

EXCLUSIVE Performance

Fund in focus: Astra Structured Credit Investment

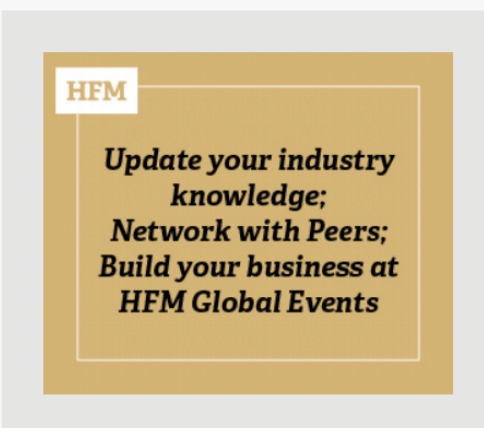
Structured credit continues to pay off for London-based manager



[Jon Close](#) 20 July, 2018

Astra Structured Credit Investment Ltd. is a relatively new fund to Alt Credit's performance tables, but shot straight to the top 10 of our credit long-short listing with a three month return of 7.92% through May, bringing 12 month returns up to 22.2%.

The fund was launched in late 2012 by former long-time Deutsche Bank traders Anish Mathur and Christian Adler; originally structured as a three year lock-up vehicle, the fund now provides 90-day liquidity.



With \$380m in AuM, Astra typically invests in asset backed securities and CDOs backed by senior mortgage debt and corporate credit. It builds on an expertise in structured products to identify relative value and monetise capital structure arbitrage for its investments.

A flexible investment strategy has allowed Astra to exploit opportunities across the credit spectrum, focusing on complex, low

beta investments and taking risks that not many market participants can get comfortable with. Resisting the temptation of growing AuM too quickly, but keeping it in line with the opportunity set, a disciplined approach to asset selection and rigorous risk management have enabled Astra to avoid significant declines in NAV – the maximum drawdown since inception has been -1.25% – and have formed the basis of its consistently strong performance.

The fund had originally focused on legacy deals, but with supply dwindling, it has expanded into post-crisis issuance wherever it provides adequate positive convexity.

Although significant allocation remains in US commercial real estate products, investment focus and source of returns have gradually shifted to European structured products.

The focus on convexity in structured credit goes some way to explain the relatively large cash balance the fund currently has, "in the past we've seen opportunities in building minority positions into controlling stakes in certain deals; you need dry powder to implement these trades" says Adler, pointing out that in recent years the fund has temporarily held as much as 30% in cash.

"Astra is an absolute return fund; we are confident that we'll be able to strike the right balance between generating cash flows and capturing convexity from distressed credit assets."

