

# Silverdale

## FUNDS

### Fund Description

Silverdale Bond Fund is a diversified portfolio of primarily investment grade short duration USD bonds, actively managed for superior absolute returns, using ring-fenced leverage.

### Investor Benefits

Active management with real time response, capitalizing on opportunistic investments and employing prudent risk management systems. Embedded leverage for higher return without hassles of loan management.

### Fund Information

Fund	Silverdale Bond Fund
ISIN Code	MU0308S00009
Bloomberg Code	SILV007 MP Equity
Monthly NAV Launch Date	2 July 2012
Weekly NAV Launch Date	1 Oct 2013

### Subscription Details

Minimum Investment	US\$ 100,000
NAV Computation	Weekly
Subscription	Weekly
Redemption	Weekly
Management Fee	1% p.a.

### Fund Management Details

#### THE FUND

Share Class-E of Sri Silverdale Opportunities Fund, a Mauritius based umbrella fund, authorised and regulated by Financial Services Commission

#### INVESTMENT MANAGER

##### Sri Silverdale Capital Partners

Authorised & Regulated by Financial Services Commission

#### INVESTMENT ADVISOR

##### Silverdale Capital Pte Ltd

Monetary Authority of Singapore Registered Fund Manager

### Bankers / Custodians

Standard Chartered Bank  
Barclays Bank  
Bank Julius Baer  
ABN Amro Bank

### Fund Administrator

#### Orangefield Trust (Mauritius) Ltd.

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# Silverdale Bond Fund

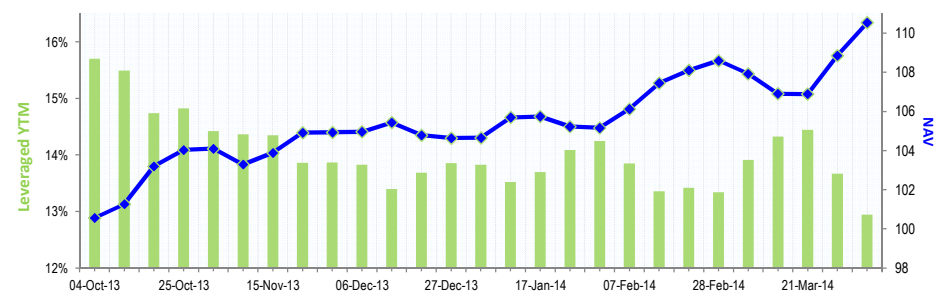
Communique as at 4th April 2014

### OVERVIEW

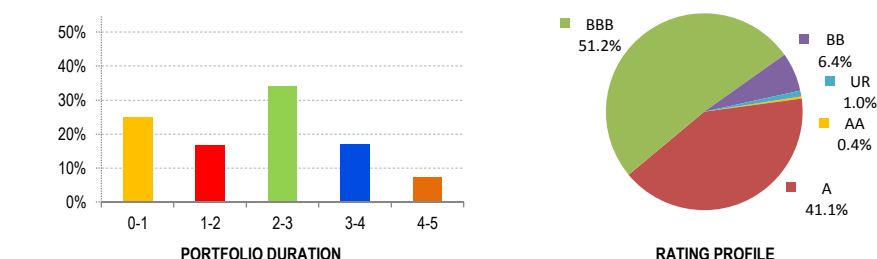
Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level ring-fenced leverage, while actively managing its portfolio duration. During the week ended 4th April 2014, the Fund NAV appreciated by ~1.54% to US\$ 110.54 (previous week US\$ 108.86) with portfolio yield (post-leverage) of ~12.94% p.a. (previous week 13.67% p.a.) and average duration of 2.30 years (previous week 2.64 years).

### Portfolio Dashboard

Performance (not annualised)* †	Fund Statistics	NAV US\$	110.5360	Top Holdings	% age
Previous week	1.5434 %	Leveraged Yield to Maturity	12.94 %	Agricultural Bk China Hk	10.96 %
Trailing 1 month	2.4169 %	Portfolio Yield to Maturity	3.40 %	China Construct Bk Asia	7.73 %
Trailing 3 months	5.6190 %	Average Duration	2.30 years	Cssc Capital 2013 Ltd	5.88 %
Trailing 6 months	9.9245 %	Average Maturity	2.54 years	Zijin Intl Finance Co Lt	5.72 %
	(*) net of fees			Turkiye Is Bankasi A.S	5.70 %



NAV and post-leverage YTM



### Portfolio Update

During the week, the Fund purchased CSSC Capital 2016, Jingneng 2017, Petrobras 2018, Ares Capital 2018, Standard Chartered Perpetual, China Construction Bank Asia 2015 and Agricultural Bank of China (HK) 2015 securitises. It booked profits in REC 2016 bonds.

CSSC Capital 2013 is an indirect subsidiary of China State Shipbuilding Corporation which is indirectly owned by Central SASAC. The said bonds are backed by irrevocable Stand-By Letter of Credit (SBLC) by China Construction Bank as well as a Keepwell Deed by China State Shipbuilding Corp.

Jingneng Investment is an indirect subsidiary of Beijing Energy (wholly owned by Beijing Municipal SASAC), which generates ~70% of total power consumed in Beijing and operates the largest centralized heating network in China. The bonds are supported by a Keepwell Deed by Beijing Energy as well as irrevocable SBLC by Agricultural Bank of China.

Petrobras International is a wholly-owned subsidiary of Petroleo Brasileiro S.A. (Mkt Cap: US\$ 70bn), which is owned ~50.3% by Brazilian Government. Petrobras is the largest Brazilian company by revenue. It generates annual EBITDA and operating cash flow of ~US\$ 25bn with Net Debt/EBITDA of ~3.6x and interest coverage ratio of ~5.2x.

Ares Capital Corp (Mkt Cap: US\$5.2bn) primarily provides loans to middle-market companies with EBITDA of US\$10-250mn. Its total debt outstanding was ~US\$ 3bn against unused line of credit amounting to ~US\$ 2bn and fair value of its portfolio at ~US\$ 7.6 bn.

Standard Chartered Bank is indirect subsidiary of Standard Chartered Plc and holds operations in Pakistan, China, HK, Korea, Malaysia, etc. Standard Chartered Plc (Mkt Cap: US\$ 48.1bn) operates over 1,700 branches in 68 countries and has Tier-1 ratio of 13.0%. The bonds are callable in December 2014.

China Construction Bank (Market Cap: US\$ 173bn) is amongst the Top 5 largest banks in the world, with total assets of US\$ 2.54tn. It is the second largest bank in China with nearly 13% market share in deposits, with Top 3 market share in most product lines. It is a leader in infrastructure loans and residential mortgage business in China. It has over 14,925 branches. It has Capital Adequacy Ratio of 13.34% and Core Tier-1 CAR of 10.75%.

Agricultural Bank of China (Market Cap: US\$ 127bn) is the third largest bank in China with total assets US\$ 2.4tn. It has over 23,547 branches, with over 320mn retail and over 2.7mn corporate clients. It earned net profit of US\$ 26.76bn; and has Capital Adequacy Ratio of 11.86% with Core Tier-1 CAR of 9.25%.

### 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

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