HIGH INCOME BOND FUND

SHARE CLASS D EUR (DISTRIBUTOR) - FACT SHEET

Factsheet at 30th September 2024

Month end NAV as at 30th September 2024

Investment Objective and Policies

The Fund aims to maximise the total level of return for investors by investing, mainly in a diversified portfolio of bonds and other similar debt securities. In pursuing this objective, the Investment Manager shall invest primarily in a diversified portfolio of corporate & government bonds maturing in the medium term, with an average credit quality of "Ba3" by Moody's or "BB-" by S&P, although individual bond holdings may have higher or lower ratings. The Fund can also invest up to 10% of its assets in Non-Rated bond issues. The Fund is actively managed, not managed by reference to any index.

Fund Type	UCITS
Minimum Initial Investment	€2,500

Sustainability

The Fund is classified under Article 6 of the SFDR meaning that the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Fund Details

ISIN	MT7000003059
Bloomberg Ticker	CALCHIE MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	1.89%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjuction with the KIID

Lower Risk	Higher Risk
Potentially lower reward	Potentially higher reward

1 2 **3** 4 5 6 7

Portfolio Statistics

Total Net Assets (in €mns)	47.88
Month end NAV in EUR	79.62
Number of Holdings	136
% of Top 10 Holdings	19.1

Current Yields

Last 12-m Distrib. Yield (%)	4.20
Underlying Yield (%)	5.32

Risk Statistics

Risk Statistics	3Y	5Y
Sharpe Ratio	-0.41	-0.20
Std. Deviation (%)	5.63%	8.01%

Country Allocation[1]	%
United States	25.3
France	10.5
Germany	10.3
Italy	5.7
Netherlands	5.2
Spain	4.5
Brazil	3.3
Luxembourg	3.2
Turkey	2.6
Malta	2.3

[1] including exposures to CIS

Credit Rating[2]	%
From AAA to BBB-	18.0
From BB+ to BB-	49.5
From B+ to B-	14.7
CCC+	2.3
Less than CCC+	2.3
Not Rated	2.3
Average Credit Rating	**BB**

[2] excluding exposures to CIS

Top 10 Exposures	%
iShares Fallen Angels HY Corp	2.8
4% JP Morgan Chase & Co perp	2.4
7.5% Nidda Healthcare Holding 2026	2.0
7.935% Encore Capital Group Inc 2028	1.9
iShares Euro High Yield Corp	1.8
iShares USD High Yield Corp	1.8
4.625% Volkswagen perp	1.7
4.375% Cheplapharm 2028	1.6
4.875% Cooperative Rabobank perp	1.6
3.5% VZ Secured Financing 2032	1.5

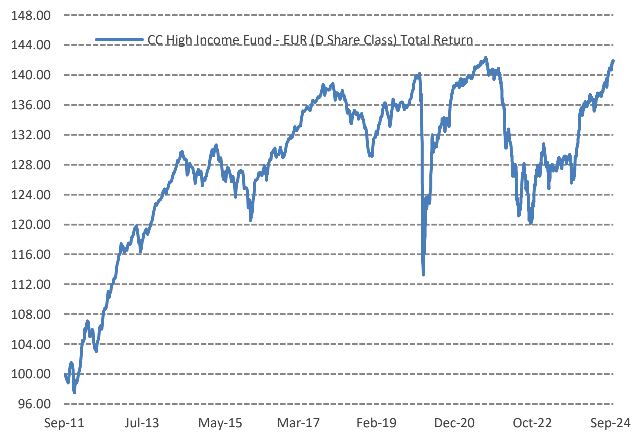
Currency Allocation	%
EUR	67.8
USD	32.2
Others	0.0

Asset Allocation	%
Cash	4.4
Bonds	89.1
CIS/ETFs	6.5

Maturity Buckets[3]	%
0 - 5 years	68.5
5 - 10 years	16.6
10 years +	4.0

[3] based on the Next Call Date

Historical Performance to Date**



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown[2]	%
Banks	11.0
Telecommunications	10.4
Pharmaceuticals	8.5
Funds	6.5
Auto Parts&Equipment	6.4
Commercial Services	4.0
Chemicals	3.8
Entertainment	3.4
Media	3.3
Mining	3.3
Auto Manufacturers	2.9
Oil&Gas	2.8

Performance History**

Past performance does not predict future returns

Calendar Year Performance	YTD	2023	2022	2021	2020	Annualised Since Inception***
Share Class D - Total Return** **	4.62	7.26	-10.13	1.48	-0.15	2.71
	2019	2018	2017	2016	2015	2014
Share Class D - Total Return** **	7.47	-6.44	5.31	4.97	-0.86	1.88
Total Return	1-month	3-month	6-month	9-month	12-month	
Share Class D - Total Return** **	0.67	3.07	3.58	4.62	10.71	

* Data in the chart does not include any dividends distributed since the Fund was launched on 1st September 2011.

** Performance figures are calculated using the Value Added Monthly Index "VAMI" principle. The VAMI calculates the total return gained by an investor from reinvestment of any dividends and additional interest gained through compounding.

*** The Distributor Share Class (Class D) was launched on 01 September 2011. The Annualised rate is an indication of the average growth of the Fund over one year. The value of the investment and the income yield derived from the investment, if any, may go down as well as up and past performance is not necessarily indicative of future performance, nor a reliable guide to future performance. Hence returns may not be achieved and you may lose all or part of your investment in the Fund. Currency fluctuations may affect the value of investments and any derived income.

**** Returns quoted net of TER. Entry and exit charges may reduce returns for investors.

Market Commentary

Introduction

The third quarter of 2024 was marked by a significant shift in monetary policy, as central banks began to lower interest rates in response to slowing economic growth and easing inflationary pressures. This shift helped fixed income markets to deliver solid returns.

