VINDAUGE

SYSTEMATIC MACRO STRATEGIES

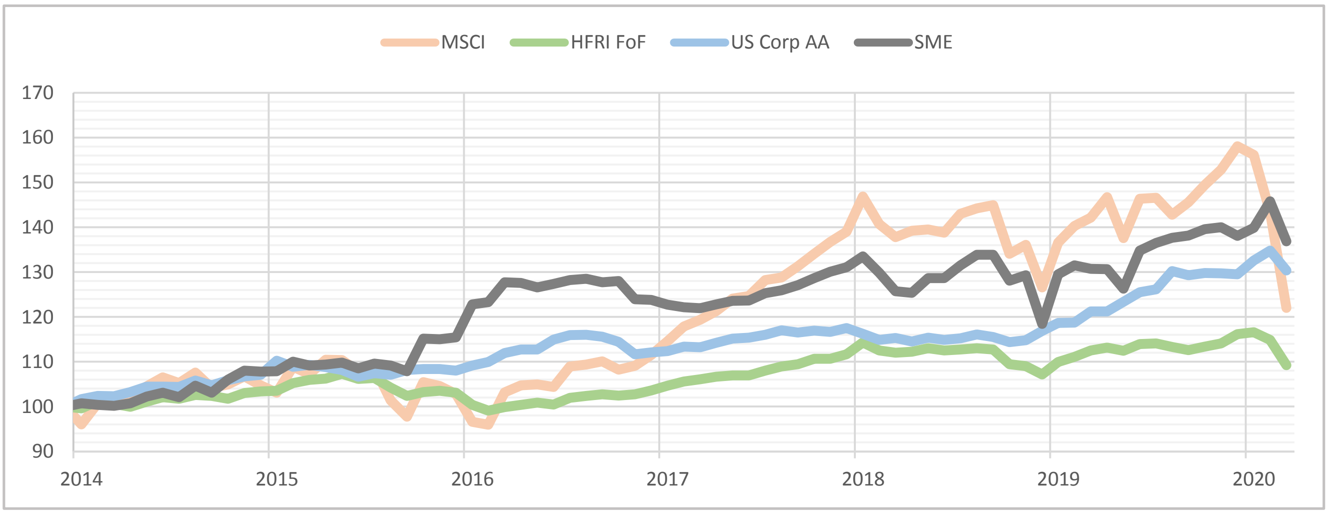
A proprietary systematic macro equity risk allocation strategy delivering low asymmetric correlations and robust returns under diverse market conditions

PERFORMANCE

from Dec-13 to Mar-20	SME	MSCI ACWI Gross	HFRI FoF index	Corp AA BAML US Corp
Return, p.a.	5.15%	3.24%	1.42%	4.34%
Cumulative	36.9%	22.0%	9.2%	30.4%
Sortino Ratio	1.05	0.36	0.50	2.24
Sharpe Ratio	0.59	0.43	0.35	1.14
Standard deviation annual	8.70%	13.08%	4.10%	3.80%
Return / Max Drawdown	0.45	0.14	0.19	1.16
Max Drawdown	-11.5%	-22.8%	-7.6%	-3.7%
Jensens Alpha vs MSCI	3.93%			

SYSTEMATIC MACRO EQUITY FUND (SME)

- Systematic macro driven equity allocation strategy
- Support in negative markets
- Low correlations with other asset classes
- Asymmetric correlations with equities (correlation vs equities lower when equities down)
- Positive up-month correlation
- Macro and sentiment drivers (no price patterns, CTA)
- Derived from proprietary and academic research
- Focused and controlled position generation (no HFT)
- Cost effective strategy implementation
- Liquid and scalable
- ESG and UCITS compliant
- Real time performance since 2014



CORRELATION

SME vs when	MSCI ACWI Gross	SP500 Price Index	HFRI FoF index	Corp AA BAML US Corp	HFRI vs when	SP500 Price Index	MSCI ACWI Gross	Corp AA BAML US Corp
Up*	0.66	0.69	0.41	0.02	**Up**	0.57	0.63	-0.21
Down*	0.37	0.41	0.32	0.63	**Down**	0.81	0.86	0.50
Tot	0.56	0.60	0.44	0.35	**Tot**	0.83	0.86	0.21

