SphereInvest | GROUP

MORNINGSTAR ★★★★★

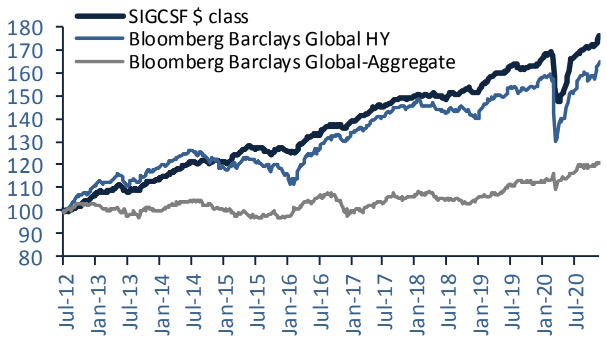
GLOBAL CREDIT STRATEGIES FUND

Monthly Performance

Class F (USD):	MTD return: 2.69%	2020 return: 6.08%	NAV per Share: 175.99
Class D (EUR):	MTD return: 2.62%	2020 return: 4.45%	NAV per Share: 154.93
Class E (GBP):	MTD return: 2.65%	2020 return: 5.17%	NAV per Share: 129.13

	YtD	5 years		Since Inception	
	Return	Return *	Sharpe	Return *	Sharpe
SIGCSF Class F (US$)	**6.1%**	**6.6%**	**1.3**	**6.9%**	**1.7**
Bloomberg Barclays Global HY	4.2%	6.7%	0.7	6.0%	0.8
ICE EM High Yield	5.8%	7.5%	0.9	6.7%	0.9
ICE Europe High Yield	1.8%	4.4%	0.4	6.3%	0.9
ICE US High Yield	4.0%	7.4%	0.8	6.1%	0.8
Bloomberg Barclays Global-Agg.	7.5%	4.5%	0.6	2.3%	0.3
MSCI World	9.8%	8.6%	0.4	9.0%	0.5
MSCI Emerging Markets	10.3%	7.8%	0.3	3.2%	0.1

* Annualized Weekly Returns and Sharpe Ratios; Fund Inception: July 2012



Source: SphereInvest Group; ICE BofA

Portfolio and Market Commentary

Having found risk assets can perform strongly despite an economic recession of historic proportions, investors have seemingly drawn the lesson there is no wall of worry tall enough they cannot climb. And worries, there are: from a raging pandemic across developed economies, policy-making paralysis amid a lame-duck presidency in the US, to the growing likelihood of a "no-deal Brexit" in Europe. Investors have by now fully embraced a narrative the combination of fiscal support, forced savings, and pent-up demand from deprived consumers will unleash a strong economic bounce next year. Crucially, they have also rewritten "The Three Bears" in times of pandemic. Goldilocks is now finding, no matter how much the outlook is improving and reflationary signs (commodities, freight rates…) may be rising, central banks can be relied on to remain ultra-accommodative: on some estimates, G10 CBs are still expected to inject US$3 trillions of liquidity next year, an amount dwarfing their intervention in the aftermath of the 2008 GFC.

We believe cautious investors will be challenged to lean against this bullish narrative in the weeks and months to come.

To be sure, any market narrative eventually needs to confront reality. However, the sequencing of this particular story means it is unlikely to be challenged until vaccination campaigns are well under way: this will take time. We do see a key weakness in its implicit assumption the world will stand still awaiting the vaccine roll-out. Of course, this will not be the case. China was out-of-synch with all other major countries during 2020: its reflationary impulse since Q2 (obvious in commodities such as oil or iron ore), may fade next year, if it refocuses on its deleveraging/rebalancing efforts. The tension between still fragile fundamentals and a runaway bullish narrative is playing out in the recent tug-of-war between holders of steepeners (a trade typical of a reflationary outlook), and investors who believe US$ rates will remain low, thanks to large output gaps across DMs and CBs asset purchases. We have more sympathy for the latter group, and are unconvinced rates are destined to rise next year. However, we do see a growing risk of rates volatility in the near-term, unless and until the Fed pushes back. In our view: anyone not forced to hold direct exposure to rates and proxies (such as long-duration IG, in our markets) at this juncture, should step back for now.

Second, investors' sensitivity to negative developments – from poor quarterly earnings, to near-term uncertainties, such as the ongoing Brexit negotiations – has clearly diminished during the year. Investors have always concerned themselves mostly with the direction of travel ("is it getting better, or is it getting worse?") but the bumpiness of the road used to matter as well. Not this year. A failure of the Brexit negotiations may yet test investors' forgiveness, but our sense is it won't. "No-deal" may be a significant shock but won't derail next year's global recovery alone. Neither is it a permanent state: investors will likely believe the stronger the near-term disruptions, the likelier the UK and the EU come back to the table to smooth-out the worst of those disruptions. Finally, the difference between the bare-bone trade deal the EU and the UK contemplate, and "no-deal" has become more about politics than economics: both entail business frictions and losses for specific sectors, but neither truly threaten the kinds of near-term market disruptions investors are more concerned about.

