

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 to 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 TypeUCITS

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

ISINMT7000014445

Bloomberg TickerCCGBIFA MV

Charges

Entry ChargeUp to 2.5%

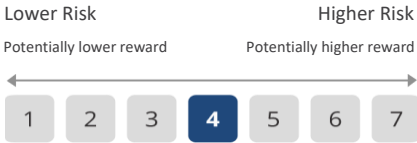
Exit ChargeNone

Ongoing Charges2.36%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjunction with the KID



Portfolio Statistics

Total Net Assets (in €mns)14.3

Month end NAV in EUR13.26

Number of Holdings82

% of Top 10 Holdings20.4

Country Allocation¹

| | |
|---------------|------|
| USA | 39.9 |
| France | 9.1 |
| Germany | 6.9 |
| Malta | 6.1 |
| Asia | 6.0 |
| Luxembourg | 5.0 |
| Great Britain | 4.3 |
| Netherlands | 4.3 |
| Brazil | 3.8 |
| Italy | 1.5 |

¹ including exposures to ETFs

By Credit Rating²

| | |
|--------------|------|
| AAA to BBB- | 14.7 |
| BB+ to BB- | 21.7 |
| B+ to B- | 2.1 |
| CCC+ to CCC- | 0.8 |
| Not Rated | 5.2 |

² excluding exposures to ETFs

Currency Allocation

| | |
|-----|------|
| EUR | 53.6 |
| USD | 46.0 |
| GBP | 0.3 |

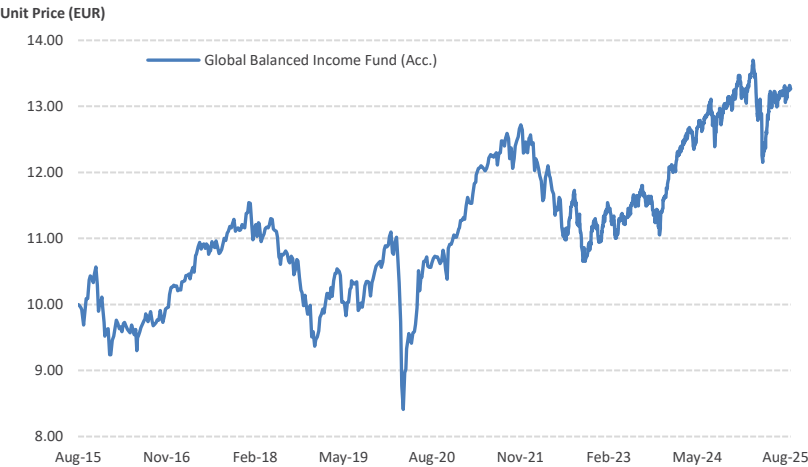
Asset Allocation¹

| | |
|----------|------|
| Cash | 3.8 |
| Bonds | 47.6 |
| Equities | 48.6 |

Top 10 Exposures

| | |
|--------------------------|-----|
| Uber Technologies Inc | 2.5 |
| Amazon.com Inc | 2.3 |
| Alphabet Inc | 2.3 |
| Mercadolibre Inc | 2.0 |
| Booking Holdings Inc | 2.0 |
| Meta Platforms Inc | 2.0 |
| Fortinet Inc | 1.9 |
| Microsoft Corp | 1.9 |
| iShares Euro HY Corp | 1.8 |
| 3.5% Govt of France 2033 | 1.7 |

Historical Performance to Date



Sector Breakdown

| | |
|------------------------|------|
| Communications | 25.4 |
| Financial | 13.2 |
| Consumer, Non-cyclical | 11.7 |
| Technology | 10.9 |
| Consumer, Cyclical | 10.2 |
| ETFs | 7.5 |
| Sovereign | 5.1 |
| Diversified | 4.2 |
| Basic Materials | 3.6 |
| Energy | 3.3 |
| Healthcare | 1.0 |

