dealing spreads, which can vary with market conditions, this means that the amount of the dilution adjustment can vary over time but will not exceed 2% of the relevant net asset value.

#### *Dilution Levy*

In order to mitigate the "dilution" and consequent potential adverse effect on remaining shareholders, the Company has, alternatively, the power to charge a "dilution levy" of up to 2% of the applicable Net Asset Value when Shares are subscribed for or redeemed, such "dilution levy" to accrue to the affected subfund. Any dilution levy must be fair to all shareholders and potential shareholders and the Company will operate this measure in a fair and consistent manner to reduce dilution and only for that purpose. The dilution levy mechanism will not be applied if the swing pricing mechanism is used.

#### *c) Net realized gain (loss) on sales of securities*

The realized gains or losses on the sales of securities are calculated on the basis of the average cost of the securities sold.

#### *d) Valuation of forward foreign exchange contracts*

The unrealized gain (loss) of outstanding forward foreign exchange contracts is valued on the basis of the forward exchange rates prevailing at valuation date.

#### *e) Valuation of financial futures contracts*

Financial futures contracts are valued based on the latest available published price applicable on the valuation date. Realized gains and losses and the changes in unrealized gains and losses are recorded in the statement of operations. The realized gains and losses are calculated in accordance with the FIFO method, i.e. the first contracts acquired are regarded as the first to be sold.

*f) Conversion of foreign currencies*

Bank accounts, other net assets and the valuation of the investments in securities held denominated in currencies other than the reference currency of the different subfunds are converted at the mid closing spot rates on the valuation date. Income and expenses denominated in currencies other than the currency of the different subfunds are converted at the mid closing spot rates at payment date. Gain or loss on foreign exchange is included in the statement of operations.

The cost of securities denominated in currencies other than the reference currency of the different subfunds is converted at the mid closing spot rate prevailing on the day of acquisition.

*g) Consolidated financial statements*

The consolidated financial statements of the Company are expressed in USD. The various items of the consolidated statement of net assets and the consolidated statement of operations as of 31 December 2015 of the Company are equal to the sum of the corresponding items in the financial statements of each subfund.

*h) Receivable on securities sales, Payable on securities purchases*

The account "Receivable on securities sales" can also include receivables from foreign currency transactions. The account "Payable on securities purchases" can also include payables from foreign currency transactions.

*i) Income recognition*

Dividends, net of withholding taxes, are recognized as income on the date upon which the relevant securities are first listed as "ex-dividend". Interest income is accrued on a daily basis.

**Note 2 – Charges and Expenses  
(until 31 May 2015)**

*a) Management Fee*

In consideration for the management company services, including but not limited to investment management, investment advisory and distribution services provided to the Company, the Management Company is entitled to receive an aggregate management fee of a percentage of the net assets of the relevant class (the "Management Fee"). Unless

otherwise provided for, these fees will be accrued on each Valuation Day and payable monthly in arrears out of the assets of the relevant subfund/share class. The Management Company will receive a minimum annual fee of 24.500 EUR for each subfund irrespective of the amount of the assets under management.

For all subfund(s), in certain circumstances, the Management Company may instruct the Company to pay a portion of the above fees and expenses directly out of the assets of the Company to any such service providers. In such case, the fees and expenses due to the Management Company are reduced accordingly.

<b>Management Fee for class I</b>	
EuroAmerica AM SICAV	
– Latam High Yield Bond Fund	up to 1.20% p.a.
EuroAmerica AM SICAV	
– Small Cap Latam Fund	up to 1.20% p.a.

*b) Central administration Fee*

In consideration of its services, the Administration Agent, Registrar and Transfer Agent and Domiciliary Agent will be entitled to receive from the Company customary fees of maximum 0.06% per annum (Luxembourg tax not included). The central administration fees will be calculated by reference to the monthly average net asset value of each Class with a minimum annual fee of the equivalent in USD of EUR 30.000 per subfund (reduced for the first financial year to the equivalent in USD of EUR 20.000). They will accrue on each Valuation Day and will be payable monthly in arrears.

*c) Depositary Fees*

In consideration of its services, the Depositary will be entitled to receive from the Company customary fees of maximum 0.05% per annum (Luxembourg tax not included) with a minimum annual fee of the equivalent in USD of EUR 20.000 per subfund. The depositary fees will be calculated by reference to the monthly average net asset value of each Class. They will accrue on each Valuation Day and will be payable monthly in arrears. In addition, the Depositary will be entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and to receive reimbursement for the fees charged to it by any correspondent bank or other agent (including any clearing system).

*d) Other Charges and Expenses*

The Company also pays the costs and expenses:

- of all transactions carried out by it or on its behalf and
- of the administration of the Fund, including but not limited to
  - (a) the charges and expenses of legal advisers and the Auditor,
  - (b) brokers' commissions (if any) and any issue or transfer taxes chargeable in connection with any securities transactions,
  - (c) all taxes and corporate fees payable to governments or agencies,
  - (d) Directors' fees,
  - (e) Investment Manager's cost and expenses associated with the operations of the Company or the relevant subfund with regard to its establishment, organisational, administrative and offering expenses,
  - (f) interest on borrowings,
  - (g) communication expenses with respect to investor services and all expenses of meetings of shareholders and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses, key investor information documents, and similar documents,
  - (h) the cost of insurance (if any),
  - (i) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, being inter alia the cost of obtaining and maintaining the listing of the shares, as the case may be and marketing and promotional expenses and
  - (j) all other organisational and operating expenses, including out-of-pocket expenses incurred on behalf of the Company.

