

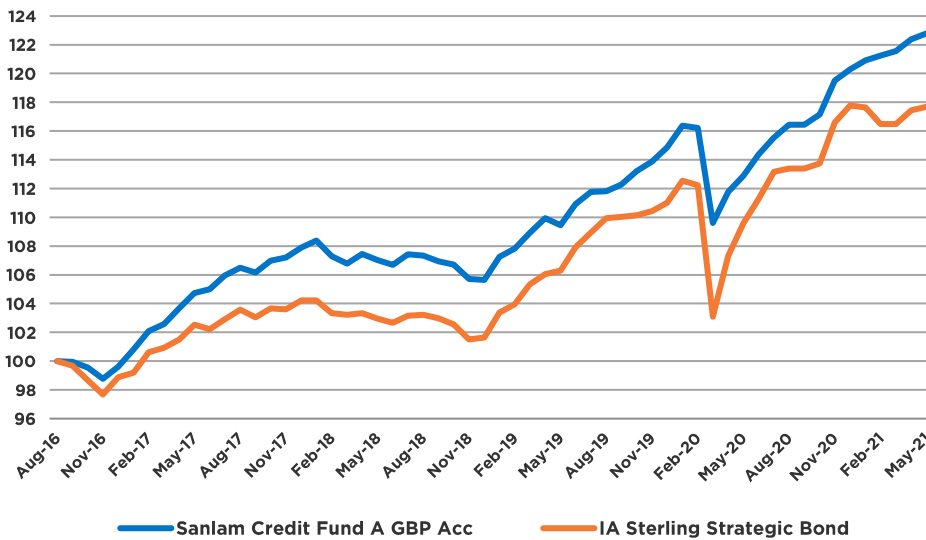
# Sanlam Credit Fund

May 2021 | Factsheet

## Overview

The Fund aims to generate income, net of all expenses, equivalent to the Bank of England UK Base Rate plus 1-2%, from a credit portfolio with low to medium volatility. The Fund is designed for investors with short-term liquidity requirements, with the average duration of the Fund's investments being maintained under five years. The Fund will invest in debt securities which are listed or traded on Recognised Exchanges worldwide. The investments represent a fixed income credit portfolio, defined as a corporate or asset-backed debt instrument. There is no geographical, industry or sectoral focus to the Fund. The Fund may invest up to 50% in high yield/sub-investment grade debt securities. High yield securities are sub-investment grade securities which have a credit rating at best of BB+/Ba1 or below. The Fund may not purchase sub-investment grade securities which have a credit rating of B+/- B1 or below. It is not currently proposed that the Fund will use derivatives for investment purposes.

## Performance – past performance is not a guide to future performance



Please see the table overleaf for all available share classes and fees, or contact us for details.  
**BOE Base Rate** 0.10% (**BOE base Rate+2%**) 2.10%

Source: Sanlam, Link, Bloomberg

## Performance (%)

	Inception	1mth	3mth	6mth	YTD	1Yr	Since Inception
Fund (A GBP Acc)	30/08/2016	0.3%	1.3%	2.7%	2.1%	8.8%	4.4%
Sector (IA £ Strategic Bond)		0.2%	1.0%	0.9%	-0.1%	7.4%	3.5%

Since Inception figures are annualized

	Inception	-	12 months to May 17	12 months to May 18	12 months to May 19	12 months to May 20	12 months to May 21
Fund (A GBP Acc)	30/08/2016	-	-	2.2%	2.3%	3.1%	8.8%
Sector (IA £ Strategic Bond)		-	-	-	3.2%	3.1%	7.4%

12 Month Performance Periods to Last Month End

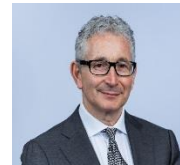
## Key facts

Fund AuM	£112.4m
Number of Holdings	68
Fund Manager	Darren Reece
Fund Launch Date	Aug-16
Domicile	Ireland
Base Currency	Sterling
Fund Type	OEIC, UCITS V
IA Sector	Sterling Strategic Bond
Morningstar Category	GBP Flexible Bond
Dealing Deadline	12:00 (GMT)
Settlement Time	T+3
Valuation Point	23:00 (GMT)

## Investment team

Darren Reece  
Fund Manager

Guillaume Desqueyroux  
Fund Manager



## Risk analysis

Volatility (last 12m)	1.8%
Volatility (inception)	3.6%
Best Mthly Return	2.0%
Worst Mthly Return	-5.7%
Max Draw down (12m)	0.0%
Effective Duration	2.7

