

Algebris Financial Income Fund (UCITS)

I EUR (Accumulating)

August 2019

Terms


Size (€):	457m
Fund Inception:	13 August 2013
Fund Domicile:	Ireland
Fund Base Currency:	EUR
Dealing Frequency:	Daily
ISIN:	IE00BCZNWT08
Management Fee:	0.9%
Incentive Fee:	0%

Fund Objective

The Algebris Financial Income Fund can invest in the capital structure of financial companies globally, in both equities and fixed income. The objective of the Fund is to maximise income and generate superior risk adjusted returns over an investment cycle by investing in high dividend yielding stocks and bonds. The Fund invests in equities and subordinated debt capital instruments of financial institutions globally, including preference shares and hybrid capital instruments (e.g. Additional Tier 1 securities), which may be rated investment grade or below investment grade.

Investment in the Fund may be suitable for investors with a medium to long term investment horizon.

Risk Profile

Lower Risk	Higher Risk					
Typically lower rewards	Typically higher rewards					
						
1	2	3	4	5	6	7

Note: The synthetic risk and reward indicator (SRRI) is based on the historical data and may not be a reliable indication for the future. It is calculated using the volatility of the Fund's weekly performance over a five-year period. A score of 5 means the Fund's historic volatility is between 10% and 15%.

Fund Information

No. of Bonds/ No. of Issuers	62/32
No. of Stocks	34
Effective Duration of Bond Allocation	5.3 yrs
Avg. Rating of Bond Allocation	BBB-
Bonds: Yield to Worst (Gross)	5.3%
Equity: Dividend Yield (Gross)	4.9%
Fund: Yield (Gross)	5.2%

Note: Fund gross yield reflects yield to worst for the bonds and dividend yield for the equities in the portfolio. The Avg. Credit Rating is calculated using an internal model and includes all rated bonds and cash.
Source: Bloomberg LP, Algebris (UK) Limited

Performance Analytics

Return Since Inception	34.3%
Annualised Return	5.1%
Annualised Volatility	10.2%
Sharpe Ratio	0.6
2018 Annual Distribution	4.1%

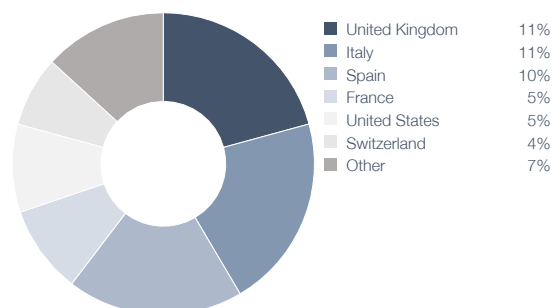
Note: Figures are based on returns for the I EUR (Accumulating) share class, net of management fees and operating expenses and excluding ADL (Anti-Dilution Levy – currently 12.5bps). The actual price at which an investor subscribes or redeems shares depends on the ADL applied on the relevant dealing day. Further information is contained in the Prospectus. Past performance is not a guarantee of future results.
Annual Distribution refers to the equivalent distributing share class (Id EUR).
Share class inception date: 9 October 2013
Source: HSBC Securities Services (Ireland) DAC, Morningstar

Performance History (Net) % - I EUR (Accumulating) 2014 - Present

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	0.45	2.86	1.28	-0.31	0.45	0.32	-0.29	1.19	-1.16	0.46	1.53	-0.69	6.20
2015	0.80	4.44	1.88	1.04	1.11	-1.92	1.52	-3.29	-4.35	3.06	1.01	-2.43	2.51
2016	-6.79	-2.84	3.04	2.99	1.90	-8.03	5.84	3.25	-1.76	4.86	1.44	3.32	6.26
2017	1.44	1.05	3.16	2.28	-0.20	1.83	2.05	-1.46	3.48	0.75	0.08	1.17	16.68
2018	4.71	-2.26	-3.08	1.57	-5.01	-1.27	4.00	-4.10	1.07	-5.41	-2.31	-6.37	-17.61
2019	6.65	3.27	-1.75	5.68	-5.15	3.94	0.46	-1.71					11.33

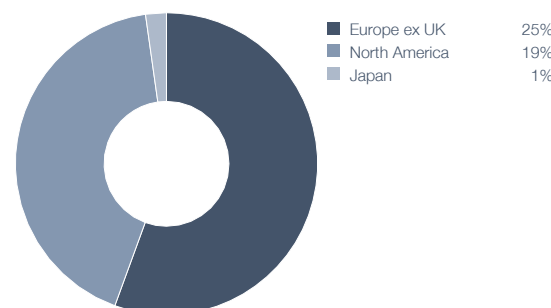
Note: Returns are net of management fees and operating expenses but exclude ADL (Anti-Dilution Levy – Currently 12.5bps). The actual price at which an investor subscribes or redeems shares depends on the ADL applied on the relevant dealing day. Further information is contained in the Prospectus. Prices are published daily on Bloomberg. Past performance is not a guarantee of future results.
Source: HSBC Securities Services (Ireland) DAC, Morningstar

