

INVESTMENT FUND
“CBL Global Emerging Markets Bond Fund”

ANNUAL REPORT FOR 2015
(3rd financial year)

PREPARED IN ACCORDANCE WITH

FCMC “NORMATIVE REGULATIONS ON PREPARATION OF ANNUAL REPORTS AND CONSOLIDATED ANNUAL REPORTS OF INVESTMENT FUND AND OPEN ALTERNATIVE INVESTMENT FUND” AND INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

Translation from Latvian original*

Riga, 2016

*This version of financial statements is a translation from original, which was prepared in Latvian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of financial statements takes precedence over this translation.

**IF “CBL Global Emerging Markets Bond Fund”
Annual Report for 2015
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IF "CBL Global Emerging Markets Bond Fund"
Annual Report for 2015
General information on the investment fund

Name of the fund:	"CBL Global Emerging Markets Bond Fund"
Type of fund:	Investment fund
Registration date:	23 May 2013 (date of re-registration: 30 March 2015)
Fund number:	FL130-06.03.04.098/41
Name of the investment management company:	"CBL Asset Management" IPAS
Registered office:	Republikas laukums 2a, Riga, LV-1010, Latvia
Registration number:	40003577500
License number:	06.03.07.098/285
Name of the custodian bank:	"Citadele banka" AS
Registered office:	Republikas laukums 2a, Riga, LV-1010, Latvia
Registration number:	40103303559
Investment management company's Board and Council members and their positions:	<p><i>Council of the investment management company:</i> Chairperson of the Council - Juris Jākobsons - appointed on 30.09.2010 Deputy Chairperson of the Council – Vladimirs Ivanovs – appointed on 06.11.2012 Council Member – Aldis Paegle – appointed on 04.07.2014 Council Member – Peter Meier – appointed on 30.09.2015</p> <p><i>Board of the investment management company:</i> Chairperson of the Board - Uldis Upenieks – appointed on 01.11.2012 Board Member - Zigurds Vaikulis – appointed on 30.03.2007 Board Member - Andris Kotāns – appointed on 11.05.2015 Board Member - Lolita Sičeva – appointed on 11.05.2015</p>
Rights and responsibilities related to management of Investment fund	Council and Board members shall perform all duties specified in Latvian laws and Investment Management Company's Statutes.
Managers:	Andris Kotāns – appointed on 15.03.2013 Edgars Lao – appointed on 15.03.2013.
Rights and responsibilities related to Fund management	Fund managers shall perform all duties specified in Latvian laws, Investment Management Company's Statutes and Fund prospectus.
Auditor:	"KPMG Baltics" SIA Vesetas iela 7, Riga Riga, LV-1013 Licence No. 55 Latvia

IF "CBL Global Emerging Markets Bond Fund"
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Investment management company's report

Investment Fund "CBL Global Emerging Markets Bond Fund" (hereinafter – the Fund) is a debt securities investment fund whose principal currency is euro. The Fund manager is investment management company "CBL Asset Management", legal address Republikas laukums 2a, Riga, LV-1010, registered under No 40003577500. The number of Company's operating licence is 06.03.07.098/285, which was last re-registered on 19 February 2014.

The Fund aims to achieve long-term capital appreciation by investing in debt securities issued or guaranteed by central governments, municipalities, central banks, credit institutions and commercial companies of the developing countries. The investment portfolio of the Fund is diversified to include investments in different currencies, industries and countries, thereby achieving a higher protection against volatility of the Fund's asset value versus investments in a single currency, industry or country securities. There were no changes to the Fund's policy during the reporting period.

At the end of the reporting period, the net assets of the Fund amounted to EUR 19,192,046. As at 31.12.2015, gross assets amounted to EUR 19,538,423. The Fund's share value during the reporting period decreased by 15 cents and at the year-end it amounted to EUR 9.92. The Fund's overall return in 2015 was -1.49% in terms of Fund's currency (euro) and foreign exchange rates set by financial markets at end of the day.

Debt securities markets of developing countries began 2015 with a recovery from the fall at the end of 2014, which was due to the free fall of oil and metal prices. Moreover, countries whose dependence on the export of raw materials is the highest showed the sharpest rise. However, the positive trend did not last very long, and at the second half of the year the prices of eurobonds resumed their downward slide concluding 2015 with no significant changes. Meanwhile, the performance of developing countries' local currencies was strongly negative and in terms of dollars this market segment lost 15% of its value. Pressure on emerging markets was mainly exerted by external factors - increased concerns regards the global economic slowdown, concern about the Federal Reserve's decision to raise the record low interest rates and the rise of US dollar. Certain local events also played an important role in a number of markets. On the down side, corruption scandal in Brazil should be mentioned, as it continued to expand and has negatively affected the President's position, and new geopolitical tensions between Russia and Turkey, but on the positive side Ukraine's debt restructuring and the result of Argentine presidential elections favourable for the investors should be mentioned.

During the reporting period the Fund's structure became even more balanced and by the year-end the Fund's debt securities were diversified between 25 countries. Exposure to India (from 12.87% to 1.69%) and Russia (from 10.19% to 5.78%) was significantly reduced, as, in our opinion, valuations have become less attractive. Whereas the exposure to Chile was increased from 7.04% to 10.42%, thus at the end of the reporting period it had the largest share in the Fund. In 2015, new investments in Romanian, Macedonian, Latvian, Namibian, Azerbaijani, Bahraini, Sri Lanka and Chinese debt securities markets were made, but investments in Thailand, Georgia and United Arab Emirates have been fully exited. In terms of sectors, the Fund's diversification was increased by reducing the large exposure to commercial banks from 32.18% to 19.81%, as the credit quality of the banks is adversely affected by the weakening local currencies. The share of government debt securities was increased from 11.30% to 17.99%. At the end of the reporting period the Fund's total share of investments in the local currency debt securities market remained unchanged at 15%. The average yield to maturity of the Fund was 6.8% average duration 3.5 and weighted average credit rating was Baa3.


Management costs during the period amounted to EUR 312,898 or 1.73% of average value of net assets during the period, which does not exceed the maximum amount of 4.00% provided in the Fund's prospectus.

No significant events have taken place since the year-end to the date of these financial statements that would have a material impact on the Fund's financial situation.

The management team of IPAS "CBL Asset Management" closely follows developments both locally and globally: in terms of sustainability of economic growth, monetary and fiscal policy of the largest countries, as well as possible inflation and political risks, as they have a substantial impact on the economies of developing countries economy and the dynamics of the capital market. At the same time, selective instrument selection, regardless of the sector and the geography will continue to be a decisive factor in the Fund's investment process.



 Uldis Upenieks
 Chairperson of the Board



 Andris Kotāns
 Member of Investment Committee



 Edgars Lao
 Member of Investment Committee

Riga, 28 April 2016

IF "CBL Global Emerging Markets Bond Fund"
Annual Report for 2015
Statement of responsibility of the Board of the investment management company

The Board of Investment Management Company (hereinafter - the Company) is responsible for preparation of financial statements of investment fund "CBL Global Emerging Markets Bond Fund" (hereinafter - the Fund).

The financial statements on pages 7 to 31 are prepared based on source documents and present fairly the financial position of the Fund as at 31 December 2015, the results of its operations in 2015.

Financial statements mentioned above are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, as required by the regulation of the Financial and Capital Market Commission (FCMC) "On preparation of annual reports and consolidated annual reports of investment fund and open alternative investment fund" on a going concern basis. Appropriate accounting methods have been consistently applied in the reporting period. Prudent and reasonable judgments and estimates have been made by the Management in the preparation of the financial statements.

The Board of the Company is responsible for the maintenance of proper accounting records, the safeguarding of "CBL Global Emerging Markets Bond Fund" assets and the prevention and detection of fraud and other irregularities. They are also responsible for operating the Fund in compliance with the Law on Investment Management Companies, regulations of the Financial and Capital Market Commission (FCMC) and other laws and regulations of the Republic of Latvia.