Lower risk Higher risk  
Typically lower rewards Typically higher rewards



The fund will invest in debt securities. The government or company issuer of a bond might not be able to repay either the interest or the original loan amount and therefore default on the debt. This would affect the credit rating of the bond and, in turn, the value of the fund. Investment in bonds and other debt instruments (including related derivatives) is subject to interest rate risk. If long-term interest rates rise, the value of your shares is likely to fall. The fund may invest in derivatives for the purpose of hedging, efficient portfolio management and/or investment purpose. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The Fund may engage in transactions in financial derivative instruments for Share Class hedging purposes only. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The value of this portfolio is subject to fluctuation and past performance is not necessarily a guide to future performance. The performance is calculated for the portfolio and the actual individual investor performance will differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. All terms exclude costs. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Do remember that the value of participatory interests or the investment and the income generated from them may go down as well as up and is not guaranteed, therefore, you may not get back the amount originally invested and potentially risk total loss of capital. Therefore, the Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager has the right to close any Portfolios to new investors to manage them more efficiently in accordance with their mandates. Collective Investment Schemes are traded at ruling prices and can engage in borrowing and scrip lending. Collective Investment Schemes (CIS) are generally medium to long term investments.

## Monthly commentary

The fundamental environment remains positive for credit markets. The outlook for an economic recovery has improved and many companies have strengthened their balance sheets over the past year. The expected backdrop of strong earnings growth, boosted by accommodative monetary and fiscal policies, sets an unusually supportive scene for risk assets.

However, the outlook is not without risk, as valuations mostly factor in this positive outlook and the threat of inflation and higher long-term interest rates cannot be ignored.

The vaccination rollout offers a clearer path out of the pandemic and should boost the most troubled economic sectors, offering some opportunities within credit markets to position for further spread compression between COVID losers and winners. This strategy will require a continuation of our disciplined and rigorous credit analysis.

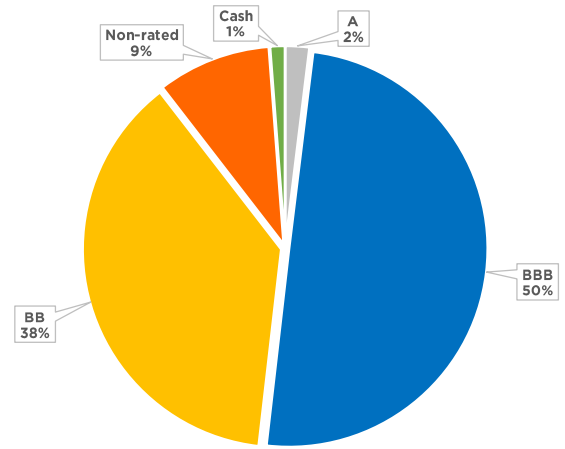
Government Bond prices traded in a far narrower range during May as markets continue to express confidence in Central Banks' ability to manage upside surprises to inflation. Should this confidence show signs of falling away, then we expect volatility to pick up sharply.

The Credit Fund enjoyed a steady performance during the month, very much in line with its core characteristics, where several securities and sectors produced positive returns. The Credit Fund once again reached an all-time high-performance reading.

## Top 5 holdings

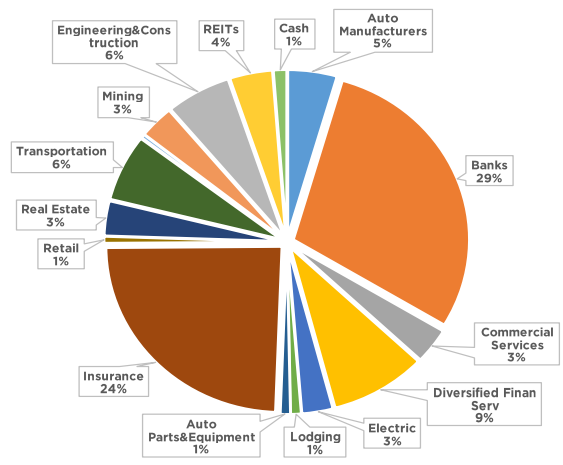
Stock Name	Weight %
Pacific National Finance	4.5%
Sainsbury's Bank Plc	4.1%
Lendlease Europe Fin Plc	3.3%
Quilter Plc	3.3%
Bhp Billiton 6.5 22Oct77	3.2%

## Sanlam credit rating\*



\* The "Sanlam Credit Rating" is an internal assessment of the creditworthiness of the security using proprietary internal credit analysis. Full details can be provided upon request.

## Sector exposure (as % of NAV)



Source: Sanlam, LINK, Bloomberg

## Fund information and charges

	Inception Date	ISIN	Bloomberg	SEDOL	Initial Charge	AMC	OCF	Price	Minimum investment	Type of Share
<b>A GBP Accumulation</b>	30/08/2016	IE00BZ6VVKR81	TDWCFCA	BZ6VVKR8	None	0.50%	0.76%	122.78	£1,000	Accumulation
<b>B GBP Income</b>	30/08/2016	IE00BZ6VKS98	TDWCFCB	BZ6VKS9	None	0.50%	0.76%	100.56	£1,000	Income
<b>C USD Income</b>	11/06/2019	IE00BHR3YS69	TDWCRCI	BHR3YS6	None	0.50%	0.76%	105.51	\$1000	Income

## Contact us

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