GLOBAL BALANCED INCOME FUND

SHARE CLASS A (ACCUMULATOR) - FACT SHEET

Factsheet at 31st August 2022

Month end NAV as at 31st August 2022

Investment Objective and Policies

The Fund seeks to provide stable, long-term capital appreciation by investing in a diversified portfolio of local and international bonds, equities and other income-generating assets. The Investment Manager shall diversify the assets of the Fund among different assets classes. The manager may invest in both Investment Grade and High Yield bonds rated at the time of investment at least "B-" by S&P, or in bonds determined to be of comparable quality, provided that the Fund may invest up 10% in non-rated bonds, whilst maintain an exposure to direct rated bonds of at least 25% of the value of the Fund. Investments in equities may include but are not limited to dividend-paying securities, equities, exchange traded funds as well as through the use of Collective Investment Schemes.

The Fund is actively managed, not managed by reference to any index.

Fund Type	UCITS
Minimum Initial Investment	€2,500

Fund Details

ISIN	MT7000014445
Bloomberg Ticker	CCGBIFA MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	2.06%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjuction with the KIID

Lower Risk	Higher Risk
Potentially lower reward	Potentially higher reward

1 2 3 4 **5** 6 7

Portfolio Statistics

Total Net Assets (in €mns)	9.3
Month end NAV in EUR	11.25
Number of Holdings	68
% of Top 10 Holdings	22.8

Country Allocation[1]

	%
United States	34.5
Luxembourg	10.4
France	7.1
Germany	6.4
Malta	6.2
Brazil	4.2
Global	3.1
Spain	2.4
Great Britain	1.9
Austria	1.7

[1] including exposures to ETFs

By Credit Rating[2]

	%
AAA to BBB-	1.6
BB+ to BB-	19.5
B+ to B-	9.2
CCC+ to CCC	0.0
Not Rated	7.1

[2] excluding exposures to ETFs

Top 10 Exposures

	%
iShares Core S&P 500	3.5
iShares Euro HY Corp	2.7
iShares S&P Health Care	2.5
5.299% Petrobras Global Finance 2025	2.2
iShares MSCI World	2.1
6.75% CSN Islands XI Corp 2028	2.0
4% Chemours Co 2026	2.0
6.75% Garfunkelux Hold Co 2025	1.9
4.75% Banco Santander SA perp	1.9
iShares S&P 500 Financials	1.9

Currency Allocation

	%
EUR	63.1
USD	35.3
GBP	1.6

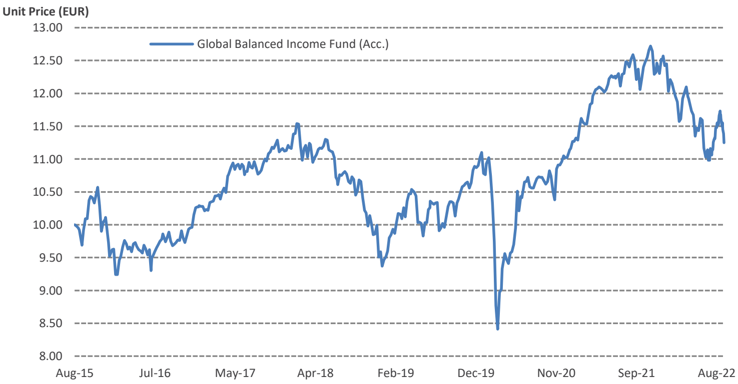
Asset Allocation[1]

	%
Cash	14.3
Bonds	40.0
Equities	45.7

Maturity Buckets

	%
0 - 5 years	21.0
5 - 10 years	11.9
10 years +	4.5

Historical Performance to Date



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown

	%
Financial	21.2
Consumer, Non-cyclical	9.7
Diversified	9.6
Consumer, Cyclical	9.1
Communications	7.8
ETFs	7.5
Industrial	6.1
Technology	6.0
Energy	3.9
Healthcare	3.0
Sovereign	1.8

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2021	2020	2019	2018	2017	Annualised Since Inception *
Total Return**	-10.07	12.30	2.48	14.78	-15.14	8.67	1.70

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return**	-1.92	-3.18	-5.22	-8.46	-10.14

* The Global Balanced Income Fund (Share Class A) was launched on 30 August 2015. The Annualised rate is an indication of the average growth of the Fund over one year. The value of the investment and the income yield derived from the investment, if any, may go down as well as up and past performance is not necessarily indicative of future performance, nor a reliable guide to future performance. Hence returns may not be achieved and you may lose all or part of your investment in the Fund. Currency fluctuations may affect the value of investments and any derived income.

