



Insight High Grade ABS Fund - Fund Manager Review – January 2026

This document provides a comprehensive review of the Insight High Grade ABS Fund, drawing on fund factsheets, and due-diligence documents to assess the strategy, philosophy, performance and role within a diversified portfolio.

Strategy and Objective

The fund's objective is to deliver an interest-rate based return (i.e., cash-plus), primarily through investment in a portfolio of asset-backed securities (ABS) and corporate floating-rate notes (FRNs).

It is benchmarked against 1 Month SONIA, and is positioned as an absolute return-oriented, high-quality securitised credit allocation rather than a traditional “bond beta” holding.

- Fund launch: 31 March 2011
- Strategy heritage: high grade ABS capability established December 2007
- Fund size: £2.8bn (Sep 2025)

Investment Philosophy & Edge

Insight describes its fixed income philosophy as combining:

- **Precision:** only taking the risks they believe are rewarded; removing unintended exposures
- **Diversification:** adding value through active allocation across a broad opportunity set and jurisdictions



In practice, this is expressed through a defensive, senior-structure bias, focusing largely on AAA/AA rated tranches, with robust credit enhancement and a diversified global opportunity set (UK, Europe, US, Australia).

A key differentiator is that ABS markets can be fragmented and nuanced, with regulatory-driven dislocations across jurisdictions; Insight's global footprint is designed to exploit these relative value opportunities while remaining high quality.

Team and Resources

The fund is managed by Insight’s Secured Finance Team, led by Shaheer Guirguis (Head of Secured Finance), with named fund managers Oliver Waite, Shaheer Guirguis and Tristan Teoh.

Europe		US'			
Tristan Teoh Head of European Secured Finance, Commercial RE		Jason Cameron Head of US Secured Finance, CLO			
Jack Case Residential, Consumer	Nassos Politis Structured credit, Residential	Maya Harlan Residential, Consumer	Jack Murray ABS, CLO, Commercial RE		
Pedro Fernandes Leveraged finance	Leonardo Sampaesi Residential, Consumer	Trent Insull, CFA Consumer, Esoterics	Melissa Niu, CFA Commercial RE, Esoterics		
Lillian Fieldman-Bernal Leveraged finance	Dimitrios Theodorikas Residential, Commercial RE	Lenny Kushnirsky Residential, Consumer	Lillian Wang Consumer, Esoteric ABS		
Alexander Hunt Structured credit, CLO	Antoine Vion CLO				
Xinran Jia Residential, Consumer	Oliver Waite Residential, Consumer				
Ranbir Lakhpuri CLO, Leveraged finance					
RESEARCH David Averre +33	GLOBAL RATES Isobel Lee Harvey Bradley, CFA +3	TRADING Nick Robinson +11	RESPONSIBLE INVESTMENT Robert Sawbridge, CFA +7	LEGAL Ayah Elmazi +4	INVESTMENT RISK David Benjamin +2

Key points:

- Team has managed the fund since inception; Shaheer has led the strategy since Dec 2007
- Average industry experience of the Secured Finance Team: 14 years (as at Sep 2025)
- Notable team change: departure of Jeremy Deacon (Aug 2024) and succession by Oliver Waite (joined June 2024)
- Tooling and infrastructure includes Intex for deal/cashflow modelling and surveillance, plus Insight’s proprietary Risk and Analytics Platform (RAP) and thinkFolio for portfolio construction, decision support and compliance checks.

Investment Process

The process is deliberately “credit-first” and designed to avoid the common pitfall in securitised markets: buying complexity without being paid for it.



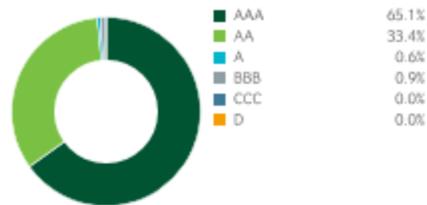
Their approach include

1. **Asset screening** (highly selective; defensive posture)
2. **Qualitative analysis** (top-down macro inputs + bottom-up collateral and originator assessment)
3. **Structural analysis** (waterfalls, triggers, covenants, eligibility criteria, credit enhancement)
4. **Quantitative modelling** (loan-by-loan modelling using “data tapes”, expected loss work, and Intex stress testing with up to 100 scenarios) #
5. **Pro-active monitoring** (originator due diligence typically annually; ongoing surveillance and stress testing as new collateral data arrives)

Risk governance is formal and multi-layered, with daily monitoring, weekly dashboards, and monthly risk governance involving senior investment and risk leadership.

Portfolio Characteristics

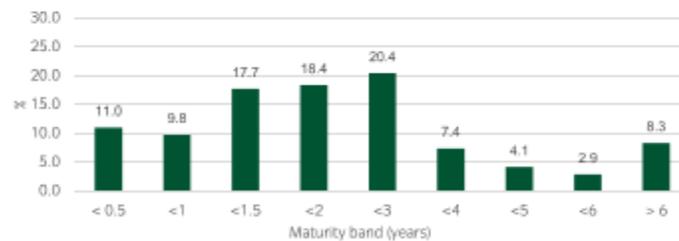
CREDIT RATING



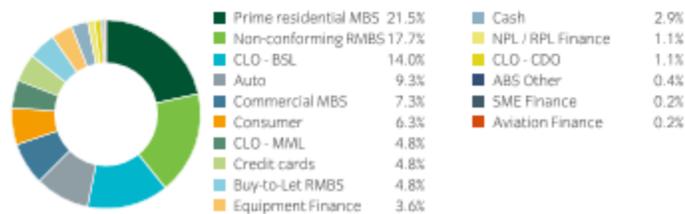
GEOGRAPHY



MATURITY PROFILE



FUND ALLOCATION



This is a high grade, floating-rate, diversified securitised portfolio.

