

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 (A-USD Shares) Net Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	-4.22%	2.97%	-	-	-	-	-	-	-	-	-	-	-1.38%
2018	5.59%	-4.87%	-0.84%	0.54%	0.54%	0.12%	2.47%	-0.25%	-0.74%	-5.52%	-1.12%	-0.08%	-4.53%
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.

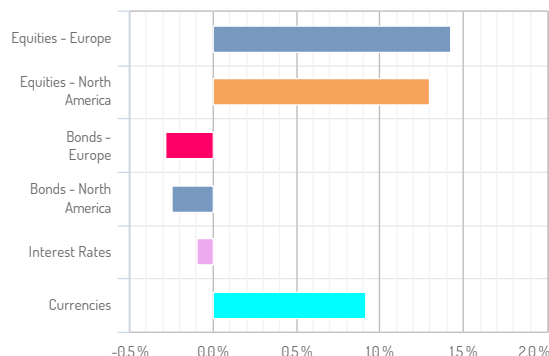
PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Performance since Inception (October 7, 2016)



PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Monthly Gross Sector Performance



Key Statistics (Based on monthly data)

Rolling Statistics

Return over last 12 months	-6.25%
Trailing 12m Volatility	7.95%
Current Margin/Equity Ratio	11.67%
Current drawdown	-10.82%

Since Inception

Annualized Return	-1.49%
Annualized Volatility	10.81%
Return / Volatility	-0.14
Largest drawdown	-13.39%

Assets

NAV per Share	109.864080
Assets in Key Trends UCITS (approx.)	€ 19 000 000
Assets in Strategy (approx.)	\$ 480 000 000

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Leverage & VaR

Leverage	Adjusted Leverage ^[1]	VaR 99% 20 days
2 355%	514%	-9.51%

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Sources : KeyQuant, Bloomberg
Calculation : KeyQuant

Monthly Commentary

For the month ending February 28, 2019, the Key Trends UCITS (A-USD Shares) posted a net return of +2.97%, bringing the net YTD return to -1.38%.

Global equities rose this month, with the positive news of improved US-China trade talks and dovish central banks overshadowing weak Chinese data and slower Eurozone growth. US President Trump said he may extend a trade tariff truce with China set to expire at month-end. Minutes from the US Fed show that it remains committed to a patient approach to rate hikes. Dovish messages from Asian central banks and the European Central Bank fueled reflationary expectations. Data showed that Chinese factory activity contracted and China's export orders fell. The European Commission sharply cut its forecast for Euro zone growth this year. The Australian Dollar tumbled after the country's central bank signaled a possible interest-rate cut. The GBP rallied as U.K. Prime Minister Theresa May promised a vote to delay Brexit if her proposed deal fails. Yields rose slightly this month as investors sold safe-haven government bonds in favor of riskier assets. Crude oil edged higher, supported by OPEC's ongoing supply cuts (notably from Saudi Arabia) and US sanctions on Iran and Venezuela.

The top 5 gainers for the month were quite diversified: Long SMI, short AUD/USD, short JPY/USD, long Dow Jones and short EUR/USD. Among the top 5 losers were two UK positions: short GBP and long UK Gilt. The program was active in February, more than doubling the long exposure on equities. The long Schatz (German 2-Yr) was reduced while the long short-term Sterling rates was increased. The long signals on equities remain quite tepid: Only half of the signals are active, while they are long, some of these signals are sensitive to down moves on equities. Long exposure on equities has been re-increased but it is balanced against a fairly sized long position on short term rates and bonds. At month-end, the ex-ante volatility is at 15% (its maximum).

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

KeyQuant

📍 **Address:** 20, rue Quentin-Bauchart

75008 - Paris - FRANCE

☎ **Phone:** +33 (0) 1.84.13.83.00

✉ **Email:** ir@keyquant.com

🌐 **Website:** www.keyquant.com



Frans Harts

Americas

Phone: +33(0)1.84.13.83.12

Email: fransharts@keyquant.com



Alison Mayer

Europe

Phone: +33(0)1.84.13.83.11

Email: amayer@keyquant.com

Explanatory Notes

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

Disclaimer

This document, communicated by KeyQuant SAS (“**KeyQuant**”), is confidential and may not be recopied, reproduced or otherwise redistributed.

It has been issued for informational purposes only and nothing in this document should be interpreted as constituting legal, regulatory, tax, financial or investment advice.

The information contained herein is addressed to and directed only at professional investors and should not be relied on by any other person. It does not constitute a report, an offer or a solicitation by anyone in the United States or in any other jurisdiction in which such a report, offer or solicitation is not authorized or to, or for the account or benefit of, any US person as defined in relevant US securities laws or any person to whom such report, offer or solicitation is unlawful.

The information herein may be approximate. It may contain errors and/or omissions and due to rounding, numbers presented throughout may not precisely reflect performance results. It may be based on third party sources of information which are assumed to be correct and reliable but not independently verified.

This document may also contain forward-looking statements, including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties.

KeyQuant does not guarantee and accepts no legal liability whatsoever arising from or connected to, the accuracy, reliability, currency or completeness of any information provided herein which may be amended at any time. KeyQuant is under no obligation to provide you with an updated version of such information.

Investment in a fund is speculative and involves substantial risks, including the risk of loss of the entire investment. No guarantee or representation is given that the fund will achieve its investment objective.

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS