

# Green Ash Short Duration Credit Fund

## August 2024 Monthly Factsheet



### INVESTMENT OBJECTIVE

PROFESSIONAL INVESTORS ONLY

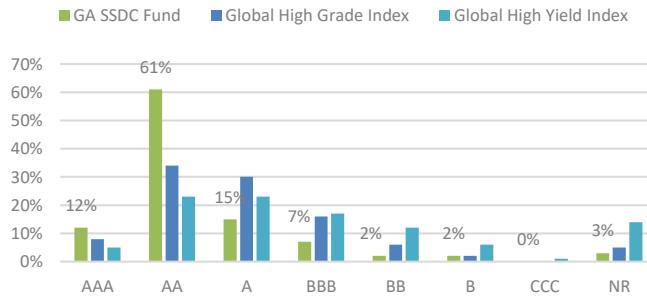
Green Ash Short Duration Credit Fund is an open-ended fund incorporated in Luxembourg. The Fund is actively managed and benchmark free. The Fund's objective is to invest in investment grade and high yield bonds that demonstrate 'best in class' environmental, social, and governance (ESG) criteria. Holdings have a maximum maturity and duration of 5 and 2.5 years respectively, and the portfolio has a minimum average credit rating of BBB-.

### KEY INFORMATION

### ESG RATING DISTRIBUTION<sup>1</sup>

### AVERAGE ESG RATING

Fund Name	Green Ash Short Duration Credit Fund - a Subfund of Green Ash SICAV
Portfolio Managers	Miles Cohen Nicholas Freeman 
Fund Launch Date	12 <sup>th</sup> June 2020
Fund Type	UCITS
Fund Domicile	Luxembourg
Liquidity	Daily
Management Fee	I: 0.45% / R: 0.80% p.a.
Fund Size	\$20MM
Share Classes	USD, EUR, GBP (Acc.)
USD I	LU2122350676
USD R	LU2122350163
EUR I (hedged)	LU2122350759
EUR R (hedged)	LU2122350247
CHF I (hedged)	LU2122350833
CHF R (hedged)	LU2122350320
GBP I (hedged)	LU2122350916
GBP R (hedged)	LU2122350593
Min Investment	I: 100,000 / R: 10,000
Investment Manager	Green Ash Partners LLP



### SUMMARY

- The fund rose +0.87% in August (EUR hedged shareclass +0.72%). The top performing sectors were Industrials (+2.64%), Consumer Cyclical (+2.35%) and Communications (+2.26%)
- August got off to a bad start, with a major cross-asset sell off caused by the unwinding of the Japanese carry trade. Credit was an area of relative calm, with global high yield spreads rising just +62bps, before falling back to finish lower on the month
- Looking ahead it seems we may see a steady cadence of interest rate cuts over the coming months and quarters, which should set the market up well for friendly refinancing conditions when the bulk of issuers need to extend their maturities in 2025 and 2026
- The fund currently yields 5.43% in USD, 5.23% in GBP, 3.83% in EUR and 1.23% in CHF

### GREEN ASH SHORT DURATION CREDIT FUND PERFORMANCE<sup>2</sup>

Fund Performance	2020	2021	2022	2023	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	YTD
Green Ash Short Duration Credit Fund (USD I)	+2.41%	+0.23%	-4.68%	+8.15%	+0.36%	-0.14%	+0.72%	-0.41%	+0.82%	+0.36%	+1.71%	+0.87%	+3.93%

### OVERALL PORTFOLIO SUMMARY

Fund Currency	USD
Duration	2.2
Maturity in Years	2.5
Average Z Spread	140
Coupon Rate	4.3%
Yield to Worst	5.0%
Avg. Credit Rating	Baa2/BBB
No. of Positions	56

### TOP TEN POSITIONS

Accor SA	3.2%
Marvell Technology	2.9%
Intesa Sanpaolo	2.9%
SocGen	2.8%
Ashstead Capital	2.7%
Harley Davidson	2.6%
Stonegate Pub	2.6%
EasyJet	2.5%
Kraft Heinz	2.5%
Enel S.p.A	2.4%

### GREEN ASH SHORT DURATION CREDIT FUND (USD I)



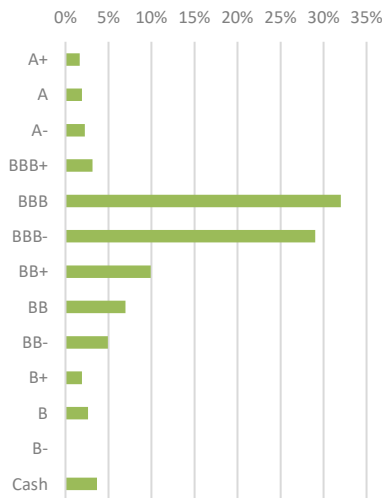
<sup>1</sup> ESG ratings are derived from MSCI ESG rating methodology. Scores are weighted 25% to Environmental, 44% to Social, and 31% to Governance

