

# LOAN FUND



31 January 2019

## FUND OBJECTIVE

The Fund seeks to produce an annual interest based return, primarily through investment in a portfolio of loans

## FUND SUMMARY

- Targets attractive returns in excess of cash by investing in high quality senior secured loans and other debt
- Aims to provide insulation from interest rate risk
- Employs a defensive asset selection strategy to achieve its return objective
- Offers investors portfolio diversification benefits

## SHARE CLASS PERFORMANCE



Source: Insight Investment and Rimes. Fund performance is shown for share class S £ Acc and is calculated as total return, including reinvested income, gross of fees and expenses. Gross of fees performance results do not reflect the deduction of charges, which will reduce investors' returns. Performance for periods over one year is annualised. Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may be partly due to exchange rate fluctuations). Investors may not get back the full amount invested.

## FUND MANAGER COMMENTS

The Fund generated a positive return in January, but underperformed the CS Western European Institutional Loan index due to the high cash balance being held on the Fund for upcoming redemptions. The Fund was also overweight single Bs, while BBs and CCCs in the index rallied harder during the month. The majority of the activity seen in January was focused on add-on transactions and refinancings. We received no new allocations in the month and sold a number of positions to raise cash for upcoming redemptions. The cautious tone that began in January looks to be continuing into February, with only a handful of deals out for syndication. Many arrangers remain on the side-lines, gauging lender appetite to deals that are currently live, before bringing theirs to market. There are some larger names in the pipeline that are eagerly awaited, but visibility on when these will actually launch is currently limited. We still believe there are opportunities to be had in the asset class, in both primary and secondary markets, and continue to invest selectively where we see decent credit fundamentals. We are also looking to move up the capital structure into TLBs, given the wider macro picture.

## FUND FACTS

**Fund size:** £122.3m

**Inception date:** 31 March 2008

**Benchmark:** 3 Month LIBOR

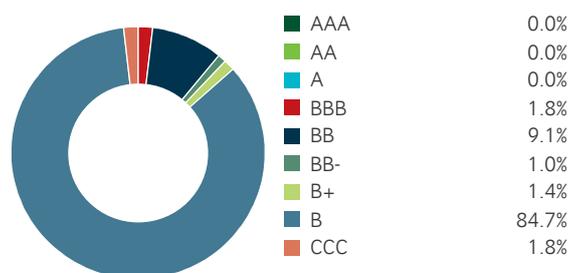
**Fund manager:** Ranbir Singh Lakhpuri

**Target return:** Outperform benchmark by 2.5% pa (before tax, fees and expenses). However, a positive return is not guaranteed and a capital loss may occur.

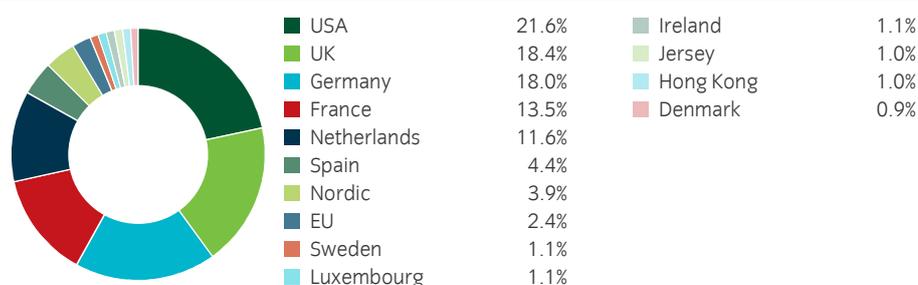
## FUND CHARACTERISTICS

	Fund
Weighted average life (years)	4.1
Weighted average discount margin (bp)	431

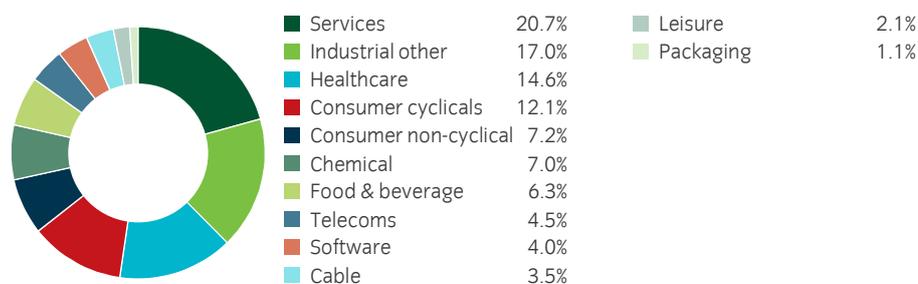
## CREDIT RATING



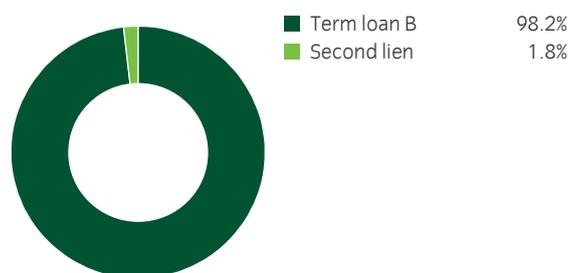
## GEOGRAPHY



## FUND ALLOCATION



## RISK REPAYMENT TYPE



## TECHNICAL DETAILS

**Legal structure:** Qualifying Investor Alternative Investment Fund (QIAIF)

**Domicile:** Ireland

**Share class currencies:** Sterling

**Dealing frequency:** First business day of each calendar month, Notice: Subscriptions: midday (Irish time) 5th business day preceding the dealing day. Redemptions: midday (Irish time) 20th business day preceding the dealing day

**Settlement period:** Purchases: T, Redemptions: T+5

**Pricing method:** Swinging single price

**Scheme:** LDI Solutions Plus ICAV

**Depository:** Northern Trust Fiduciary Services (Ireland) Limited

**Administrator:** Northern Trust International Fund Administration Services (Ireland) Limited

**Ongoing charges:** 0.09% (represented by share class S Sterling Acc, other share classes are available)



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- Any losses in the fund will be borne solely by investors in the fund and not by BNY Mellon (including its affiliates); therefore BNY Mellon's losses in the fund will be limited to losses attributable to the ownership interests in the fund held by BNY Mellon and any affiliate in its capacity as an investor in the fund or as beneficiary of a restricted profit interest held by BNY Mellon or any affiliate.
- Ownership interests in the fund are not insured by the FDIC, are not deposits, obligations of, or endorsed or guaranteed in any way, by BNY Mellon. Neither BNY Mellon nor any of its controlled affiliates (which includes the fund's general manager/ managing partner/ investment adviser), may directly or indirectly, guarantee, assume, or otherwise insure the obligations or performance of the fund or of any other covered fund in which the fund invests.
- Investors should read the fund's offering documents before investing in the fund. Information about the role of BNY Mellon, its controlled affiliates, and their employees in sponsoring or providing services to the fund are described in the Volcker Rule section of the offering documents.

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