

Trade Finance – a client portfolio diversifier

NGF International

This is a marketing communication. Please refer to the information document of the AIF before making any final investment decisions. Trade finance investments are designed for professional investors pursuing a long-term investment strategy only and may be illiquid in nature.

David Newman, CIO Global High Yield & co-PM
Martin Opfermann, Lead PM

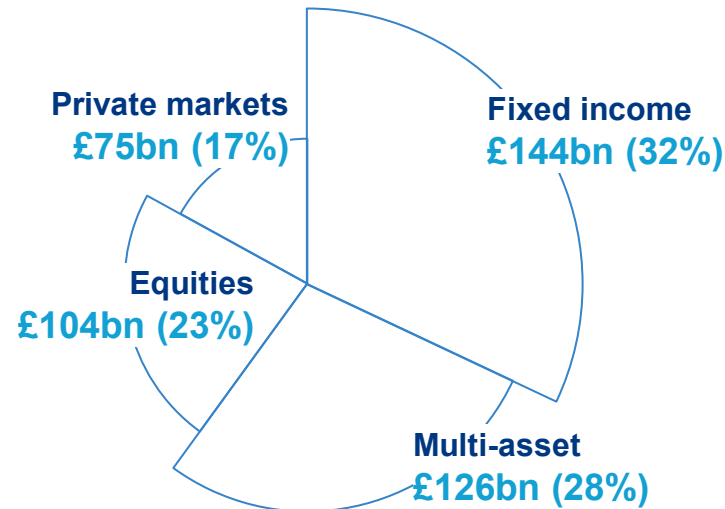
11 May 2023



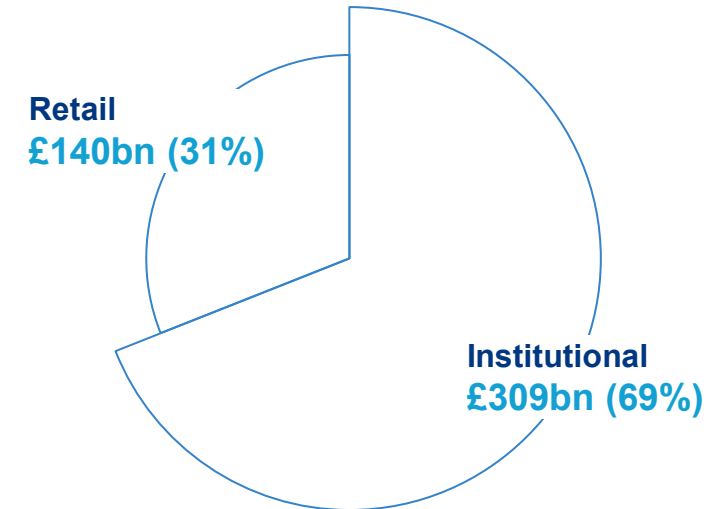
Broad and well-diversified active investment universe

Total in GBP: **£449 billion** assets under management

By asset class



By retail/institutional business



ESG factors are important investment performance drivers

How we create value for our clients

- Offering comprehensive investment expertise and insights
- Upholding a culture of risk management
- Focusing on active management

Agenda

01

People

02

Product

03

Philosophy & Process

01

People

Experienced team with trade finance and credit backgrounds

David & Martin built strategy and systems and have been co-managing the fund since inception



DAVID NEWMAN
CIO Global High Yield
34 years of investment experience

David Newman is a CIO within Allianz Global Investors' Fixed Income team. David manages traditional Global High Yield, Emerging Market Corporate and Global Multi Asset Credit portfolios and has been responsible for these strategies since inception. David co-manages our trade finance strategy and he spearheaded AllianzGI's approach to trade finance. Previously, David was Managing Director, Head of Fixed Income Credit Research and Co-Head Credit Trading at Citigroup. Prior to that, he was Head of High Yield Credit Research at UBS. David holds an MBA with Cass Business School in the UK and a BA with honours in Geography from University College London in the UK.



MARTIN OPFERMANN
Lead Portfolio Manager
20 years of investment experience

Martin heads up the Trade Finance Team and co-manages the strategy. He designed the ALWOCA fund and worked on its launch. He joined the firm in 2017 from Allianz Investment Management SE, where he was Head of Credit. Since 2009, he spearheaded Allianz's strategic shift into private markets. Prior to this, Martin worked in the Fixed Income team of Allianz Lebensversicherungs-AG. He graduated from University of Mannheim as a Diplom-Kaufmann in 2002. Martin is also a CFA charterholder.



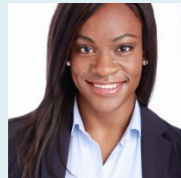
Patrick Bayliss
Portfolio Manager
32 years of trade finance experience

Patrick is a senior portfolio manager in the Trade Finance Team responsible for the transaction structuring, portfolio monitoring and asset allocation with over 32 years investment experience of which over 27 years is in trade finance. Patrick joined the firm in 2019 from Federated Investors where he was a portfolio manager specialising in trade finance strategies. Prior to this, he held portfolio management roles at GML Capital and BlueCrest Capital Management. Patrick graduated from the University of Bristol with a BSc in Economics.



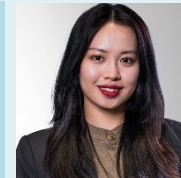
MIKE MCGILL
Portfolio Manager
14 years of trade finance banking experience

Mike joined the firm in 2020 from Standard Chartered Bank where he was a Director in their Structured Trade Finance business, responsible for the origination and structuring of working capital and trade finance solutions. Prior to this, Mike worked at Lloyds Bank and HSBC, in trade and commodity finance roles in both London and New York. Mike graduated from the Stern School of Business at NYU with a BSc in Finance, and later earned an MSc in Global Politics and International Political Economy (Distinction) from Birkbeck, University of London.



JANET TALABI
Associate Portfolio Manager
5 years of investment experience

Janet joined the firm in 2019 from Goldman Sachs where she was an analyst in Structured Credit Trading. Janet graduated from the London School of Economics with a BSc in Mathematics and Economics.



TIFFANY WANG
Portfolio Analyst
1 year of trade finance experience

Tiffany joined the firm in 2021 after she graduated from Cass Business School with a BSc in Accounting and Finance (first) and a MSc in Corporate Finance (Distinction). She recently passed the Financial Risk Manager (FRM) exam and is currently accruing one more year working experience to be FRM designated.

Portfolio management supported by dedicated resources

Trade Finance Portfolio Management	Global Credit Research				Global Sovereign Research	Alternatives		Portfolio Construction
						Legal & Compliance	Operations	
David Newman Co-Portfolio Manager 34 years	David Manoux Head of Credit Research 31 years				Ranjiv Mann Head of Global Sovereign Research & Strategy Europe 18 years	Florian Bentele Head of Alternatives Legal 20 years	Alexander Nascutzky Lead Global Alternatives Operations 11 years	Lydia Wagenmann Head of Portfolio Construction 26 years
Martin Opfermann Co-Portfolio Manager 20 years	Simon Outin Head of Financials	Yoke Sei Tan Head of Research Asia	Caroline Brugere Head of Research Europe	Kris Grimm Head of Research North America	Richard House CIO Emerging Markets 25years +5 professionals	Danielle Hunt Head of Alternatives Transaction Legal 15 years	Robby Thiele Operations Analyst 6 years	Richard Butler Portfolio Analyst 6 years
Patrick Bayliss Senior Portfolio Manager 32 years	Hadia Guergouri	Leon Chiu	Sophie Wittmann	Lori Bilker		Sebastian Schwack Senior Legal Counsel 14 years	Frank Feiten Operations Analyst	Filippo Novembri Portfolio Analyst 3 years
Mike McGill Senior Portfolio Manager 14 years	Imelda Rusli	TBA	Jean-Baptiste Teissier	Orlee Freind		Deborah Dove Senior Legal Counsel 14 years	12 dedicated Alternatives Operations professionals In hiring process	
Janet Talabi Associate PM 5 years	Julie Legrand		Alice Hallak	David Lee		Sarah O'Toole Senior Legal Counsel		
Tiffany Wang Portfolio Analyst 1 year	Laurent Niederberger		Alain Parent	Anthony Dina		Over 40 compliance professionals in Europe (non-dedicated)		
			Quentin Guimbert					
			David Strauch					
			David Carmona					
Extended AllianzGI Resources:	Independent Portfolio Risk Management Team				Fixed Income Resource 99 Fund Managers/Analysts	Global Economics & Strategy	Equity Research 80 Analysts with 2,100 stocks covered	
	Trading 56 Traders, 24 hour service							

02

Product

Why Allianz Working Capital Fund (ALWOCA) meets your investors' current needs

Why Trade Finance?

- Attractive performance versus short dated credit alternatives and money market funds
- Consistent positive returns and low volatility over the last 4 years (since inception)
- Diversification and portfolio efficiency due to low correlations

Why at this point in the credit cycle?

- Short spread duration suited for lower growth outlook
- Low reliance on capital markets due to 'self-liquidating' invoices
- Lower default rates and higher recovery rates than public credit

Why AllianzGI?

- Proven track record in Trade Finance
- Robust operating platform with multiple sourcing partners
- Broad investment universe allows active risk management and relative value

The ALWOCA Fund:

Net Target Return: Sonia + 200 bps*

Currency: GBP-hedged

Credit Quality: BB equivalent

Maturity: c. 90 days

Liquidity: Monthly with size limits**

Current GBP Gross Yield: 6.5%
(as of 31/03/2023)

* Net return after fees, expenses and hedging for A-GBP share class. This is an indication that illustrates which transactions the manager intends to select. It is not a return guarantee. Performance of the strategy is not guaranteed and losses remain possible. ** 5% of the NAV after 1 month, additional 5% after the second month and additional 12% after the third month. Simplified illustration of redemption rule. Please read prospectus for more details. Source: Allianz Global Investors, May 2023.

Low correlation to other credit asset classes and high risk-adjusted performance

Correlation	ALWOCA Simulated GBP Performance*	ICE BofA 1-3 Year BB-B US Cash Pay High Yield Index	ICE BofA 0-5 Year UK Gilts Index	ICE BofA Sterling High Yield Index	ICE BofA 1-5 Year Sterling Corporate Index	FTSE 100 Index	Performance	Annualised Return	Annualised Standard Deviation	Return per Unit of Risk
ALWOCA Simulated GBP Performance*	100%						ALWOCA Simulated GBP Performance*	2.48%	0.42%	5.90
ICE BofA 1-3 Year BB-B US Cash Pay High Yield Index	48%	100%					ICE BofA 1-3 Year BB-B US Cash Pay High Yield Index	2.70%	6.84%	0.39
ICE BofA 0-5 Year UK Gilts Index	3%	24%	100%				ICE BofA 0-5 Year UK Gilts Index	-0.77%	2.80%	-0.27
ICE BofA Sterling High Yield Index	47%	92%	34%	100%			ICE BofA Sterling High Yield Index	1.63%	9.98%	0.16
ICE BofA 1-5 Year Sterling Corporate Index	33%	73%	79%	83%	100%		ICE BofA 1-5 Year Sterling Corporate Index	-0.29%	5.07%	-0.06
FTSE 100 Index	34%	69%	15%	73%	53%	100%	FTSE 100 Index	0.71%	14.77%	0.05

Source: Allianz Global Investors, Bloomberg, 2023. The above description is for illustrative purposes only. Past performance does not predict future returns. Performance of the strategy is not guaranteed and losses remain possible. Data: April 2019 to March 2023

* Calculation methodology assumes the periods from April 2019 to September 2021 EUR return is translated into a GBP return using the spot currency and 1-month forward FX rate for each period. Please see important information regarding back-testings and hypothetical or simulated performance data on slide 30.

ALWOCA compared to short-term alternatives

Data as of 19 th April, 2023	Yield to Maturity (in EUR)	Performance last 4 weeks	Average Maturity	Spread Duration (in years)	Volatility since Inception	Potential for Systemic Risk		Risk Mitigation ⁵
						Banking Sector Exposure	Periphery Country Exposure	
ALWOCA (A-EUR share class)¹	5.10%	0.27%	~50 days	~0.2	0.20%	< 20%	Very low	Fallen Angels mature at par. Reinvestment forbidden
Money Market Funds²	3.20%	0.22%	< 180 days	~0.6	0.08%	c. 30%-50%	Spain, Italy large	Fallen Angels mature at par. Reinvestment forbidden
Floating Rate Notes³	3.43%	0.38%	< 5 years	2.2	0.69%	c.70%	Spain, Italy large	Fallen Angels fall out of benchmark. Typically triggers forced selling at a loss
Short-Dated Investment Grade Corporate Bonds⁴	4.09%	0.11%	1 to 3 years	2.2	2.32%	c. 45%	Spain, Italy large	Fallen Angels fall out of benchmark. Typically triggers forced selling at a loss

- ALWOCA benefits from **short interest rate and spread duration** compared to other short-dated investments. This typically leads to significantly less volatility from changes in interest rates or credit spreads
- ALWOCA also aims to offer an **attractive yield** which results in a **strong risk-adjusted returns** compared to other short-dated investments

Performance data as of 19th of April 2023.

¹ Yield to Maturity for ALWOCA is gross of fees.

² European Money Market Funds consists of a sample of 30 funds representing c. EUR 230bn in AuM. ICE BofA 1-3 Year Euro Corporate Index has Bloomberg ticker ER01. Yield to Maturity for MMF is estimated to average around 3-month Euribor.

³ The ICE Euro Floating Rate Securities Index has the Bloomberg ticker EMUF.

⁴ The Short-Dated Investment Grade Corporate Bonds index has the Bloomberg ticker ER01.

⁵ Risk Mitigation describes the most likely mitigation scenario only. A performance of the strategy is not guaranteed and losses remain possible. Past performance does not predict future returns.

Source: Allianz Global Investors, 2023.

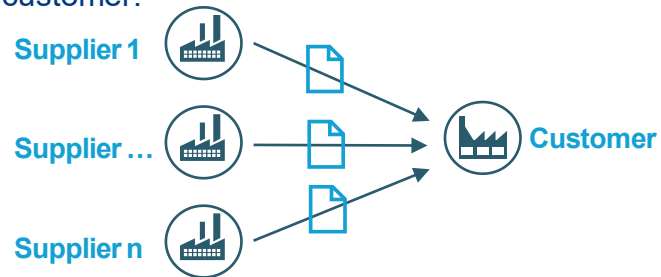
Trade Finance is short-term lending supporting commerce

Invoice Finance

Buy receivables payable in the future, at a discount today.

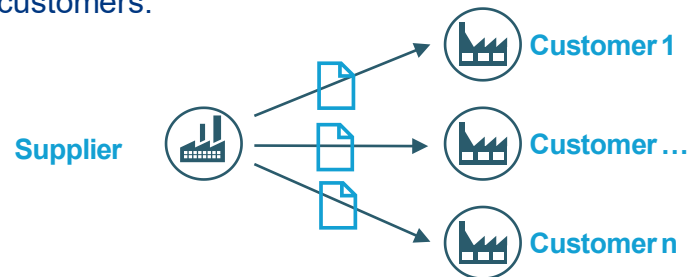
Payable Finance

Buy receivables from *multiple* suppliers to the *same* customer.



Receivable Finance

Buy receivables from *one* supplier to *several* of its customers.



Letters of Credit

Guarantee for a future payment issued by a bank of the importer in favor of the exporter.



