

# Silverdale

Fund Management

## Silverdale Fixed Income Fund

305th Weekly Communique as at 28th June 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 <sup>1</sup>	9 Sep 2010
Launch Date	19 Aug 2013
Last Dividend Paid	US\$ 0.9160
Last Dividend Date	28 Jun 2019 (3.50% pro rata)
Next Dividend Date	27 Sep 2019 (3.50% pro rata) <sup>2</sup>

### 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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Cybercity, Ebene, Mauritius

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### PORTFOLIO DASHBOARD

#### Performance (net of fees)

Year to Date	4.1618 %
Trailing 1 month	0.8126 %
Trailing 3 months	0.3351 %
Trailing 6 months	4.1618 %
Trailing 12 months	4.8676 %
Trailing 3 Years	3.15% p.a.
Since Inception	3.47% p.a.

#### Fund Statistics

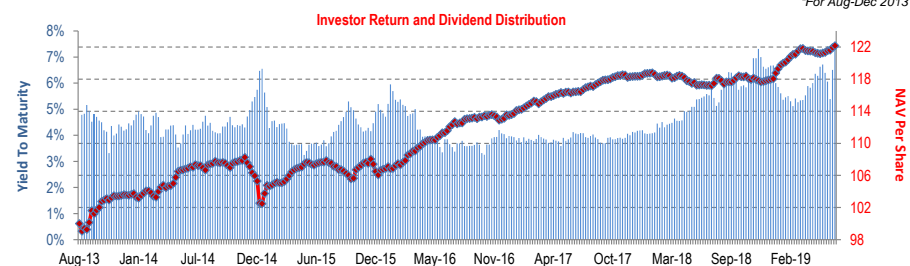
Yield to Maturity	7.43 %
Effective Duration	1.97 years
Average Maturity	2.19 years
Average Coupon	5.31 %
Sharpe Ratio (3 Year) <sup>†</sup>	1.50
Total Dividend Paid**	US\$ 18.9453
(* Since Inception)	

#### Top Holdings

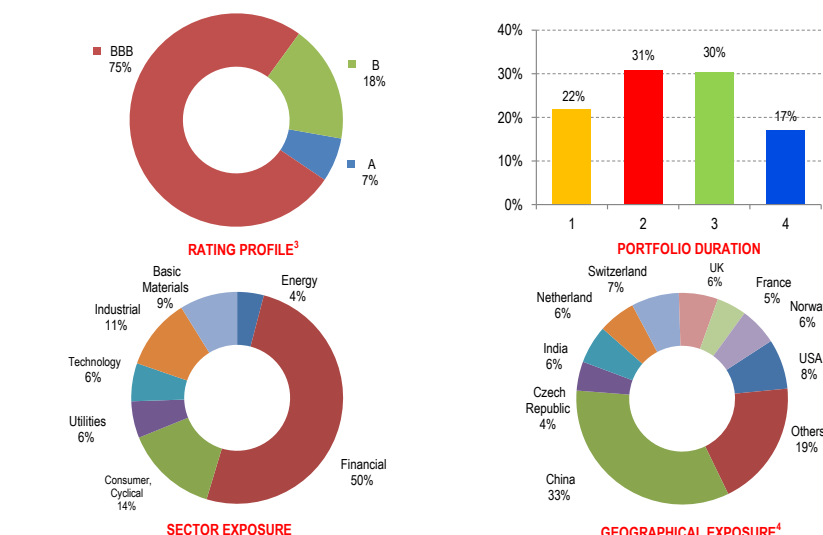
Credit Suisse Ag 2023	6.46 %
Hsbc Holdings 2021	6.06 %
Seagate Hdd 2022	5.89 %
Dnb Bank Asa 2020	5.87 %
Huarong Finance 2022	5.86 %
Samvardhana 2021	5.78 %
Chang Development 2020	4.64 %

Period	2013*	2014	2015	2016	2017	2018	Sep'18 Qtr	Dec'18 Qtr	Mar'19 Qtr	Jun'19 Qtr
Dividend	1.0908	3.1171	3.0302	3.1050	3.1680	3.6071	0.9019	0.8901	0.9160	0.9111
Ex-Dividend Price	102.4604	101.0974	99.6221	103.3656	104.9778	100.8467	102.1824	100.8467	103.7799	103.2182
Investor Return	3.55%	1.71%	1.54%	6.87%	4.62%	-0.50%	1.19%	-0.44%	3.82%	0.34%

\*For Aug-Dec 2013



NAV and YTM Trend (net of fees)



### PORTFOLIO UPDATE

During the week ended 28th June 2019, Silverdale Fixed Income Fund purchased Aroundtown SA (BBB-/-) bonds.

Aroundtown SA (Mkt Cap: US\$ 9.3bn) is the largest German listed Commercial Real Estate (CRE) company with diversified real estate portfolio worth EUR 14bn. It consists of offices (43%), hotels (24%), residential (17%) and other assets (16%). The portfolio generates EUR 614mn in net annual rent. As of 31 December 2018, it reported loan to value at 35% and net interest coverage ratio at 5.1x. Yakir Gabay is the largest shareholder with 34% equity stake and the remaining is free float.

During the month of June 2019, the NAV of Silverdale Fixed Income Fund appreciated by 0.81%. The appreciation in NAV was led by increase in bond prices of Indian, Swiss, and US credits while Canadian and Mexican credits were dampeners. Sectorially, Financial, Basic Material, and Industrial sectors were the key positive contributors while Consumer Cyclical sector was the key laggard.

We continue to maintain conservative position with circa 82% of our investments in Investment Grade bonds with short duration of just 1.97 years.

### DIVIDEND UPDATE

The Fund paid Twenty Fourth Quarterly Dividend of 3.50% per annum pro rata amounting to US\$ 0.9111 per share taking the total dividend paid in calendar year 2019 to US\$ 1.8271 per share. All investors holding shares on Friday, 28th June 2019 (Dividend Record Date) have been paid dividend.

### 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

### DISCLAIMER

The above commentary does not provide a complete analysis of every material fact regarding the market, industry, security, portfolio or the fund. It is not a recommendation to buy or sell any security nor an investment advice. The portfolio holdings, opinions and information may change without notice. The contents of this document, including any narrative does not constitute an offer to sell or a solicitation of any offer to buy the units or shares in Silverdale Fixed Income Fund or Silverdale Bond Fund or Silverdale India Equity Fund or any other Class of Sri Silverdale Opportunities Fund or any of the funds managed or advised by Sri Silverdale Capital Partners or by Silverdale Capital Pte Ltd., and is strictly for information only. Any application for units or shares must be made solely on the basis of the fund's private placement memorandum, class supplements, application form and appendices (together "the PPM"). Past performance is not necessarily a guide to the future performance. Opinions and estimates contained in this document are subject to change without notice, and the actual results would differ from the said opinions and estimates. Please refer to the PPM for Risk Factors. This document is written for the benefit of and being communicated only to expert investors as defined in Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008, issued under the Securities Act 2005 of Mauritius. The recipient should obtain opinion from independent professional adviser before making any decision based on this document. The NAV performance is computed taking: 1 month = 4 weeks, 3 months = 13 weeks, 6 months = 26 weeks, 9 months = 39 weeks and 12 months = 52 weeks. (1) Initially the portfolio was launched as part of multi-assets fund with quarterly NAV. (2) Indicative. (3) Credit Rating is based on best of the three ratings (S&P/Moodys/Fitch). (4) Country exposure of less than 5% has been clubbed into 'Others'. (5) Sharpe Ratio: Source Bloomberg.

