

G10 Blueglen Equita Total Return Credit UCITS Fund

Multi Strategy European Credit

June 2020

Performance Returns

The G10 Blueglen Equita Total Return Credit UCITS Fund returned 9.41% for the month of June (EUR A2 Pooled Class) giving a net return since launch on 20th July 2018 of 4.58%.

UCITS Performance

G10 Blueglen Equita Total Return Credit Fund- EUR Class A2 Pooled including Dividends⁽ⁱ⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018							-0.15%	-0.47%	0.77%	-0.71%	-1.78%	-1.05%	-3.34%
2019	1.26%	1.02%	1.92%	1.61%	-0.34%	1.95%	0.91%	0.78%	-0.40%	0.47%	0.28%	0.91%	10.83%
2020	2.47%	-0.84%	-27.04%	0.94%	19.25%	9.41%							-2.36%
Estimated net class yield ⁽ⁱⁱ⁾	5.80%												

G10 Blueglen Equita Total Return Credit Fund- USD Class C2 Pooled including Dividends⁽ⁱ⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018							-0.05%	-0.21%	0.92%	-0.49%	-1.49%	-0.77%	-2.07%
2019	1.53%	1.24%	1.97%	1.83%	-0.09%	2.19%	1.09%	1.00%	-0.22%	0.71%	0.44%	1.14%	13.58%
2020	2.66%	-0.70%	-26.63%	1.06%	19.48%	9.55%							-1.06%
Estimated net class yield ⁽ⁱⁱ⁾	6.58%												

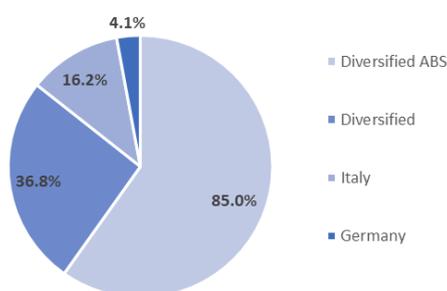
- i. The performance figures quoted above represent the performance of the G10 Blueglen Equita Total Return Credit UCITS Fund since launch on the 20th July 2018. These performance figures refer to the past and past performance is not a reliable guide to future performance. Investments other than the base currency of the fund may be subject to exchange rate fluctuations.
- ii. The EUR share class estimated net yield is calculated using a weighted average of month end yields and spreads from Bloomberg, Markit and trading counterparties for credit assets, current interest rates for cash and financing positions, as well as option premium spent amortised over the life of the Fund, further adjusted for estimated fees and expenses. This share class yield is adjusted by the interest differentials from the latest executed share class hedges to calculate the corresponding estimated USD share class yields.

Fund Statistics including Dividends

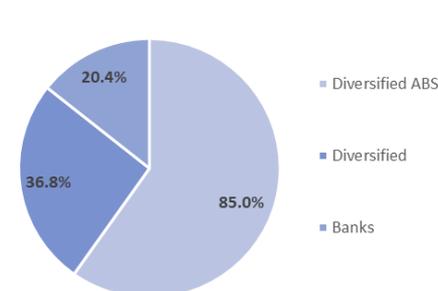
	Fund Performance (Class C2 USD)	Fund Performance (Class A2 EUR)
MTD	9.55%	9.41%
YTD	-1.06%	-2.36%
ITD	10.04%	4.58%

Risk Stats	% NAV
Long Credit Exposure	142.2%
Net Credit Exposure	142.2%

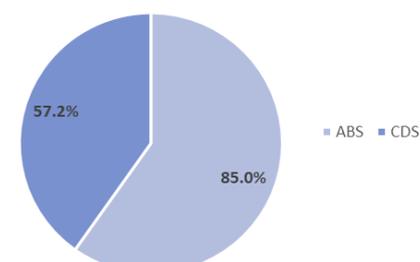
Credit Exposure by Country



Credit Exposure by Industry



Credit Exposure by Instrument



Gross Contribution by Instrument

Instrument	Contribution
ABS	7.97%
Bond	0.00%
Single Name CDS	0.32%
Index CDS	0.98%
Cash/Funding/Hedging	-0.04%

The Advisor and Distributor



Chris Goekjian

Co-Founder and Director

Chris is considered by his peers one of the preeminent players in the financial derivatives world of the last 20 years. At 26 years old he was made a Managing Director and at 33 he was running CSFP when Allen Wheat became CEO of CS First Boston.

He went on to found Alledge Capital in 2001, an alternative asset manager focusing on fund of fund strategies, which he later sold to Cheyne Capital.

After 7 years as Chief Investment Officer of Cheyne Capital, Chris decided to retire from Cheyne in April 2016 and in late 2016 Chris decided to team up with his old colleague and close friend, Guglielmo. Together, they founded Blueglen Investment Partners Limited to focus on Alternative Credit Strategies.

Guglielmo Sartori di Borgoricco

Co-Founder and Director

After obtaining his International Economics degree from Bocconi University in Milan, Guglielmo ("G") joined Midland Montagu where he became one of the early pioneers of the swaps and derivatives markets, trading swaps and options, working in London, Madrid and Tokyo.

Upon his return to London, G was head hunted by the nascent Credit Suisse Financial Products. He went on to become Head of Southern Europe and co-head of Distribution for Credit Suisse.

In 2004 he was recruited by Bob Diamond at Barclays. G ran Global Distribution and oversaw the creation of an internal asset manager, Barclays Capital Funds Solution, that grew to USD 5 billion of AUM from institutions and SWF.

G left Barclays in 2013. In the following 3 years, focussing on investing his own capital in credit strategies. After the summer of 2016, G got together with his old colleague and close friend Chris Goekjian and founded Blueglen Investment Partners.