<sup>2</sup> Performance shown for USD I share class (ISIN: LU2122350676). All other share class performance listed on page 3

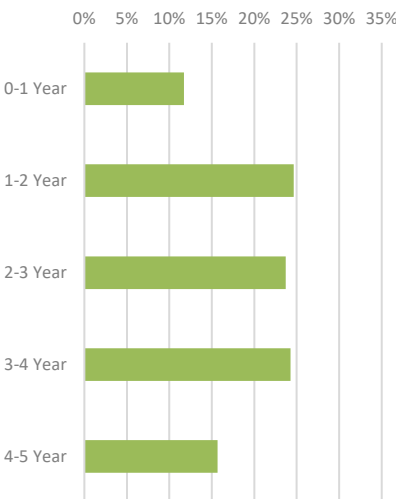




### WEIGHT BY CREDIT RATING



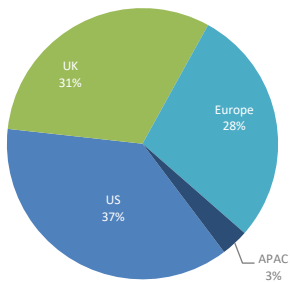
### WEIGHT BY MATURITY



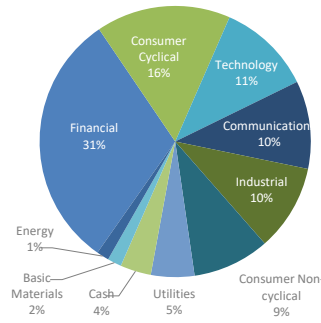
### SERVICE PROVIDERS

Auditor	PricewaterhouseCoopers (PwC)
Custodian	Credit Suisse (Lux)
Administrator	Credit Suisse Fund Services (Lux)
Paying Agent	Credit Suisse AG
Legal Representative	Credit Suisse AG
Management Company	MultiConcept Fund Management S.A (Luxembourg)

### REGIONAL EXPOSURE



### SECTOR WEIGHTINGS



### FUND UPDATE AND OUTLOOK

The fund rose +0.87% in August (EUR hedged shareclass +0.72%). The top performing sectors were Industrials (+2.64%), Consumer Cyclicals (+2.35%) and Communications (+2.26%); the top performing bonds were Softbank (28s +2.42%, 27s +2.36%), Rolls Royce (+2.38%). There were two ESG ratings upgrades from MSCI in August: Rumo was upgraded from A to AA following improvements in labour management and corporate governance practices, and American Tower was upgraded from AA to AAA following favourable changes in board composition. The fund maintained its overall ESG rating of AA from MSCI.

August got off to a bad start, with a major cross-asset sell off caused by the unwinding of the Japanese carry trade. As short yen positions were used as funding for popular longs such as the Mag 7 in tech, there were big moves in YTD US equity winners, and the VIX saw an intraday spike to 65 – a level not seen since the 2008 GFC. Credit was an area of relative calm, with global high yield spreads rising just +62bps, before falling back to finish lower on the month. Historically, violent spikes in volatility have resulted in lasting damage to risk sentiment, however this time appears to have been different, with the markets largely recovering and the VIX finishing the month at 16.

Fed Chair Powell’s messaging at Jackson Hole solidified the view that the FOMC are comfortable with the downward path in inflation, and that we will see the first US interest rate cut in September. The market is currently pricing -100bps in cuts by year end, implying a -50bps cut along the way as there

are only three meetings between now and then. We think there would need to be an acceleration in labour market weakness and/or the growth outlook for the Fed to consider this.

5Yr US Treasury yields fell -21bps to 3.70% in August, and have now dropped -100bps since the end of April. 5Yr and German Bund yields fell -4bps to 2.19%, while 5Yr UK Gilt yields rose +15bps to 3.91%. 3-5Yr investment grade bonds in USD rose +0.92% on the month (spreads +1bps to 36). US high yield rose +1.62% (spreads -12bps to 302), European high yield rose +1.17% (spreads flat at 359) and UK high yield rose +1.89% (spreads flat at 457).

The relative stability of HY credit spreads amid considerable volatility across other asset classes reflects a higher quality high yield market (e.g. over 50% of the US HY index is now upper-BB rated). This has been driven by a prolonged period of ratings upgrades, in contrast to the loan market which has seen rating trend in the opposite direction.

Looking ahead it seems we may see a steady cadence of interest rate cuts over the coming months and quarters, which should set the market up well for friendly refinancing conditions when the bulk of issuers need to extend their maturities in 2025 and 2026.

The fund currently yields 5.43% in USD, 5.23% in GBP, 3.83% in EUR and 1.23% in CHF.