Legend:

 Receivable

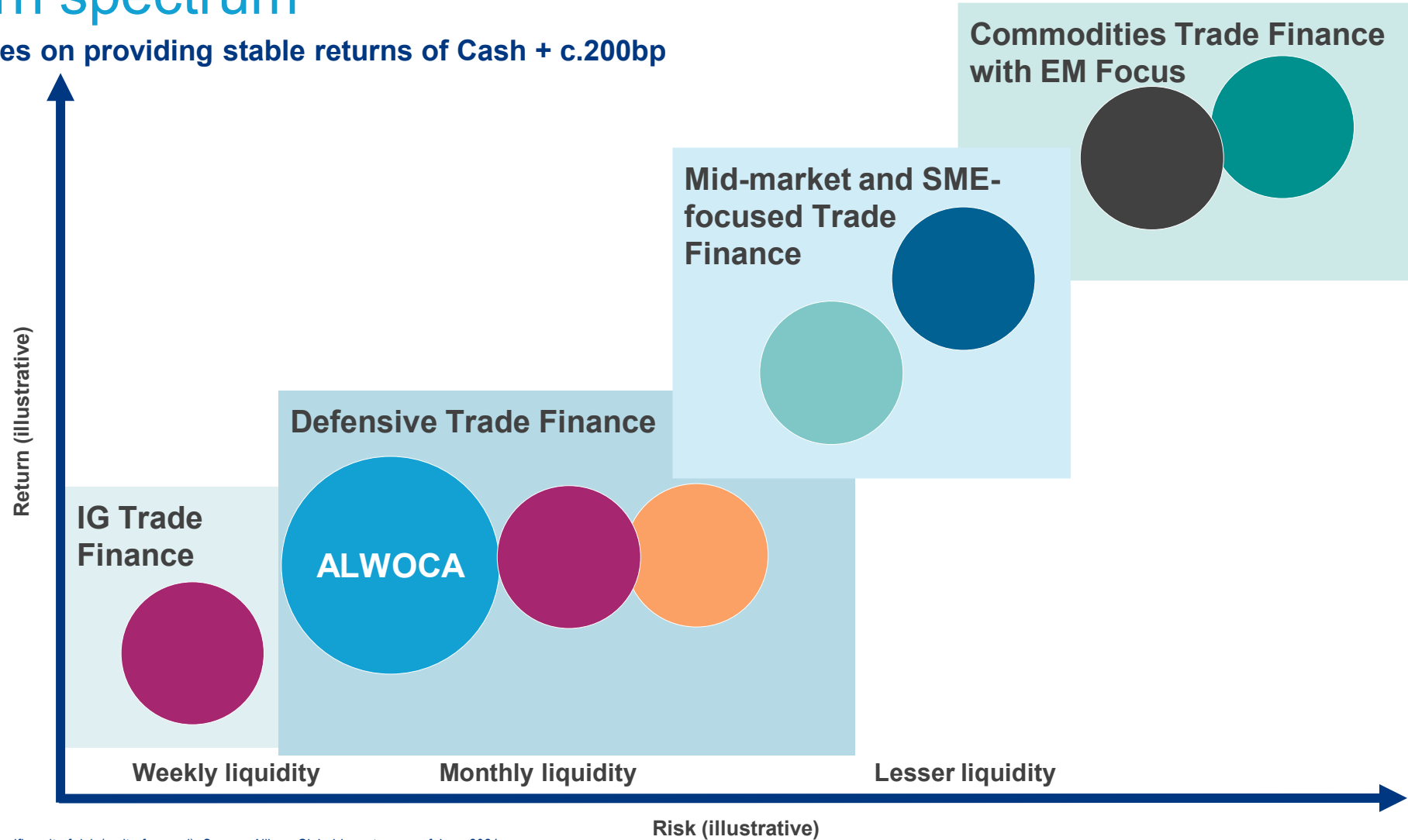
Loans

Loan to one supplier collateralised or redeemed through receivables from its customers.



Trade Finance universe offers strategies across the risk/return spectrum

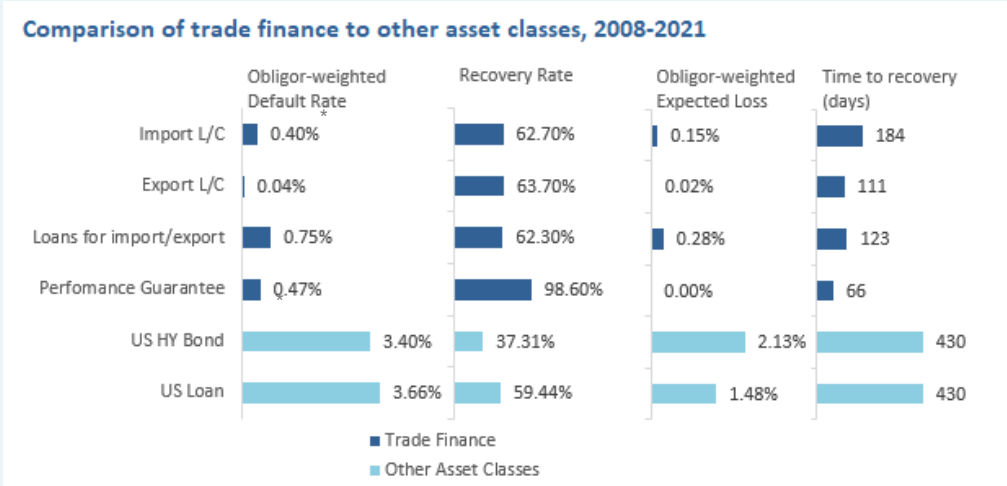
ALWOCA focuses on providing stable returns of Cash + c.200bp



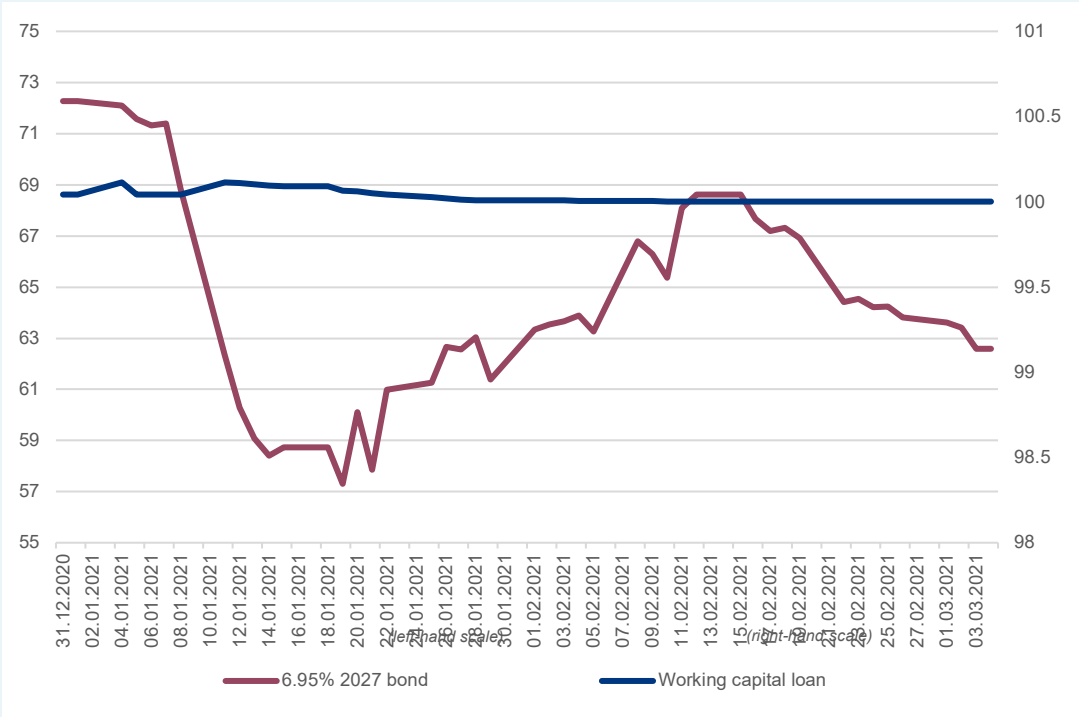
Trade Finance has lower default rates and higher recovery rates than public credit

Global Trade Finance

Study Name: Global risks in Trade Finance
Author & Year: International Chamber of Commerce, 2021
Data: 2008-2021 loss data from 25 major trade finance banks
“Trade Finance products continue to have low Expected Losses.”



Investment Example: YPF



Sources: Trade Finance data: 2021 ICC Trade Register Report Global Risks in Trade Finance, 2021; 2021 ICC Trade Register report: Global risks in trade finance (iccwbo.org); US Bond/Loan data: Moody's Investors Service; J.P. Morgan, Notes: Recovery rates are issuer-weighted and based on price 30 days after default date. 2009 Adj. recoveries are based on year-end prices.
 Historical defaults or losses are not a reliable indicator of future losses. The statements contained in the above studies may include statements or assumptions that are not directly applicable to the investment strategy.
 * L/C = letters of credit. HY = high yield.

