GLOBAL BALANCED INCOME FUND

SHARE CLASS B (DISTRIBUTOR) - FACT SHEET

Factsheet at 30th September 2023

Month end NAV as at 29th September 2023

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

Sustainability

The Fund is classified under Article 6 of the SFDR meaning that the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Fund Details

ISIN	MT7000023891
Bloomberg Ticker	CCGBIFB MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	2.35%

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)	9.7
Month end NAV in EUR	10.52
Number of Holdings	72
% of Top 10 Holdings	21.3

Current Yield

Last 12-m Distrib. Yield (%)	2.00

Country Allocation[1]

Country	%
USA	42.2
Luxembourg	7.8
Malta	7.7
Germany	6.7
Great Britain	6.1
France	4.7
Brazil	3.7
Global	3.5
Spain	3.1
Japan	1.9

[1] including exposures to ETFs

By Credit Rating[2]

Rating	%
AAA to BBB-	8.3
BB+ to BB-	23.6
B+ to B-	4.0
CCC+ to CCC	1.3
Not Rated	8.1

[2] excluding exposures to ETFs

Top 10 Exposures

Exposure	%
iShares Core S&P 500	3.5
iShares Euro HY Corp	2.6
iShares S&P Healthcare	2.4
Apple Inc	2.0
4% Chemours Co 2026	1.9
6.75% CSN Islands XI Corp 2028	1.8
iShares MSCI EM Asia Acc	1.8
Taiwan Semiconductor	1.8
MSCI World Energy	1.7
4.75% Banco Santander SA perp	1.7

Currency Allocation

Currency	%
EUR	53.6
USD	43.6
GBP	2.8

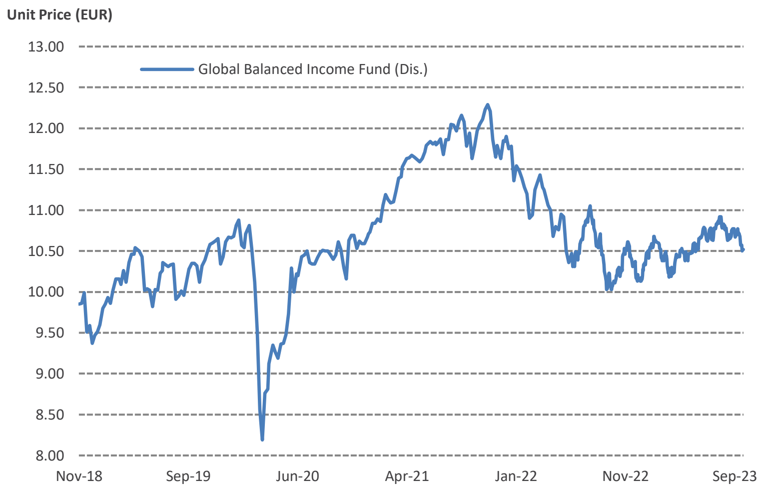
Asset Allocation[1]

Asset	%
Cash	0.9
Bonds	48.0
Equities	51.1

Maturity Buckets

Maturity	%
0 - 5 years	24.5
5 - 10 years	13.9
10 years +	7.0

Historical Performance to Date*



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown

Sector	%
Financial	24.0
Communications	10.4
Diversified	10.0
Consumer, Cyclical	9.5
Industrial	9.5
ETFs	9.0
Consumer, Non-cyclical	8.8
Basic Materials	8.2
Energy	5.0
Healthcare	2.9
Sovereign	1.7

Performance History**

Past performance does not predict future returns

Calendar Year Performance	YTD	2022	2021	2020	2019	2018*	Annualised Since Inception***
Total Return****	3.85	-12.92	12.81	2.52	14.90	-3.86	3.01

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return****	-2.23	-2.23	1.54	3.85	6.64

* Data in the chart does not include any dividends distributed since the Fund was launched on 19 November 2018.

** Performance figures are calculated using the Value Added Monthly Index "VAMI" principle. The VAMI calculates the total return gained by an investor from reinvestment of any dividends and additional interest gained through compounding.

*** The Distributor Share Class (Class B) was launched on 19 November 2018. 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

In September, the conviction in financial markets regarding potential interest rate hikes drove fixed income yields higher and caused a decline in equity markets. The underlying economic conditions seemed to fade as a primary concern, as market momentum clearly shifted towards risk aversion. Despite continued signs of leading macro indicators softening, it can be argued that the global economy is still in relatively good shape compared to initial analyst expectations for the year. This scenario exemplifies how financial markets can sometimes act in complete dissonance to the economic backdrop.

The upward move in yield curves could however derail the current delicate balance in the real economy, as the propensity to lend and leveraging capacity are expected to be impacted in the future, setting up another undesired headwind for economic growth next year. This adds to the challenges faced by consumers, including rising energy prices and diminishing disposable income. However, equity markets appear unfazed, with the recent pullback not indicating significant stress among investors who might still be banking on a soft-landing scenario. The next earnings season which comes, for the first time this year, with expectations of corporate earnings growth compared to last year will be the first reality check of such assumption.

