

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.

KEY FEATURES

- Investment grade (Min 75%)
- Short duration (2-3 years)
- No forex risk (US dollars only)
- Enhanced returns, using ring-fenced leverage
- Quarterly dividend distribution

FUND INFORMATION

Fund	Silverdale Bond Fund		
Fund Type	Segregated Portfolio Company		
Domicile	Cayman Islands		
Inception Date <sup>†</sup>	9 Sep 2010		
Weekly NAV Launch Date	1 Oct 2013		
Cayman Launch Date	8 May 2015		
NAV Computation	Weekly	(Friday)*	
Subscription / Redemption	Weekly	(Monday)*	
Management Fee	0.50% p.a.^		
Next Dividend Date	29 Mar'18 (US\$ 2.00 per share)#		
Previous Dividend Date	29 Dec'17 (US\$ 2.00 per share)		

FUND MANAGEMENT DETAILS

THE FUND

Silverdale Bond Fund

is the segregated portfolio-1 (SP-1) of Silverdale Fund SPC, a Cayman Islands domiciled mutual fund, registered with Cayman Islands Monetary Authority

FUND MANAGER

Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore

UEN# 200820921K

FUND ADMINISTRATOR

Vistra (Mauritius) Limited

Regulated by Financial Services Commission

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Ebene, Mauritius

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Email: spc@silverdalegroup.com

CLASS DETAILS	CLASS 1A	CLASS 1B
ISIN	KYG8135U1076	KYG8135U1159
CUSIP	G8135U 107	G8135U 115
Swiss Valor No.	28213010	TBC
Bloomberg Code	SILV01A KY Equity	SILV01B KY Equity
Morningstar SecID	F00000WLJR	F00000WLJW
Initial Sales Charge	1.00%	0.00%
Exit Load	0.25%	1.00%
Contingent Load	Nil	3% / 2% / 1%

CLASS DETAILS	CLASS 1C	CLASS 1D
ISIN	KYG8135U2066	KYG8135U2306
CUSIP	G8135U 206	G8135U 230
Swiss Valor No.	TBC	TBC
Bloomberg Code	SILV01C KY Equity	SILV01D KY Equity
Morningstar SecID	TBC	TBC
Initial Sales Charge	Upto 5%	0.00%
Exit Load	0.25%	1.00%
Contingent Load	Nil	5% / 4% / 3% / 2% / 1%



Investors' Choice Award

2016 ALTERNATIVE  
INVESTMENTS AWARDS

For subscription & information, please

Email: spc@silverdalegroup.com

Or, Call: +65 6835 7130

PORTFOLIO DASHBOARD

Growth NAV US\$

151.8881

Ex-Dividend NAV US\$

132.3150

PERFORMANCE\*

Year to Date	0.4806	%
Trailing 1 month	0.4806	%
Trailing 3 months	0.5384	%
Trailing 6 months	3.2565	%
Trailing 12 months	7.1193	%
Trailing 3 years	10.41%	p.a.

(\*) after all fees, before dividend payout

FUND STATISTICS

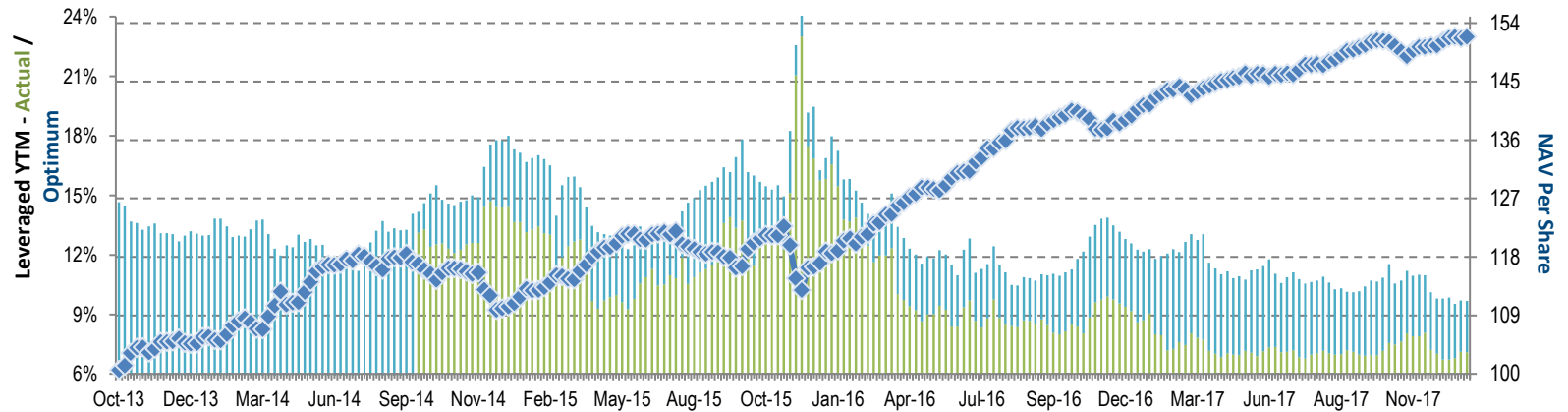
Portfolio Yield to Maturity	3.96	%
Leveraged YTM - Actual	7.09	%
Leveraged YTM - Optimum	9.66	%
Average Coupon	4.97	%
Average Duration	2.07	years
Total Dividend Paid	US\$ 19.57	
Sharpe Ratio (1 Year) <sup>††</sup>	2.87	

