

# Green Ash Short Duration Credit Fund

## March 2024 Monthly Factsheet



### INVESTMENT OBJECTIVE

PROFESSIONAL INVESTORS ONLY

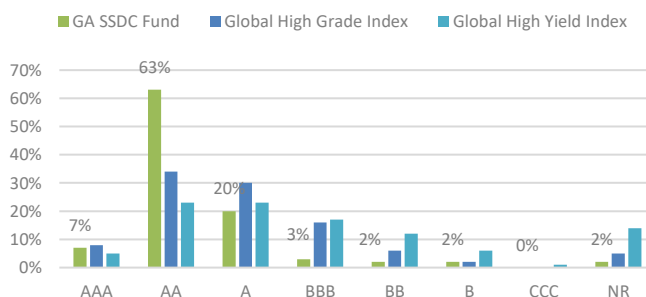
Green Ash Short Duration Credit Fund is an open-ended fund incorporated in Luxembourg. The Fund is actively managed and benchmark free. The Fund's objective is to invest in investment grade and high yield bonds that demonstrate 'best in class' environmental, social, and governance (ESG) criteria. Holdings 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	\$17MM
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 gained +0.72% in March (EUR hedged share class +0.60%). At portfolio level, the top performing sectors were Consumer Non-cyclical (+1.33%), Financial (+0.99%) and Communications (+0.79%), though all sectors finished in the green
- Spreads in the US high yield market are just +20bps above the 2021 (and 2007) lows, versus +75bps in Europe and +100bps for the UK. Consequently, we feel justified in our overweights to these regions relative to the US. That said, careful credit selection is becoming important again, as evidenced by a growing list of well-known benchmark issuers showing signs of distress
- Our big picture view remains unchanged – remain up in quality for now, with capacity to be opportunistic with our high yield allocation (currently at 38%, versus a maximum of 45%).
- The fund currently yields 5.78% in USD, 5.57% in GBP, 4.28% in EUR and 1.91% in CHF

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

Fund Performance	2020	2021	2022	2023	Jan-24	Feb-24	Mar-24	YTD
Green Ash Short Duration Credit Fund (USD I)	+2.41%	+0.23%	-4.68%	+8.15%	+0.36%	-0.14%	+0.72%	+0.94%

### OVERALL PORTFOLIO SUMMARY

Fund Currency	USD
Duration	2.3
Maturity in Years	2.5
Average Z Spread	119
Coupon Rate	4.3%
Yield to Worst	5.4%
Avg. Credit Rating	Baa3/BBB-
No. of Positions	50

### TOP TEN POSITIONS

Kraft Heinz	3.0%
Enel SpA	2.9%
Standard Chartered	2.8%
Marks & Spencer	2.7%
FirstGroup	2.7%
Tesco Plc	2.6%
Adevinta	2.5%
Aviation Capital	2.4%
Accor SA	2.4%
HP Enterprise	2.4%

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



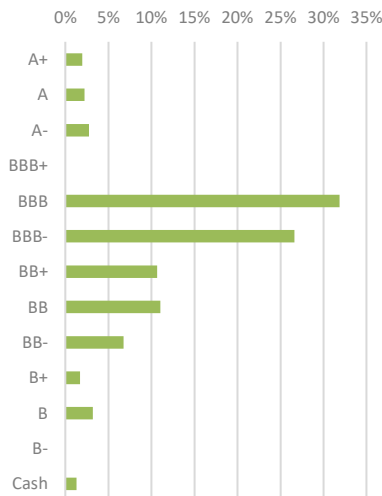
<sup>1</sup> ESG ratings are derived from MSCI ESG rating methodology. Scores are weighted 25% to Environmental, 44% to Social, and 31% to Governance

