

## October 2024 – Share Class B (USD)



Morningstar  
Category % Rank  
5 Year

2 Best=1  
Worst=100

5 year rating out of 751 Global High Yield Bond funds as of 31 October 2024.

### THE FUND:

The Pentagon High Conviction Bond Fund is a subfund of Merrion Capital Investment Funds Plc., an open-ended investment company with variable capital incorporated in Ireland with registered number 427248 established as an umbrella fund with segregated liability between sub-funds.

### OBJECTIVE:

The Pentagon High Conviction Bond Fund's objective is to target attractive risk adjusted returns through a combination of income and capital appreciation by investing in a concentrated portfolio of higher yielding global corporate bonds.

### INVESTMENT APPROACH:

The Pentagon High Conviction Bond Fund looks to gain a meaningful exposure to 'higher alpha' global credit opportunities through an investment approach that focuses on value investing, bottom-up credit selection and delivering absolute investment returns.

### INVESTMENT MANAGER

ICM Investment Management Limited is the sub-investment manager to the Pentagon High Conviction Bond Fund. [www.icmim.limited](http://www.icmim.limited)

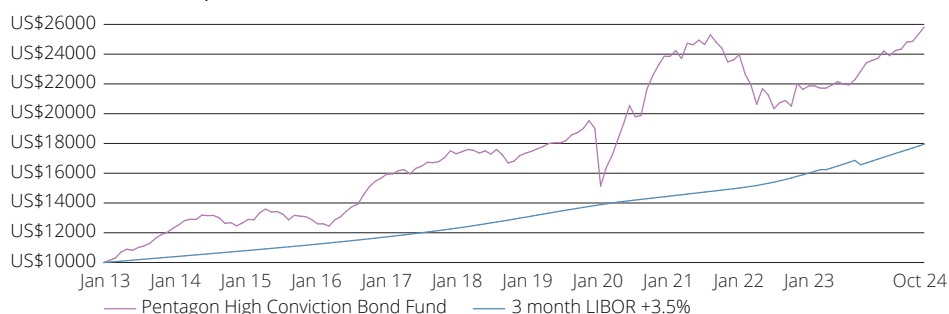
### FUND INFORMATION

Total Net Assets	€13.21m
NAV per Share (Class USD)	\$146.79
NAV at Launch (1 May 2018)	\$100.00
Underlying Running Yield	6.83%
Effective Duration	3.73
Number of Positions	32

Domiciled	Ireland
Share Classes	Euro/USD
Minimum Subscription	€10,000
Sub Investment Manager	ICM Investment Management Ltd
Liquidity	Daily
Total Expense Ratio	1.42%
Investment Advisor	ICM Limited
Custodian	Northern Trust
Fund Administrator	Northern Trust
Investment Management Company	Merrion Capital Investment Funds PLC

### PERFORMANCE

#### GROWTH OF US\$10,000 SINCE INCEPTION

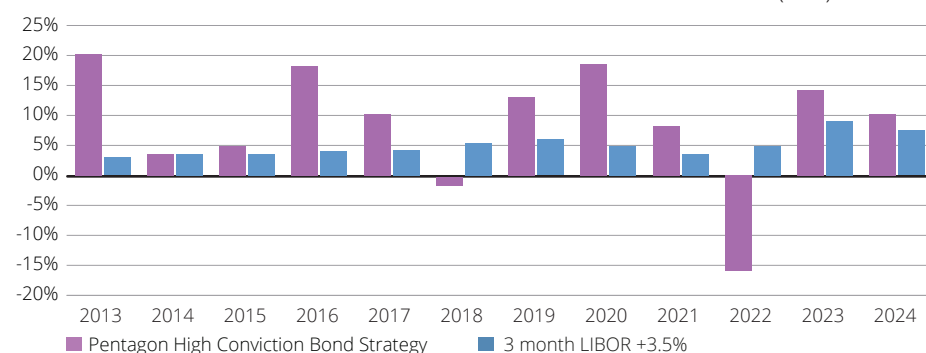


#### STRATEGY PERFORMANCE (USD)

	1 month	3 month	1-year	3-years	5-years	Annualised Return since Inception
Absolute Return	2.0%	4.1%	15.9%	0.7%	6.8%	8.41%
	YTD*	2023	2022	2021	2020	2019
Absolute Return	10.3%	14.2%	-16.0%	8.2%	18.6%	13.1%

