GLOBAL BALANCED INCOME FUND

SHARE CLASS B (DISTRIBUTOR) - FACT SHEET

Factsheet at 31st January 2024

Month end NAV as at 31st January 2024

CCFunds™ Maximise your return

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	2.54%

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)	10.7
Month end NAV in EUR	11.08
Number of Holdings	72
% of Top 10 Holdings	21.6

Current Yield

Last 12-m Distrib. Yield (%)	2.25

Country Allocation[1]

Country	%
USA	42.7
Malta	10.2
Great Britain	7.0
Luxembourg	6.1
Germany	6.0
France	4.6
Brazil	3.4
Spain	3.1
Taiwan	2.1
Italy	1.9

[1] including exposures to ETFs

By Credit Rating[2]

Rating	%
AAA to BBB-	9.7
BB+ to BB-	21.3
B+ to B-	4.6
CCC+ to CCC	1.5
Not Rated	7.1

[2] excluding exposures to ETFs

Top 10 Exposures

Exposure	%
Bank of America Corp	2.5
iShares Euro High Yield Corp	2.5
iShares Core S&P 500	2.4
Amazon Inc	2.3
Pfizer Inc	2.2
Taiwan Semiconductor	2.1
Alphabet Inc	2.0
Apple Inc	1.9
Microsoft Corp	1.9
4% Chemours Co 2026	1.9

Currency Allocation

Currency	%
EUR	53.1
USD	44.4
GBP	2.5

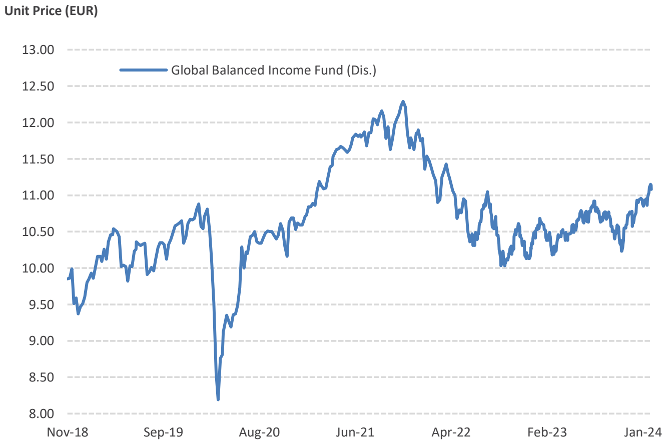
Asset Allocation[1]

Asset	%
Cash	4.3
Bonds	48.4
Equities	47.3

Maturity Buckets

Bucket	%
0 - 5 years	22.6
5 - 10 years	14.4
10 years +	7.3

Historical Performance to Date*



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown

Sector	%
Financial	24.8
Consumer, Non-cyclical	11.1
Communications	10.6
Consumer, Cyclical	9.7
Industrial	9.2
ETFs	8.8
Basic Materials	7.2
Diversified	7.0
Energy	4.5
Sovereign	1.6
Healthcare	1.4

Performance History**

Past performance does not predict future returns

Calendar Year Performance	YTD	2023	2022	2021	2020	2019	Annualised Since Inception***
Total Return******	1.19	10.58	-12.92	12.81	2.52	14.90	4.30

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return******	1.19	9.83	3.79	8.46	7.54

* 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 January, markets continued from where they left off at the end of last year as equities continued delivering above-average performances in spite of the realization that the elusive March interest rate cut will not happen. This was mostly due to the excellent performance of the US economy in the last quarter of 2023, as it posted an annualised growth of 3.3%, exceeding analysts' estimates of 3.1%. The resilience of the US labour market and the resilience of the US consumer have construed to the goldilocks environment where the US economy finds itself currently, a place where other economies struggle to catch-up. Only Japan seems to be getting another economic lifeline as the last decade of Abenomics finally managed to trigger inflation which in turn reflected into the local equity market which registered a multi-decade high. China, on the other hand, is stuck in a disinflationary environment as the construction sector debacle looks to be having a long-lasting negative impact on the local consumer, while the Communist authorities would rather have a natural normalization of the economic cycle than pushing for another round of sector-directed subsidies with the potential of future economic distortions and social imbalances. The recent local equity markets slump which reminds of the fundamental boom and bust profile of capital markets in China puts another layer of uncertainty as regards the interest of market participants in the second world economy and its viability as an investment for the world outside. Consequently, the investable universe becomes more concentrated for the time being, therefore riskier in the absence of diversification options. As the US elections season approaches, such context could only get more extreme.

From the monetary front, the FED kept rates unchanged indicating they won't reduce rates until inflation moves sustainably towards a desirable level. Chair Powell stated that it will be appropriate to begin reducing rates sometimes this year, emphasizing a meeting-by-meeting approach. A March cut is thus unlikely at this point. In Europe, the ECB maintained record-high interest rates and pledged to keep them restrictive until inflation reaches its 2% target, despite concerns about a looming recession and easing price pressures. President Lagarde noted that officials unanimously concurred that it was premature to engage in discussions regarding interest rate cuts.

