BlueBay Total Return Diversified Credit Fund
March 2021

FUND PERFORMANCE (%) GROSS OF FEES (USD)[1]

For Professional Investors Only

	1M	3M	YTD	1YR	3YR[2]	5YR[2]	10YR[2]	SI[2,3]
BlueBay Total Return Diversified Credit Fund	-0.68	-0.25	-0.25	24.66	5.62	7.35	-	5.20

REVIEW & OUTLOOK

Performance

- As we close out the first quarter of 2021, the same dominating themes remain: rising US Treasury yields and expectations for higher future growth and inflation. Risk assets were mixed through March as investors attempted to balance two sides of the market dichotomy. Firstly, on the positive side, economic data continued to point to a solid bounce in output and the vaccination programme continued to gather pace. That said, on the other side, another uptick in the number of Covid cases globally, increased lockdown restrictions and several idiosyncratic developments across emerging markets (EM) drove dispersion across sub-asset classes.
- Over the month, the fund's return was negative. The largest positive contribution came from the allocation to financial capital bonds (Cocos), which we feel continue to be well positioned to perform this year on the back of robust fundamentals. With US core yields continuing their march higher, EM assets again struggled, with the hard-currency and local-currency allocations both detracting from overall performance. Macro hedging again was a key source of returns, as we tactically managed the fund's interest-rate duration in the face of rising rate volatility.

Outlook

- We believe our core investment thesis – that the 'global reopening trade' will be the dominant theme this year – remains intact, despite higher levels of rates volatility over the past month. We expect volatility to remain elevated across risk assets in the near term, with vaccine deployment facing hurdles in areas of Europe and some countries entering circuit-breaker lockdowns.
- We feel there is a solid case to be made for the return of US exceptionalism, as President Joe Biden pushes forward with unprecedented levels of fiscal stimulus and as the Federal Reserve continues to be fully committed to achieving its goal of full employment. In our opinion, the prospect of impressive US GDP growth and employment gains should be supportive for risk assets, suppress default risk and buoy market confidence. However, for conviction and positioning to align, there needs to be some sustained stabilisation in US interest rates. As such, we feel short-term flexibility remains key for the strategy, with a view to deploy tactical hedges to preserve capital where needed.

INVESTMENT OBJECTIVE

To achieve a total return from investments in higher yielding fixed income asset classes through active security selection, asset allocation and capital preservation techniques

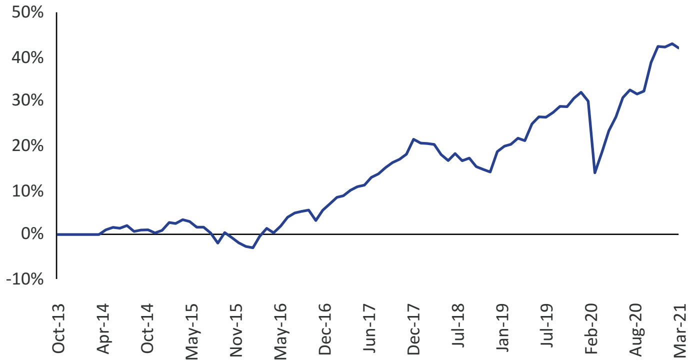
INVESTMENT STRATEGY

- The Fund invests predominately in fixed income securities from issuers globally (including Emerging Market Issuers) that are rated below investment grade
- The Fund invests in USD and non-USD denominated securities, including securities denominated in the Local Currencies of the Emerging Market Counties in which the Fund invests
- The Fund may invest up to 25% of its net assets in convertible instruments issued by domestic or international issuers, up to 50% in loans qualifying as Money Market Instruments and up to 50% in cash and cash equivalents
- The Fund meets the conditions set out in Article 6 of the Sustainable Finance Disclosure Regulation as Sustainability Risks are integrated into the investment decision making process. Full details of the Fund's ESG framework are available online www.bluebay.com/en/investment-expertise/esg/approach/

CALENDAR YEAR PERFORMANCE (%) GROSS OF FEES[1] (USD)

	2020	2019	2018	2017
Fund	8.92	14.55	-3.39	11.96

CUMULATIVE PERFORMANCE[3] GROSS OF FEES[1] (USD)



Past performance is not indicative of future results.