Uldis Upenieks
Chairperson of the Board

Riga,
28 April 2016



CUSTODIAN BANK REPORT

For holders of IF "CBL Global Emerging Markets Bond fund"
Investment fund applications

With this Citadele Bank JSC, which is registered in LR Enterprise register on June 30, 2010 with No. 40103303559 and located at 2a Republikas square, Riga, certifies, that:

According to the law "On investment companies" of Republic of Latvia, regulations of Financial and Capital Market Commission (FCMC), other requirements of LR legislation and contract with Custodian bank, which is concluded on the March 15, 2013, Citadele Bank JSC, (further in the text - Custodian) carries out functions of custodian bank for the IF "CBL Global Emerging Markets Bond fund" (further in the text – Fund) founded by IPAS "CBL Asset Management";

Custodian is responsible for fulfilling of Custodian bank contract and requirements of LR legislation related to custodian banks. The main obligations of the Custodian are the following:

- to store assets of the Fund, as well as documents, which confirm title according to the requirements of LR legislation;
- to ensure maintenance of the Fund account, reception and execution of Company's orders, as well as performance of transactions according with requirements of LR legislation and current market practice;
- to ensure the Company with regular reports on assets of the Fund and its value (prices of the securities);
- to follow the correctness of the value of the Fund and its certificates set by the Company and its conformity with LR legislation acts;
- to follow the correctness and legal status of issuing, sales and repurchasing of investment certificates performed by the Company;

Issuing, sales and repurchasing of the investment certificates is performed according to the requirements of the law "On investment companies", fund prospect and Fund management regulations; Storage of the Fund assets is performed according to the requirements of the law "On investment companies" and Custodian bank contract;

Calculation of the net value of the Fund assets is performed according to the requirements of the law "On investment companies", regulations of Financial and Capital Market Commission (FCMC), Fund prospect and Fund management regulations;

Orders of the Company, as well as transactions with the assets of IF "CBL Global Emerging Markets Bond fund" are performed according to the requirements of the law "On investment companies", Fund prospect and Fund management regulations and Custodian bank contract .

In the accounting period no mistakes and illegal matters were observed in performance of the Company with Fund assets. Citadele bank JSC is very satisfied with co-operation in performing of the functions of Custodian bank.




Guntis Belavskis
Chairman of the Board, p.p.

Riga, February 29, 2016

IF "CBL Global Emerging Markets Bond Fund"
Annual Report for 2015
Statement of assets and liabilities
(EUR)

Note		<u>31.12.2015.</u>	<u>31.12.2014.</u>
	Assets		
3	Due on demand from credit institutions	1,808,425	1,034,013
	<i>Financial assets held for trading:</i>		
4	Debt securities and other fixed income securities	16,949,295	9,965,742
5	Investment securities of investment funds and similar securities	732,661	345,209
6	Derivatives	48,042	-
	Total Assets	<u>19,538,423</u>	<u>11,344,964</u>
	Liabilities		
	<i>Financial liabilities held for trading:</i>		
6	Derivatives	(314,568)	(348,064)
7	Accrued expenses	(31,809)	(17,118)
	Total liabilities	<u>(346,377)</u>	<u>(365,182)</u>
	Net assets	<u>19,192,046</u>	<u>10,979,782</u>

The accompanying notes on pages 11 to 31 form an integral part of these financial statements.



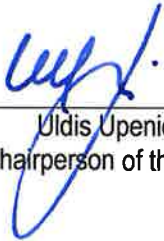
 Uldis Upenieks
 Chairperson of the Board

Riga
 28 April 2016

IF "CBL Global Emerging Markets Bond Fund"
Annual Report for 2015
Statement of income and expense
(EUR)

Note	<u>31.12.2015.</u>	<u>31.12.2014.</u>
Reporting period income		
8	897,471	525,346
	-	15,839
	3,617	-
Total income	901,088	541,185
Reporting period expenses		
	(270,845)	(164,625)
	(32,501)	(19,755)
	(9,552)	(3,615)
Total expenses	(312,898)	(187,995)
Impairment of investment value		
9	10,631	(181,525)
10	(485,635)	(70,042)
Total decrease in investment	(475,004)	(251,567)
Loss from revaluation of foreign exchange	(504,113)	(134,025)
Decrease in net assets from investment	(390,927)	(32,402)

The accompanying notes on pages 11 to 31 form an integral part of these financial statements.



 Uldis Upeniaks
 Chairperson of the Board

Riga
 28 April 2016

IF "CBL Global Emerging Markets Bond Fund"
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Statement of changes in net assets
(EUR)

	<u>31.12.2015.</u>	<u>31.12.2014.</u>
Net assets as at the beginning of the period	10,979,782	9,775,730
Decrease in net assets from investment	(390,927)	(32,402)
Transactions with investment certificates:		
<i>Inflow from sale of investment certificates</i>	9,276,682	2,071,037
<i>(Outflow) on redemption of investment certificates</i>	(673,491)	(834,583)
Net increase in assets from transactions with investment certificates	8,603,191	1,236,454
Increase in net assets for the period	8,212,264	1,204,052
Net assets as at the end of the period	<u>19,192,046</u>	<u>10,979,782</u>
Issued investment certificates as at the beginning of the period	1,090,760	968,677
Issued investment certificates as at the end of the period	1,933,897	1,090,760
Net assets per investment certificate as at the beginning of the period	10.07	10.09
Net assets per investment certificate as at the end of the period	<u>9.92</u>	<u>10.07</u>

The accompanying notes on pages 11 to 31 form an integral part of these financial statements.



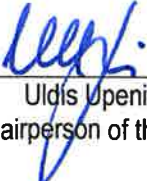
 Uldis Upenieks
 Chairperson of the Board

Riga
 28 April 2016

IF "CBL Global Emerging Markets Bond Fund"
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Statement of Cash Flows
(EUR)

	<u>31.12.2015.</u>	<u>31.12.2014.</u>
Cash received from interest income	941,069	517,560
Cash received from dividend income	-	15,839
Other income	3,617	-
Investment management expenses	(298,207)	(184,330)
Additions of financial investments	(19,697,401)	(5,753,911)
Disposal/repayment of financial investments	12,321,169	5,167,524
Result of foreign exchange revaluation	(1,164,855)	(780,341)
Decrease in cash and cash equivalents from operating activities	(7,894,608)	(1,017,659)
Inflow from sale of investment certificates	9,276,682	2,071,037
(Outflow) of redemption of investment certificates	(673,491)	(834,583)
Increase in cash and cash equivalents from financing activities	8,603,191	1,236,454
Increase of cash and cash equivalents fro the reporting period	708,583	218,795
Cash and cash equivalents at the beginning of the reporting period	1,034,013	715,814
Result of revaluation of foreign currency	65,829	99,404
Cash and cash equivalents at the end of the reporting period	1,808,425	1,034,013

The accompanying notes on pages 11 to 31 form an integral part of these financial statements.



 Uldis Upenieks
 Chairperson of the Board

Riga
 28 April 2016

IF "CBL Global Emerging Markets Bond Fund"
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Notes
(EUR)

1. General information

Name of the fund:	"CBL Global Emerging Markets Bond Fund" (hereinafter - the Fund)
Type of fund:	Investment fund
Line of business:	Investments primarily in debt securities issued or guaranteed by the developing countries local authorities, central banks, credit institutions and commercial undertakings. The Fund's investment portfolio is diversified among investments in various currencies, sectors and countries aimed at ensuring greater investment protection against the fluctuations of the Fund's asset value compared to investments in securities of only one currency, sector or country.
Name of the investment management company:	"CBL Asset Management" IPAS (hereinafter - the Company) Republikas laukums 2a, Riga, LV-1010, Latvia

2. Summary of significant accounting policies

Basis of preparation

Financial statements of IF "CBL Global Emerging Markets Bond Fund" (hereinafter – the Fund) are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS), as required by the regulation of the Financial and Capital Market Commission (FCMC) "On preparation of annual reports and consolidated annual reports of investment fund and open alternative investment fund".

The financial statements are prepared on a historical cost basis, as modified for the measurement at fair value of financial instruments held-for-sale.

The monetary unit used in the financial statements is euro (EUR), the monetary unit of the Republic of Latvia. The financial statements cover the period from 1 January 2015 to 31 December 2015.

Functional and Presentation Currency

Financial accounting of the Fund is done in euros, which is the Fund's reporting and functional currency.

Significant estimates and assumptions

The preparation of financial statements in conformity with IFRS requires making of substantial assumptions. Moreover, when preparing the financial statements, the management of investment company has to make assumptions and judgements when applying the Fund's accounting policy. Preparation of financial statements in compliance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures in the financial statements at the date of financial statements, as well as income and expenses recognized in the reporting period. The significant areas of estimation used in the preparation of the accompanying financial statements mostly relate to determination of fair value of financial instruments. Further details on uncertainty are included in Note 13.

