

ODEY ABSOLUTE RETURN (IRL) FUND



Year performance

It was a good year for the fund which delivered a + 7.54% return after being broadly market neutral. The long book returned +33.52%, with alpha of +10.98%, the short book returned -22.41% with negative alpha of -3.64%. It was particularly satisfying to deliver good returns in 2019 after some meaningful intra year sell offs in many of our stocks where generally we added to and then saw some recovery in the second half of the year.

Quarter performance

It was a strong quarter for the fund, which returned +15.46% whilst being broadly market neutral, and with the MSCI total return +0.98%. Performance was driven by our long book, which generated returns of +19.60%, the majority of which came from alpha (+13.23%). Our short book detracted -5.59% with negative alpha of -3.62%. With sterling having a strong quarter our currency hedges made +3.30%.

The exceptional quarter in the long book was driven by a combination of stock specific and thematic factors. Our top contributor was **Stars Group** (+3.75%) which received an all-share takeover offer from Flutter, which we discussed in our previous newsletter. Since the deal was announced we have continued to see very encouraging market share data from the United States where there is a big opportunity for the merged entity as the market continues to regulate and open up. Our next best performer was **Dart Group** (+3.15%), a hybrid tour operator and low cost airline. In line with our view of owning the highest quality asset in the sector, Dart Group benefitted from Thomas Cook going into administration in September and then in the fourth quarter it issued upward profit guidance. **Sports Direct** (now called **Frasers Group**) contributed +2.67% as it delivered results which were materially better than the market was expecting. Underlying EBITDA, in a non world cup year, was up +21.8% for the half and management commented that House of Fraser, the company's major acquisition from the administrator, was 'starting to see the green shoots of recovery'. If there is any reform in UK business rates for retailers, which to us looks inevitable, then Sports Direct should be one of the best placed companies to benefit. In the meantime its sports elevation strategy is working well, Flannels (its luxury goods division) is growing strongly and the company is upping spend in automation and technology.

Plus500 contributed +1.52% after results demonstrated how well it is adapting and arguably benefitting from the new regulatory environment. We saw further large insider buying in December. For 2019 as a whole Plus500 performed poorly and cost the fund -1.79% with the shares de-rating. The main reason for this was low volatility across most asset classes during the year. If more normal levels of volatility are forecast for 2020 then the shares should be on an EV/EBIT multiple of c.4x, and this is after factoring in short term headwinds in Australia which is 15% of Plus500's revenues. Other idiosyncratic names that did well for us in Q4-19 were **LeoPalace** (+0.93%), a Japanese apartment leasing company, **Plug Power** (+0.75%), a hydrogen fuel cell business, and **TCS** (+0.62%), a Russian financial technology business. **IWG**, the serviced office business, contributed positively (+0.44%) as it showed further evidence of its move to an asset-light franchise business by selling the assets in Switzerland at an accretive multiple and retaining the franchise fee. We expect further deals to be announced over the course of 2020 and this should increase the ROIC of the business, the system growth, the capital returns and the through-the-cycle multiple. The journey that IWG is on is very similar to what IHG did over the period in the chart below although we expect this to be executed over a much shorter period.

Performance

8.0% Monthly performance
7.5% Year-to-date performance
1.4% CAGR since inception

These figures refer to the past. Past performance is not a reliable indicator of future results.

Fund details¹

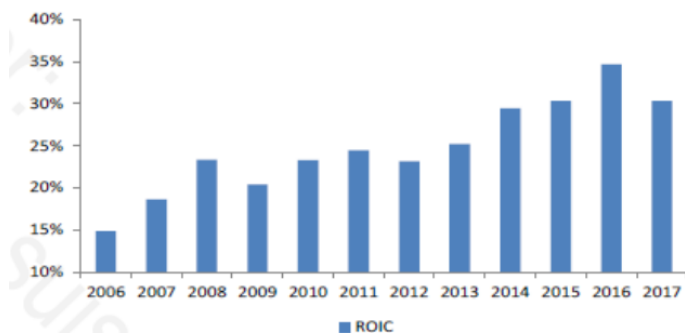
£ I Class	101.52
£ R Class	106.74
\$ I Class	103.59
€ I Class	99.87
€ R Class	104.62
Fund Size	£21 million
Strategy AUM	\$889 million
Fund Inception	11 Dec 2018
Class Inception	11 Dec 2018
Fund Type	Irish Long/Short UCITS

