

## ABSOLUTE RETURN FUND

HAVEN COVE  
INVESTOR REPORT

Month 86 ending 31.03.25



## HISTORIC PERFORMANCE

H A V E N C O V E	YEAR*	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	ITD
	2025	+1.70%	+0.46%	-0.40%										+10.98%
	2024	+0.13%	+1.01%	+1.02%	+0.25%	+0.74%	-0.66%	+1.62%	+1.09%	+0.49%	+0.06%	+0.58%	+0.02%	+9.06%
	2023	+1.02%	+0.60%	-8.14%	+0.43%	-0.22%	-13.57%	-9.57%	+0.97%	+0.16%	-0.23%	+2.06%	+1.13%	+2.39%
	2022	-0.94%	-1.50%	+0.24%	+0.32%	+0.49%	+0.34%	+0.16%	-0.55%	+0.17%	+0.41%	+0.65%	-0.16%	+34.46%
	2021	-0.43%	+2.30%	+2.31%	+0.32%	+0.50%	+0.74%	+0.80%	+1.03%	+0.22%	+0.97%	-0.17%	+1.42%	+34.99%
	2020	+0.07%	-1.21%	-2.41%	+0.68%	+1.80%	+1.36%	+1.02%	+0.90%	-0.14%	+0.40%	+1.61%	+0.93%	+22.22%
	2019	+0.24%	+0.32%	+0.76%	+0.55%	+1.24%	+0.94%	+0.29%	-0.16%	+0.61%	-0.11%	+0.18%	+0.22%	+ 6.37%
	2018			-0.13%	+1.55%	+0.88%	+1.52%	+0.82%	+0.89%	-0.10%	+2.12%	+0.18%	+0.94%	+10.62%

\* Haven Cove Absolute Return Fund launched 1st Feb 2018, reporting official fund administrator NAVs to investors quarterly in 2018 and 2019, and moving to monthly from 2020 onwards. Monthly data for 2018 and 2019 between quarter-ends above is based on internal manager model. Performance is quoted net of all fees and fund expenses, using EUR share class 2018-2022, USD class 2023 onwards. Latest month performance is based on manager flash.

## MANAGER SUMMARY

CCY Class & ISIN	MTD	YTD	NAV/Share
USD (KYG4337S1075)	-0.40%	+1.75%	\$93.52
EUR (KYG4337S1232)	-0.44%	+1.55%	€107.21
GBP (KYG4337S1497)	-0.40%	+1.75%	£85.28

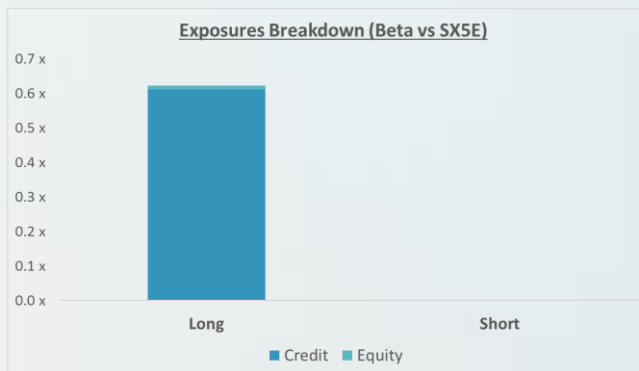
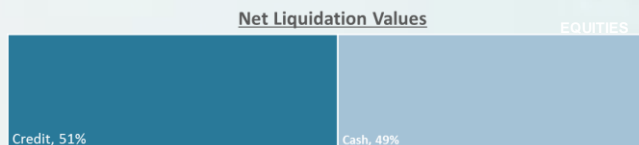
Monthly Summary:

In March, global financial markets saw sharp declines on the back of tariff volatility and heightened macroeconomic uncertainty, with US assets leading the decline against a market narrative of heightened US recessionary risks.