Income and expense recognition

All interest income and expenses are recognized on an accrual basis.

Interest income and expenses are recognized in the income statement based on the effective interest rate of on the asset/liability. Interest income and expenses include discount or premium amortization or other difference between the book value of an interest bearing instrument and its value on the maturity date calculated based on the effective interest rate method.

Income from dividends is recognized as received; in certain cases income from dividends may be recognized following a decrease in stock prices after the issuer has announced the dividend payment.

Remuneration for Fund management and performance of custodian bank's functions is calculated as a certain part of the value of Fund's assets and accrued on a daily basis and paid out on a monthly basis.

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(EUR)

Foreign currency revaluation

Transactions in foreign currencies are translated into euros at the foreign exchange rate published by the European Central Bank at the beginning of the transaction date. All monetary assets and liabilities denominated in foreign currencies are translated to euros according to the foreign exchange rate published by the European Central Bank as at the end of the last day of the reporting year. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Profit or loss arising from changes in foreign exchange rate is charged to the profit and loss statement as profit or loss on revaluation of foreign exchange positions.

The exchange rates (EUR against foreign currency unit) established by the European Central Bank that were mainly applied when preparing the Statement of Assets and Liabilities of the Fund can be specified as follows:

<u>Currency</u>	<u>31.12.2015.</u>	<u>31.12.2014.</u>
BRL	4.3117	3.2207
IDR	15039.9900	15 076.1000
HUF	315.9800	315.5400
MXN	18.9145	17.8679
PLN	4.2639	4.2732
RUR	80.6736	72.3370
SEK	9.1895	9.3930
TRY	3.1765	2.8320
USD	1.0887	1.2141
ZAR	16.9530	14.0353

Cash and cash equivalents

Cash and cash equivalents comprise current account balances and other short term high liquidity investments with original maturity of less than 3 months.

Financial instruments

Financial instruments are classified into the following categories: instruments measured at fair value through profit or loss and loans and claims. Classification depends on the purpose of acquisition of the financial instrument. Management determines the classification of the financial instrument at initial recognition.

Financial instruments at fair value through profit and loss

Financial instruments classified as financial instruments at fair value through profit and loss include financial assets held for trading and derivatives. All financial assets through profit or loss are classified as financial assets held for trading.

Securities held for trading

All investments in securities are classified as securities held for trading, i.e., securities are acquired in order to generate profit from short-term price fluctuations or dealer margin.

Held for trading securities are recognized at fair value based on available market prices. The result of re-measuring trading securities at fair value is included in the statement of income and expense as increase/ (decrease) in investment.

Securities are revaluated on the basis of Bloomberg's financial information on the market demand (bid) prices of these securities. Unlisted securities are assessed according to the custodian bank's information on transactions, but in case such information is not available, the securities are assessed at amortized cost. Purchase and sales of securities is recognized at the settlement date. The historical cost is measured using the FIFO (first in, first out) method.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables include due from credit institutions. Fund's claims against credit institutions shall be carried at their amortized cost using the effective interest rate method less impairment, if any.

IF "CBL Global Emerging Markets Bond Fund"
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(EUR)

Allowance for impairment of receivables is established when there is objective evidence that the Fund will not be able to collect the full amount due according to the original terms. Impairment allowance is determined as the difference between the amortized cost and recoverable amount.

Derivatives

For the purpose of foreign currency risk management, the Fund takes part in forwards and swaps. For accounting purposes, all derivatives are classified as held for trading and are accounted for as follows.

Subsequent to initial recognition and determination of value, currency exchange instruments are recognized at their fair value in the balance sheet. The fair value of these instruments is reflected in the profit or loss statement under "Derivatives". The notional amount of these instruments is presented in the Notes to the financial statements.

Profit or loss arising from changes in claims and liabilities that arise from forwards and currency swap instruments are disclosed in the profit or loss statement as the result of foreign exchange revaluation.

Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instruments. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

As regards initial recognition, the best evidence of fair value is transaction price, i.e., the fair value of remuneration given or received. If the Fund determines that the fair value at initial recognition differs from the transaction price and the fair value is not evidenced neither in the quoted market price of identical asset or liability in an active market, nor in assessment methods that use only observable data, results, the financial instrument is initially carried at fair value which is adjusted to reflect the difference between the fair value at initial recognition and transaction price. Later this difference is recognized in the profit or loss statement, taking into account the instrument's expected useful life, but no later than the time when the value may be fully justified by observable market data or when the transaction is completed.

IFRS determines the hierarchy of financial instrument fair value assessment techniques, based on whether observable market data are used when determining the fair value of financial instruments or whether such data are unavailable. Financial assets at fair value are classified in the 1st level, 2nd level and 3rd level categories of this assessment technique.

Level 1 represents financial instruments whose fair value is determined based on exchange prices quoted in an active market. This category generally includes shares, debt securities, short-term bonds and standardized derivatives that are assessed using quoted exchange prices. Issued securities traded in active markets are also included in this category.

Level 2 presents financial instruments whose fair value was determined by using available market data such as prices for similar financial instruments that have been used for market transactions. This category generally includes less liquid debt securities and derivatives that are measured based on available market data. The price of less liquid debt securities is adjusted by the difference between the available yield rates.

Level 3 presents financial instruments whose fair value is determined using available market data and company's internal estimates.

The Company recognizes changes in the fair value hierarchy level for instruments at the end of the reporting period in which the changes have occurred. Compared with the previous year, there have been no changes in the fair value hierarchy.

Financial asset and financial liability portfolios that are exposed to market risk and credit risk, managed by the Fund based on the net exposure to either market risk or credit risk, are assessed taking into account the price that would be paid for the sale of the net long position (or paid to transfer net short position) for particular risks. These portfolio-level adjustments are allocated to individual assets and liabilities based on relative risk adjustments related to each of the individual instruments in the portfolio.

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(EUR)

Taxes

Fund's income is subject to taxes in the country where it has been generated. The Fund is not subject to Latvian corporate income tax payments.

Changes in accounting policies

The Fund has consistently applied the accounting policies set out in Note 2 to all periods presented in these financial statements.

The Fund has considered the following new standards and amendments to standards, including the consequent amendments in other standards the initial application date of which was 1 January 2015, and have concluded that they do not apply to the Fund:

- *IFRIC 21 guidance on a levy imposed by government*
- *Annual amendments to IFRS*

New standards and interpretations

Several new standards, amendments to standards and interpretations effective for the periods starting after 1 January 2015 have not been applied to these financial statements. Standards and interpretations application of which will not affect the financial statements are listed below.

- *IFRS 11 Joint Arrangements (effective for annual periods beginning on or after 1 January 2016)*
The Fund is not a part of any joint arrangement.
- *IAS 1: Presentation of Financial Statements (effective for annual periods beginning on or after 1 January 2016)*
- *IAS 16: Property, Plant and Equipment and IAS 38: Intangible Assets (effective for annual periods beginning on or after 1 January 2016)*
- *IAS 16: Property, Plant and Equipment and IAS 41: Agriculture (effective for annual periods beginning on or after 1 January 2016)*
- *IAS 19: Property, Plant and Equipment and IAS 41: Benefit Plans: Employee Benefits (effective for annual periods beginning on or after 01 February 2015)*
- *IAS 27: Separate Financial Statements (effective for annual periods beginning on or after 1 January 2016)*
- *Annual amendments to IFRS*

3. Due on demand from credit institutions

	31.12.2015.	31.12.2014.	% from net assets 31.12.2015.
Balances due from credit institutions, AS "Citadele" banka	1,808,425	1,034,013	9.42%
Total demand deposits with credit institutions	1,808,425	1,034,013	9.42%

For cash on demand the Fund receives interest income that is calculated at fixed rates.

