

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	31 financial futures
Target Volatility	10%
Underlying Holdings	Futures, forwards and cash

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

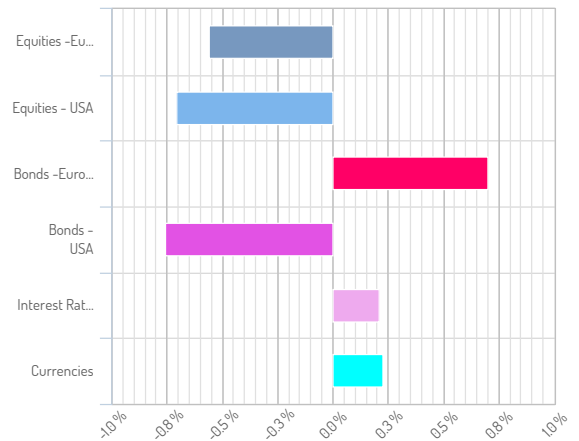
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	5.63%	-5.10%	-1.06%	-	-	-	-	-	-	-	-	-	-0.82%
2017	-3.43%	6.68%	-2.20%	0.74%	2.30%	-6.39%	2.23%	1.39%	-3.82%	3.46%	-0.33%	-0.76%	-0.84%
2016	4.13%	0.83%	-2.91%	-1.37%	-0.09%	4.12%	0.99%	-1.42%	0.00%	-3.48%	0.56%	3.03%	4.13%
2015	7.02%	-0.22%	2.39%	-3.77%	-0.54%	-1.63%	0.93%	-2.05%	2.44%	-0.63%	1.47%	-2.73%	2.22%
2014	-2.39%	2.24%	-2.01%	1.85%	3.60%	0.02%	-3.09%	6.18%	0.61%	1.68%	3.96%	1.04%	14.12%
2013	-	-	-	1.53%*	-1.78%	-4.03%	-0.40%	-2.65%	0.72%	3.10%	2.10%	-2.86%	-4.42%

*Inception date: April 12, 2013.

Performance since Inception (April 12, 2013)



Monthly Gross Sector Performance



Key Statistics (Based on monthly data)

Rolling Statistics

Return over last 12 months	-2.39%
Trailing 12m Volatility	11.81%
Current Margin/Equity Ratio	5.26%
Current drawdown	-5.10%

Since Inception

Annualized Return	2.71%
Annualized Volatility	10.17%
Return / Volatility	0.27
Largest drawdown	-8.60%

Assets

NAV per Share	114.177053
Assets in Key Trends UCITS (approx.)	€ 21 000 000
Assets in Strategy (approx.)	\$ 390 000 000

Leverage & VaR

Leverage	Adjusted Leverage ^[1]	VaR 99% 20 days
2 699%	480%	-1.79%

Monthly Commentary

For the month ending March 29, 2018, the Key Trends UCITS (I-EUR shares) posted a net return of -1.06%, bringing the net YTD return to -0.82%.

In March, tech stocks sold off as Facebook's data breach increased questions surrounding the regulation of technology companies. The risk of trade wars made investors nervous as President Trump threatened China with trade tariffs. This triggered the biggest slump in equities in six weeks, resulting in the VIX to increase from 17 to 23. At month-end, trade tensions eased somewhat, but US and European equities ended down 2% to 4% in March. The US Dollar Index was down nearly 1%. The yields on the 10-Yr US Treasury fell from 2.86% to 2.74%, while the 10-Yr German Bund yield dropped 16 bps to 0.50%. West Texas Intermediate Crude Oil was up 5% as geopolitical risks on the Yemen / Saudi Arabia conflict drove prices higher.

The model continued to reduce the global position on equities, with net exposure decreasing from 30% to 16%. This reduction took place in the form of small short or flat positions on European markets, and a reduction on US long positions. In bonds, the model continues to be short US Treasuries, more so on the short end (3-mnth to 5 Yrs) of the yield curve and long European bonds (namely the Schatz and Bund). Coming into April, the GEF remained relatively unchanged at 0.77 and the current portfolio exposure appears to be at its nadir, with the ex-ante volatility at 4.6% at month-end.

Key Terms

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

Share Class Characteristics

Class of Shares	A-EUR	I-EUR	A-USD
Inception Date	May 24, 2013	April 12, 2013	October 7, 2016
Eligibility	Professional Investors only	Professional Investors only	Professional Investors only
Reference Currency	EUR	EUR	USD
Hedged Share Class	-	-	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)
Minimum Initial Investment	EUR 10,000	EUR 2,000,000	USD 10,000
Management Fees	2%	1.25%	2%
Performance Fees	20%	20%	20%
ISIN Code	LU0904233987	LU0904234019	LU0904234449
Bloomberg Ticker	KEYKTAE LX	KEYKTIE LX	KEYKTAU LX

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Explanatory Notes

[1] Adjusted Leverage : Total notional amount for futures contracts (duration adjusted for bonds and interest rates).

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