Fund Managers

James Hanbury
Jamie Grimston

For full bios visit odey.com

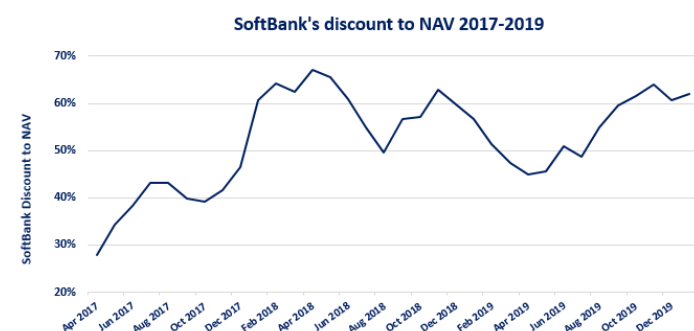
Exhibit 1: Chart of IHG ROIC 2006-2017



Source: Credit Suisse

While last year was generally a good one for our long book there are many stocks which performed poorly and yet where our conviction levels are either unchanged or have increased. **Valaris**, the offshore oil driller, contributed +0.74% in the quarter yet cost us -3.84% in the year. Valaris suffered last year as the speed of the recovery in day rates was below our and market expectations and also contract awards were shorter than expected. For us, the supply demand dynamics in the offshore drilling space now look even more compelling for the rig owners. This is partially driven by good returns on offer with oil at current levels and also by a shift in capital allocation from onshore to offshore. Although **Softbank** contributed positively for us in 2019 (+2.60%) it was really a disappointing year of share price performance given how well its underlying assets did. All the Softbank attention is given to some of the early stage Vision Fund assets yet the most valuable asset it owns by a significant distance is its holding in Alibaba, which comprises 52% of Softbank's enterprise value and was up +55% in 2019. Although we had always been sceptical of the value of its holding in WeWork, mainly through the Vision fund, we underestimated how much of a hit to sentiment this would have on Softbank's shares. Over the second half of 2019 Softbank's discount to its NAV widened to end the year at 61%, close to the top of the recent range.

Exhibit 2: Softbank discount to NAV



Source: Company filings, Bloomberg, Odey Research

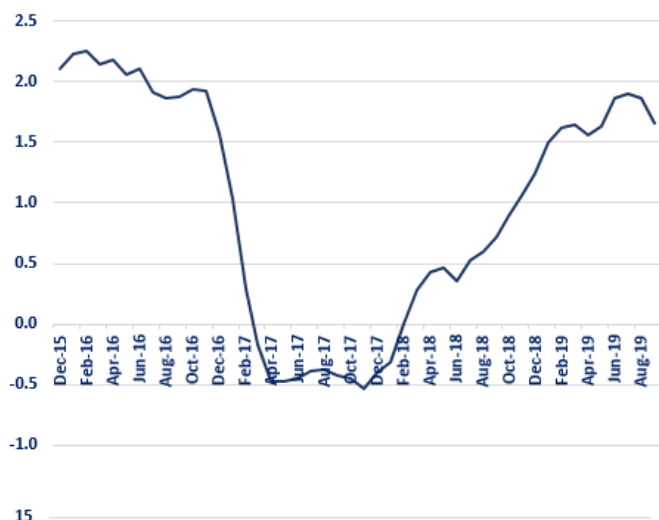
On the short side we had a mildly disappointing year after a strong period of alpha over the previous three years. The short book lost -22.4% over the year though that has to be viewed in the context of a very strong equity market. There were some decent positive contributors over the year like **Tesla** (+1.18%) and **Turquoise Hill** (+0.69%) though in general our short book

suffered from a re-rating in a falling rate environment. Our conviction on most of our positions has remained or increased hence we still hold the positions. We also suffered from two of our positions being bid for during the year, **Just Eat** (-0.98%) and **Tiffany** (-0.79%). Takeover risk is something we always try to manage on the short side though clearly it is unavoidable at times. In Q4 we also suffered losses on some technology and US retailer shorts yet for the vast majority of our positions there was no fundamental shift of view on our positions.

We previously outlined that we were overweight the UK domestic space given how attractive the bottom up valuations were. The UK general election was therefore an important risk for us to monitor and try to quantify. Using primary data we spent a material amount of time modelling the election on a constituency by constituency basis. We looked at historical voting patterns, location, demographics, MP profiles and backed it up with some constituency polling. On a gross basis we predicted 97% of the seats correctly (out of 650) and on a net basis we were 9 seats out on the size of the Tory majority. This was significantly better than the YouGov MRP poll or any other public model we saw. As our work progressed, we became more and more comfortable with the UK factor risk we were taking on and actually added to it (5-10% of equity) during the election campaign, mainly through positions we liked on a standalone basis anyway which we felt would benefit from a Conservative majority, e.g. Barclays and IAG. The outcome from the election and the subsequent rally in UK assets was satisfying as it is rare in our industry to see such a clear and immediate correlation between time spent working on something and the positive output delivered.

We do believe the election result has laid the foundation for a multi-year period of outperformance in UK assets. We know there will be a Conservative government for at least the next five years and the size of its majority means it can be bold. There is a rare situation of a Conservative chancellor, who is keen to and has the opportunity to reverse austerity. We believe this government will be pro-business and supportive of pro-growth regulatory change. There will be a sizable amount of government infrastructure investment going into the UK, particularly in the north. The UK economy is fundamentally in a good place with strong employment markets, a stable/de-levered banking system, materially reduced political risks and an attractive place for businesses to invest relative to the rest of Europe. One of the things holding back the economy, with Brexit and political uncertainty, has been investment spending and we expect this to pick up this year along with consumer and business confidence potentially leading to an uplift in productivity.

Exhibit 3: UK real private sector pay growth, % YoY



Source: Lazarus Economics and Strategy.

