

## FUND DESCRIPTION

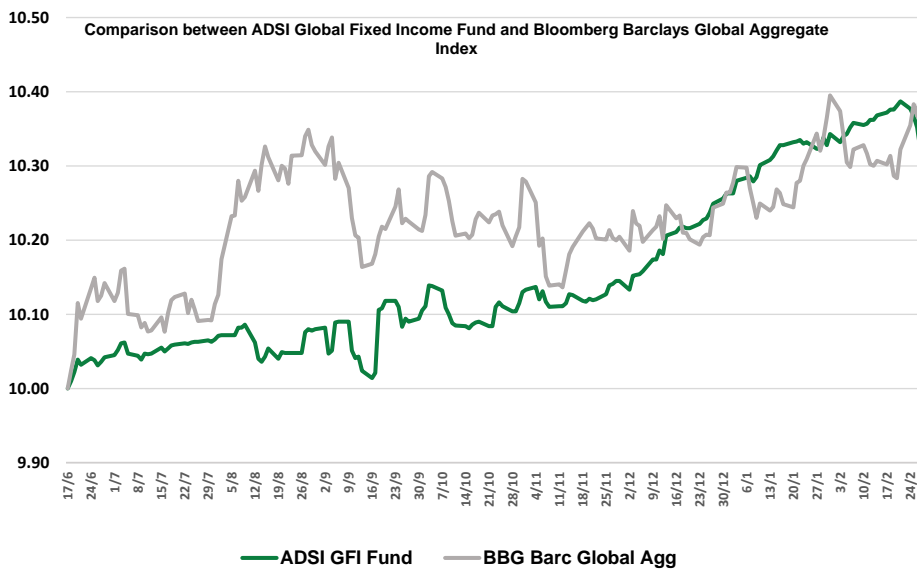
ADSI Global Fixed Income Fund is an open ended investment company incorporated under the Companies Regulations of 2015 (as amended) of the ADGM and is registered as an Exempt Fund pursuant to the regulations of the Abu Dhabi Global Market. The principal investment objective of the Fund is to maximise total return.

The Fund has a mandate to invest globally in a diversified portfolio of fixed income and fixed income like transferable securities denominated in various currencies that ADSI has identified as underappreciated by the wider market. The fund combines a bottom up security selection approach with a top down macroeconomic analysis framework to invest its capital and achieve superior returns over the economic cycle. The fund will aim to deliver a total return greater than global bonds and will charge a performance fees only if it does so.

## MONTHLY TOTAL NET RETURNS (Class A)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD	2019*
<b>Fund</b>	0.78%	-0.64%											0.14%	2.63%
<b>Index</b>	1.28%	0.67%											1.96%	2.64%

\* fund launched on 17th of June 2019



## FUND INFORMATION

<b>Fund Manager:</b>	ADS Investment Solutions Ltd
<b>Subscription status:</b>	Open
<b>Subscription:</b>	Daily
<b>Redemption:</b>	Daily
<b>Subscription/Redemption Fees:</b>	None
<b>Management Fees (Class B):</b>	50 bps
<b>Performance Fees (Class B):</b>	10% above Bloomberg Barclays Global Agg
<b>Fund Launch Date:</b>	17-Jun-19
<b>Currency:</b>	USD
<b>Domicile:</b>	ADGM
<b>Fund Bbg Ticker:</b>	ADSIGFI UH
<b>Minimum Investment:</b>	USD 50,000 (Class B)
<b>Custodian:</b>	Standard Chartered Bank
<b>Administrator:</b>	Standard Chartered Bank
<b>Auditor:</b>	Deloitte & Touche (M.E.) LLP
<b>Legal Advisors:</b>	King & Spalding LLP

This information is provided to professional investors only.

