

# Green Ash Short Duration Credit Fund

## November 2022 Monthly Factsheet

### INVESTMENT OBJECTIVE

### PROFESSIONAL INVESTORS ONLY

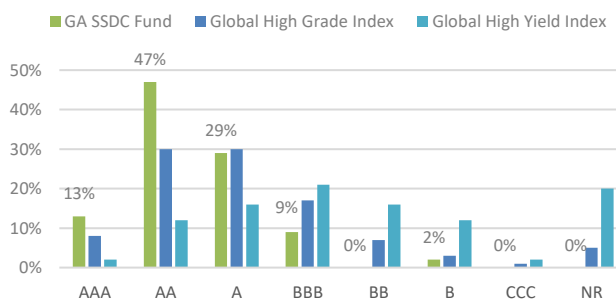
Green Ash Short Duration Credit Fund is an open-ended fund incorporated in Luxembourg. The Fund is actively managed and benchmark free. The Fund's objective is to invest in investment grade and high yield bonds that demonstrate 'best in class' environmental, social, and governance (ESG) criteria. Holdings 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
Investment Team	Miles Cohen, Nicholas Freeman, James Sanders, Patrick Durcan
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	\$18MM
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 +1.90% in November (EUR hedged share class +1.63%). At portfolio level, the best performing sectors were Utilities (+4.34%), Consumer Non-cyclical (+3.29%) and Technology (+2.53%), though all sectors finished up on the month
- The story of the year has been one of rapidly rising inflation begetting aggressive central bank tightening. Unusually for credit, especially high yield, this has been absorbed in a fairly orderly way, with less spread widening than prior cycles and still very low defaults
- The next area of focus will be the magnitude of earnings declines that will occur as the macroeconomic environment slows and tighter financial conditions start to bite. We are optimistic that we are nearing the end of this downcycle, and feel any earnings reset in 1Q23 will set the stage for a more constructive environment
- We maintain our view that high quality corporate credit is an attractive place to weather this period of adjustment, with the fund currently yielding 6.65% in USD and 3.87% in EUR

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

Fund Performance	2020	2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2022 YTD
Green Ash Short Duration Credit Fund (USD I)	+2.41%	+0.23%	-1.03%	-0.67%	-0.79%	-1.40%	+0.12%	-2.37%	+2.03%	-1.19%	-2.22%	+0.81%	+1.90%	-4.81%

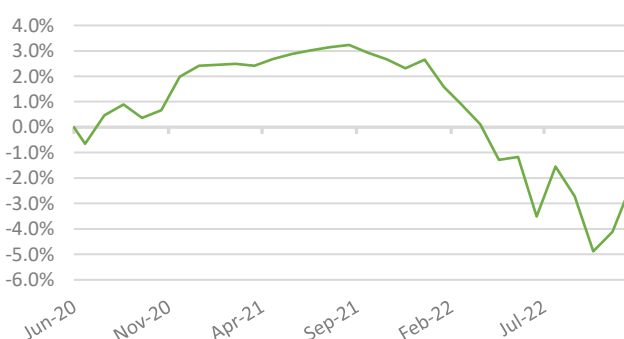
### OVERALL PORTFOLIO SUMMARY

Fund Currency	USD
Duration	2.1
Maturity in Years	2.4
Average Z Spread	185
Coupon Rate	4.2%
Yield to Worst	5.8%
Avg. Credit Rating	Baa3/BBB-
No. of Positions	52

### TOP TEN POSITIONS

FirstGroup	3.8%
Lloyds Bank	3.2%
HP Enterprise	3.0%
Societe Generale	2.9%
Hanesbrands	2.8%
Standard Chartered	2.7%
Land Securities	2.6%
Tesco	2.6%
Kraft Heinz	2.6%
Bupa Finance	2.6%

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

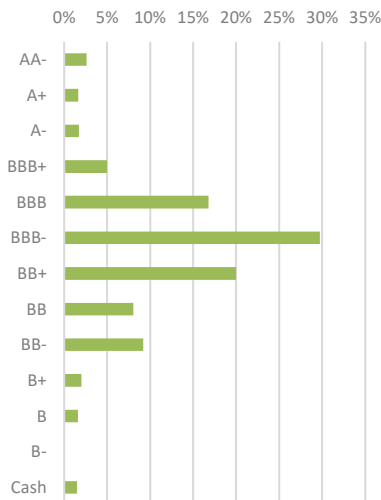


<sup>1</sup> ESG ratings are derived from MSCI ESG rating methodology. Scores are weighted 25% to Environmental, 44% to Social, and 31% to Governance

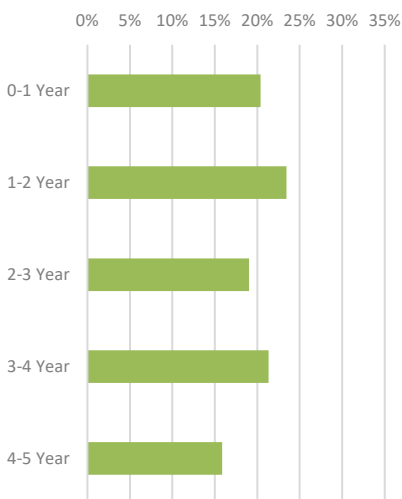
<sup>2</sup> Performance shown for USD I share class (ISIN: LU2122350676). All other share class performance listed on page 3