Fund Facts

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	€36.1 million
Inception	20 th July 2018

Share Class	Base Class Shares
Currency	EUR/USD/CHF/GBP
Mgt. Fee	1.00%
Perf. Fee	10.00%
Min Init. Sub.	100,000
ISIN Codes	EUR Class A Pooled: IE00BD93F493 GBP Class B Pooled: IE00BD93F501 USD Class C Pooled: IE00BD93F618 CHF Class D Pooled: IE00BD93F725

Share Class	Institutional Class Shares
Currency	EUR/USD/CHF/GBP
Mgt. Fee	0.75%
Perf. Fee	10.00%
Min Init. Sub.	5,000,000
ISIN Codes	EUR Class A2 Pooled: IE00BD93FD85 GBP Class B2 Pooled: IE00BD93FF00 USD Class C2 Pooled: IE00BD93FG17 CHF Class D2 Pooled: IE00BD93FH24

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Investment Objective & Strategy

The Blueglen Equita Total Return Credit Fund follows a fundamental research-driven investment process which identifies opportunities in European credit markets. The investment strategy is focused on harvesting excess return from European Structured Finance Markets (ABS) and European Credit (Corporate and Financials, Credit Derivatives) across their respective capital structures.

We aim to generate an initial portfolio yield of approximately 3.5% net of fees in EUR and a target return of 5-6% pa by purchasing securities as described above and enhancing the return by entering into financing transactions (repurchase agreements) with top tier global banks, such as JPMorgan, Barclays, BNP Paribas. Net credit exposure is anticipated to be in the range of 100-150%.

Our shorts will be expressed via an option program on credit indices (Main and Crossover).

Market Commentary

Global financial markets were in positive territory during the month of June (Stoxx600 up 2.9%, Nasdaq up 6% and the S&P500 up 1.8%) and showed a marked recovery in the second quarter from the heavy losses suffered in the first (MSCI World was up 19% in Q2 after being down 21% in Q1). Central bank activity was a key driver of the equity, credit and bond rallies in the second quarter.

Optimism around a V-shaped economic recovery, fuelled by unprecedented fiscal and monetary stimulus plans and the reopening of several economies, has been somewhat dampened recently by new breakouts of Covid-19 infections, especially in the US and Latin America.

Market volatility has begun to rise again, with the VIX index up approximately 3 points to around 30. We expect volatility to remain elevated in the coming months due to the steepening of the epidemic curve in the US, the quarterly financial reporting season (which is set to be one of the toughest yet, with low visibility on the outlook for the coming quarters) and political developments in the US.

Gold continued to rally, hitting an 8-year high by gaining 2.9% to \$1,781 per ounce, driven by negative real interest rates (Real US 10-year bond yield has dropped to -0.7% from +0.1% at the start of the year), continuing to act as a safe haven from continued moves by central banks to expand the monetary base. Moreover, the Fed is considering measures to flatten the yield curve, which would further support gold prices given that fixed income investments would lose some appeal as a safe haven asset.

A further increase in the ECB's "Pandemic Emergency Purchase Program" (€600bn, bringing the total to € 1.35trn with the duration of the program extended to at least 2021) caused the BTP-Bund spread to narrow by another 21bps (to 1.71%).

Credit markets also rallied in June as the iTraxx Europe Main Investment Grade Index tightened by 6bps to 67bps and the iTraxx Europe Crossover Index tightened by 47bps to 382bps.

In the CLO market, June was another strong month for sub-investment grade paper as investors continued to be attracted by the relative value versus other credit markets and the low new issue supply due to the difficult arbitrage situation. Looking ahead, July and August will be key in determining the impact of the virus as issuers in the senior secured loan market begin to report their H1 results. Anecdotally, the support provided by national governments and Private Equity sponsors has so far been higher than initially expected. This has been reflected in some research houses revising down their default rate expectations for 2020 and 2021 from their original forecasts in March and April. For example, JP Morgan now expect the European High Yield default rate to be 4% in 2020 and 3% in 2021 (in March they had been forecasting a default rate of 6% for 2020 alone). Such default rates would be well within the tolerance levels of a standard European CLO BB bond and would therefore be supportive for the market.

All of the Fund's sub-strategies made a positive contribution in June, with the CLO strategy being the strongest contributor, followed by the subordinated index strategy and the subordinated financials strategy. The option hedges expired during the month and detracted only very slightly as they already were far out of the money. The Fund continues to maintain substantial cash holdings which we think is prudent ahead of companies' H1 results.

The Fund EUR A2 share class was up 9.41% on the month while the C2 USD share class was up 9.55% with a corresponding net yield of 5.80% in Euros and 6.58% in USD.

Share Class	Type	ISIN	NAV*	MTD%*	Estimated Class Yield %
Class A EUR	Distributing	IE00BD93F493	100.60	9.39%	5.57%
Class D CHF	Distributing	IE00BD93F725	128.37	8.39%	5.28%
Class A2 EUR	Distributing	IE00BD93FD85	100.96	9.41%	5.80%
Class B2 GBP	Distributing	IE00BD93FF00	100.97	8.47%	6.37%
Class C2 USD	Distributing	IE00BD93FG17	106.33	9.55%	6.58%
Class A3 EUR	Accumulating	IE00BD93FJ48	103.83	9.16%	5.57%
Class D3 CHF	Accumulating	IE00BD93FM76	103.54	9.37%	5.28%

*NAV figures above are shown after dividends have been paid on Distributing Share Classes (currently 339c inception to date). MTD% performance figures are adjusted for dividend payments.

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