



June 2021

Mondrian Global Fixed Income Fund

(USD Unhedged)

Fund Overview

Investment Philosophy

- A value-oriented philosophy, which focuses on global fixed income markets that offer high income in real (inflation-adjusted) terms.
- Considers the relative value of country bond markets for a Eurozone based investor.

USD Fund Performance*

(as of June 30, 2021)

	Month	Quarter to Date	Year to Date	12 Months	3 Yrs (Ann)	SI (Ann)
Fund NAV Return	-1.0%	0.9%	-5.2%	N.A	N.A	-1.8%
Benchmark Return (FTSE WGBI - USD)	-1.1%	1.0%	-4.8%	N.A	N.A	-1.9%
Relative Returns	0.0%	-0.1%	-0.4%	N.A	N.A	0.2%

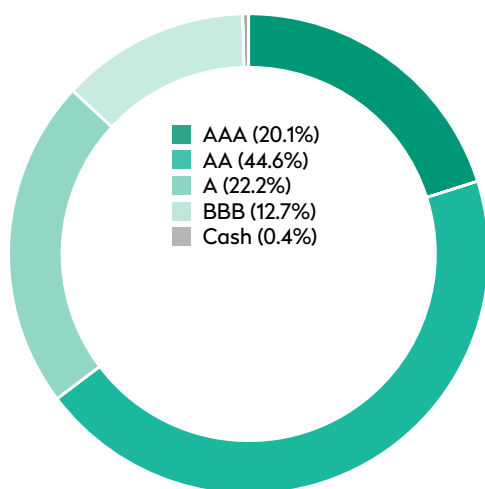
*May 31 was a UK Bank Holiday meaning the official NAV performance for the month of June is from May 28 to June 30. The official benchmark performance shown above is for the period May 31 to June 30.

Fund Characteristics

(as of June 30, 2021)

	Average Coupon	Average Maturity	Modified Duration	Number of Issues	Average Quality	Yield to Maturity
Fund	2.5%	9.5	8.0	37	AA	1.0%
Index	1.7%	9.7	8.6	1092	AA	0.6%

Credit Rating Distribution



Credit ratings used are Moody's long-term credit ratings. Where these are unavailable, S&P's credit ratings are used instead. Source: Mondrian Investment Partners Limited/FTSE WGBI.

Country Allocation

	Bond Exposure	Currency Exposure	FTSE WGBI (USD)
Asia Pacific	28.4	21.2	19.0
China	4.0	0.0	0.0
Japan	18.3	19.0	16.5
Singapore	4.0	0.0	0.4
Australia	2.2	2.2	1.7
Europe	32.1	44.0	40.4
Eurozone	26.9	31.8	33.7
Norway	3.0	3.0	0.2
Poland	0.0	2.2	0.5
United Kingdom	2.2	7.0	5.4
North America	33.8	33.8	39.6
USA	33.8	33.8	37.9
Canada	0.0	0.0	1.7
Latin America	5.3	1.1	0.6
Mexico	5.3	1.1	0.6
Middle East & Africa	0.0	0.0	0.4
Cash	0.4	0.0	0.0
Total	100.0	100.0	100.0

Mondrian Global Fixed Income Fund, Mondrian Local Currency Emerging Market Debt Fund, Mondrian Emerging Markets Equity Fund, Mondrian Global Equity Fund and Mondrian Global Green Bond Fund are sub funds of Mondrian Funds Plc; a UCITS Fund.

See important notes on page 5.

