

Silverdale

F U N D S

Fund Description

Silverdale Bond Fund is a diversified portfolio of primarily investment grade short duration USD bonds, actively managed for superior absolute returns, using ring-fenced leverage.

Investor Benefits

Prudent risk management and opportunistic investments, with real time response. Embedded leverage for higher returns without hassles of loan management

Fund Identifiers

Fund	Silverdale Bond Fund
ISIN Code	MU0308S00009
Bloomberg Code	SILV007 MP Equity

Subscription Details

Minimum Investment	USD 100,000
NAV Computation	Weekly
Subscription	Weekly
Redemption	Weekly
Management Fee	1% p.a.

Fund Management Details

The Fund

The Fund is Share Class-E of Sri Silverdale Opportunities Fund, a Mauritius based umbrella fund, authorised and regulated by Financial Services Commission (FSC)

Investment Manager

Sri Silverdale Capital Partners

Authorised & Regulated by FSC

Investment Advisor

Silverdale Capital Pte Ltd

Monetary Authority of Singapore Registered Fund Manager

Bankers / Custodians

Standard Chartered Bank
Barclays Bank
Bank Julius Baer
ABN Amro Bank

Fund Administrator

Orangefield Trust (Mauritius) Ltd.

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DISCLAIMER

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Silverdale Bond Fund

Communique as of 11th October 2013

OVERVIEW

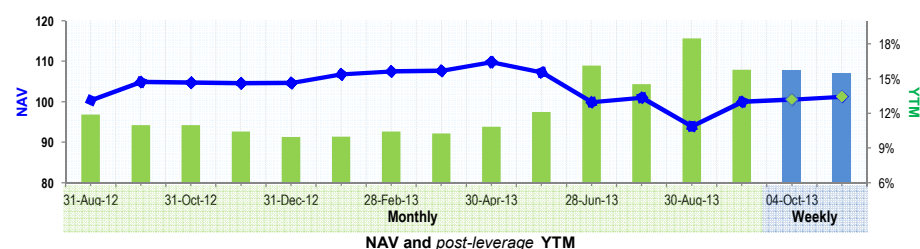
Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level ring-fenced leverage, while actively managing its portfolio duration. For the week ended 11th October 2013, the Fund NAV appreciated by 0.7% to 101.26, with portfolio yield (post leverage) of 15.5% (last week 15.7%) and duration of 3.22 years (last week 3.34 years).

With effect from 7th Oct 2013, the erstwhile Silverdale Multi Strategy Fund has exited non-USD exposure and has been re-christened as Silverdale Bond Fund with Weekly (earlier Monthly) subscription and redemption facility.

Portfolio Dashboard

NAV US\$

101.2612

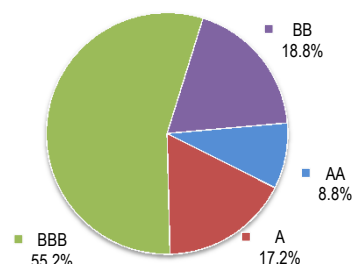


Fund Statistics

Leveraged Yield to Maturity	15.49 %
Portfolio Yield to Maturity	4.50 %
Average Duration	3.22 years
Average Maturity	3.65 years

Performance

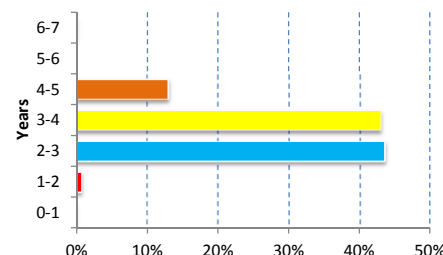
1 Week	(not annualised)	0.70 %
Last Calendar Month	(not annualised)	6.40 %



RATING PROFILE

Top Holdings

	% age
Vedanta Resource	13.47 %
Macquarie Group	10.78 %
Ae Rotor Holding	9.59 %
Zijin Intl Finan	9.51 %
China Res Cement	7.81 %
Union Bank India	7.34 %
Macquarie Bk Ltd	5.96 %



PORTFOLIO DURATION

Portfolio Update

In the week ended 11th October 2013, the Fund continued its strategy of capitalizing on the bond prices rally to further reduce portfolio duration. The Fund sold Indian Overseas Bank and Syndicate Bank 2018 bonds and redeployed the sales proceeds to purchase SBLC backed Zijin International Finance 2016 bonds at almost similar (post leverage) yield.

Zijin International Finance is a SPV indirectly owned by Zijin Mining Group Co Ltd (ZMG, Mkt Cap: US\$ 8bn) which is into exploration, mining and refining of gold, copper, zinc, iron ore, etc. ZMG has 275 exploration rights and 63 mining rights (including 43 exploration and 6 mining rights outside China). Over 63% of its turnover is from sale of gold bullion and concentrates. Its gross debt to equity ratio was 0.6x and net debt to equity ratio was 0.34x, with EBITDA of ~USD 926m (as at June 2013). The issuance is backed by irrevocable SBLC by Bank of China.

Subscription Details

Subscription can be made only as per terms & conditions of the composite Private Placement Memorandum (including Class Supplement) which may be obtained free of cost from the Fund Administrator at mauritius@silverdalegroup.com



SILVERDALE FUNDS