

## Silverdale

FUNDS

## Silverdale Bond Fund

Communique as at 6th January 2017

## 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.

## 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, or Silverdale Fund SP-1
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
Subscription	Weekly (Friday)*
Redemption	Weekly (Monday)*
Management Fee	0.50% p.a. <sup>^^</sup> (Monday)*
Next Dividend Date	31 Mar'17 (US\$ 1.90 per share) <sup>#</sup>
Previous 4 Dividend Dates	30 Dec'16 (US\$ 1.90 per share) 30 Sep'16 (US\$ 1.90 per share) 24 Jun'16 (US\$ 1.75 per share) 24 Mar'16 (US\$ 1.75 per share)

## Class 1A Details

ISIN	KYG8135U1076
CUSIP	G8135U 107
Swiss Valor No.	28213010
Bloomberg Code	SILV01A KY Equity
Morningstar SecID	F0000WLJR
Initial Sales Charge	1.00%
Exit Load	0.25%

## Class 1B Details

ISIN	KYG8135U1159
CUSIP	G8135U 115
Bloomberg Code	SILV01B KY Equity
Morningstar SecID	F0000WLJW
Initial Sales Charge	0.00%
Contingent Load	3% / 2% / 1%
Exit Load	1.00%

## Fund Management Details

## THE FUND

Silverdale Bond Fund or Silverdale Fund SP-1 is a segregated portfolio of Silverdale Fund SPC, a Cayman Islands domiciled segregated portfolio company, registered with Cayman Islands Monetary Authority

## FUND MANAGER

## Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore  
UEN# 200820921K

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## Fund Administrator

Vistra (Mauritius) Limited  
355 NeXTeracom Tower 1, Cybercity,  
Ebene, Mauritius  
Tel.: +230 464 7275 Fax: +230 464 3290  
Email: spc@silverdalegroup.com

For subscription & information, please

Email: spc@silverdalegroup.com

Or, Call: +65 6835 7130

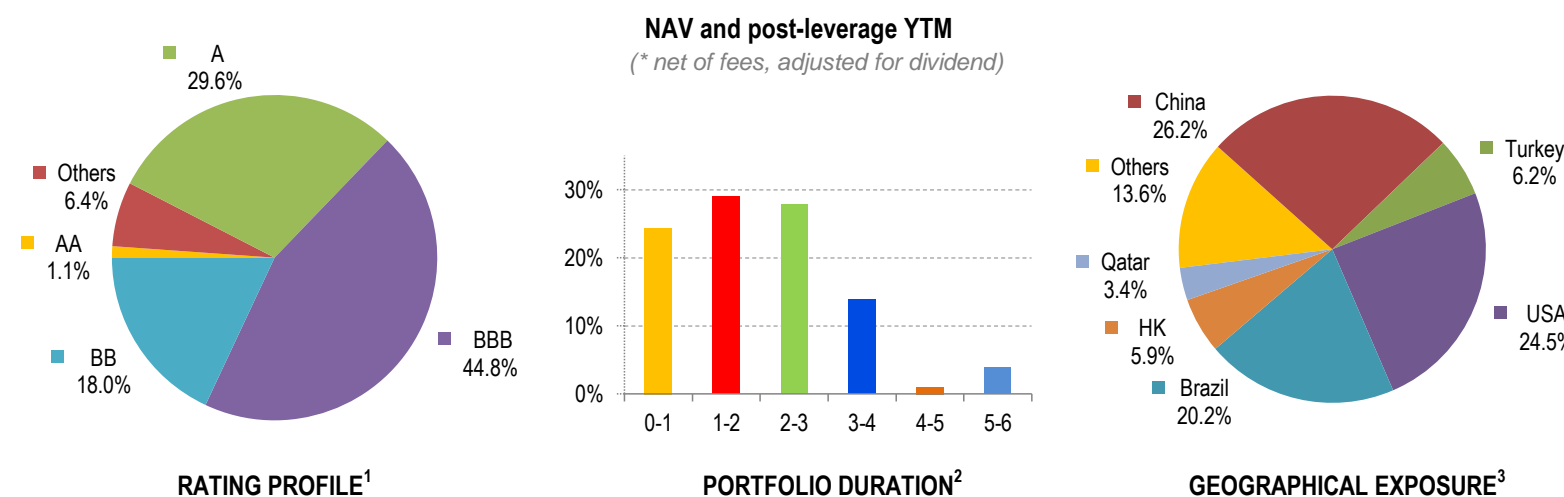
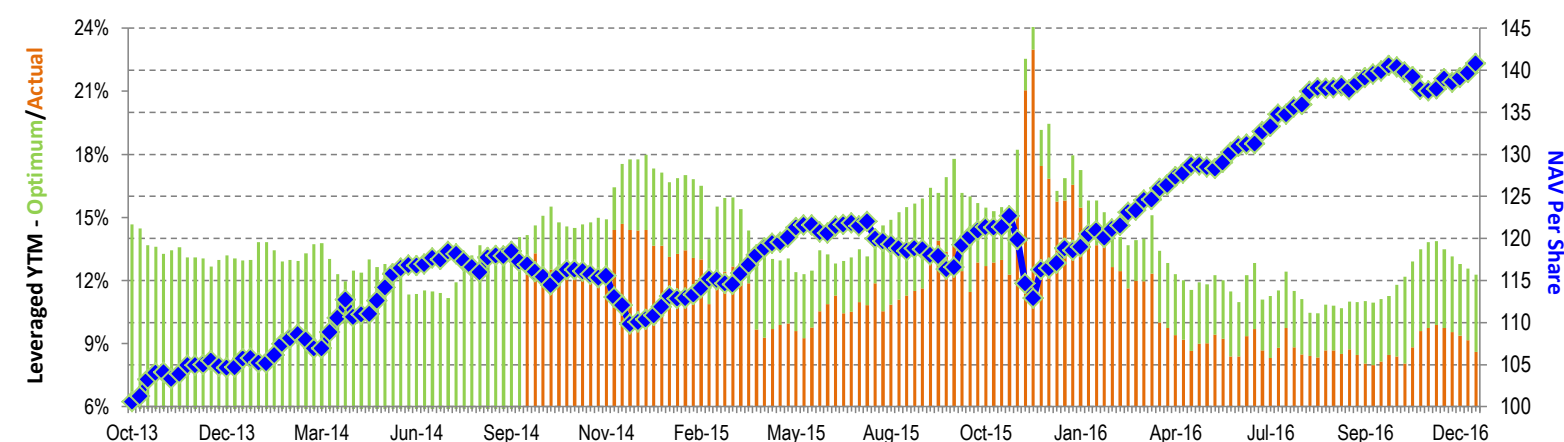