Top 50 Credit I/s funds

#	Fund Name	AUM (\$m)	Last 3 Months	May	Last 6 months	Last 12 months	YTD	Annualised compound	Inception Date
1	Westfield Fund	129	14.2%	7.1%	22.6%	23.3%	17.3%	29.7%	Nov-15
2	Numen Credit Opportunities Fund	685	7.5%	14.7%	21.3%	21.9%	21.5%	18.7%	Nov-08
3	Serenitas Credit Gamma Master Fund	85	6.9%	1.8%	9.8%	22.0%	10.2%	14.0%	Jan-13
4	Astra Structured Credit Investments	381	6.3%	4.8%	13.5%	22.2%	13.0%	18.8%	Nov-12
5	Wexford Offshore Credit Opportunities Fund	41	3.9%	1.2%	4.4%	-0.2%	3.0%	11.9%	Feb-03
6	Northlight Credit Opportunity Fund	34	3.7%	1.4%	10.8%	11.1%	8.9%	8.9%	Sep-15
7	Hildene Opportunities Fund II	784	3.6%	1.3%	9.0%	16.9%	8.1%	16.2%	Aug-11
8	GCA Credit Opportunities Fund	504	3.4%	1.9%	5.0%	5.2%	4.6%	13.4%	Oct-08
9	Millstreet Credit Fund	433	3.3%	1.4%	14.7%	29.3%	6.8%	9.9%	Jun-10
10	Wexford Credit Opportunities Fund	66	3.2%	1.4%	4.5%	2.1%	3.2%	12.7%	Dec-02
11	Serone Key Opportunities Fund USD Composite	259	3.2%	0.6%	6.2%	15.0%	5.9%	14.6%	Sep-13
12	Axonic Credit Opportunities Funds	1,025	3.0%	1.5%	5.2%	8.4%	4.4%	15.3%	Apr-09
13	BulwarkBay Credit Opportunities Fund	25	2.9%	1.5%	4.4%	10.3%	4.0%	4.7%	Nov-11
14	CSS Alpha Fund Class A (US\$)	Undisclosed	2.8%	0.4%	6.8%	13.6%	5.6%	9.7%	Jan-15
15	Leste Credit FIM CP	82	2.8%	1.0%	6.9%	14.1%	4.8%	15.0%	Sep-15
16	Omni Secured Lending Fund III	695	2.7%	0.8%	5.1%	9.0%	3.8%	8.5%	Apr-16
17	Brevan Howard Securitized Products master Fund	176	2.7%	1.6%	4.4%	12.0%	4.2%	12.1%	Dec-16
18	Arena Short Duration High Yield Fund	642	2.7%	1.2%	4.7%	9.1%	4.0%	7.3%	May-14
19	Silverback Arbitrage Fund	212	2.6%	0.8%	4.0%	6.5%	3.1%	8.7%	May-13
20	Pier Special Opportunities Fund	Undisclosed	2.4%	1.2%	7.2%	14.8%	5.6%	14.8%	Jun-17
21	Medalist Partners Harvest Fund	876	2.3%	1.0%	4.9%	11.0%	4.3%	8.9%	Aug-12
22	Selwood Asset Management Credit Opportunity Fund	200	2.3%	-0.9%	7.0%	21.7%	3.6%	19.8%	Mar-17
23	TCA Global Credit Master Fund	459	2.3%	0.6%	3.9%	8.5%	3.6%	13.3%	Apr-10

24	Selwood Asset management Liquid Credit Fund	758	2.3%	0.1%	5.1%	11.0%	3.5%	11.5%	Sep-15
25	LNG Europa Credit Fund	Undisclosed	2.3%	1.6%	9.6%	15.0%	7.3%	5.9%	Apr-11
26	OWS Credit Opportunity Master Fund	1,501	2.2%	0.6%	6.5%	13.5%	5.7%	10.6%	Jan-11
27	400 Capital Credit Opportunities Fund	1,911	2.2%	0.5%	5.8%	13.3%	5.1%	13.9%	Feb-09
28	Hudson Cove Credit Opportunities Fund	286	2.1%	0.9%	4.0%	9.2%	3.3%	13.5%	Sep-09
29	Ovation Alternative Income Fund	507	2.1%	0.7%	2.2%	5.0%	3.3%	10.0%	Jan-14
30	Cheyne Real Estate Credit Holdings Fund II	2,482	2.0%	0.7%	4.7%	8.9%	3.3%	5.6%	Apr-13
31	Angel Oak Strategic Mortgage Income Fund	136	2.0%	0.6%	3.6%	9.8%	3.0%	11.5%	Nov-11
32	NorthStream Credit Strategies Fund	Undisclosed	2.0%	0.5%	5.0%	10.0%	3.3%	14.8%	May-16
33	SCIO-Fund SICAV-FIS SCIO Opportunity Fund I	38	2.0%	0.5%	3.0%	6.1%	2.7%	6.0%	Apr-16
34	Bayview Liquid Credit Strategies Fund	607	1.9%	0.6%	5.7%	11.1%	4.5%	10.4%	Apr-15
35	East Lodge Capital Credit Opportunities	1,075	1.9%	0.9%	5.1%	11.4%	4.5%	5.2%	Apr-14
36	BK Opportunities Fund IV Class C	131	1.8%	0.3%	5.5%	n/a	4.8%	13.7%	Jun-17
37	Scipion Commodity Trade Fiance Fund	8	1.8%	0.5%	3.6%	7.2%	3.0%	6.9%	Mar-16
38	Swiss ALP Constant Cash Yield I	57	1.8%	0.6%	3.6%	7.3%	3.0%	7.2%	May-13
39	Swiss ALP Constant Cash Yield Diversified	95	1.8%	0.6%	3.4%	7.1%	2.9%	7.1%	Apr-15
40	Cairn Specials Opportunities Credit Fund	190	1.7%	0.8%	3.1%	3.8%	3.0%	7.4%	Dec-07
41	HC European Trade Finance Fund	Undisclosed	1.7%	0.6%	3.3%	6.2%	2.7%	6.4%	Oct-12
42	BAF Latam Credit Fund	590	1.7%	0.6%	3.3%	6.7%	2.8%	7.9%	Aug-14
43	Hellebore Credit Arbitrage	183	1.7%	-0.5%	2.1%	3.8%	1.9%	13.3%	Feb-14
44	Clareant Structured Credit Opportunity Fund II	596	1.7%	0.7%	4.3%	11.1%	3.7%	22.5%	Feb-11
45	SCIO-Fund SICAV-FIS SCIO Partners Fund II	64	1.7%	0.5%	3.5%	6.8%	2.8%	7.0%	Nov-13
46	Cedarview Opportunities Master Fund	211	1.7%	0.3%	4.1%	5.6%	3.3%	6.6%	Aug-04
47	CQS ABS Fund - B1 USD	1,279	1.6%	0.8%	5.5%	11.1%	5.1%	17.9%	Oct-06
48	PIMCO Global Credit Opportunity Fund	3,773	1.6%	1.0%	4.5%	6.5%	4.9%	6.6%	Jun-06
49	Waterfall Eden Fund	6,800	1.6%	0.7%	4.4%	8.3%	3.8%	8.7%	Mar-05
50	One William Street Capital Master Fund	2,057	1.6%	0.0%	4.2%	11.6%	3.6%	10.0%	Apr-08