Short-dated nature of trade finance allows reallocations without capital losses

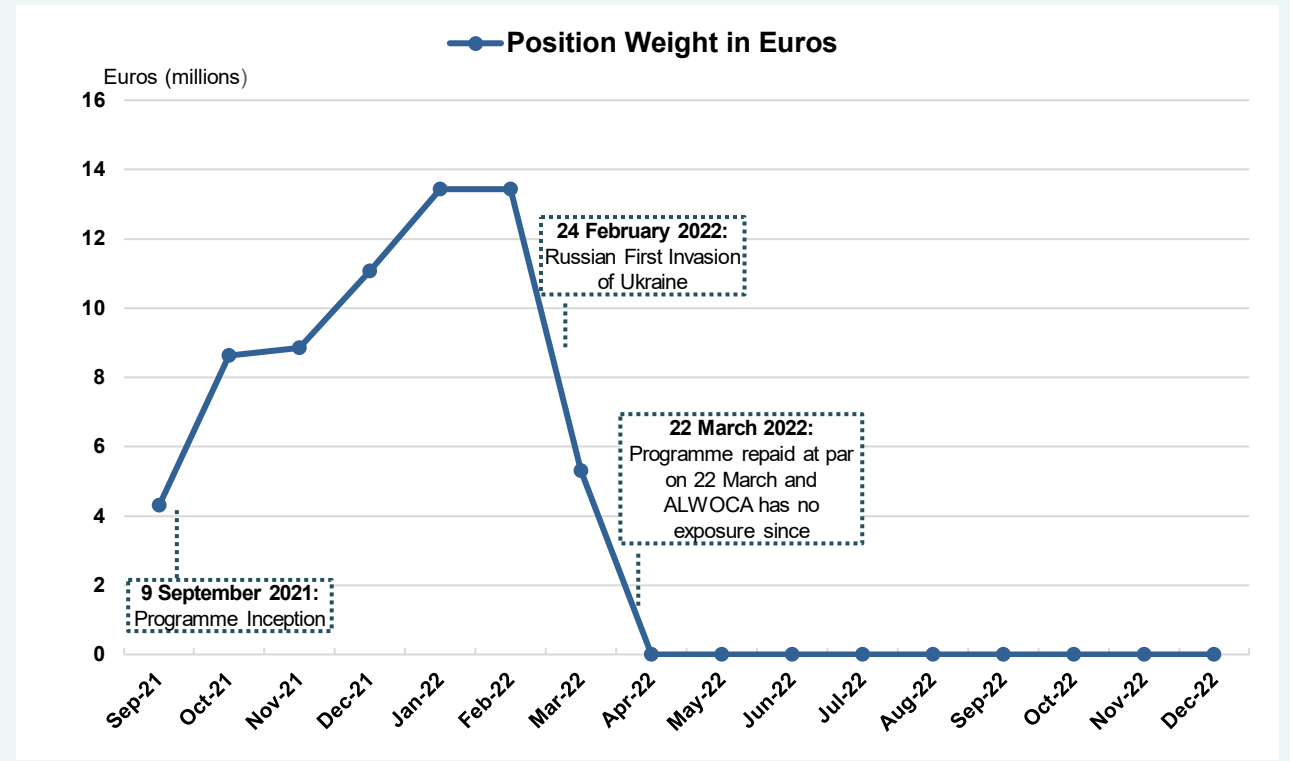
Key benefit of Trade Finance vs. Bonds/Loans

- Ultra-short maturities of trade finance allow swift risk reduction and help to prevent incurring losses on position sales
- AllianzGI prefers to err on the side of caution as risk reduction does not cause trading losses

Example Case Study

Metal processing company which acquires raw materials from suppliers, which include a Russian mining company

- Invasion causes uncertainty to company's revenue and its supply chain
- ALWOCA cut its position after the invasion has been announced
- Exposure cleared on 22 March 2022 with no loss
- In March 2022 Russian corporate bonds traded between 20 and 60c depending on sanction status



Allianz Working Capital Fund

Fund Terms

Name	Allianz Working Capital Fund (ALWOCA)
Fund AUM	c.£500m
Minimum subscription	£1m via nominee account – automated subscription (tbc)
Launch date	30 April 2019
Legal form	Luxembourg SICAV RAIF (Reserved Alternative Investment Fund)
Currencies	Foreign currency positions are fully hedged
Investment universe	Global Trade Finance and working capital related instruments. Loan and invoice format
Redemption	Monthly cut-off date; notice period of 1 month – with size limitations as detailed in prospectus
Valuation	On monthly subscription and redemption dates
Duration	c.90 days
Credit quality (target)	equivalent to a BB long term senior unsecured rating
Management fee	40 bps p.a.
Net Return (target)	SONIA + 200 bps (after costs, fees and currency hedges)

Lead Share Classes

▪ GBP hedged (A-H2 GBP)	ISIN: LU2361430742 	Inception: 30. Sep 2021	 	Net Return (target): SONIA + 200 bps
▪ EUR (A-EUR)	ISIN: LU1946739494 	Inception: 30. Apr 2019	 	Net Return (target): 3m Euribor + 200 bps

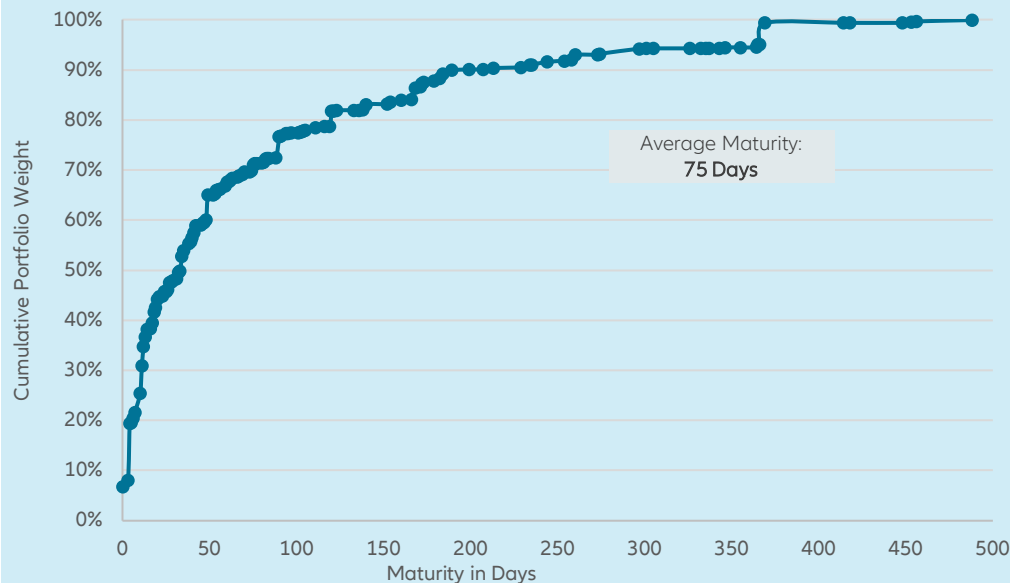
The target return is not guaranteed. Forecasts are not a reliable indicator of future results. Fund terms are a condensed summary only. Investors are advised to study fund subscription documents for full details. The administrative expenses may fluctuate with fund volume and selection sourcing partners. AllianzGI is under no obligation to update the information presented here, which is subject to change without notice. ¹ Simplified illustration of redemption rule. Please read prospectus for more details.
Source: Allianz Global Investors, 2023.

