SphereInvest | GROUP

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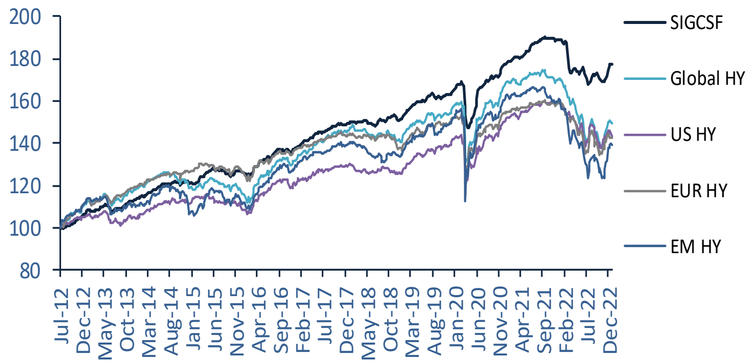
GLOBAL CREDIT STRATEGIES FUND

Monthly Performance

Class F (USD):	MTD return:	1.37%	2022 return:	-6.28%	NAV per Share:	177.27
Class D (EUR):	MTD return:	1.10%	2022 return:	-8.33%	NAV per Share:	151.33
Class E (GBP):	MTD return:	1.26%	2022 return:	-6.81%	NAV per Share:	129.10

	YtD	3 Years		Since Inception	
	Return	Return *	Sharpe	Return *	Sharpe
SIGCSF Class F (US$)	**-6.3%**	**2.2%**	**0.2**	**5.6%**	**1.2**
Bloomberg Global HY	-12.7%	-1.9%	-0.3	3.9%	0.4
US HY (etf: SPHY US)	-10.6%	0.2%	-0.1	3.5%	0.4
EUR HY (etf: SYBJ GY)	-10.7%	-2.1%	-0.2	3.4%	0.3
EM HY (etf: HYEM US)	-13.4%	-2.9%	-0.2	3.2%	0.2
Bloomberg Global Agg	-16.2%	-4.4%	-0.8	-0.2%	-0.2

Fund Inception: July 2012
Source: SphereInvest Group; Bloomberg
*Annualized Weekly Returns and Sharpe Ratios



The UCITS is actively managed by SphereInvest Group Limited. It is not managed with reference to any benchmark, the above comparisons are provided for information purposes only.

Portfolio and Market Commentary

As usual at this time of the year, this portfolio manager sits down to read various market outlooks from banks and competitors: at times, a futile exercise in second-guessing which forecasts will prove right, among the many which inevitably won't; at others, a more useful endeavour to understand popular narratives and positioning. Investors like to be told stories and the best-sounding stories do not necessarily play out as planned. We are troubled, however, recent narratives have been mostly unconvincing. This matters: flawed narratives are more likely to generate volatility than sustainable momentum. To be sure, investors have faced extraordinary circumstances for the past three years. Forecasting the drawn-out effects of exogenous shocks such as the covid pandemic and the war in Ukraine remains difficult, explaining a still wide range of possible fundamental outcomes. This is well understood. We are less convinced by the market forecasts investors have lately been served. Ulterior motives aside, our sense is their authors may have struggled to reconcile themselves with messy fundamentals, resorting, instead, to tactical views. To give but one example of this pattern - optimism has been building over many months inflation would soon peak, was peaking, had peaked already, feeding the on/off "Fed pivot" narrative. But timing the elusive pivot has proved more difficult than forecasting its eventuality, leading many to call for "dip-now, rally-later" markets in 2023: "dip while the Fed isn't done" tightening yet, or "rally once the pivot" is more firmly in sight. The sequencing also fits a foretold but constantly delayed shallow recession, leaving time to buy once the economy starts recovering, rather than ahead of its expected deterioration. Like all tactics, of course, such a narrative relies on it not becoming consensus: the market buying into it would pre-empt, thereby ensuring it doesn't happen.

