

## Silverdale Bond Fund

307th Weekly Factsheet as at 16th August 2019

## 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.

## FUND ADVANTAGES

- Quality Assets: Investment Grade (min 75%)
- Short duration (2-3 years)
- No forex risk (US dollars only)
- Enhanced returns, non-recourse leverage
- Quarterly dividend distribution

## FUND INFORMATION

Fund	Silverdale Fund SP-1
Fund Type	Segregated Portfolio Co
Domicile	Cayman Islands
Fund Currency	US Dollar
Inception Date <sup>†</sup>	9 Sep 2010
Weekly NAV Launch Date	4 Oct 2013
Cayman Launch Date	8 May 2015
NAV Computation	Weekly (Friday)**
Subscription/Redemption	Weekly (Monday)**
Management Fee	0.50% p.a.^
Next Quarterly Dividend	US\$ 2.10 per share <sup>#</sup>
Next Dividend Date	27 Sep 2019
Trailing 12 mth Dividend	US\$ 8.20 per share
Sales Registration	Singapore, Taiwan, United Kingdom and UAE

## AT A GLANCE

Gross Investments	US\$ 451 million
Net Assets (AUM)	US\$ 180 million
Net Loan	US\$ 269 million
Gross Book <sup>5</sup>	US\$ 720 million
Investment Grade Bonds	79.07 %
Number of Securities	115
Max Single Security Exposure	2.85 %
Number of Countries	21
Max Single Country Exposure	27.34 %

## SHARE CLASS AVAILABLE

SHARE CLASS	ISIN
Silverdale Fund SP1A	KYG8135U1076
Silverdale Fund SP1B	KYG8135U1159
Silverdale Fund SP1C	KYG8135U2066
Silverdale Fund SP1D	KYG8135U2306
Silverdale Fund SP1E	KYG8135U2488
Silverdale Fund SP1F	KYG8135U2553
Silverdale Fund SP1K	KYG8135U2975

Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 16th August 2019 the Fund NAV appreciated by 0.10% to US\$ 123.75 (previous week: US\$ 123.63), with actual portfolio yield (post-leverage) of 14.50% per annum (previous week: 14.72% p.a.), and average duration of 1.61 years (previous week: 1.63 years).

## PORTFOLIO DASHBOARD

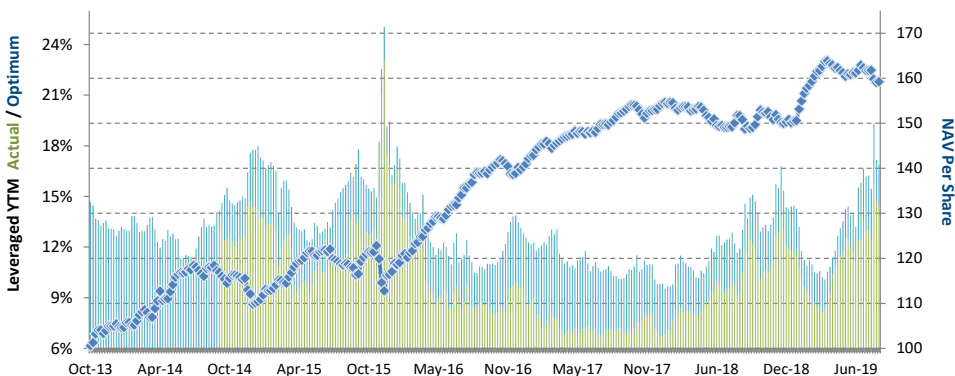
Growth NAV US\$\* 159.2330 Ex-Dividend NAV US\$ 123.7507

## PERFORMANCE (net of fees)

Year to Date	5.85 %
Trailing 1 month	-1.54 %
Trailing 3 months	-0.76 %
Trailing 12 months	7.07 %
Trailing 3 years	4.63 % p.a.
Trailing 5 years	6.18 % p.a.
Since 4 Oct 2013	8.15 % p.a.

