

### Strategy Overview

Long Duration Bond Strategy is an open-ended pooled account strategy investing in USD denominated long term fixed income instruments.

### Recommended For

This investment strategy ideal for investors looking for relatively high returns and having a medium to long term investment horizon.

### Risk Management

Portfolio duration actively managed and targeted to be 10 years. Investments can be made in perpetual securities with call date supplementing portfolio tenure rules.

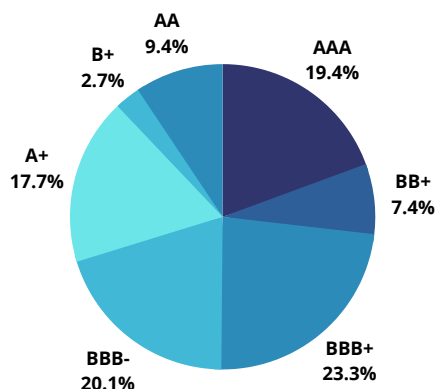
### Scheme Information

Sharpe Ratio: **1.00**  
 Volatility: **10.16%**  
 Max Drawdown: **-12.15%**  
 CAGR: **10.15%**

### Dealing Information

Minimum Subscription: **USD 10K**  
 Subscription Frequency: **Weekly**  
 Redemption Frequency: **Weekly**  
 Redemption Settlement: **5 Business Days**  
 Management Fee: **0.3% p.a.**

### Credit Quality



For Accredited and Institutional Investors Only

**Portfolio Dashboard:**  
 NAV USD 11,938.4935

### Market Commentary

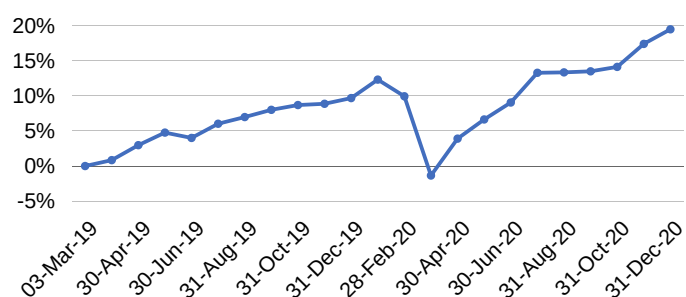
Despite a slight increase in long term treasury yields in the month of December, with the 30yr Treasury yield rising from 1.57% to 1.65%, the Long Duration Bond strategy booked a strong gain of +2.3% thanks to continued tightening of corporate credit spreads, especially for long duration bonds.

The top contributor over the month have been bonds issued by Kinross Gold Corporation, with a spread tightening of around 15bp over the month.

The sell off in long date yields has intensified at the beginning of January after a democratic party victory in the Senate run off elections in Georgia. The market expectation has shifted towards increased stimulus and therefore higher inflation expectation going forward. We are however of the view that the underlying economic data is starting to show signs of a slow down in the recovery trajectory, hence it is probably too early to call the end of the bond market yet. When measuring the steepness of the US Treasury Yield curve, we are currently around the mid point of a 40 year mean-reverting range. (Current: 1.75%, High 4%, Low -0.7%). While the macroeconomic environment remains challenging, we are looking for credit driven stories in the long end of the yield spectrum to maintain a positive performance in 2021.

Top Credit Exposure	Weight (%)
Kinross Gold Corp	22.87
LLOYDS Bank Plc	19.01
Powerfinance Corp	17.34
BNP Paribas	9.20
Kraft Heinz	8.85
SPDR Portfolio Long Term Corporate Bond ETF	7.30

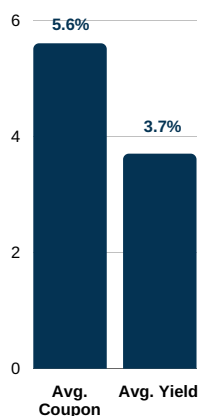
Price



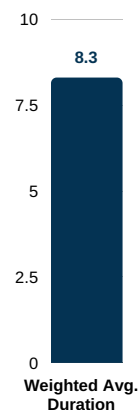
Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019			0.84%	2.11%	1.74%	-0.72%	1.94%	0.89%	0.96%	0.63%	0.16%	0.74%	9.67%
2020	2.40%	-2.10%	-10.27%	5.33%	2.62%	2.27%	3.88%	0.05%	0.13%	0.55%	2.87%	2.34%	8.86%

Average Coupon and Yield



Duration (years)



Performance since 3 Mar 2019

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