

# Silverdale

## F U N D S

### Fund Description

Silverdale Fixed Income Fund is a diversified portfolio of primarily investment grade US dollar bonds that is actively managed for consistent returns with minimal risks.

### Investor Benefits

Active management with real time response, capitalizing on opportunistic investments and employing prudent risk management systems. It yields quarterly distribution, with re-investment option.

### Fund Information

Fund	Silverdale Fixed Income Fund
ISIN Code	MU0308S00058
Bloomberg Code	SILV009 MP Equity
Previous Dividend Date	27 June 2014 (3% pro rata)
Next Dividend Date	26 Sep 2014 (3% pro rata) #

### Subscription Details

Minimum Subscription	US\$ 100,000
NAV Computation	Weekly
Subscription	Weekly
Redemption	Weekly
Dividend Distribution	Quarterly
Management Fee	0.75% p.a.

### Fund Management Details

#### THE FUND

Share Class-J of Sri Silverdale Opportunities Fund, a Mauritius based umbrella fund, authorised and regulated by Financial Services Commission.

#### INVESTMENT MANAGER

##### Sri Silverdale Capital Partners

Authorised & Regulated by Financial Services Commission

#### INVESTMENT ADVISOR

##### Silverdale Capital Pte Ltd

Monetary Authority of Singapore Registered Fund Manager

### Bankers / Custodians

Standard Chartered Bank  
Bank Julius Baer  
Barclays Bank

### Fund Administrator

#### Orangefield Trust (Mauritius) Ltd.

355 NeXTeracom Tower 1, Cybercity, Ebene, Mauritius

Tel.: +230 464 7275

Fax: +230 464 3290

Email: mauritius@silverdalegroup.com

For subscription & information, please

Email: mauritius@silverdalegroup.com

Or, Call: +65 6835 7130

### DISCLAIMER

The above commentary does not provide a complete analysis of every material fact regarding the market, industry, security, portfolio or the fund. It is not a recommendation to buy or sell any security nor an investment advice. The portfolio holdings, opinions and information may change without notice. The contents of this document, including any narrative does not constitute an offer to sell or a solicitation of any offer to buy the units or shares in Silverdale Fixed Income Fund or Silverdale Bond Fund or Silverdale Equity Fund or any other Class of Sri Silverdale Opportunities Fund or any of the funds managed or advised by Sri Silverdale Capital Partners or by Silverdale Capital Pte Ltd., and is strictly for information only. Any application for units or shares must be made solely on the basis of the fund's private placement memorandum, class supplements, application form and appendices (together "the PPM"). Past performance is not necessarily a guide to the future performance. Opinions and estimates contained in this document are subject to change without notice, and the actual results would differ from the said opinions and estimates. Please refer to the PPM for Risk Factors. This document is written for the benefit of and being communicated only to expert investors as defined in Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008, issued under the Securities Act 2005 of Mauritius. The recipient should obtain opinion from independent professional adviser before making any decision based on this document. The NAV performance is computed taking: 1 month = 4 weeks, 3 months = 13 weeks, and 6 months = 26 weeks. (#) Indicative.