Top 20 Credit YTD

#	Fund Name	AUM (\$m)	YTD	May	Last 3 months	Last 6 months	Last 12 months	Annualised compound	Inception Date
1	Libertas Real Asset Opportunities Fund	Undisclosed	33.8%	3.1%	7.2%	14.4%	-43.5%	-21.5%	Jun-14
2	Schultze Partners Offshore Fund	120	24.1%	11.2%	22.4%	26.1%	49.1%	6.5%	Apr-04
3	Old West Income Fund	44	22.4%	1.3%	6.6%	22.5%	22.0%	9.2%	Dec-08
4	Numen Credit Opportunities Fund	685	21.5%	14.7%	7.5%	21.3%	21.9%	18.7%	Nov-08
5	Westfield Fund	129	17.3%	7.1%	14.2%	22.6%	23.3%	29.7%	Nov-15
6	Aegea Absolute Return Fund	84	15.6%	-0.5%	-3.7%	10.9%	7.3%	1.0%	Sep-11
7	CM Asia Absolute Return Fund IC	34	13.8%	1.2%	1.8%	14.4%	44.7%	95.8%	Feb-14
8	Astra Structured Credit Investments	381	13.0%	4.8%	6.3%	13.5%	22.2%	18.8%	Nov-12
9	GS Gamma investments	355	10.5%	-0.3%	1.7%	10.1%	9.5%	10.3%	Apr-04
10	Cedar Ridge Investors Fund I	112	10.4%	1.0%	6.4%	7.8%	-9.4%	7.6%	May-04
11	Serenitas Credit Gamma Master Fund	85	10.2%	1.8%	6.9%	9.8%	22.0%	14.0%	Jan-13
12	Cadiz South Easter Fixed Interest SNN QI Hedge Fund	3	9.9%	1.9%	4.2%	14.0%	20.1%	9.1%	Nov-05
13	Cross Sound Distressed Opportunities Fund	87	9.7%	0.7%	-0.1%	23.4%	31.7%	33.5%	May-16
14	Northlight Credit Opportunity Fund	34	8.9%	1.4%	3.7%	10.8%	11.1%	8.9%	Sep-15
15	Hildene Opportunities Fund	1,787	8.8%	1.3%	4.9%	11.3%	21.7%	22.9%	May-08
16	Hildene Opportunities Fund II	784	8.1%	1.3%	3.6%	9.0%	16.9%	16.2%	Aug-11
17	Bahia AM Long Biased FIC de FIM	36	8.0%	-5.1%	-2.4%	12.7%	25.5%	22.1%	Dec-15
18	Metacapital Riusing Rates	224	8.0%	-1.3%	-0.4%	6.1%	5.8%	1.3%	May-13
19	BK Opportunities Fund III	93	7.7%	1.6%	3.9%	8.2%	13.1%	18.6%	Jul-15
20	Metacapital Mortgage Opportunities Master Fund	477	7.4%	0.4%	2.1%	6.1%	2.7%	23.0%	Jul-08