

# Silverdale FUNDS

## 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

Active management with real time response, capitalizing on opportunistic investments and employing prudent risk management systems. Embedded leverage for higher return without hassles of loan management

## Fund Identifiers

Fund	Silverdale Bond Fund
ISIN Code	MU0308S00009
Bloomberg Code	SILV007 MP Equity
Monthly NAV Launch Date	2 July 2012
Weekly NAV Launch Date	1 Oct 2013

## Subscription Details

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

## Fund Management Details

### The Fund

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 at 27th December 2013

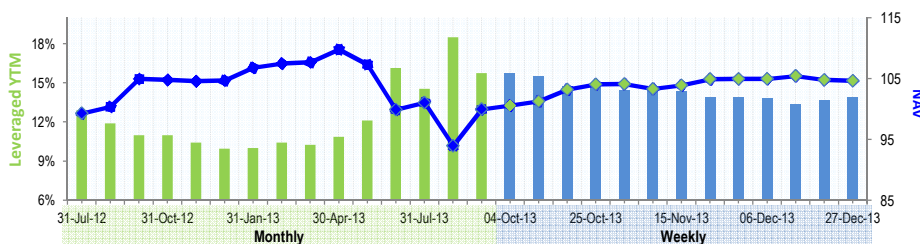
## OVERVIEW

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 27th December 2013, the Fund NAV declined by 0.13% to US\$ 104.64 (previous week US\$ 104.78), increasing the portfolio yield (post leverage) to ~13.86% (previous week 13.68%) with duration of 2.73 years (previous week 2.75 years).

With effect from 1st Oct 2013, the erstwhile Silverdale Multi Strategy Fund had exited equity & non-USD exposure and was re-christened as Silverdale Bond Fund with Weekly (earlier Monthly) subscription/redemption facility.

## Portfolio Dashboard

NAV US\$ 104.6428



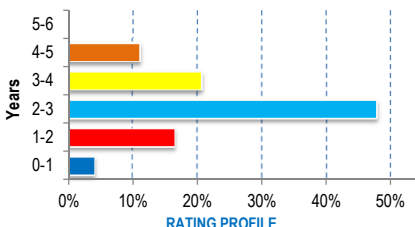
NAV and post-leverage YTM

## Performance (net of fees)

1 Week	(not annualised)	(0.1343) %
Previous Week	(not annualised)	(0.6189) %
Trailing 4 Weeks	(not annualised)	(0.2791) %
Trailing 8 Weeks	(not annualised)	0.5224 %
Trailing 12 Weeks	(not annualised)	4.0639 %

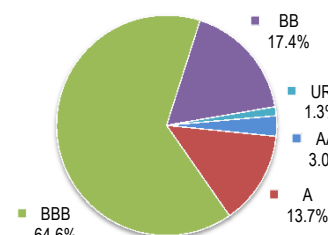
## Fund Statistics

Leveraged Yield to Maturity	13.86 %
Portfolio Yield to Maturity	4.28 %
Average Duration	2.73 years
Average Maturity	3.19 years



## Top Holdings

	% age
Vedanta Resources Plc	9.38 %
Zijin Intl Finance Co Lt	8.12 %
Türkiye Is Bankasi A.S	7.98 %
Macquarie Group Ltd	7.80 %
Vtb Bank (Vtb Capital Sa	7.39 %
Cssc Capital 2013 Ltd	5.10 %



PORTFOLIO DURATION

## Portfolio Update

During the week, the Fund increased its holding of CSSC Capital 2016 bonds while booked profits in Time Warner 2019 bonds. The decline in the portfolio was due to year-end illiquidity (and marking to bid price) and softness in Turkish bonds in wake of graft charges against incumbent ministers (while the fundamentals of Turkish banks continue to be robust).

CSSC Capital 2013 is an indirect subsidiary of China State Shipbuilding Corporation which is indirectly owned by State-owned Assets Supervision and Administration Commission of the PRC (SASAC). China State Shipbuilding Corp is world's second largest shipbuilder. As of Dec 2012, the company had a total order book of ~25.5m dwt with total new orders of ~7.7m dwt (~17.1% global market share for new orders). The said bonds are backed by irrevocable Stand-By Letter of Credit (SBLC) by China Construction Bank (Market Cap: US\$193bn) which is one of the largest banks in the world with ~US\$ 2.5 trillion of assets. Bonds are also supported by a Keepwell Deed by China State Shipbuilding Corp.

## 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 BOND FUND