

31/01/2020

FUND INFORMATION

Please see end of document for important disclosures

General statistics

NAV: 10.2118
Domicile: Republic of Panama
Fund Rating: paAA- (PCR)
Type of Fund: Closed-end
Inception Date: 05/09/2008
Currency: USD
ISIN: PAL3261791B3
Bloomberg Ticker: MMGFIF PP Equity

Portfolio statistics

Assets: 170,316,694
Net Assets: 170,311,701
Issuers: 110
Holdings: 157
Wgt Duration: 2.80
Wgt Local Rating: A+
Wgt Intl Rating: BB
Volatility (12M): 0.86%

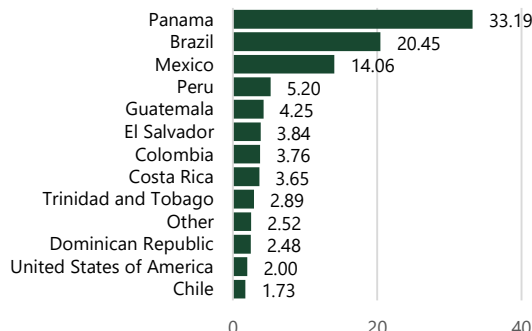
Investing in the fund

Minimum Subscription: \$10,000
Dividend Frequency: Monthly
Subscriptions: Daily
Redemptions: Monthly (3)
Management fee: 1.00% (4)

Additional information

Fund Manager: MMG AM (1)
Brokerage: MMG Bank Corp (2)
Registry Payment: MMG Bank Corp (2)
Listing: BVP
Custodian: Latinclear

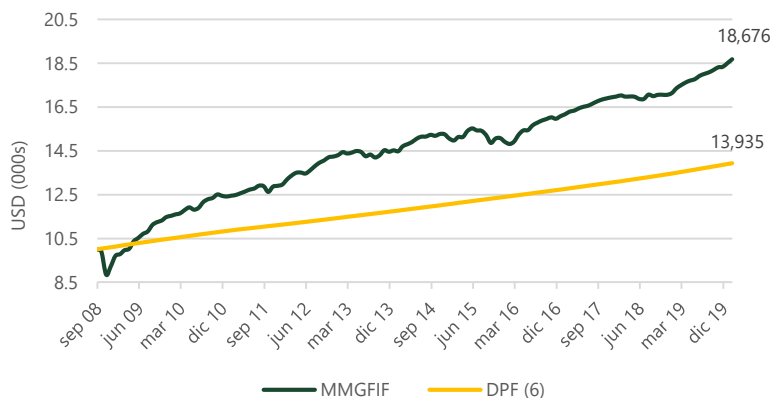
Country diversification (7)



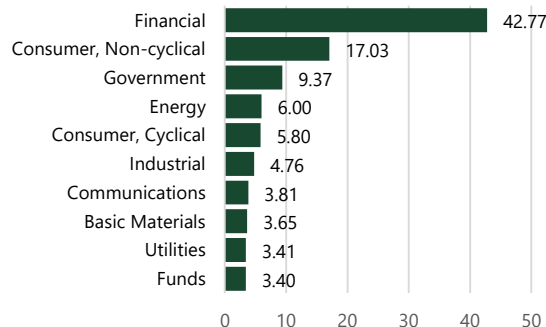
Historical performance (5)

| | 2015 | 2016 | 2017 | 2018 | 2019 | Año-a-la-Fecha | Ult-12-Meses | Mes Corr. | Inicio Anual. |
|--------------------------|-------|------|------|------|------|----------------|--------------|-----------|---------------|
| Retorno de Dividendo (%) | 5.36 | 5.54 | 5.48 | 5.63 | 5.68 | 0.46 | 5.67 | 0.46 | 5.47 |
| Retorno Total (%) | -1.01 | 7.86 | 5.56 | 0.92 | 7.98 | 0.96 | 7.60 | 0.96 | 5.62 |

Growth of \$10,000 reinvesting dividends



Sector allocation



Top 10 issuers

| Issuer | % |
|---|------|
| Banco Aliado, S.A. | 3.31 |
| Corporacion de Finanzas del Pais, S.A. | 3.18 |
| Marfrig Global Foods S.A. | 2.84 |
| BANISI, S.A. | 2.57 |
| Towerbank International, Inc. | 2.37 |
| Unifin Financiera, S. A. B. de C. V. | 2.14 |
| Morgan Stanley Investment Management Inc. | 2.00 |
| Aegea Saneamento e Participações S.A. | 1.95 |
| AES Panama, S.R.L. | 1.90 |
| Costa Rica | 1.90 |

Top 10 issuers represent 24.15% of the portfolio.

Objective and strategy

- MMG Fixed Income Fund is a diversified, fixed-income and hybrid capital, US-dollar-denominated fund that invests in securities whose country of risk is Panama or other Latin American countries.
- The fund's objective is to obtain a superior net return to traditional short-term banking products and to pay a monthly dividend.
- Our investment process focuses on the fund's total return, while maintaining a low-volatility profile. We established investment guidelines that allow us to maintain a diversified portfolio and minimize credit and interest rate risk.
- Given Panama's stable and international capital markets and our expertise in the local economy, we placed the country at the core of our investment process. Although we favor a bottom-up approach, we monitor macroeconomic conditions of all the countries/sectors we operate in and position the portfolio accordingly.

Credit quality

| Credit Quality | % |
|-----------------|-------|
| AAA | 2.00 |
| AA+, AA, AA- | 0.00 |
| A+, A, A- | 0.49 |
| BBB+, BBB, BBB- | 11.09 |
| BB+, BB, BB- | 42.90 |
| B+, B, B- | 8.34 |
| CCC+ or less | 0.00 |
| Local Rating | 29.99 |
| NR | 5.19 |

Disclaimer

- 1) Regulated by the Securities Market Superintendency of Panama. Licensed to act as Investment Manager.
- 2) Regulated and supervised by the Superintendency of Banks of Panama and the Securities and Exchange Commission of Panama. Licensed to act as Brokerage House.
- 3) Redemptions are at the issuer's discretion.
- 4) The management fee is subject to a 7% sales tax
- 5) Past performance is no guarantee of future results. The risks inherent in investing in the fund are detailed in the offering memorandum and prospectus. Annual returns are shown in USD, net of fees, and as of 31st December.
- 6) Calculated using average rate published by the Panamanian Banking Superintendency for the given period.
- 7) The fund may invest in developed markets for liquidity management.

Important risks:

The fund is actively managed and its characteristics can vary. The fixed income securities in which the fund invests can vary in price depending on the market conditions. Among the risks of fixed income investments there exists the risk of an increase in interest rates and credit risk. Normally, when interest rates increase, the price in fixed income securities proportionally decreases. On the other hand, credit risk refers to the possibility that the bond Issuer is not able to pay the interest or initial investment creating a financial loss to the fund and consequently to the investor. Although the fund only invests in fixed income securities that are issued in US dollars, international investments imply specific risks, including but not limited to monetary fluctuations, lack of liquidity, and volatility of the investment. These types of risks are present on emerging markets investments. High Yield Bonds are more prone to fluctuations in price and the risk of the issuer not being able to repay the debt. The interested investors should consult the informative prospectus that is available in the offices of MMG Bank Corporation. This factsheet does not represent an investment recommendation in the fund.