

Silverdale

Fund Management

Silverdale Fixed Income Fund

Communique as at 1st March 2019

FUND DESCRIPTION

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

- ☐ 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
Last Dividend Paid	US\$ 0.8901
Next Dividend Date	29 Mar 2019 (3.50% pro rata) ²
Last Dividend Date	28 Dec 2018 (3.50% pro rata)

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

Visra (Mauritius) Limited
Regulated by Financial Services Commission
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DISCLAIMER

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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 1st March 2019, the Fund NAV increased by 0.25% to US\$ 103.95 (previous week: US\$ 103.69), with portfolio yield of 5.12% per annum (previous week: 5.31% p.a.), and average duration of 1.72 years (previous week: 1.86 years).

PORTFOLIO DASHBOARD	Growth NAV US\$	121.0632	Ex-Dividend NAV US\$	103.9450
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Performance (net of fees)

Year to Date	3.0723 %
Trailing 1 month	1.0446 %
Trailing 3 months	3.3749 %
Trailing 6 months	3.3354 %
Trailing 12 months	2.4779 %
Trailing 3 Years	3.96% p.a.
Since Inception	3.51% p.a.

Fund Statistics

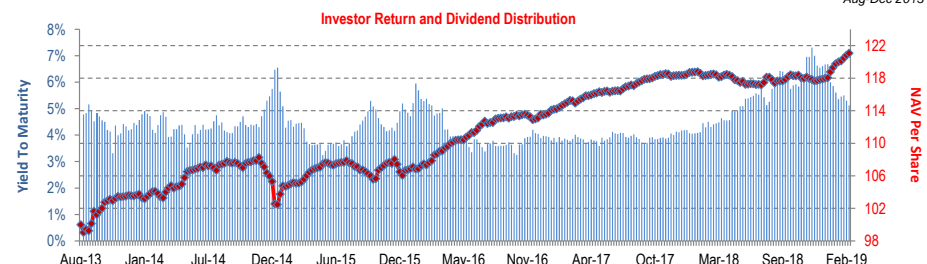
Yield to Maturity	5.12 %
Effective Duration	1.72 years
Average Maturity	1.91 years
Average Coupon	5.12 %
Sharpe Ratio (3 Year) [†]	2.33
Total Dividend Paid ^{**}	US\$ 17.1182
("†") Since Inception	

Top Holdings

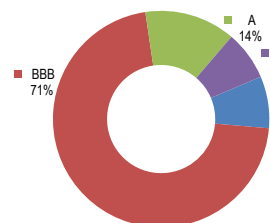
Fixed Deposit - Weekly 201!	4.87 %
Alores Finance 2020	4.40 %
Credit Suisse Ag 2023	4.37 %
Hsbc Holdings 2021	4.30 %
Dnb Bank Asa 2020	4.29 %
Credit Agricole 2019	4.15 %
Yapi Ve Kredi 2019	4.13 %

Period	2013*	2014	2015	2016	2017	2018	Mar'18 Qtr	Jun'18 Qtr	Sep'18 Qtr	Dec'18 Qtr	Jan'19
Dividend	1.0908	3.1171	3.0302	3.1050	3.1680	3.6071	0.9159	0.8992	0.9019	0.8901	-
Ex-Dividend Price	102.4604	101.0974	99.6221	103.3656	104.9778	100.8467	103.7589	101.8767	102.1824	100.8467	102.8704
Investor Return	3.55%	1.71%	1.54%	6.87%	4.62%	-0.50%	-0.29%	-0.95%	1.19%	-0.44%	2.01%

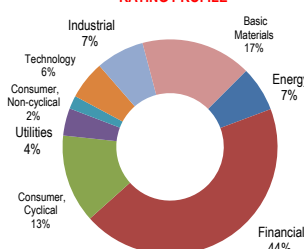
* Aug-Dec 2013



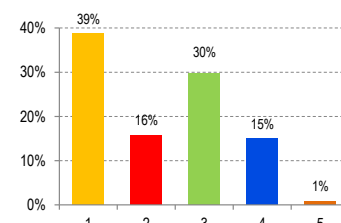
NAV and YTM Trend (net of fees)



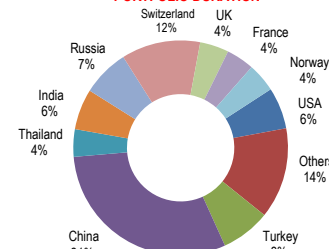
RATING PROFILE³



SECTOR EXPOSURE



PORTFOLIO DURATION



GEOGRAPHICAL EXPOSURE⁴

PORTFOLIO UPDATE

During the week ended 1st March 2019, we sold AngloGold Ashanti (BB+/Baa3/-), Health & Happiness (BB+/Baa3/-), and QNB Finansbank (-/Ba3/BB-) bonds while we purchased CPI Property Group (BBB/Baa2/-) and Türkiye Halk Bankası (-/B2/B+) bonds.

CPI Property Group (Mkt Cap: US\$ 7.4bn) is a real estate group owning 418 properties, including offices, retail, 12,306 residential units, and 10,488 hotel beds, worth approx US\$ 8.5bn, primarily in The Czech Republic (54%) and Berlin (24%). The company's portfolio split by value as of 30 June 2018 consisted of 41% office, 29% retail, 11% hotels, 8% residential, and 9% land bank. The portfolio generates US\$ 300mn in net annual rent and US\$ 45mn of net income from its hotel operations. As of 31 December 2018 it reported loan to value at 37% and net interest coverage ratio at 4.2x. Radovan Vitek controls 90% of CPI's voting shares.

Türkiye Halk Bankası (Mkt Cap: US\$ 1.7bn) is the sixth largest bank in Turkey with 988 branches. As of December 2018, it had total assets worth US\$ 73.4bn. It reported Net Interest Margin at 2.8% and Non-Performing Loans (NPL) at 3.2% with NPL coverage of 77%. It reported capital adequacy ratio at 13.8% with Tier-I ratio at 10.7%. Turkish Government is the largest shareholder with 51.11% stake.

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

