

# Green Ash Sustainable Short Duration Credit Fund

## July 2021 Monthly Factsheet

### INVESTMENT OBJECTIVE

PROFESSIONAL INVESTORS ONLY

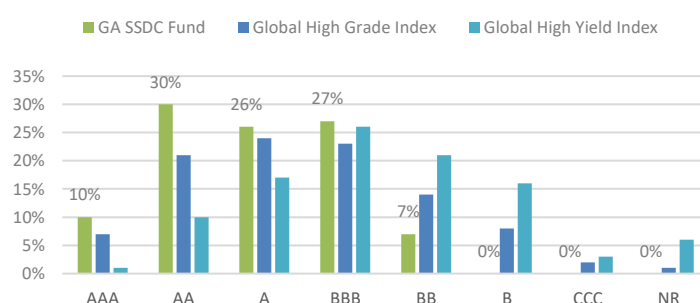
Green Ash Sustainable Short Duration Credit Fund is an open-ended fund incorporated in Luxembourg. The Fund is actively managed and benchmark free. The Fund's objective is to invest in investment grade and high yield bonds that demonstrate 'best in class' environmental, social, and governance (ESG) criteria. Holdings have a maximum maturity and duration of 5 and 2.5 years respectively, and the portfolio has a minimum average credit rating of BBB-.

### KEY INFORMATION

### ESG RATING DISTRIBUTION<sup>1</sup>

### AVERAGE ESG RATING

Fund Name	Green Ash Sustainable Short Duration Credit Fund - a Subfund of Woodman SICAV
Investment Team	Miles Cohen, Nicholas Freeman, James Sanders, Patrick Durcan
Fund Launch Date	12 <sup>th</sup> June 2020
Fund Type	UCITS
Fund Domicile	Luxembourg
Liquidity	Daily
Management Fee	I: 0.45% / R: 0.80% p.a.
Fund Size	\$33MM
Share Classes	USD, EUR, GBP (Acc.)
USD I	LU2122350676
USD R	LU2122350163
EUR I (hedged)	LU2122350759
EUR R (hedged)	LU2122350247
CHF I (hedged)	LU2122350833
CHF R (hedged)	LU2122350320
GBP I (hedged)	LU2122350916
GBP R (hedged)	LU2122350593
Min Investment	I: 100,000 / R: 10,000
Investment Manager	Green Ash Partners LLP



### SUMMARY

- The fund rose +0.12% in July (EUR Hedged share class +0.05%). The best performing sectors were Consumer Non-cyclical, Financials, and Industrials, while Energy lagged. On the ESG front, SocGen was upgraded from AA to AAA
- The investment grade drove the positive returns for the month, though high yield was also a positive contributor
- ESG compliant financial assets continue to burgeon, driven by both policy support and stakeholder engagement. Bloomberg Intelligence estimate that there will be an \$11 trillion opportunity in ESG debt by 2025
- Lower growth expectations support financial conditions staying easy for longer, keeping government bond yields low and credit spreads stable. High yield remains the most attractive part of the fixed income market in our view, due to the low absolute and inflation-adjusted yields on offer elsewhere in fixed income and historically low default rates

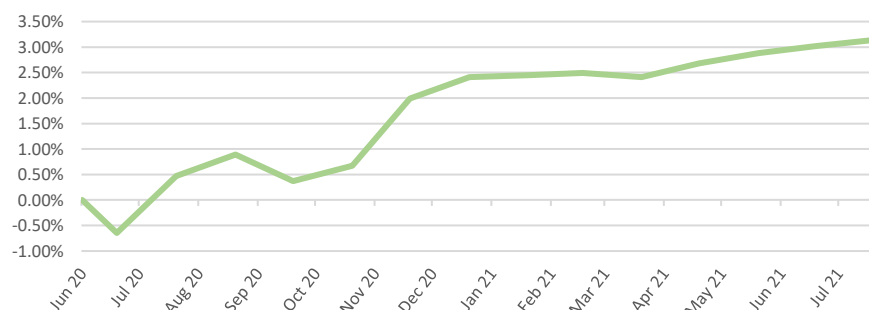
### GREEN ASH SUSTAINABLE SHORT DURATION CREDIT FUND PERFORMANCE<sup>2</sup>

Fund Performance	2020	Jan	Feb	Mar	Apr	May	Jun	Jul	2021 YTD
Green Ash Sustainable Short Duration Credit Fund (USD I)	+2.41%	+0.04%	+0.04%	-0.08%	+0.26%	+0.19%	+0.14%	+0.12%	+0.46%

