

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

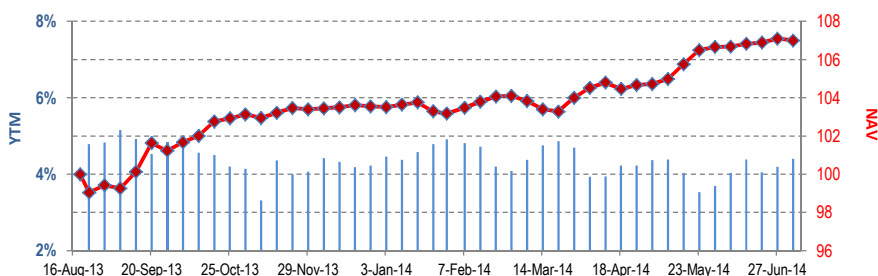
Communique as at 4th July 2014

OVERVIEW

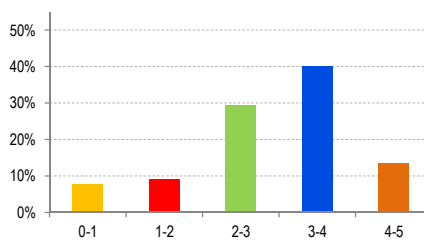
Silverdale Fixed Income Fund is actively managed for stable returns and quarterly distributions; the portfolio duration is kept low to manage interest rate risks and credit risks. During the week ended 4th July 2014, the Fund NAV dropped marginally by ~0.09% to US\$104.35 (previous week: US\$ 104.45) improving the portfolio yield to 4.40% p.a. (previous week: 4.20% p.a.) with average portfolio duration of 2.71 years (previous week: 2.60 years).

Portfolio Dashboard

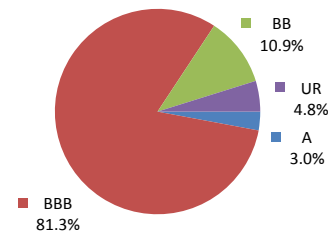
	(Growth)	NAV US\$	107.0013	(Ex-Dividend)	NAV US\$	104.3495
Performance (not annualised)*						
Previous 1 week	-0.0923 %					
Trailing 1 month	0.2983 %					
Trailing 3 months	2.3723 %					
Trailing 6 months	3.3719 %					
(* net of fees, adjusted for dividends)						
Fund Statistics						
Yield to Maturity	4.40 %					
Effective Duration	2.71 years					
Average Maturity	3.00 years					
Average Coupon	4.97 %					
Total Dividend Paid	US\$ 2.6518					
Top Holdings						
Far East Horizon Ltd	9.08 %					
Yuexiu Property Co Ltd	8.59 %					
Ae Rotor Holding Bv	7.53 %					
Wanda Properties	7.43 %					
Vtb Bank	6.21 %					



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



PORTFOLIO DURATION



RATING PROFILE

Portfolio Update

During the week, the Fund purchased Türkiye İş Bankası 2017 and Türkiye Vakıflar 2018 bonds.

Türkiye İş Bankası (Mkt Cap ~US\$11.8bn) is the largest bank in Turkey by asset size (total assets of ~US\$114.8bn) operating ~1,319 branches and ~5,740 ATMs. It has a market share of ~12.5% of total banking assets, ~13.1% of customer deposits and ~13.1% of loans. It has stable net interest margin of ~3.89% with non-performing loans of ~1.8%. Its capital adequacy ratio is at ~14.8% with Tier-I ratio at ~12.3%. Its largest shareholder is İsbank Pension Fund (~40% stake) followed by Republican People's Party (~28% stake).

Türkiye Vakıflar Bankası (Mkt cap: US\$ 5.6b), majority owned by Turkish government (~58% stake), is the seventh largest bank in Turkey by asset size. It operates ~869 branches and ~2,970 ATMs. It has a market share of ~8% of total banking assets, ~8% of customer deposits and ~9% of loans. Its non-performing loan (NPL) ratio was at ~3.95% with NPL coverage at 92.3%. Its net interest margin was at ~3.75%. Its capital adequacy ratio is at ~14% with Core Tier-I 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