Exhibit 4: UK real investment spending (% change year on year):

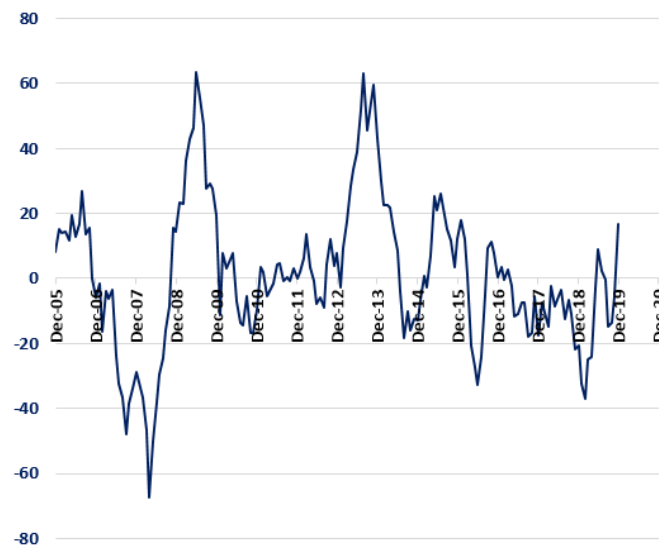


Source: Lazarus Economics and Strategy

It is also encouraging to see a material wall of worry to climb in the UK and there is still considerable nervousness about a 'hard Brexit' on the 31st Dec. We are more relaxed than consensus on moving onto WTO terms though crucially, given the UK is free to start negotiating trade agreements from the 1st Feb 2020, the risks of a year-end 'cliff edge' should reduce as time passes and deals or partial deals get done. Also, the UK government holds a free option to extend the deadline on the EU Withdrawal Agreement if they felt it would be advantageous. For us the UK has a compelling combination of healthy fundamentals where headwinds should turn into tailwinds, where there are assets that we know well and like and where the price of these assets are inexpensive.

Although it will take a few months/quarters for the hard data to come through, the early signs after the election win are encouraging. Since the beginning of 2006 there has been a 75% correlation with new buyer enquiries (lagged by 6 months) and property transactions and we are already seeing a 'Boris bounce' in new buyer enquiries.

Exhibit 5: RICS housing survey for England and Wales: change in new buyer enquiries



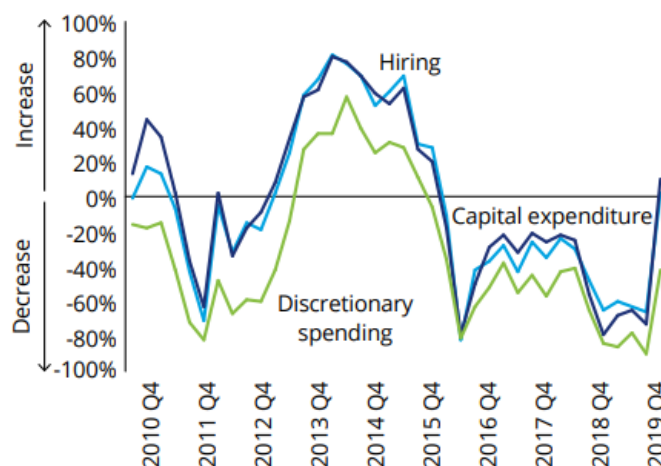
Source: Bloomberg/ RICS

The Deloitte UK CFO survey for Q4 2019, conducted post the UK election, is encouraging. The 119 CFOs surveyed in aggregate reported their biggest ever increase in optimism in the 11 year history of the survey. Furthermore the survey showed that CFO expectations of capital expenditure and hiring have risen sharply.

Exhibit 6: UK CFO outlook for capital expenditure (dark blue line), hiring (light blue line) and discretionary spending (green line)

Outlook for capital expenditure, hiring and discretionary spending

Net % of CFOs who expect UK corporates' capital expenditure, hiring and discretionary spending to increase over the next 12 months



Source: Deloitte Q4 19 CFO survey

Similarly, there has been positive early commentary regarding the UK coming from CEOs and FDs across most (but not all) areas. Here is a sample:

Workspace Group (UK provider of flexible workspace) 16th Jan 2020 trading update: *"Customer demand in the first few weeks of the new year suggest that increased political certainty following the election result has buoyed business confidence."*

Big Yellow Group (largest UK self-storage company) 16th Jan 2020 trading statement: *"The economic and political uncertainty that we referred to in our interim results continued during the lead-up to the December election. Following, the election however, trading in the quarter improved."*

Persimmon (leading UK house builder) CEO on the 15th Jan 2020 conference call: *"Although it's too early to read anything into the impact of the general election on sales rates, the early signs are encouraging with visitor levels and website activity both ahead of this time last year."*

Marshalls (UK's leading hard landscaping manufacturer) 16th Jan 2020 trading statement: *"Looking ahead, the outcome of the UK General Election in December 2019 has created a more certain political environment and the underlying indicators in the New Build Housing, Road, Rail and Water Management markets remain supportive."*

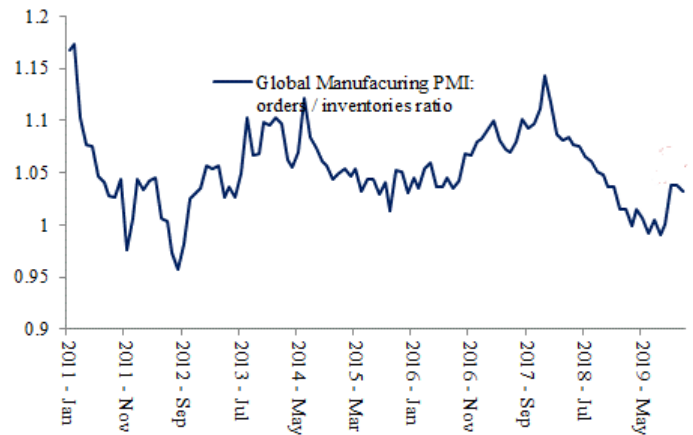
Hays (leading UK recruitment company) Finance Director on the 16th Jan 2020 conference call: *"I think the fact that we've got -- we've had massive uncertainty in the U.K. for a long period of time now with Brexit, tariffs and everything else. We then have the added political uncertainty. And I think the positive for all of us on this call for all the businesses, we now have certainty. We have a government with a large majority with a clear plan. And I think what that will do is it will help candidate confidence the most in the short term."*

