MALTA GOVERNMENT BOND FUND

SHARE CLASS A (ACCUMULATOR) - FACT SHEET

Factsheet as at 31st January 2024

Month end NAV as at 31st January 2024

Investment Objective and Policies

The Fund aims to maximise the total level of return for investors through investment, primarily, in debt securities and money market instruments issued by the Government of Malta. The Investment Manager may also invest directly or indirectly via eligible ETFs and/or eligible CISs) up to 15% of its assets in "Non-Maltese Assets" in debt securities and/or money market instruments issued or guaranteed by Governments of EU, EEA and OECD Member States other than Malta. The Investment Manager will not be targeting debt securities of any particular duration, coupon or credit rating. 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	MT7000017992
Bloomberg Ticker	CCMGBFA MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	1.25%

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)	32.22
Month end NAV in EUR	93.7
Number of Holdings	39
% of Top 10 Holdings	51.6

Current Yields

Underlying Yield (%)	3.19

Country Allocation[1]	%
Malta	78.8
Germany	2.6
Italy	2.3
Belgium	2.1
Portugal	1.3
Spain	1.0
France	1.0
Slovenia	0.7
United States	0.7
Croatia	0.7

By Issuer[1]	%
Government of Malta	78.8
Kingdom of Spain	7.8
Government of Portugal	3.0
Lyxor Euro	2.2
Government of Italy	1.6
US Treasury	0.7

Top 10 Exposures	%
1.00% MGS 2031	8.8
4.50% MGS 2028	8.7
5.25% MGS 2030	7.7
4.45% MGS 2032	5.5
4.00% MGS 2033	4.0
4.30% MGS 2033	3.8
5.20% MGS 2031	3.6
5.10% MGS 2029	3.4
3.95% MGS 2028	3.1
2.30% MGS 2029	3.1

[1] including exposures to CIS

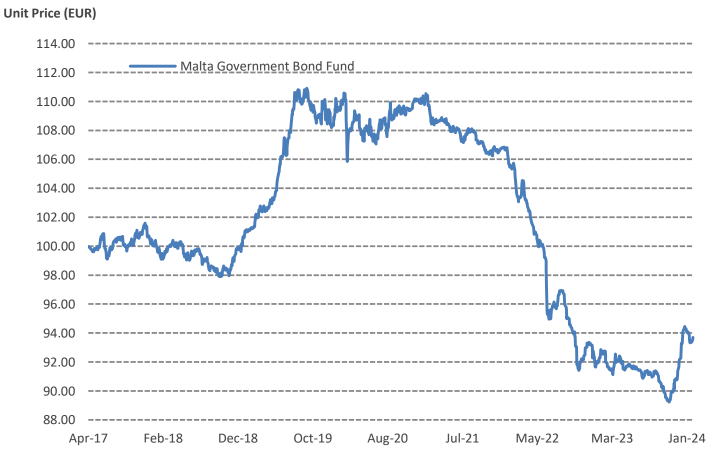
Currency Allocation	%
EUR	99.0
USD	1.0

Asset Allocation	%
Cash	5.8
Bonds	92.0
CIS/ETFs	2.2

Maturity Buckets[2]	%
0 - 5 years	16.7
5 - 10 years	58.6
10 years +	16.8

[2] based on the Next Call Date (also includes cash)

Historical Performance to Date



Source: Calamatta Cuschieri Investment Management Ltd.

Regional Allocation[1,3]	%
Malta	84.7
Europe (excl. Malta)	14.6
North America	0.7

[3] Malta exposure includes Cash Holdings

By Credit Rating	%
AAA-A	83.9
BBB	4.7
BB	0.0
B	0.0
Less than B	0.0
Not Rated	1.7

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2023	2022	2021	2020	2019	Annualised Since Inception***
Share Class A - Total Return**	-0.65	2.72	-14.04	-3.04	1.31	8.98	-0.95

Total Return	1-month	3-month	6-month	9-month	12-month
Share Class A - Total Return**	-0.65	4.72	2.66	2.37	1.22

* The Accumulator Share Class (Class A) was launched on 21 April 2017

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

*** 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.

Market Commentary

Introduction

Market participants, though wary of possible threats to inflation – notably; sticky services inflation, a resilient labour market, and tensions in the Red Sea - remained confident that central banks had finished hiking, sustaining expectations of pre-emptive interest rate cuts. However, the first monetary policy meeting for 2024 dashed such hopes, providing a clear view that cuts may not come as soon as expected. Prior projections suggesting three cuts over 2024 were maintained by policy makers.

The ECB, in its January meeting, 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.

In January, German Bunds saw yields rise above 2.30%, yet retreated back to 2.17% at month-end. In the Eurozone periphery, the risk premium on Italian bonds relative to German securities reached a low of 1.56%.

Market Environment and Performance

A mild deceleration in Q3 together with weaker private sector activity, pointed to a possible contraction in December, reinforcing the likelihood of the euro area entering a technical recession in the latter half of the 2023. Unexpectedly, Euro Area economy stalled amid a better-than-expected growth in Spain and Italy while the French economy stalled and Germany contracted 0.3%.

Tentative signs of improvement in the Euro area economy were seen at the start of the year, January's Purchasing Managers' Index (PMI) survey showed, amid an improvement in manufacturing (reading 46.6 v a previous month reading of 44.4) and slowdown in services (reading 48.4 v a previous month reading of 48.8). Indeed, the contraction in business activity and new orders softened, while growth expectations strengthened to a nine-month high. Employment, previously contracting, showed signs of stabilization, while export demand fell at its slowest pace since last April. Persistent inflationary pressures remained apparent, particularly for prices charged by firms for goods and services. Both output prices and input costs rose at their sharpest rates for eight months.

Inflationary pressures returned to a downward trajectory following an uptick in inflation in December. Core prices - which exclude volatile food and energy prices - too eased to 3.3%, above forecasts of 3.2% but still reaching its lowest level since March 2022.

Fund Performance

In January, the CC Malta Government Bond Fund experienced a loss of 0.65%, outperforming its internally compared benchmark which recorded 1.52%, and aligned with the widening observed amongst European sovereign bonds.

Throughout the month, the Manager maintained its portfolio allocation after having reduced its cash exposure while increasing the portfolio's exposure to longer-date Maltese and European sovereigns, in the previous months.

Market and Investment Outlook

Hopes for a rapid end to interest rate hikes faded in January as central bankers reiterated their commitment to data-driven policy decisions and emphasized the continued threat of inflation.

While acknowledging progress in "disinflation," ECB President Christine Lagarde stressed that discussions of easing policy were premature. The key challenge for policy makers going forward is balancing continued high interest rates with supporting economic growth. The euro area, unlike its Western counterpart, faces an additional headwind whereby key economies, traditionally bolstering the single currency bloc, are now dragging down and offsetting the resilient growth observed in Southern European economies.

The anticipated rate cuts are expected to be favourable, leading to further tightening within the bond market. This positive outlook encourages continued investment in the space.

Going forward, the manager will continue to assess the market landscape and capitalize on appealing opportunities, particularly within the sovereign space. Consistent with recent actions, the manager will tailor the portfolio to match prevailing yield conditions while strategically increasing its duration. Additionally, the manager aims to further utilize the full 15% allocation allowed for bonds not domiciled in Malta, seeking a potentially higher carry.

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