FUND CHARACTERISTICS

	Fund
Current yield (%)	4.30
Yield to maturity (%)	4.15
Weighted yield to worst (%)	3.71
Weighted coupon (%)	4.57
Weighted maturity (yrs)	10.71
Total no. of issuers	257
Weighted rating	BB+
Ex-post standard deviation (%)[4]	7.01

Note: Defaulted securities are excluded from Spread and Yield calculations.

AIFMD REGULATORY DISCLOSURE

AIFMD* leverage gross notional (%, NAV)[10]	190%
AIFMD* leverage commitment (%, NAV)[11]	108%
Limited liquidity (%, NAV)[12]	0.20%
Changes to max leverage	No
Changes to liquidity management	No

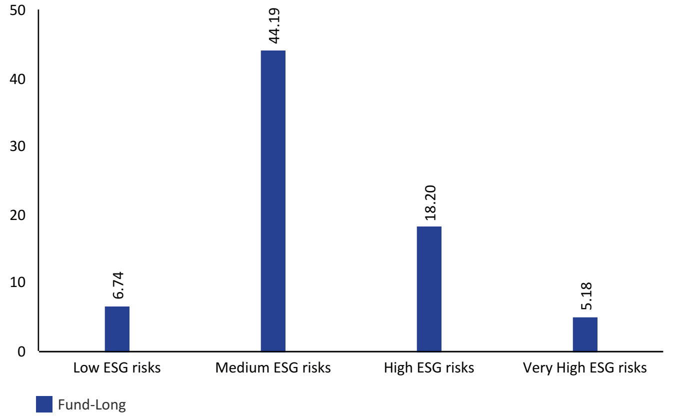
*AIFMD Leverage: The Sum of Gross Notional and Commitment leverage are methodologies required under AIFMD regulation. Specifically, the Sum of Gross Notional methodology does not allow for netting and offsetting arrangements; consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Fund.

RISK PROFILE

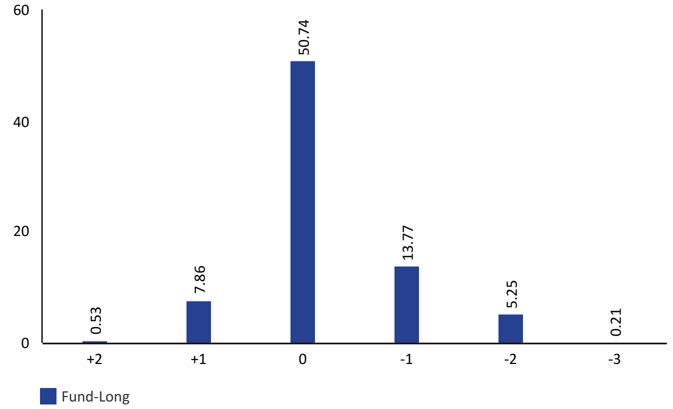
Credit spread duration (yrs)[6]	4.13
Equity sensitivity (+1%) (%, NAV)	5.92
FX exposure (%, NAV)	0.02
Interest rate duration (yrs)[5]	3.26
VAR (95%, 1day) (bps)[9]	28.93
Vega	3.08

Please refer to the notes at the end of this document for important information regarding the gross and net performance shown above.

