

- Key resources:**
- [Fund factsheets and literature](#)
 - [Fund landing page](#)

Focus Product: Muzinich Enhancedyield Short-Term Fund

Seeks to protect capital and generate attractive returns which exceed those available from similar duration benchmark government bonds

Description	Crossover strategy combining investment grade and high yield corporate bonds that seeks to enhance yield while containing volatility, with an average duration-to-worst of less than two years.	YTW (USD) /DTW 4.87%/1.9yrs
Team	Tatjana Greil-Castro, Ian Horn, Joseph Galzerano, Richard Smith, Eric Schure, Corentin Tarlier, and Mel Siew	
Differentiators	The ability to provide an elevated level of yield with limited level of risk results in a steady return profile since inception over 22 years ago.	

WHAT IS THE FUND?

- Diversified, actively managed, short duration, global 'crossover' corporate bond fund.

WHY THE FUND?

1. Offers the potential for higher returns than those available in similar duration government bonds.
2. Incorporating high yield into an investment grade portfolio may enhance returns. History shows a combination of BBB companies (investment grade) and BB-rated companies (high yield) may offer superior risk-adjusted returns.
3. Our analytical approach and experienced analyst team allow us to identify value across the credit spectrum with a focus on the large BBB-rated universe.

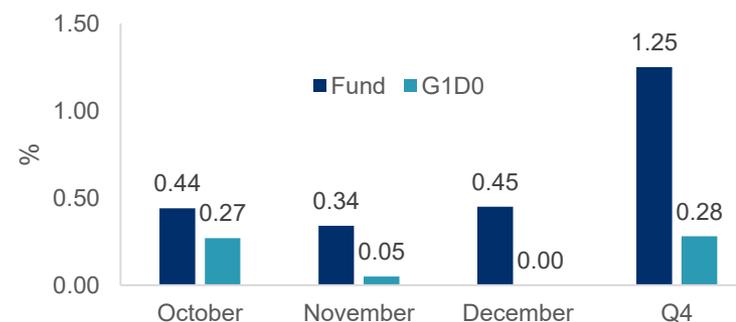
WHY NOW?

- The short-duration profile means limited exposure to changes in interest rates while offering the ability to provide a predictable return profile.
- Short-to-intermediate yields remain attractive, while yield curves have steepened, improving the 'roll down' terms and contributing to better total return potential. Further expected cuts to USD short rates should further steepen the curve and result in increased demand for short-dated US credit, as investor take advantage of the relatively higher yields and roll down, without having to endure full market volatility as seen in Europe earlier in 2025.

PERFORMANCE & DRIVERS: Q4 2025

- The Fund's small GBP allocation produced the strongest performance due to the Gilts rally, followed by the USD allocation which was helped by lower short-term US rates.
- Sector contributions came from two of the Fund's largest: autos and diversified financials, while the small allocation to chemicals detracted.
- While performance would have been further enhanced by a larger high yield allocation, we continue to prefer BBB rated risk given the spread environment and persistent macro uncertainty.

CLASS A1 IN USD (NET)



Did you know? The Fund can allocate up to 40% in high yield bonds with the aim of enhancing carry, while keeping a strong focus on risk mitigation via its investment grade allocation

*USD Hedged. Ref Index - ICE BofA German Federal Govt (1-3 Yr) Index (G1D0). YTW – Yield-to-Worst. DTW – Duration-to-Worst.