\* Calendar year to date

#### PENTAGON HIGH CONVICTION BOND STRATEGY – ANNUAL PERFORMANCE (USD)



### FUND DETAILS

#### SHARE CLASSES & MONTH-END NAV

Share Class	ISIN	Bloomberg	Month End NAV
Share Class A (EUR)	IE00BF1F4X98	BBG00KG5NFM3	€129.68
Share Class B (USD)	IE00BF1F4Y06	BBG00KG5NFS7	\$146.79
Share Class E (GBP)	IE00BHR48L00	BBG00NDP1YN8	£99.65
Share Class G (USD)	IE000HLGDJJ3	BBG0141HCP84	\$110.50
Share Class P (USD)	IE000P52VV31	BBG015HY7961	\$103.20

#### TEAM

• Gavin Blessing, Portfolio Manager • Conor Spencer, Portfolio Manager

The value of investments and the income therefrom may fall or rise. Past performance is not indicative of future performance. For the full Performance disclosure statement, please see the final page of this document.

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## FUND LETTER OCTOBER 2024

In October, the Pentagon High Conviction Bond Fund (the "Fund") increased by 2.0%, versus negative 0.8% for the Bloomberg Global High Yield Index. The Bloomberg Global High Yield Index is a multi-currency flagship measure of the global high-yield debt market. The index represents the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices.

Year-to-date, the Fund has returned 10.3%, compared to 8.9% for the Bloomberg Global High Yield Index.

Since its inception, the Fund has returned over 158.3% in total, or 8.4% annually, which is way in excess of the 64.3% return of the Bloomberg Global High Yield Index.

According to Morningstar, the Pentagon High Conviction Bond Fund is five-star rated and in the top percentile of Global High-Yield Bond Funds out of 732 funds over the past five years.

### Fund Positioning

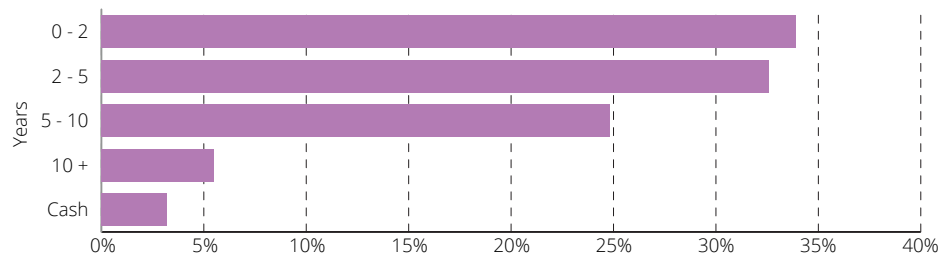
Relatively speaking, October was an outstanding month for the Fund, outperforming the index by almost 3.0%. Technology converts were a huge part of that outperformance, and we took the opportunity to bank profits on these positions and reduce convert exposure.

The Fund rotated profits from technology converts into AT1 capital, which we increased to 23.0% during the month. We outlined our thesis for AT1 capital last month.

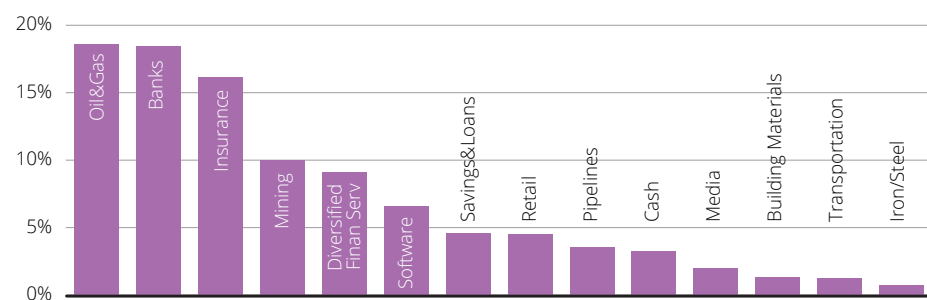
Duration and credit spread duration remain at c. 3.7, slightly longer than the benchmark.

As always, the Fund continues investing where we see the most significant return while minimising the risk of medium-term capital impairment.

