

Silverdale

Fund Management

FUND DESCRIPTION

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

KEY FEATURES

- Investment grade (Min 80%)
- Short duration (2-3 years)
- Low Volatility
- 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 Dec 2017 (3% pro rata) ²
Last Dividend Date	29 Sep 2017 (3% pro rata)
Last Dividend Paid	US\$ 0.7957

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
355 NeXTeracom Tower 1, Cybercity, Ebene, Mauritius
Tel.: +230 464 7275 Fax: +230 464 3290
Email: mauritius@silverdalegroup.com



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Silverdale Fixed Income Fund

Communique as at 24th November 2017

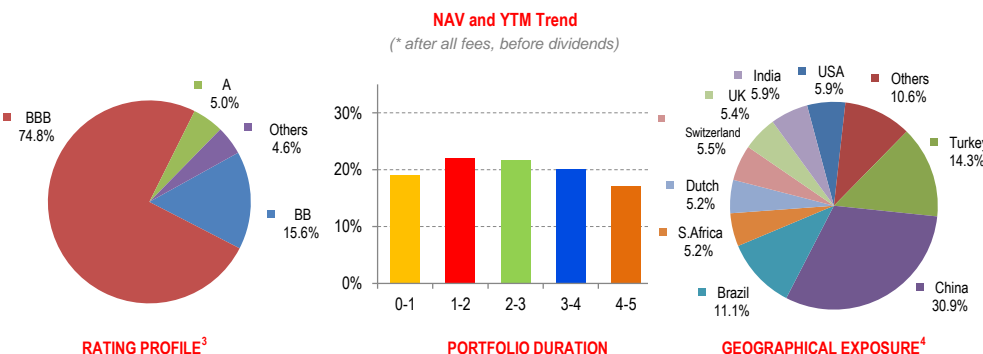
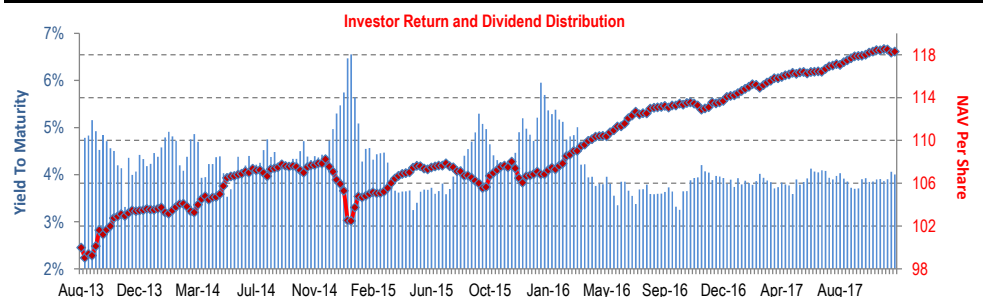
OVERVIEW

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 month ended 24th November 2017, the Fund NAV declined by 0.13% to US\$ 105.58 (previous month: US\$ 105.72), with portfolio yield of 4.01% per annum (previous month: 3.91% p.a.), and average duration of 2.46 years (previous month: 2.49 years).

PORTFOLIO DASHBOARD

	Growth NAV US\$	118.3007	Ex-Dividend NAV US\$	105.5828
Performance*				
Year to Date	4.4425 %			
Trailing 1 month	-0.1251 %			
Trailing 3 months	0.7629 %			
Trailing 6 months	1.8357 %			
Trailing 12 months	5.1331 %			
Trailing 3 Years	3.10% p.a.			
(*) after all fees, before dividends				
Fund Statistics				
Yield to Maturity	4.01 %			
Effective Duration	2.46 years			
Average Maturity	2.76 years			
Average Coupon	5.51 %			
Sharpe Ratio (1 Year)†	4.37			
Total Dividend Paid**	US\$ 12.7179			
(**) Since Inception				
Top Holdings				
Credit Suisse 2023	5.55 %			
Hsbc Holdings 2021	5.41 %			
Braskem Finance 2020	5.31 %			
Dnb Bank Asa 2020	5.17 %			
Anglogold Holdings 2022	5.16 %			
Tewoo Group 2019	5.00 %			
Huarong Finance 2022	4.97 %			

Period	Aug'13-Dec'13	2014	2015	2016	Oct'16-Dec'16	Jan'17-Mar'17	Apr'17-Jun'17	Jul'17-Sep'17
Dividend	1.0908	3.1171	3.0302	3.1050	0.7810	0.7892	0.7899	0.7957
Ex-Dividend Price	102.4604	101.0974	99.6221	103.3656	103.3656	104.4499	104.5364	105.3060
Investor Return	3.55%	1.71%	1.54%	6.87%	0.41%	1.81%	0.84%	1.50%



PORTFOLIO UPDATE

During the week ended 24th November 2017, Silverdale Fixed Income Fund sold Wing Lung 2022 (-/Baa2/-) bonds while it purchased Weichai Perpetuals (BBB-/BBB, First Call 2022) bonds.

Weichai Power (Mkt Cap US\$ 9.7bn) is the largest manufacturer of heavy duty truck engines and the fourth-largest heavy duty truck manufacturer in China. Through KION (~43.3% equity stake), it is the largest company in the European forklift market and the second-largest in global forklifts market. The acquisition of Dematic makes it the largest supply-chain solutions company in North America and amongst top three firms globally. It operates in five segments: 1) Diesel engine manufacturing; 2) Forklift trucks production, warehouses technology and supply chain solution services; 3) Automobiles and major automobile components; 4) Other automobile parts and components; and 5) Import and export services. As at 30 June 2017, it reported TTM EBITDA of ~US\$ 2.1bn with Net Debt/EBITDA of ~2.5x and interest coverage ratio of ~11.9x.

During the month of November 2017, Silverdale Fixed Income Fund NAV declined by 0.13%, owing to drop in bond prices which was partially offset by interest earned. Chinese, US, and UK credits were the key laggards.

During the month Silverdale Fixed Income Fund sold Lukoil 2020 (BBB/Ba1/BBB+) and Wing Lung 2022 (-/Baa2/-) bonds while it purchased Yapi Ve Kredi Bankasi 2018 (-/Ba1/BBB-), and Weichai Perpetuals (BBB-/BBB, First Call 2022) bonds. Further we received proceeds from tender of TV Azteca 2020 (-/B+/) bonds.

We continue to maintain conservative position with ~81.6% of investments in Investment Grade bonds while maintaining a short duration of 2.46 years.

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