## FUND STATISTICS

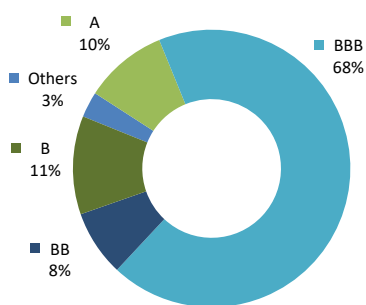
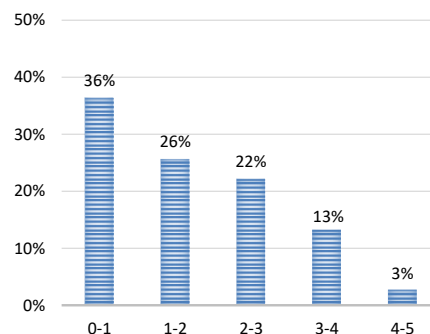
Portfolio Yield to Maturity	7.51 %
Leveraged YTM - Actual	14.50 %
Leveraged YTM - Optimum	16.88 %
Average Coupon	5.45 %
Average Duration	1.61 years
Total Dividend Paid	US\$ 31.77
Sharpe Ratio (3 year) **	1.13



## NAV and post-leverage YTM (net of fees)

Period	Oct'13-Dec'13	2014	2015	2016	2017	2018	Jul'18-Sep'18	Oct'18-Dec'18	Jan'19-Mar'19	Apr'19-Jun'19
Dividend	-	-	4.47	7.30	7.80	8.00	2.00	2.00	2.10	2.10
Ex-Dividend Price	104.6428	110.3573	112.6058	127.9435	131.6822	120.7821	124.7965	120.7821	129.4537	126.5964
Return to Investor	4.06%	5.46%	6.09%	20.10%	9.02%	-2.20%	2.54%	-1.61%	8.92%	-0.58%

## Investor Return and Dividend Distributions

RATING PROFILE<sup>1</sup>PORTFOLIO DURATION<sup>2</sup>

## FUND MANAGER

Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore (UEN# 200820921K)

8 Temasek Boulevard, #35-02 Suntec Tower-3, Singapore: 038988, Tel: +65 6835 7130 Email: ir@silverdalegroup.com



WealthBriefingAsia



AI HEDGE fund



PLEASE REFER OVERLEAF FOR IMPORTANT DISCLOSURES &amp; RISK FACTORS

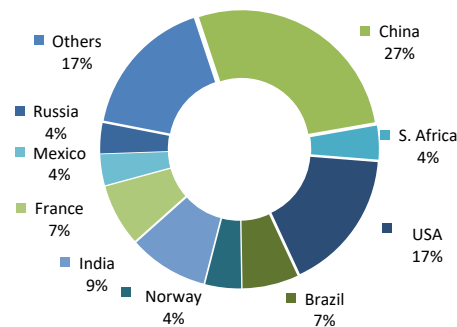
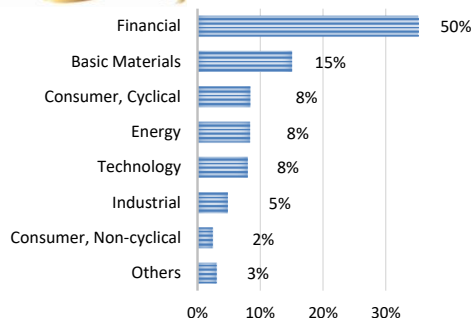


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TOP 10 HOLDINGS<sup>3</sup>

	%	age
Dnb Bank Asa 2020	2.85	%
Citadel Lp 2022	2.79	%
Seagate Hdd 2022	2.77	%
Country Garden 2020	2.71	%
Petroleos Mexicano 2021	2.70	%
Credit Agricole 2019	2.66	%
Braskem Finance 2022	2.49	%
Turkiye Halk Bankasi 2020	2.35	%
Huarong Finance 2022	2.24	%
Chang Development 2020	2.15	%

SECTORAL EXPOSURE<sup>4</sup>GEOGRAPHICAL EXPOSURE<sup>5</sup>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 ADMINISTRATOR

## Vistra (Mauritius) Limited

Regulated by Financial Services Commission  
3rd Floor, 355 NEX, Rue du Savoir, Cybercity  
Ebene, Mauritius  
Tel.: +230 260 7275  
Fax: +230 260 7001  
Email: spc@silverdalegroup.com

## PORTFOLIO UPDATE

During the week ended 16th August 2019, we sold Pitney Bowes and Tewoo Group bonds while we purchased BNP Paribas (BBB-/Ba1/BBB-), JSW Steel (-/Ba2/BB), Sunac China (B+/B1/-), and UBS (BB/Ba1/BBB-) bonds.

BNP Paribas (Mkt Cap: US\$ 56.3bn) is the largest bank in France, with total assets of US\$ 2.6tn as of 31 Mar 2019. It offers corporate and investment banking, asset management, private banking and insurance services. The Group operates in 72 countries and has over 202,000 employees. As of March 2019, it reported CET1 ratio at 11.7%. The Government of Belgium is the largest shareholder with 7.7% equity stake.