IF "CBL Global Emerging Markets Bond Fund"
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(EUR)

4. Debt securities and other securities with fixed income

	31.12.2015.	31.12.2014.	Annual yield before the maturity 31.12.2015.	% from net assets 31.12.2015.
Debt securities of credit institutions:	3,801,929	3,534,158	6.08%	19.81%
Credit institution debt securities of non-OECD countries	2,507,629	3,111,617	6.96%	13.07%
Credit institution debt securities of OECD region	1,294,300	422,541	0.00%	6.74%
Corporate debt securities	8,105,718	4,552,763	8.16%	42.23%
Corporate debt securities of non-OECD countries	6,395,843	3,432,250	8.87%	33.32%
Corporate debt securities of OECD region	1,303,309	1,120,513	4.71%	6.79%
Debt securities of Latvian companies	406,566	-	8.00%	2.12%
Government debt securities	3,452,456	1,241,221	6.45%	17.99%
Government debt securities of non-OECD region	2,605,494	762,717	6.70%	13.58%
Government debt securities of OECD region	846,962	478,504	6.69%	4.41%
Financial institution debt securities	1,589,192	637,600	10.36%	8.28%
Financial institution debt securities of non-OECD region	1,052,997	435,578	8.78%	5.49%
Financial institution debt securities of OECD region	536,195	202,022	13.46%	2.79%
Total debt securities and other fixed income securities	16,949,295	9,965,742	7.55%	88.31%

All debt securities and other fixed income securities are classified as held for trading securities.

All fixed income securities are listed on regulated market stock exchanges, except for securities with a book value of EUR 373,196 (see Note 13).

The following table presents debt securities classified by the issuer's country of origin:

Financial instrument	ISIN code	Currency	Amount	Purchase value (EUR)	Carrying value as at 31.12.2015	% from net assets 31.12.2015.
Financial instruments traded in regulated markets				16,873,194	16,576,099	86.37%
Debt securities of Chilean issuers:				1,849,854	2,000,474	10.42%
BANCO DEL ESTADO DE CHILE	US05968AAA43	USD	750	611,348	697,165	3.63%
CENCOSUD	USP2205JAE03	USD	700	603,409	674,297	3.51%
EMPRESA NACIONAL DEL PETROLEO	USP37110AF39	USD	650	635,097	629,012	3.28%
Debt securities of Brazilian issuers:				1,939,834	1,947,443	10.15%
JBS INVESTMENTS GMBH	USA29866AA70	USD	600	539,600	536,405	2.79%
BNDES	USP14486AD93	USD	600	492,189	527,526	2.75%
MARFRIG HOLDING EUROPE BV	USN54468AA65	USD	450	424,484	402,629	2.10%
BANCO DAYCOVAL	XS1046809171	USD	400	313,113	358,627	1.87%
BRAZIL	US105756BJ84	BRL	500	170,448	122,256	0.64%
Debt securities of Indonesian issuers:				1,230,846	1,222,214	6.37%
PERTAMINA	USY7138AAC46	USD	700	623,375	621,293	3.24%
INDONESIA	XS1084368593	EUR	600	607,471	600,921	3.13%
Debt securities of Russian issuers:				1,111,120	1,109,876	5.78%
RUSSIAN RAILWAYS	XS0919581982	EUR	500	449,967	477,867	2.49%
BORETS	XS0974469206	USD	600	458,760	468,619	2.44%

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Financial instrument	ISIN code	Currency	Amount	Purchase value (EUR)	Carrying value as at 31.12.2015	% from net assets 31.12.2015.
RUSSIAN RAILWAYS	XS0764253455	RUR	14,000	202,393	163,390	0.85%
Debt securities of Kazakh issuers:				1,021,478	994,028	5.18%
NOSTRUM OIL & GAS	USN64884AA29	USD	700	537,489	516,197	2.69%
KAZAGRO	XS1070363343	EUR	500	483,989	477,831	2.49%
Debt securities of Bulgarian issuers:				819,670	795,809	4.15%
VIVACOM	XS0994993037	EUR	400	411,547	405,945	2.12%
BULGARIAN ENERGY HOLDING EAD	XS0989152573	EUR	400	408,123	389,864	2.03%
Debt securities of Turkish issuers:				604,397	597,135	3.11%
EXPORT CREDIT BANK OF TURKEY	XS0774764152	USD	625	604,397	597,135	3.11%
Debt securities of Peruvian issuers:				515,868	595,435	3.10%
BANCO INTERNACIONAL DEL PERU	USP1342SAC00	USD	600	515,868	595,435	3.10%
Debt securities of Romanian issuers:				611,630	589,760	3.07%
RCS & RDS	XS0954673777	EUR	550	611,630	589,760	3.07%
Debt securities of Macedonian issuers:				612,609	576,748	3.01%
FYR MACEDONIA	XS1087984164	EUR	600	612,609	576,748	3.01%
Debt securities issued by international financial institutions:				663,124	575,166	3.00%
EUROPEAN INVESTMENT BANK	XS0648456167	TRY	850	308,303	269,059	1.40%
INTERNATIONAL FINANCE CORP	XS1055095290	BRL	500	163,069	118,237	0.62%
EUROPEAN BANK FOR RECONSTRUCTION & DEVELOPMENT	XS0586901042	IDR	1,500,000	99,759	105,480	0.55%
EUROPEAN BANK FOR RECONSTRUCTION & DEVELOPMENT	XS1090177442	IDR	1,250,000	91,993	82,390	0.43%
Debt securities of Namibian issuers:				622,068	558,969	2.91%
NAMIBIA	XS0686701953	USD	600	622,068	558,969	2.91%
Debt securities of South African issuers:				604,374	544,693	2.84%
ESKOM HOLDINGS SOUTH AFRICA	XS0579851949	USD	350	269,342	286,847	1.50%
	ZAG000024738	ZAR	4,500	335,032	257,846	1.34%
Debt securities of Azerbaijani issuers:				581,062	543,702	2.83%
INTERNATIONAL BANK OF AZERBAIJAN	XS1076436218	USD	650	581,062	543,702	2.83%
Debt securities of Bahraini issuers:				532,370	525,046	2.74%
BATELCO INTERNATIONAL FINANCE NO. 1 LTD	XS0927183441	USD	600	532,370	525,046	2.74%
Debt securities of Vietnamese issuers:				495,277	488,754	2.55%
VIETNAM GOVERNMENT INTERNATIONAL BOND	USY9384RAA87	USD	550	495,277	488,754	2.55%
Debt securities of issuers from Sri Lanka:				493,212	482,339	2.51%
NATIONAL SAVINGS BANK	USY62526AA99	USD	500	493,212	482,339	2.51%
Debt securities of Chinese issuers:				452,405	447,124	2.33%
ALIBABA GROUP HOLDING LTD	US01609WAP77	USD	500	452,405	447,124	2.33%
Debt securities of Latvian issuers:				400,200	406,566	2.12%

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Financial instrument	ISIN code	Currency	Amount	Purchase value (EUR)	Carrying value as at 31.12.2015	% from net assets 31.12.2015.
ELKO GRUPA AS	LV0000801892	EUR	400	400,200	406,566	2.12%
Debt securities of Indian issuers:				355,388	324,443	1.69%
VEDANTA RESOURCES PLC	USG9328DAG54	USD	600	355,388	324,443	1.69%
Debt securities of Polish issuers:				316,506	298,022	1.55%
POLAND GOVERNMENT BOND	PL0000104543	PLN	650	169,676	163,725	0.85%
POLAND	PL0000106126	PLN	500	146,830	134,297	0.70%
Debt securities of Hungarian issuers:				283,416	283,945	1.48%
HUNGARY GOVERNMENT BOND	HU0000402953	HUF	85,000	283,416	283,945	1.48%
Debt securities of Mexican issuers:				301,039	264,995	1.38%
MEXICAN BONOS	MX0MGO0000F3	MXN	27,500	169,021	155,858	0.81%
MEXICA	MX0MGO0000Q0	MXN	20,000	132,018	109,137	0.57%
Debt securities of Croatian issuers:				246,284	240,414	1.25%
ZAGREBACKI HOLDING	XS0309688918	EUR	5	246,284	240,414	1.25%
Debt securities of American issuers:				209,163	162,999	0.85%
MORGAN STANLEY	US61747WAA71	BRL	700	209,163	162,999	0.85%
Financial instruments not traded in regulated markets				367,013	373,196	1.94%
Debt securities of Estonian issuers:				367,013	373,196	1.94%
CREDITSTAR GROUP	EE3300110683	EUR	375	367,013	373,196	1.94%
Total debt securities and other fixed income securities				17,240,207	16,949,295	88.31%

5. Investment securities of investment funds and similar securities

	31.12.2015.	31.12.2014.	% from net assets 31.12.2015.
Investment certificates of investment funds	732,661	345,209	3.82%
Total investment certificates of OECD investment funds	732,661	345,209	3.82%
Total investment certificates of investment funds	732,661	345,209	3.82%

All investment certificates of investment funds are classified as securities held for trading. As at 31 December 2015, all Fund's investment certificates with a value of EUR 732,661 are not traded on regulated markets, but the manager provides their net asset value quotations on a daily basis.

