

Green Ash SICAV - Multi Asset Fund

October 2018 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	\$37MM
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 declined -5.91% in October, amid a broad based rout in risk assets. The -6.69% monthly drop in the MSCI World (USD Hedged) was the worst since August 2011, and for some indices such as Nasdaq one needs to look back to November 2008 for comparable monthly drawdowns
- The main detractors from the fund's returns over the month came from technology exposed themes, led by Digital Consumer which declined -13.45%
- Looking ahead, October's weakness has potentially set up risk assets for a solid finish to the year. Q3 earnings have been very solid, and from a fundamental standpoint there are attractive opportunities at current valuations
- The key catalysts in November are the outcome of the midterm elections in the US, and the meeting between Presidents Trump and Xi at the G20 in Buenos Aires. Brexit negotiations are an ongoing focus, and a deal may soon be forthcoming

GREEN ASH MULTI ASSET STRATEGY USD PERFORMANCE¹

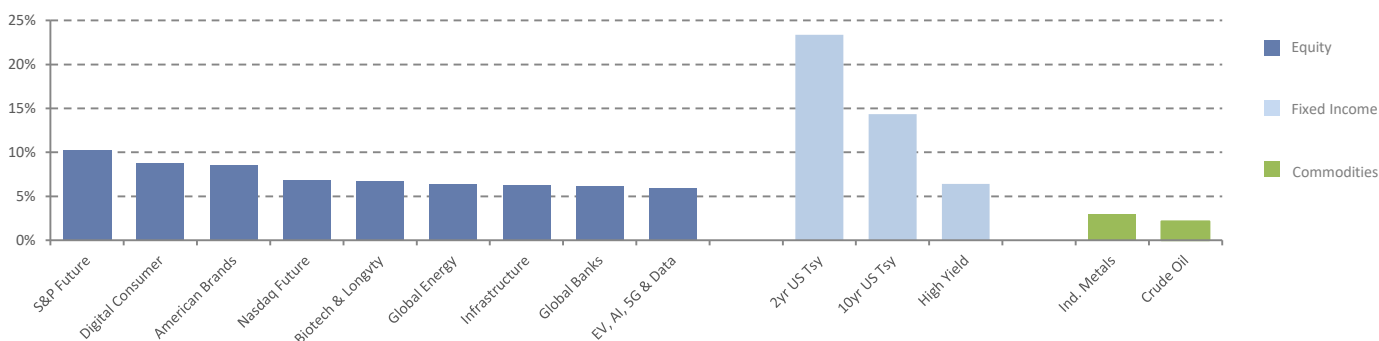


GREEN ASH MULTI ASSET STRATEGY PERFORMANCE¹

	2012	2013	2014	2015	2016	2017	1Q18	2Q18	3Q18	Oct 18	2018	ITD	Annualised	Volatility	Sharpe
Green Ash Multi Asset USD ¹	+13.17%	+13.63%	+4.03%	+1.15%	-2.94%	+10.59%	-2.48%	+0.59%	+1.33%	-5.91%	-6.47%	+35.84%	+4.69%	6.30	0.69
Share class IA GBP	-	-	-	-	+2.66% ²	+9.32%	-2.93%	+0.05%	+0.91%	-6.83%	-8.09%				

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

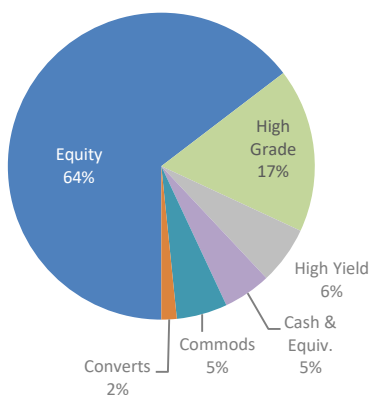
GREEN ASH SICAV - MULTI ASSET FUND % EXPOSURE BY THEME – OCTOBER 2018





FUND UPDATE AND OUTLOOK

FUND ASSET ALLOCATION

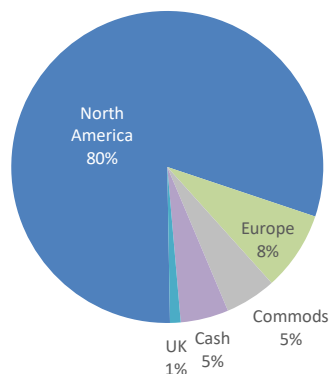


The USD share class declined -5.91% in October, amid a broad based rout in risk assets. The -6.69% monthly drop in the MSCI World (USD Hedged) was the worst since August 2011, and for some indices such as Nasdaq one needs to look back to November 2008 for comparable monthly drawdowns (NDX was down -8.66% in October). 60:40 portfolios had their worst month since February 2009. It was a similar story in commodities, from industrial metals (Zinc -3.59%, Copper -5.20%, Nickel -8.65%) to energy (Brent -8.75%, WTI -10.84%). Meanwhile fixed income allocations did little to provide their traditional safety net, with 10Yr US Treasuries -0.68%; 10Yr Bunds and Gilts did make positive returns on the month, albeit small ones, rising +0.85% and +1.26% respectively.

As previously mentioned, government bonds offered scant protection against the severe weakness in equities and commodities. Our high yield allocation declined -1.57% in October. High yield continues to benefit from strong technical support in both the US and Europe, which has helped reduce the asset class' historical 0.35 beta to the equity market to more like 0.21 YTD, shielding high yield investors from some of the volatility experienced by equity market participants

Looking ahead, October's weakness has potentially set up risk assets for a solid finish to the year. Q3 earnings have been very solid, and from a fundamental standpoint there are attractive opportunities at current valuations. The key catalysts in November are the outcome of the midterm elections in the US, and the meeting between Presidents Trump and Xi at the G20 in Buenos Aires later in the month. Brexit negotiations are also an ongoing focus, and some kind of deal may soon be forthcoming – whether or not it will get through Parliament is another matter. Trade concerns remain the primary overhang on sentiment, and while a trade deal is unlikely to emerge from the Trump/Xi meeting, any progress there will provide a strong tailwind to the markets.

FUND REGIONAL EXPOSURE²



Many factors have been cited for the sell off in October, from Fed hawkishness, to the housing market, trade war rhetoric and uncertainty over midterms in the US. It could be that systematic trading programs were overwhelmed by signals, which superseded ongoing fundamental strength in the US economy and corporate earnings. This was exacerbated by poor liquidity and hedge fund deleveraging, hitting some of the best performing/best owned stocks which have been providing market leadership year to date.

As might be expected, the main detractors from the fund's returns over the month came from technology exposed themes, led by Digital Consumer which declined -13.45%. Other cyclical sectors also underperformed, with our Infrastructure, Biotech & Longevity and EV/Data themes all declining c.-9%. Banks and energy were the relative outperformers, though still ended the month in negative territory, declining -4.69% and -5.73% respectively.

In commodities, our basket of industrials metals declined -5.73% and our Brent 1month ETC fell -7.57%.

TOP TEN FUND POSITIONS

T 2.875% 08/15/2028	14.01%
T 2.5% 06/30/2020	11.48%
T 2.65% 08/31/2020	11.45%
S&P500 Emini Fut Dec-18	10.28%
Nasdaq 100 Emini Fut Dec-18	6.92%
Green Ash HY Funds	6.40%
XAV Healthcare Dec-18	3.12%
ETFS Brent 1Mth.	2.35%
UnitedHealth Group	2.21%
Visa Inc.	2.13%

Number of positions: 51

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



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