

## SSGA LDI Leveraged UK Inflation Rate Swap 2035 Fund

Investment Solutions Group

31 May 2023

Marketing Communication

## Fund Objective

The investment objective of the Fund is to seek to provide a floating rate return adjusted by a leveraged duration exposure to a series of fixed inflation rate swaps based on the UK Retail Price Index maturing on the Target Date of the Fund.

## Investment Policy

The Fund seeks to achieve its investment objective by entering into derivative transactions including but not limited to Inflation Swaps ("IS") and by investing in listed and unlisted transferable securities issued by issuers globally such as fixed income and money market instruments as well as collective investment schemes issued globally that qualify as UCITS or otherwise.

Benchmark<sup>^</sup>

Bloomberg SSGA LDI Leveraged UK Pure Inflation OIS Discounted Swap 2035 Fund

## Structure

QIAIF Umbrella Sub-Fund

## Domicile

Ireland

<sup>^</sup>Used as a reference point only.

## Fund Facts

Currency	GBP
Net Assets	£6.59 million
Inception	12 Dec 2016
Investment Style	LDI
Settlement Contributions	Dealing Day+3
Settlement Redemptions	Dealing Day+3
Notification Deadline	Dealing Day-1
Dealing Frequency	Weekly
Valuation Point	Market Close
Leverage	4.08
Fund Modified Duration	49.33
	(%)
Indicative Capital Call Leverage	4.80
Indicative Capital distribution Leverage	3.50

## Gross Returns

	1 Month (%)	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception (% p.a.)
Fund	0.89	1.35	4.80	22.01	6.99	2.71
Benchmark	1.01	0.83	4.74	22.04	7.68	3.15
Difference	-0.12	0.52	0.06	-0.03	-0.69	-0.44

## Net Returns

	1 Month (%)	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception (% p.a.)
Fund	0.89	1.34	4.75	21.95	6.94	2.66
Benchmark	1.01	0.83	4.74	22.04	7.68	3.15
Difference	-0.13	0.51	0.01	-0.09	-0.74	-0.49

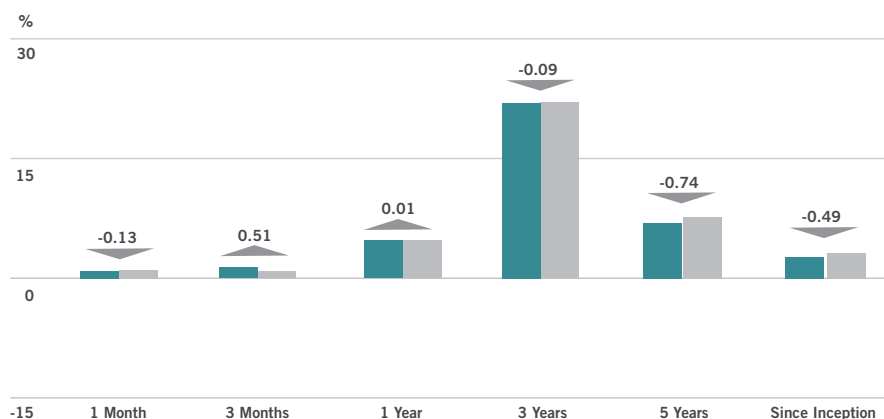
Prior to 8/24/2021, all Bloomberg fixed income indices were known as Bloomberg Barclays fixed income indices. The performance figures contained herein are provided on a gross and net of fees basis. Gross of fees do not reflect the deduction of advisory or other fees which could reduce the return. Index returns reflect capital gains and losses, income, and the reinvestment of dividends. The performance includes the reinvestment of dividends and other corporate earnings and is calculated in the currency stated in the Fund Facts.

Past performance is not a guarantee of future results.

**Please note that historical performance figures were presented on a Net of fees basis and were incorrectly labeled as Gross Returns. Performance figures on the March 2018 month end factsheets have been correctly labeled and contain performance on a net of fees basis. From April 2018 month end onwards, factsheets will include both Gross and Net Returns. For further details, please contact your SSGA Relationship Manager.**

Source: SSGA/Bloomberg, 31st May 2023.

## Annualised Net Returns



## Counterparty Risk Exposure\*

	Cumulative PV01
Counterparty 1	31,372

\*Counterparty names have been anonymised to avoid the disclosure of non-public trading data.

Collateral Exposure<sup>^^</sup>

Percentage NPV / NAV	39.80%
Percentage Collateral / NAV	-72.83%
Percentage Collateral / NPV	-183.02%

Note: A negative percentage is an indication of a net collateral position with the counterparties.

Key Rate Duration Distribution<sup>^^</sup>

Years	For 1 Fund Unit
5	0.00
10	28.71
15	20.62
20	0.00
25	0.00
30	0.00
35	0.00
40	0.00
45	0.00
50	0.00

### Certain Risk Management

Risk in the Fund's cash portfolio will be minimised through diversification, detailed credit analysis and the on-going monitoring of risks within the cash portfolio. Risk from the Fund's IRS positions will be minimised through detailed, on-going credit analysis of counterparties, in-depth analysis of transaction terms and through close attention to collateral exposures under the transactions.

### For More Information

For more information visit our website [www.ssga.com](http://www.ssga.com) or contact your representative SSGA office.

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### PLEASE NOTE THAT FULL DETAILS OF UNDERLYING FUND HOLDINGS CAN BE FOUND ON [WWW.SSGA.COM](http://WWW.SSGA.COM)

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Derivative investments may involve risks such as potential illiquidity of the markets and additional risk of loss of principal.

The use of leverage, as part of the investment process, can multiply market movements into greater changes in an investment's value, thus resulting in increased volatility of returns.

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Investing in swaps is highly risky. Swap contracts are not standardized, nor are they traded on an index. Rather, they are negotiated privately between the counterparties and are not settled by a centralized clearing-house. As such, swap contracts subject a party to significant counterparty risk. Swap positions are considered highly leveraged because the initial margins are significantly smaller than the notional value of the contracts. The smaller the value of the margin in comparison to the notional value of the swap contract, the higher the leverage. There are a number of risks associated with forward investing including but not limited to counterparty credit risk, currency risk, derivatives risk, foreign issuer exposure risk, sector concentration risk, leveraging and liquidity risks.

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