

**Investment Objective and Policies**

The Fund aims to achieve a combination of income, with the possibility of capital growth by investing in a diversified portfolio of collective investment schemes. The Investment Manager (“We”) will invest in collective investment schemes (“CIS”) (including UCITS, exchange-traded funds and other collective investment undertakings) that invest in a broad range of assets, including debt and equity securities. In instances, this may involve investing in CISs that are managed by the Investment Manager. The Investment Manager (“We”) aims to build a diversified portfolio spread across several industries and sectors. The Fund is actively managed, not managed by reference to any index.

Minimum Initial Investment €5,000

**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 MT7000030680  
 Bloomberg Ticker CCPISAE MV

**Charges**

Entry Charge Up to 2.5%  
 Exit Charge None  
 Ongoing Charges 2.29%  
 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

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**Portfolio Statistics**

Total Net Assets (in €mns) 5.70  
 Month end NAV in EUR 92.53  
 Number of Holdings 12  
 % of Top 10 Holdings 98.5

**Current Yield**

Last 12-m Distrib. Yield (%) 3.40

**Currency Allocation %**

EUR	100.00
USD	0.00
GBP	0.00

**Asset Allocation %**

Fund	98.50
Cash	0.90
ETF	0.60

**Asset Class %**

Fixed Income	99.10
Equity	0.00

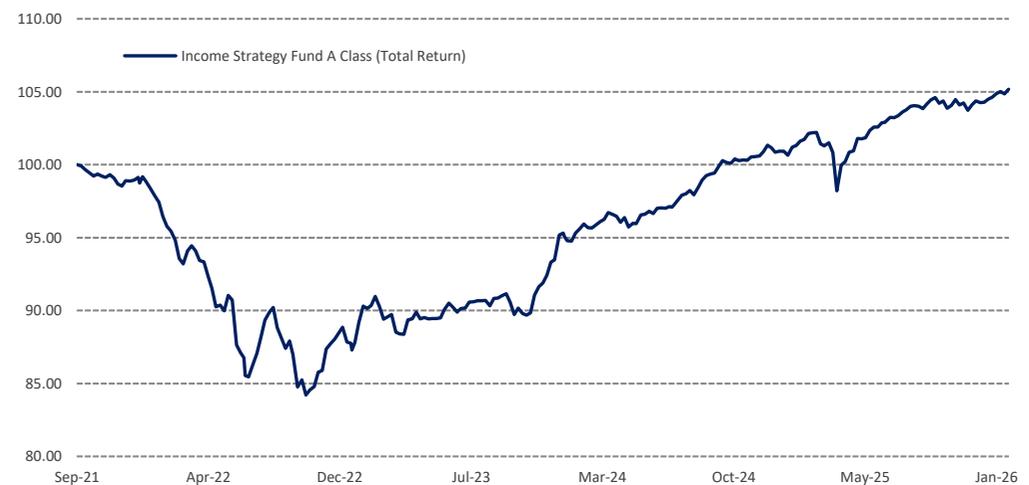
**Geographic Allocation %**

Europe	38.10
Global	35.10
International	25.90

**Top Holdings SRRRI %**

UBS (Lux) Bond Fund - Euro High Yield	4	19.3
Nordea 1 - European High Yield Bond Fund	3	10.5
Robeco Capital Growth Funds - High Yield Bonds	4	10.0
CC Funds SICAV plc - High Income Bond Fund	3	9.8
BlackRock Global High Yield Bond Fund	5	8.5
DWS Invest Euro High Yield Corp	3	8.3
Fidelity Funds - European High Yield Bond Fund	3	8.2
Janus Henderson Horizon Global High Yield Bond Fund	3	8.0
Schroder International Selection Fund Global High Yield	3	8.0
AXA World Funds - Global High Yield Bonds	4	7.9

**Historical Performance to Date \*\***



Source: Calamatta Cuschieri Investment Management Ltd.

**Performance History\*\***

Past performance does not predict future returns

Calendar Year Performance	YTD***	2025	2024	2023	2022	2021*
Share Class A - Total Return****	0.53	3.66	6.16	8.90	-11.59	-1.26
Total Return	1-month	3-month	6-month	9-month	12-month	
Share Class A - Total Return****	0.53	0.67	1.49	4.29	3.81	

\* The Distributor Share Class (Class A) was launched on 15 September 2021.

\*\* 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 A) was launched on 15 September 2021.

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

## Introduction

Despite heightened geopolitical tensions driving early-month volatility, investor risk appetite strengthened in January. Risk assets were supported by improving growth expectations and the continued presence of a “Goldilocks” macroeconomic backdrop. Economic activity data surprised to the upside while inflation continued to ease, pointing to prospective real income gains and strengthening consumer fundamentals.

U.S. Treasuries came under pressure as improved risk sentiment pushed expectations for the next Federal Reserve rate cut further out. At the same time, Japanese long-term government bonds suffered their worst start to a year since 1994 amid rising fiscal concerns. U.S. Treasury yields subsequently widened, likely reflecting spillover effects from the Japanese sell-off, particularly at the long end of the curve, where 20- and 30-year yields rose notably. Against this backdrop, U.S. corporate credit spreads edged wider, underperforming high-yield credit, which benefited from the improved risk environment.

In Europe, sovereign bonds outperformed their U.S. counterparts as economic conditions remained broadly resilient despite elevated geopolitical risks. President Trump’s threat to impose 25% tariffs on European allies in pursuit of Greenland (later rescinded) added uncertainty to the outlook but did not derail performance. French government bonds led the move, with spreads versus Germany tightening to mid-2024 levels as investors welcomed signs of improved political stability.