ALWOCA allows for **monthly redemptions** to reflect the underlying portfolio liquidity

Available Portfolio Liquidity

- Average maturity is typically around 2 months
- 2/3 of the portfolio typically mature over the next two months
- Re-investments can generally be stopped immediately

Portfolio Maturity Distribution*



Redemption Rules**

- ALWOCA allows for **monthly redemptions** with a **1 month notice period**
- In case of smaller redemptions (< 5% of fund volume) in the respective month, investor(s) will receive the full redemption amount
- In case of larger redemptions (i.e. sum of redemptions >5% of fund volume), we have the right to pay out only 5% of fund volume (pro-rata across investors)
- Remaining redemptions will be paid in the following months (subject to further caps rising from 5% to 20% per month).
- **We will generally strive to pay out as much as possible as the limits mentioned above are minimum liquidity commitments which we can exceed**

Philosophy & Process

How is our approach different to competitors

Potential Issues with Competitors

- Competitors may outsource the day-to-day administration of the special purpose vehicle (SPV) to their sourcing partner, thereby potentially losing operational control.
- Competitors may only have one sourcing provider and are therefore over-reliant on this sourcing partner.
- Competitors may have no “real” discretion over assets, lack of choice, and overreliance on credit insurance
- High portfolio concentration (eg: just supply chain finance), issuer over concentration due to conglomerate structure. (3 credits represented 25% of AuM).
- Amortized cost valuation at high frequency (potentially inaccurate)
- Possible Conflicts of interest due to other bank lines to same borrowers

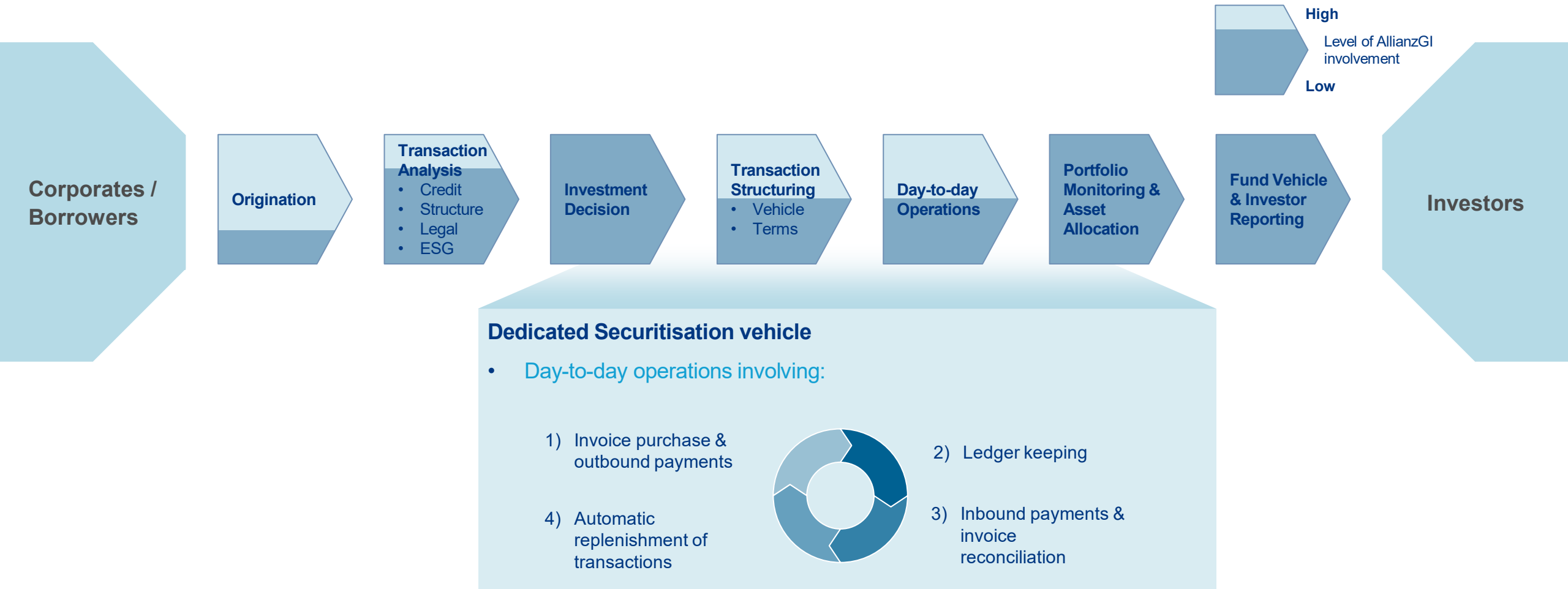
AllianzGI’s ALWOCA approach

- **Operational control:** Administration of SPV by service provider who is not involved in any sourcing. Day-to-day involvement and oversight by the PM team (incl. live viewing of all cash flows with daily reconciliation done by PM Team)
- Selective and independent **multi-sourcing approach (19+ sourcing partners)**, including major banks – no reliance on any single sourcing provider; no equity investments into sourcing partners
- Leveraging the **research capabilities of the AllianzGI Fixed Income team** as well as **Allianz Trade** (formerly Euler Hermes)
- **Full discretion over portfolio assets**; only opportunistic use of credit insurance (c. 3-5% of the portfolio)
- Mandated **diversification limits** along many dimensions, including product types, issuer, sector, and region. Maximum of 5% per issuer
- Transparency through **market-to-market valuation** performed by the independent AllianzGI Valuation Team












While competitors may suffer from poor governance and structure, ALWOCA was designed specifically to avoid concentration and sourcing issues and is subject to independent risk and valuation oversight

Source: Allianz Global Investors. * External rating if available, otherwise internal estimate. ** Term corresponds to the expected or maximum legal maturity plus any notice periods as estimated by the portfolio manager. Presentation of the portfolio based on data from front office portfolio management. The statements contained herein may reflect expectations regarding future developments and other forward-looking statements based on current estimates and assumptions of the Fund's management. There are known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those described or implied. We undertake no obligation to update forward-looking statements.

Our investment process allows us to control the value chain – we believe that this gives us a strong competitive advantage



We work with multiple sourcing partners. We add partners as we find opportunities

Banks			FinTech	Alternative Lender
HSBC # 1 trade finance bank ¹	JPM J.P.Morgan Top 3 U.S. large corporate trade finance bank ²	Bank Germany Medium-sized German lender	YouLend  Innovative UK SME financing provider	Head Gear Films  International provider of media loans
Santander  #2 Iberia large corporate trade finance bank ²	Macquarie  Global trade finance bank	Bank Germany Medium-sized German lender	US FinTech Market place for invoices	Football Finance Financier of football transfer receivables
Bank USA Top 3 U.S. large corporate trade finance bank ²	Standard Chartered  Top 5 trade finance bank ¹		ADF GSCF  Swiss FinTech (20+ years of experience)	
Deutsche Bank  Large international trade finance bank	Natixis  Large international trade finance bank		Levantor  Lender to medium and large cap borrowers	
Bank Large international trade finance bank	MUFG  Large international trade finance bank		CRX Markets  FinTech platform for mid cap/large cap borrowers	

Desired features:

- Attractive risk-return profile
- Repeat deal flow
- Alignment of interest
- AllianzGI takes independent underwriting decision

The term 'sourcing partner' or 'partner' is for illustration only and does not indicate the nature of the relationship or the existence of a legal partnership agreement. The interaction with a sourcing partner may range from an ad-hoc trading or co-investment relationship to an exclusive sourcing partnership arrangement. It may vary between sourcing partners and may also be subject to change over time. 1 EuroMoney Trade Finance Survey 2020, <https://www.euromoney.com/article/b1k7g96th7zqjw/trade-finance-survey-2020-whos-top-in-trade>. 2 Greenwich Associates European Trade Finance 2019, <https://www.greenwich.com/corporate-banking/european-trade-finance-dawn-digitization>. Source: Allianz Global Investors, 2023.

Transaction analysis based on credit research with additional trade finance nuances

Initial Due Diligence	
<ul style="list-style-type: none"> ▪ KYC** on obligors and counterpart ▪ ESG** ▪ Independent risk team oversight 	
Credit Analysis	
<ul style="list-style-type: none"> ▪ Cashflows ▪ Immediate Liquidity ▪ Industry drivers 	<ul style="list-style-type: none"> ▪ Event risk ▪ Balance sheet
Trade Finance Specific Analysis	
<ul style="list-style-type: none"> ▪ Structure ▪ Operations ▪ Agency agreements 	<ul style="list-style-type: none"> ▪ Delay and dilution risk ▪ Involved parties ▪ Default recourse

- Independent risk team
 - ESG team
-
- Fixed Income Team credit research with close to 25 investment professionals
 - Fixed Income Team Emerging Markets research with 6 investment professionals
 - Allianz Trade* credit scores
 - Sourcing partner credit scores and data
-
- Historical receivables data
 - In-house & external legal council

*Allianz Trade was previously Euler Hermes. ** KYC = know your client. ESG = Environmental, Social, and Governance.
For illustrative purposes only. Transaction analysis will vary between different types of transactions. Strategy is not guaranteed; losses remain possible.
Source: Allianz Global Investors, 2023.