Betraying still high fundamental uncertainties, most outlooks broadly defend "play it safe" strategies for now - although what safety means remains problematic at a time of high rates volatility. After a year of resilient growth in DM and fading economic shocks (such as the energy crisis in Europe, or the end of zero-covid in China); still high core inflation across most DM; major central banks vocal about their intent to quell inflation, and with room to do so given quiescent financial markets and tight job markets, we are genuinely bewildered investors should be advised to find safety in rates beyond the very front-end. The Fed has hiked 425bps so far in this cycle without yet breaking anything, and we remain unconvinced inflation, the US economy in 2023, or financial stress, will detract it from the gentler path of tightening it envisions. We fear investors embracing duration to deal with current uncertainties may be mistaking tactical and fundamental merits – with the risk, whenever tactics become too consensus, some are left holding the bag once fundamentals reassert themselves.

Investors are currently being paid better than they have been in years to wait in cash: this, in our view, is the only genuine play-it-safe strategy. For investors who wish to remain engaged, we believe timing and tactics will prove less important than picking the right fights, with a key choice between growth and inflation. While a soft landing remains very much possible, it is bizarrely being priced out by the market: the extreme curve inversion is making an everything-rally scenario less likely. Our own current base case for 2023 is for inflation to prove stickier than markets are pricing in both Europe and the US, with rapid declines from goods and commodity disinflation giving way to a more protracted levelling-off in services inflation. The re-opening of China presents some upside risk for inflation, in particular, through oil prices. This should all justify Fed and ECB rates plateau above 5 and 3.5%, respectively, and remain there until the end of the year at least, defying market pricing. At the same time, growth and labour markets should perform broadly in line with consensus, with upside risks from a rebound in China and more confidence in European energy supplies.

A number of credits in Europe seem overly punished because of their exposure to raw materials inflation: we are, for instance, considering adding to such exposures as Italmatch, the Italian specialty chemicals company which demonstrated their strong pricing power again last year. Having weathered tighter US$ financial conditions better than expected in 2022, we believe EM will continue to be driven less by DM monetary policy, than by idiosyncratic factors – from domestic conditions, geopolitics, and elections cycles, to economic proximity to China. We are relatively optimistic on Brazil, where investors appear too anxious about the incoming administration's fiscal policies, and closely monitoring countries where elections could profoundly alter the economic outlook, such as Nigeria or Argentina. Finally, we believe China's recent relaxation of its restrictive policies will likely be enough to stabilize its property market, although this may have come too late to avoid more debt restructuring among its leveraged developers. We believe derivative exposures, through sectors such as iron ore mining, or exporters to China, including Indonesia, may be a safer way to benefit from a recovery of China in 2023.

While continued high rates volatility is surprising, we suspect it may have more to do with tactical flows at the start of the year than reassessment of economic outlook. In time, we expect it will come down, once markets have made peace with the Fed and reconcile themselves with the narrower path of target rates, after the bizarre fight they are currently waging.

Risk-free-rates volatility was a major challenge when pricing all risk-assets in 2022, and a lower level of this volatility will help issuers' differentiation, removing a major headwind for credit investors. Primary markets have gradually reopened since the second half of last year, albeit mostly for seasoned issuers. Although the concessions offered by those issuers may now rapidly shrink, we expect first-time or more credit-intensive issuers to bring attractively priced issues, providing new opportunities for the Fund, after a year of limited primary market participation for us. Finally, high yield credit markets were significantly affected by forced selling in 2022, creating major dislocations. Some normalization has begun, but it is far from having run its course. We are currently exploring a number of opportunities; while a number of existing positions held by the Fund remain priced at oversold levels, with significant potential for normalization to fair value, over time.

Monthly Performance since Inception

Share Class F (USD, ISIN: IE00BKXBBV70)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	**YTD**
2022	-1.04%	-3.08%	-3.57%	-0.40%	0.20%	-1.62%	-1.96%	2.08%	-0.74%	-1.01%	3.55%	1.37%	**-6.28%**
2021	0.54%	0.85%	0.02%	0.96%	0.85%	1.79%	0.41%	0.81%	0.10%	-0.04%	-0.52%	0.26%	**6.25%**
2020	1.09%	0.05%	-12.07%	2.67%	4.24%	5.53%	1.06%	0.81%	1.00%	-0.05%	2.69%	1.16%	**7.31%**
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%**