Performance History

Past performance does not predict future returns

| Calendar Year Performance | YTD | 2024 | 2023 | 2022 | 2021 | 2020 | Annualised Since Inception * |
|---------------------------|------|------|-------|--------|-------|------|------------------------------|
| Total Return** | 0.84 | 8.59 | 10.59 | -12.47 | 12.30 | 2.48 | 2.86 |

| Calendar Year Performance | 1-month | 3-month | 6-month | 9-month | 12-month |
|---------------------------|---------|---------|---------|---------|----------|
|---------------------------|---------|---------|---------|---------|----------|

| | | | | | |
|----------------|-------|------|-------|-------|------|
| Total Return** | -0.15 | 1.07 | -1.70 | -0.53 | 2.24 |
|----------------|-------|------|-------|-------|------|

* 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 | <p>August managed maintaining the benevolent momentum in financial markets as resilient earnings, moderating inflation prints, and improved geopolitical stability continued to support investor sentiment. The US new commercial policy marked notable progress as the temporary tariff truce with China was extended into year-end, and trade negotiations with India advanced toward a preliminary deal covering technology and services. On the geopolitical front, the implementation of a durable monitoring mechanism in the Middle East helped maintaining the ceasefire between Israel and Iran, removing a major source of volatility for oil markets. Brent crude traded within a narrow band, alleviating immediate concerns over imported inflation. The prevailing narrative is increasingly one of cautious optimism – policymakers appear to have regained control of both inflation and geopolitical flashpoints, while global trade flows are gradually normalizing. However, increased attacks from the Trump administration over the FED independence including over FOMC members, and against other independent agencies keeps markets on their toes. What feels now like an enduring win for the US administration – easing tariffs tensions, steering fiscal expansion without derailing growth, benefiting from soft commodity prices – could just as easily morph into a fragile outcome if policy missteps are generated by too much self-confidence unchecked by other stakeholders. So far, economists’ forecasts as regards the negative impact on the global economy of the new tariff policies have been contradicted in real life. This has become quite a familiar view in recent years as economists failed to forecast the post Covid inflationary pressures while duly forecasting a recession in 2023 following the fast interest rates hiking cycle. However, that does not mean market participants should completely discount economists’ views. Sometimes they do get it right.</p> <p>From the monetary front, the FED action was mainly concentrated during its famous Jackson Hole summit where Chairman Powell signalled a possible interest rate cut during the September meeting, noting that risks to the job market were rising but also noting that inflation remained a threat. While many analysts now anticipate that the FED will resume its easing policy, the timing and magnitude of cuts remain uncertain. In Europe, the ECB did not take any specific actions, while its focus on maintaining price stability and managing inflation is currently in check with its 2% target. The main issue remains the global economic uncertainty despite the EU striking a trade agreement with the US, as the growth in the euro zone has remained sluggish even as rated have come down.</p> <p>August proved a more complicated month for global equity markets, where the first real signs of tariff headwinds began to surface. While headline indices narrowly escaped deeper losses, the undercurrents were less reassuring. Technology and AI-linked names, which until recently carried the rally almost single-handedly, finally lost some steam as investors started questioning whether valuation metrics stretched to 2021-like extremes could still be justified. Year-to-date, the global technology sector was left essentially flat—a rather striking outcome considering the constant buzz around artificial intelligence in 2025. The broader feeling was one of markets caught between two narratives: on one hand, retail enthusiasm, IPO euphoria, and buy-the-dip reflexes kept the risk-on mood alive; on the other, the dawning realization that tariffs, higher bond yields, and fragile consumer sentiment could eventually bite. In short, the party was still going, but the music no longer played with the same unshakable rhythm—leaving investors to wonder whether this was just a pause in the exuberance, or the first cracks in a fragile façade. The next market reflex will most likely be riding the tailwind of fresh interest rate cuts on offer from the FED, under more or less political pressure from the Trump administration. While this positive impact on equity markets will be more swiftly by effectively providing more liquidity, the same reach over the real economy should take considerably longer. In the meantime, it is more likely that the overriding disparity between the stock market and the real economy will only grow larger.</p> |