Trade Finance best suited to integrated ESG risk approach



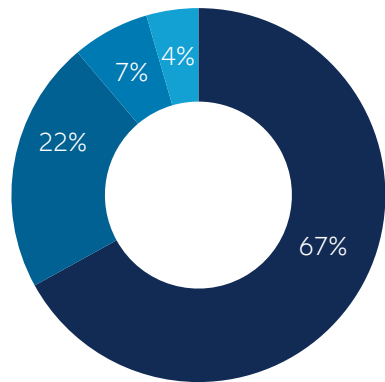
Examples of ESG Factors Considered in Due Diligence



We diversify risks across product types, industries, countries and company sizes

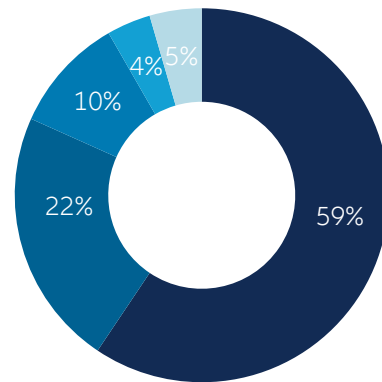
ALWOCA Portfolio – March 2023

Sourcing Provider



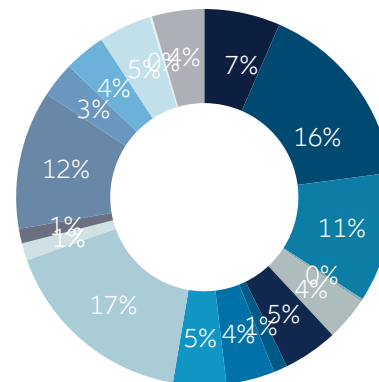
- Banks
- FinTech
- Alt Lenders
- Cash & Other

Product Type



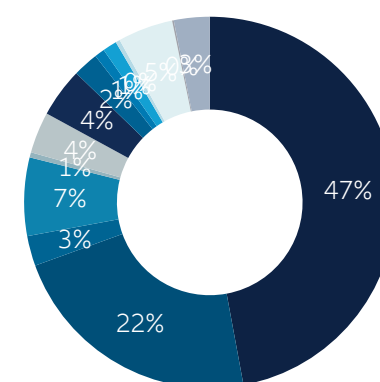
- Payables Finance
- Receivable Finance
- Loans/Letters of Credit***
- Media Loan
- Cash & Other

Industry



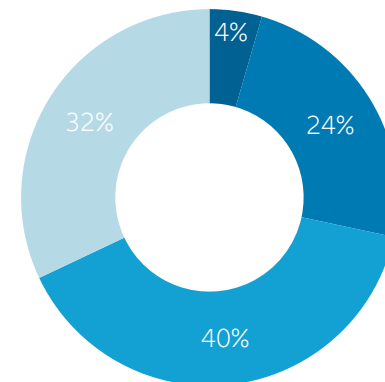
- Consumer Goods
- Retail
- Banking
- Leisure
- Services
- Basic Industry
- Capital Goods
- Transportation
- Telecommunications
- Media
- Automotive
- Foreign Sovereign
- Energy
- Technology & Electronics
- Financial Services
- Asset Backed
- Utility
- Local-Authority
- Cash & Other

Country



- USA
- Great Britain
- Germany
- France
- Canada
- Hong Kong
- Emerging Markets
- Luxembourg
- Switzerland
- Australia
- Spain
- Japan
- Poland
- Other

Credit Quality*



- Aa
- A
- Baa
- Ba
- B

Current Gross Yield in GBP**** : 6.5%

Average Remaining Term**: 73 Days

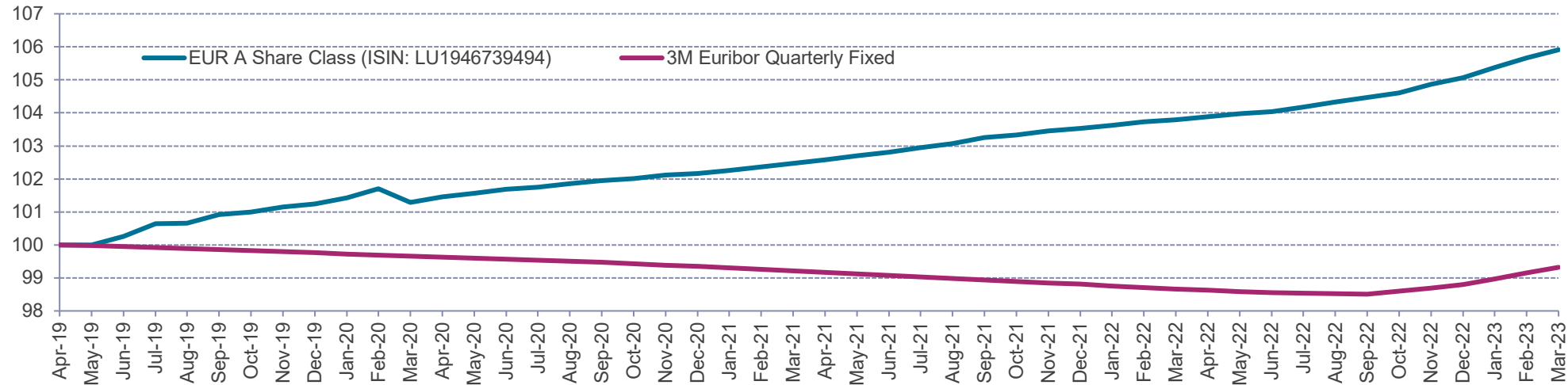
Average Credit Quality*: Ba2

Source: Allianz Global Investors, March 2023. * External rating if available, otherwise internal estimate. ** Term corresponds to the maximum legal remaining term plus any notice periods. Presentation of the portfolio based on figures from the front office. The statements contained herein may reflect expectations regarding future developments and other forward-looking statements based on current estimates and assumptions of the Fund's management. There are known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those described or implied. We undertake no obligation to update forward-looking statements. ***Loans/Letters of Credit includes the 4% senior loan made to YouLend. ****Current gross yield in GBP, GBP yield is translated from EUR yield using SWPM.

This is for guidance only and not indicative of future allocation.

Our process has produced stable performance

Cumulative net returns since inception of A-EUR share class



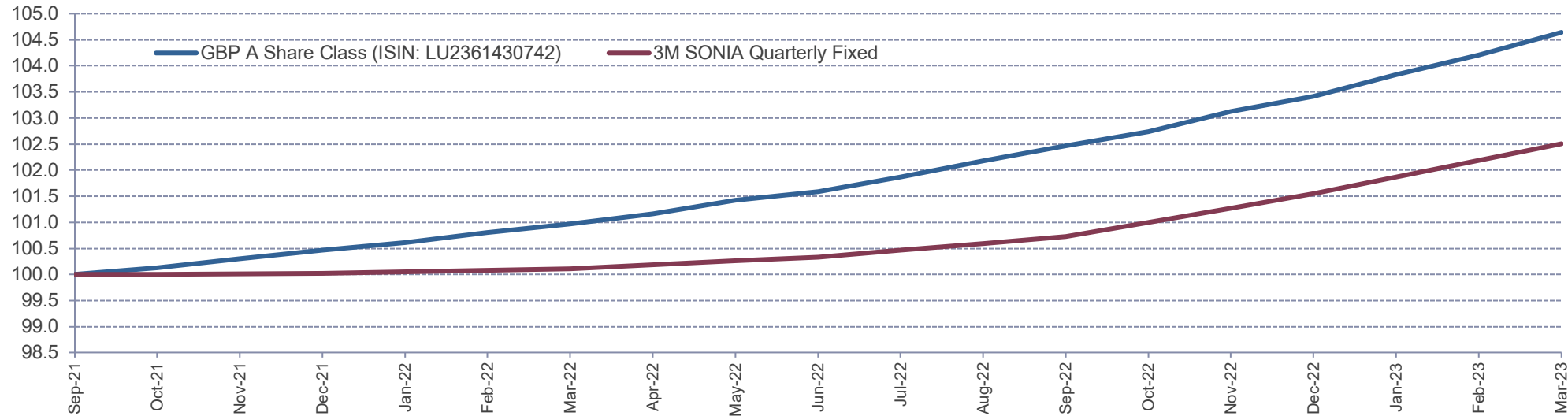
Net Return in %	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YtD
2019					0.00	0.26	0.38	0.02	0.26	0.08	0.15	0.09	1.24
2020	0.18	0.26	-0.40	0.16	0.10	0.12	0.07	0.11	0.09	0.06	0.11	0.05	0.91
2021	0.08	0.10	0.11	0.10	0.12	0.12	0.12	0.13	0.17	0.09	0.11	0.08	1.33
2022	0.09	0.10	0.05	0.09	0.09	0.06	0.13	0.15	0.14	0.12	0.25	0.20	1.49
2023	0.28	0.29	0.23										0.80

