

SHINING A LIGHT ON THE..... Mirabaud Global Emerging Market Bond Fund

AT A GLANCE

Investment Objective	
The Fund seeks an attractive total return through a high level of current income and long-term capital appreciation. The Fund aims to seek out the best investment opportunities across the business cycle within the emerging fixed income and debt universe.	

Inception Date	1 st November 2017
Fund Factsheet Link	http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=F00000ZPZY

Management	
Manager Name	Start Date
Daniel Moreno	1 st November 2017

Top 10 Holdings		
Total number of holdings	142	
Assets in Top 10 Holdings	11.93%	
Name	Sector	% of Assets
Malaysia (Government Of) 3.882% PIDI	-	1.38%
Malaysia (Government Of) 3.759% PIDI ..	-	1.38%
Uruguay (Republic of) 9.875% UNSUB PI...	-	1.26%
Indonesia Republic 7.875% SNR PIDI BD...	-	1.18%
GTB Finance BV 6% SNR GMTN 08/11/2018...	-	1.16%
Uruguay (Republic of) 8.5% UNSUB PIDI...	-	1.15%
Brazil (Federative Republic) 10% PIDI...	-	1.12%
Brazil (Federative Republic) 10% PIDI...	-	1.11%
DME Airport DAC 6% SNR PIDI LN NTS 26...	-	1.10%
RZD Capital Plc 8.3% SNR PIDI LN NTS ...	-	1.09%

Volatility Measurements	
3-Yr Std Dev (volatility)	-
3-Yr Mean Return (average)	-

FUND PERFORMANCE

Performance from 1 November 2017 to 30 June 2018:

	2017	2018
Mirabaud Global Emerging Market Bond Fund	0.5%	-6.19%
iShars JP Morgan \$ EM Bond	-1.12%	-3.90%

Performance since launch:

	Since launch
Mirabaud Global Emerging Market Bond Fund	-5.72%
Vanguard Global Bond Index	-0.80%

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

UPDATE....

This is a new fund and therefore we would suggest that it may be better to monitor rather than invest as there is no real track record. However, some investors may already know the Mirabaud investment team and invest on basis of funds that they manage.

The fund looks to exploit the long-term growth opportunities within emerging and frontier economies. By 2050, 6 of the top 10 economies will come from emerging markets, and 4 out of the top 5 will be emerging economies. The E7 economies will provide greater global growth than the current G7 economies.

Debt within these economies is much lower than developed economies. The manager doesn't believe the mandate of the fund should be fixed and therefore adopts a blended approach rotating between local and hard currency bonds. (Local is the economies currency and hard tends to dollar currency).

The fund can invest up to 20% in frontier economies and invests in both government and corporate debt. They can invest across 40 different economies.

An example of opportunities is the growth of the middle classes and wealth concentration within major cities. The fund has been able to invest in a bond issue to finance a new airport in Mexico. The airport is expected to be the largest airport globally by passenger numbers. These are the types of opportunities the fund is looking at. They are also finding opportunities in Uruguay and Russia.

In summary, for those who believe in the emerging market story it seems to make sense to blend this type of fund with emerging market equities. This fund feels different because of its approach of blending currency and using frontier markets where opportunities arise. The performance is difficult to judge as emerging markets have had a challenging period. We were impressed by the management team and would see this as a fund to monitor.

The source of information in this note has been provided by Mirabaud and is correct as at July 2018. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.