

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-USD Shares) Net Monthly Performance

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|--------|--------|--------|-------|--------|--------|-------|--------|--------|---------|--------|--------|--------|
| 2019 | -4.22% | 2.97% | 4.53% | 4.75% | -5.01% | 3.60% | 2.68% | 1.40% | -0.77% | -2.48% | - | - | 7.07% |
| 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% |

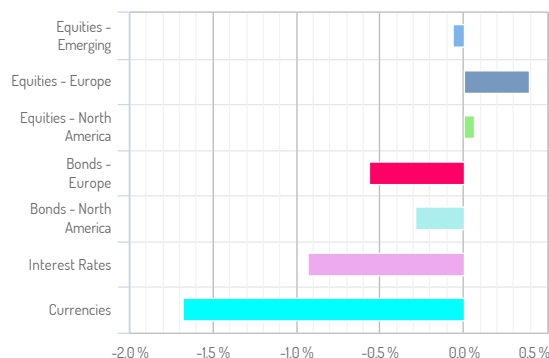
*Inception date: October 7, 2016.

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Performance since Inception (October 7, 2016)



Monthly Gross Sector Performance



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Key Statistics (Based on monthly data)

Rolling Statistics

| | |
|-----------------------------|--------|
| Return over last 12 months | 5.79% |
| Trailing 12m Volatility | 11.03% |
| Current Margin/Equity Ratio | 7.99% |
| Current drawdown | -3.23% |

Since Inception

| | |
|-----------------------|---------|
| Annualized Return | 1.52% |
| Annualized Volatility | 11.09% |
| Return / Volatility | 0.14 |
| Largest drawdown | -13.39% |

Assets

| | |
|--------------------------------------|----------------|
| NAV per Share | 119.269400 |
| Assets in Key Trends UCITS (approx.) | € 21 000 000 |
| Assets in Strategy (approx.) | \$ 350 000 000 |

PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS

Leverage & VaR

| | | | |
|----------|--------|-----------------|--------|
| Leverage | 2.264% | VaR 99% 20 days | -6.96% |
|----------|--------|-----------------|--------|

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Sources : KeyQuant, Bloomberg
Calculation : KeyQuant

Monthly Commentary

For the month ending October 31, 2019, the Key Trends UCITS (A-USD Shares) posted a net return of -2.48%, bringing the net YTD return to +7.07%.

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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