

Tribeca Vanda Asia Credit Fund (USD) – Gross Performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019							0.23% <sup>1</sup>	0.12%	1.41%	0.90%	0.49%	1.43%	4.66%
2020	2.06%	-0.40%	-11.85%	2.40%	7.45%	5.23%	1.55%	1.67%	-0.82%	0.92%	6.31%	7.10%	22.05%
2021	2.44%	4.40%	-0.20%	1.37%	0.62%	-0.32%	-2.66%	5.87%	-4.68%	-5.94%	0.13%	0.63%	1.01%
2022	-2.29%	-2.19%											-4.43%

	1 Month	3 Months	6 Months	1 Year	2 Years p.a.	ITD p.a.
Tribeca Vanda Asia Credit Fund	-2.19%	-3.83%	-13.66%	-9.73%	7.66%	8.19%

1. Fund commenced trading 8 July 2019. The performance figures indicated are for the Founders Class and are gross, before the deduction of all fees and expenses. Past performance is not indicative of future performance.

Portfolio Manager



John Stover

Fund Information

The Tribeca Vanda Asia Credit Fund was established as a partnership between Tribeca Investment Partners and Vanda Securities to create a unique approach to investing in Asian credit, leveraging the respective strengths of each organization. The Fund seeks to generate attractive risk-adjusted absolute returns, targeting 8-10% per annum through investing in corporate credit instruments either traded in Asia or with fundamental Asian business exposure, such as bonds, loans, convertibles and perpetual securities. The Fund targets the higher yielding part of the market, looking mainly at credits yielding 5-15% to maturity. The Fund will overlay short positions in both single securities and indices to hedge out fundamental and macro-related risks. The Fund may employ a modest amount of leverage to enhance returns, particularly when presented with fundamental and/or tactical opportunities.

Minimum investment:	USD\$500,000
Subscriptions:	Monthly
Redemptions:	Quarterly with 90 days notice, subject to 25% investor level gate
Management Fee:	1%
Performance Fee:	15%
Fund Administrator:	Citco Fund Administration
Fund Auditor:	Ernst & Young
Fund Custodian:	Goldman Sachs International
Legal Advisor:	Clifford Chance, Walkers
Benchmark:	Absolute return
Fund Manager:	Tribeca Investment Partners (Singapore) Pte Ltd

Performance

Volatility continued in global markets in February, with credit and equity markets continuing to price in increased uncertainty following the Russian invasion of Ukraine. The MSCI Asia ex-Japan index fell 2.3% while the Asia HY index fell 4.3%. The Fund continued to hold up relatively well with a return of -2.19%. The Asia HY index finished the month with a yield of 12.0%, remaining close to the highest levels of all time.

Market Update & Portfolio

While remaining macro aware, in periods of global uncertainty and macro related selloffs we like to re-focus and re-underwrite our efforts on the fundamental side. Our favourite time to buy is when sentiment and flows are going in one direction (down) but the fundamentals are going in the other direction (up). At present, we are finding extremely good value in the three sectors below, all of which have strong underlying fundamental trends.

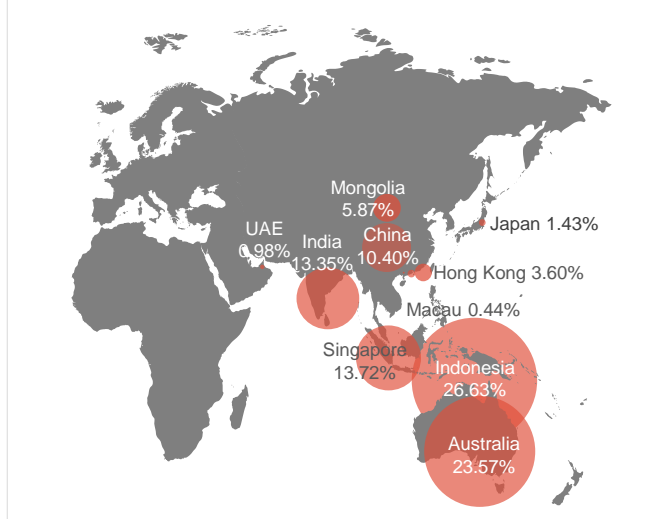
**Indian renewables:** Bonds in this sector were trading at 3-4% yields in many cases late last year (which we thought was a bit crazy, i.e. too low) and are now at 6-8% yields. This has been due to the broader EM selloff and possibly the negative news flow around India not fully aligning with the West with regard to Russia. We have been adding exposure to this sector and like it due to its stable business profiles, priority dispatch on the grid, strong shareholders and strong ESG bid. We particularly like Greenko at ~6% yield, which is owned by GIC and Abu Dhabi Investment Authority.

