

## Investment Objective

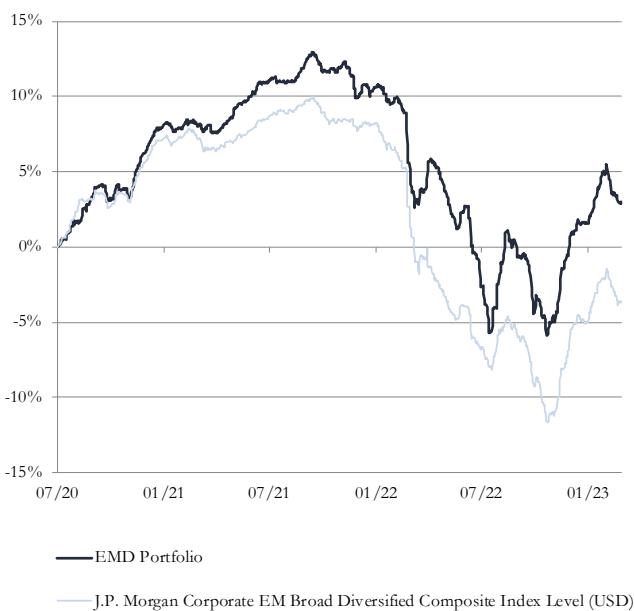
Our Emerging Market Corporate Debt strategy invests in a concentrated portfolio of hard currency corporate, emerging market debt.

We believe that a concentrated portfolio following our principles of quality and value is the best way to deliver income, upside opportunity and downside protection.

This means that we invest in key businesses in their respective industries and geographies, with strong underlying fundamentals, able to navigate through cycles. We favour companies with strong business models, financial strength & predictable cash flows.

Investment objective to generate a total return of 5-6%, net of fees, from income and capital growth over the medium term with low volatility and exposure to macro-economic risks with a standard deviation of 4-6%.

## EMD Strategy Performance, USD



## Performance Analysis

	Since Inception					
	Feb-23	3M	2023 YTD	1Yr	Cumulative	Annualised
Portfolio	-1.9	+3.0	+1.5	-2.0	+2.9	+11
JPM CEMBI BD	-1.6	+3.0	+1.4	-4.9	-3.7	-1.4

Performance is of the Emerging Market Corporate Debt strategy with inception date of 1/7/20. Shown net of 1% fees per annum, deducted quarterly in arrears. Past performance is not a reliable indicator of future results; the value of any investment can fall as well as rise; and returns may increase or decrease as a result of currency fluctuations. Benchmark: JPM CEMBI Broad Diversified. Source: SS&C Technologies, Bloomberg.

## Top 5 Credit Holdings

Issuer	Sector	% of Total Portfolio
HTA Group	Industrial	3.6%
AES Andes	Utilities	3.6%
Greenko	Energy	3.4%
Liquid Telecom	Communications	3.3%
Ihs Us	Industrial	3.1%

## Share Class Summary

Share Class	NAV	AMC	OCF*	Minimum	ISIN
A1 J1B USD	994.95	0.90%	1.20%	1,000,000	LU2511911310
A1 J1E GBP	N/A	0.90%	1.20%	1,000,000	LU2520334165

## Strategy Characteristics

Average Credit Rating	BB-
Duration	3.9
Spread	635
Yield to Maturity	12.2%
Yield to Worst	12.0%
Income Yield	7.7%
Average Bond Price	86.9

## Portfolio Comment

After a strong start to 2023, the strategy was down -1.9% for the month. Risk sentiment softened as expectations that Fed policy tightening would moderate faded, largely reflecting higher than expected inflation data. All fixed income assets were impacted by the 10-year US Treasury yield widening 40 basis points to 3.9%. EM credit spreads were relatively unchanged and continue to trade around 50 basis points inside the last 20-year average.

Despite broader market volatility, corporate earnings season highlighted positive underlying fundamentals. In Latin America, *Banco do Brasil* (financial) reported strong profitability, benefitting from higher interest rates and contained loan provisioning. Meanwhile *Grupo Posadas* (consumer, cyclical) continued its recovery post-pandemic with positive momentum in hotel occupancy levels.

Some of our corporates in Sub-Saharan Africa pulled back following strong January performance, given the region's greater reliance on external financing. Delays to the Ghana sovereign debt restructuring also put pressure on all corporates in the country including *Tullow Oil* (energy), despite strong operating performance.

Performance will continue to be driven by macro conditions with the market continuing to shift focus between the persistence of inflation and economic slowdown. Credit fundamentals are starting from a strong base, albeit a moderation in growth could see credit metrics slide. Whilst credit spreads are marginally tight to historical averages, overall yields remain attractive to generate income and total returns for long term investors.