## RETURNS

	Fund	Index
<b>Since Inception*</b>	2.77%	4.65%
<b>Last Month</b>	0.00%	0.00%
<b>Last 3 Months</b>	1.30%	2.55%
<b>Last 12 Months</b>	NA	NA
<b>Best Month</b>	1.16%	2.03%
<b>Worst Month</b>	-0.64%	-1.02%
<b>% Positive Months</b>	89.00%	66.67%

## PORTFOLIO CHARACTERISTICS

<b>No. of Positions</b>	67
<b>No. of Issuers</b>	65
<b>YTM</b>	4.98%
<b>DV01</b>	\$ 5,115
<b>CR01</b>	\$ 4,176
<b>Avg Rating (BBG Comp)</b>	BBB

## Currency Breakdown

USD	92.06%
EUR	2.87%
CNH	2.11%
GBP	0.00%
RUB	0.00%
IDR	0.00%
SEK	0.61%
CAD	1.11%
BRL	0.00%
AUD	1.23%

## RISK\*\*

	Fund	Index
<b>Sharpe Ratio</b>	NA	NA
<b>Monthly Std Dev</b>	NA	NA
<b>Annualized Std Dev</b>	NA	NA
<b>Annualized Return</b>	NA	NA
<b>Annual. T-Bill Rate</b>	NA	NA
<b>Sterling Ratio</b>	NA	NA
<b>Maximum DD</b>	NA	NA
<b>Correlation (R)</b>	NA	NA

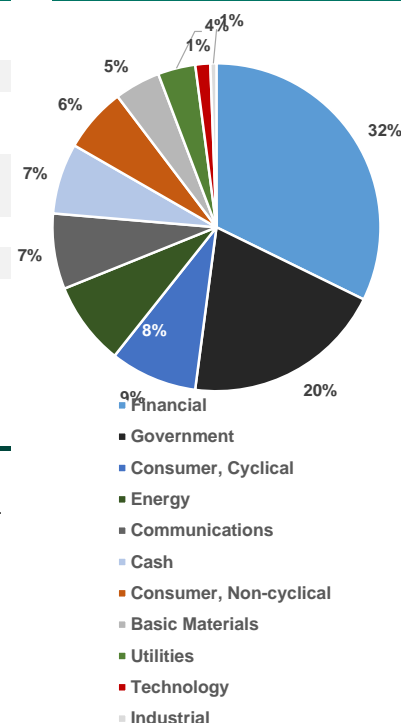
\*\* Too little data for accurate calculations

## FUND COMPOSITION

### TOP HOLDING

ISSUER	MATURITY	WEIGHT	SECTOR
US Treasuries	Jan-27	8.22%	Government
National Bank of Kuwait	Perpetual	2.28%	Financials
Adani Elec	Feb-30	2.21%	Utilities
Korea National Oil Corp	Apr-21	2.21%	Energy
Italy Govt International Bond	Dec-29	2.20%	Government
ENBD	Oct-20	2.20%	Financials
Ford Motors	May-23	2.19%	Consumer Cyclical
Banque Ouest Africaine	Oct-31	1.58%	Supra-National
Unicredit	Perpetual	1.58%	Financials
UPL Ltd	Mar-28	1.53%	Basic Materials

### SECTOR EXPOSURES



### MONTHLY COMMENT

The portfolio lost 64 bps over the month driven by widening in credit spreads and illiquidity in the credit space on the back of rising concerns around the coronavirus issue. Largest detractors were bonds of airline, logistic and commodity related companies, some of which we have since exited/reduced. Gainers were treasury positions and long dated IG debt which rallied on the back of a treasury rally. We exited a number of HY, EM and EM Fx positions over the month and added to some IG paper and some positions that had sold off sharply on the back of the virus scare. Month end saw sharp illiquidity in credit markets leading to widening of bid-offer spreads and consequently a deterioration in pricing. HY spreads have now widened beyond the 2018 sell-off and rapidly approaching levels seen in the 2015 spread widening. Such large spread widening while temporarily painful has historically been an attractive opportunity for investors to add capital. However, this may take some time to bottom out. We have been constantly reviewing the downside scenarios and while preparing for the worst, we expect the portfolio to not see a lasting deterioration from the virus, but rather a short sharp price pullback followed by a recovery driven by lower funding costs and increased fiscal spend as we are seeing in Asia. The global financial system is in a better situation than we saw in the GFC so a deeper drawdown is tough to foresee, but the recovery will depend on what remedies fiscal actors produce.

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