JSW Steel (Mkt Cap: US\$ 7.7bn) with capacity of 18 mtpa is the second-largest steel producer in India and seventh-largest in the world. It has small operation in US and Europe. As of June 2019, they reported revenue of US\$ 12bn, EBITDA of US\$ 2.5bn, net debt of US\$ 6.8bn resulting in net leverage of 2.7x. It is part of the larger JSW Group, which through associated parties, owns 37% of the issued capital.

Sunac China Holdings Limited (Mkt Cap: US\$ 19.8bn) is one of the largest Chinese developers with gross contracted sales of circa US\$ 70bn in 2018. The company focuses on mid-range to high-end property markets, with diversified geographical coverage across China and focus on Tier 1 and Tier 2 cities. As of Dec 2018, its gross land bank stood at 165.6mn sqm, of which 113.3mn sqm was attributable to it. As of Dec 2018, it reported total assets of US\$ 104bn, net debt to EBITDA at 7.8x and interest coverage ratio at 1.3x.

UBS (Mkt Cap: US\$ 40bn) is the largest Wealth Manager in the world with invested assets of US\$ 2.2tn. As of March 2019, it reported total assets at US\$ 956bn, Common Equity Tier-1 Capital ratio at 13% and Total Capital Ratio at 20.7%.

## RISK PROFILE

NAV Per Share can go up as well as down and any capital invested in the fund may be at risk. The Fund uses leverage and derivatives for hedging or as part of its investment strategy which involve additional costs and risks. For further details, please refer to the Composite PPM.

## HOW TO INVEST

Please ask your private bank/distributor to subscribe to Silverdale Bond Fund as per terms of the Composite PPM (quoting the relevant ISIN).  
Should you seek any support, please: Call Fund Administrator at +230 2607 275, or Fund Management Company at +65 6835 7130  
or Email: spc@silverdalegroup.com

## FUND MANAGER

## Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore (UEN# 200820921K)

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## RISK FACTORS

**Interest Rate Risk:** The increase (fall) in value of fixed income securities with fall (increase) in interest rate. **Credit Risk:** The ability of the issuer to redeem the bonds (or other securities) on maturity. **Liquidity Risk:** The ability to sell a bond before its redemption. **Counterparty Risk:** The risk due to failure of the counterparty dealt with. **Country Risk:** The investment strategy is subject to the risks relating to the geographical, political, economic and social issues of the country of the Issuer, and to a lesser extent that of United States. **Leverage/Derivatives Risk:** Disproportionately large change in value of securities due to relatively small change in determinant.

## 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 Bond Fund (or Silverdale Fund SP-1), or any other segregated portfolio or Class of Silverdale Fund SPC or any of the funds managed or advised by Silverdale Capital Pte Ltd., and is strictly for information only. Any subscription 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 Composite PPM"). Past performance is not an indicator of 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. The Fund uses/invests in financial derivative instruments. Please refer to the Composite PPM for Risk Factors. This document is written for the benefit of and being communicated only to Accredited Investors or Institutional Investors as defined under the Securities and Futures Act (Cap. 289) of Singapore or any similarly defined investor in any other securities legislation. 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, 12 months = 52 weeks, 3 years = 156 weeks and 5 years = 260 weeks. NAV prior to 8 May 2015 is based on NAV of underlying fund (Class E of Sri Silverdale Opportunities Fund). Payment of Dividend results in equivalent amount of drop in the NAV of the Fund. (\*) Growth NAV includes returns on dividend, which more accurately reflects the return earned by investor; previously, Growth NAV was aggregation of lifetime dividend paid and ex-dividend NAV, without considering return earned by investor on dividend paid. (\*\*) Assuming to be Business Day. (#) Indicative. (†) Initially launched a multi-assets fund with quarterly NAV. (1), (2), (3), (4) & (5) Based on gross investments into securities. (1) Credit Rating is based on best of the three ratings (S&P/Moodys/Fitch); Rating exposure of less than 4% has been clubbed as "Others". (4) Sector exposure of less than 5% has been clubbed as "Others". (5) Country exposure of less than 3.5% has been clubbed as "Others". (6) Gross Book is aggregation of Gross Investments and Loans (net of cash). (^^) Based on Gross Assets. Ranking source: Bloomberg's special report on Asia's Hedge Fund dated June 26, 2015; category: Multi Strategy. (††) Sharpe Ratio: Source Bloomberg.