

Value Partners Greater China High Yield Bond Fund



A Sub-Fund of Value Partners Ireland Fund ICAV
A UCITS-Compliant Fund¹

NAV per unit : Class A USD Unhedged Acc - USD9.90 | Class A USD Unhedged MDis - USD6.69
Fund size : USD40.2 million



Morningstar Rating™
As at 31-05-2024

May 2024

- Value Partners Greater China High Yield Bond Fund (the "Fund") primarily invests in a portfolio of debt securities issued by corporations or governments and/or government related entities which have their main operations in, or a majority of their income derived from the Greater China Region.
- The Fund primarily invests in the Greater China region and therefore is subject to emerging market and concentration risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty. Adverse development in such region may affect the value of the underlying securities in which the Fund invests.
- The Fund may invest in high yielding, unrated or below investment grade securities and debt securities issued by special purpose vehicles. The Fund is therefore exposed to higher credit/insolvency risk and default risk.
- The Fund may also invest in contingent convertible bonds ("CoCos") having unique equity conversion, principal write-down or coupon cancellation features which are tailored to the issuing banking institution and its regulatory requirements. In the case such triggers or features are invoked, the Fund may lose some or all of its original investment.
- The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- In respect of the distribution shares for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease of the net asset value per share of the Fund.
- You should not make investment decision on the basis of this marketing material alone. Please read the prospectus for details and risk factors.

Investment objective

Value Partners Greater China High Yield Bond Fund aims to provide capital appreciation for Shareholders by investing primarily in a portfolio of debt securities issued by corporations or governments and/or government related entities which have their main operations in, or a majority of their income derived from the Greater China Region.

Commentary

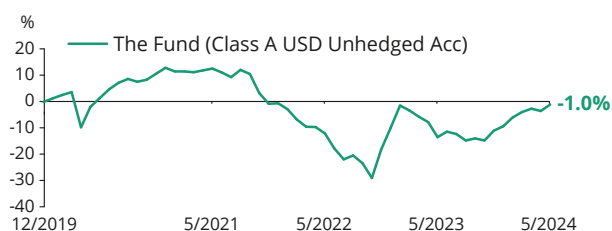
Portfolio review:

As US government bond yields stabilized, the Asian credit market performed well in May, with high yield outperformed investment grade. During the month, we took profits on select positions which have mostly run its course and reinvest in new issues and other opportunities that provide better risk/reward.

Outlook:

Given continuous strong data, the market has lowered its expectation on Fed rate cut to possibly one to two cuts in 2024. We will continue to pay close attention to the global inflation outlook as well as the Chinese economy and will position our portfolio accordingly.

Performance since launch



Performance update

	The Fund (Class A USD Unhedged Acc)
One month	+2.6%
Three months	+3.0%
Year-to-date	+9.3%
One year	+14.6%
Three years	-12.3%
Five years	N/A
Total return since launch	-1.0%
Annualized return since launch ^	-0.2%

The Fund - Class A USD Unhedged Acc: Monthly performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	+1.4%
2020	+1.3%	+1.1%	-13.1%	+8.8%	+3.5%	+3.3%	+2.4%	+1.4%	-1.0%	+0.7%	+2.1%	+2.1%	+11.6%
2021	-1.2%	+0.0%	-0.3%	+0.6%	+0.6%	-1.3%	-1.6%	+2.6%	-1.4%	-6.7%	-4.0%	+0.2%	-12.1%
2022	-2.3%	-4.1%	-3.0%	-0.1%	-2.8%	-6.6%	-5.1%	+1.9%	-3.8%	-7.5%	+15.7%	+10.2%	-9.5%
2023	+9.6%	-1.9%	-2.5%	-2.2%	-6.3%	+2.4%	-1.0%	-2.9%	+0.9%	-0.9%	+4.5%	+1.9%	+0.7%
2024 (YTD)	+3.8%	+2.2%	+1.4%	-0.9%	+2.6%								+9.3%

