



Algebris Financial Credit Fund (UCITS)

October 2015 Factsheet

Fund Terms	
Size (€):	674m
Domicile:	Ireland
Retail Share Classes:	
R (Accumulating)	
Rd (Distributing)	
Liquidity:	Daily
Management Fee:	1.20%
Incentive Fee:	10%
Bloomberg Ticker: AFCRREU ID / AFCRDEU ID	
ISIN (R/Rd EUR Share Classes):	
IE00B8J38129 /	
IE00B8XCT900	
Data as at 31.10.2015	

Fund Information	
No. of Bonds/ No. of Issuers	94/42
Effective Duration	4.1 yrs
BLP Composition Rating	BB+
Gross Coupon Rate	5.8%
Gross Yield to Worst (YTW)	5.3%
Gross Yield to Maturity (YTM)	5.7%

Source: Bloomberg LP, Algebris Investments (UK) LLP

Performance Analytics	
Return Since Inception	32.3%
Annualised Return	9.3%
Annualised Volatility	3.0%
Sharpe Ratio	2.9

Note: Figures are based on net returns for I EUR (Accumulating) class assuming admin, management and incentive fees and excluding ADL (Anti-Dilution Levy – Currently 25bps). The actual price at which an investor subscribes or redeems shares in the fund will vary, depending on the swung price based on the ADL applied on the day in question. Further information is contained in the Prospectus.

Inception date: 3 September, 2012.

Source: Bloomberg LP, Algebris Investments (UK) LLP

Performance Information (Net) % – I EUR (Accumulating)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2012									1.65	2.27	1.68	1.84	7.65
2013	0.34	0.51	0.46	2.45	0.02	-2.17	1.15	-0.14	0.96	2.67	0.88	0.99	8.33
2014	1.25	2.07	0.61	1.46	1.20	0.70	-0.29	0.66	-1.87	1.40	0.65	-0.36	7.69
2015	1.56	1.50	0.66	0.25	0.10	-1.19	1.59	-0.40	-1.15	2.34			5.31

Please see note above. Figures are available on Bloomberg, daily.

Source: HSBC Securities Services (Ireland) Ltd, Algebris Investments (UK) LLP

Fund Objective
<p>The Algebris Financial Credit Fund aims to achieve a high level of current income and modest capital appreciation by investing in senior and subordinated debt securities of the financial credit sector globally including hybrid capital instruments, preference shares and contingent convertible bonds (CoCos) with fixed and variable interest rates, which may be rated investment grade or below investment grade.</p> <p>Currency exposure will be systematically hedged. Investment in the Fund may be suitable for investors with a medium to long term investment horizon.</p>

Commentary
<ul style="list-style-type: none"> The Algebris Financial Credit Fund returned +2.34% in October and +5.31% YTD. Top contributors to monthly performance were our holdings in Lloyds, Santander and UBS Risk assets snapped back in the month after the broad third quarter weakness. The S&P and Eurostoxx index rallied 8% and 10% respectively. The US HY market returned just under 3% offsetting some of the 6% fall from May to September. The European HY market returned just over 3% for the month The long awaited divergence in monetary policy may be coming into clearer focus after the October meetings. The ECB press conference indicated that more easing is likely in December with some combination of a lower deposit rate (a cut from -.2%), an increase in the pace of purchases from €60bn per month, and an extension of the existing program beyond September 2016. The PBOC also eased policy with another cut in benchmark interest rates and a further cut in required reserves, adding to system liquidity. The BOJ did not ease further but indicated that if inflation does not develop as anticipated, more easing will follow On the other side, the October Federal Open Market Committee (FOMC) statement indicated a strong probability of the first rate hike in December. After a disappointing payrolls number on October 2nd, market probabilities of a December hike dipped below 30%. The FOMC statement mid-month asked “whether it will be appropriate to raise the target range at its next meeting.” The result was a swift re-pricing of the front end to reflect the higher probability that the Fed will indeed end 7 years of zero rates. The strong jobs report in early November makes a hike at the December meeting almost a foregone conclusion unless the Fed feels forced to respond to market developments or a sudden reversal of reported economic strength over the next few weeks In a long anticipated announcement, the Fed introduced US standards for Total Loss Absorbing Capital (TLAC). The eight GSIB banks will be required to hold between 21.5% and 23% of TLAC capital depending on their GSIB buffer requirement. The buffer will be held in a mixture of equity, preferred and senior debt issued from the holding company level. Morgan Stanley and Goldman Sachs are already compliant with the requirements despite having 6 years to meet the new standards. Wells Fargo is most negatively affected due to their low cost, deposit funded franchise historically relying much less on long term debt. The global TLAC term sheet that will determine requirements for European banks should be released by the Financial Stability Board in early November

Contact us
<p>For questions regarding the Algebris Financial Credit Fund</p> <p>Call: +44 (0)20 7851 1740 Email: algebrisIR@algebris.com Visit: www.algebris.com</p>