BT is a good example of a UK asset where the government attitude and financial support should help it deliver accretive returns from building out fibre. In January OFCOM, the communications regulator, proposed some new and progressive regulations which we believe offer Openreach (BT's infrastructure division) good double-digit returns from investing in fibre. OFCOM also paved a way for BT to reduce the double costing it has running a copper and fibre network. The market is concerned about the potential dividend cut to fund the fibre roll out and we believe they under appreciate the potential benefits of the cost cuts. The government at the same time look like they will invest c.£5bn in rural areas to allow and encourage fibre investment by private companies (we expect mainly Openreach). At present BT trades on a PE ratio of 8x and a dividend yield of 8%. IAG is another asset that is showing a significant 'UK discount' despite our view that the future macro environment should improve. It trades on a PE ratio of c.6x with comparable operators trading at a 40% premium.

Outside of the UK our macro view has changed little. We continue to believe there will be a shift from monetary stimulus to fiscal stimulus and one of the biggest risks to asset prices are rising discount rates. Whilst the global economy suffered a significant slowdown in growth over the last two years it now seems to have stabilised and on balance it feels more likely to us that growth picks up from here rather than deteriorates. Despite

concerns about negative interest rates there continues to be an attitude from central banks where they would rather risk inflation than growth. Fiscal stimulus meanwhile should continue to pick up globally and inventory levels now look more balanced.

Exhibit 7: Global manufacturing PMI: orders/inventories ratio



Source: Haver, Odey Research

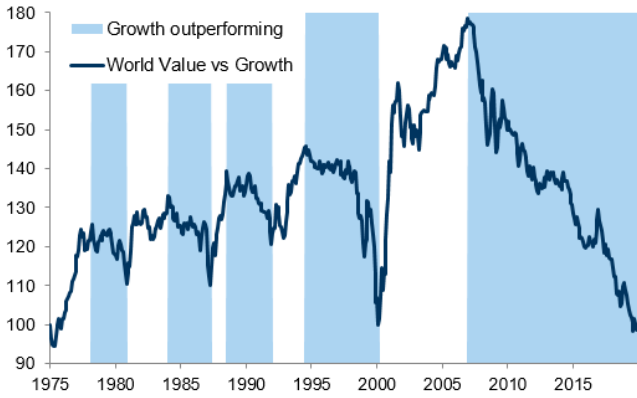
The rise in stock markets last year should have a positive impact on animal spirits and investment spending. Political/trade risks also appear to have reduced in the last few months and despite our relatively optimistic view on global growth this does not make us particularly positive about stock markets. As previously stated, we believe the biggest risk is higher discount rates which would be fed by stronger growth.

Positioning

We recently sold **GVC** and **Alphabet**, the latter a long term holding, after they performed well, re-rated and were squeezed out by competition for capital. We bought a new position in **Ubisoft** in the quarter and added to **Pearson** on recent weakness. Elsewhere, there has been some considerable rebalancing given the recent moves.

Driven mainly by bottom up valuations our portfolio has moved to have more of a value bias. Value should be far less exposed to higher discount rates (given the greater value attributed to near term cash flows) and could arguably do well while the higher multiple stocks struggle. It is not surprising we are finding these value opportunities given the market flows we have seen from value into growth.