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

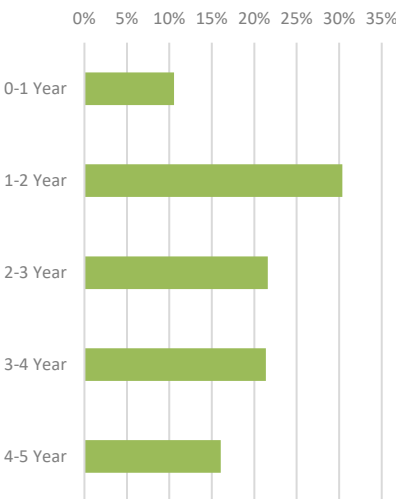




### WEIGHT BY CREDIT RATING



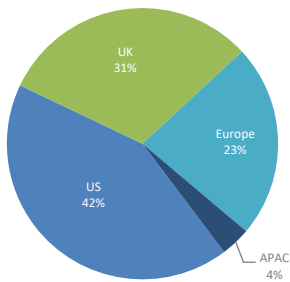
### WEIGHT BY MATURITY



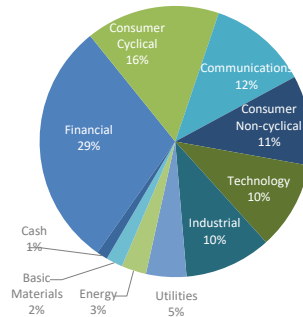
### SERVICE PROVIDERS

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 gained +0.72% in March (EUR hedged share class +0.60%). At portfolio level, the top performing sectors were Consumer Non-cyclical (+1.33%), Financial (+0.99%) and Communications (+0.79%), though all sectors finished in the green. The top performing issuers were Ocado (+3.30%), Telenet (+3.08%) and Encore Finance (+2.76%). Ocado was the fastest growing UK grocer in the 12 weeks to 17<sup>th</sup> March, increasing sales by +9.5% versus +6.6% for the peer group (Kantar data). There were no ESG ratings changes over the month, and the fund retained its AA ESG rating from MSCI.

March saw a bit of choppiness across risk markets, driven by signs of hotter inflation. This was mitigated somewhat by a softer PCE inflation release at month end and balanced commentary from Fed Chair Powell following the most recent FOMC meeting.

5Yr US Treasury yields rose +3bps to 4.35%, 5Yr German Bund yields +7bps to 2.39% and 5Yr UK Gilt yields +10bps to 3.91% in March. 3-5Yr corporate bonds in USD rose +1.26% on the month (spreads -6bps to 100). US high yield was up +1.18% (spreads -12bps to 303), European high yield +0.43% (spreads +5bps to 340), and UK high yield +0.28% (spreads +23bps to 450).

The primary market remains active (YTD high

yield issuance of \$76BN is up +91% YoY in the US and €27BN in Europe equates to nearly half of FY23 new supply), and generally new bonds are being well absorbed by the market.

Spreads in the US high yield market are just +20bps above the 2021 (and 2007) lows, versus +75bps in Europe and +100bps for the UK. Consequently, we feel justified in our overweights to these regions relative to the US, especially the UK, which is a 31% weight in the fund, and just a 5% weight in the global high yield index. That said, careful credit selection is becoming important again, as evidenced by a growing list of well-known benchmark issuers showing signs of distress (SFR, Ardagh, Intrum, Thames Water). We expect to see more of this as the 2025-26 maturity walls approach, and highly-levered companies, born of the ZIRP era, are forced to refinance their debt at much higher interest rates.

Our big picture view remains unchanged – remain up in quality for now, with capacity to be opportunistic with our high yield allocation (currently at 38%, versus a maximum of 45%). The fund currently yields 5.77% in USD, 5.56% in GBP, 4.23% in EUR and 1.69% in CHF.



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

ISIN	Share Class	Jan-24	Feb-24	Mar-24	YTD	ITD
LU2122350676	Green Ash Short Duration Credit Fund (USD I)	0.36%	-0.14%	0.72%	0.94%	6.81%
LU2122350163	Green Ash Short Duration Credit Fund (USD R)	0.32%	-0.17%	0.69%	0.83%	5.24%
LU2122350759	Green Ash Short Duration Credit Fund (EUR I)	0.22%	-0.25%	0.60%	0.57%	0.58%
LU2122350247	Green Ash Short Duration Credit Fund (EUR R)	0.19%	-0.29%	0.57%	0.47%	-0.93%
LU2122350833	Green Ash Short Duration Credit Fund (CHF I)	0.01%	-0.44%	0.42%	-0.01%	-2.75%
LU2122350320	Green Ash Short Duration Credit Fund (CHF R)	-0.03%	-0.49%	0.40%	-0.13%	-4.17%

### 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).