## Silverdale Fund SP-1

Silverdale Bond Fund (or Silverdale Fund SP-1) generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 6th January 2017, the Fund NAV appreciated by 0.85% to US\$ 129.04 (previous week: US\$ 127.94), with actual portfolio yield (post-leverage) of 8.60% per annum (previous week: 9.17% p.a.), and average duration of 2.01 years (previous week: 2.00 years).

## Portfolio Dashboard

<b>Performance*</b>		<b>Growth NAV US\$ 140.8089</b>		<b>Ex-Dividend NAV US\$ 129.0358</b>	
Previous 1 week	0.7818 %	<b>Fund Statistics</b>		<b>Top Holdings</b>	
Trailing 1 month	1.3181 %	Portfolio Yield to Maturity	3.53 %	Gap Inc/The 2021	3.69 %
Trailing 3 months	0.9104 %	Leveraged YTM - Actual	8.60 %	Seagate Hdd 2023	3.56 %
Trailing 6 months	5.6252 %	Leveraged YTM - Optimum	12.27 %	Qib Sukuk Ltd 2019	3.42 %
Trailing 12 months	18.4931 %	Average Coupon	4.42 %	Mcc Holding Hk 2017	3.39 %
Trailing 3 years	10.03% p.a.	Average Duration <sup>^</sup>	2.01 years	Prospect Capital 2019	3.25 %
(*) after all fees, before dividends		Total Dividend Paid	US\$ 11.77	Seagate Hdd 2018	3.20 %
		Sharpe Ratio	1.38	Gtl Trade Finance Inc 2017	2.90 %



## Portfolio Update

During the week ended 6th January 2017, Silverdale Bond Fund sold QNB Finance 2018 bonds while it purchased Autonation 2018, Petrobras 2019, and Petrobras 2020 bonds.

Autonation, Inc. (Market Cap: US\$ 5.1bn) is the largest automotive retailer in the United States which owns and operates 371 vehicle franchises. It offers a diversified range of automotive products and services, including new and used vehicles, automotive repair services, and automotive finance and insurance products. As at 30th Sep 2016, it reported net debt at ~US\$ 6.2bn and TTM EBITDA of ~US\$ 1bn. It reported net debt/EBITDA at 6.3x with EBITDA to interest of ~5.4x.

Petroleo Brasileiro S.A. (Mkt Cap: US\$ 67.6bn), is an integrated energy company, with total assets of over ~US\$ 200bn. As at 30th Sep 2016, it reported TTM EBITDA of ~US\$ 24.3bn with Net Debt/EBITDA of ~4.1x and interest coverage ratio of ~3.2x. Brazilian Govt owns ~46% of its capital and ~60% of its voting shares. The bonds are issued by its wholly owned subsidiary and guaranteed by it.



**Silverdale Bond Fund**  
Best Fixed Income Fund  
Nominee

**Silverdale Capital** by **AI HEDGE fund**  
Best Fund Management Solution  
2016 awards  
powered by BarclayHedge

**2016 ALTERNATIVE INVESTMENTS AWARDS**  
Best Emerging Markets Credit Fund



**Investors' Choice Award**  
EM Credit Fund of 2015  
Nominee

## 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

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