Mondrian Global Fixed Income Fund Overview

Portfolio (as of June 30, 2021)	Holdings (%) Bond Exposure	Holdings (%) Currency Exposure	FTSE WG Bond Index
Asia Pacific	28.4	21.2	19.0
China	4.0	0.0	0.0
China 2.68% 21-May-30	1.1		
China 2.85% 04-Jun-27	1.6		
China 3.27% 19-Nov-30	0.7		
China 3.81% 14-Sep-50	0.6		
Japan	18.3	19.0	16.5
Japan Govt 2yr 0.1% 01-Sep-22 (416)	1.5		
Japan Govt 10yr 0.1% 20-Jun-26 (343)	1.4		
Japan Govt 20yr 0.2% 20-Jun-36 (157)	3.0		
Japan Govt 30yr 0.3% 20-Jun-46 (051)	1.6		
Japan Govt 20yr 1.5% 20-Mar-34 (148)	2.4		
Japan Govt 30yr 1.7% 20-Mar-44 (042)	2.7		
Japan Govt 20yr 1.9% 20-Jun-25 (078)	2.3		
Japan Govt 20yr 2.1% 20-Dec-26 (092)	3.3		
Singapore	4.0	0.0	0.4
Singapore Govt 1.75% 01-Feb-23	1.7		
Singapore Govt 3.5% 01-Mar-27	2.3		
Australia	2.2	2.2	1.7
Australian Govt 3.25% 21-Apr-25	1.1		
Australian Govt 3.75% 21-Apr-37	1.1		
Europe	32.1	44.0	40.4
Eurozone	26.9	31.8	33.7
Bundesschatzanweisungen 0% 16-Sep-22	2.2		
Bundesobligation 0% 13-Oct-23	1.8		
Bundesrepublik 0.25% 15-Feb-29	2.8		
Bundesrepublik 0.5% 15-Aug-27	1.0		
Bundesrepublik 2.5% 04-Jul-44	3.1		
France O.A.T. 0.5% 25-May-25	1.8		
France O.A.T. 1.5% 25-May-31	4.1		
France O.A.T. 3.25% 25-May-45	2.7		
Italy BTPS 0.95% 01-Mar-23	1.1		
Italy BTPS 1.6% 01-Jun-26	3.7		
Italy BTPS 2.45% 01-Sep-33	2.6		
Other Europe	5.2	12.2	6.1
Norway	3.0	3.0	0.2
Norwegian Govt 2% 24-May-23	3.0		
Poland	0.0	2.2	0.5
United Kingdom	2.2	7.0	5.4
UK Treasury 0.875% 22-Oct-29	2.2		
North America	33.8	33.8	39.6
Canada	0.0	0.0	1.7
USA	33.8	33.8	37.9
US Treasury 0.125% 15-Aug-23	1.0		
US Treasury 1.625% 15-Feb-26	0.7		
US Treasury 2% 15-Feb-22	3.5		
US Treasury 2.25% 15-May-41	1.1		
US Treasury 2.5% 15-Aug-23	3.4		
US Treasury 2.5% 15-May-24	2.6		
US Treasury 2.5% 15-Feb-46	0.3		
US Treasury 2.75% 28-Feb-25	4.2		
US Treasury 2.75% 15-Feb-28	4.8		
US Treasury 2.75% 15-Aug-42	4.7		
US Treasury 4.5% 15-May-38	2.8		
US Treasury 5.375% 15-Feb-31	4.9		
Latin America	5.3	1.1	0.6
Mexico	5.3	1.1	0.6
Mexico Bonos 10% 05-Dec-24	0.4		
Mexico Bonos 10% 20-Nov-36	2.9		
Mexico Bonos 7.75% 23-Nov-34	2.0		
Middle East & Africa	0.0	0.0	0.4
Cash	0.4	0.0	0.0
Total	100.0	100.0	100.0

Mondrian Global Fixed Income Fund, Mondrian Local Currency Emerging Market Debt Fund, Mondrian Emerging Markets Equity Fund, Mondrian Global Equity Fund and Mondrian Global Green Bond Fund are sub funds of Mondrian Funds Plc; a UCITS Fund.

See important notes on page 5.

Monthly Commentary for June 2021

Market Background

In June, the FTSE World Government Bond Index fell 1.1% in US dollar unhedged terms. In local currency terms the index rose 0.5%, with benchmark international currencies falling 1.6% on average against the US dollar. The strongest performing markets were the US (+0.8%), Israel (+0.1%) and Malaysia (-0.2%). Currency was the main driver of outperformance in the case of all three markets. The weakest performing markets were Poland (-3.5%), Norway (-2.9%) and Sweden (-2.6%). Currency was the chief detractor in the case of all three markets.

Over the second quarter as a whole, the FTSE World Government Bond Index rose 1.0% in US dollar unhedged terms. In local currency terms the index rose 0.7%, with benchmark international currencies rising 0.3% on average against the US dollar. The strongest performing markets were Mexico (+3.5%), Poland (+2.9%) and Canada (+2.5%). Currency was the main driver of outperformance in the case of all three markets. The weakest performing markets were Norway (-0.3%), Japan (-0.1%) and the Eurozone (+0.2%). Currency was the chief detractor in the case of Norway and Japan, whereas for the Eurozone it was local bond market underperformance.

Investment Performance

The Fund outperformed the benchmark index by 0.03% in June. The overweight position to the Mexican peso and the underweight to the euro currency added to performance over the month. These positions were partially offset by the underweight positions to the US and UK markets, which detracted from performance in June.

Over the second quarter as a whole the Fund lagged the performance of the benchmark index by 0.06%, leaving the Fund up 0.92% in absolute terms. The underweight to the UK market detracted from performance over the quarter, whereas the modest overweight position to the Mexican peso added to performance over the quarter.

Investment Outlook

On global unhedged mandates, we recently took profits on the Mexican peso, which has lately been one of the best performing major currencies, moving from an overweight position to a broadly neutral one. The Mexican economy was hit hard by COVID, contracting by more than 8% last year. Vaccination rollout has been slow, constraining domestic demand, but the country is a beneficiary of its proximity to the US, which in terms of economic output has already

recovered from the pandemic. This has bolstered export demand from Mexico and the peso, the latter appreciating to levels where it is no longer particularly attractive according to our Purchasing Power Parity (PPP) valuations. At the same time as reducing exposure to the Mexican peso, we increased exposure to the Australian dollar, which has been relatively weak of late amid concerns over the spread of the more highly transmissible Delta variant of COVID resulting in renewed restrictions as the government seeks to maintain its early success in controlling the spread of the disease within the country. The increase in our exposure to the Australian dollar takes it from an underweight position on global unhedged mandates to a broadly neutral one.