### OVERALL PORTFOLIO SUMMARY

Fund Currency	USD
Duration	2.2
Maturity in Years	1.7
Average Z Spread	123
Coupon Rate	4.1%
Yield to Worst	1.4%
Average Credit Rating	Baa3/BBB-
No. of Positions	78

### GREEN ASH SUSTAINABLE SHORT DURATION CREDIT FUND (USD I)



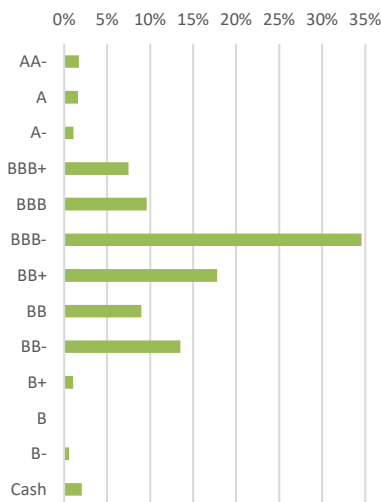
<sup>1</sup> ESG ratings are derived from MSCI ESG rating methodology. Scores are weighted 25% to Environmental, 44% to Social, and 31% to Governance

<sup>2</sup> Performance shown for USD I share class (ISIN: LU2122350676). All other share class performance listed on page 3

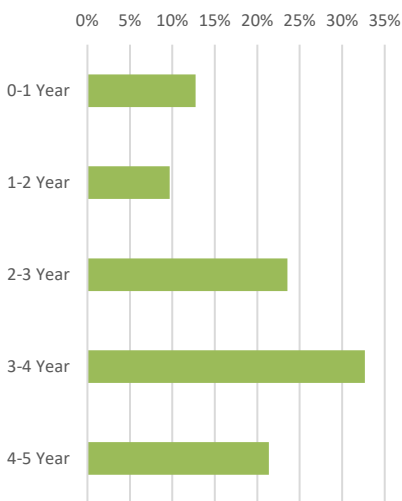




## WEIGHT BY CREDIT RATING



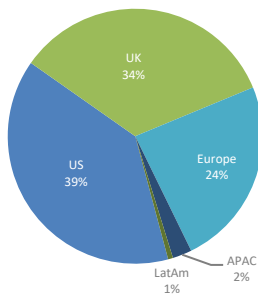
## WEIGHT BY MATURITY



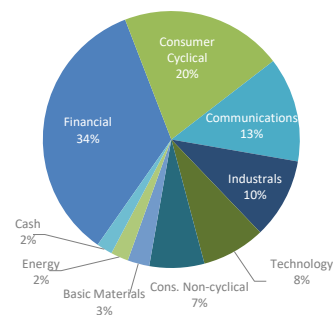
## SERVICE PROVIDERS

Auditor	PricewaterhouseCoopers (PwC)
Custodian	Credit Suisse (Lux)
Administrator	Credit Suisse Fund Services (Lux)
Paying Agent	Credit Suisse AG
Legal Representative	Credit Suisse AG
Management Company	MultiConcept Fund Management S.A (Luxembourg)

## REGIONAL EXPOSURE



## SECTOR WEIGHTINGS



## FUND UPDATE AND OUTLOOK

The fund rose +0.12% in July (EUR Hedged share class +0.05%). The best performing sectors were Consumer Non-cyclical, Financials, and Industrials, while Energy lagged. The investment grade drove the positive returns for the month, though high yield was also a positive contributor. The current weighting is 63%/37% IG/HY. On the ESG front, SocGen was upgraded from AA to AAA. This was due to positive scoring for Board independence (and 37% women directors), as well as the integration of climate-related risks into their lending framework.

July was quite a choppy month for risk assets (though not for the fund), as concerns over the Delta variant of COVID-19 led to some repricing in forward growth expectations. Wide-ranging interventions by the Chinese government across multiple sectors of their economy has also had some (so far small) spill over effects, given some of the affected companies are broadly held by foreign investors and occupy large weights in emerging market indices. Despite this, risk assets generally finished nicely up on the month.