Bonds - Exposure by Country



Exposure includes long bond holdings.
Source: Algebris (UK) Limited

Equities - Exposure by Region



Exposure includes long equity holdings.
Source: Algebris (UK) Limited

Top 5 Equity Holdings

Rank	Issuer name
1	Société Générale
2	BNP Paribas
3	Unicredit
4	ING
5	ABN Amro

Source: Algebris (UK) Limited

Top 5 Bond Holdings

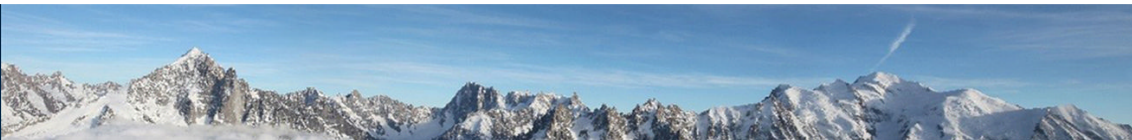
Rank	Issuer name
1	Unicredit
2	Santander
3	CaixaBank
4	Barclays
5	Intesa Sanpaolo

Source: Algebris (UK) Limited

Asset Allocation

	Allocation
Bonds	53.6%
Equity	45%
Hedges (delta)	-6.5%

Exposure calculated on a delta adjusted basis for option positions and on a full notional basis for all other instruments. Excludes bond futures used for hedging duration.
Source: Algebris (UK) Limited



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About Algebris

Algebris (UK) Limited is a global investment manager with a historical focus on the financial sector across the capital structure. Founded in 2006, Algebris has gradually expanded its expertise and entered the global credit and Italian securities space to capture a broader set of value opportunities. Most recently, Algebris on-boarded a quant team that has embraced a statistical arbitrage strategy based on mean reversion. Algebris has a team of 26 investment professionals and manages EUR 10.6bn AUM (inclusive of committed capital), split between credit and equity investments (data as of 31.08.2019).

Algebris (UK) Limited is authorised and regulated by the Financial Conduct Authority. Algebris Investments (US) Inc. is a SEC registered Investment Adviser. Algebris Investments (Asia) Pte Ltd is a Licensed Fund Management Company with the MAS. Algebris Investments K.K. is licensed by Financial Services Agency. Algebris Investments S.à r.l. is authorised and supervised by the CSSF.

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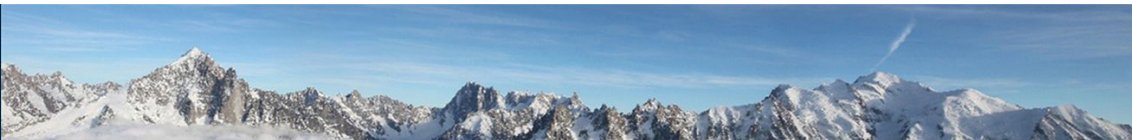
Fund Details

Share Classes			Identifiers	
Class	Currency	Minimum Initial Investment	ISIN	BBG ticker
I	EUR	€500,000	IE00BCZNWT08	AFIIEUR ID
	GBP	GBP equivalent of €500,000	IE00BCZNWW37	AFCIIGB ID
	USD	USD equivalent of €500,000	IE00BCZNWX44	AFCIIUS ID
	CHF	CHF equivalent of €500,000	IE00BCZNWV20	ALGFIIC ID
	SGD	SGD equivalent of €500,000	IE00BYYJYN11	ALGFIIS ID
	JPY	JPY equivalent of €500,000	IE00BD71WT90	ALGFIJ ID
Id	EUR	€500,000	IE00BCZNWY50	AFIIDEU ID
	GBP	GBP equivalent of €500,000	IE00BCZNX087	AFCIDGBP ID
	USD	USD equivalent of €500,000	IE00BCZQ7R24	AFCIDUS ID
	CHF	CHF equivalent of €500,000	IE00BCZNWZ67	AFCIDCH ID
	SGD	SGD equivalent of €500,000	IE00BYYJYP35	ALGFIDS ID
	JPY	JPY equivalent of €500,000	IE00BD71WV13	ALFIIDJ ID
R	EUR	€10,000	IE00BCZQ7T48	AFIREUR ID
	GBP	GBP equivalent of €10,000	IE00BCZNX194	AFCIRGB ID
	USD	USD equivalent of €10,000	IE00BCZNXN11	AFIRUSD ID
	CHF	CHF equivalent of €10,000	IE00BCZQ7S31	AFIRCHF ID
	SGD	SGD equivalent of €10,000	IE00BYYJYJ74	AFIRSGD ID
	JPY	JPY equivalent of €10,000	IE00BD71WW20	ALGFIRJ ID
Rd	EUR	€10,000	IE00BCZNX202	AFCIRDE ID
	GBP	GBP equivalent of €10,000	IE00BCZNX319	AFCIRDG ID
	USD	USD equivalent of €10,000	IE00BCZNX426	AFCRDUD ID
	CHF	CHF equivalent of €10,000	IE00BD3D0179	AFCRDCH ID
	SGD	SGD equivalent of €10,000	IE00BYYJYM04	AFIRRDS ID
	JPY	JPY equivalent of €10,000	IE00BD71WX37	ALFIRDJ ID