** Returns quoted net of TER. Entry and exit charges may reduce returns for investors.

Market Commentary

Introduction

August brought some sense of sobriety to the markets after the rumour of a FED pivot in early 2023 has been disregarded by the same institution in its annual Jackson Hole annual meeting. In essence this was another reality check for markets in sense of how central bankers can intimidate market participants more than the prevailing macroeconomic landscape. On the macroeconomic backdrop there were few things to cheer about, as GDP growth numbers looked better than feared, inflation numbers took a respite, and job numbers continued to paint a US economy still in good shape. On the contrary, the European economy is facing a very difficult time following Russia cutting its gas supplies in retaliation to economic sanctions brought about by the conflict in Ukraine. These travails are compounded by a weakening Euro which exacerbate an already apparent trading deficit. In China, apart from the real estate sector and consumer spending recent data, which remain soft, the latest covid outbreaks triggered fresh lockdowns which in turn have lowered further economic growth expectations for this year.

From the monetary front, the Jackson Hole summit underlined what worries central bankers are facing. It set a clear line within the FED's dual mandate whereby reigning inflation is the main focus even at the expense of an economic downturn. Likewise, the ECB has gotten bolder in countering inflation in spite of the current macroeconomic backdrop making its commitment as difficult to keep as it can possibly be.

In August equity markets reversed to a risk-off mode following the realisation that the FED now has other priorities, rather than the easing measures which cheered markets for the past 15 years. As corporate earnings remain the only apparent pillar of future market growth, there is quite an amount of uncertainty on how the markets will perform by the end of the year. Optimists look on to statistical market performance following an underperforming first half of the year in the past, while pessimists are just contemplating fundamental economic indicators.

Market Environment and Performance

Purchasing Manager Index (PMI) data continued painting a somewhat gloomy picture of the Euro economic area as manufacturing and services noted a sharp deterioration in the rate of growth, pointing to a second contraction in activity since February 2021. The August manufacturing PMI reading of 49.6 was a fall at a similar pace to that seen last month, as new orders declined sharply while services revolved in contraction territory. Pressured by elevated energy costs and the continued acceleration in food prices and services, inflationary pressures persisted. In August, the annual inflation rate increased to a new record high of 9.1%. Core inflation, which excludes transitory or temporary price volatility, increased to a record high of 4.3 per cent from 4.0 per cent in the previous month.

Aggregate business activity in the US pointed to a solid contraction across the private sector. Notably, the Composite PMI reading of August fell to 45 from 47.7 in July, as a notable contraction of the services sector was observed.

Equity markets were conditioned by the induced FED sell-off at the Jackson Hole summit. In the end, a classical risk-off positioning would have been a winning strategy during the month, with only energy and utilities sectors gaining ground. US markets were positively influenced by a surging dollar, while European markets have been conditioned by the prospects of a very difficult winter induced by Russia cutting its gas supplies. Emerging markets continued their attempt of forming a multi-year bottom, although the Covid 19 zero-policy practiced by China is still having a negative impact on its economic growth fortunes this year. The S&P 500 index fell by 2.88%, as energy had a positive performance, while healthcare and technology finished the month on the other end of the spectrum. In Europe, the EuroStoxx50 and the DAX lost 5.15% and 4.81% respectively, as all sectors except energy ended the month in negative territory. From the fixed income side, July's relief witnessed across financial markets was shortly lived as mounting concerns over the economic outlook remained. A risk-off mode transpired. Global high yield corporate credit saw a loss of 1.17%. On a year-to-date, performance remains in the red at -11.92%.

Fund Performance

In the month of July, the CC Global Balanced Income Fund, driven by the negative performance across both equity and credit markets, headed lower, registering a loss of 1.92% and partly reversing the previous month gains. Throughout the month the Manager continued to seek pockets of value by looking into attractive equity and credit equity stories, to achieve the best performance within such mandate. While still maintaining adequate cash levels, the Manager increased the fund's exposure to large cap equity names, namely Kering, Taiwan Semiconductors, Mastercard, and UPS. On the credit side, the manager took the opportunity of buying at attractive entry points following the widening in spreads observed which may yield capital appreciation.

Market and Investment Outlook

Going forward, the Manager holds to the conservative camp as regards the macroeconomic backdrop given expectations of a protracted inflationary environment and a recessionary environment in Europe. While the message from the FED regarding its commitment to tackling inflation has been clearly received, it is not clear at all how markets will associate future economic data points to such intentions. From a credit point of view, higher yields are inevitable given the recent Central Bank moves, and thus despite this will trigger numerous opportunities, it will also condition the fixed income asset space.

From the equity front, the Manager believes that expectations for an erosion in earnings expectations consensus will continue to build a rather negative sentiment regarding future market returns, particularly on the backdrop of increasing bond yields. The Manager keeps its conservative stance, particularly on the European geography economic fortunes, and consequently over its capital market performance expectations. Playing safe remains the preferred route in navigating this turbulent market.