NAVs & Codes

Classes ²	NAV	ISIN	Bloomberg
Class A USD Unhedged Acc	9.90	IE00BKRQZ838	VPYBAU ID
Class A USD Unhedged MDis	6.69	IE00BKRQZ945	VPYBAMU ID
Class A EUR Hedged Acc	8.30	IE00BKRQZ614	VPYBEAH ID
Class A EUR Hedged MDis	6.62	IE00BKRQZ721	YPYBEAM ID
Class A SGD Hedged Acc	8.62	IE00BKRRJ517	VPGCSAH ID
Class A SGD Hedged MDis	6.65	IE00BKRRJ624	VPYBSMH ID
Class Z RMB Hedged MDis	10.15	IE00BKRR4346	VPGCRZH ID

Dividend information - Class MDis³

Classes ²	Dividend amount / unit	Annualized yield	Ex-dividend date
Class A USD Unhedged MDis	0.0552	9.9%	31-5-2024
Class A EUR Hedged MDis	0.0435	7.9%	31-5-2024
Class A SGD Hedged MDis	0.0438	7.9%	31-5-2024
Class Z RMB Hedged MDis	0.0668	7.9%	31-5-2024

Top holdings⁴

Name	Sector ⁵	Country/region	%
Alam Sutera Realty Tbk PT 8.25% 11/02/2025	Real estate	Indonesia	4.3
CAS Capital No 1 Ltd 4% PERP	Telecommunication services	China/Hong Kong	3.8
Wynn Macau Ltd 5.625% 08/26/2028	Consumer services	Macao	3.4
Mongolian Mining Corp/ Energy Resources LLC 12.5% 09/13/2026	Materials	Mongolia	3.3
ABM Investama Tbk PT 9.5% 08/05/2026	Energy	Indonesia	2.6

Portfolio characteristics

	The Fund (Class A USD Unhedged Acc)
Annualized volatility [^]	16.0%
Weighted modified duration ⁶	2.5 years
Yield to worst ⁷	13.8%
Number of bond issuers	68

Geographical exposure ⁸

China/Hong Kong	53.9%
Indonesia	15.7%
Macao	13.1%
Mongolia	4.0%
Japan	3.8%
India	2.3%
Singapore	2.1%
Others	4.4%
Cash ⁹	0.7%

Sector exposure ^{5, 8}

Real estate	24.5%
Consumer services	16.2%
Energy	14.9%
Banks	10.1%
Materials	8.5%
Utilities	4.0%
Telecommunication services	3.8%
Diversified financials	2.9%
Capital goods	2.5%
Insurance	2.5%
Automobiles & components	2.1%
Commercial & professional services	1.9%
Food, beverage & tobacco	1.9%
Retailing	1.4%
Industrials	1.2%
Others	0.9%
Cash ⁹	0.7%

Credit ratings ¹⁰

A	6.5%	Investment grade	19.2%
BBB	12.7%	High yield	66.4%
BB	34.7%	Average credit rating ¹¹	BB
B & Below	31.7%		
Non-Rated	13.7%		
Cash ⁹	0.7%		

Currency breakdown

USD 100.0%

Fund facts

Manager:	Carne Global Fund Managers (Ireland) Limited
Investment manager:	Value Partners Hong Kong Limited
Base currency:	USD
Administrator:	HSBC Securities Services (Ireland) DAC
Depository:	HSBC Continental Europe
Launch date:	6 Dec 2019
	- Class A USD Unhedged Acc
	- Class A USD Unhedged MDIs
	17 Jun 2021
	- Class A EUR Hedged Acc
	- Class A EUR Hedged MDIs
	- Class A SGD Hedged Acc
	- Class A SGD Hedged MDIs
	15 May 2023
	- Class Z RMB Hedged MDIs
Dealing frequency:	Daily, cutoff time 11:59am Irish time

Fee structure & Subscription information

	Class A	Class V	Class Z
Minimum subscription	USD10,000 EUR10,000 RMB60,000 SGD10,000 HKD80,000	USD1,000,000	USD1,000,000 EUR1,000,000 RMB1,000,000
Subscription fee	Up to 5% of the issue price		
Management fee	1.5% p.a.	0.25% p.a.	0.7% p.a.
Performance fee	Nil	Nil	Nil
Redemption fee	Currently Nil		

[^] Annualized return and volatility are calculated from inception based on published NAV. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Source: HSBC Institutional Trust Services (Ireland) DAC and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

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Past Performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall.

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