Beauclerc Global Income Fund 5th February 2021



Management Fee

Global Income / Total Return Strategy:

Performance objective: 7% p.a., net of fees

Liquidity: Daily

Programme's start date: 30 April 2020

Portfolio Manager

Beauclerc is a niche asset manager dedicated to developing agile and innovative investment solutions for wealthy families. Beauclerc Group has operations in the UK and in the Channel Islands, where it is authorised and regulated by the FCA and the GFSC, respectively.

MS Management Services SA is an authorised AIFM under the AIFMD and domiciled in Luxembourg acting under the supervision of the CSSF.

Investment Strategy

The Fund follows a diversified and unlevered strategy, focusing on income generation and targeting 7% p.a. net performance in USD. The income is produced by an unconstrained allocation to mostly equity and credit instruments. The equity risk exposure is obtained exclusively through derivatives instruments, in order to provide conditional protection on top of the recurring income. The credit risk exposure is obtained through a "buy & hold" selection of direct corporate bonds.

Legal structure: AIF regulated in Luxembourg

Portfolio manager: **Beauclerc Limited**

Fund's manager: **MS Management Services SA**

Fund's custodian: **UBS Europe SE (Lux)**

Currency

Share Classes Accumulation

Class A	USD	LU1012596760	1% p.a.
Class B	EUR	LU1012597909	1% p.a.
Class C	GBP	LU1012599863	1% p.a.
Distribution	Currency	ISIN	Management Fee
Distribution Class A2	Currency USD	ISIN LU2274094874	Management Fee 1% p.a.
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ISIN

Minimum subscription per share class: EUR 125,000 equivalent

Performance fee: 20% after hurdle 7% p.a.

Subscription/Redemption fees:

Distribution restriction: Well-informed investors

Performance Table* Share class A, USD

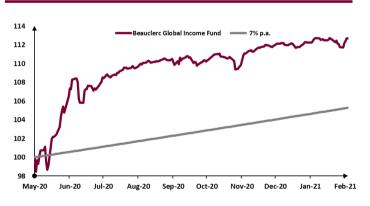
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2020					4.77%	2.95%	1.51%	0.79%	0.00%	-0.84%	2.14%	0.44%	12.26%
2021	-0.45%	0.98%											0.53%

* Methodology Notes

The Fund was initially incorporated as Beauclerc Global Opportunity Fund in 2014, with Beauclerc as Portfolio Manager following a global macro strategy. The actual income strategy has been implemented by Beauclerc in the Fund since May 1st, 2020 onward. The Fund's change of name to Beauclerc Global Income Fund was approved by the CSSF in December 2020. The Fund's track-record above includes the audited NAVs since the change of strategy.

Cumulated Performance

Share class A, USD



Portfolio Key Indicators Share class A, USD

	2021 YTD	2020	Since Inception
Cumulated return	0.5%	12.3%	12.9%
Historical volatility (p.a.)	2.7%	7.0%	6.6%
Average weekly return	0.1%	0.3%	0.3%
Max weekly return	1.0%	3.4%	3.4%
Min weekly return	-0.7%	-2.3%	-2.3%
% positive weeks	66.7%	71.4%	70.7%
Beta to S&P 500	0.10	0.22	0.21
Downside correlation to S&P 500	81.7%	59.0%	59.1%

Manager's Comments - January 2021

The economic news-flow brought no more visibility on the path to recovery in DM economies, confirming the contrast between industrial sector resilience and further weakness in services. Similarly, there was no change in policy guidance at the ECB and Fed meetings this month. Investors' central scenario remains excess liquidity in financial markets prevailing until the Fed starts tapering in Q4. Also, once the US Congress Democratic majority was confirmed, a new increase in the budget spending plan was unveiled to reach USD 2 trillion. However, the impact on equity markets was mixed this time, as US bond yields picked up led by mounting inflation forecasts. Delays and much lower vaccine supply challenged the timing of the recovery in the area. This sudden uncertainty triggered significant reversals in recent market trends, with EZ equities underperforming US/EM equities led by profit taking in cyclicals and value stocks, for the first time since Nov 2020. Similarly, the EUR weakened against the USD. Finally, despite Q4 US earnings exceeding expectations, equities ended the month unsettled by several sharp daily selloffs. This instability came mostly from retail investors and their new ability to squeeze hedge-funds' shorts using social media platforms. However, a global (and temporary) deleveraging had started earlier, led by profit taking on the back of weaker reflation scenario consensus.

The equity rally early January triggered the redemption of few volatility-income notes in the portfolio. The decision was made to wait for higher equity volatilities before reinvesting, in order to secure higher income levels. The consolidation in DM equity markets late January offered these favourable conditions and the full reinvestment raised the Fund's income to 8.3% annualised.