## Strategy Statistics

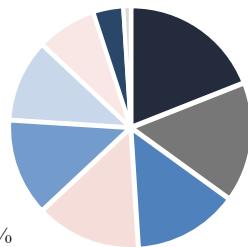
Cash %	3.7%	Average Monthly Return	0.1%
IG / HY / NR	7% / 83% / 10%	Best Monthly Return	Nov '22 5.4%
No. Issuers/ Issues	39 / 44	Worst Monthly Return	Jun '22 -4.9%
No. Sectors	9	% Positive Months	56.3%
Sharpe Ratio	-0.50	Volatility	7.5%

## Top 5 Countries of Risk

Country	% of Total Portfolio
Mexico	19.7%
Brazil	15.6%
South Africa	10.2%
U.A.E.	8.1%
Turkey	7.9%

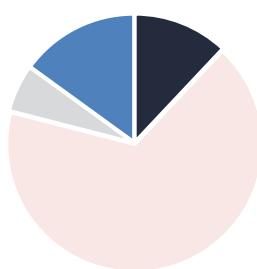
## Sector Split

- Energy 19%
- Communications 16%
- Materials 14%
- Consumer Staples 14%
- Financials 13%
- Industrials 11%
- Consumer Discretionary 8%
- Utilities 4%
- Diversified 1%



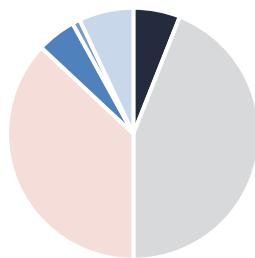
## Rank

- 1st Lien 12%
- Senior Unsecured 67%
- Subordinated 6%
- Junior Subordinated 15%



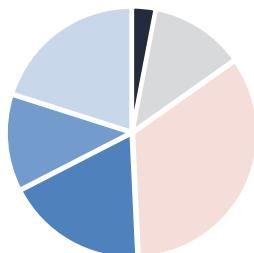
## Credit Rating (exc. cash)

- BBB (+/-) 6%
- BB (+/-) 44%
- B (+/-) 37%
- CCC (+/-) 5%
- C (+/-) 1%
- Not Rated 7%



## Duration

- <=1 3%
- >1 & <=2 12.2%
- >2 & <=3 34.1%
- >3 & <=4 18.2%
- >4 & <=5 12.5%
- >5 20.1%



## Monthly Performance, % Total Return, USD

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	JPM CEMBI	Excess
2020	-	-	-	-	-	-	+1.6	+1.9	-0.4	+0.1	+3.1	+1.6	+8.2	+7.3	+0.9
2021	-0.3	+0.2	-0.4	+1.5	+0.8	+1.0	-0.1	+1.2	-0.5	+0.2	-1.8	+0.7	+2.4	+0.9	+1.5
2022	-0.9	-4.1	+0.3	-1.7	-1.4	-4.8	+0.2	+2.5	-4.3	-0.7	+5.4	+1.5	-8.2	-12.3	+4.1
2023	+3.4	-1.9	-	-	-	-	-	-	-	-	-	-	+1.5	+1.4	+0.1

## Fund Information

Sub-Fund	J. Stern & Co. Emerging Market Debt Stars Fund
Vehicle	Alpha UCITS SICAV
Domicile	Luxembourg
Legal Structure	SICAV
Investment Manager	J. Stern & Co. LLP
Portfolio Managers	Charles Gélinet, Jean-Yves Chereau
Management Company	Waystone Management Company (Lux) SA
Depositary & Administrator	RBC Investor Services Bank SA
Auditor	Deloitte Audit S.à.r.l.
Regulation	UCITS authorised by the CSSF
Legal & Tax Advisor	Allen & Overy, Luxembourg
Reference Currency	US Dollar

Share Class	A
Eligibility	All
Minimum Investment*	1m
Management Fee	0.90%
Target OCF*	1.20%
Acc/Dist	Accumulation
Currencies	USD and hedged GBP
Alternative fee structure	Reduced annual management fee with additional performance fee available
Dealing Day	Every business day in Luxembourg & London
NAV	Available by close of business day after Dealing Day
Subscriptions & Redemptions	Every business day until 3pm Luxembourg time, one business day before the Dealing Day
	Additional share classes available upon request
Launch Date	17 <sup>th</sup> February 2023

\* Minimum investment is stated in the currency of the share class; Target OCF is the Investment Manager's target for the OCF of the USD share class.

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