Exhibit 8: MSCI World Value vs Growth

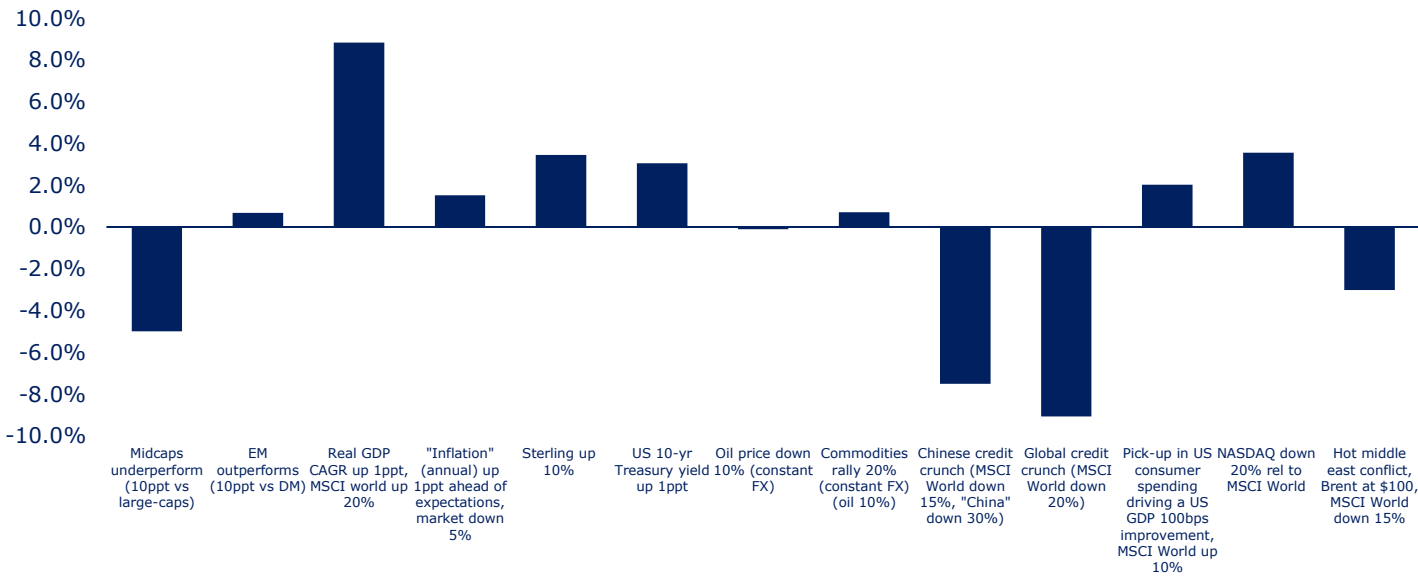


Source: Goldman Sachs Global Investment Research

We are fully hedged on our sterling positions as we see upside risks in the currency, linked to our positive view of the economy while we also believe there is currently a Governor of the Bank of England who seems to be very backward-looking in his assessment of the conditions in the UK. Given equity market valuations are top quartile and our ongoing concerns about discount rates, we continue to be broadly market neutral. Our biggest factor risk is long UK domestic assets with approximately 45-50% net underlying exposure to the fund, with 47% of the fund risk being non-systematic (idiosyncratic stock risk).

Exhibit 9: IAR factor risks as at 20th January 2020

IAR: Estimated Factor Return



Note: The information above is an estimation of the expected factor return; Odey may make investment decisions that are inconsistent with these views expressed in this communication. The chart above presents projections of future performance. These projections are based on a number of assumptions that may or may not prove to be accurate. Future performance is subject to a wide range of significant risks. As a result, there can be no assurance that the projections in the chart above will prove to be accurate. Source: Odey internal unaudited data.

James Hanbury

ODEY ABSOLUTE RETURN (IRL) FUND

ODEY
ASSET MANAGEMENT

Performance

	1-month	3-month	1-year	YTD	Since inception	CAGR since inc.
Fund	8.0	15.5	7.5	7.5	1.5	1.4
MSCI Daily TR Net World	0.6	1.0	22.8	22.8	16.5	15.6
Relative	7.4	14.5	-15.3	-15.3	-15.0	-14.1

DISCRETE YEARLY PERFORMANCE

	1-year to	31 Dec 19
Fund		7.5
MSCI Daily TR Net World		22.8
Relative		-15.3

MONTHLY PERFORMANCE SINCE INCEPTION

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	6.1	-4.9	0.6	-1.8	3.0	-6.0	-4.0	0.4	0.2	4.7	2.1	8.0	7.5
2018												-5.6	-5.6

Fund details¹

£ I Class	101.52
£ R Class	106.74
\$ I Class	103.59
€ I Class	99.87
€ R Class	104.62
Fund Size	£21 million
Strategy AUM	\$889 million
Fund Inception	11 Dec 2018
Class Inception	11 Dec 2018
Fund Type	Irish Long/Short UCITS
Comparators	Primary: Cash Secondary: MSCI Daily TR Net World GBP
Base Currency	£

Live fund dashboard

Get the latest fund information on the odey.com fund dashboard (registration required)

[View dashboard on odey.com >](#)

Top ten equities as percentage of NAV

	Strategy	Notional Exposure
Plus500	Long	9.3%
Stars	Long	9.1%
Playtech	Long	7.4%
IWG	Long	6.5%
ViaSat	Long	6.1%
AO World	Long	4.5%
Dart	Long	4.5%
Sports Direct	Long	4.4%
Eurofins Scientific	Short	-4.4%
Serco	Long	4.3%

Statistics

	1-year	Inception
Fund annual s.dev.	14.6	14.6
Index annual s.dev.	9.1	9.1
Alpha	2.0	2.0
Beta	-0.7	-0.7
Correlation	-0.5	-0.5
Sharpe Ratio	0.5	0.5
Information Ratio	-0.7	-0.7
Tracking Error	20.8	20.8

Important information

These figures refer to the past. Past performance is not a reliable indicator of future results.

This document is a marketing communication. Before subscribing please read the prospectus and the KIID, available at odey.com. The performance calculation shown is based on the GBP share class. If the past performance is shown in a currency which differs from the currency of the country in which you reside, then you should be aware that your performance may increase or decrease as a result of currency fluctuations.