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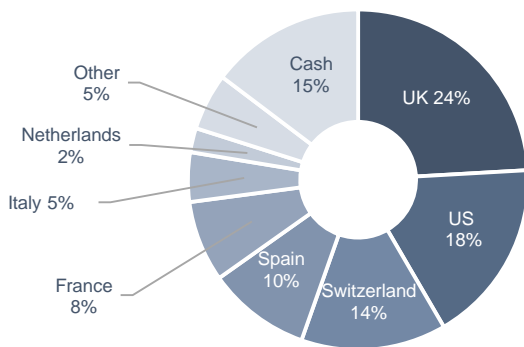
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Top 10 Bond Issuers by Exposure

Rank	Name	Total	Rank	Total	Total
1	Lloyds	9%	6	Citigroup	5%
2	UBS	7%	7	Barclays	4%
3	Santander	7%	8	BNP Paribas	3%
4	Credit Suisse	6%	9	RBS	3%
5	BBVA	5%	10	HSBC	3%

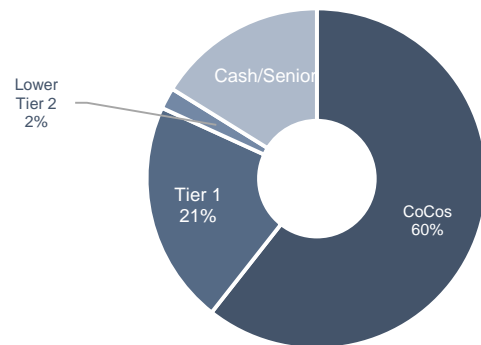
Source: Algebris Investments (UK) LLP

Country Exposure



Allocation may not add up to 100% due to rounding.
Source: Algebris Investments (UK) LLP

Capital Structure



Allocation may not add up to 100% due to rounding.
Source: Algebris Investments (UK) LLP

About Algebris

Algebris Investments (UK) LLP is an investment manager specialised in the global financial sector. Algebris invests across the capital structures of financial institutions, in both credit and equity, on behalf of long only and hedged strategies. Algebris has a team of 15 investment professionals and manages ~\$2.6bn, split between credit and equity investments (data as of 31 October 2015). With offices in London, Singapore, Boston and Milan, it is registered with the SEC, MAS and the FCA. Affiliated to TCI Fund Management Limited.

Contact Us

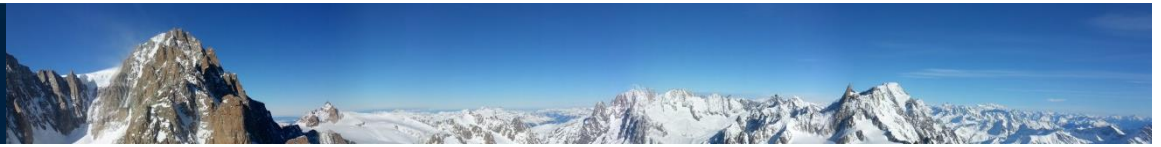
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Fund Details

Share Class				Identifiers	
Class	CCY	Min Investment	Launch Date	ISIN	BBG ticker
I	EUR	€ 500,000	3/9/12	IE00B81TMV64	AFCIEUR ID
	GBP	GBP equivalent of €500,000	14/9/12	IE00B85LPZ38	AFCIGBP ID
	USD	USD equivalent of €500,000	N/A	IE00BK017B22	ALGFIUS ID
	CHF	CHF equivalent of €500,000	3/10/12	IE00B8HNZ49	AFCICHF ID
	SGD	SGD equivalent of €500,000	N/A	IE00BYYJY973	N/A
R	EUR	€ 10,000	23/1/13	IE00B8J38129	AFCRREU ID
	GBP	GBP equivalent of €10,000	14/9/12	IE00BMMVVZ61	ALGFRGB ID
	USD	USD equivalent of €10,000	14/4/14	IE00BK017F69	AFCRUSD ID
	CHF	CHF equivalent of €10,000	30/6/14	IE00B8ZQ4Z18	ALGFCRC ID
	SGD	SGD equivalent of €10,000	N/A	IE00BYYJY759	N/A
ID	EUR	€ 500,000	18/9/12	IE00B7SR3R97	AFCIDEU ID
	GBP	GBP equivalent of €500,000	5/3/13	IE00B8DD4P49	AFCIDGB ID
	USD	USD equivalent of €500,000	3/7/14	IE00BK017C39	AFCIDUS ID
	CHF	CHF equivalent of €500,000	4/10/12	IE00B7W1NB16	ALGFIDC ID
	SGD	SGD equivalent of €500,000	N/A	IE00BYYJYC06	N/A
RD	EUR	€ 10,000	12/4/13	IE00B8XCT900	AFCRDEU ID
	GBP	GBP equivalent of €10,000	N/A	IE00BMMVW089	ALGFRDG ID
	USD	USD equivalent of €10,000	24/6/14	IE00BK017D46	AFCRDUS ID
	CHF	CHF equivalent of €10,000	N/A	IE00B7RCR403	ALGFRDC ID
	SGD	SGD equivalent of €10,000	N/A	IE00BYYJYD13	N/A

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