Any extraordinary expenses including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge and any unforeseen charges imposed on the Company or its assets will be borne by the Company.

The costs and expenses for the formation of the Company and the initial issue of its shares will be borne by the first subfunds of the Company (namely the Small Cap Latam Fund and the Latam High Yield Bond Fund) and amortized over a period not exceeding 5 years. Any additional subfund(s) which may be created in the future shall bear their own formation expenses to be amortized over a period not exceeding 5 years.

**All-In-Fee (since 1 June 2015)**

The Board of Directors of the Company unanimously resolved and agreed as per Circular Resolution dated 1 June 2015 to set-up an All-In-Fee, which includes the Custodian fees, ticket fees, the Central Administration fee, the Management Company fee (including the investment Manager's fee).

EuroAmerica AM SICAV	Shareclass B
– Latam High Yield Bond Fund	1.10% p.a.

EuroAmerica AM SICAV	Shareclass I
– Latam High Yield Bond Fund	1.14% p.a.
– Small Cap Latam Fund	1.49% p.a.

The above All-In-Fee is borne by the Fund. All other costs are paid by EuroAmerica Administradora General de Fondos S.A., Chile.

**Note 3 – Taxe d'abonnement**

The Company is not liable to any Luxembourg tax on profits or income, nor are dividends paid by the Company liable to any Luxembourg withholding tax.

The Company is, however, liable in Luxembourg to a subscription tax of 0.05% per annum of its net asset value, such tax being payable quarterly on the basis of the value of the net assets of the Company at the end of the relevant calendar quarter. This tax rate is reduced to 0.01% per annum for Classes of shares reserved to institutional investors within the meaning of Article 174 of the 2010 Law. In addition, the value of the subfund(s)' assets represented by units held in other Luxembourg undertaking for collective investment shall be exempt from this tax, provided such units have already been subject to this subscription tax.

**Note 4 – Distribution**

The Directors may issue distribution and capital-accumulation shares, as further specified in the prospectus.

- (i) Capital-accumulation shares do not pay any dividends.
- (ii) The distribution policy of the distribution shares can be summarised as follows:

Dividends will be declared by the relevant shareholders at the annual general meeting of shareholders or any other shareholder meeting. During the course of a financial year, the Board of Directors may declare interim dividends in respect of certain subfund(s) or distribution shares.

In the absence of any instruction to the contrary, dividends will be paid out. Holders of registered shares may however, by written request to the Registrar and Transfer Agent or by completion of the relevant section of the Application Form, elect to have dividends relating to any distribution Class of any subfund reinvested automatically in the acquisition of further shares relating to that subfund. Such shares will be purchased no later than on the next Valuation Day after the date of payment of the dividend. Shares allocated as a result of such reinvestment will not be subject to any sales charge.

For the fiscal year ending 31 December 2015 all the subfunds pursue a accumulation policy.

#### **Note 5 – Transaction costs**

Transaction costs include brokerage fees, stamp duty, local taxes and other foreign charges if incurred during the period. Transaction fees are included in the cost of securities purchased and sold.

For the financial period ended on 31 December 2015, the Company incurred transaction costs relating to purchase or sale of investments in securities and similar transactions as follows:

<b>EuroAmerica AM SICAV</b>	<b>Transaction costs</b>
– Latam High Yield Bond Fund	5 638.03 USD
– Small Cap Latam Fund	20 610.55 USD

Not all transaction costs are separately identifiable. For fixed income investments, forward currency contracts and other derivative contracts, transaction costs will be included in the purchase and sale price of the investment. Whilst not separately identifiable these transaction costs will be captured within the performance of each subfund.

#### **Note 6 – Official language**

The English version of these financial statements is the authoritative version and only this version was audited by the auditors. However, in the case of Company shares sold to investors from other countries in which Company shares can be bought and sold, the Company and the custodian bank may recognize approved translations (i.e. approved by the Company and the custodian bank) into the languages concerned as binding upon themselves.

# Global Exposure (unaudited)

Annual Report as of 31 December 2015  
EuroAmerica AM SICAV

## Risk management

Risk management in accordance with the commitment approach and the value-at-risk approach is applied pursuant to the applicable laws and regulatory provisions.

## Leverage

Leverage is defined pursuant to the applicable ESMA directives as the total of the notional values of the derivatives used by the respective subfund. According to this definition, leverage may result in artificially increased leverage amounts, as some derivatives that can be used for hedging purposes may be included in the calculation. Consequently, this information does not necessarily reflect the precise actual leverage risk that the investor is exposed to.

<b>Subfund</b>	<b>Global risk calculation method</b>
EuroAmerica AM SICAV – Latam High Yield Bond Fund	Commitment approach
EuroAmerica AM SICAV – Small Cap Latam Fund	Commitment approach