Fund team and contact details

FUND MANAGERS

James Hanbury
Jamie Grimston

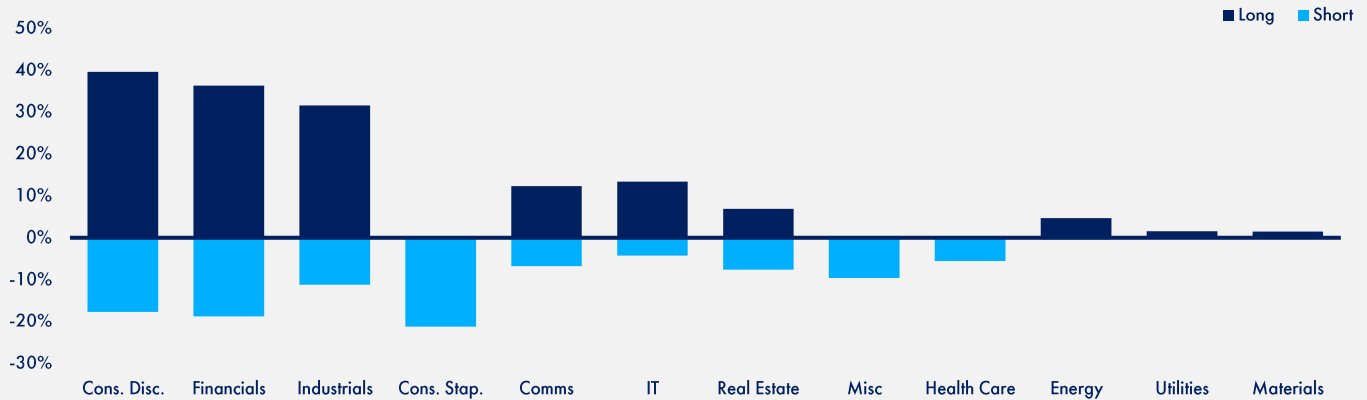
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ENQUIRIES

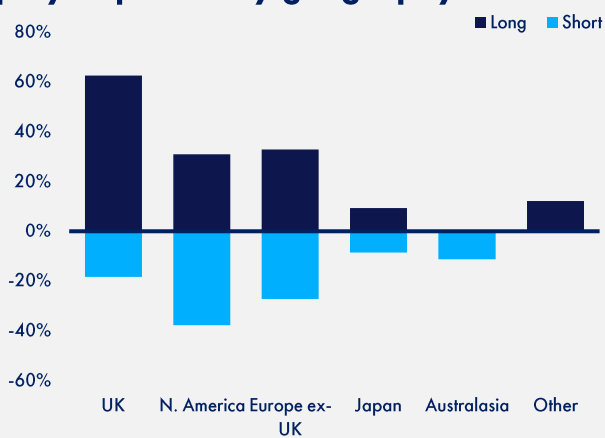
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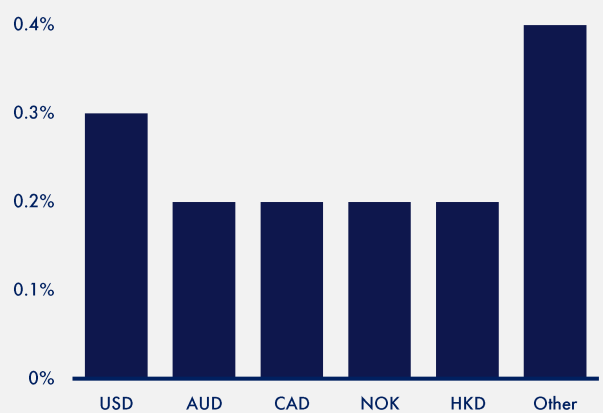
Equity exposure by sector



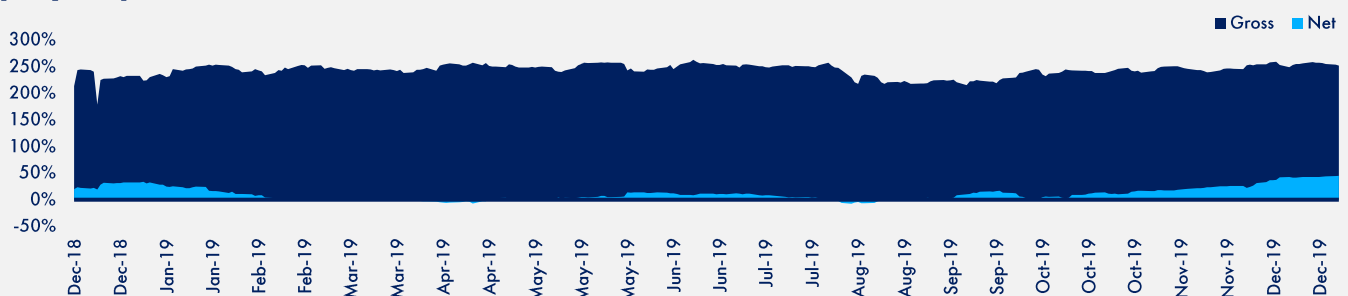
Equity exposure by geography



Non-base currency exposure



Equity exposure



ASSET ALLOCATION AS PERCENTAGE OF NAV

Long equity	148.0
Short equity	-103.2
Foreign exchange	1.6

Net	44.8
Gross	251.3

Note: Equity exposure includes all equity related instruments. Any exposure to fixed income, bond futures or interest rate futures is provided on a ten-year adjusted basis. Currency exposure shows non-base currency through forward currency contracts and portfolio holdings. Equity exposure as classified by GICS. Commentary is provided on a quarterly basis.