In the United States, after the Federal Reserve left interest rates on hold at a 23-year high in July, weaker jobs data spurred the FOMC to initiate its long-awaited rate cutting cycle with a 50 bps reduction. The non-farm payrolls report showed that 114k jobs were added in July, well below the consensus expectation of 175k, while the unemployment rate rose to 4.3%. A larger-than-expected drop in inflation in August further solidified the Fed's decision.

The rate cut and expectations of faster monetary policy easing by the Fed led to a weaker dollar against major currencies. In the bond market, U.S. Treasury yields fell substantially over the quarter, with 2-year yields leading the way, falling 111 bps, as the yield curve steepened to reflect the outlook for lower interest rate policy.

In Europe, the European Central Bank (ECB) also eased monetary policy by cutting interest rates by 25 bps. German and French 10-year government bond yields declined over the quarter (meaning prices rose) but underperformed relative to Italy and Spain, which were among the strongest performers in Europe. On the corporate bond front, U.S. investment-grade bonds performed well, benefiting from the lower interest rate environment. However, global high yield bonds continued to outperform, as investors sought higher returns from riskier assets.

Market Environment and Performance

The economic disparity between the US and the Eurozone remained. While Europe’s economy has consistently shown signs of weakening, particularly as its largest economies continue to face a deterioration in economic metrics, the US has maintained a relatively steady economic trajectory. Recent Purchasing Managers' Index (PMI) data supports these trends, indicating a slowdown in the Eurozone and a potential technical recession in Germany, Europe's largest economy.

September's Eurozone Composite PMI, albeit revised higher, signaled total business activity in Euro Area private sector activity decreased for the first time since February, as the three biggest economies in the Euro Area - Germany, France and Italy - recorded contractions simultaneously for the first time in 2024 so far. Overall, services slowed (51.4 vs 52.9 in August) and the manufacturing contraction deepened (45 vs 45.8 in August) as demand for euro area goods and services fell at the quickest pace in eight months. This, leading to backlog reductions and a slightly faster rate of job cutting. Business confidence too weakened, yet fractionally, taking it further beneath its long-run average.

Inflation, consequent to the base effect, particularly on energy, fell to 1.8% in September, the lowest since April 2021, compared to 2.2% in August and preliminary estimates of 1.9%. Core inflation, albeit marginally, eased to 2.7%. A particular concern for the ECB is services inflation, which remains anchored at or above 4.0% for a fifth consecutive month. The labour market remained healthy, with unemployment rate revolving at notable lows (6.4% in August), and significantly below a 20-year average of 9.3%.

The US economy, although still demonstrating notable resilience, portrayed nascent signs of cooling. Manufacturing (reading 47.3 v 47.9 in August) sustained a deterioration in business conditions, while services (reading 55.2 v 55.7 in August) continued to note modest growth. New business in services rose solidly outweighing a decline in manufacturing. Meanwhile, employment levels were down for the first time in three months, as both sectors reported declines. Inflationary pressures strengthened, with the increases in input costs and output prices hitting twelve- and six-month highs, respectively.

In the US, disinflationary trends sustained. The latest inflation release showed a modest slowing, as headline inflation fell for a sixth straight month to 2.4% in September, the lowest since February 2021, from 2.5% in August, yet above forecasts of 2.3%. Core inflation, which excludes volatile items such as food and energy, edged higher to 3.3% in September of 2024 from the three-year low of 3.2% recorded in the two previous months. On the employment front, the labour market - previously exhibit signs of cooling - surprised to the upside. Revised data showed stronger-than-expected job growth in August, followed by a robust increase in September: 254k jobs added, well above forecasts of 140k. Additionally, the unemployment rate eased to 4.1%, the lowest in three months, and down from a previous month reading of 4.2%.

Fund Performance

The CC High Income Bond Fund closed the month higher (0.69%) from the previous month's close, amid a positive performance observed across credit markets.

The manager, in line with its mandate, maintained an active approach to managing the portfolio. Throughout the month, the manager - aiming to increase the portfolio’s duration in a gradual manner, locking in coupons prior to continued easing, and exposure to European exposure - continued to take advantage of selective opportunities, primarily by participating in initial offerings. Credit issuers which the CC High Income Bond Fund increased its exposure to include; Air France KLM, Azelis Finance, and IGT Lottery Holdings.

Market and Investment Outlook

The narrative for credit markets remained largely unchanged throughout the third quarter, with investor focus centered on economic data and central bank policy. In their most recent and respective policy meetings, central bankers demonstrated their willingness to adopt an accommodative bias, depending on economic needs, with a willingness to adjust policy accordingly to foster a healthy economic environment. Both the ECB and Fed continued to emphasize data dependency, with both now prioritizing the employment market. That said, the ECB remains closely attentive to inflation, particularly within the services sector. The Federal Reserve, with its dual mandate of price stability and maximum employment, sees the upside risk to inflation diminishing but the downside risk to employment increasing. This suggests a need for a policy adjustment, but it should not be interpreted as prioritizing employment over inflation. A shift in the balance of risks does not mean a change in the importance attached to each goal.

The anticipation of additional interest rate cuts fosters a positive outlook for the global bond market. We believe locking in current attractive coupon levels is prudent before potential policy easing.

Going forward, we will continue to actively assess market conditions and capitalize on compelling credit opportunities. In line with recent portfolio adjustments, we will continue to gradually increase the portfolio duration and exposure to European credit. This strategic shift is underpinned by Europe's earlier stage in the credit cycle, offering potential upside, and the prospect of the ECB leading global rate cuts.

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