

# GALLOWAY EMERGING MARKETS HIGH YIELD BOND FUND

a public limited liability company (société anonyme) organized under the laws of Luxembourg as *SICAV* and qualifies as a *UCITS*



August 31, 2017

## INVESTMENT OBJECTIVE AND STRATEGY

Galloway Emerging Markets High Yield Bond Fund is an actively managed long-only fund investing in global Emerging Markets Corporate and Sovereign High Yield Bonds, denominated in USD. We look for issuers and bonds through a disciplined investment process. Our multi- approach due diligence is composed of country macroeconomic outlook, geopolitic and sector overview, company and country credit metrics analysis as well as a validation on the field of our investment thesis. The Fund has a highly diversified allocation among countries and companies. It invests in the best risk/reward ideas, searching for an absolute return strategy.

## MANAGER PROFILE

Galloway is an asset management company focused on active Fixed Income Global Emerging Markets strategies, through tailor made Managed Accounts and funds. Founded in 2005, it counts with 6 international investment professionals. The portfolio managers combine 30 years of careers dedicated to Emerging Markets.

## MAIN CHARACTERISTICS

<b>Investment Manager:</b>	Galloway, a CVM regulated company	<b>Net Asset Valuation (NAV):</b>	Daily
<b>Administrator:</b>	Deutsche Bank	<b>Subscriptions:</b>	Daily
<b>Depository Bank / Custodian:</b>	Deutsche Bank	<b>Redemptions:</b>	Daily with 10 business days notice
<b>Management Company:</b>	Lemanik	<b>Currency:</b>	USD
<b>Auditor:</b>	Ernst & Young	<b>Legal Form:</b>	Luxembourg UCITS SICAV

## HISTORICAL PERFORMANCE (in USD - Standard Class conditions)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Since Inception
2009					1,47%	0,31%	4,21%	4,95%	6,50%	1,65%	1,94%	1,20%	<b>24,33%</b>	24,33%
2010	1,72%	1,44%	3,48%	1,12%	-3,32%	0,64%	3,90%	0,35%	3,61%	3,22%	0,32%	1,19%	<b>18,91%</b>	47,84%
2011	1,87%	0,86%	0,90%	1,27%	-0,02%	-0,21%	2,14%	-7,26%	-11,82%	8,64%	-4,73%	0,98%	<b>-8,54%</b>	35,21%
2012	5,40%	2,09%	-0,17%	0,87%	-4,41%	3,43%	2,55%	1,38%	1,78%	0,15%	-0,67%	2,02%	<b>15,04%</b>	55,54%
2013	1,94%	-0,80%	-1,28%	0,68%	-0,63%	-4,42%	0,97%	-1,58%	3,03%	3,15%	-0,39%	0,32%	<b>0,75%</b>	56,72%
2014	-1,18%	1,71%	0,69%	1,33%	1,57%	1,40%	-0,13%	-1,88%	-1,66%	1,20%	-1,59%	-5,76%	<b>-4,47%</b>	49,71%
2015	-3,55%	2,20%	0,13%	3,98%	0,33%	-2,06%	-1,36%	-4,48%	-5,61%	5,66%	0,16%	-3,67%	<b>-8,57%</b>	36,88%
2016	-2,02%	1,52%	6,45%	3,64%	0,83%	3,11%	2,74%	1,95%	0,41%	0,99%	-1,99%	1,83%	<b>20,94%</b>	65,54%
2017	1,77%	1,25%	0,44%	1,10%	-0,24%	-0,25%	0,82%	1,55%					<b>6,61%</b>	76,48%

## ACCUMULATED PERFORMANCE (in USD - Standard Class conditions)



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## COUNTRY BREAKDOWN - TOP 10

BRAZIL	21,6%
ARGENTINA	9,0%
CHINA	8,8%
MEXICO	6,8%
RUSSIA	6,3%
NIGERIA	5,0%
COLOMBIA	5,0%
CHILE	4,8%
CASH	4,5%
TURKEY	4,0%

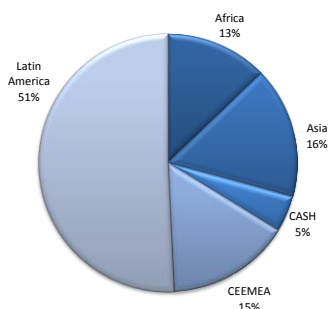
## CREDIT RATING BREAKDOWN

AAA	-
AA	-
A	4,5%
BBB	3,4%
BB	25,5%
B	54,6%
< B	5,1%
Not Rated	6,9%

**AVERAGE CREDIT RATING B+**

## STATISTICS (in USD - Standard Class conditions)

Current AUM (USD Million)	98,84
Annualized Return Since Inception	7,05%
Annualized Standard Deviation	10,16%
Sharpe Ratio	0,60
Percentage of Positive Months	69,00%
NAV (Lead Series - Class A)	1.425,90
Inception Date:	04/30/2009
<b>YIELD TO WORST</b>	<b>6,57%</b>
<b>YIELD TO MATURITY</b>	<b>7,58%</b>
<b>AVERAGE COUPON YIELD</b>	<b>7,36%</b>
<b>DURATION</b>	<b>3,65</b>
<b>AVERAGE PRICE</b>	<b>104,52</b>