TOP HOLDINGS

% age

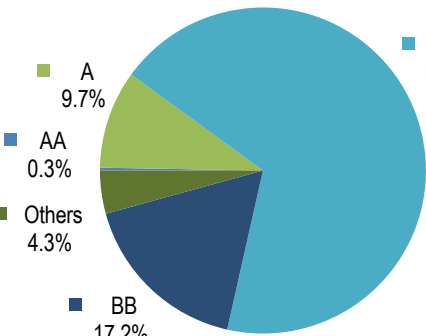
Tewoo Group Fin	2019	2.81	%
Vedanta Resources	2021	2.53	%
Western Digital Corp	2019	2.51	%
Huarong Finance	2022	2.42	%
Yapi Ve Kredi	2019	2.40	%
Turkiye Garanti	2019	2.38	%
Chang Development	2020	2.26	%

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Div Yield
2013										3.46	0.86	(0.28)	4.06	
2014	0.50	3.27	0.24	1.91	4.98	1.04	(0.32)	0.51	(1.61)	0.23	(0.62)	(4.49)	5.46	
2015	2.26	2.06	0.57	3.20	1.67	0.07	(1.66)	(0.71)	(2.08)	4.42	(1.31)	(2.34)	6.09	4.05%
2016	3.06	0.87	2.61	3.47	0.28	1.79	3.55	1.73	0.96	0.99	(2.16)	1.71	20.10	6.48%
2017	2.23	1.29	0.05	0.95	0.49	0.08	0.97	0.65	1.64	0.41	(1.02)	1.09	9.02	6.10%
2018	0.48												0.48	

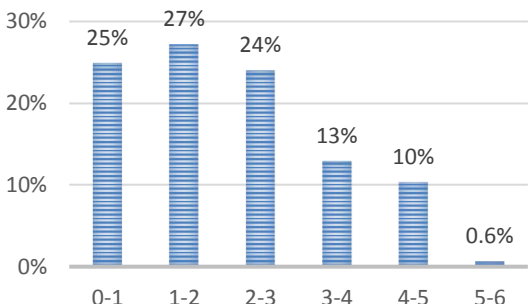


NAV and post-leverage YTM

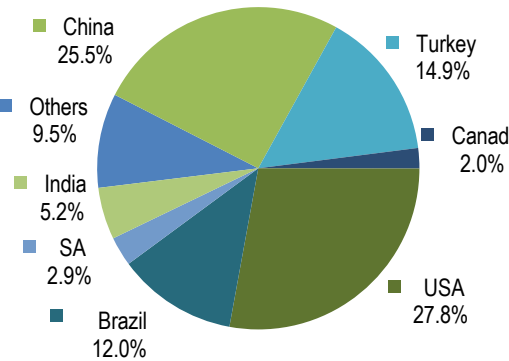
(\* net of fees, adjusted for dividend)



RATING PROFILE<sup>1</sup>



PORTFOLIO DURATION<sup>2</sup>



GEOGRAPHICAL EXPOSURE<sup>3</sup>

PORTFOLIO UPDATE

During the week ended 26th January 2018, we sold Ares Capital 2018 (BBB-/BBB) bonds; while we purchased Binhai Investment 2018 (-/Ba1/BBB-), and Pitney Bowes 2022 (BBB-/Ba1/BBB-) bonds.

Binhai Investment (Mkt Cap: US\$ 233mn) is city gas distribution company with ~2,199 km of gas pipelines primarily in Tianjin, and in Beijing, Shandong, Hebei, Jiangsu, Zhejiang, Jiangxi, and Hunan. As at 30 June 2017, it reported net debt of ~US\$ 205mn, Net Debt/EBITDA of ~3.2x and interest coverage ratio of ~9.2x. Tianjin Economic Development Area (TEDA) Investment (Owned by Tianjin SASAC) is its largest shareholder with 63.2% ownership. The bonds are supported by letter of support from TEDA.

Pitney Bowes (Market Cap: US\$ 2.4bn) is a leading global provider of integrated mail, messaging and document management solutions that include postage meters, mailing equipment, document messaging services, and digital commerce solutions. As at 30th Sep 2017, it reported TTM EBITDA of ~US\$ 520mn with Net Debt/EBITDA of ~4.7x and interest coverage ratio of ~2.1x.

During the month of January 2018, our Fund NAV appreciated by 0.48%, primarily driven by interest earned during the period which was partially offset by drop in bond prices. South African credits were the key laggards.

During the month of January 2018, we sold Ares Capital 2018 (BBB-/BBB), TransAlta 2018 (BBB-/Ba1/BBB-), Turkiye Petrol Rafinerileri 2018 (-/Ba1/BBB-) and Dell 2018 (BB-/Ba2/BB) bonds; while we purchased Binhai Investment 2018 (-/Ba1/BBB-), QNB Finansbank 2019 (-/Ba1/BBB-), Binhai Investment 2020 (-/-/BBB-), Tewoo Group 2020 (-/-/BBB), Yiwu State-owned Capital Operation 2020 (-/Baa3/BBB), Vedanta Resources 2021 (B+/B2/-), Pitney Bowes 2022 (BBB-/Ba1/BBB-), Western Digital 2023 (BBB-/Ba1/BBB-), Western Digital 2024 (BB+/Ba2/BB+), Huarong Finance Perp (-/Baa1/A-, First Call 2022) bonds.

We continue to maintain a conservative position with ~78.5% of our investments in Investment Grade bonds with a short duration of 2.07 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 spc@silverdalegroup.com

DISCLAIMER

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