Share Class D (EUR, ISIN: IE00BKXBBS42)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	**YTD**
2022	-1.07%	-3.16%	-3.74%	-0.49%	0.01%	-1.66%	-2.29%	1.71%	-0.88%	-1.24%	3.26%	1.10%	**-8.33%**
2021	0.48%	0.80%	-0.06%	0.89%	0.79%	1.76%	0.35%	0.73%	0.07%	-0.08%	-0.57%	0.15%	**5.46%**
2020	0.89%	-0.10%	-12.52%	2.54%	4.12%	5.42%	0.99%	0.75%	0.92%	-0.11%	2.62%	1.05%	**5.55%**
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%	-2.22%	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%**

Share Class E (GBP, ISIN: IE00BKXBBT58)

	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	**YTD**
2022	-1.01%	-3.14%	-3.56%	-0.39%	0.18%	-1.55%	-2.08%	1.88%	-0.86%	-0.95%	3.42%	1.26%	**-6.81%**
2021	0.53%	0.81%	0.00%	0.95%	0.83%	1.82%	0.39%	0.81%	0.09%	-0.05%	-0.47%	0.19%	**6.10%**
2020	1.00%	-0.04%	-12.48%	2.59%	4.23%	5.50%	1.04%	0.81%	0.98%	-0.06%	2.65%	1.11%	**6.34%**
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 does not predict future returns.

Fund Information as of December, 2022

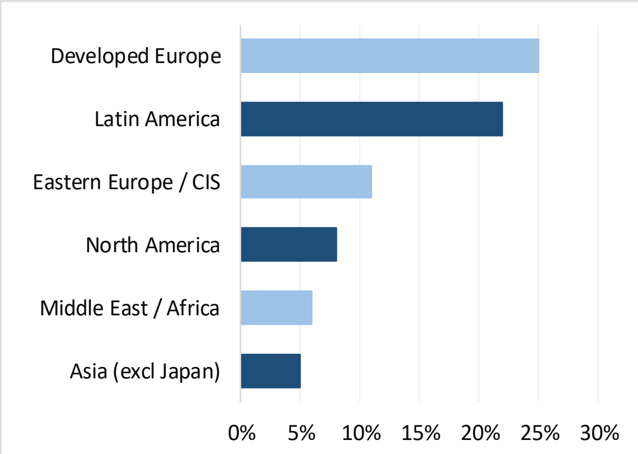
	Avg Rating	NAV (%)	Price	Duration	Yield	Spread
SphereInvest Global Credit Strategies	BB+	100 %	88.2	2.2	12.8%	1053
Cash and Equivalents	AA+	23 %				

Ratings by S&P/Fitch/Moody's; remaining data calculated by SphereInvest.

Top 10 Holdings (in % of NAV, 31/12/22)

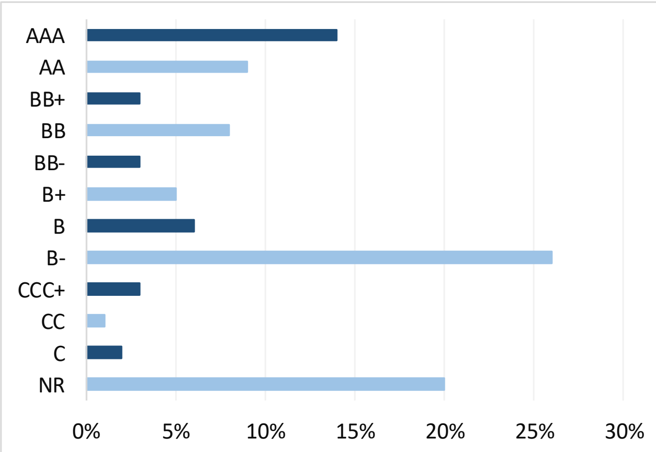
Bond		%
12.00%	Quiport, 2033	3.9%
8.50%	Danaos, 2028	3.8%
8.875%	Telecom Services of Trinidad & Tobago, 2029	3.8%
10.775%	TBC Bank, PERPS	3.7%
7.00%	eHi Car, 2026	3.5%
11.00%	HKN Energy, 2024	3.5%
8.45%	Trans-Oil, 2026	3.4%
5.875%	Engineering Ingegneria Informatica, 2026	3.2%
9.25%	Genel Energy, 2025	3.0%
5.50%	Alsea, 2027	3.0%

Regional Allocation (incl cash & equiv)