Corporate credit markets posted positive returns overall, with Europe outperforming across both investment-grade and high-yield segments, which returned 0.79% and 0.68%, respectively. In the U.S., investment-grade credit underperformed higher-risk segments but still outperformed sovereign bonds.

## Market Environment and Performance

In the U.S. GDP expanded at an annualized rate of 4.4% in Q3 2025, slightly above the initial estimate of 4.3% and marking the strongest GDP growth since Q3 2023. Robust growth was driven by firm consumer spending, a rebound in exports and higher government outlays. Consumer spending rose 3.5%; unchanged from the initial estimate and the fastest pace this year, accelerating from 2.5% in Q2. Exports surged 9.6%, revised up from 8.8%

Forward-looking indicators eased from recent highs, though remained consistent with expansion. The S&P Global U.S. Flash Composite PMI edged up to 52.8 in January from 52.7 in December, indicating a modest pickup in business activity, albeit at a slower pace than the stronger expansion recorded in the second half of 2025. Manufacturing activity accelerated further (54.8 vs. 53.6), outpacing services growth (52.5 vs. 52.5). However, underlying momentum showed signs of softening across both sectors, with order book growth easing, led by weaker export demand.

Headline U.S. inflation remained at 2.7% year-on-year in December 2025, the same as in November and in line with market expectations. Price pressures eased notably in the energy sector, with prices rising at a much slower pace. Core inflation, which excludes food and energy, declined to 2.6%, stood at 2.6% in December 2025, the lowest since March 2021, matching November’s reading. Figures came slightly below market expectations of 2.7%. With regards to the labour market, data has proved largely mixed. The U.S. unemployment rate eased to 4.4% in December 2025 from 4.5% in November, which had marked the highest level since October 2021. At the same time, job growth eased, with payrolls adding 50k in December, less than a downwardly revised 56k in the previous month and below forecasts of 60k. Meanwhile, wage pressures moderated.

On the monetary front, the Federal Reserve left the federal funds rate unchanged at the 3.5%-3.75% target range, in line with expectations, after three consecutive rate cuts last year that pushed borrowing costs to their lowest level since 2022. Policymakers remained divided with Governors Stephen Miran and Christopher Waller voted against the hold, with both advocating another 25bps cut. Separately, following months of speculation, President Trump on 30 January nominated Kevin Warsh to succeed Jerome Powell as Chair of the Federal Reserve. Among the candidates reportedly under consideration, Warsh is widely viewed as one of the more market-friendly options. While supportive of lower interest rates, he has also advocated for continued balance-sheet reduction at the Fed.

In the euro area, the economy grew by 0.3% QoQ in Q4 2025, matching the pace of the previous quarter and slightly above market expectations of 0.2%, according to a flash estimate. Among the bloc’s largest economies, Spain outperformed with growth of 0.8% QoQ, while the Netherlands expanded by 0.5%. Germany and Italy each grew by 0.3%, both beating forecasts, while France grew 0.2%, as expected, and marking its weakest quarterly pace since Q1 2025.

Building on the expansion seen in the second half of 2025, January continued to reflect steady business activity. The flash Eurozone Composite PMI stood at 51.5, unchanged from December and slightly below market expectations of 51.8, indicating a temporary stabilization in private-sector growth. The overall expansion was supported by the services sector (51.9 vs. 52.4 in December), which moderated but remained in growth territory, while manufacturing returned to growth (50.2 vs. 48.9), signaling a rebound in production.

Consumer price inflation eased to 1.9% in December 2025, down from 2.1% in November and below preliminary estimates of 2.0%. The reading marked the first time since May that inflation has come in below the ECB’s 2.0% target.

On the political front, France’s budget process moved forward after months of political deadlock, with the government resuming formal debate following the adoption of a temporary funding law at the end of 2025. Prime Minister Sébastien Lecornu repeatedly invoked Article 49.3 of the Constitution to advance the 2026 budget without a parliamentary vote, successfully surviving several no-confidence motions. While political tensions remained elevated throughout the month, these developments kept the budget on track, paving the way for its formal adoption in early February and restoring fiscal continuity.

## Fund Performance

Performance for the month of January proved positive, noting a 0.53% gain for the CC Income Strategy Fund.

## Market and Investment Outlook

Fixed income markets delivered positive returns in January despite a volatile start driven by geopolitical tensions and yield-curve fluctuations. These moves were partly influenced by lingering uncertainty over the Federal Reserve’s policy path and yield widening in Japan, which pushed U.S. Treasury yields higher, particularly at the long end of the curve. On a more constructive note, political stability in France gained traction, with previously unresolved issues appearing closer to resolution, at least in the near term. Sovereign markets reflected this improvement, as the benchmark 10-year French government bond significantly outperformed, with yields tightening by 14bps over the month.

Looking ahead, fixed income markets are likely to remain highly sensitive to developments in trade policy, geopolitical tensions, and their broader economic implications, as well as to incoming macroeconomic data that will continue to shape monetary policy expectations. For 2026, we expect bond returns to be increasingly driven by income rather than price appreciation, reinforcing the importance of locking in attractive coupons from companies with strong credit fundamentals.

From a regional perspective, we remain constructive on European high-yield credit, supported by robust demand for new issuance. The U.S. credit market also remains attractive, although careful positioning is warranted ahead of potential policy easing, which now appears to be pushed further into the year. While there is scope for interest rates to decline gradually - potentially supporting bond prices - rates may remain anchored if inflation proves persistent and economic conditions stay resilient.

Against this evolving macroeconomic and geopolitical backdrop, maintaining a proactive and flexible management approach will be essential to managing risks effectively and capturing emerging opportunities.

## Disclaimer

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