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The following table shows the investment fund's investment certificates and similar securities classified by the issuer's country of origin:

Financial instrument	ISIN code	Currency	Amount	Purchase value (EUR)	Carrying value as at 31.12.2015	% from net assets 31.12.2015.
Financial instruments not traded in regulated markets				667,983	732,661	3.82%
Securities of Luxembourgish issuers				667,983	732,661	3.82%
SCHRODER INTERNATIONAL SELECTION FUND - ASIAN LOCAL CURRENCY	LU0358730231	USD	6,750	667,983	732,661	3.82%
Total investment securities of investment funds and similar securities				667,983	732,661	3.82%

6. Derivatives

The following table presents the notional amount and fair value of swaps. The notional amount of foreign exchange transactions is determined in accordance with the requirements arising from these transactions.

	31.12.2015.			31.12.2014.			% from net assets as at 31.12.2015
	Nominal basic value	Fair value		Nominal basic value	Fair value		
		Assets	Liabilities		Assets	Liabilities	
Foreign exchange transactions							
Swaps	13,059,599	48,042	(314,568)	8,991,338	-	(347,835)	(1.38%)
Forwards	-	-	-	82,244	-	(229)	0.00%
Total derivatives	13,059,599	48,042	(314,568)	9,073,582	-	(348,064)	(1.38%)

All derivatives are swaps in EUR and USD and are concluded with AS "Citadele" Banka.

7. Accrued expenses

	2015	2014
Accrued expenses for management company's commissions	(23,859)	(14,391)
Accrued expenses for custodian bank's commissions	(2,863)	(1,727)
Accrued expenses for professional services	(5,087)	(1,000)
Total accrued expenses	(31,809)	(17,118)

8. Interest income

	2015	2014
Due on demand from credit institutions	3,918	4,402
From debt securities and other fixed income securities that are classified as held for trading financial assets.	893,553	520,944
Total interest income	897,471	525,346

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9. Realized increase/(decrease) of investment value

	2015	2014
Proceeds from sales of investments in the reporting period*	11,522,662	5,039,868
Amortized cost of investments sold during the reporting period	(11,497,271)	(5,386,435)
Increase in disposed investment recognized in prior reporting periods	(14,760)	165,042
Total realized increase/(decrease) in investments	10,631	(181,525)

*Proceeds from sales (disposal) of investments in the reporting period are based on the exchange rate as at the security purchase date.

10. Unrealized decrease in investment value

	2015	2014
From debt securities and other fixed income securities	(460,923)	(78,779)
From the investment fund's investment certificates and similar securities	(24,712)	8,737
Total non-realized (decrease) in investment	(485,635)	(70,042)

11. Changes in investment value

The table below reflects changes in investments in 2015:

	31.12.2014.	Increase during the period	Decrease during the reporting period*	Fair value revaluation result	31.12.2015.
Financial investments held for trading:					
<i>Debt securities and other securities with fixed income</i>	9,965,742	19,325,513	(13,258,320)	916,360	16,949,295
<i>Investment securities of investment funds and similar securities</i>	345,209	371,888	-	15,564	732,661
<i>Derivatives, net</i>	(348,064)	-	-	81,538	(266,526)
Total investments	9,962,887	19,697,401	(13,258,320)	1,013,462	17,415,430

* Decrease during the reporting period is carried at the exchange rate at the date of sales of investments. This position includes proceeds from sales of investments, disposal and coupons received.

The table below reflects changes in investments in 2014:

	as at 31.12.2013	Increase during the period	Decrease during the reporting period*	Fair value revaluation result	31.12.2014.
Financial investments held for trading:					
<i>Debt securities and other securities with fixed income</i>	8,311,721	5,320,598	(4,883,525)	1,216,948	9,965,742
<i>Investment securities of investment funds and similar securities</i>	657,300	433,313	(797,154)	51,750	345,209
<i>Derivatives, net</i>	104,347	-	-	(452,411)	(348,064)
Total investments	9,073,368	5,753,911	(5,680,679)	816,287	9,962,887

* Decrease during the reporting period is carried at the exchange rate at the date of sales of investments. This position includes proceeds from sales of investments, disposal and coupons received.

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12. Pledged assets

During the reporting period, the Fund has not issued any kind of guarantees or pledged any assets.

13. Fair value of financial assets and liabilities

The table below analysis financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. Neither in 2015 nor in 2014 there was no reclassification between fair value hierarchy levels.

2015	Level 1:	Level 2:	Level 3:	Total
Financial assets				
Held for trading financial instruments:				
<i>Debt securities and other securities with fixed income</i>	16,169,533	-	779,762	16,949,295
<i>Investment securities of investment funds and similar securities</i>	732,661	-	-	732,661
<i>Derivatives</i>	-	48,042	-	48,042
	16,902,194	48,042	779,762	17,729,998
Financial liabilities				
Financial instruments at fair value through profit and loss	-	(314,568)	-	(314,568)
	16,902,194	(266,526)	779,762	17,415,430
2014	Level 1:	Level 2:	Level 3:	Total
Financial assets				
Held for trading financial instruments:				
<i>Debt securities and other securities with fixed income</i>	9,763,720	-	202,022	9,965,742
<i>Investment securities of investment funds and similar securities</i>	345,209	-	-	345,209
	10,108,929	-	202,022	10,310,951
Financial liabilities				
Financial instruments at fair value through profit and loss	-	(348,064)	-	(348,064)
	10,108,929	(348,064)	202,022	9,962,887

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The table presents the comparison of opening and closing balances of hierarchy Level 3 fair value measurement.

EUR	Held for trading financial instruments	Total
Balance as at 1 January 2015	202,022	202,022
Total profit or loss:		
through profit or loss	54,145	54,145
Purchases	816,148	816,148
Account settlement	(292,553)	(292,553)
Balance as at 31 December 2015	779,762	779,762

EUR	Held for trading financial instruments	Total
Balance as at 1 January 2014	202,022	202,022
Total profit or loss:		
through profit or loss	36,000	36,000
Additions	-	-
Account settlement	(36,000)	(36,000)
Balance as at 31 December 2014	202,022	202,022

The table describes the valuation method used to arrive at the Level 2 and 3 fair value, and the significant unobservable inputs:

Type	Assessment method	Relevant unobservable data	Relationship between relevant unobservable data and fair value measurement
Financial instruments held for trading (Derivatives) - Level 2	Discounted cash flow approach	Non-applicable	Non-applicable
Financial instruments held for trading (debt securities and other fixed income securities) - Level 3	Discounted cash flow approach	Discount rate	The estimated fair value would increase (decrease) if: - the discount rate was lower (higher);

If at the end of the reporting period there were changes in any of relevant unobservable input data that are used for the fair value measurement of financial instruments held for trading, but other input data would remain unchanged; the impact of such changes would be as follows:

	Income Statement Effect	
	Increase	(Decrease)
As at 31 December 2015		
Discount rate (2% movement)	25,755	(30,110)
As at 31 December 2014		
Discount rate (2% movement)	1,725	(1,152)

14. Risk management

Investment process risk can be defined as a probability of undesirable outcome that may materialize in a given market economy in a given period. Risk management is described as risk identification, measurement and its possible prevention. The investment process can be affected by the exchange rate risk, interest rate risk, risk of price changes, as well as credit risk, liquidity risk and other risks, including operational risk. The investment strategy of the Fund is aimed at minimising the aforementioned risks, however, the Company cannot guarantee that these risks can be completely avoided in future.

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Risk management framework

Risk identification and measurement is a responsibility of an independent unit - the Risk management department, which develops and presents the information on risk profile to the Fund manager. The Fund manager, however, can make certain decisions on the need to reduce existing or potential risks.

Risk measurement process employs models that are developed by the company, are based on historical data and are adjusted according to the economic situation. Certain models are also used to predict the financial risk factor changes under both normal and exceptional financial market circumstances.