MONTHLY RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	0.71%	-0.35%	-0.17%	0.53%	1.50%	0.87%	-0.98%	2.52%	-1.52%	2.84%	1.87%	-0.20%	7.79%
2015	0.08%	1.96%	-0.77%	0.20%	0.38%	-1.14%	0.95%	-0.36%	-1.21%	6.78%	-0.13%	0.36%	7.09%
2016	6.37%	0.38%	3.59%	-0.07%	-0.83%	0.64%	0.66%	0.23%	-0.57%	0.22%	-3.20%	-0.12%	7.23%
2017	-0.84%	-0.50%	-0.14%	0.66%	0.67%	0.07%	1.33%	0.49%	0.89%	1.25%	1.13%	0.76%	5.89%
2018	1.86%	-2.74%	-3.18%	-0.28%	2.58%	0.02%	2.22%	1.80%	-0.02%	-4.30%	0.92%	-8.38%	-9.65%
2019	9.36%	1.54%	-0.59%	-0.09%	-3.28%	6.70%	1.26%	0.84%	0.39%	1.04%	0.29%	-1.37%	16.60%
2020	1.25%	4.28%	-6.12%										-0.88%

All returns and performance measures for SME are reported after management and performance fees. Prior to 2014 performance is calculated on historical data. Track for SME is real-time from 2014.
*Down-month correlation is calculated as the correlation between the SME and the referenced index on months when the referenced index is down. Up-month correlation is calculated correspondingly on months when the referenced index is up.

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INVESTMENT RATIONALE

To access a return stream with asymmetric and particularly low down-side correlations to equities, that provides robust returns in a variety of market environments and a tool for diversification.

Sources of diversification have become increasingly less obvious and many asset classes are not far from historically high valuations. We believe that a systematic macro driven investment process will be the one most likely to achieve an exposure that effectively diversifies an investment portfolio.

Macro variables play an essential role in driving medium to longer term market trends and, in representing fundamental processes, their performance is less readily arbitraged away.

GENERAL

Launch Date:	2020
Investment Style:	Systematic Macro
Legal Structure:	UCITS / AIF
Fund Domicile:	Sweden / Luxembourg
Management Fee:	0.75%
Performance fee:	15% of return over Benchmark with High Watermark
Currency:	USD
Benchmark:	3M US T-bill (floored at zero)
Liquidity:	Bi-Monthly / Monthly
Custodian Bank:	
Audit:	
Fund Company:	
Prime Broker:	

INVESTMENT STRATEGY

The Systematic Macro Equity Fund (SME) applies an actively managed equity allocation approach, where the allocation to equity risk is strictly managed by a proprietary systematic macro equity risk allocation strategy.

The systematic macro equity strategy constantly monitors a set of specific macro and sentiment variables to forecast the forward level of risk in financial markets and allocates the exposure to equities accordingly, primarily through S&P500 futures contracts. Positions are initiated on high probability signals only. The strategy builds on academic and proprietary research and is comprehensively tested. It operates on multiple horizons and is explicitly devised to handle non-linear and complex relationships.

Statistical techniques behind the strategy are designed to manage noisy data sets, control over fitting, and, importantly, to identify robust relationships which may be overseen by common, regression type, methods. The number of variables is limited and there is no black-box type data aggregation.

In addition to the systematic allocation process to equities, the fund will invest in fixed income instruments, including credit, government and cash, through means deemed to be the most cost effective. Allocation to fixed income is driven by cash management, capital preservation and cost control.

The systematic macro risk allocation strategy may, and is likely to, yield exposures to risk bearing financial assets, that in total deviate materially from, above as well as below, 100 per cent of the Fund's nominal net asset value (NAV), though with a maximum of 160 per cent of NAV, with equity exposure varying between 50 per cent net short to 100 per cent long.

PORTFOLIO MANAGER

Gunnar Nilsson

Has 25 years of financial markets experience. Gunnar has spent several years developing and managing systematic trading strategies under his own management. Previously, Gunnar was Executive Director at Société Générale Equity Derivatives in London between 2000 and 2009, where he established Société Générale in the market for structured derivatives for large institutions in Scandinavia. From 1994 till 2000, he covered financial institutions, hedge funds and prop trading desks at Fixed Income, SEB Trading & Capital Markets in Stockholm. During 2000 he worked for Handelsbanken Markets in a corresponding role at European Government and Credit Market Sales.

Gunnar has a Master of Science degree in Economics and Business Administration from Stockholm School of Economics and a Master of Science degree in Economics from University of London.

SAMPLE PORTFOLIO

The characteristic return profile of the strategy is generated by the systematic allocation to equity futures. The aim is to deliver an investment instrument with asymmetrical, low down-months correlation to risky asset and robust returns under diverse market conditions.

Equity futures:	- 50% - 100%
Fixed Income:	
AAA	15%
AA	30%
BB	15%
Cash / Short bills:	40%

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