

## FUND FACTS

**NAV (\$m)**  
506.6

**Inception Date**  
March 21, 2014

**Domiciled**  
Ireland, QIF Fund

**Dealing Frequency**  
Monthly

**Currency Tranches**  
USD, EUR, AUD, GBP,  
CHF, SEK, JPY, SGD, CAD,  
NOK, DKK (accumulating  
and distributing)

**Distribution Frequency**  
Quarterly

**Base Currency**  
USD

**Target Return**  
3-month LIBOR + 250 basis  
points over a full market  
cycle

## PORTFOLIO MANAGERS

**Kathleen Kraez**  
27 years of experience

## AUGUST 2020 / FACTSHEET

### OBJECTIVE

The Barings Investment Grade CLO Debt Fund ("The Fund") seeks to provide access to attractive credit spreads and considerable protection from credit losses by investing primarily in senior CLO tranches carefully selected by Baring's highly experienced structured credit team.

### STRATEGY

The Fund opportunistically invests in U.S. and European CLO tranches with original ratings between AAA to BBB, using a fundamental credit process with experienced underwriting CLO managers, structures, and collateral portfolios. The Fund seeks to capture relative value opportunities between the primary and secondary market within the CLO capital structure.

### MARKET OPPORTUNITY

- CLOs continue to be attractive in our view as their spreads remain wide to alternative asset classes.
- CLOs can capture attractive risk-adjusted credit spreads in floating rate investments providing a natural hedge against rising interest rates

FUND PERFORMANCE (%) <sup>1</sup>	Barings IG CLO Debt Fund (Gross of Fees)	Barings IG CLO Debt Fund (Net of Fees)
August 2020	1.47	1.44
3 Months	3.14	3.06
Year to Date	0.64	0.44
1 Year	2.60	2.31
3 Years	3.32	3.02
5 Years	3.60	3.27
Since Inception	3.33	3.00

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.** An investment entails a risk of loss. Performance reflects the deduction of fees and expenses based upon the lowest fee share class available within the periods provided. Please note that this does not reflect what a new investor will experience, as their returns will be reduced by the deduction of such fees and expenses of the applicable share class. Returns for periods greater than one year are annualized.

1. Fund inception date: March 21, 2014. Note: The Fund return is calculated using accounting book of record (ABOR)

## MANAGEMENT FEE SCHEDULE

	Commitment	Management Fee (p.a.)
Share Tranche A	≥\$100M	0.21%
Share Tranche B	\$50 – 100M	0.23%
Share Tranche C	\$10 - 50M	0.25%
Share Tranche D	\$1 - 10M	0.30%

Annual Expenses capped at 15 bps per annum. Please refer to Prospectus for more information.

## STRUCTURED CREDIT PLATFORM<sup>1</sup>

Barings manages \$327+ billion of fixed income, real estate, and alternative assets globally

Market leading franchise across the U.S. and European high yield and structured credit markets by consistently applying a bottom-up fundamental approach to each investment opportunity

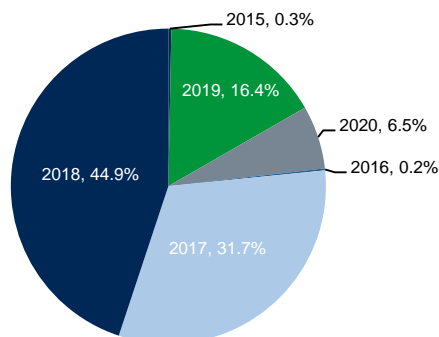
Barings Structured Credit Team manages \$18.1 billion in cash flow CLOs across structured vehicles, separate accounts and commingled funds

11 investment professionals focusing on manager competence and experience, underlying portfolio credit quality, and structure

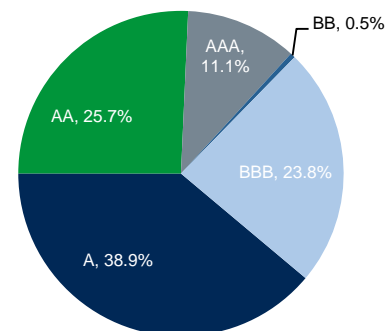
- 5 portfolio managers
- 5 dedicated fundamental analysts
- 1 dedicated CLO trader

CHARACTERISTICS	TO WORST	TO MATURITY
Yield (%)	2.87	2.93
DM (bps)	269	272
WAL	5.13	5.85
Coupon	2.42	N/A
Average Price (\$)	97.88	N/A
Number of Investments	144	N/A

### PORTFOLIO BY VINTAGE



### PORTFOLIO BY CURRENT RATING<sup>2</sup>



### TOP 10 MANAGERS (%)

Top 10 CLO Managers	(% OF MV)
Apollo Management, L.P.	7.95
Bain Capital Credit	5.87
CSFB Alternative Capital	4.87
KKR Credit Advisors	4.66
CIFC Asset Management	4.60
PGIM	4.39
Cairn Capital Limited	4.31
First Eagle Investment Management (fka: THL Credit)	3.78
Oak Hill Advisors	3.66
Crestline Denali Capital, L.P.	3.26

### TOP 10 INDUSTRIES<sup>3</sup> (%)

Top 10 Underlying Industries <sup>1</sup>	(% OF MV)
Computer-Systems/Services	8.89
Professional Services	6.68
Chemicals	6.39
Telecom Services	5.18
Healthcare Providers/Labs	4.97
Cable/Broadcasting	4.11
Leisure/Entertainment	3.80
Insurance Companies	2.86
HEALTHCARE SOFTWARE/SERVICES	2.60
BUILDING MATERIALS	2.40

### TOP 10 CLO INVESTMENTS (%)

Top 10 CLO Investments	Tranche Description	Original Rating	(% OF MV)
CIFC Funding 2014-V - Reset	2014-5A Class A1R2	AAA	2.56
RR 5 Ltd.	2018-5A Class B	A	1.56
Crestline Denali CLO XIV - Reset	2016-1 Class BR	AA	1.48
Rockford Tower	2017-3A Class A	AAA	1.37
HPS Loan Management 14-2019, Ltd.	14A 19 Class B	AA	1.37
BlueMountain CLO XXIII Ltd.	2018-23A Class C	A	1.35
Cairn CLO X B.V.	2018-10A Class C1	A	1.32
Dryden 56 Euro CLO 2017 B.V.	2017-56X Class C	A	1.24
Regatta VIII Funding	2017-1A Class B	AA	1.21
Oaktree CLO 2018-1, LTD.	2018-1A Class A2	AA	1.17

### TOP 10 ISSUERS<sup>3</sup> (%)

Top 10 Underlying Issuers <sup>1</sup>	(% OF MV)
Altice Europe N.V.	0.98
Asurion LLC	0.57
Transdigm Inc.	0.54
EG Group Limited	0.53
CSC HOLDINGS, LLC	0.50
PANTHER BF AGGREGATOR 2 LP	0.48
Starfruit Finco B.V.	0.47
ION Trading Technologies Limited	0.38
ZAYO GROUP HOLDINGS, INC.	0.38
BERRY PLASTICS CORPORATION	0.38

1. Barings, as of August 31, 2020 .

2. Current rating is based on the lowest rating, or in the case of three available ratings, an average.

3. Underlying refers to a portfolio look-through to the underlying collateral.

**TO LEARN MORE PLEASE CONTACT YOUR LOCAL BARINGS TEAM**

**General enquiries:**  
info@barings.com

**EMEA based enquiries:**  
emea.info@barings.com

**North American based enquiries:**  
north.american.info@barings.com

**Asia-Pacific based enquiries:**  
apac.info@barings.com

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