

Green Ash SICAV - Multi Asset Fund

February 2020 Monthly Factsheet

INVESTMENT OBJECTIVE

PROFESSIONAL INVESTORS ONLY

The multi asset strategy aims to achieve positive returns from an actively managed, diversified approach that is unconstrained in terms of its allocation to equities, bonds, commodities and currencies. The investment strategy is thematic with a medium to long-term growth outlook. Positioning can be both long and short to actively manage market risk.

KEY INFORMATION

SUMMARY

Fund Name	Green Ash SICAV - Multi Asset Fund
Investment Team	Miles Cohen, Nicholas Freeman, Edward Vincent, James Sanders
Fund Launch Date	25 th June 2015
Fund Type	UCITS IV
Fund Domicile	Luxembourg
Liquidity	Daily
Management Fee	0.80% p.a.
Fund Size	\$41MM
Share Classes	USD, EUR, GBP (Acc.)
USD	LU1171480921
EUR (hedged)	LU1171480764
GBP (hedged)	LU1171480509
Min Investment	500,000
Management Company	Alceda Fund Management S.A.
Custodian	UBS (Luxembourg) S.A.
Investment Manager	Green Ash Partners LLP

- The USD share class finished the month down -3.88% (GBP IA Class -3.96%), as cases of COVID-19 spread beyond China
- There were a number of changes made in the fund to position for the year ahead. On the equity side, we realigned our key secular themes to the trends we expect to perform well in the coming months and years
- In fixed income we added a long Bunds vs BTP trade to hedge against deteriorating sentiment in Europe leading to a widening of core spreads versus the periphery. We also closed our 10Yr US breakeven as a return to reflation looks less likely now
- While the epidemic appears to have peaked in China, uncertainty is likely to persist as investors monitor the emergent hotspots in South Korea, Italy, and Iran, as well as the perhaps inevitable rise in US cases. This is balanced by the confidence that at least some of the lost growth can be reclaimed after the outbreak has run its course

GREEN ASH MULTI ASSET STRATEGY USD PERFORMANCE¹

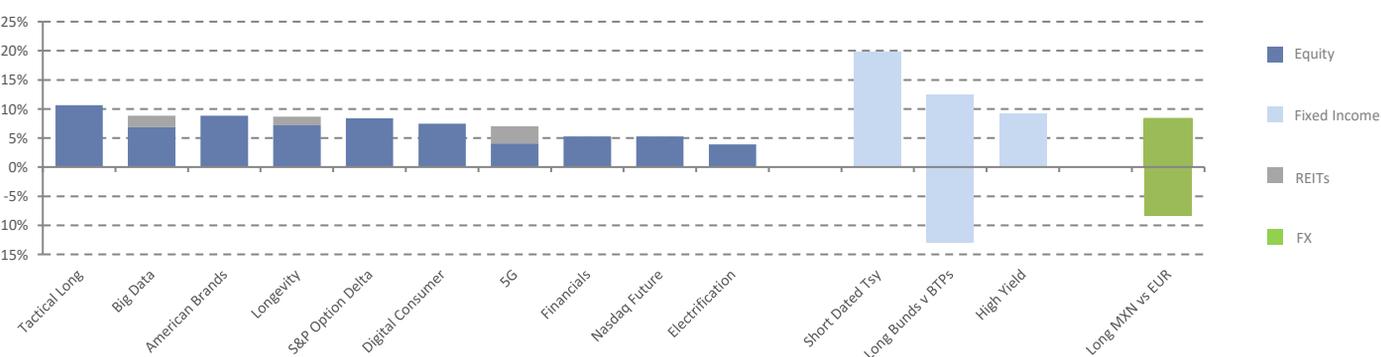


GREEN ASH MULTI ASSET STRATEGY PERFORMANCE¹

	2012	2013	2014	2015	2016	2017	2018	2019	Jan 20	Feb 20	2020 YTD	ITD	Annualised	Volatility	Sharpe
Green Ash Multi Asset USD ¹	+13.17%	+13.63%	+4.03%	+1.15%	-2.94%	+10.59%	-12.32%	+14.66%	-0.22%	-3.88%	-4.10%	+40.07%	4.37%	6.87	0.54
Share class IA GBP	-	-	-	-	+2.66% ²	+9.32%	-14.11%	+12.69%	-0.29%	-3.96%	-4.25%				

¹The Green Ash Multi Asset Strategy track record and returns are derived from a single managed account up to 31/12/15. After this date, performance data for the Green Ash SICAV - Multi Asset Fund share class IA USD is used. All performance figures are net of fees from the inception date of the strategy on 01/01/12. ²IA GBP share class performance is from inception 22/07/16. Source: Green Ash Partners LLP