## WEIGHT BY CREDIT RATING



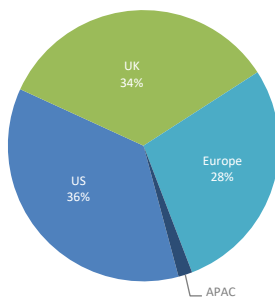
## WEIGHT BY MATURITY



## 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



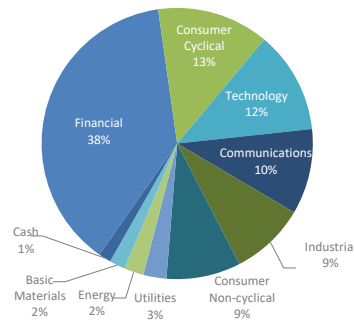
## FUND UPDATE AND OUTLOOK

The fund rose +1.90% in November (EUR hedged share class +1.63%). At portfolio level, the best performing sectors were Utilities (+4.34%), Consumer Non-cyclical (+3.29%) and Technology (+2.53%), though all sectors finished up on the month. Regionally speaking, Europe slightly outperformed the US and the UK in terms of attribution. Ocado was the top performing issuer, rising +7.79% in November following the announcement of a new deal to develop six Customer Fulfilment Centres for Lotte Shopping in South Korea. There were no ESG ratings changes in the month, and the fund maintained its MCSI ESG rating of AAA.

November finally offered the markets a sign that inflation is starting to trend lower, with a softer than expected CPI print in the US. It is early days, and the Fed will need further confirmation in subsequent data, however the change in the direction of travel was enough to bring some relief across asset classes.

Government bond yields fell across the belly and long end of the curve as some of the more hawkish trajectories for monetary tightening were priced out of the market. 5Yr US Treasury and UK Gilt yields fell -49bps to 3.74% and -36bps to 3.27% respectively. The moves were more muted in Europe - 5Yr German Bunds fell -7bps to 1.94%. Full duration IG corporate bonds rose +4.39% in November (best month since April 2020), helped by the move in duration though spreads also tightened by -28bps to 153. 3-5Yr IG was up +1.46% (spreads -8bps to 53). US high yield was up +2.17%, entirely due to duration, as spreads only rose +3bps to 466. European and UK high yield finished up +3.63% (spreads -69bps to 509) and +3.41% (spreads -50bps to 697) respectively.

## SECTOR WEIGHTINGS



New issuance remains subdued in the US, with just \$9BN in new HY printed in November (YTD issuance -78% YoY); there was €9BN of new issuance Europe which is relatively more active given the smaller overall HY market size, though these numbers were supported by crossover type deals rather than pure high yield (gross HY issuance is -81% YTD).

The story of the year has been one of rapidly rising inflation begetting aggressive central bank tightening. Unusually for credit, especially high yield, this has been absorbed in a fairly orderly way, with less spread widening than prior cycles and still very low defaults. The next area of focus will be the magnitude of earnings declines that will occur as the macroeconomic environment slows and tighter financial conditions start to bite. There were some signs of this in Q3 earnings season, however we will get a much clearer picture in February when companies report Q4 earnings and FY 2023 guidance.

While this outlook may seem somewhat melancholic, we are cautiously optimistic that we are closer to the end than the beginning of this downcycle, and feel any earnings reset in 1Q23 will set the stage for a more constructive environment going forward, as inflation continues to normalise and monetary policy pivots from restrictive to neutral over the coming quarters. In the meantime, we maintain that high quality corporate credit is an attractive place to weather this period of adjustment, with the fund currently yielding 6.65% in USD and 3.87% in EUR.



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

ISIN	Share Class	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	YTD	ITD
LU2122350676	Green Ash Short Duration Credit Fund (USD I)	-1.03%	-0.67%	-0.79%	-1.40%	0.12%	-2.37%	2.03%	-1.19%	-2.22%	0.81%	1.90%	-4.81%	-2.29%
LU2122350163	Green Ash Short Duration Credit Fund (USD R)	-1.07%	-0.69%	-0.83%	-1.44%	0.09%	-2.40%	2.00%	-1.21%	-2.26%	0.77%	1.86%	-5.16%	-3.23%
LU2122350759	Green Ash Short Duration Credit Fund (EUR I)	-1.10%	-0.67%	-0.95%	-1.49%	-0.08%	-2.52%	1.81%	-1.45%	-2.45%	0.61%	1.63%	-6.55%	-5.44%
LU2122350247	Green Ash Short Duration Credit Fund (EUR R)	-1.13%	-0.71%	-0.96%	-1.54%	-0.08%	-2.55%	1.77%	-1.48%	-2.48%	0.56%	1.61%	-6.89%	-6.37%
LU2122350833	Green Ash Short Duration Credit Fund (CHF I)	-1.13%	-0.69%	-0.97%	-1.53%	-0.07%	-2.53%	1.83%	-1.46%	-2.46%	0.54%	1.54%	-6.83%	-6.08%
LU2122350320	Green Ash Short Duration Credit Fund (CHF R)	-1.16%	-0.73%	-1.01%	-1.56%	-0.10%	-2.57%	1.80%	-1.50%	-2.49%	0.52%	1.49%	-7.16%	-6.97%

### 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).