Source: All sources, unless otherwise stated, are Odey internal unaudited data and refer to the £ I share class. All data shown as at 31 December 2019. ¹U.S. Bank Global Fund Services (Ireland) Limited and Bloomberg, calculation on a NAV basis with net income reinvested – the share class prices refer to NAV per share.

ODEY ABSOLUTE RETURN (IRL) FUND

DECEMBER 2019 | £ I SHARE CLASS | FACTSHEET

ODEY
ASSET MANAGEMENT

Investment objective and policy

The investment objective of the Fund is to provide a positive absolute return and capital appreciation independent of market conditions over the medium to long term. The Fund aims to achieve its investment objective by investing in a portfolio of global equity and equity related securities, debt securities and currencies.

APPROACH

The Fund is a concentrated, return-seeking global equity-long short strategy. It harnesses the experience and judgement of James Hanbury, his investment team and the significant research resource at Odey. The portfolio managers are opportunistic in scope and, while not a prerequisite, are attracted to owner-managed companies and situations where, in their view, the perceived risk is higher than the actual risk, which often occur during reorganisations or complex restructurings. The team invest for the medium to long term though continuously resize positions to ensure the portfolio remains focused on their highest conviction ideas. The Fund is built without formal reference to an index and typically contains 30-50 positions both long and short with a higher concentration in the top 10 positions.

RISK CONSIDERATIONS

The Fund has considerable latitude over its allocation both long and short equities and it may employ leverage and own sophisticated instruments such as futures and options. The Fund may hold a large weighting in a small number of investments and may therefore be subject to larger than normal swings in its value. The performance stream is likely to be volatile and the Fund is suitable only for investors who have a long time horizon (>5 years) and can tolerate high risk. Investors may not get back all the money invested and an investment in this Fund should only form part of an investor's total portfolio. Investors should discuss the suitability of this Fund with their professional adviser.

Investor information

Share classes	I (£, €, \$), R (£, €, \$).
Share class hedging	Non-base currency share classes are hedged.
Trade date (T)	Daily.
Dealing	By 2pm T-1.
Valuation	Close of business T-1.
Front end fee	Up to 5%.
Annual management fee	I 0.75%, R 1.25%.
Performance fee basis	20% of the increase in absolute outperformance of the share class during a performance period. Fees crystallise annually, and on redemption. Losses carried forward.
Anti-dilution fee	Applies to subs/reds if net subs/reds >5% of NAV.

Minimum investment	I £1,000,000; R £5,000; or equivalent in EUR or USD.
Dividends	Reporting and accumulation share classes available.
Administrator	U.S. Bank Global Fund Services (Ireland) Limited.
Auditor	Deloitte LLP Dublin.
Depository	J.P. Morgan Bank (Ireland) Plc.
Price reporting	Prices published daily on www.odey.com , Bloomberg and by other third party data providers.
ISIN	£I: IE00BF7JHD63, €I: IE00BF7JHG94, \$I: IE00BF7JHJ26, £R: IE00BF7JHF87, €R: IE00BF7JHH02, \$R: IE00BF7JHK31.
SEDOL	£I: BF7JHD6, €I: BF7JHG9, \$I: BF7JHJ2, £R: BF7JHF8, €R: BF7JHH0, \$R: BF7JHK3.

Important information

This is a marketing communication and it is not intended to be viewed as a piece of independent investment research.

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Glossary of terms

Please refer to the fund's prospectus for detailed information. Some terms listed are not relevant for every fund. This document is intended for use by individuals who are not familiar with investment terminology. Please contact Odey if you need an explanation of these terms.

Absolute return: The return that an asset/fund achieves over a period of time looking at the appreciation or depreciation (expressed as a percentage) that the asset/fund achieves.

Acc/Accumulation class: A share class which accumulates and reinvests net investment income and net realised capital gains and does not pay dividends.

Active currency exposure: The percentage of a fund's assets which are invested in a particular currency.

Administrator: The specialist entity who maintains the register of shares, provides fund valuation and accounting services.

AIF: Alternative Investment Fund as regulated by the Alternative Fund Management Directive.

Alpha: A measure of performance on a risk-adjusted basis, often seen as the active return on an investment.

Annual management fee: The fee payable by the fund to the investment manager to cover expenses associated with running the fund.

Anti-dilution fee/levy: A fee levied by a fund on investors buying/selling shares to protect current shareholders from the dealing costs incurred when paying out or taking in clients.

Asset class: A group of securities that exhibits similar characteristics, behaves similarly in the marketplace and is subject to the same laws and regulations. The three main asset classes are equities (or stocks); fixed income, or bonds and cash equivalents, or money market instruments.

Base currency: Each fund has a base currency and this is the currency which the fund uses to calculate its net asset value.

Beta: A measure of the fund's volatility in comparison to its benchmark.

CAGR: Compound Annual Growth Rate (CAGR) is the rate at which the fund/benchmark has grown on an annual basis to reach the current performance since inception.

Capital growth/appreciation: Capital growth is measured on the basis of the current value of the asset or investment, in relation to the amount originally invested in it.

Commodity: A physical substance (such as food, grain, metal) which investors buy and sell through futures contracts.

Comparative/Index/Benchmark (e.g. MSCI): A comparator the fund has used to compare its performance to or for its performance fee calculation.

Contribution: Used to explain the breakdown of a fund's absolute performance.

Correlation: A statistic that measures the degree to which two securities move in relation to each other.

