

### 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) <sup>®</sup>, 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 (A-USD Shares) Net Monthly Performance

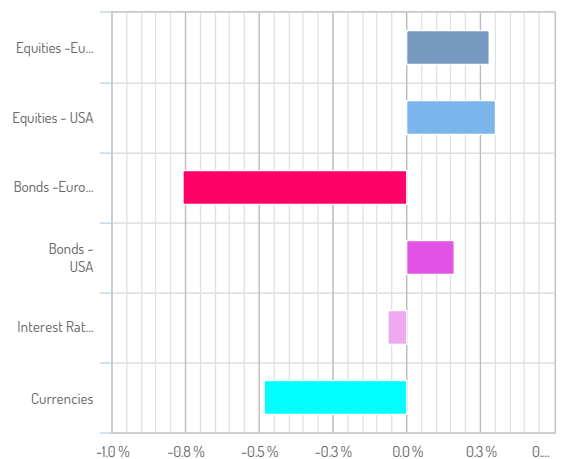
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	-3.40%	6.67%	-2.16%	0.78%	2.43%	-6.34%	2.35%	1.40%	-3.51%	3.37%	-0.28%	-0.43%	0.18%
2016	-	-	-	-	-	-	-	-	-	-1.62%*	0.68%	3.24%	2.26%

\*Inception date: October 7, 2016.

### Performance since Inception (October 7, 2016)



### Monthly Gross Sector Performance



### Key Statistics (Based on monthly data)

#### Rolling Statistics

Return over last 12 months	0.18%
Trailing 12m Volatility	11.78%
Current Margin/Equity Ratio	15.46%
Current drawdown	-3.74%

#### Since Inception

Annualized Return	1.99%
Annualized Volatility	11.02%
Return / Volatility	0.18
Largest drawdown	-6.34%

#### Assets

NAV per Share	116.678964
Assets in Key Trends UCITS (approx.)	€ 21 000 000
Assets in Strategy (approx.)	\$ 350 000 000

### Leverage & VaR

Leverage	Adjusted Leverage <sup>[1]</sup>	VaR 99% 20 days
2 606%	805%	-14.91%

### Monthly Commentary

For the month ending December 29, 2017, the Key Trends UCITS (A-USD shares) posted a net return of -0.43%, bringing the net YTD return to 0.18%.

In the U.S., the S&P 500 increased by 1.1% as strong job numbers and tax reform passed by U.S. Congress took center stage. The FTSE 100 was up 4.9%, supported by gains in the energy sector and progress made on Brexit negotiations. The ECB announced the reduction of asset purchases, but extended the program, which proved a significant boost to bond yields. Meanwhile in the US, the Fed lifted interest rates by 25 basis points (bps) in their December meeting.

The short positions in Short and Medium-term US Treasuries, as well as long positions in energies and equity indices were positive contributors in December. The long positions in short-term rates, long-dated bonds, and currencies were the biggest detractors this month. The signals on equities continue to oscillate actively between being weak, medium, or strong on the long side. In December, the signals remained medium to strong, with a slight increase on the long positions. Bonds are another story: The short-bias on short-to-medium term (3 months to 10 years) continues to grow, however, near month-end, the model started to make large reductions on long positions on the Schatz, Bobl (going short), and CGB. The Global Economic Factor increased from 1.09 to 1.17.

### 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

### Contact Details

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### Explanatory Notes

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

### Disclaimer

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