



## Fund Description

Silverdale Bond Fund is a diversified portfolio of primarily investment grade short duration US dollar bonds, actively managed for enhanced 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 Information

Fund	Silverdale Bond Fund
ISIN	MU0308S00009
SEDOL No.	B6SKGT4
Swiss Valor No.	21462609
Bloomberg Code	SILV007 MP Equity
Inception Date <sup>†</sup>	9 Sep 2010
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.

## Cayman Feeder

Fund	Silverdale Fund SP-1
ISIN	KYG8135U1076
CUSIP	G8135U 107

## 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

## FUND MANAGER

**Silverdale Capital Pte Ltd**

Monetary Authority of Singapore Registered Fund Manager

## Custodian

Standard Chartered Bank

## Fund Administrator

**Orangefield (Mauritius) Limited**

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## DISCLAIMER

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# Silverdale Bond Fund

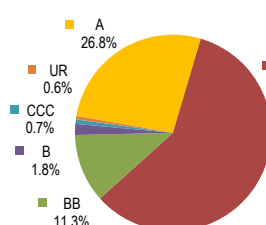
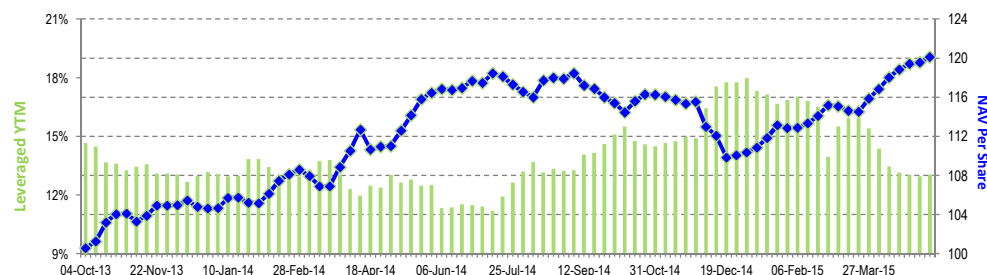
Communique as at 8th May 2015

## OVERVIEW

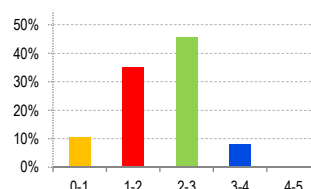
Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level ring-fenced leverage, while actively managing its portfolio duration. During the week ended 8th May 2015, the Fund NAV appreciated by 0.47% to US\$ 120.11 (previous week: US\$ 119.55), with optimum portfolio yield (post-leverage) of 13.06% per annum (previous week: 12.96% p.a.), and average duration of 1.98 years (previous week: 2.00 years).

## Portfolio Dashboard

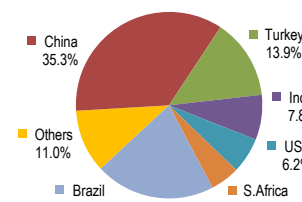
Performance		Fund Statistics		NAV US\$ 120.1148	
Previous 1 week	0.4687 %	Leveraged Yield to Maturity <sup>^</sup>	13.06 %	Top Holdings	% age
Trailing 1 month	1.7652 %	Portfolio Yield to Maturity	3.43 %	Mcc Holding Hk Corp Ltd	6.09 %
Trailing 3 months	6.4169 %	Average Coupon	5.02 %	Banco Btg Pactual/Cayman	5.16 %
Trailing 6 months	3.4871 %	Average Duration <sup>^^</sup>	1.98 years	Anglogold Holdings Plc	5.04 %
Trailing 9 months	3.5529 %	Average Maturity	2.13 years	Far East Horizon Ltd	4.55 %
Trailing 12 months	6.6995 %			Hebei Iron & Steel	4.02 %
	(not annualised, net of fees)			Yapi Ve Kredi Bankasi	3.65 %
				Jingneng Inv Group Co	3.65 %



RATING PROFILE<sup>1</sup>



PORTFOLIO DURATION<sup>2</sup>



GEOGRAPHICAL EXPOSURE<sup>3</sup>

## Portfolio Update

During the week, Silverdale Bond Fund purchased Embraer Overseas 2017, Raizen Energy 2017, Zhejiang Energy 2017 and Turkiye Is Bankasi 2017 bonds.

Embraer SA (Mkt Cap ~US\$ 5.7bn) is the third largest manufacturer of mid-sized airplanes catering to commercial aviation (~50% pf FY14 turnover), executive jets (~26%) and defense & security (~23%). As at end Mar 2015, it reported order book of ~US\$ 20.4bn which is ~3.4x LTM revenue. It reported total debt at ~US\$ 2.8bn, against cash & equivalent of ~US\$ 1.9bn. It reported debt to EBITDA of ~3.3x, net debt to EBITDA of ~1.1x and EBITDA to interest expense of ~6x. Founded in 1969 by the Brazilian Government, it was privatized in 1994. The bonds are issued by its wholly owned subsidiary Embraer Overseas Ltd and guaranteed by Embraer SA.

Raizen Energia S.A. is the largest manufacturer in the fragmented sugar and ethanol sector in Brazil with crushing capacity of 65.8mn tons and 24 sugar-ethanol mills (~11% market share). It is part of Raizen, a 50-50 joint-venture between Cosan Group and Royal Dutch Shell. The only other entity in JV being Raizen Combustiveis S.A, which distributes petroleum under the Shell brand. Cross-guarantees are provided by the two entities for each other's debt issuances. As at Dec 2014 Raizen reported revenue of ~US\$ 21.5bn with EBITDA of ~US\$ 1.5bn. It had cash & equivalents of ~US\$ 1bn against current debt at ~US\$ 1.2bn. Gross debt was at ~US\$ 4bn and net debt at ~US\$ 3bn, excluding stand by credit facility of US\$ 500mn.

Zhejiang Provincial Energy Group Co Ltd (ZEG) is the largest power producer in Zhejiang province. It is also into natural gas distribution and coal trading. As at end-June 2014, it had installed capacity of ~24GW. Further ZEG is the exclusive operator of the provincial pipeline network of ~722km. It reported total assets of ~US\$ 25.2bn with total debt of ~US\$ 8.2bn. ZEG is wholly owned by the Zhejiang SASAC and accounts for ~48.5% of the net profits of all 15 SOEs in Zhejiang Province. The bonds are issued by its subsidiary Zhejiang Energy Group (HK) Ltd and supported by a Keepwell Deed by ZEG.

Turkiye Is Bankasi (Mkt Cap ~US\$ 9.9bn) is the largest privately-owned commercial bank in Turkey in terms of assets and loans, with 1,333 domestic and 25 overseas branches. As of Dec'14, it had total assets worth ~US\$ 118bn and book value of equity of ~US\$ 12.1bn. It reported Net Interest Margin at ~3.9% and Non-Performing Loans (NPL) at 1.5% along with NPL coverage of 76.9%. It had capital adequacy ratio of ~16.0% with Tier-I ratio of ~13.6%.

## 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