BLUEBAY: ISSUER FUNDAMENTAL ESG (RISK) RATINGS (%, NAV)



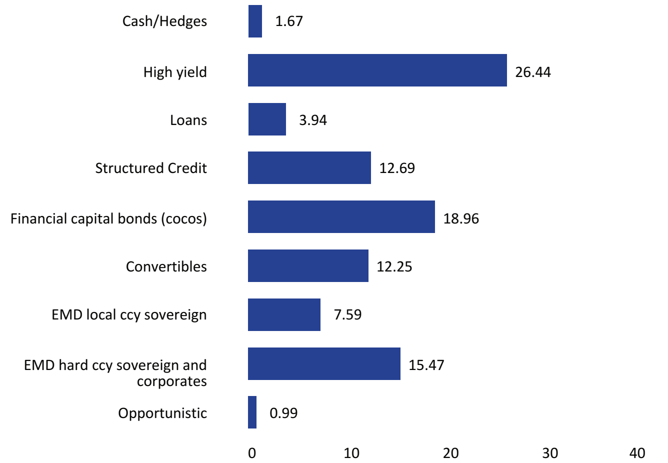
BLUEBAY: SECURITY INVESTMENT ESG SCORES (%, NAV)



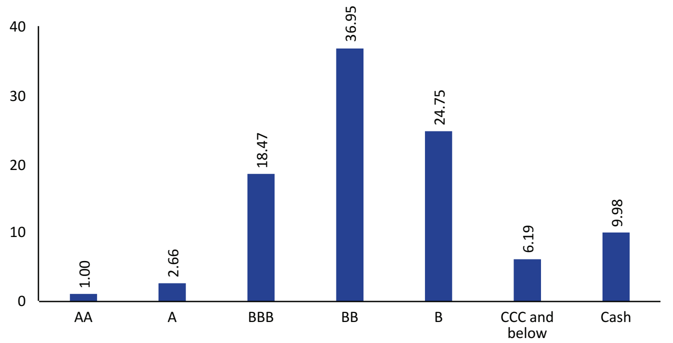
TOP 5 HOLDINGS (%, NAV)

Holding	Weight (absolute)	Weight (relative)	BlueBay ESG Fundamental (Risk) Rating[14]	BlueBay Security Investment ESG score[15]
RABOBK 6 1/2 03/70 PERP REGS	2.50	2.50	Medium	0
ISPIM 7 3/4 01/27 PERP REGS	2.12	2.12	Medium	0
NWIDE 10 1/4 06/69 PERP REGS	1.21	1.21	Low	1
CABKSM 5 7/8 10/27 PERP REGS	1.19	1.19	Medium	0
RABOBK 4 3/8 06/27 PERP REGS	1.06	1.06	Medium	0

ASSET CLASS ALLOCATION (%, NAV)



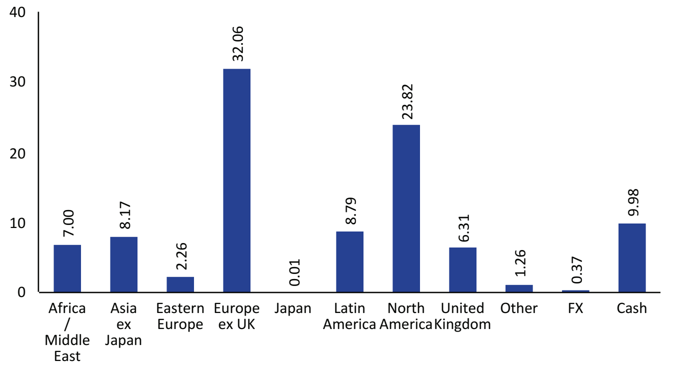
CREDIT QUALITY BREAKDOWN (%, NAV)



CONTRIBUTION SUMMARY (%)

	1M	YTD
Global High Yield Bonds	0.05	0.16
Global Loans	-0.01	0.00
Structured Credit	0.00	0.16
Financial Capital	0.23	0.33
Convertibles	-0.37	0.11
EMD Hard Currency	-0.23	-0.45
EMD Local Currency	-0.49	-0.99
Macro Hedge	0.13	0.43
Opportunistic	0.02	0.01
Cash	0.00	0.00
TOTAL	**-0.68**	**-0.25**