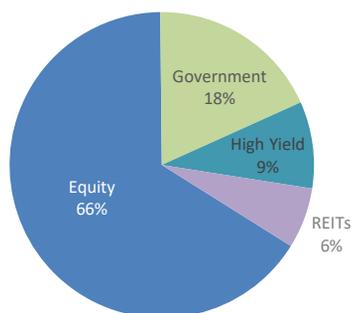
GREEN ASH SICAV - MULTI ASSET FUND % EXPOSURE BY THEME – FEBRUARY 2020





FUND UPDATE AND OUTLOOK

FUND ASSET ALLOCATION



The USD share class finished the month down -3.88% (GBP IA Class -3.96%), as cases of COVID-19 spread beyond China. It has become apparent that new coronavirus is highly contagious and will be difficult if not impossible to contain. The mortality rate remains low in working-age individuals, however the fear associated with the outbreak and measures taken to limit its spread are proving highly disruptive to supply chains and global growth. The main impact so far has been felt in commodities, as well as travel & leisure facing sectors, however manufacturing will also be seriously affected given China's importance in global trade; the effects of this are yet to be seen in given the 2-4 week shipping time between Mainland China and the US, and 4-6 weeks for Europe.

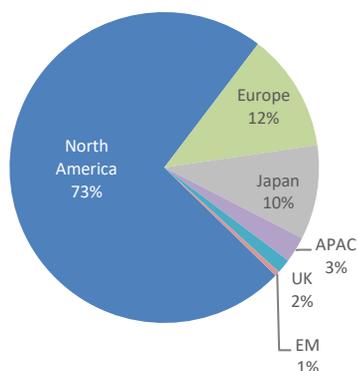
equity side, we realigned our key secular themes to the trends we expect to perform well in the coming months and years. We added additional stocks to our Digital Consumer theme, increasing exposure to digital payments as well as broadening outside of the US. We also initiated themes aimed at electrification/decarbonisation, data growth, and the 5G cycle.

In fixed income we added a long Bunds vs BTP trade to hedge against deteriorating sentiment in Europe leading to a widening of core spreads versus the periphery. We also closed our 10Yr US breakeven as a return to reflation looks less likely now.

Just as markets began to move past the risks posed by the US/China trade war, the emergence of COVID-19 once again presents a challenge to the interconnectedness of the global economy. While the epidemic appears to have peaked in China, uncertainty is likely to persist as investors monitor the emergent hotspots in South Korea, Italy, and Iran, as well as the perhaps inevitable rise in US cases. This is balanced by the confidence that at least some of the lost growth can be reclaimed after the outbreak has run its course, and the hope that the large central banks, as well as the G7 finance ministers will be able to offset the economic damage with a co-ordinated stimulus package. At the time of writing, the jury is still out on whether this somewhat optimistic outcome will come to pass, and much depends on the duration of the economic disruption caused by containment measures (more so that the direct impact of the virus itself).

Commodities were weak, with large moves in energy, with Brent -13.14% and Natural Gas -10.71%. The risk-off move then spread aggressively to equities, which in the US suffered their worst week since 2008 (S&P 500 -11.49%) as systematic funds deleveraged through futures selling. The MSCI World (USD hedged) fell -8.01% over the month as a whole. Government bonds experienced a huge rally, with 10Yr US Treasuries, Bunds, and Gilts rising +3.23% (yield -26bps to 1.15%), +1.72% (yield -17bps to -0.61%), and +0.71% (yield -8bps to 0.44%) respectively. Interest rate markets rallied further, implying several Fed rate cuts in 2020 with almost 50bps of easing priced for March as expectations began to grow around a coordinated policy response. High yield spreads were wider by approximately +90bps on a global basis, though total returns for were cushioned slightly by the decline in underlying government bond yields.

FUND REGIONAL EXPOSURE²



TOP TEN FUND POSITIONS

10Yr BTP Future Jun-20	-12.98%
10Yr Bund Future Jun-20	10.09%
T 2.5% 06/30/20	10.51%
T 2.625% 08/31/20	9.30%
Green Ash HY Fund	9.18%
S&P 500 Risk Reversal Delta	8.40%
S&P 500 E-Mini Jun-20	5.37%
XAF Financial Mar-20	5.30%
Nasdaq 100 E-Mini Mar-20	5.29%
Nasdaq 100 E-Mini Jun-20	5.29%

There were a number of changes made in the fund to position for the year ahead. On the

Number of positions: 75

² The net cash figure includes money market funds, cash equivalents, and cash required to collateralise derivative positions



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