Finally, fundamentals broadly support an optimistic outlook for next year. The Q3 recovery may not have been perfectly "V-shaped" (countries where the pandemic is constraining activity again are likely experiencing double-dips), but it was still sharp and does hint at how strong the bounce could be once the pandemic is fully under control. While the market recovery during 2020 necessarily implies a large part of next year's bounce is now "in the price", we believe the combination of an improving outlook and overwhelming liquidity support continues to justify holding more economically sensitive assets, such as HY and EM credit.

Monthly Performance since Inception

Class F (USD, ISIN: IE00BKXBBV70)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD
2020	1.09%	0.05%	-12.07%	2.67%	4.24%	5.53%	1.06%	0.81%	1.00%	-0.05%	2.69%		**6.08%**
2019	2.34%	1.46%	0.60%	1.06%	0.22%	1.08%	0.93%	-1.43%	0.12%	1.01%	0.14%	1.69%	**9.59%**
2018	0.49%	-0.09%	-0.08%	0.39%	-0.71%	-0.75%	1.98%	-0.54%	0.87%	0.46%	-0.81%	0.07%	**1.26%**
2017	1.12%	1.30%	0.50%	0.98%	1.28%	-0.10%	0.66%	0.94%	0.48%	0.63%	-0.19%	0.44%	**8.33%**
2016	-0.34%	0.03%	2.86%	2.12%	0.55%	0.03%	1.96%	1.18%	-0.14%	0.36%	-0.72%	1.36%	**9.56%**
2015	-0.22%	1.80%	1.38%	1.66%	0.93%	-0.54%	-0.19%	-1.19%	-1.27%	1.82%	0.73%	-0.99%	**3.91%**
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%**
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%**
2012							0.15%	0.72%	0.78%	2.11%	1.24%	1.72%	**6.90%**

Class D (Euro, ISIN: IE00BKXBBS42)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD
2020	0.89%	-0.10%	-12.52%	2.54%	4.12%	5.42%	0.99%	0.75%	0.92%	-0.11%	2.62%		**4.45%**
2019	2.14%	1.22%	0.30%	0.77%	0.02%	0.94%	0.63%	-1.70%	-0.12%	0.73%	-0.05%	1.45%	**6.45%**
2018	0.32%	-0.36%	-0.32%	0.19%	-1.04%	-0.99%	1.75%	-0.66%	0.68%	0.19%	-1.08%	-0.20%	**-1.56%**
2017	0.82%	1.05%	0.40%	0.85%	1.13%	-0.23%	0.50%	0.78%	0.34%	0.42%	-0.29%	0.22%	**6.15%**
2016	-0.42%	-0.01%	2.57%	1.92%	0.39%	-0.08%	1.81%	0.98%	-0.25%	0.15%	-1.01%	1.23%	**7.44%**
2015	-0.29%	1.82%	1.33%	1.55%	0.97%	-0.63%	-0.20%	-1.27%	-1.46%	1.77%	0.91%	-1.13%	**3.35%**
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%**
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%**
2012							0.20%	0.66%	0.70%	2.04%	1.20%	1.62%	**6.59%**

Class E (GBP, ISIN: IE00BKXBBT58)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD
2020	1.00%	-0.04%	-12.48%	2.59%	4.23%	5.50%	1.04%	0.81%	0.98%	-0.06%	2.65%		**5.17%**
2019	2.26%	1.33%	0.39%	0.82%	0.03%	1.01%	0.89%	-1.60%	0.00%	0.86%	0.09%	1.54%	**7.84%**
2018	0.39%	-0.24%	-0.23%	0.30%	-0.84%	-1.09%	1.80%	-0.74%	0.89%	0.34%	-1.02%	-0.66%	**-1.14%**
2017	1.01%	1.21%	0.40%	0.94%	1.21%	-0.18%	0.56%	0.85%	0.33%	0.57%	-0.24%	0.29%	**7.17%**
2016	-0.39%	-0.08%	2.79%	2.07%	0.48%	0.03%	1.95%	1.01%	-0.22%	0.29%	-0.94%	1.30%	**8.55%**
2015					0.69%	-0.51%	-0.17%	-1.21%	-1.29%	1.86%	0.68%	-1.02%	**-1.01%**

Past performance is no guarantee of future results. Performance figures are net of all fees.

