

GLOBAL CREDIT STRATEGIES FUND

Monthly Performance

	MTD Return (Net)	YTD Return (Net)	NAV per Share
Class F (USD)	-0.19%	4.90%	127.15
Class D (EUR)	-0.20%	4.61%	125.63
Class E (GBP)	-0.17%	0.00%	100.00

Portfolio Commentary

The agreement reached between Greece and its creditors on July 13th provided a temporary relief to credit markets, before it gave way to renewed concerns about the slowdown of China: rising volatility in Chinese equities (the Shanghai plunged 8.5% on 27/07, its second worst day in history), the collapse of the commodity complex (the Thomson Reuters commodity index fell to its lowest since 2008), and an unexpected plunge in July's flash PMI were interpreted as signs China could be "hard-landing". With the risk of near-term Grexit priced out, European HY outperformed and returned 0.67% during July; all of that return, however, was generated during the week following 13/07, when the market bounced 1.2%, before it gave back part of those gains during the rest of the month. US HY returned -0.87%, penalized again by its higher exposure to energy and metals. Second quarter earnings in the US, while broadly better than expectations, also contributed to the cautious mood, with a number of blue-chip companies blaming the strong dollar and weakness in China for disappointing earnings or outlook. Finally, EM HY returned -0.73%, dragged down by Brazilian credits (-3.2%) while Asia - including, remarkably given the recent focus on China, Chinese high yield corporates - proved more resilient (-0.19%).

The Fund benefited during July from its limited exposure to commodity producers. In broad terms, we believe the drivers of renewed weakness in commodities remain the same as identified at the start of the year: many commodities remain oversupplied, operating costs are falling (thanks to technological progress or thanks to the stronger dollar), and global demand remains lacklustre. In the absence of clear sign those drivers have become less relevant, we believe a recovery in the commodity complex is likely to prove short-lived again. July's performance also benefited from our early reduction of the fund's exposure to Brazilian credits: while we had become more optimistic about the policy correction seen during the second Rousset administration, July's sharp downward revision of the primary surplus target (from 1.1% to just 0.15% of GDP) proved the Government lacks the political backing and popular legitimacy to implement its fiscal adjustment programme, amid a steadily worsening economic outlook.

Our bottom up selection was less successful during July. Our position in Wittur, the German manufacturer of elevator components was the main underperformer, generating 18bps of negative return for the fund. The specific trigger for that underperformance appears to have been United Technologies' profit warning on 22/07, in part blamed on reduced orders seen by their Otis Elevators subsidiary in China. Other elevator manufacturers and Wittur's own management have recently expressed a more optimistic outlook for China, and we suspect Otis' difficulties may have been company specific. Our position in Global Ports Holdings, the operator of cruise and cargo ports in the Mediterranean, also performed poorly, as investors seemed to focus on the possible slowdown of marble exports to China. Finally, our position in Marfrig, the Brazilian food company, was caught in the general sell-off of Brazilian assets (we continue to believe the bonds we hold will be called in the coming months, since the company's management have guided they will use the proceeds of the recent disposal of their MoyPark subsidiary to reduce leverage). Away from Wittur, our Euro denominated positions performed well. Worldwide Flight Services, the aviation services company, outperformed, as investors recognized the bonds' spread was more reflective of stressed market conditions at the time of issue (in late June), than of the company's credit quality. A few of our EM positions performed strongly as well. Remarkably, they included Logan Property, a Chinese developer and the fund's sole undiversified exposure to the Chinese economy – a sign that EM dedicated investors have recently grown more comfortable the property market in China has troughed. Finally, Vimpelcom, the Russian telecom company, performed strongly on reports it is closed to reach a merger agreement between Wind, its Italian subsidiary, and 3italia, a competitor, which should lead to a significant deleveraging of the credit.

