THIS IS A PUBLICITY NOTICE

DD INCOME FUND

Monthly report September 2024

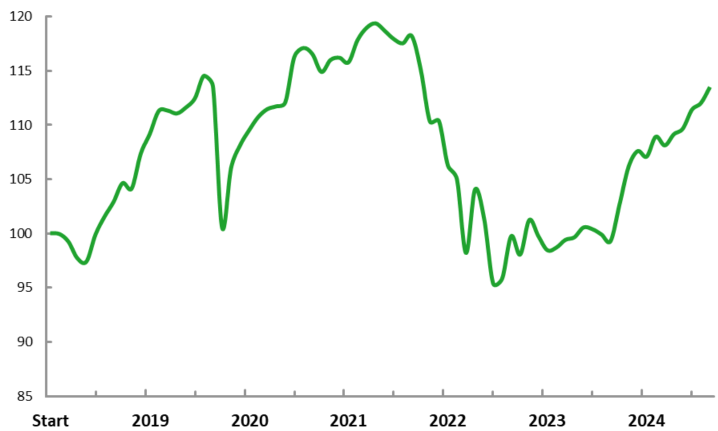
Profile

The DD Income Fund (DDIF) is an actively managed global bond fund. The fund invests globally in government bonds of developed and emerging countries, corporate bonds, high yield, microfinance and other financial instruments with stable income. DDIF pursues an active investment policy and does not use a benchmark. The fund is managed by an independent partnership with the conviction that sustainability makes a positive contribution to the return and risk profile of the portfolio. The fund is traded daily.

Return participation A*

DD Income Fund achieved a return of 1,32% in the month of September 2024, as a result of which the net asset value per unit A rose to €25.41.

Return DD Income Fund, class A



** The value of your investment may fluctuate. Results achieved in the past do not provide any guarantees for the future.*

Fund information

Key facts

Fund size	€ 98.4 mln
# shares A	2,514,079
# shares B	423,049
# shares C	916,505
NAV A*	€ 25.41
NAV B*	€ 25.60
NAV C*	€ 25.84
# positions	166

Costs

Management fee A	0.65%
Management fee B	0.50%
Management fee C	0.25%
Other costs**	0.20%
Up/down swingfactor	0.25%

Other

Start date	Part. A: September 2018
	Part. B: January 2020
	Part. C: January 2021
Manager	DoubleDividend Management B.V.
Status	Open-end, daily
Exchange	Euronext Amsterdam
ISIN (A)	NL0013025539
ISIN (B)	NL0014095101
ISIN (C)	NL0015614595
Benchmark	None
Currency	Euro

Risk monitor

* per participation
** expect

Table: monthly returns in %, participation A (net of costs and fees) *

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018									-0.06	-0.71	-1.56	-0.31	**-2.62**
2019	2.57	1.66	1.34	1.69	-0.48	3.08	1.71	1.95	0.03	-0.24	0,50	0,76	**15,50**
2020	1.86	-0.85	-11.48	5.43	2.00	1.29	1.11	0.66	0.23	0.31	3.76	0.71	**4.14**
2021	-0.47	-1.42	0.95	0.18	-0.36	1.77	0.96	0.35	-0.57	-0.64	-0.34	0.57	**0.94**
2022	-2.65	-4.14	0.05	-3.74	-1.21	-6.47	5.96	-2.56	-5.93	0.46	4.09	-1.7	**-17.08**
2023	3.25	-1.45	-1.32	0.24	0.72	0.25	0.90	-0.16	-0.49	-0.61	3.45	3.38	**8.30**
2024	1.34	-0.47	1.71	-0.74	0.95	0.48	1.59	0.56	1.32				**6.92**

Market

Last month, both the Fed and the ECB cut interest rates by 0.5% and 0.25% respectively. In Europe, the official interest rate is now 3.5% and in the US 4.75-5%. The 0.5% move by the Fed was not expected by everyone, but it is a reflection of the progress made in fighting inflation and the weakening of the labor market in the U.S. The interest rate decision also lowered longer-dated yields, pushing bond prices higher. The DDIF was able to take advantage of the favourable market conditions and had a good month.

It is expected that a large number of interest rate cuts will follow in the coming period. Inflation and economic growth are more in balance, which means that interest rate policy can also be normalised. Short-term interest rates are therefore expected to fall sharply, but the market has already priced this in to a large extent. A further fall in the policy rate by the ECB and the Fed will therefore not necessarily lead to a rise in bond prices. The pace of the cuts is uncertain. It also remains uncertain where interest rates will move. For Europe, the new normal or neutral rate seems to be around 2%, while for the US this percentage is likely to be around 3%. However, these percentages are part of debate among economists and analysts.

We expect bond markets to calm down somewhat after the 2022 correction and the recovery over the past 2 years. The volatility in bond markets was the result of a unique period with corona, uncertain economic growth, historically high inflation and a sharp rise in interest rates. Now that inflation seems to be under control and interest rates are normalising again, economic growth and monetary policy are coming back into balance. As a result, the economy and monetary policy can once again function as communicating vessels (if economic growth is disappointing, interest rates will fall faster and vice versa). This benefits the stability of financial markets. In the absence of new major economic shocks, we therefore foresee a normalisation of bond yields towards long-term averages, while at the same time bonds can once again form more of a buffer in a mixed portfolio of equities.