Fiscal announcements from Germany provided some welcome news for European IG Credit early in the month, however this was insufficient to halt weakness across CDS spreads which moved out in line with risk assets, posting the largest 1 month spread widening in over a year.

The Fund is concentrated in short duration positions (Dec-25 & Dec-26 maturities) which, in relative terms, remained resilient over the month vs other risk assets. MTM moves in these positions swamped monthly carry, moving the overall monthly return to -0.40%.

## ASSET CLASS BREAKDOWN



## KEY FACTS

Launch Date:	1 <sup>st</sup> February 2018
Fund:	Haven Cove Absolute Return Fund
Fund Manager:	Haven Cove Capital Management Limited
Liquidity	Monthly & Quarterly
Share Class CCY:	EUR/USD/GBP
AUM	USD 70m
Management Fee:	2%
Performance Fee:	20% with high watermark
Portfolio Managers:	Nick Greenwood & Ashley Hudd
Prime Brokers:	JP Morgan, BNP Paribas, Nomura
Auditor:	Deloitte
Counsel:	Schulte, Roth & Zabel / Walkers
Administrator	Waystone Administration Solutions (IE) Limited
Contact:	<a href="mailto:info@havencove.com">info@havencove.com</a>

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# ABSOLUTE RETURN FUND

## HAVEN COVE INVESTOR REPORT

Month 86 ending 31.03.25



### MONTHLY PORTFOLIO REPORT

**Credit Environment:** The strong technical position in European Investment Grade credit (i.e. cash inflows to the physical asset class) has been a key tailwind to credit spreads into 2025. Although still positive there are signs of weakness in the trend and we will monitor for any regime shift from Credit as a technical product into a fundamental product (and therefore a wider natural resting place for CDS spreads).

In CDS, the short end of the curve (where the Fund is concentrated) behaved well and hasn't yet experienced any meaningful moves (meaning MTM negative performance has been contained, although conversely opportunities to top up the book at the short end have been limited).

**Portfolio:** The portfolio remains concentrated in short duration European IG CDS (Dec 25 & Dec 26 maturities), expressed via tranche positions in both ISDA, and CLN (fully-funded) format.

**Outlook:** Although European IG CDS spreads have moved from the tights of the year (around 52bps) out into the mid 60's, they still remain below historical averages. With recent vol increasing it's unlikely spreads will settle here and our expectation is that they will take a leg wider in the short term.

The Fund's maturity profile provides some shelter against recent volatility. Any widening in spreads at the short end of the curve will be used to top up the book and aid the 2025 run-rate.