REGIONAL BREAKDOWN (%, NAV)



Source: All data unless otherwise specified is sourced from BlueBay Asset Management as at 31 March 2021

FUND FACTS

Total fund size[13]	USD 2,088m
Inception date	30 April 2014
Base currency	USD
Fund legal name	BlueBay Structured Funds—Total Return Diversified Credit Fund
Share classes	Information on available Share Classes and eligibility for this Fund are detailed in the BlueBay Structured Funds Prospectus and Application Form
Fund type	Specialised Investment Fund (SICAV-SIF)
Domicile	Luxembourg
Investment manager	BlueBay Asset Management LLP

TEAM

	Joined BlueBay	Investment industry experience
Mark Dowding (CIO)	August 2010	27 years
Raphael Robelin (Head of Multi Asset Credit)	August 2003	24 years
David Riley (Head of Credit Strategy)	September 2013	28 years
Jean-Philippe Blua (Head of Investment Risk)	March 2011	17 years
Blair Reid (Multi Asset Credit)	August 2013	28 years
Average investment industry experience	25 years	

CONTACT INFORMATION

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1. While gross of fee figures would reflect the reinvestment of all dividends and earnings, it would not reflect the deduction of investment management and performance fees. An investor's return will be reduced by the deduction of applicable fees which will vary with the rate of return on the strategy. For example, if there was an annualised return of 10% over a 5-year period then the compounding effect of a 0.60% management fee and a 0.20% performance fee would reduce the annualised return to 9.32% (figures used are only to demonstrate the effect of charges and are not an indicator of future performance). In addition, the typical fees and expenses charged to a strategy will offset the strategy's trading profits. A description of the specific fee structure for each BlueBay strategy is contained in the strategy's prospectus.
2. Performance shown for 1yr periods onwards are annualised figures.
3. Since Inception
4. Risk statistics are annualized and calculated using weekly data points since inception. Risk statistics will be produced once there are 3 complete months of data available; for meaningful results a minimum sample of 36 data points is recommended and where history is less than 3 years caution should be taken with the interpretation and representation of this data. Returns for periods of less than 1 year have not been annualised in accordance with current industry standard reporting practices.
5. Interest rate duration represents the exposure of the portfolio in base currency to a decrease in risk free interest rates in the relevant currency of one basis point across all maturities.
6. Credit Spread duration represents the exposure of the portfolio in base currency to a decrease in credit spreads in the relevant currency of one basis point across all maturities.
7. Equity sensitivity: Fund sensitivity to changes in the equity market as a percentage of NAV of the Fund.
8. FX exposure: Fund exposure to non base currency as a percentage of NAV of the fund.
9. VaR is calculated using Monte Carlo simulations. The reported figure is the 95% confidence loss amount at a one day horizon. VAR by currency is the contribution to the overall VAR from assets denominated in each currency. Results presented as basis points of the NAV.
10. AIFMD methodology taking the market value for cash instruments and the sum of Gross Notional for all derivatives.
11. AIFMD methodology taking the market value for cash instruments but allows for netting and offsetting arrangements for derivatives.
12. Percentage of net asset value which comprises investments with limited liquidity, as prescribed by AIFMD regulation.
13. The Fund AUM is stated on a T+1 basis and includes non-fee earning assets.
14. Fundamental ESG (Risk) Rating is assigned at an issuer level by BlueBay. Categories range from 'very high' to 'very low' ESG (Risk) Rating and is a function of the ESG risk profile of an issuer and how well it manages these risks.
15. Investment ESG Score is assigned at an issuer level by BlueBay unless otherwise stated (i.e. assigned at the security level). Scores ranges from '+3' through to'-3' and indicates the extent to which ESG is considered investment material, as well as the nature and scale of the materiality impact (i.e. positive credit impact, negative credit impact, no impact).