

Investment Objective and Policies

The Fund aims to maximise the total level of return for investors by investing, mainly in a diversified portfolio of bonds and other similar debt securities. In pursuing this objective, the Investment Manager shall invest primarily in a diversified portfolio of corporate & government bonds maturing in the medium term, with an average credit quality of "Ba3" by Moody's or "BB-" by S&P, although individual bond holdings may have higher or lower ratings. The Fund can also invest up to 10% of its assets in Non-Rated bond issues. 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

ISINMT7000007761

Bloomberg TickerCALCHAR MV

Charges

Entry ChargeUp to 2.5%

Exit ChargeNone

Ongoing Charges1.91%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjunction with the KID

Lower Risk

Higher Risk

Potentially lower reward

Potentially higher reward



Portfolio Statistics

Total Net Assets (in €mns)43.37

Month end NAV in EUR133.49

Number of Holdings138

% of Top 10 Holdings19.0

Current Yields

Underlying Yield (%)5.48

Country Allocation¹%

United States	23.9
France	12.9
Germany	7.0
Italy	6.5
Luxembourg	4.5
Netherlands	4.2
Spain	3.6
Brazil	3.2
United Kingdom	2.3
Turkey	2.0

¹ including exposures to CIS

Credit Rating²%

From AAA to BBB-	16.4
From BB+ to BB-	56.5
From B+ to B-	10.5
CCC+	1.6
Less than CCC+	1.4
Not Rated	2.5
Average Credit Rating	BB

² excluding exposures to CIS

Currency Allocation%

EUR	70.1
USD	29.9
Others	0.0

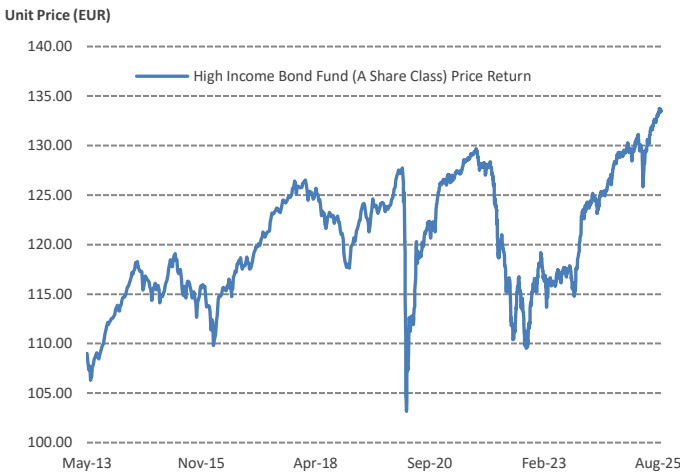
Asset Allocation%

Cash	4.1
Bonds	88.8
CIS/ETFs	7.1

Top 10 Exposures%

iShares Fallen Angels HY Corp	3.1
5.625% Unicredit Spa perp	2.3
6.276% Encore Capital Group Inc 2028	2.1
iShares EUR High Yield Corp	2.1
iShares USD High Yield Corp	1.9
6.75% Societe Generale perp	1.6
3.5% Energizer Gamma ACQ BV 2029	1.6
4.75% Dufry One BV 2031	1.5
6% Raiffeisen Bank Intl perp	1.4
5.625% Iliad SA 2030	1.4

Historical Performance to Date



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown²%

Banks	11.8
Telecommunications	8.7
Funds	7.1
Auto Parts&Equipment	6.5
Pharmaceuticals	5.6
Commercial Services	3.8
Entertainment	3.8
Auto Manufacturers	3.7
Media	3.5
Chemicals	3.3
Transportation	3.1
Diversified Finan Serv	3.1

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2024	2023	2022	2021	Annualised Since Inception*
						1.67
Share Class A - Total Return**	2.96	4.94	7.25	-10.13	1.46	
Share Class A - Total Return**	2020	2019	2018	2017	2016	2015
Share Class A - Total Return**	-0.14	7.48	-6.45	5.32	4.96	-0.89
Total Return	1-month	3-month	6-month	9-month	12-month	
Share Class A - Total Return**	0.29	1.85	1.85	3.14	3.97	