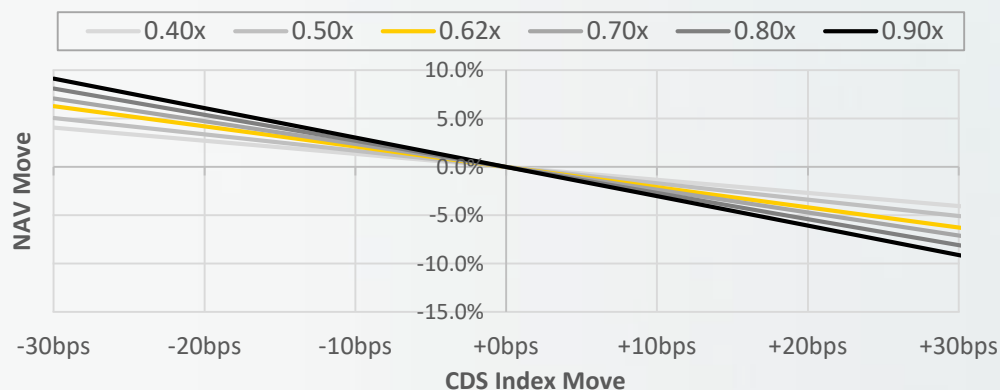
### KEY PORTFOLIO RISK DATA

	31 Mar 25	28 Feb 25	%
1. iTraxx Main 5yr On-The-Run	64	54	18.5%
2. Net CS01 beta-adjusted (at-the-money)	-0.21%	-0.19%	7.4%
3. Net CS01 beta adjusted (in-the-limit)	-0.09%	-0.08%	5.5%
4. Portfolio Leverage – Long book (vs NAV) - Equity Equivalent Measure	0.62x	0.57x	9.3%
5. Portfolio Leverage – Short book (vs NAV) - Equity Equivalent Measure	0.00x	0.00x	-
6. Modelled Spread Stress Drawdown (% NAV)	-8.8%	-7.4%	18.4%
7. Unencumbered Cash in Fund	49%	50%	-1.2%
8. Widest single credit in Long book	ELO (Auchan SA)	ELO (Auchan SA)	
9. Cash-effect JTD loss on widest single credit (% NAV)	-3.1%	-2.1%	50.9%
10. Cash-effect JTD loss – average over 10 widest single credits (% NAV)	-4.4%	-3.0%	43.7%

1. Month closing spread level of the current On-The-Run iTraxx Main.
2. Estimates the MTM P&L (as NAV %) on the portfolio given a 1bp move wider on the iTraxx Main 5yr On-The-Run. Negative CS01 = Net Long risk, & vice versa.
3. Estimates the MTM P&L (as NAV %) on the portfolio in a market-stressed scenario given a 1bp move wider on the iTraxx Main 5yr On-The-Run.
4. Converts Long book into a risk-equivalent Equity Index notional vs NAV (beta-adjusted to SX5E; NB: for iTraxx Main 5y risk-equivalent leverage adjust by 7.5x factor).
5. Converts Short book into a risk-equivalent Equity Index notional vs NAV (beta-adjusted to SX5E; NB: for iTraxx Main 5y risk-equivalent leverage adjust by 7.5x factor).
6. iTraxx Main On-The-Run spreads stress wider +50bps, other assets shift as per historical correlation, NAV effect estimated. Please enquire for further details.
7. Cash in the Fund not currently utilised for margin or investment.
8. Single credit with the widest 5yr spread in the Fund's long book portfolio.
9. Represents the realised cash loss on a default of the widest IG name in the portfolio.
10. Represents the average realised cash loss on a default amongst the 10 widest IG names in the portfolio.

### SPREAD SENSITIVITY ANALYSIS

Portfolio Leverage - Equity Equivalent Measure

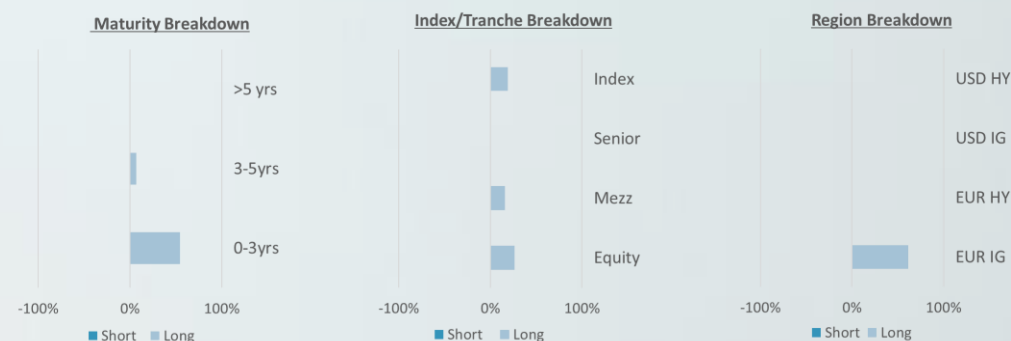


#### Notes

1. Illustrates how the NAV changes based on the MTM swings in CDS Index and portfolio leverage.
2. Yellow shaded line shows current position, portfolio leverage (Equity Equivalent measure) at 0.62x, CDS Index at c. 64bps.

### CREDIT PORTFOLIO BREAKDOWN

Exposure ("Equity Equivalent") as % NAV



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