**Natural resources:** The Russia/Ukraine situation has exacerbated the tight supply / demand dynamics we have seen across various commodities, given Russia is a significant producer of commodities like oil & gas, aluminium, steelmaking coal, and nickel. Despite spiking commodity prices and stock prices in these sectors, bond prices have fallen. We are seeing safe opportunities in this space at 8-20% yield to maturity and record near-term cash flows will give these companies opportunities to pay down debt quickly.

**Indonesian property:** The EM credit selloff on the back of the Russia/Ukraine situation has caused investors who hold both sovereign and corporate bonds to dump all holdings after becoming worried about redemptions, effectively throwing the baby out with the bathwater. Indonesian property has been one of these cases, with rebounding sales, much less levered balance sheets than Chinese counterparts, and supportive policy stimulus such as VAT relief, mortgage financing relaxation and lower interest rates. We like Lippo Karawaci bonds at 9-10% yield to maturity given the company has an improving credit profile, with sales growing 86% y/y in 2021, and strong recurring income from the largest hospital business in Indonesia.

Frankly, we are a bit flabbergasted by some of the levels we are seeing in these names but are excited to be putting money to work right now. Given the massive differential between sentiment and fundamentals, will continue allocating in these sectors while remaining nimble around macro related risks.

### Country Exposure (% of Long Exposure)



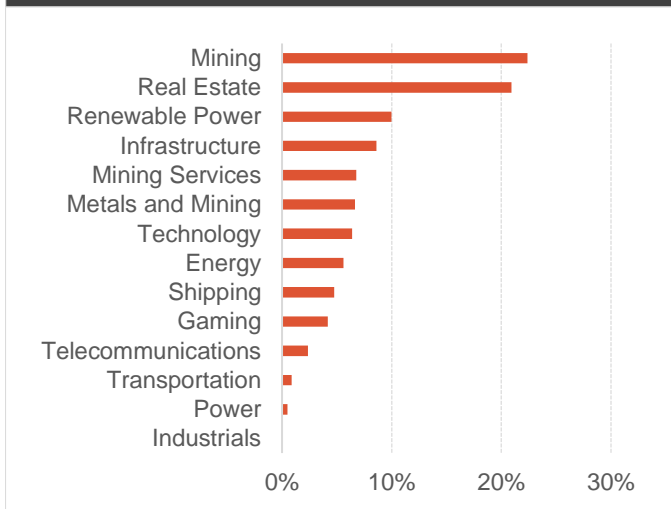
### Portfolio Statistics

No. of Issuers (Long)	47
Cash Yield	7.2%
Yield to Maturity	13.3%
Modified Duration (Long Portfolio)	2.64
DVO1 (Overall Portfolio)	-0.0227%

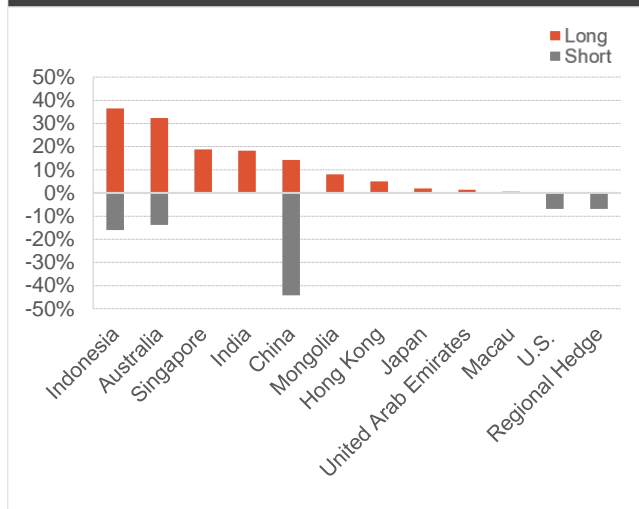
### Month End Portfolio Exposures

Long Exposure	137.20%
Short Exposure	-87.66%
Net Exposure	49.54%
Gross Exposure	224.86%

### Sector Exposure (% of Long Exposure)



### Country Exposure (% NAV)



### Firm Overview



Vanda Securities ([www.vanda-securities.com](http://www.vanda-securities.com)) is an independent research house with offices in Singapore, London and New York. Vanda provides concise, tactical macroeconomic and investment strategy analysis to institutional investors. Vanda adopts a cross-asset and cross-geography approach combining investor positioning, expectation and mass-market psychology to deliver outstanding macro insight over a 1-3 month time frame.



Tribeca Investment Partners ([www.tribecaip.com](http://www.tribecaip.com)) is an Australian headquartered boutique asset manager investing \$2.0bn on behalf of a range of clients including pension funds, endowments, foundations, financial institutions and high net worth investors. With staff across offices in Sydney, and Singapore, Tribeca has a deep knowledge and understanding of global markets which it leverages across a range of equity and credit focused strategies.

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