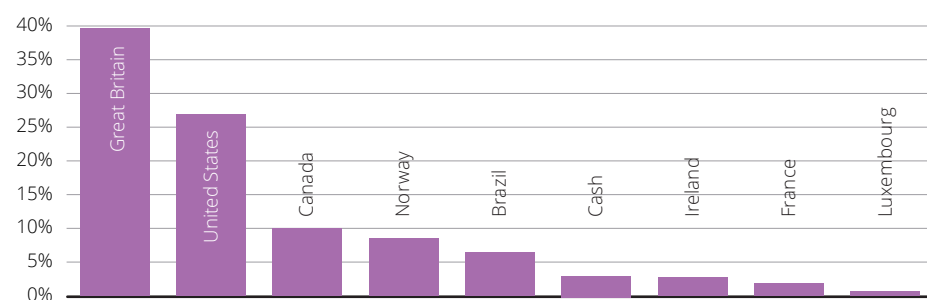
### DURATION SPLIT OF INVESTMENTS



### INDUSTRY GROUP SPLIT OF INVESTMENTS



### GEOGRAPHICAL SPLIT OF INVESTMENTS



**WARNING: Past performance is not a reliable guide to future performance. The value of your investment may go down as well as up. If you invest in this fund you may lose some or all the money you invest. This fund may be affected by changes in currency exchange rates.**

### Important Notes

The information in this factsheet should not be considered an offer, or solicitation, to deal in the Pentagon High Conviction Bond Fund (the "Fund"). The information is provided on a general basis for information purposes only, and is not to be relied on as investment, legal, tax or other advice as it does not take into account the investment objectives, financial situation or particular needs of any specific investor. Investments in the Fund are subject to investment risks, including the possible loss of the principal amount invested. The value of investments and the income therefrom may fall or rise. Past performance is not indicative of future performance. Investors should read the prospectus and the supplement or seek relevant professional advice, before making any investment decision. The information presented has been obtained from sources believed to be reliable but no representation or warranty is given or may be implied that they are accurate or complete. The Investment Manager reserves the right to make any amendments to the information at any time, without notice. Issued by ICM Investment Management Limited. Registered in England: 08421482. Authorised and regulated by the Financial Conduct Authority.

### PORTFOLIO SUMMARY

TOP TEN HOLDINGS <sup>1</sup>		% of gross assets
1	Cosan O/seas 8.25% Perp (Discrete 30 Days Notice)	5.33
2	DNO 7.875% 2026 (Sep 2024)	5.01
3	Just Group 5% Perp (Mar 31)	5.00
4	Coinbase 0.25% 2030	4.62
5	Coventry Bsoc. 8.75% Perp (2029)	4.61
6	Enquest 11.625% 2027	4.58
7	Barclays Bank Plc 9.25% Perp (Sept 2028)	4.49
8	Aris Gold 7.5% 2027	4.38
9	Aris Gold 8.0% 2029	4.21
10	L&G 5.5% 2064	4.17
<b>TOTAL</b>		<b>46.40</b>

### HIGH CONVICTION STRATEGY ANALYTICS<sup>1</sup>

Average Credit Quality	BB+
Sharpe Ratio (Risk Free Ref: US 3mth T-Bill)	0.68
Annualised Standard Deviation	10.29%
Correlation to Treasuries	-0.10
% Periods Up:	67
% Periods Down:	33

<sup>1</sup> Source: ICMIM

### PERFORMANCE DISCLOSURE STATEMENT

The Pentagon High Conviction Bond Fund was launched as a sub-fund of Merrion Capital Investment Funds Plc on 1 May 2018. The fund does not have an established track record as a UCITS before 1 May 2018. Prior to this, from 30 November 2015 to 11 April 2018 the performance relates to the Pentagon High Conviction Bond Fund, a Malta based Alternative Investment Fund. From 28 January 2013 to 30 November 2015, the performance relates to the Value Income Multi-strategy Bond Fund Limited with the status of an exempted company. All data presented in this report for periods prior to 1 May 2018 is unaudited. The full performance history for the Pentagon High Conviction Bond Fund "strategy" relates to the same pool of assets, managed by the same investment team using the same investment approach and investment focus throughout the full performance period outlined.