

### 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	37 financial futures
Target Volatility	10%
Underlying Holdings	Futures, FX and cash

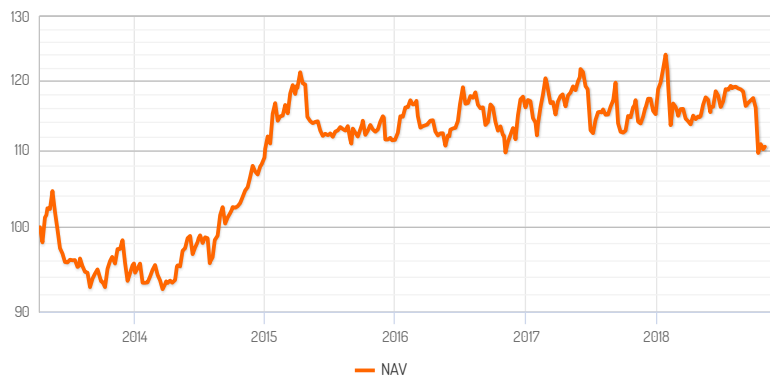
### Key Trends UCITS (I-EUR Shares) Net Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	5.63%	-5.10%	-1.06%	0.43%	0.64%	0.65%	2.37%	-0.40%	-0.81%	-5.89%	-	-	-3.97%
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.

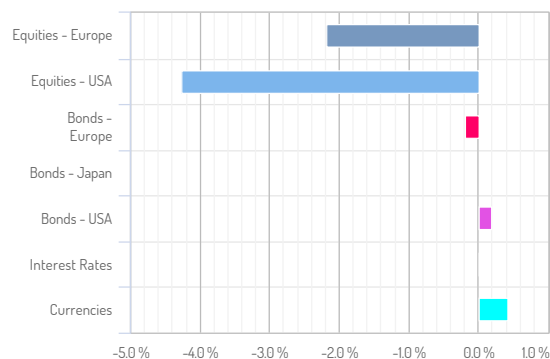
PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

### Performance since Inception (April 12, 2013)



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### Monthly Gross Sector Performance



### Key Statistics (Based on monthly data)

#### Rolling Statistics

Return over last 12 months	-5.01%
Trailing 12m Volatility	9.99%
Current Margin/Equity Ratio	6.01%
Current drawdown	-9.09%

#### Since Inception

Annualized Return	1.82%
Annualized Volatility	10.03%
Return / Volatility	0.18
Largest drawdown	-9.09%

#### Assets

NAV per Share	110.558153
Assets in Key Trends UCITS (approx.)	€ 20 000 000
Assets in Strategy (approx.)	\$ 520 000 000

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### Leverage & VaR

Leverage	Adjusted Leverage <sup>[1]</sup>	VaR 99% 20 days
2 652%	370%	-5.00%

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Sources : KeyQuant, Bloomberg  
Calculation : KeyQuant

### Monthly Commentary

For the month ending October 31, 2018, the Key Trends UCITS (I-EUR) posted a net return of -5.89%, bringing the net YTD return to -3.97%.

Global stocks fell in October. The S&P 500 dropped by -8.8% and the EuroStoxx 50 by -7.8%. The biggest drops occurred on October 10, 11, and 24. This decline was driven by concerns on the U.S. / China trade war and on rising bond yields. Third-quarter earnings announcements dampened investors enthusiasm as some companies (Amazon, AT&T, Caterpillar...) showed disappointing results. Amazon.com's decision to raise the minimum wage for all of its employees to \$15/hr drove inflation fears higher. Crude oil also traded lower on global trade concerns. The US Dollar gained vs. the EUR as data showed business growth in the euro zone decelerated faster than expected. The GBP slumped on news that Brexit negotiations with the EU remained in deadlock. Gold rose as sliding global stock markets prompted risk-wary investors to buy the metal. U.S. Treasury yields rose slightly after having dropped during the mid-month equities sell-off and then rising again late in the month following hawkish speeches by Fed officials. German yields decreased as investors sought a safe-haven from Italy's budget deficit issues.

October was a difficult month for the Key Trends Program. The program saw most of the losses from long equities. There were small gains on short bonds and long USD positions. Coming into the month, the global exposure was high, with the Global Economic Factor ("GEF") at 1.38 and the ex-ante volatility at 13.6%. By month-end, the GEF had fallen to 1.02, driving the ex-ante volatility to 6.9%. During the month, exposure on equities was reduced from an overall leverage of +132% to -7% (net short). All positions in equity indices at the start of the month were long; the system gradually went short on 7 out of 12 equity index markets traded. The first short positions on European equity indices were initiated on October 11, while on the US markets this started one week later on October 19. In bonds, the system stayed short the US yield curve, while going back to long on European bonds. The long position in short term rates (as measured in duration) was increased three-fold.

### 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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