	12M Net Return	3M Net Return	Since Inc. Net Return ¹	Since Inc. Net Return (Ann.) ¹	Since Inc. Volatility (Ann.)	Total fund AuM in EUR mn ²
EUR A Share Class	2.05%	0.80%	5.91%	1.48%	0.38%	505.7
3m EURIBOR Fixed Quarterly	0.66%	0.53%	-0.68%	-0.17%	0.21%	Na

Source: Bloomberg, Allianz Global Investors. Data as of 31.03.2023. ALWOCA returns in the chart are including dividend distributions and net of fees and expenses in EUR. Returns for the indices shown are gross of fees in EUR. Past performance does not predict future returns. AuM after month-end flows. ¹ Since inception in April 2019. ² All share classes in EUR-equivalent including subscriptions and redemptions for next month. Past performance does not predict future returns.

We also offer a GBP-hedged share class

Cumulative net returns since inception of GBP A share class



Net Return in %	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YtD
2021										0.13	0.17	0.17	0.47
2022	0.14	0.19	0.17	0.19	0.26	0.16	0.28	0.30	0.29	0.26	0.38	0.28	2.93
2023	0.40	0.36	0.42										1.18

	12M Net Return	3M Net Return	Since Inc. Net Return ¹	Since Inc. Net Return (Ann.) ¹	Since Inc. Volatility (Ann.)	Total fund AuM in EUR mn ²
GBP A Share Class	3.63%	1.19%	4.64%	3.07%	0.32%	505.7
Sterling Overnight Index Average (SONIA)	2.39%	0.94%	2.50%	1.66%	0.42%	Na

Source: Bloomberg, Allianz Global Investors. Data as of 31.03.2023. ALWOCA returns in the chart are including dividend distributions and net of fees and expenses in GBP. Returns for the indices shown are gross of fees in GBP. Past performance does not predict future returns. AuM after month-end flows. ¹ Since inception in Oct 2021. ² All share classes in EUR-equivalent including subscriptions and redemptions for next month. Past performance does not predict future returns.

Why invest in the ALWOCA Fund?

Trade Finance is a compelling asset class...

- Typically offering stability, low correlations, diversification
- Ultra-short duration in rising rate and spread environment
- Fitting for the current phase of the credit cycle: short maturity & self-liquidating

...which we make accessible through the ALWOCA Fund:

- Defensive strategy, active risk management, proven track record
- Broad investment universe allows sector rotation
- Multiple sourcing providers allow diversification and relative value
- Portfolio management team with vast experience in credit analysis und transaction sourcing

Read our latest series of publications

Strategy Introduction



Investing in Trade Finance
Allianz Working Capital Fund

This is a marketing communication. Please refer to the disclaimer document of the AIF before making any investment decisions. Trade Finance Investments are designed for professional investors pursuing a long-term investment strategy only and are not for retail investors.

The Allianz Working Capital Fund (ALWOCF) is an ultra-short-term open-ended credit fund investing in illiquid obligations financing the working capital and commercial trade concerns for both small and medium enterprises to large corporations. The strategy aims to generate stable returns even in volatile market periods.

The opportunity
Companies and their related parties have been under the pressure to deliver commercial contracts for a variety of reasons, and unfortunately the risk has not been an adequate balance sheet on their books. The combination of bank liquid and illiquid assets, along with the creation of a funding gap, financial disadvantage (liquidity and market standard deviation) have allowed investors access to discounting credits, invoice discounting, and supply chain finance structures. However, the supply chain is not a traditional asset class, with structural barriers to entry, as the attractive risk return profile is not easily accessible to most investors.

ALWOCF is designed to provide a diversified portfolio of assets, with a focus on the supply chain, which offers a high level of diversification within any investor's portfolio.

Key benefits

- Diversified risk return return profile and short duration. The strategy has low volatility and an attractive risk return profile.
- Diversified risk return return profile and short duration. The strategy has low volatility and an attractive risk return profile.
- Diversified risk return return profile and short duration. The strategy has low volatility and an attractive risk return profile.

Allianz's strategy
The ALWOCF fund is uniquely positioned to provide access to the working capital opportunities within the trade and working capital markets.

ALWOCF is a closed-end platform that invests in a broad range of trade finance structures, including invoice discounting, supply chain finance, and trade credit. The fund is designed to provide a diversified portfolio of assets, with a focus on the supply chain, which offers a high level of diversification within any investor's portfolio.

Value. Shared. 

Q&A



Allianz Working Capital Fund
A compelling investment opportunity in trade finance

Q&A with Co-Portfolio Managers David Newman and Martin Oghersmann on the Allianz Working Capital Fund (ALWOCF), a defensive investment strategy that gives access to an attractive asset class protected by barriers to entry.

What exactly is trade finance and why is it an exciting investment opportunity?
David Newman: Trade finance is a historically short-term lending to companies. In essence, trade finance bridges the time gap between when a product is sold and when it is paid for, providing short-term financing to the seller, secured by the payment promise of the buyer.

How does ALWOCF harvest opportunities from trade finance?
David Newman: One of the key reasons we have invested in trade finance is because it is a new credit asset class and therefore should be uncorrelated to the credit portfolio. Trade finance is a credit asset class, but it is not a traditional credit asset class. It is a credit asset class, but it is not a traditional credit asset class. It is a credit asset class, but it is not a traditional credit asset class.

What does ALWOCF's investment strategy look like?
David Newman: ALWOCF is a closed-end platform that invests in a broad range of trade finance structures, including invoice discounting, supply chain finance, and trade credit. The fund is designed to provide a diversified portfolio of assets, with a focus on the supply chain, which offers a high level of diversification within any investor's portfolio.

Value. Shared. 

Whitepaper




Exploring the latest short-dated credit opportunities

August 2022

For professional investors only. Please refer to the prospectus of ALWOCF and to the KIID before making any final investment decisions.



Navigating uncertainty



Navigating uncertainty through trade finance
July 2022

Supply chain strains, geopolitical tensions and a scaling back of bank funding are spurring demand for trade finance. Institutional investors can benefit from the potential for attractive returns and the short duration of the asset class.


Key takeaways

- Trade finance provides a hedge between the delivery of products and payment.
- Covid-19, geopolitical and supply chain strains have all fueled recent trade finance activity.
- Institutional investors in search of diversified assets can help by investing in trade finance. In return, they can gain access to the complexity premium that the asset class offers.

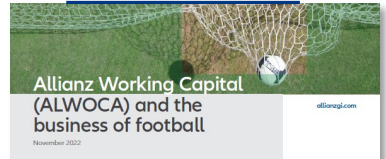
How does trade finance work?
Trade finance is similar to a line of credit from a third-party provider that helps companies fund the buying and selling of goods. For example, a supplier provides a credit line to a buyer, and the buyer provides a credit line to a supplier. This allows the buyer to pay for goods over time, while the supplier receives payment from the buyer's bank.

Working capital facilities – provide money to one supplier to pay for goods from several customers.

Documentary credits – common instruments used by companies to finance supply chain flows and payments under commercial contracts, including letters of credit, bills of exchange and trade bills.

Value. Shared. 


Trade Finance, Football Finance



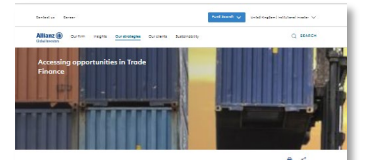
Allianz Working Capital (ALWOCF) and the business of football
November 2022

While much focus is currently on the fate of national football teams, the business of club football in Europe remains of greatest interest to those running Allianz's trade finance strategy ALWOCF, and least because football finance typically accounts for about 5% of assets. By football finance, we mean assisting football clubs in optimizing their cashflow and meeting their short-term financial obligations as efficiently as possible – in much the same way that trade and supply chain finance techniques assist companies across more prosaic sectors and industries.