Performance Since Inception

Annualized Return: 8.1%
 Annualized Volatility: 2.3%
 Sharpe Ratio: 3.4

Fund Terms

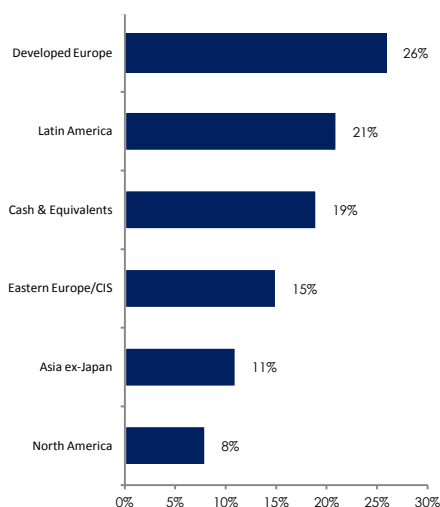
Regulatory	UCITS IV
Liquidity	Weekly
Start Date	2 nd July 2012
Management Fee	1.5 % (Retail) 1% (Institutional)
Performance Fee	5% Incentive Fee
Minimum Investment	Retail = 25,000 (GBP, EUR, USD, CAD, CHF) Institutional = 200,000 (GBP, EUR, USD, CAD, CHF)
Domicile	Malta
Administrator	Equinox Investment Services (Ireland) Ltd.
Custodian	RBC International
Auditor	Deloitte & Touche
Legal Counsel	Ganado & Associates

Portfolio Composition

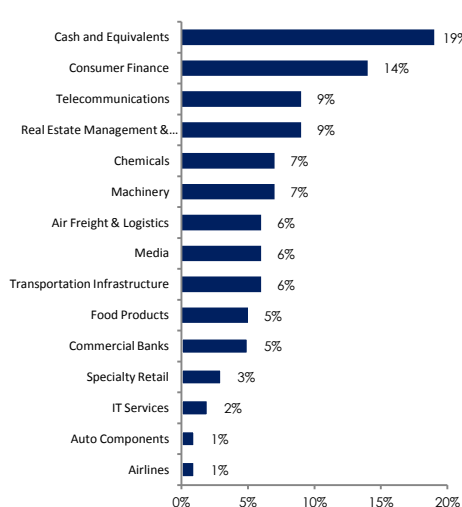
Portfolio Yield: 6.4%
Portfolio Duration: 4.1

Average Rating: BB-
Number of Holdings: 32

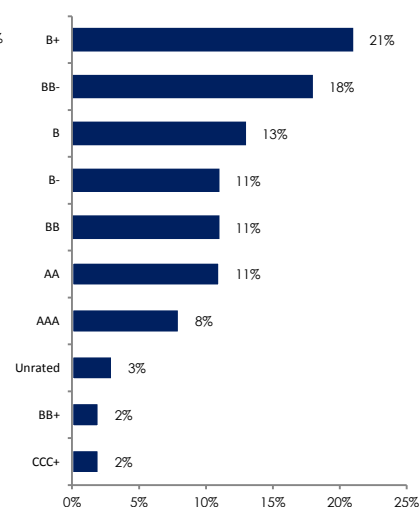
Region



Sector



Rating



Monthly Performance Since Inception

Class F (USD)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD
2012							0.15%	0.72%	0.78%	2.11%	1.24%	1.72%	6.90%
2013	0.97%	0.11%	0.54%	1.64%	-0.04%	-2.16%	1.11%	-0.06%	1.70%	1.66%	0.14%	0.67%	6.40%
2014	0.84%	1.08%	0.84%	1.10%	1.20%	1.04%	-0.20%	0.91%	-0.51%	0.14%	0.66%	-0.71%	6.56%
2015	-0.22%	1.80%	1.38%	1.66%	0.93%	-0.54%	-0.19%						4.89%

Class D (EUR)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD
2012							0.20%	0.66%	0.70%	2.04%	1.20%	1.62%	6.59%
2013	0.87%	0.12%	0.54%	1.54%	-0.06%	-2.21%	1.16%	-0.07%	1.67%	1.66%	0.13%	0.65%	6.11%
2014	0.85%	1.06%	0.77%	1.09%	1.25%	1.01%	-0.21%	0.92%	-0.62%	0.12%	0.59%	-0.79%	6.18%
2015	-0.29%	1.82%	1.33%	1.55%	0.97%	-0.63%	-0.20%						4.61%

Class E (GBP)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD
2015					0.69%	-0.51%	-0.17%						0.00%

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