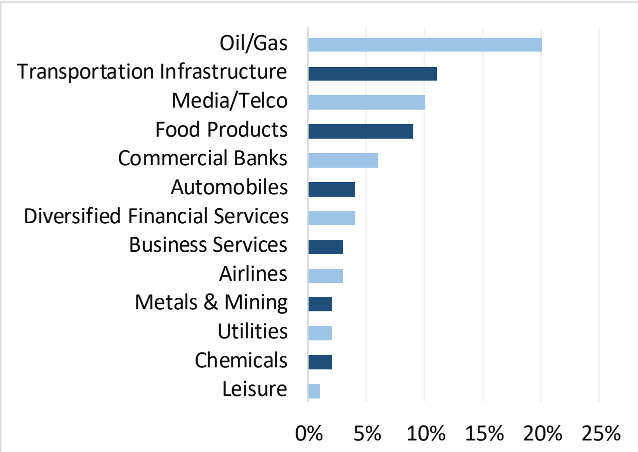


Credit Quality

The ratings are produced by S&P/Fitch/Moody's



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% p.a. (Retail), 1% p.a. (Institutional)	Legal Counsel	Eversheds Sutherland
Performance Fee	5% p.a. of the increase in the Net Asset Value per Share on each Valuation Day, above the high-water mark, payable annually.	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)		

Key Risks

The value of shares in the UCITS and income received from it can go down as well as up and investors may not get back the full amount invested. Performance may also be affected by currency fluctuations.

The UCITS seeks to achieve its investment objective by principally investing in a diversified portfolio of publicly-issued bonds. The UCITS may utilise financial derivative instruments for hedging, efficient portfolio management and/or investment purposes.

Bonds or other debt securities involve credit risk represented by the possibility of default by the issuer. In the event that any issuer experiences financial or economic difficulties, this may affect the value of the relevant securities and any amounts paid on such securities. This may in turn affect the Net Asset Value per Share of the UCITS.

Investment instruments have historically been subject to price movements that may occur due to market or issue-specific factors. As a result, the performance of the UCITS can fluctuate over time.

Other significant risks include: liquidity risk and operational risk. For full details of the risks applicable to the UCITS, please refer to the 'Risk Factors' sections in the current Prospectus of SphereInvest Global UCITS ICAV and the Offering Supplement of the UCITS sub-fund - SphereInvest Global Credit Strategies Fund.

Disclaimer - Important Information

This is a marketing communication issued by SphereInvest Group Limited ("SIGL"), a company incorporated in Malta and authorised and regulated by the Malta Financial Services Authority ("MFSA") as a UCITS and AIFM Investment Management Company.

SIGL is the Investment Manager of SphereInvest Global UCITS ICAV (the "UCITS"), a company incorporated under the laws of Ireland, authorised and regulated by the Central Bank of Ireland. Please refer to the Prospectus of the UCITS, the Offering Supplement of SphereInvest Global Credit Strategies Fund (a sub-fund of the UCITS) and to the Key Investor Information Document, available in English for all authorised share classes of the sub-fund upon request and via www.sphereinvest.com. In addition, a summary of investor rights is also available in English, upon request and via www.sphereinvest.com.

SphereInvest Global Credit Strategies Fund is notified for marketing in a number of European Member States under the UCITS Directive. The UCITS can terminate such notification for any share class and/or for the sub-fund (as a whole) at any time by using the process contained in article 93a of the UCITS Directive.

This publication is only being provided for illustrative purposes. It should not be construed as investment advice or an offer, invitation or recommendation to transact in any of the investment instruments mentioned. The investment which is being promoted through this communication concerns the acquisition of investor shares in SphereInvest Global Credit Strategies Fund (a sub-fund of the UCITS) and not in any of the underlying assets of this sub-fund.

Past performance does not predict future returns. Performance details provided are in share class currency, include reinvested dividends (if any), net of all fees, including any management and performance fees, as well as, all costs incurred by, and charged to, the UCITS.

Potential investors should seek their own independent financial advice. Every investment involves risk, especially with regard to fluctuations in value, currency movement and return. The value of investments and the income therefrom can go down as well as up. Prospective Investors should read the Prospectus and Offering Supplement for details and specific risk factors of the UCITS promoted herein.

Share Class monthly performance information is being disclosed to enable investors to see actual returns achieved since inception in various currency share classes.