

Strategy Description

Key Trends is a medium-to-long-term systematic trading system, investing in the most liquid futures markets. Based on its innovative probabilistic model, Key Trends is able to detect establishing trends quickly, to characterize high potential established trends, as well as detecting trend reversals sooner, thus elevating Key Trends' profit potential versus its peers. Moreover, thanks to a unique "Global Economic Factor" (GEF) [®], Key Trends is able to assess the strength of global economic trends in order to optimize its portfolio exposure.

Fund Characteristics

Strategy	Key Trends program
Type	Trend following
Process & Trading	100% Systematic
Traded Markets	43 financial futures
Target Volatility	10%
Underlying Holdings	Futures, FX and cash

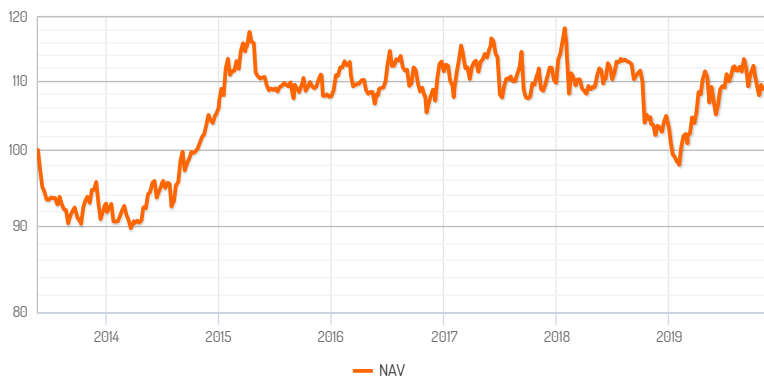
Key Trends UCITS (A-EUR Shares) Net Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	-4.47%	2.76%	4.31%	5.33%	-5.31%	3.79%	2.96%	1.00%	-0.92%	-3.14%	-	-	5.80%
2018	5.73%	-5.32%	-1.12%	0.37%	0.58%	0.59%	2.54%	-0.45%	-0.86%	-6.20%	-1.38%	-0.37%	-6.25%
2017	-3.49%	6.64%	-2.25%	0.70%	2.25%	-6.51%	2.17%	1.42%	-3.98%	3.45%	-0.46%	-0.82%	-1.59%
2016	4.08%	0.74%	-2.92%	-1.42%	-0.14%	4.07%	0.95%	-1.47%	-0.05%	-3.53%	0.51%	2.97%	3.51%
2015	6.97%	-0.31%	2.33%	-3.82%	-0.59%	-1.68%	0.88%	-2.10%	2.39%	-0.68%	1.42%	-2.78%	1.57%
2014	-2.45%	2.18%	-2.08%	1.79%	3.54%	-0.04%	-3.16%	6.51%	0.68%	1.79%	3.91%	0.98%	14.07%
2013	-	-	-	-	-2.67%*	-4.09%	-0.46%	-2.71%	0.66%	3.04%	2.04%	-2.92%	-7.12%

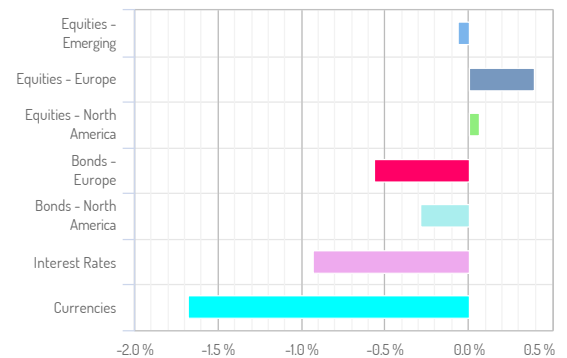
*Inception date: May 24, 2013.

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Performance since Inception (May 24, 2013)



Monthly Gross Sector Performance



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Key Statistics (Based on monthly data)

Rolling Statistics

Return over last 12 months	3.96%
Trailing 12m Volatility	11.74%
Current Margin/Equity Ratio	7.99%
Current drawdown	-6.19%

Since Inception

Annualized Return	1.31%
Annualized Volatility	10.51%
Return / Volatility	0.12
Largest drawdown	-15.29%

Assets

NAV per Share	108.730624
Assets in Key Trends UCITS (approx.)	€ 21 000 000
Assets in Strategy (approx.)	\$ 350 000 000

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Leverage & VaR

Leverage	VaR 99% 20 days
2.264%	-6.96%

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Monthly Commentary

For the month ending October 31, 2019, the Key Trends UCITS (A-EUR Shares) posted a net return of -3.14%, bringing the net YTD return to +5.80%.

In October, the U.S. Federal Reserve kept its accommodative tone with a 25bps rate cut, its third reduction this year. On the trade war front, U.S. and China were confident about signing phase one of the deal by the end of the year. The U.S. unemployment rate remained near a 50-year low. Equities marched higher on the positive news, with the Nasdaq Composite and S&P 500 finishing the month near all-time highs. In Europe, equities followed the same positive trend, with the Eurostoxx50 up around 1%. The European Central Bank ("ECB") is in transition mode with the imminent (November 1, 2019) departure of Mr. Draghi and the arrival of Mrs. Lagarde as the new ECB president. Prices on German bonds moved lower, with the German Schatz (2-Yr) yielding 22bps higher and the German Bund (10-Yr) yield increasing by 11 bps. The Brexit saga continued as the deadline for the UK leaving the European Union was postponed yet again, this time by three months until January 31, 2020. This was positive for the GBP as it advanced more than 5% against the USD.

The model made reductions on bonds and interest rates: net exposures on these sectors were cut by a third. The model went short on the German Schatz, German Bobl (5-Yr), and the 2-Yr U.S. Treasury. Exposure on bonds are now at 34% net. Long equities were slightly increased in the U.S. and Europe. The program continues to favour the USD against major currencies, with the outlier being the long MXN position (vs. USD). At the end of the month the ex-ante volatility is around 10% a bit higher than a month ago.

Key Terms

Structure	Umbrella Investment Company	Administrator	CACEIS Bank, Luxembourg Branch
Type	SICAV	Depository	CACEIS Bank, Luxembourg Branch
Domicile	Luxembourg	Clearing Brokers	Société Générale SA Goldman Sachs Bank Europe SE
Investment Manager	KeyQuant SAS	Auditor	PricewaterhouseCoopers, SC

Share Class Characteristics

Class of Shares	A-EUR	I-EUR	A-USD	T-EUR	T-USD
Inception Date	May 24, 2013	April 12, 2013	October 7, 2016	September 6, 2019	September 6, 2019
Eligibility	Professional Investors only	Professional Investors only	Professional Investors only	Professional Investors only	Professional Investors only
Reference Currency	EUR	EUR	USD	EUR	USD
Hedged Share Class	-	-	Yes	-	Yes
Liquidity	Weekly & end of Month (2 business days notice)	Weekly & end of Month (2 business days notice)	Weekly & end of Month (2 business days notice)	Weekly & end of Month (2 business days notice)	Weekly & end of Month (2 business days notice)
Minimum Initial Investment	EUR 10,000	EUR 2,000,000	USD 10,000	EUR 100,000	USD 100,000
Management Fees	2%	1.25%	2%	0.5%	0.5%
Performance Fees	20%	20%	20%	5%	5%
ISIN Code	LU0904233987	LU0904234019	LU0904234449	LU2038972514	LU2038972605
Bloomberg Ticker	KEYKTAE LX	KEYKTIE LX	KEYKTAU LX	-	-

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Explanatory Notes

Leverage: Total notional amount for futures contracts (According to CESR/10-788).

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