ALWOCF is a closed-end platform that invests in a broad range of trade finance structures, including invoice discounting, supply chain finance, and trade credit. The fund is designed to provide a diversified portfolio of assets, with a focus on the supply chain, which offers a high level of diversification within any investor's portfolio.

Value. Shared. 

Strategy webpage



Accessing opportunities in Trade Finance

Trade Finance is a key component of the ALWOCF investment strategy. It provides a diversified portfolio of assets, with a focus on the supply chain, which offers a high level of diversification within any investor's portfolio.

Trade Finance

Trade Finance is a key component of the ALWOCF investment strategy. It provides a diversified portfolio of assets, with a focus on the supply chain, which offers a high level of diversification within any investor's portfolio.

Fitting trade finance into a portfolio

Trade Finance is a key component of the ALWOCF investment strategy. It provides a diversified portfolio of assets, with a focus on the supply chain, which offers a high level of diversification within any investor's portfolio.

Visit our blog to read the latest from the team

Blog: As fixed income investors head for the exits in public credit markets...

As financial markets grow more convinced of a looming recession, investors have been interesting in risk assets into cash, even as inflation is peaking above 8%. In their search for better alternatives, a broadening range of institutional investor client types are allocating to or researching Trade Finance as a private credit strategy. In his latest blog, Allianz's Mike McGill explores why. [Read our latest blog.](#)

Global trade is changing... what does it mean for trade finance investors?

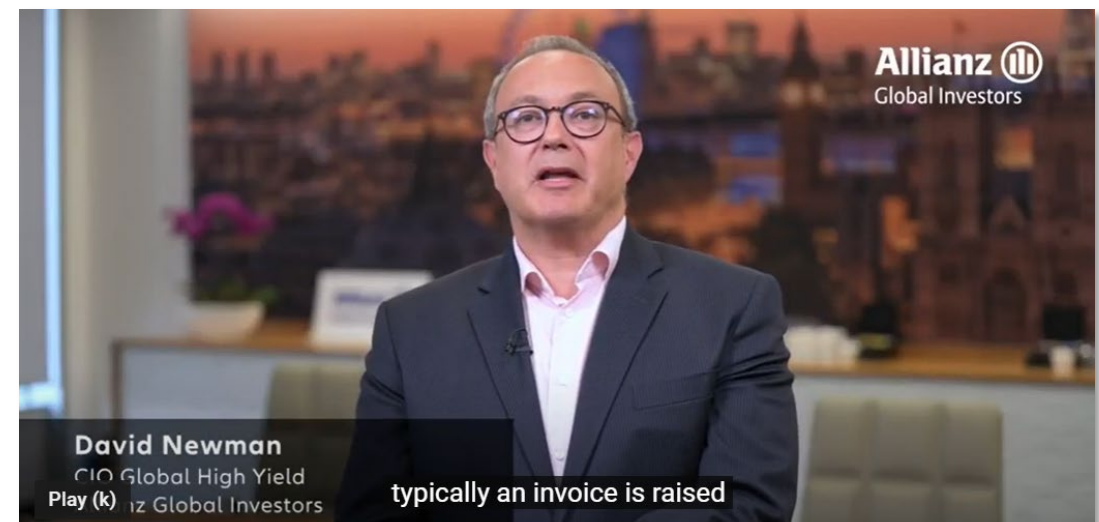
The covid crisis has put a major focus on global trade, with lockdowns, supply chain bottlenecks and geopolitical uncertainty the status quo. Against this backdrop, one can easily be mistaken that global trade finance activity will also suffer. In fact, various indicators tell a different story. [Read our latest blog.](#)

Blog: Trade Finance: A resilient asset class for any market environment

Trade Finance has seen growing appeal as an investment strategy as investors seek refuge from large levels of market volatility and sell-offs in global fixed income markets. [Read our blog.](#)

[READ MORE](#)

Navigating uncertainty theme video



David Newman
CIO Global High Yield
Play (k) 12 Global Investors

typically an invoice is raised

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Certain risk factors

- The Fund's portfolio investments may be illiquid, and there can be no assurance that the Fund will be able to realize such portfolio investments in a timely manner. Consequently, the timing of cash distributions to Fund investors is uncertain and unpredictable. Such portfolio investments may be difficult to value, and dispositions of such portfolio investments may require a lengthy time period.
- It cannot be guaranteed that the investment objectives of the Fund or the investment performance desired by the investor will be achieved. The value of Fund's shares may fluctuate, and in particular, may fall, and investors assume the risk of receiving a lesser amount than they originally invested or losing the entirety of their investments.
- An investment in the Fund is speculative and requires a long-term commitment where the return is not certain. There is no public market for the Fund's shares of the Fund and no such market is expected to develop.
- Investments in working capital- and trade-related instruments contain default risk, dilution risk, delay risk, fraud risk and operational risk (in addition to other non-trade finance specific risks) and can lead to illiquidity and capital loss. The volatility of Fund share prices may be increased.
- The participation in the yield potential of single regions, industries and individual borrowers/obligors may be limited and there is no guarantee for successful selection of sourcing providers and borrowers/obligors.
- Note: Please refer to Fund legal documentation for a full description of general and specific risk factors.

Back-testings and hypothetical or simulated performance data

Back-testings and hypothetical or simulated performance data have many inherent limitations, only some of which are described as follows: (i) They are designed with the benefit of hindsight, based on historical data, and do not reflect the impact that certain economic and market factors might have had on the decision-making process, if a client's portfolio had actually been managed. No back-testings, hypothetical or simulated performance can completely account for the impact of financial risk in actual performance. (ii) They do not reflect actual transactions and cannot accurately account for the ability to withstand losses. (iii) The information is based, in part, on hypothetical assumptions made for modelling purposes that may not be realised in the actual management of portfolios. No representation or warranty is made as to the reasonableness of the assumptions made or that all assumptions used in achieving the returns have been stated or fully considered. Assumption changes may have a material impact on the model returns presented. The back-testing of performance differs from actual portfolio performance because the investment strategy may be adjusted at any time, for any reason. Investors should not assume that they will experience a performance similar to the back-testings, hypothetical or simulated performance shown. Material differences between back-testings, hypothetical or simulated performance results and actual results subsequently achieved by any investment strategy are possible.

Disclaimer

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This document is not a contractually binding document, or an information document required by any legislative provision, and is not sufficient to take an investment decision. This is a marketing communication. Please refer to the legal and regulatory documentation of Allianz Working Capital Fund a sub-fund of Allianz Trade Finance Funds SA, SICAV-RAIF (the “Fund”) before making any final investment decisions.

Target return assumptions may be based on the investment team's experience with predecessor funds, market participants and other stakeholders of the industry. Actual returns from an investment in the portfolio over any given time horizon may vary significantly from the target return assumptions. Future performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future.

To the extent we express any prognoses or expectations in this document or to make any forward-looking statements, these statements may involve risks. Investments in the Fund entail a high degree of risk and no assurance can be given that the investment objectives will be achieved or that investors will receive a return on their capital. Please refer to Fund legal documentation for a full description of General and Specific Risk Factors.

Actual results and developments may therefore differ materially from the expectations and assumptions made. On our part, there is no obligation to update target return assumptions and forward-looking statements presented herein

Allianz Global Investors may terminate arrangements made for marketing, including by way of de-notification.

Investing involves risks. The value of an investment and the income associated with it can go down as well as up. Investors may not get back the full amount invested. Past performance does not predict future returns. If the currency in which the past performance is displayed differs from the currency of the country in which the investor is resident, the investor should be aware that the performance shown may be higher or lower due to exchange rate fluctuations when it enters the local currency of the investor is converted. The views and opinions expressed herein, which are subject to change without notice, are the views and opinions of the issuer and / or affiliates at the time of publication. The data used come from various sources and are believed to be correct and reliable. The terms and conditions of all underlying offers or contracts that have been or will be made or concluded take precedence. This document does not contain any statements about the suitability of the investments described here for the individual circumstances of a recipient.

For investors in the European Economic Area (EEA) & United Kingdom.

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For investors in Switzerland

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