General Risks

- As the Fund invests in debt securities (e.g. bonds) it is subject to credit risk (the risk of a bond issuer failing to pay) and interest rate risk (the risk of changes in interest rates).
- The Fund may also invest in contingent convertible securities, which have additional risks such as the risk that following certain trigger events, including an issuer's capital ratio falling below a particular level, the bond may be converted into the issuer's equity or its principal amount may be written down, resulting in losses for the Fund.
- The Fund can invest in equities which may be affected by market risk (the risk of an investment losing its value due to changes in economic conditions).
- The Fund can invest in emerging markets. Such markets carry additional risks such as political instability, weaker auditing and financial reporting standards and less government supervision and regulation.
- The Fund's investments may be in currencies other than Euros. The impact of this is that as the value of a currency rises or falls it can have a positive or negative impact on the value of the Fund's investments.
- The Fund can invest in Financial Derivative Instruments (FDI). These instruments have additional risks such as legal risk or liquidity risk (the inability to sell the contract due to lack of buyers in the market). These risks can have adverse impacts on the overall value of the Fund.
- For a complete overview of all risks attached to this fund, refer to the section entitled "Risk Factors" in the Supplement and Algebris UCITS Funds plc Prospectus.

Note: When an investor purchases or sells shares, an additional charge called an anti-dilution levy (ADL) or dilution adjustment may be payable respectively on net subscriptions for shares and net redemptions of shares from the fund in order to cover the costs incurred by the fund in buying or selling investments. The level of the ADL can vary over time and can reach up to 0.75%. Further information on the ADL can be found in the Supplement and Algebris UCITS Funds plc Prospectus.



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Important Information

This document has been prepared and is provided by Algebris (UK) Limited who is the Investment Manager to the Algebris Financial Income Fund. Algebris (UK) Limited is authorised and regulated by the Financial Conduct Authority.

The fund administrator is HSBC Securities Services (Ireland) DAC and the fund depositary is HSBC Institutional Trust Services (Ireland) DAC.

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All figures, unless stated otherwise, are as at the last business day of the relevant month showing above. Some of the figures shown in the tables are estimates, provided by Algebris (UK) Limited. Past performance is not a guarantee of future results. Investment losses may occur from time to time and investors could lose some or all of their investment.

The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming shares. Past performance may not be reliable guide to future performance.

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For investors in Switzerland: The State of the origin of the Fund is Ireland. In Switzerland, the Representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the Paying agent is Vontobel Ltd, Gotthardstrasse 43, 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.

For investors in Italy: the State of the origin of the Fund is Ireland. The updated prospectus, KIID, the articles of association as well as the semi-annual and annual reports and the list of distributors may be obtained free of charge at the distributors and through the website www.algebris.com. Any requests for additional information should be sent to the distributors. **Past performance are shown gross of tax charges and may not be reliable guide to future performance.** Please take care to read the latest annual report in order to obtain more detailed information about the investment policy effectively pursued. **Before investing, please read the prospectus and KIID carefully.** The prospectus and KIID, both in Italian language, have been published with Consob.

For investors in Spain: Algebris Financial Income Fund (UCITS) is a sub-fund of Algebris UCITS Funds Plc. The registration number for Algebris UCITS Funds Plc with the CNMV is 1538, obtained on 16th of December 2016. The Fund Documents are available in the premises of each of the Spanish distributors of the Fund, a list of which is available at the CNMV website (www.cnmv.es).

For investors in France: The local representative and transfer agent appointed for Algebris UCITS Funds plc is Société Générale Securities Services, which has its registered office on 29, boulevard Haussmann – 75009 Paris and can be contacted on +33 142 148 939. A copy of the fund's prospectus, supplement and Key Investor Information Document can be obtained free of charge from the local representative.

Glossary

Annualised volatility: The Annualised volatility measures the extent to which returns vary up and down over a given period. The measure is expressed as an annualised value.

Sharpe ratio: The Sharpe ratio measures the performance of an investment adjusting for the amount of risk taken (compared to a risk-free investment). The higher the Sharpe ratio the better the returns compared to the risk taken.

Effective Duration: Duration is the price sensitivity (expressed in years) of a fixed income security to a change in interest rates. Effective duration is a duration calculation for bonds that have embedded options. A higher (effective) duration indicates a higher price sensitivity.

Yield to worst: The yield to worst (YTW) is the lowest potential yield that can be received on a bond which can be redeemed by the issuer on a call date which is earlier than the final maturity date. The reported yield is gross of fees and expenses.

For further information please contact your financial intermediary.

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