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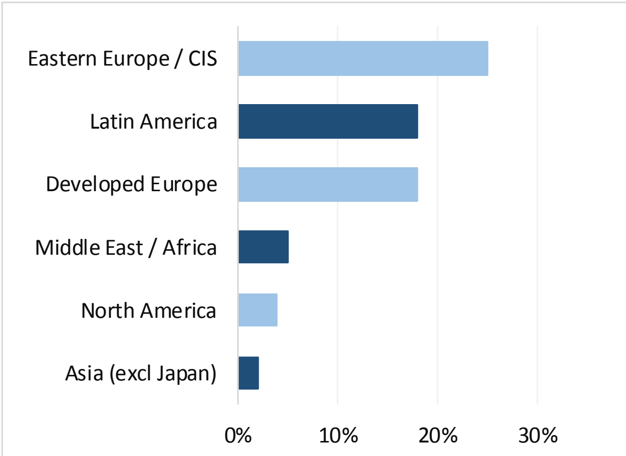
Fund Information as of November, 2020

	Avg Rating	NAV (%)	Price	Duration	Yield	Spread
SphereInvest Global Credit Strategies	BB-	100 %	99.7	1.8	5.6%	551
Cash and Equivalents	AA+	28 %				

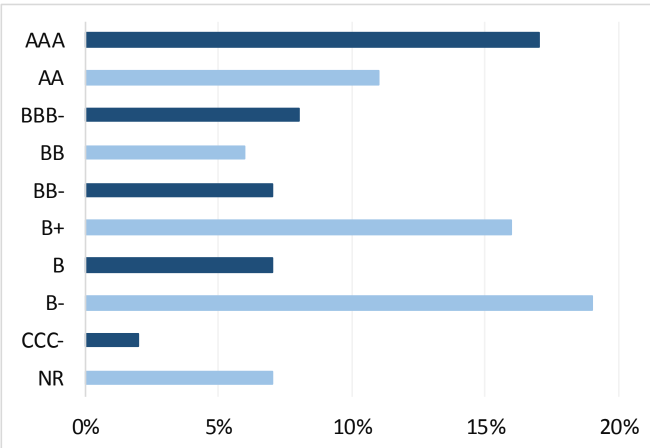
Top 10 Holdings (in % of NAV, 26/11/20)

Bond		%
6.75%	KME AG, 2023	4.6%
12.00%	Trans-Oil, 2024	4.3%
9.875%	Global Ship Lease, 2022	3.9%
6.748%	MV24 Capital, 2034	3.7%
9.25%	Tinkoff Credit Systems, PERPS	3.1%
5.875%	Ingegneria Informatica, 2026	3.1%
4.125%	Sazka Group, 2024	3.0%
6.125%	Sberbank, 2022	2.9%
11.00%	Silknet, 2024	2.9%
12.00%	Quiport, 2033	2.7%

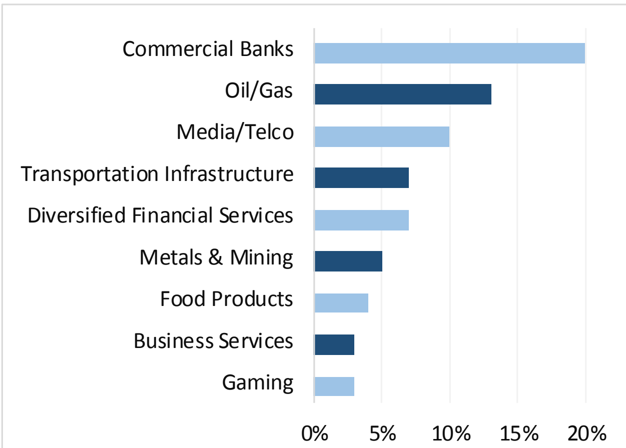
Regional Allocation (incl. cash & equiv)



Credit Quality



Sector Allocation (incl. cash & equiv)



Fund Terms

Regulatory	UCITS V	Domicile	Ireland
Liquidity	Daily Pricing / Weekly dealing	Global Custodian	Citibank N.A., London
Start Date	2nd July 2012	Auditor	Deloitte (Ireland) LLP
Management Fee	1.5% (Retail) 1% (Institutional)	Legal Counsel	Eversheds Sutherland
Performance Fee	5% Incentive Fee	Administrator	Apex Fund Services (Ireland) Limited
Minimum Investment	Retail = 25,000 (GBP,EUR,USD,CAD,CHF,NOK) Institutional = 200,000 (GBP,EUR,USD,CAD,CHF,NOK)		