Dealing: Arranging the sale and purchase of shares in a fund.

Delta: A ratio comparing the change in the price of an asset to the corresponding change in the price of its derivative.

Derivatives (futures, options, swaps and contracts for difference): A financial contract based on an underlying asset or financial index with its value determined by fluctuations in the underlying asset/index. Derivatives may be used to manage risk in portfolios, for greater flexibility to lower costs, to gain leverage and to enhance returns.

Dist/Distributing Class/Inc/Income: A share class which pays dividend distributions.

Dividends: A sum of money paid regularly (typically annually) by a company to its shareholders out of its profits (or reserves).

Equity/Security: The percentage of the fund that is currently invested in the equity market.

Exposure: The amount invested in a particular type of security, market sector or industry, usually expressed as a percentage of the total portfolio holding.

Fixed income security: A type of investment which pays out periodic income of a fixed amount on a fixed schedule e.g. a bond is a fixed-income security.

Forward currency contracts: A foreign exchange contract that locks in the exchange rate for the purchase or sale of a currency on a future date.

Front end fee: The initial fee/sales charge applied at the time of an initial purchase of an investment.

Fund: LF Odey Absolute Return (IRL) Fund.

Global Industry Classification Standard (GICS): A standardized classification system for equities developed jointly by Morgan Stanley Capital International (MSCI) and Standard & Poor's.

Government bond: A bond issued by a government to support government spending, often issued in the country's domestic currency.

Gross: The total rate of return on an investment before the deduction of any fees or expenses.

Hedged class: A share class giving exposure to assets denominated in foreign currencies without the currency risk of the fund's base currency. Techniques and instruments are used to limit the currency risk between the hedged class and the base currency.

Hedging: Hedging against investment risk means strategically using financial instruments in the market to reduce the risk of adverse price movements.

High water mark: The highest value that an investment fund or account has reached over a specified period of time.

Information ratio: A measure of the fund's returns above the returns of the benchmark to the volatility of those returns.

Investment Manager: Odey Asset Management LLP.

ISIN: An ISIN (International Securities Identification Number) uniquely identifies a security.

KIID: A KIID (Key Investor Information Document) must be provided to anyone who invests in a UCITS.

Leverage: An investment strategy of using borrowed money and/or financial instruments to increase the potential return of an investment.

Long: The practice of buying securities with the expectation the asset will rise in value.

NAV: The NAV (net asset value) of a fund is the value of the fund's assets less its liabilities. NAV per share is the value per share and is calculated by dividing the total NAV of the fund by the total number of shares.

Net: The total rate of return on an investment after the deduction of any fees or expenses, including annual management fee and performance fee where applicable.

Notional Exposure: The total value of a fund's leveraged assets.

Ongoing Charges Figure (OCF): A figure showing all annual charges and other operational expenses payable by a fund.

Performance attribution: A set of techniques that are used to explain why a fund's performance differs from a benchmark.

Performance fee: A fee payable to the investment manager on returns that, subject to a High Water Mark, the fund achieves either in absolute terms or relative to a performance fee benchmark. Please refer to fund prospectus for details.

Portfolio: A group of financial instruments such as shares, funds, bonds, cash and cash equivalents held by an investor and managed by a financial professional.

Proprietary currency positions: Foreign exchange contracts entered into by the fund for investment rather than hedging purposes.

Quoted securities: A quoted or listed security is a financial instrument that is traded through an exchange, such as the LSE, NYSE or Nasdaq.

Rebased method: Used to illustrate a fund's performance against comparative benchmark on a chart whereby they both start at the same point.

Rel/Relative: Calculates how much the fund has out/underperformed its comparative benchmark.

SEDOL: A SEDOL (Stock Exchange Daily Official List) is a unique number assigned by the London Stock Exchange and used in the UK and Ireland to identify securities.

Share class: A designation applied to a specified type of security such as shares in a fund. Each share class has its own rights.

Sharpe ratio: A measure for calculating risk-adjusted performance; the higher the ratio, the better risk-adjusted performance.

Short: The practice of selling borrowed securities with the expectation that the assets will decrease in value whereupon they will be repurchased and returned to the lender.

Since inception/Since inc.: Inception date is the date on which the fund launched.

Sortino: A variation of the Sharpe ratio that differentiates harmful volatility from total overall volatility by using the asset's standard deviation of negative asset returns, called downside deviation. The Sortino ratio takes the asset's return and subtracts the risk-free rate, and then divides that amount by the asset's downside deviation.

Standard deviation/Sta. dev.: Measures the degree of variation of returns around the mean (average) return. When applied to the annual rate of return, it shows the historical volatility.

Statistics: Statistical measurements used to analyse historical fund data such as performance, volatility etc.

Strategy AUM: The total assets of the funds managed by the Investment Manager to a similar investment mandate.

Ten-year adjusted basis: Shows any exposure to Fixed Income, Bond Futures or Interest Rate Futures on a 10-year duration basis.

Tracking error: A risk measure showing how closely a fund's performance follows a particular benchmark.

Treynor: Treynor ratio, also known as the reward-to-volatility ratio, is a metric for returns that exceed those that might have been gained on a risk-less investment, per each unit of market risk.

UCITS: Undertakings for the Collective Investment of Transferable Securities (UCITS) is an EU regulatory framework creating a harmonized regime throughout EU for the management and sale of funds.