

LOW VOLATILITY FUND

Reporting October 2018

ISIN CODE - Share R

LU0677960808



DATA AS 11/02/2018 UCITS V

FUND MAIN CHARACTERISTICS:

MANAGEMENT TARGETS:

- Performance target: from 4 to 5%
- Annualised average volatility: Below 5%
- Investment horizon: 3 years

CSSF CLASSIFICATION: DIVERSIFIED PORTFOLIO

ALLOCATION:

- Bond exposure: 55 to 100%
- Equity exposure: 0 to 30%
- UCITS: 0 to 10%

PERFORMANCES :

	JAN	FEV	MAR	AVR	MAI	JUIN	JUIL	AOUT	SEPT	OCT	NOV	DEC	YTD
2012	1,66%	1,38%	-0,38%	-1,16%	-1,28%	1,74%	0,39%	1,62%	1,37%	1,56%	0,53%	0,92%	8,58%
2013	0,16%	0,51%	0,03%	0,99%	0,66%	-2,26%	0,81%	0,34%	0,01%	1,28%	0,27%	0,49%	3,29%
2014	0,47%	0,85%	0,13%	0,68%	0,42%	0,53%	-0,32%	0,15%	-0,49%	-0,71%	0,39%	-1,36%	0,71%
2015	-0,26%	1,78%	0,19%	0,52%	-0,79%	-2,14%	0,78%	-3,21%	-3,45%	-3,64%	0,49%	-2,79%	-11,96%
2016	-3,83%	-0,79%	3,26%	0,34%	-0,15%	1,07%	0,99%	-0,04%	-0,33%	-0,70%	-1,36%	-0,63%	2,48%
2017	-0,07%	-2,47%	-0,10%	0,33%	-1,49%	1,59%	3,63%	0,46%	-0,61%	0,03%	0,00%	-0,15%	1,02%
2018	-0,73%	-1,38%	-0,74%	-0,94%	0,13%	-1,96%	0,26%	-0,75%	-1,11%	-1,51%			-8,43%



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21 rue Aldringen - L - 1118 LUXEMBOURG - Grand Duché de Luxembourg

RCS : B 165.086
Société de gestion agréée par la CSSF

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LUXEMBOURG

ALPHA INVESTOR SERVICES MANAGEMENT

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RISK MEASURES

Volatility 3 Years	4,57%
Sharpe ratio	-2,47

risk-free rate	-0,66%
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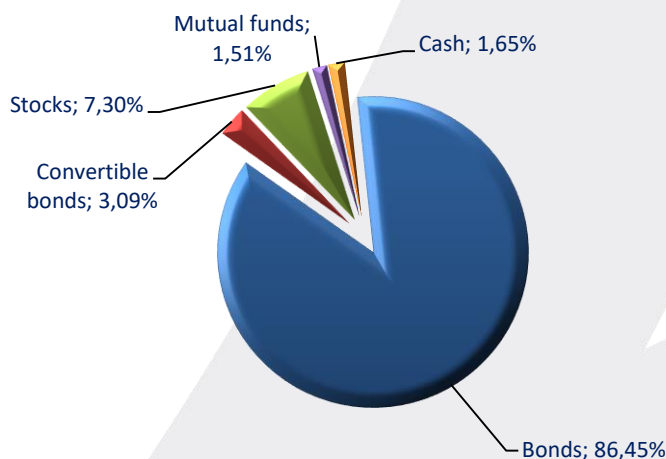
FIXED INCOME PORTFOLIO

Average yield	3,63%
Average duration	4,90 years
Number of lines	65
Average weighting	2,46%
Maximum weighting	8,03%
Average rating	BBB