There was a significant move lower in developed market government bond yields in July which supported most fixed income assets, though this didn't have a huge impact on the fund due to its short duration. 2Yr US Treasury yields declined -6bps to 0.19%. For reference, normal duration IG corporate bonds had their best month this year - Global USD IG corporates rose +1.27%, turning positive YTD. In corporate high yield, higher quality BBs outperformed CCCs in both the US and Europe. US high yield rose +0.38% (though spreads widened +26bps to 293). European high yield rose +0.40% (spreads +12bps to 291) and UK high yield +0.37% (spreads +5bps to 357).

The Fed is due to update their forecasts in August, and once again a lot of attention will be paid to their outlook for inflation and the labour market. Jackson Hole towards the end of the month will be another opportunity to try to discern the roadmap for tapering asset purchases. We would expect Powell to take great care to play down the risk of overheating in favour of an accommodative message, and the Delta variant may well be peaking in the US around that time, giving him some leeway to err on the dovish side. The Delta surges in India and the UK both peaked after around 45 days, and given cases started rising in the US at the end of June, their peak could come around mid-August.

ESG compliant financial assets continue to burgeon, driven by both policy support and stakeholder engagement. Bloomberg Intelligence estimate that there will be an \$11 trillion opportunity in ESG debt by 2025. A lot of focus is given to the 'E' due to climate change, however the 'S' is also rising in prominence as data security and labour practices are increasingly prioritised by Society.

Despite the modest spread widening in July, our outlook is unchanged. Lower growth expectations support financial conditions staying easy for longer, keeping government bond yields low and credit spreads stable. High yield remains the most attractive part of the fixed income market in our view, due to the low absolute and inflation-adjusted yields on offer elsewhere in fixed income and historically low default rates.



## GREEN ASH SUSTAINABLE SHORT DURATION CREDIT FUND PERFORMANCE BY SHARE CLASS

Ticker	ISIN	Share Class	CCY	Fee	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	YTD	1TD
GRSDCIU LX Equity	LU2122350676	Green Ash Sustainable Short Duration Credit Fund (USD I)	USD	0.45%	-0.65%	1.13%	0.42%	-0.52%	0.30%	1.31%	0.41%	0.04%	0.04%	-0.08%	0.26%	0.19%	0.14%	0.12%	0.60%	3.02%
GRSDCRC LX Equity	LU2122350163	Green Ash Sustainable Short Duration Credit Fund (USD R)	USD	0.80%	-0.68%	1.10%	0.39%	-0.55%	0.26%	1.28%	0.37%	0.02%	0.00%	-0.12%	0.24%	0.17%	0.11%	0.08%	0.41%	2.60%
GRSDCIE LX Equity	LU2122350759	Green Ash Sustainable Short Duration Credit Fund (EUR I)	EUR	0.45%	-0.70%	1.06%	0.34%	-0.59%	0.24%	1.23%	0.27%	-0.02%	-0.03%	-0.15%	0.20%	0.13%	0.07%	0.05%	0.20%	2.04%
GRSDCRH LX Equity	LU2122350247	Green Ash Sustainable Short Duration Credit Fund (EUR R)	EUR	0.80%	-0.73%	1.03%	0.30%	-0.61%	0.20%	1.20%	0.24%	-0.05%	-0.06%	-0.21%	0.19%	0.10%	0.03%	0.02%	0.00%	1.62%
GRSDCIX LX Equity	LU2122350833	Green Ash Sustainable Short Duration Credit Fund (CHF I)	CHF	0.45%	-0.71%	1.05%	0.31%	-0.60%	0.21%	1.22%	0.25%	-0.05%	-0.07%	-0.22%	0.18%	0.11%	0.05%	0.03%	0.00%	1.72%
GRSDCRF LX Equity	LU2122350320	Green Ash Sustainable Short Duration Credit Fund (CHF R)	CHF	0.80%	-0.73%	0.99%	0.29%	-0.64%	0.19%	1.18%	0.22%	-0.08%	-0.08%	-0.25%	0.16%	0.08%	0.01%	0.00%	-0.16%	1.33%
GRSDCIH LX Equity	LU2122350916	Green Ash Sustainable Short Duration Credit Fund (GBP I)	GBP	0.45%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GRSDRHCLX Equity	LU2122350593	Green Ash Sustainable Short Duration Credit Fund (GBP R)	GBP	0.80%	-0.71%	1.09%	0.35%	-0.54%	0.25%	1.23%	0.30%	-0.01%	-0.02%	-0.14%	0.23%	0.15%	0.09%	0.08%	0.29%	2.27%

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