In Japan, as elsewhere, inflation is likely to rise as the economy recovers, albeit it very modestly. But, unlike elsewhere, nominal yields have not picked up as much. This has meant that the Japanese bond market performed relatively well in the early part of this year when set against those markets that have seen sharp rises in nominal yields. However, it does also mean that Japanese bond valuations no longer look as appealing for global unhedged mandates. Consequently, we have pared back exposure to Japanese duration towards a more neutral stance on such strategies.

On European mandates, Norwegian bonds are relatively attractive with a nominal yield that offers better compensation against inflation than those of the Eurozone. While nominal yields have risen faster in Norway than in the Eurozone over the course of this year - with the 10-year government bond yield now around 1.4% - it is one of the few markets where our inflation forecast has fallen. Indeed, core inflation has already been declining rapidly off the highs seen last year.

Overall, among investment grade global bond markets, those with relatively attractive Prospective Real Yields (PRYs), where we are overweight, include Malaysia, Mexico and Singapore. Soon-to-be FTSE World Government Bond Index member China also looks relatively attractive in PRY terms, and we are overweight on developed market mandates that can already hold it. At the same time, we are underweight to the bond markets of the Eurozone, the UK, and broadly neutral to the bond market of Australia.

In terms of currency exposure, we remain underweight to the US dollar on global unhedged mandates, the US dollar still being overvalued according to our PPP models. We are correspondingly overweight to the best value international currencies - the Japanese yen, the Malaysian ringgit, UK sterling, the Polish zloty and Norwegian krone.

Investment Strategy

- Underweight Eurozone (exposure to France, Germany and Italy) and euro
- Underweight UK bonds, slightly overweight British pound
- Slightly overweight Norway and Norwegian krone
- Overweight Mexico, partially hedged
- Broadly neutral to Australia
- Slightly underweight Canada
- Underweight to the US
- Broadly neutral Japanese market, overweight Japanese yen
- Overweight China, fully hedged
- Overweight Singapore, fully hedged

Fund Transactions

Due to changes in Prospective Real Yields, we reduced exposure to Japan in June, using the proceeds to add to the US. We also removed exposure to the Mexican peso and increased exposure to the Australian dollar.

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Important Notes

1. Calculations for Average Coupon, Average Maturity, Modified Duration, Average Quality, and Yield to Maturity are based on generally accepted industry standards. All Fund characteristics are derived by first calculating the characteristics for each security, and then calculating the weighted-average of these values for the Fund. The details of exact calculations can be provided upon request.
2. Past performance is not indicative of future results. An investment in the Fund involves the risk of loss. The investment return and value of Shares in the Fund will fluctuate. When a redemption is made, the Shares may be worth more or less than when originally purchased.
3. There can be no assurance that the investment objectives of the Fund will be achieved.
4. The Fund is managed in accordance with the investment objective and guidelines and other terms and conditions described in the Prospectus and Fund Supplement. The Fund is not managed in accordance with the individual guidelines of any one investor.
5. The Total Assets of the Fund and the Fund Return are calculated using the official Net Asset Value data of the Fund. All other information has been calculated using Mondrian's accounting system data, which may differ from official Net Asset Value data of the Fund, for example because of timing of the accounting of Administrative Expenses and pricing for securities.
6. All performance information provided in this Fund Overview is net of Transaction Expenses, Administrative Expenses and Management Fees (each as described in the Supplement to the Prospectus).
7. The FTSE World Government Bond Index is a market weighted index of world government fixed income securities in which the total market value of the constituent countries is at least \$25 billion.
8. This Fund Overview is confidential and only for the use of participants in the Fund and their advisers. This Fund Overview may not be redistributed or reproduced, in whole or in part.
9. Views expressed were current as of the date indicated, are subject to change, and may not reflect current views. Views should not be considered a recommendation to buy, hold or sell any security and should not be relied on as research or investment advice.
10. This Fund Overview may include forward-looking statements. All statements other than statements of historical facts are forward-looking statements (including words such as "believe," "estimate," "anticipate," "may," "will," "should," "expect"). Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Various factors could cause actual results or performance to differ materially from those reflected in such forward-looking statements.

Key Investor Information Documents for qualified investors only in Switzerland.

Qualified investors can obtain the extract prospectus (edition for Switzerland), the Key Investor Information Documents, the memorandum and articles of association, the extract annual and semi-annual report, and further information free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. For the units of the Funds distributed to qualified investors in Switzerland, the place of performance is Geneva.

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