The Manager of Investment Fund follows risk diversification and hedging principles whose objective is to reduce the investment risk that are developed in accordance with the Management Policy. The Management of the Fund acquires sufficient information on potential or current investment objects, as well as supervises financial and economic position of issuers of the securities in which the Fund's property has been or is to be invested.

The Company, when developing the strategy of the Fund and stating risk limits, performs the analysis of the Fund's investments by maturity, geographic placement, currency profile and assesses the risks inherent to each of the above factors. The manager acts in strict compliance with the Prospectus of the Fund, Fund Management Regulations, as well as regulations and restrictions imposed by legislation of the Republic of Latvia.

Market risk

As market risk is understood the probability that the Fund's value may decrease when any market factors change, for example, in case of changes in interest rates (interest rate risk), prices of securities (price change risk), foreign currency exchange rates (exchange rate risk) or other market risk factors. Below are assessed sources of market risk that have been listed, however, they cannot be fully diversified.

Interest rate risk

Securities price risk for fixed income securities (bonds) largely depends on market interest rate fluctuations and changes in the issuer's credit quality. Market interest rate changes affect the attractiveness of securities in the most direct manner, as substantially it is an alternative source of interest income. If market interest rates are growing then the prices of fixed income securities fall and vice versa. On the other hand, the increase (decrease) in market interest rates have a positive (negative) effect on the coupon rates of fixed income securities with a variable interest rate (when the coupon is fixed as a base rate - such as Euribor or Libor plus an additional margin). Following revaluation (moment starting from which a new interest rate will be applied) the yield rate for such securities coupons increases (decreases), with the result that the interest income increases (decreases).

Tables provided in the next show the effects of changes in certain currency market interest rates on the value of a particular Fund, where the interest income changes are calculated for one year. Changes in the real value of the Fund may differ from estimates and the difference may be material.

Changes in the value of fixed income securities market and interest income (2015, EUR)					Changes in the value of fixed income securities market and interest income (2014, EUR)				
Currency	Changes in base rate, bp	Changes in annual interest income	Changes in market value	Effect of base rate fluctuations on the portfolio's overall value	Currency	Changes in base rate, bp	Changes in annual interest income	Changes in market value	Effect of base rate fluctuations on the portfolio's overall value
EUR	100	-	(158,145)	(158,145)	EUR	100	-	(50,260)	(50,260)
IDR	100	-	(2,398)	(2,398)	IDR	100	-	(1,022)	(1,022)
ZAR	100	-	(9,097)	(9,097)	ZAR	100	-	(8,898)	(8,898)
BRL	100	-	(8,096)	(8,096)	BRL	100	-	-	-
MXN	100	-	(8,257)	(8,257)	MXN	100	-	(4,084)	(4,084)
PLN	100	-	(7,744)	(7,744)	PLN	100	-	(4,017)	(4,017)
HUF	100	-	(11,121)	(11,121)	HUF	100	-	(3,376)	(3,376)
USD	100	-	(429,495)	(429,495)	USD	100	-	(306,949)	(306,949)
RUB	100	-	(4,880)	(4,880)	COP	100	-	(236)	(236)
TRY	100	-	(5,800)	(5,800)	TRY	100	-	(4,710)	(4,710)
Total		-	(645,033)	(645,033)	Total		-	(383,552)	(383,552)

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Changes in the value of fixed income securities market and interest income (2015, % of net assets)

Currency	Changes in base rate, bp	Changes in annual interest income	Changes in market value	Effect of base rate fluctuations on the portfolio's overall value
EUR	100	-	(0.82%)	(0.82%)
IDR	100	-	(0.01%)	(0.01%)
ZAR	100	-	(0.05%)	(0.05%)
BRL	100	-	(0.04%)	(0.04%)
MXN	100	-	(0.04%)	(0.04%)
PLN	100	-	(0.04%)	(0.04%)
HUF	100	-	(0.06%)	(0.06%)
USD	100	-	(2.23%)	(2.23%)
RUB	100	-	(0.03%)	(0.03%)
TRY	100	-	(0.03%)	(0.03%)
Total		-	(3.35%)	(3.35%)

Changes in the value of fixed income securities market and interest income (2014, % of net assets)

Currency	Changes in base rate, bp	Changes in annual interest income	Changes in market value	Effect of base rate fluctuations on the portfolio's overall value
EUR	100	-	(0.46%)	(0.46%)
IDR	100	-	(0.01%)	(0.01%)
ZAR	100	-	(0.08%)	(0.08%)
BRL	100	-	0.00%	0.00%
MXN	100	-	(0.04%)	(0.04%)
PLN	100	-	(0.04%)	(0.04%)
HUF	100	-	(0.03%)	(0.03%)
USD	100	-	(2.79%)	(2.79%)
COP	100	-	0.00%	0.00%
TRY	100	-	(0.04%)	(0.04%)
Total		-	(3.49%)	(3.49%)

Changes in the value of fixed income securities market and interest income (2015, EUR)

Currency	Changes in base rate, bp	Changes in annual interest income	Changes in market value	Effect of base rate fluctuations on the portfolio's overall value
EUR	-100	-	158,145	158,145
IDR	-100	-	2,398	2,398
ZAR	-100	-	9,097	9,097
BRL	-100	-	8,096	8,096
MXN	-100	-	8,257	8,257
PLN	-100	-	7,744	7,744
HUF	-100	-	11,121	11,121
USD	-100	-	429,495	429,495
RUB	-100	-	4,880	4,880
TRY	-100	-	5,800	5,800
Total		-	645,033	645,033

Changes in the value of fixed income securities market and interest income (2014, EUR)

Currency	Changes in base rate, bp	Changes in annual interest income	Changes in market value	Effect of base rate fluctuations on the portfolio's overall value
EUR	-100	-	50,260	50,260
IDR	-100	-	1,022	1,022
ZAR	-100	-	8,898	8,898
BRL	-100	-	-	-
MXN	-100	-	4,084	4,084
PLN	-100	-	4,017	(4,017)
HUF	-100	-	3,376	(3,376)
USD	-100	-	306,949	306,949
COP	-100	-	236	(236)
TRY	-100	-	4,710	4,710
Total		-	383,552	383,552

Changes in the value of fixed income securities market and interest income (2015, % of net assets)

Currency	Changes in base rate, bp	Changes in annual interest income	Changes in market value	Effect of base rate fluctuations on the portfolio's overall value
EUR	-100	-	0.82%	0.82%
IDR	-100	-	0.01%	0.01%
ZAR	-100	-	0.05%	0.05%
BRL	-100	-	0.04%	0.04%
MXN	-100	-	0.04%	0.04%
PLN	-100	-	0.04%	0.04%
HUF	-100	-	0.06%	0.06%
USD	-100	-	2.23%	2.23%
RUB	-100	-	0.03%	0.03%
TRY	-100	-	0.03%	0.03%
Total		-	3.35%	3.35%

Changes in the value of fixed income securities market and interest income (2014, % of net assets)

Currency	Changes in base rate, bp	Changes in annual interest income	Changes in market value	Effect of base rate fluctuations on the portfolio's overall value
EUR	-100	-	0.46%	0.46%
IDR	-100	-	0.01%	0.01%
ZAR	-100	-	0.08%	0.08%
BRL	-100	-	0.00%	0.00%
MXN	-100	-	0.04%	0.04%
PLN	-100	-	0.04%	0.04%
HUF	-100	-	0.03%	0.03%
USD	-100	-	2.79%	2.79%
COP	-100	-	0.00%	0.00%
TRY	-100	-	0.04%	0.04%
Total		-	3.49%	3.49%

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Exchange rate risk

Exchange rate risk arises when the nominal currency of securities and other financial instruments in the Fund differs from the Fund's currency. Exchange rate fluctuations may cause profit or loss depending on the direction of exchange rate fluctuations and the currency's position in the Fund. Currency risk is managed effectively in the Fund by entering into forward and swap transactions.