## GREEN ASH SHORT DURATION CREDIT FUND PERFORMANCE BY SHARE CLASS

Share Class	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	YTD	ITD
Green Ash Short Duration Credit Fund (USD I)	0.36%	-0.14%	0.72%	-0.41%	0.82%	0.36%	1.30%	0.87%	3.93%	9.98%
Green Ash Short Duration Credit Fund (USD R)	0.32%	-0.17%	0.69%	-0.45%	0.79%	0.32%	1.27%	0.83%	3.65%	8.18%
Green Ash Short Duration Credit Fund (EUR I)	0.22%	-0.25%	0.60%	-0.57%	0.70%	0.22%	1.15%	0.72%	2.81%	2.82%
Green Ash Short Duration Credit Fund (EUR R)	0.19%	-0.29%	0.57%	-0.60%	0.66%	0.19%	1.12%	0.68%	2.54%	1.11%
Green Ash Short Duration Credit Fund (CHF I)	0.01%	-0.44%	0.42%	-0.81%	0.49%	0.03%	0.90%	0.48%	1.07%	-1.70%
Green Ash Short Duration Credit Fund (CHF R)	-0.03%	-0.49%	0.40%	-0.85%	0.45%	0.00%	0.86%	0.45%	0.78%	-3.30%

### LEGAL DISCLOSURES

#### FOR EU INVESTORS

The information contained in this document is issued by Green Ash Partners LLP (hereinafter "Green Ash"), at 11 Albemarle Street, Mayfair, London, W1S 4HH who is authorised and regulated by the Financial Conduct Authority: Firm Reference Number (FRN) – 500315. This disclaimer is not intended to exclude or restrict any liability under the rules of the Financial Conduct Authority ("the FCA Rules") or FSMA.

This presentation reflects the opinion of Green Ash as of the date of issue. This document is not intended for distribution, publication, or use in any jurisdiction where such distribution, publication, or use would be unlawful, nor is it directed to any person or entity to which it would be unlawful to direct such a document. This presentation is for information purposes only and does not constitute an offer or a recommendation to purchase or sell any security. It does not constitute investment research or a research recommendation and is not intended for distribution to the public or a large number of persons. The opinions herein do not take into account individual clients' circumstances, objectives, or needs. Before entering into any transaction, each client is urged to consider the suitability of the transaction to his particular circumstances and to independently review, with professional advisors as necessary, the specific risks incurred, in particular at the financial, regulatory, and tax levels.

All examples of financial strategies/investments set out in this document are for illustrative purposes only and do not represent future performance. The information and analysis contained herein have been based on sources believed to be reliable. However, Green Ash does not guarantee their timeliness, accuracy, or completeness, nor does it accept any liability for any loss or damage resulting from their use. All information and opinions as well as the prices indicated are subject to change without notice. Past performance is no guarantee of current or future returns and you may consequently get back less than he invested. From time to time the partners of Green Ash Partners LLP may enter into personal transactions in the securities and strategies discussed in this presentation. The firm has a personal account dealing policy that manages such conflicts and ensures the fair treatment of its clients.

This document may not be reproduced (in whole or in part), transmitted, modified, or used for any public or commercial purpose without the prior written permission of Green Ash.

#### FOR SWISS INVESTORS

This document is issued by Green Ash Partners LLP. This document is exclusively intended for qualified investors within the meaning of article 10 paragraph 3, 3bis, 3ter and 4 of the Swiss Collective Investment Schemes Act ("CISA"). The information and data presented in this document are not to be considered as an offer or solicitation to buy, sell or subscribe to any securities or financial instruments. Information, opinions and estimates expressed in this document reflect a judgment at its original date of publication and are subject to change without notice. Green Ash Partners LLP has not taken any steps to ensure that the securities referred to in this document are suitable for any particular investor and this document is not to be relied upon in substitution for the exercise of independent judgment. Tax treatment depends on the individual circumstances of each investor and may be subject to change in the future. You should obtain specific professional advice before making any investment decision. The value and income of any of the securities or financial instruments mentioned in this document can fall as well as rise and, as a consequence, investors may receive back less than originally invested. Risk factors are not intended to be reproduced in full in this document. Past performance is no guarantee nor a reliable indicator of future results. This material is not intended to be a substitute to the full, legal documentation and to any information which investors must obtain from their financial intermediaries acting in relation to their investment in the funds mentioned in this document. Please note that none of the management company, the registrar and transfer agent, the central administration or the custodian of the relevant fund has independently verified any information contained herein and no party makes any representation or warranty as to the accuracy, completeness, or reliability of such information. Further information about Green Ash SICAV - Green Ash Short Duration Fund, its prospectus, its KIIDs and its latest annual and semi-annual report may be obtained free of charge, in English language, from MultiConcept Fund Management S.A., Luxembourg, the CH Legal Representative, Credit Suisse Funds AG, the appointed distributors or online at [www.greenash-partners.com](http://www.greenash-partners.com) and [www.credit-suisse.com/Multiconcept](http://www.credit-suisse.com/Multiconcept).

