

Silverdale Fixed Income Fund

Communique as at 22nd September 2017

FUND DESCRIPTION

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

KEY FEATURES

- ☐ Investment grade (Min 80%)
- ☐ Short duration (2-3 years)
- ☐ No forex risk (US dollars only)
- ☐ Quarterly dividend distribution

FUND INFORMATION

Fund	Silverdale Fixed Income Fund
ISIN	MU0308S00058
Swiss Valor No.	22123988
Bloomberg Code	SILV009 MP Equity
Inception Date ¹	9 Sep 2010
Launch Date	19 Aug 2013
Next Dividend Date	29 Sep 2017 (3% pro rata) ²
Last Dividend Date	30 June 2017 (3% pro rata)
Last Dividend Paid	US\$ 0.7899

SUBSCRIPTION DETAILS

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

FUND MANAGEMENT DETAILS

THE FUND

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

INVESTMENT MANAGER

Sri Silverdale Capital Partners

Regulated by Financial Services Commission

INVESTMENT ADVISOR

Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore

UEN# 200820921K

BANKER

Standard Chartered Bank

FUND ADMINISTRATOR

Vistra (Mauritius) Limited

Regulated by Financial Services Commission

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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 22nd September, the Fund NAV appreciated marginally by 0.02% to US\$ 106.00 (previous week: US\$ 105.98), with portfolio yield of 3.90% per annum (previous week: 3.71% p.a.) and average duration of 2.60 years (previous week: 2.46 years).

PORTFOLIO DASHBOARD

Growth NAV US\$

117.9208

Ex-Dividend NAV US\$

105.9986

Performance*

Previous 1 week	0.0158 %
Trailing 1 month	0.4030 %
Trailing 3 months	1.4156 %
Trailing 6 months	2.3922 %
Trailing 12 months	4.4522 %
Trailing 3 Years	3.19% p.a.

(*) after all fees, before dividends

Fund Statistics

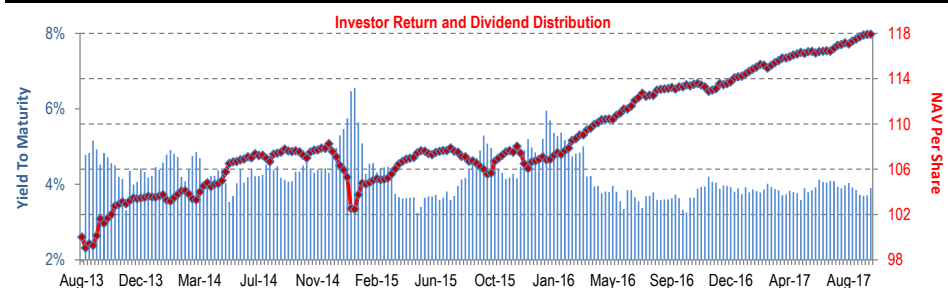
Yield to Maturity	3.90 %
Effective Duration	2.60 years
Average Maturity	2.91 years
Average Coupon	5.54 %
Sharpe Ratio (1 Year)	2.28
Total Dividend Paid ^Δ	US\$ 11.9222

(^Δ) Since Inception

Top Holdings

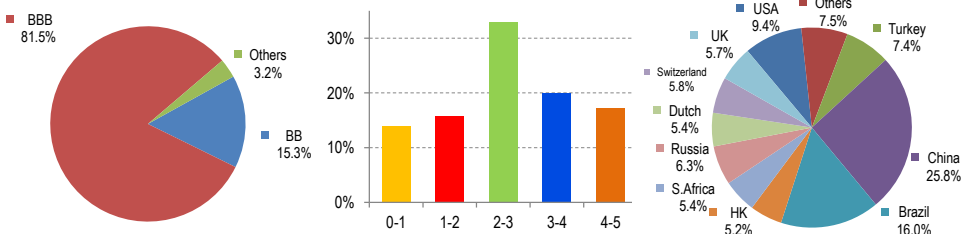
Credit Suisse 2023	5.82 %
Braskem Finance 2020	5.70 %
Hsbc Holdings PI 2021	5.69 %
Anglogold Holdings 2022	5.41 %
Dnb Bank Asa 2020	5.41 %
Yapi Ve Kredi 2019	5.31 %
Tewoo Group 2019	5.23 %

Period	Aug'13-Dec'13	2014	2015	2016	Jul'16-Sep'16	Oct'16-Dec'16	Jan'17-Mar'17	Apr'17-Jun'17
Dividend	1.0908	3.1171	3.0302	3.1050	0.7837	0.7810	0.7892	0.7899
Ex-Dividend Price	102.4604	101.0974	99.6221	103.3656	103.7177	103.3656	104.4499	104.5364
Investor Return	3.55%	1.71%	1.54%	6.87%	1.64%	0.41%	1.81%	0.84%



NAV and YTM Trend

(*) after all fees, before dividends

RATING PROFILE³

PORTFOLIO DURATION

GEOGRAPHICAL EXPOSURE⁴

PORTFOLIO UPDATE

During the week ended 22nd September, Silverdale Fixed Income Fund purchased China Jinjiang 2020 (BB-/Ba3/-) and China Huarong Perpetual (-/Baa1/A-) bonds.

China Jinjiang Environment Holding (Market Cap: US\$ 720mn) is one of the largest waste to energy (WTE) operator in China, operating 21 WTE facilities across 12 provinces with a capacity to process 29,230 tonnes/day and generating ~500MW of power. As of June 2017, it had 24 projects in pipeline in China and India, with a capacity of ~26,000 ton/day. It straddles the entire value chain of WTE, from planning and construction to operation and management of the facilities. As at 30 June 2017, it reported net debt at US\$ 645mn, with TTM EBITDA of ~US\$ 196.5mn, and Net Debt/EBITDA of ~2.7x.

China Huarong Asset Management (Mkt Cap: US\$ 17.6bn) was established by the Chinese government in 1999 as one of four asset management companies tasked with tackling problem loans from China's major banks prior to their listing. Today it is the largest financial asset management company in China with total assets of US\$ 245bn across (i) Distressed Assets Management (~47%), (ii) Financial Services (~33%), and (iii) Asset Management & Investments (~20%). Chinese Government through Ministry of Finance is the largest shareholder with 63.36% stake.

DIVIDEND

The Fund is likely to declare Seventeenth Quarterly Dividend of 3% per annum *pro rata* for September 2017 quarter. All subscriptions received on or before 22nd September 2017 shall be eligible for dividend distribution.

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