From the factsheet (30 Nov 2025):

- Yield: 5.12%
- Weighted average life: 2.3 years
- Average rating: AA+ (manager commentary notes AA+ in Nov)
- Ratings mix: AAA 65.1%, AA 33.4%, A 0.6%, BBB 0.9%
- Geography: UK 33.4%, Australia 19.0%, Pan-Europe 15.0%, US 15.0% (plus smaller exposures and cash)

- Sector mix: Prime RMBS 21.5%, Non-conforming RMBS 17.7%, CLO (BSL) 14.0%, Auto 9.3%, CMBS 7.3%, Consumer 6.3%, plus other sleeves

From the DD pack:

- Typically 300–500 underlying exposures
- Guidelines at purchase include: minimum rating AA-, prime RMBS/consumer + cash minimum 60%, Europe collateral minimum 50%, CLO cap 25%, WAL max 5 years, and no US sub-prime.
- Currency risk is typically hedged, and interest-rate exposures are managed using swaps/futures/forwards where appropriate.

Performance Overview

The factsheet provides share class performance (S £ Acc) and benchmark relative returns. As at 30 Nov 2025:

- **1 year:** Fund 5.94% vs Benchmark 4.44%
- **3 years (p.a.):** Fund 6.62% vs 4.78%
- **5 years (p.a.):** Fund 3.80% vs 3.09%
- **Since inception (p.a.):** Fund 3.53% vs 1.44%

Ten-year performance record to 30 November 2025

	Calendar year returns									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Insight's high grade ABS strategy	7.28	6.72	-2.29	1.88	1.29	3.22	0.89	3.79	3.11	1.27
SONIA	5.28	4.77	1.42	0.06	0.19	0.80	0.72	0.35	0.50	0.58

	12-month rolling returns									
	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Insight's high grade ABS strategy	5.94	7.30	6.63	-2.78	2.24	1.21	2.62	1.42	3.90	3.34
SONIA	4.44	5.32	4.59	1.15	0.05	0.26	0.81	0.69	0.35	0.52

Please refer to the following risk disclosures. Returns are shown gross of fees. The Insight high grade ABS composite (C0652) is in GBP. Inception date: 31 December 2007.

The strategy experienced a negative year in 2022, which Insight attributes largely to spread widening and technical selling pressure (not fundamental deterioration), and notes no process change was required.

Maximum drawdown noted in the DD pack: -5.82% in March 2020, recovering by October 2020

Strengths

- **High-quality bias** (AAA/AA focus, robust structural protections)
- **Floating-rate orientation** supports resilience in rising-rate regimes (though spreads still matter)
- **Deep analytical toolkit:** loan-level data, Intex cashflow modelling, ongoing surveillance and scenario analysis
- **Diversified opportunity set** across global securitised markets, designed to exploit fragmentation and relative value
- Clear articulation of “cash-plus” role with benchmark transparency (SONIA)

Key Risks & Considerations

- **Spread / mark-to-market risk:** even with high-grade assets, securitised spreads can gap wider in risk-off periods (2020, 2022)
- **Model risk / complexity:** ABS analysis is inherently technical; investors must rely on manager skill, data quality and assumptions
- **Liquidity can degrade under stress,** despite focus on liquid and repo-eligible securities
- **Counterparty / derivative usage:** derivatives are used for hedging and portfolio management; this introduces operational and counterparty considerations
- **Capacity and flows:** fund is institutionally held (98.6% institutional; top 10 holders 56.3%), which can create flow-driven moves in stressed periods

Role in a Portfolio

This fund typically fits as a cash-plus / defensive diversifier within fixed income, particularly for investors who want:

- A step up in expected return versus cash without moving materially down the credit-quality spectrum
- Lower duration risk than conventional aggregate bond allocations (via floating-rate ABS/FRNs)
- Diversification away from corporate credit beta and traditional government bond exposures

It can be used as:

- a short-duration defensive sleeve in multi-asset portfolios
- an alternative to (or complement for) short-dated credit funds
- a liquidity-aware allocation for clients who want returns linked to cash rates with credit add-on

Points of Difference

- A genuinely global securitised platform spanning UK/Europe/US/Australia, designed to arbitrage fragmentation
- A disciplined emphasis on senior structures and robust credit enhancement rather than chasing yield
- Clear process depth: originator due diligence + loan-level data tapes + Intex stress testing and surveillance
- Benchmark is cash (SONIA), reinforcing the fund's "cash-plus" intent

Money Wise UK Summary View

Insight High Grade ABS is a strong example of a strategy that aims to earn a sensible spread above cash by doing the hard work in a market most investors cannot underwrite themselves.

What stands out is the combination of:

- quality-first portfolio construction,
- a robust, repeatable modelling and surveillance framework, and
- a return objective that is aligned with how many investors actually use this type of fund (as a cash-plus diversifier, not a core bond engine).

The main reminder for advisers is behavioural: even “high grade” ABS can show mark-to-market volatility when spreads gap wider. The fund’s value is clearest when it is used with the right expectation set patient capital, cash-plus mindset, and appreciation of credit spread cycles.

Disclaimer

Past performance is not a reliable guide to future results. The value of investments can fall as well as rise, and investors may not get back the amount originally invested.

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This review has been prepared for informational purposes only, based on publicly available fund documentation, performance materials, and meetings with the fund manager. Money Wise UK has not received any fee for preparing this review.

Private investors should conduct their own research and seek independent financial advice before making investment decisions. Financial advisers may use this material as part of their own due diligence, but it should not be relied upon as the sole basis for making recommendations.

Review Completed: January 2026