Equity markets have continued pushing upward in the month as an initial breather in the first days of the year have been more than recovered as the earnings season kicked in discovering a very lucrative holidays season for the corporate sector. Market internals seem to having depreciated once again. While in recent months we have seen a reversal of the recovery story from October 2022 from this regard, as market breath have generally broadened, value stocks recovered versus their growth peers and the mega caps reduced their dominance in terms of market performance, in January trends have taken into reverse again. On top of it, market volatility has again subsided leaving room for complacency among market participants, as markets were again being led by the AI theme and the Magnificent 7 (with the notable exception of Tesla). For the time being this somewhat begs for a market pullback, but from a broader view it moves the markets into a more unstable environment, where indexes concentration hits historical levels and growth assumptions implied by current valuation multiples defy gravitation. Maybe it's time to remember another old-time adage from options investing – "picking up pennies in front of a steamroller".

Market Environment and Performance

January's Purchasing Managers' Index (PMI) indicators showed a positive evolution in the Euro area economy, amid an improvement in manufacturing (reading 46.6 versus the previous month reading of 44.4) and a slowdown in services (reading of 48.4 versus a previous month reading of 48.8). Overall, the contraction in business activity softened while growth expectations strengthened to a nine-month high. Inflationary pressures returned to their downward trajectory to 2.8% from the uptick to 2.9% in December. Core inflation too eased to 3.3% from 3.4% in the previous month, above forecasts but still reaching its lowest level since March 2022.

In the U.S., economic indicators continued portraying a relative level of robustness compared to its developed market peers. In January the industrial activity as measured by the latest PMI signalled a modest uptick (reading of 52.0 versus a previous month reading of 50.9). Optimism regarding the outlook for output over the next year improved too, as business continued expanding their staffing numbers. Annual rate of inflation in the US fell back to 3.1% in January following a brief increase to 3.4%, but came higher than forecasts of 2.9%. Core inflation which excludes volatile items such as food and energy held steady at 3.9%, compared to expectations it would slow to 3.7%.

Equity markets have continued rallying into the new year on the back of a surprisingly strong earnings season debut and continuous hopes of even more accommodative financial conditions defining the market environment going forward. By the end of the month, the much-anticipated positive numbers and guidelines offered by mega caps management have led the markets higher towards new all-time highs. Statistically, a very strong January performance as this time around does brighten the expectations for the overall yearly performance. The S&P 500 index gained 3.59% supported by an uptick in aggregate earnings growth from the Magnificent Seven and a revival in the healthcare space. European markets rose in line with the global trends themselves being led by good earnings from the main index members as the EuroStoxx50 and the DAX gained 2.81% and only 0.91% respectively, with technology and financial names outperforming other sectors.

Credit was by large conditioned by the disconnection of markets versus central banks' chatter, with the 10-year US Treasury yield rose above 4.10%. German Bunds too saw yields rise above 2.30%, yet retreated back to 2.17% at month-end. The riskier segment outperformed investment grade bonds with Euro HY gaining 0.88%, while global HY trading sideways.

Fund Performance

In January, the CC Global Balanced Income Fund - largely driven by the as yet risk-on sentiment, predominantly in equity markets headed higher, registering a gain of 1.16%. On the equity allocation, the Fund's allocation has been readjusted during the month, as the Manager decided aligned it to new fundamental views. New conviction names Pfizer and Eli Lilly have been added based on compelling fundamental factors and interesting risk-adjusted entry levels following protracted recent underperformances in the first case and a strong momentum in the second case. Exposures to Takeda Pharmaceuticals, Qualcomm, and McDonalds have been liquidated, based on sizeable profits already achieved and assessed overvaluation priced in by markets. Finally, the Fund's passive allocation has been downsized by eliminating holdings in iShares S&P 500 HealthCare and iShares MSCI EM Asia UCITS ETF. From the fixed income front, the Manager continued its portfolio realignment in reflecting the higher yielding environment and more importantly increasing the fund's duration in line with the Manager's strategy on the back of interest rate peaks. Indeed, the Manager closed positions in low yielding names and re-shifted the proceeds into higher coupon bonds, while it opened positions in selective sovereigns which have higher duration.

Market and Investment Outlook

Going forward, the Manager remains aligned to its initial view regarding the upcoming tempo of interest rate cuts, namely materially slower than currently priced by the markets. As well, the soft-landing scenario remains the base case, while real interest rates should record significant levels over the short term while inflation numbers will continue their normalization trend. This still paints a benevolent macroeconomic environment, although the most recent data coming from the Chinese economy tainted the global growth outlook to a certain degree. Within the fixed income space, the Manager will continue to seek value and duration opportunities, while from an equity point of view it will continue its focus on those market segments which underperformed recently as valuation levels particularly in market outperformers became unsustainable again. Specific allocations should be expected going forward into particular pockets of value weighting in additional factors alongside fundamental ones, such as technical indicators, corporate events and geopolitics.

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