| Market Environment and Performance | <p>In the Euro area, business activity continued to expand in August, with the Composite PMI rising to 51.1, up from 50.9 in July and above expectations of 50.7. Growth was driven by a third consecutive expansion in services (50.7 vs. 51) and a notable rebound in manufacturing (50.5 vs. 49.8), marking the first growth in this sector in over three years. Aggregate new orders increased for the first time in 14 months, supporting a sixth consecutive month of job growth, even as new export orders fell. Headline inflation held steady at 2.0%, slightly above expectations. This represents the second consecutive month in which inflation aligned with the ECB’s official target.</p> <p>The U.S. economy grew at an annualized rate of 3.3% in Q2 2025, rebounding sharply from a 0.5% contraction in Q1, according to second estimates. Forward-looking indicators suggest economic momentum carried into Q3. The S&P Global U.S. Composite PMI rose to 55.4 in August, up from 55.1 in July, marking the fastest pace of growth this year. The services sector maintained solid expansion, while manufacturing rebounded strongly, with the PMI climbing to 53.3 from 49.8 in July, its highest level since May 2022.</p> <p>In August, global equity markets narrowly avoided their first monthly decline since Liberation Day, as sector rotation helped offset profit-taking in technology stocks. This dynamic created a somewhat unexpected outcome: despite the sustained enthusiasm around the AI investment theme in 2025, global technology sector was effectively flat by month-end. This does not signal a reversal of growth factor outperformance, but rather a pause, as investors reassessed whether current valuation levels remain justified. At the same time, recent AI breakthroughs by domestic technology firms fuelled a sharp rally in Chinese equities, evoking parallels with speculative episodes seen in 2015 and 2021. The S&P 500 index fell 0.51%, with gains in consumer discretionary and value sectors partly offsetting losses in technology and industrials. European markets were more balanced: the EuroStoxx50 advanced 0.60%, while the DAX declined 0.68%, supported by relative strength in staples, healthcare, and energy.</p> <p>In fixed income, U.S. Treasuries rallied as investors priced in a higher probability of a September Fed rate cut, with the 10-year yield ending the month at 4.23%, down from 4.37% in July. Short- to medium-term maturities outperformed, while longer-dated bonds remained pressured by fiscal concerns and questions surrounding the Federal Reserve’s independence. European sovereign bonds were more muted, with yields fluctuating amid ongoing political uncertainty. Corporate credit markets proved resilient, with U.S. investment-grade and high-yield bonds returning 1.05% and 1.20% respectively, while European credit was broadly flat.</p> <p>In the month of August, the Global Balanced Income Fund registered a marginal 0.15% loss. On the equity allocation, the Fund’s allocation has been reviewed and rebalanced, as the Manager aligned it to the overriding market sentiment. New conviction names Fortinet and Robinhood Markets Inc have been added given expectations of tactical gains following a market overshoot on a rather conservative management guideline given in the Q2 earnings release in the first case, and secular trends in millennials investing behaviour in the second case. As well, the ASML Holding exposure has been increased based on a positive technical outlook. Consequently, the Salesforce Inc holding has been liquidated on decreased upside potential and negative market sentiment going forward. From a fixed-income perspective, the manager following earlier adjustments; increasing allocations to income-generating assets, and maintaining a balanced interest rate duration, the manager opted to hold positions steady over the period.</p> <p>Going forward, the Manager notes that the economic environment is beginning to exhibit early signs of weakness, which may intensify as the effects of US tariffs gradually permeate global trade and supply chains. Inflationary pressures, in particular, could worsen, but also the US labour market might further weaken; however, potential support might come from an anticipated easing action from the FED, the size of which remains uncertain at this point. Nevertheless, there are limiting prospects for a constructive economic outlook through year-end. Consequently, it is rather unclear how much this could help consumer sentiment, particularly in the short term, thus diminishing expectations for a positive economic outlook to the end of the year. Given the prospect of rate cuts, credit markets are likely to benefit from price appreciation. Longer-duration bonds are expected to outperform, while the short end of the curve could also see a positive boost once central banks act.</p> <p>From the equity front, the Manager remains cautious, as current equity market momentum appears misaligned with looming risks, particularly given the persistence of unfavourable seasonality. The portfolio strategy continues to emphasize long-term convictions in high-quality companies benefiting from secular growth drivers that are less dependent on cyclical macroeconomic conditions. Capital will be deployed opportunistically across selected sectors, with cash reserves serving as dry powder to take advantage of market dislocations.</p> |
| Fund Performance | |
| Market and Investment Outlook | |

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