I-AM VISION MICROFINANCE MARKET COMMENTARY JULY 2026

New Investments in Latin America

The month in bullets:

- I-AM invests in El Salvador, Armenia, Vietnam
- Local currencies perform strongly
- The portrait of a microfinance institution in El Salvador

I. Manager Commentary

During the month of July 2026, I-AM Vision Microfinance placed investments in El Salvador, Armenia, Vietnam and China. The investment in El Salvador has the intention to foster a positive impact on the UN Sustainable Development Goals 5 for Gender Equality as the MFI directs more than half of its loan portfolio to female clients and their microbusinesses as well as small businesses.

The Emerging and Frontier currencies allocated in I-AM Vision Microfinance showed mostly a positive performance during the month of July. The US-Dollar remained strong until the last days of the month, when some tailwind from interest rate hike expectations faded as inflation relief from easing tensions in the Middle East war became prevalent. These developments are expected to support the majority of the Emerging and Frontier currency universe. Currencies like the Indian Rupee (INR) and Indonesian Rupiah (IDR), which were impacted by the war and its energy price scares during the second quarter of the year remained volatile, but stabilized overall as the probability of a ceasefire increases. Regionally Latin America was the clear currency best performer during the month under review against the US-Dollar with the I-AM Vision Microfinance Local Currencies Top 3 currency gains coming from: The Colombian Peso (COP), the Brazilian Real (BRL) and the Paraguay Guarani (PYG).

Having a look at July's sovereign credit ratings, S&P upgraded Pakistan's long-term foreign currency debt rating to B with a stable outlook reflecting strengthened institutional capacity, implementation of reforms and increasing foreign exchange reserves. The Asian country has become a key market over the years for the I-AM VMF Fund due to being home to microfinance institutions with an impressive social outreach.

From a Central Bank perspective, the European Central Bank left rates unchanged on the 23rd of July despite inflation risks in the currency block being tilted to the upside as a result from the Middle East war. The US Federal Reserve also kept rates unchanged. During the prevailing market environment, emerging as well as frontier market currencies offer a diversification potential in combination with attractive valuations. The relatively low public and private debt of several emerging markets, the young demographic and the inherent source of commodities defined as important for future key economic shifts like the energy transition should support the market in the medium- to long-term.

II. Funds Performance

I-AM Vision Microfinance Fund

The I-AM Vision Microfinance Fund registered a positive net return of +0.41 % for the USD (I-T) share class for the month under review. The EUR (R-T) and EUR (I-T) share classes registered a monthly performance of +0.23 % and +0.28 % respectively. During the month valuation adjustments were performed and the fund's investment level stood at about 87 %.

The diversification potential of the I-AM Vision Microfinance Fund for investors' portfolios is reflected in the low volatility of around 0.7 % p.a. since inception.

I-AM Vision Microfinance Local Currency Fund

The I-AM Vision Microfinance Local Currency Fund's strategy of lending in local currencies is important within the microfinance world as the Fund holds a unique position. It contributes to the process of sustaining the MFIs' access to private money in local currencies and developing local financial markets.

The I-AM Vision Microfinance Local Currency Fund registered a positive net return of +1.34 % for the USD (I-T) share class for the month under review. The EUR (R-T) and EUR (I-T) share classes registered a monthly performance of +1.14 % and +1.19 % respectively. During the month under review no valuation adjustments were performed and the fund's investment level stood at around 92 %.

III. Social Impact Corner

Microfinance Portrait: An institution in El Salvador

The Microfinance Institution (MFI) COOPHEL ASEI was founded as an NGO in 1990 aimed at supporting low-income Salvadoran micro-entrepreneurs with its current goal of providing innovative financial and non-financial solutions to the microfinance sector and other economic segments, primarily female entrepreneurs. Through comprehensive programs the MFI intends to drive the economic, social, environmental and personal wellbeing of its clients.

In the year 2026 the institution has a loan portfolio of about 20mil USD, which serves about twenty thousand clients of which about 70% are female. The MFI follows mostly a group lending model, also known as the Grameen Bank Model, which was also made famous by Prof. Mohammed Yunus and his achievements resulting in the Nobel Price.

In a first step, I-AM Vision Microfinance committed to supporting COOPHEL ASEI until the year 2029 and hopefully beyond.

Legal Disclaimer

Marketing message: This document is only directed to professional clients and authorized distributors and not to retail investors.

This marketing document is provided for non-binding information purposes only and does not represent any offering or invitation to purchase or sell units in an investment fund, and nor should it be deemed an invitation to submit an offer for conclusion of any contract on investment services or collateral performance. This document cannot replace the advice of your personal investment advisor.

All details and contents hereof are without guarantee and deemed confidential and solely intended for internal use. Any unauthorized use hereof, in particular its reproduction, processing, transmission or publication is forbidden. The author hereof as well as any enterprises affiliated with them exclude herewith all and any liability in full for the correctness, completeness or actuality of the information contained and opinions stated herein. All performance figures indicated include any costs arising at the fund level and assume the reinvestment of any distributions.

Past performance figures, back test data as well as past or future related simulations contained herein allow no conclusions on any future development of such figures or their underlying financial instruments or indices and are thus deemed no warranty for future developments. This is in particular applicable to the use of back test data which always results in hypothetical, past-related representations. Fund-based investments are subject to general economic risks as well as fluctuations in value which may result in losses – and even the total loss of the capital invested. Express reference is made to the detailed risk notices provided in the prospectus.

Unit classes denominated in foreign currencies entail an additional currency risk. Their performance may rise or fall due to currency fluctuations.

This document has been prepared by Impact Asset Management GmbH (Am Belvedere 1, A-1100 Vienna, info@erste-iam.com, www.erste-iam.com).

No liability is assumed for any of the information provided herein.

SWITZERLAND: Representative: First Independent Fund Services AG, Klausstrasse 33, 8008 Zurich; Paying agent: NPB Neue Private Bank AG, Limmatquai 1/am Bellevue, 8022 Zurich. The shown fund is a collective investment under Luxembourg law. Accordingly, this document may only be used for activities which are not sales activities within the meaning of Article 3 of the Swiss Collective Investment Schemes Act (CISA) (Bundesgesetz über die kollektiven Kapitalanlagen, KAG) of June 23, 2006 and the relevant provisions of the Swiss Regulation on Collective Investments (Verordnung über die kollektiven Kapitalanlagen, KKV) of November 22, 2006, as amended, as well as the current practice of the Swiss Financial Market Supervisory Authority (FINMA) and the competent courts.

The basis for the purchase of investment units is the presently valid prospectus, the current versions of the key investor document ("PRIIP"), the statutes of the fund as well as the annual report and, if older than eight months, the semi-annual report. Potential investors may obtain the current German-language versions free-of-charge from Axxion S.A., 15, rue de Flaxweiler, LU-6776 Grevenmacher, and from the swiss representative, First Independent Fund Services AG, Klausstrasse 33, 8008 Zurich. They are also available at www.axxion.de.