* The Accumulator Share Class (Class A) was launched on 29 May 2013. 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 August, financial markets delivered broadly positive returns despite navigating a complex and volatile backdrop. Fixed income performance was mixed, shaped by shifting economic data, political developments, and evolving monetary policy expectations.
	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.
	Trade tariff risks eased somewhat after progress on U.S. trade negotiations ahead of the August deadline, though uncertainties remain. A federal appeals court ruling declared many of former President Trump’s global tariffs unlawful, yet they remain in place pending appeal, maintaining a key source of global trade risk.
Market Environment and Performance	On the macro front, U.S. data painted a mixed picture. Non-farm payrolls confirmed a cooling labour market with sharp downward revisions, even as spending and income growth proved resilient. In contrast, the euro area saw its strongest private-sector expansion since mid-2024, driven by continued services growth and a rebound in manufacturing.
	The highlight of the month was the Jackson Hole symposium, where Fed Chair Jerome Powell signalled that risks to the labour market were mounting and that policy may need to be adjusted. His dovish tone helped lift risky assets while weighing further on the U.S. dollar, which weakened against the euro.
	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. This was slightly above the initial estimate of 3%, reflecting upward revisions to investment and consumer spending (1.6% vs. 1.4% previously), partially offset by downward adjustments to government spending and upward revisions to imports (-29.8% vs. -30.3%).
Fund Performance	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.
	Inflation held steady at 2.7% in July, in line with June and slightly below forecasts of 2.8%. Core inflation, excluding food and energy, accelerated to 3.1%, the highest in five months and above expectations of 3%. The Producer Price Index (PPI), a leading indicator of consumer price inflation, surged 0.9%, well above the forecasted 0.2%, signalling potential upward pressure on consumer prices. The labour market remained resilient, with unemployment largely unchanged at 4.2%. However, job growth has slowed: July payrolls fell short of the 110k forecast, while prior months were sharply revised down: June from 147k to 14k, May by 125k, implying employment was 258k lower than initially reported, pointing to a faster-than-expected cooling in the labour market.
	On the policy front, Fed Chair Jerome Powell used his Jackson Hole remarks to signal that a rate cut is likely at the upcoming meeting. While unemployment remains low, he highlighted mounting risks in the labour market and stressed that monetary policy is still “restrictive,” indicating room for adjustment. Powell also noted that shifts in tax, trade, and immigration policy are reshaping the economic outlook. Markets responded by raising the implied probability of a 25bp cut in September to 87%, up from about 75% earlier in the month.
Market and Investment Outlook	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 manufacturing growth 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.
	Consumer price inflation in the Eurozone held steady at 2.0% year-on-year in July, matching the flash estimate and slightly above market expectations of 1.9%. This represents the second consecutive month in which inflation aligned with the ECB’s official target.
	The CC High Income Bond Fund gained 0.29% in August. Throughout the month, the portfolio manager remained active in line with the fund’s mandate, advancing the strategy to gradually increase the portfolio’s income yield by capitalizing on emerging opportunities, particularly in the IPO space.
	A key priority was locking in attractive coupons ahead of potential monetary easing by the Federal Reserve, which has maintained a restrictive stance amid ongoing inflation uncertainty and persistent strength in the labour market. This contrasts sharply with the European Central Bank, which is already deep into its rate-cutting cycle. In this context, securing higher coupons before potential U.S. rate cuts remains a strategic priority.
	To further enhance the portfolio’s income generation, the manager actively rotated within existing issuer exposures, including trades in Yum Brands’ new 5.375% 2032 issue, while also initiating positions in Ball Corporation and CVS Health.
	Fixed income markets have faced ongoing challenges in recent months, driven by elevated inflation, geopolitical tensions, and shifting monetary policy expectations. Sovereign bonds have been particularly sensitive to these factors, leading to increased volatility.
	In August, U.S. Treasury yields retreated slightly after earlier increases, with the 10-year yield closing at 4.23%. Corporate credit continued to perform well, supported by strong fundamentals, though market sentiment remains cautious amidst broader uncertainties.
	Looking forward, fixed income markets will likely remain responsive to trade tariff developments and their economic impact, which may continue to influence the Federal Reserve’s actions. Recent economic data, particularly signs of cooling in the labour market, have brought more clarity to policy expectations. At the same time, the administration continues to apply pressure for lower borrowing costs following increased fiscal spending.
	As a result, the yield curve has steepened, with tightening at the short-to-medium end as the likelihood of a rate cut in September rises. In this environment, maintaining balanced duration exposure while selectively targeting credit-healthy opportunities will be critical.
	We remain constructive on European high yield credit, buoyed by strong demand for new issuance, while recognizing the increasing relative value in U.S. high yield as the scope for further monetary accommodation in the euro area narrows. Given the fluid macroeconomic and geopolitical backdrop, a proactive and adaptive management approach will remain essential to navigating risks and capitalising on opportunities.

Disclaimer

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