## INDUSTRY BREAKDOWN - TOP 10

Banks	28,5%
Sovereign	8,9%
Real Estate	8,8%
Oil&Gas	7,9%
Electric	7,5%
Food	6,4%
Regional(state/provnc)	5,9%
Telecommunications	5,4%
Cash	4,5%
Diversified Finan Serv	2,9%

## TOP 10 POSITIONS

	Country	YTW	%
BANBRA 9 12/31/49	BR	7,8	6,2%
CASH	CASH		4,5%
TELEFO 8 1/2 PERP	CO	5,6	3,4%
AESGEN 8 3/8 12/18/73	CL	4,8	3,0%
CRBKMO 8 7/8 PERP	RU	11,4	2,9%
BANBRA 9 1/4 10/31/49	BR	7,3	2,5%
ALFARU 8 12/29/49	RU	6,7	2,1%
ESKOM 6 3/4 08/06/23	ZA	5,7	2,1%
CSANBZ 8 1/4 11/29/49	BR	-0,9	2,1%
PDCAR 7.45 09/01/24	AR	6,1	2,1%

**TOTAL** 30,87%

**NUMBER OF POSITIONS** 100

SHARE CLASSES					Short	ISIN	Mgmt. Fee	Perf. Fee *	Min. Investment	Add. Subscriptions
					Description					
Galloway Emerging Markets High Yield Bond	Retail Class	LU1090153690	2,00%	20%	1.000,00	1.000,00				
Fund - Class A										
Galloway Emerging Markets High Yield Bond	Standard Class	LU0972237696	1,50%	15%	100.000,00	25.000,00				
Fund - Class B										
Galloway Emerging Markets High Yield Bond	Institutional Class	LU1090153773	1,00%	10%	3.000.000,00	1.000.000,00				
Fund - Class C										
Galloway Emerging Markets High Yield Bond	CHF Currency	LU1598480512	1,50%	15%	100.000,00	25.000,00				
Fund - Class CHF										
Galloway Monthly Income EM. HY. Bond Fund – Income Class: 0.5%		LU0972098551	1,50%	15%	100.000,00	25.000,00				
Class B										
Galloway Monthly Income EM. HY. Bond Fund – Coupon Class		LU1090153856	1,50%	15%	100.000,00	25.000,00				
Class Coupon										
Galloway Global Fixed Income Feeder Fund - Series Class		LU0972097231	1,50%	15%	100.000,00	25.000,00				
Class A (Closed)										
Galloway Global Fixed Income Class B, LP	US Investors Class	US36388T5083	1,50%	15%	100.000,00	25.000,00				

\* **Performance Fee:** The performance fee will be charged in excess of the greater of the **High Water Mark** return.

All performance information is net of applicable fees unless otherwise specifically noted. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming shares. This document is not meant to substitute the Offering Memorandum of the Galloway Fund which every potential investor must refer to. Its purpose is only to provide a summary, offering a general view of investment possibilities in the Fund, before the examination of the Offering Memorandum. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares. Past performance may not be reliable guide to future performance. The State of the origin of the Fund is Luxembourg. These documents and fund have not been, and will not be, registered with Brazilian securities authorities (Comissão de Valores Mobiliários – CVM). Galloway Emerging Markets High Yield Bond Fund - Class B received Reporting Fund status from HMRC with effect from 15 November 2013. Galloway Emerging Markets High Yield Bond Fund - Class B is currently registered in Germany with the BaFin according to section 310 of the German Investment Code (KAGB). Paying Agent as defined by German Regulation: Marcard, Stein & Co AG, Ballindamm 36, D-20095 Hamburg. Galloway Emerging Markets High Yield Bond Fund - Class B is currently registered in Switzerland. In Switzerland the Representative is ACOLIN Fund Services AG, Affolternstrasse 56, 8050 Zurich, whilst the Paying agent is NPB Neue Privat Bank AG, Limmatquai 1, CH-8022 Zürich. The Basic documents of the Fund such as the prospectus, the key investor information document (KIID), the articles of association as well as the semi-annual and annual reports may be obtained free of charge at the office of the Swiss Representative.

### Contact Information:

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