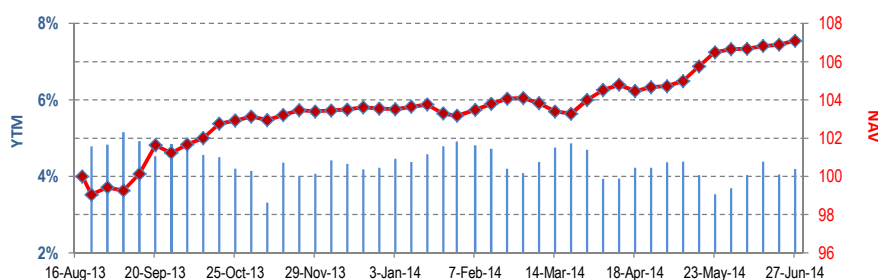
## Silverdale Fixed Income Fund

Communique as at 27th June 2014

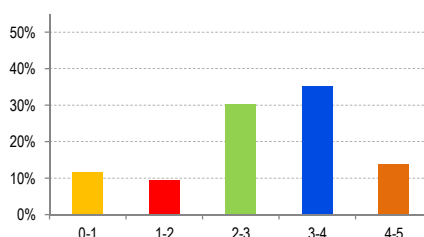
### OVERVIEW

Silverdale Fixed Income Fund is actively managed for stable returns and quarterly distributions; the portfolio duration is kept low to manage interest rate risks and credit risks. As at 27th June 2014, the Fund declared quarterly dividend payout of 3% p.a. pro rata, amounting to US\$ 0.7892 per share; the ex-dividend NAV of the Fund was US\$104.45 as compared to previous week (cum-dividend) NAV of US\$105.03. The portfolio yield was 4.20% p.a. (previous week: 4.05% p.a.) with average portfolio duration of 2.60 years (previous week: 2.59 years).

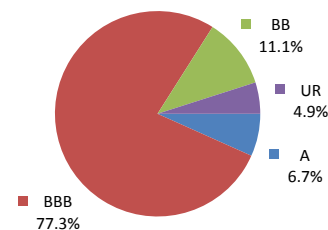
Portfolio Dashboard		(Growth)	NAV US\$	107.1001	(Ex-Dividend)	NAV US\$	104.4483
Performance (not annualised) *		Fund Statistics		Top Holdings			
Previous 1 week	0.1946 %	Yield to Maturity	4.20 %	Far East Horizon Ltd	9.27 %		
Trailing 1 month	0.4196 %	Effective Duration	2.60 years	Yuexiu Property Co Ltd	8.80 %		
Trailing 3 months	2.9818 %	Average Maturity	2.87 years	Ae Rotor Holding Bv	7.79 %		
Trailing 6 months	3.4272 %	Average Coupon	4.85 %	Wanda Properties	7.55 %		
(*) net of fees, adjusted for dividends		Total Dividend Paid	US\$ 2.6518	Cash & Equivalents	6.70 %		



NAV and YTM Trend  
(\* net of fees, adjusted for dividend)



PORTFOLIO DURATION



RATING PROFILE

### Portfolio Update

During the week, the Fund booked profits in Shenzhen International 2017 and Cliff Natural Resource 2018 bonds, and purchased Jaiprakash Power 2015, Far East Horizon 2017, and Caixa Economica 2018 bonds.

Jaiprakash Power Ventures Ltd (JPVL), a ~65% subsidiary of Jaiprakash Associates, is India's largest private hydropower generator. It owns and operates 2,200 MW power plants (hydro: 1,700 MW & thermal: 500 MW); out of which it has sold 1GW Karcham Wangtoo and 300MW Baspa-II hydro projects to a consortium led by Abu Dhabi National Energy Company (TAQA) at an EV of US\$1.6bn (expected deal closure in 2014). This deal would address the cash requirement for JPVL for its interest and debt repayment commitments over FY15-16. It has ~3.3GW of thermal power plants under construction. It also owns 74% of Jaypee Power Grid which is into power transmission.

Far East Horizon (Mkt Cap: US\$ 2.4bn) is a leading Chinese leasing company with ~4% market share. It has net interest margin of 4.02% and generates return on assets of ~2.61%. Its NPA is 0.80% with 30-days lease overdue ratio of 0.45%. Its asset quality is stable with NPA of 0.80% and 30 day lease overdue ratio of 0.45%. Established in 1991 it was acquired by Sinochem Group in 2000. Its key shareholders are Sinochem (~27.9%), KKR (~17%), Cathay Life (~9.0%), and a Government of Singapore Sovereign Wealth Fund (~7.35%).

Caixa Economica Federal (100% owned by Brazilian Government) has national presence through ~4,100 branches. It is Brazil's largest mortgage and savings bank, with market shares of ~67.6% and ~35.02% respectively. Further, it is the fourth largest commercial bank in Brazil in terms of assets (~US\$ 415bn) and the second largest in terms of deposits (~US\$ 154bn). It is also a fiscal agent of Government for enforcing policies related to housing, basic sanitation, infrastructure and development in Brazil. Its Total Capital Ratio is 13.7% with Tier-1 capital ratio of 11.3%.

### 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 FIXED INCOME FUND