V.S

	05/02/2021	31/01/2021	Var.	INCOME (weighted average coupon)	(residual)
ash	1.0%	1.4%	-0.4%	0.0%	1 day
USD	1.0%	1.4%	-0.4%	0.0%	1d
EUR, GBP and others					
onds – Investment Grade	8.5%	9.5%	-1.0%	3.8%	2.2 years
DM sovereign & corporate	2.5%	2.8%	-0.3%	3.5%	3.0y
EM sovereign & corporate					
DM/EM subordinated Financia	ls 2.6 %	2.9%	-0.3%	5.3%	0.4y
Corporate	3.5%	3.8%	-0.3%	3.0%	3.0y
onds – High Yield	9.1%	10.1%	-1.0%	5.2%	1.3 years
DM sovereign/corporate					
EM sovereign/corporate	1.7%	1.8%	-0.1%	4.1%	2.0y
DM/EM subordinated Financia	ls 4.3%	4.8%	-0.5%	5.8%	0.2y
Corporate	3.2%	3.5%	-0.3%	4.9%	2.4y
olatility Income Strategy – Equities	81.4%	79.0%	+2.4%	9.3%	6.2 month
DM equity indices US, EZ, CA	N 18.7 %	20.5%	-1.8%	9.0%	6.5m
US, EZ, CAN & FT	SE 25.4%	17.7%	+7.7%	8.8%	6.8m
DM/EM equity indices US, EZ, CAN & MSCI E.	V/ 21.1%	23.0%	-1.9%	10.2%	6.3m
Equity themes – worst-off payoffs					
EZ Luxury stocks selection	on 3.5%	3.9%	-0.4%	10.0%	2.2m
Equity themes – average performance payoffs					
European Energy stocks selection	on 4.3%	4.7%	-0.4%	8.5%	5.1m
Eurozone Banks stocks selection	n 4.7%	5.1%	-0.4%	10.3%	6.5m
White Swan stocks selection	2 3.7%	4.1%	-0.4%	9.0%	4.6m
		TOT	AL PORTFOLIO	8.4% p.a.	8.7 months

Risk Analysis, % of NAV

<u>-</u>	Allocation, %	since inception	barrier	Date	%	since inception	barrier	Date	%	
Volatility Notes on DM indices	44.0%		Note	1		Note 2				
Euro Stoxx 50	18.7%					+1.2%	-20%	18/08/21	18.7%	
S&P 500										
FTSE 100	25.4%	-1.7%	-20%	25/08/21	19.5%					
S&P TSX 60										
Volatility Notes on DM/EM indices	21.1%		Note	1			Note	2		
Euro Stoxx 50	7.6%									
S&P 500										
S&P TSX 60	6.6%					+1.3%	-20%	05/08/21	6.6%	
MSCI EM	6.9%	+0.2%	-20%	20/08/21	6.9%					
Volatility Notes on EZ Luxury stocks	3.5%		Note	1						
Kering	3.5%	-7.2%	-22%	12/04/21	3.5%					
LVMH										
L'Oréal										
Volatility Notes on Equity Themes	12.7%		Notes 1,	2 & 3						
Eurozone Banks stocks selection BNP / Santander / ING		+1.8%	-25%	20/08/21	Please note that the equally-wei	ghted perfo	rmances of ea	ch stocks		
White swan stocks selection 2		-2.0%	-22%	24/06/21	3.7%	selection. Unlike for the equity				

Protection

Allocation

Expiry

Perf.

Protection

capital risk is not ultimately dependent on the final

performance of just one stock or index among each

Allocation

Expiry

Perf.

Worst-Performer

Share Classes' Performances

European Energy stocks selection

Klépierre / BNP / Accor

Royal Dutch / Repsol / BP

Classes	Currency	Inception Date	NAV 05/02/21	Total Return		С	Classes	_	Inception	NAV -	Total Return	Distributed
Acc.				Since 30/04/20	2021YTD	Dist.	Dist.	Currency	Date	05/02/21	Since Inception	Yield *
Α	USD	30/04/2020	1,064.27	+12.9%	+0.5%		A2	USD	26/01/21	1,003.07	+0.3%	0.0%
В	EUR	25/09/2020	1,021.43	+2.2% *	+0.4%		B2	EUR	Feb. 2021			
С	GBP	30/04/2020	993.91	+12.4%	+0.5%		C2	GBP	26/01/21	1,001.44	+0.1%	0.0%

-23%

07/07/21

4.3%

selection.

-2.8%

Contact for additional information

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^{*} Since 25/09/20

^{*} First dividend payment in April 2021