Table: Characteristics of the DDIF portfolio at the end of the month

# of positions	166
# of issuers	121
Overall credit rating	BBB+
Euro exposure	75%
Cash	0.1%
Investment grade (incl cash)	77%
Expected return (yield-to-convention*)	4.8%
Duration (Option Adjusted Duration* in years)	5.2

Source: DoubleDividend/Bloomberg

** Yield-to-Convention is the return on the portfolio, including cash, if the ability to repay the loan earlier is taken into account. The actual return may differ because an issuer cannot meet its obligations and due to currency fluctuations. The duration indicates the approximate percentage value change of the portfolio if the interest rate changes by 1%.*

Portfolio changes

High-quality, short-dated bonds still offer relatively good value. This month, we bought, among other things, a Eurobond with a floating rate from the Royal Bank of Canada at an interest rate of 4% and a floating U.S. Treasury bond at an interest rate of 5% in dollars. In addition, we added a number of attractively priced subordinated (Tier 2, but investment grade) bonds from solid financial institutions. For example, we bought two euro loans from AXA and Banco Santander with an expected return of more than 4% in euros. A KBC perpetual bond has been redeemed at face value and we have bought back a Banco Santander perpetual bond at a yield of more than 6%. Depending on currency and risk, we can currently reinvest freed-up funds at a rate of 3 to 6%, in line with the expected return on the portfolio (yield to maturity) of 4.8%.

Table: portfolio per building block

Building blocks	Range	Weight	Yield-to-worst	Duration
Government bonds developed markets	0-50%	17.0%	3.5%	3.6
Government bonds emerging markets	0-25%	8.8%	4.4%	9.0
Corporate bonds investment grade	0-50%	41.4%	4.5%	6.2
Corporate bonds high yield	0-25%	17.8%	5.9%	3.4
Microfinance & supranational bank	0-25%	2.8%	4,6%	3.1
Other	0-25%	12,0%	6.2%	4.8
Cash	0-25%	0.1%	0.3%	0.0
Total		100%	4.8%	5.2

Source: DoubleDividend

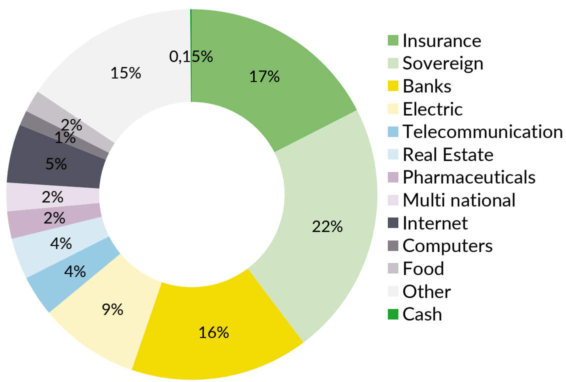
Team DoubleDividend

DoubleDividend Management B.V.
Herengracht 320
1016 CE Amsterdam

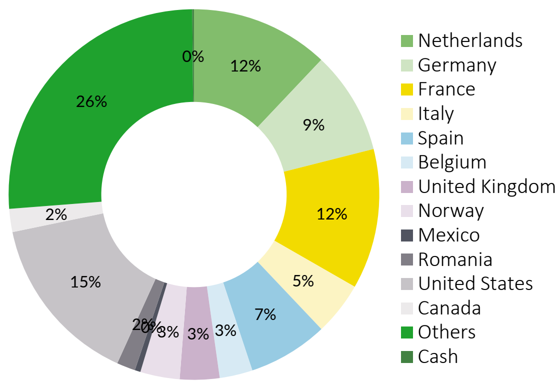
Tel. +31 (0)20 520 76 60
contact@doubledividend.nl
www.doubledividend.nl

Appendix: portfolio characteristics

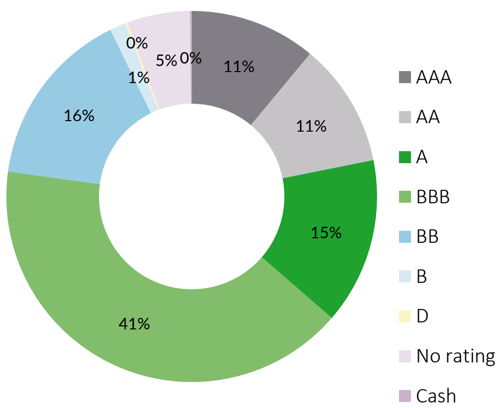
Distribution per sector (GICS)



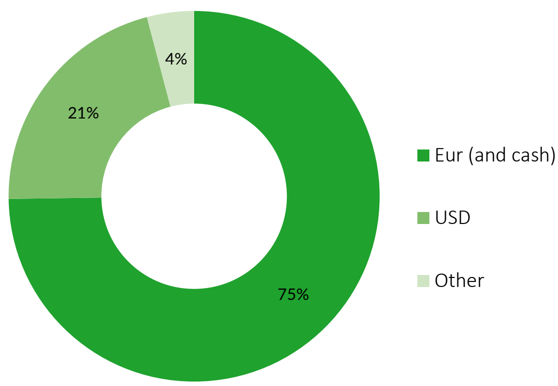
Distribution per country of origin



Distribution per rating



Distribution per currency



DoubleDividend Management B.V.
Herengracht 320
1016 CE Amsterdam

Tel. +31 (0)20 520 76 60
contact@doubledividend.nl
www.doubledividend.nl