On the monetary front, the Federal Reserve (FED) has paused its rate hikes and signalled fewer rate cuts for the next year, a move widely expected after stating the need for more data to assess the impact on the US economy. Inflation has steadily decreased from its peak in the middle of last year and may reach the FED's target rate without a significant rise in employment. Meanwhile, in Europe, the European Central Bank (ECB) raised interest rates to their highest level since the launch of the euro. Christine Lagarde hinted that rates may have peaked but indicated that borrowing costs would remain high for as long as necessary to bring inflation down to the 2% target.

Equity markets continued their decline from the previous month, with the technology and consumer discretionary sectors unable to limit their losses. However, this doesn't necessarily compromise the year-to-date performance of major equity indexes, which still show positive returns, in contrast to bonds, which are in a different position. Even though this situation seems to reflect a classic negative correlation between these two asset classes, it remains challenging to provide a fundamental explanation that reconciles the expectations of asset holders. The emergence of a new financial term like the "Magnificent Seven," encompassing mega-cap stocks such as Apple, Microsoft, Amazon, Alphabet, Meta Platforms, Nvidia, and Tesla, underscores the perception of these particular stocks as safe havens, an idea that was nearly inconceivable just two years ago. Time will tell whether this calls for a revision of financial textbooks or is simply another potential bubble waiting to burst.

Market Environment and Performance

Purchasing Managers' Index (PMI) indicators continued to show signs of weakness amid a second successive contraction in services (reading of 48.7 versus the previous month reading of 47.9) and a continuing downturn in the manufacturing sector (reading of 43.4 versus a previous month reading of 43.5). Despite a notable increase in oil prices, the annual inflation rate in the Euro area declined to 4.3% reaching its lowest level since October 2021. Core inflation eased, dropping to 4.5% from 5.3% in the previous month.

In the U.S. aggregate business activity – while still evolving in expansionary territory – nearly stalled due to a weaker expansion in the services sector (reading of 50.2 vs 50.3 in August), and a sustained contraction in manufacturing (reading of 49.8 vs 47.9 in August). Annual inflation rate in the US remained at 3.7% in September, while core consumer prices eased further to 4.1% from the previous 4.3%.

Equity markets continued their summer funk, with September - a historically a challenging month for stocks – noting negative returns. One of the most significant factors contributing to the decline in equities was the surge in Treasury yields, reaching levels not seen in over two decades. This increase in yields placed greater scrutiny on the valuation of technology stocks. The spotlight now shifts to the upcoming earnings season, as it is expected to provide a clearer direction for the markets in the remainder of the year. The S&P 500 index saw a decline of 2.52%, with support coming from value sectors like energy and financials. In Europe, both the EuroStoxx50 and the DAX experienced losses of 2.85% and 3.51%, respectively, with indiscriminate value erosion across various sectors. Credit markets were significantly affected by the higher yields, leading to primarily negative returns, even in traditionally safe assets like government bonds such as U.S. Treasuries. This resulted in negative returns for specific maturity buckets over the course of the year. High-yield bonds displayed more resilience, influenced by expectations of a low default rate.

Fund Performance

In the month of September, the CC Global Balanced Income Fund - largely driven by the somewhat negative sentiment across both equity markets and high yield credit - headed lower, registering a loss of 2.24%.

Within the fixed income space, the Manager continued to take opportunity by re-tapping selective names which do offer value, notably, those which have only recently sought to refinance with coupons now more aligned to the current market environment. Also, allowing to increase the portfolio's duration in a balanced manner. The manager has over the month increased its exposure to United Group; an alternative telecom provider in Southeast Europe that operates both telecommunications platforms and mass media outlets. In the equity portion, the Manager took an exposure in Amazon, Vinci, Caterpillar, and American multinational corporation engaged in hydrocarbon exploration and production Conoco Phillips. This, while reducing its exposure to industrials and cyclicals.

Market and Investment Outlook

Looking ahead, the Manager maintains a belief in a softening macroeconomic environment that will eventually bring an end to the current cycle of monetary tightening. Even in the face of unexpected spikes in inflation caused by factors such as commodity prices due to geopolitical tensions, the worst-case scenario seems to be a soft landing, where global economic growth slows down but remains positive. Additionally, the Manager anticipates that new rounds of economic stimulus in the Chinese economy will likely support local consumers and indirectly benefit the global economy. The recent movements in fixed income markets are viewed as an overshoot, which could lead to a more promising performance in equity markets toward the end of the year. In addition to the standard focus on sectors and companies with strong cash flows and attractive valuation metrics, there will be an increased emphasis on mega-cap and technology companies that could benefit from a decrease in bond yields. The unusual market volatility observed over the past three years can be attributed to the negative aftermath of the pandemic era. Hence, the word 'patience' should resonate with investors, considering historical trends that ultimately indicate a positive outcome.