The following table shows the classification of Fund's assets and liabilities by currency as at 31 December 2015:

	USD	EUR	Other currencies	Total
Assets				
Due on demand from credit institutions	717,484	1,090,941	-	1,808,425
Financial assets held for trading:				
<i>Debt securities and other securities with fixed income</i>	10,281,564	4,539,112	2,128,619	16,949,295
<i>Investment securities of investment funds and similar securities</i>	732,661	-	-	732,661
<i>Derivatives</i>	(5,962,557)	6,010,599	-	48,042
Total assets	5,769,152	11,640,652	2,128,619	19,538,423
Liabilities				
Financial liabilities held for trading:				
<i>Derivatives</i>	(7,097,042)	6,782,474	-	(314,568)
Accrued expenses		(31,809)	-	(31,809)
Total liabilities	(7,097,042)	6,750,665	-	(346,377)
Net assets	(1,327,890)	18,391,317	2,128,619	19,192,046
<i>Net long/(short) position</i>	<i>(6.92%)</i>	<i>95.83%</i>	<i>11.09%</i>	<i>100.00%</i>

As at 31 December 2015 other currencies were divided as follows: TRY-269,059 EUR, PLN-298,022 EUR, HUF-283,945 EUR, ZAR- 257,846 EUR, IDR-187,870 EUR, RUR-163,390 EUR, MXN- 264,995 EUR, BRL- 403,492 EUR.

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The following table shows the classification of Fund's assets and liabilities by currency as at 31 December 2014:

	USD	EUR	Other currencies	Total
Assets				
Due on demand from credit institutions	416,626	617,387	-	1,034,013
Financial assets held for trading:				
<i>Debt securities and other securities with fixed income</i>	7,394,431	1,272,353	1,298,958	9,965,742
<i>Investment securities of investment funds and similar securities</i>	345,209	-	-	345,209
Total assets	8,156,266	1,889,740	1,298,958	11,344,964
Liabilities				
Financial liabilities held for trading:				
<i>Derivatives</i>	(9,117,797)	8,769,733	-	(348,064)
Accrued expenses		(17,118)	-	(17,118)
Total liabilities	(9,117,797)	8,752,615	-	(365,182)
Net assets	(961,531)	10,642,355	1,298,958	10,979,782
<i>Net long/(short) position</i>	<i>(8.76%)</i>	<i>96.93%</i>	<i>11.83%</i>	<i>100.00%</i>

As at 31 December 2014 other currencies were divided as follows: TRY-169,662 EUR, PLN-167,373 EUR, HUF-142,486 EUR, ZAR-218,947 EUR, IDR-105,720 EUR, COP-160,196 EUR, MXN-168,645 EUR, BRL-165,929 EUR.

The effects of exchange rate fluctuations on the Fund's value are shown in the table below. Exchange rate changes represent a one year standard deviation of the particular rate.

Effects of changes in exchange rate (2015)				Effects of changes in exchange rate (2014)			
Currency	Share in Fund (% of assets)	Change in exchange rate against EUR	Impact on the Fund's value	Currency	Share in Fund (% of assets)	Change in exchange rate against EUR	Impact on the Fund's value
EUR	95.83%	0.00%	0.00%	EUR	96.93%	0.00%	0.00%
IDR	0.98%	14.56%	0.14%	IDR	0.96%	10.03%	0.10%
ZAR	1.34%	17.05%	0.23%	ZAR	1.99%	11.23%	0.22%
BRL	2.11%	22.35%	0.47%	BRL	1.51%	14.42%	0.22%
MXN	1.38%	14.60%	0.20%	MXN	1.54%	8.59%	0.13%
PLN	1.55%	7.19%	0.11%	PLN	1.52%	5.34%	0.08%
HUF	1.48%	7.93%	0.12%	HUF	1.30%	7.12%	0.09%
USD	(6.92%)	12.25%	(0.85%)	USD	(8.76%)	6.27%	(0.55%)
RUB	0.85%	27.93%	0.24%	COP	1.46%	11.25%	0.16%
TRY	1.40%	15.67%	0.22%	TRY	1.55%	11.04%	0.17%
Total	100.00%		0.88%	Total	100.00%		0.62%

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Credit risk

As credit risk is understood a probability that the value of the Fund may decrease, if the Fund's counterparty or issuer of debt securities will be unable to or will refuse to meet the obligations. Consequently, only safe counterparties with a good reputation are selected when performing transactions with the Fund's assets. Fund manager regularly monitors the solvency of Fund's counterparties, analyzes their credit rating, financial situation and information in mass media.

The Fund's asset credit quality is managed based on international rating agencies Standard & Poor's, Moody's and Fitch credit ratings. In addition, issuers' financial statements, financial position and future prospects are also analyzed.

The table shows the classification of debt securities issuers and credit institutions in which the Fund has deposits by credit ratings according to the following classification:

- High-quality financial instruments: AAA – AA- (Standard & Poor's); Aaa – Aa3 (Moody's Investors Service); AAA – AA- (Fitch);
- Investment class financial instruments: A+ - BBB- (Standard & Poor's); A1 – Baa3 (Moody's Investors Service); A+ - BBB- (Fitch);
- Higher risk financial instruments: BB+ - BB- (Standard & Poor's); Ba1 - Ba3 (Moody's Investors Service); BB+ - BB- (Fitch);
- Speculative financial instruments: B+ - C (Standard & Poor's); B1 - C (Moody's Investors Service); B+ - C (Fitch).

The following table shows the classification of Fund's assets by credit ratings as at 31 December 2015.

	Investment class financial instruments	Higher risk financial instruments	High-quality financial instruments	Speculative financial instruments	Without rating	Total
Due on demand from credit institutions	-	-	-	1,808,425	-	1,808,425
Financial assets held for trading:						
<i>Debt securities and other securities with fixed income</i>	3,718,093	11,944,277	697,165	589,760	-	16,949,295
<i>Investment securities of investment funds and similar securities</i>	-	-	-	-	732,661	732,661
<i>Derivatives</i>	-	-	-	(266,526)	-	(266,526)
Total investments	3,718,093	11,944,277	697,165	2,131,659	732,661	19,223,855

The following table shows the classification of Fund's assets by credit ratings as at 31 December 2014:

	Investment class financial instruments	Higher risk financial instruments	High-quality financial instruments	Speculative financial instruments	Without rating	Total
Due on demand from credit institutions	-	-	-	1,034,013	-	1,034,013
Financial assets held for trading:						
<i>Debt securities and other securities with fixed income</i>	5,323,445	3,053,844	858,119	528,312	202,022	9,965,742
<i>Investment securities of investment funds and similar securities</i>	-	-	-	-	345,209	345,209
<i>Derivatives</i>	-	-	-	(348,064)	-	(348,064)
Total investments	5,323,445	3,053,844	858,119	1,214,261	547,231	10,996,900

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Concentration risk

The issuer's industry and geographical position are additional credit risk factors that may affect both the price of issued securities and the issuer's solvency. Therefore, it is important to recognize the concentration risk, i.e. - to what extent the Fund's value depends on changes in certain regions and / or sectors. Geographical classification of credit risk concentration (based on a country whose state affects the issuer's solvency the most) and classification of sectors are presented in the table below.

The following table presents the geographical classification of Fund's assets and liabilities as at 31 December 2015:

	Latvia	OECD countries	Other Non-OECD countries	Total
Assets				
Due on demand from credit institutions	1,808,425	-	-	1,808,425
Financial assets held for trading:				
<i>Debt securities and other securities with fixed income</i>	406,566	3,980,766	12,561,963	16,949,295
<i>Investment securities of investment funds and similar securities</i>	-	732,661	-	732,661
<i>Derivatives</i>	48,042	-	-	48,042
Total assets	2,263,033	4,713,427	12,561,963	19,538,423
Liabilities				
Derivatives	(314,568)	-	-	(314,568)
Accrued expenses	(31,809)	-	-	(31,809)
Total liabilities	(346,377)	-	-	(346,377)
Net assets	1,916,656	4,713,427	12,561,963	19,192,046

The following table presents the geographical classification of Fund's assets and liabilities as at 31 December 2014:

	Latvia	OECD countries	Other Non-OECD countries	Total
Assets				
Due on demand from credit institutions	1,034,013	-	-	1,034,013
Financial assets held for trading:				
<i>Debt securities and other securities with fixed income</i>	-	2,223,580	7,742,162	9,965,742
<i>Investment securities of investment funds and similar securities</i>	-	345,209	-	345,209
Total assets	1,034,013	2,568,789	7,742,162	11,344,964
Liabilities				
Derivatives	(348,064)	-	-	(348,064)
Accrued expenses	(17,118)	-	-	(17,118)
Total liabilities	(365,182)	-	-	(365,182)
Net assets	668,831	2,568,789	7,742,162	10,979,782

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The following table shows the classification of Fund's net assets and liabilities by countries:

Country	Carrying value as at 31.12.2015	Carrying value as at 31.12.2014	% of Fund's net assets 31.12.2015.
Chile	2,000,474	772,922	10.42%
Brazil	1,947,443	933,451	10.15%
Latvia	1,916,656	668,831	9.99%
Indonesia	1,222,214	686,202	6.37%
Russia	1,109,876	1,118,015	5.78%
Kazakhstan	994,028	291,430	5.18%
Bulgaria	795,809	293,846	4.15%
Luxembourg	732,661	345,209	3.82%
Turkey	597,135	348,895	3.11%
Peru	595,435	358,289	3.10%
Romania	589,760	-	3.07%
Macedonia	576,748	-	3.01%
International financial institution	575,166	435,578	3.00%
Namibia	558,969	-	2.91%
Republic of South Africa	544,693	514,663	2.84%
Azerbaijan	543,702	-	2.83%
Bahrain	525,046	-	2.74%
Vietnam	488,754	377,841	2.55%
Sri Lanka	482,339	-	2.51%
China	447,124	-	2.33%
Estonia	373,196	202,022	1.94%
India	324,443	1,412,029	1.69%
Poland	298,022	167,373	1.55%
Hungary	283,945	142,486	1.48%
Mexico	264,995	589,882	1.38%
Croatia	240,414	236,882	1.25%
US, USA	162,999	-	0.85%
United Arab Emirates	-	401,933	0.00%
Georgia	-	348,309	0.00%
Thailand	-	333,694	0.00%
Total	19,192,046	10,979,782	100.00%

The following table shows the sectoral classification of Fund's securities' portfolio:

Sector	Carrying value as at 31.12.2015	Carrying value as at 31.12.2014	% of Fund's net assets 31.12.2015.
Commercial banks	3,801,929	3,534,158	19.81%
Government	3,452,456	1,241,221	17.99%
Energy resources	2,235,121	900,016	11.65%
Consumer goods	1,613,331	350,381	8.40%
Financial services	1,589,192	637,600	8.28%
Consumption services	1,036,884	348,895	5.40%
Telecommunication services	930,991	357,142	4.85%
Utilities	917,125	1,599,061	4.78%
Logistics	641,257	190,708	3.34%
IT services	406,566	-	2.12%
Raw materials	324,443	806,560	1.69%
Other	2,242,751	1,014,040	11.69%
Total	19,192,046	10,979,782	100.00%

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Liquidity risk

Liquidity risk may arise if the Fund faces difficulties in meeting its financial liabilities. Fund Manager shall maintain such asset structure which ensures a possibility of selling securities in due time and with no significant losses.

The following table presents the contractual maturities of Fund's assets and liabilities as at 31 December 2015:

	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	From 1 to 5 years	Over 5 years and with unlimited term	Total
Assets							
Due on demand from credit institutions	1,808,425	-	-	-	-	-	1,808,425
Financial assets held for trading: <i>Debt securities and other securities with fixed income</i>	8,797,374	-	-	-	163,390	7,988,531	16,949,295
<i>Investment securities of investment funds and similar securities</i>	-	-	-	-	-	732,661	732,661
<i>Derivatives</i>	-	-	48,042	-	-	-	48,042
Total assets	10,605,799	-	48,042	-	163,390	8,721,192	19,538,423
Liabilities							
Financial liabilities held for trading: <i>Derivatives</i>	(43,848)	(270,720)	-	-	-	-	(314,568)
Accrued expenses	(26,722)	-	(5,087)	-	-	-	(31,809)
Total liabilities	(70,570)	(270,720)	(5,087)	-	-	-	(346,377)
Net assets	10,535,229	(270,720)	42,955	-	163,390	8,721,192	19,192,046
<i>Net position as % of net assets</i>	54.90%	(1.41%)	0.22%	0.00%	0.85%	45.44%	100.00%

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The following table presents the terms structure of Fund's assets and liabilities as at 31 December 2014:

	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 to 5 years	Over 5 years and with unlimited term	Total
Assets							
Due on demand from credit institutions	1,034,013	-	-	-	-	-	1,034,013
Financial assets held for trading:							
<i>Debt securities and other securities with fixed income</i>	-	-	202,022	-	-	9,763,720	9,965,742
<i>Investment securities of investment funds and similar securities</i>	-	-	-	-	-	345,209	345,209
Total assets	1,034,013	-	202,022	-	-	10,108,929	11,344,964
Liabilities							
Financial liabilities held for trading:							
<i>Derivatives</i>	(73,622)	(222,810)	(46,833)	(4,799)	-	-	(348,064)
Accrued expenses	(16,118)	-	(1,000)	-	-	-	(17,118)
Total liabilities	(89,740)	(222,810)	(47,833)	(4,799)	-	-	(365,182)
Net assets	944,273	(222,810)	154,189	(4,799)	-	10,108,929	10,979,782
<i>Net position as % of net assets</i>	<i>8.60%</i>	<i>(2.03%)</i>	<i>1.40%</i>	<i>(0.04%)</i>	<i>0.00%</i>	<i>92.07%</i>	<i>100.00%</i>

15. Information on holders of investment certificates

The following table presents the share of investment certificates held by related parties and others in proportion of total investment certificates issued:

	31.12.2015.	31.12.2014.	% from the total amount as at 31.12.2015
Investment certificates held by the shareholder (A/S "Citadele" Banka)	450,000	450,000	23.27%
Investment certificates held by others	1,483,897	640,760	76.73%
Issued investment certificates as at the end of the period	1,933,897	1,090,760	100.00%

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16. Related party transactions

The majority of Fund's investments are acquired through custodian bank. AS "Citadele" banka receives also custodian bank's remuneration which is included in the profit or loss, and the funds are also placed in AS "Citadele" banka (see. Note 3). In addition, all derivatives are concluded with AS "Citadele" Banka (see Note 6).

During the reporting period related parties did not conduct any transactions with the Fund's investment certificates. Purchase and re-selling transactions of the Fund's investment certificates are calculated taking into account only those investment certificates held by related parties, which were classified as related parties of the Fund both in 2015 and 2014.

During the reporting period the Fund had no investments in debt securities issued by the custodian bank and investment funds managed by a related Investment Management Company.

17. Dynamics of investment fund's performance

	31.12.2015	31.12.2014	31.12.2013
Net assets (EUR)	19,192,046	10,979,782	9,775,730
Number of investment certificates	1,933,897	1,090,760	968,677
Investment fund share value (EUR)	9.92	10.07	10.09
Profitability of the investment fund**	(1.49%)	(0.20%)	1.75%
Net assets (EUR)*	19,229,930	11,009,984	9,723,210
Number of investment certificates	1,933,897	1,090,760	968,677
Investment fund share value (EUR)	9.94	10.09	10.04
Profitability of the investment fund**	(1.49%)	0.50%	0.77%

* Net asset value is determined using exchange rates that are determined in financial markets at the end of the day.

** Profitability is calculated, assuming that there are 365 days in the year.



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Independent Auditors' Report

To the shareholders of Investment fund "CBL Global Emerging Markets Bond Fund"

Report on the Financial Statements

We have audited the accompanying financial statements of Investment fund "CBL Global Emerging Markets Bond Fund" ("the Fund"), which is managed by the investment management company "CBL Asset Management" ("the Company"). These financial statements comprise the statement of assets and liabilities as at 31 December 2015, the statements of income and expense, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes, as set out on pages 11 to 31.

Management's Responsibility for the Financial Statements

Management of Company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether these financial statements are free of 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 our judgment, including the assessment of the risks of material misstatement of these financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Fund's preparation and fair presentation of these 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 internal controls. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by the Company management, 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 opinion.



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Investment fund "CBL Global Emerging Markets Bond Fund" as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

In addition, our responsibility is to assess whether the accounting information included in the investment management company's report, as set out on page 4, the preparation of which is the responsibility of the Company, is consistent with the financial statements. Our work with respect to the investment management company's report was limited to the aforementioned scope and did not include a review of any information other than drawn from the financial statements of the Fund. In our opinion, the investment management company's report is consistent with the financial statements.

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Ondrej Fikrle

Ondrej Fikrle
Partner pp
KPMG Baltics SIA
Riga, Latvia

28 April 2016

Rainers Vilāns

Rainers Vilāns
Sworn auditor
Certificate No 200