

PKF PCC Cell 1 – 5% Bond Fact Sheet

5% Limited Recourse Bond Due 2025



Overview of PKF

PKF PCC is a wholly owned subsidiary of PKF Capital Markets (Seychelles) Limited (“PKF”), a licensed Securities Dealer (SD001) and a licensed Seychelles Fund Administrator (FA007) with the Financial Services Authority of Seychelles and a member of MERJ Securities Exchange and SECDEX Exchange.

As a diversified financial services business, PKF provides a comprehensive range of financial products and services including corporate finance, sponsor advisory, private wealth management and securities broking services to institutions and private clients.

The Issuer

PKF PCC was incorporated on 10th August 2017. The Company is an International Business Company (“IBC”) and a Protected Cell Company (“PCC”) registered in terms of the IBC Act of the Seychelles.

The nature of business and principal activities of the Company is issuing of Bonds and similar securities and investing the proceeds in a portfolio of financial instruments and structured products in accordance with its investment policy.

The Bond

The PKF PCC Cell 1 – 5% Bond is a debt instrument that offers investors a fixed return over a 5-year term.

The Bond provides fixed income by investing funds in alternative investment strategies with high barriers to entry, usually excluding them from individual investors.

The investment is diversified across fixed income Hedge Funds, secured and asset backed Private Debt, Structured Products, and Real Assets. These are split across the globe and held only in hard currency.

Key Parties

Investment Manager:	PKF Capital Markets (Seychelles) Limited
Issuer:	PKF PCC
Listing:	MERJ Exchange
Clearing and settlement:	MERJ Clear
Global Distributor:	PKF Capital Markets (Seychelles) Limited
Issuer Legal Counsel:	Chetty and Chetty Chambers

Bond Information on 31st December 2023

Bond Name:	PKF PCC Cell 1– 5% Bond
Currency:	USD\$
Market Value:	\$ 1,355,200
Face Value:	\$ 100 / Bond
Holding Company:	PKF Capital Markets (Seychelles) Limited
Term:	60 Months
Withdrawals:	90 Days Notice
Inception:	01 st July 2020
Maturity Date:	30 th June 2025
Coupon:	5% Per Annum
Coupon Payment:	Quarterly
Coupon Payment Date:	On or before the 14 th day after the quarter
Minimum Investment:	\$ 1,000
Target Raise:	\$ 200,000,000
Initial Charge:	0%
Investor Criteria:	Primary issuances exclusively for clients of PKF
Regulation and Liquidity:	Listed on MERJ Exchange
Symbol:	PKFPCC1
ISIN Number:	SC9716GJFF31
Dealing:	10am–6am
Investor Protection:	Each class of Bond is issued from a PCC cell and the Bondholders have recourse to the assets of that cell only

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Performance

Year	Q1	Q2	Q3	Q4
2020	-	-	1.26%	1.26%
2021	1.23%	1.25%	1.26%	1.26%
2022	1.23%	1.25%	1.26%	1.26%
2023	1.23%	1.25%	1.26%	1.26%

Bond Commentary on 31st December 2023

As we reflect on the conclusion of 2023, the influence of interest rates and central bank expectations persisted as key factors in shaping global markets. U.S. stocks notably returned an impressive 26.3% , outperforming Wall Street expectations, while U.S. bonds also demonstrated strength with a gain of 5.5%.

The major stock market indexes were marked by the dominance of a select few mega-cap tech companies, underscoring the ongoing significance of these industry giants in shaping market trends. Despite not experiencing a recession, global growth and inflation showed signs of cooling, with expectations of lower yields in the upcoming year.

Q4 2023 did see its fair share of turbulent price action. A 10% correction in the U.S. stock market from July to October, despite near-record corporate earnings, was followed by an impressive recovery in November. Improved inflation data for October and dovish comments from the Federal Reserve fuelled a large-scale market rally, resulting in the strongest November for the S&P 500 since 1980 and the Bloomberg Aggregate Bond Index since 1985.

December continued this positive trend, and the quarter highlighted that inflation and Fed policy remained the primary drivers of yields and asset prices. Equity markets pushed higher, with the S&P 500 gaining 11.7% in Q4, led by a substantial increase in small cap stocks.

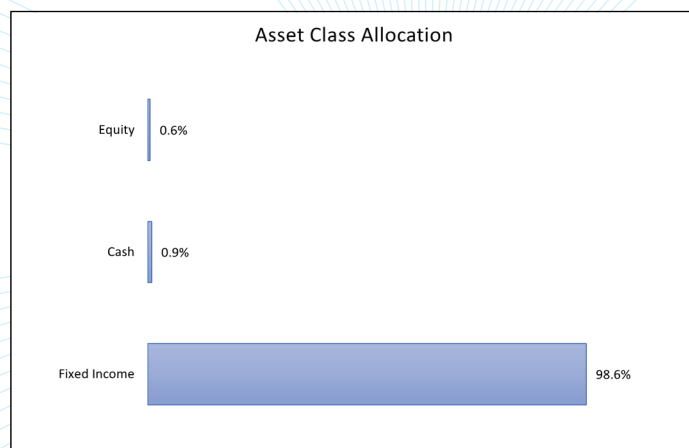
The above being said, the bond performed as expected over the quarter, given the larger allocation to fixed income and structured products. The asset allocation as such has remained mostly the same with a large exposure to lower risk asset classes that provide a positive return given the mandate of the bond.

<https://www.morningstar.com/news/marketwatch/20240105446/this-is-why-the-sp-500-can-be-expected-to-continue-to-outperform-small-cap-stocks>

<https://www.upmyinterest.com/bloomberg-us-aggregate-bonds/>

<https://www.bloomberg.com/news/articles/2023-11-30/biggest-blowout-in-bonds-since-the-1980s-sparks-everything-rally>

<https://www.investing.com/analysis/q4-kicks-off-amid-significant-risks-is-the-bull-market-already-over-200642331>



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Growth beyond boundaries