RATING BREAKDOWN

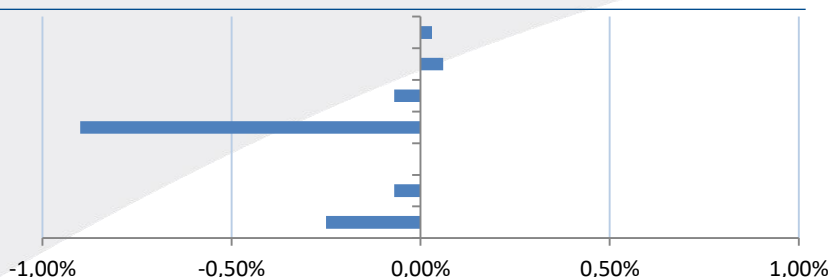
AAA	23,24%	BBB-	5,24%
AA+	1,84%	BB+	5,69%
AA	3,49%	BB	11,09%
AA-	1,89%	BB-	2,55%
A+	0,00%	B+	8,68%
A	0,00%	B	18,11%
A-	0,00%	B-	0,96%
BBB+	5,80%	NR	4,41%
BBB	7,01%		

BREAKDOWN BY ASSET CLASSES



MONTHLY CONTRIBUTORS:

Coupons	0,03%
Trading	0,06%
Mutual Funds	-0,07%
Equities	-0,90%
Reverse Convertible	0,00%
Convertible bonds	-0,07%
Bonds	-0,25%



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MONTHLY REPORT

The monthly performance of your fund came in at **-1.51%**.

In October, the different changes brought to the allocation for September end paid off. The well resistance of the fund is partly explained from the anticipation of the Management Team, who did warn in its previous Investment Committee that general trend of the market were vanishing with less dynamism. This warning has been followed by actions which allowed AISM Low Volatility to resist better than its major peers for the month.

The active management of the different hedges of the fund; currency (through EURUSD future contract); risks (through FTSE Milano Index futures/ Nasdaq index futures); and curve bear flattening (through US-Treasury 2YR future) allowed the fund to bring an additional performance. We will continue to manage it actively, and we strongly believe in the positive outcome from these actions.

We started to invest again in Investment Grade US 3-5 YR segment, because of the attractive yield that can be found on a AA corporate bond at almost 4%. This update would allow us to lower the general duration and risk of the fund while profiting from attractive returns. In the same time, we started to invest in the emerging corporate oil and agricultural segment, as many emerging corp benefited from USD revenues and Local currency cost.

The Asset Management Team increased its short bets on the derivative space to protect the portfolios, because we are convinced that the rise in volatility we observed for October is not exhausted and will be back soon. The call spread strategy, consisting on shorting call option on equities we own, has been implemented and will bring additional performance in case of steady rise or fall in valuation of the underlying.

Overall, after the US midterms elections, risks are back and weigh on investor sentiment. The trade war between the US and the rest of the world, especially China, is not over; Chinese continue to devalue their currency in response to US trade barriers. The Fed will continue to raise rates, despite rise in volatility and a global economic dynamism slowdown. Italy's turmoil is far from being over. The Budget deficit issue is not the major problem; the major problem remains the economic fundamentals of Italy, which remains oriented to the downside.

The fund's duration increased in October to 4.90 years, while the carry rate remained the same at 3.60%

HISTORICAL STRESS TESTS

EVENTS:	Impact (%)
Stock market crash 1987	-0,30%
Asian Crisis 1997	7,62%
LTCM & Russian Crisis 1998	0,92%
Hard Brexit	3,53%

HYPOTHETICAL STRESS TESTS

EVENTS:	Impact (%)
Developed Markets yield Curve +100 bps	-4,36%
World Equities Index -5%	0,47%
USD +10%	2,60%
Corporate Spread +100 bps	-4,36%

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PROCESS : TOTAL RETURN MANAGEMENT

Allocation: Weighting between asset classes is based on a top down macro-economic analysis and a tactical trend assessment within monthly AISM investment committee.

Satellites:

- Systematic equity models based on in house research:
 - Under/Over valued equities tracker
 - Trend following model
 - Sector allocation
- Structured Notes to boost the funds' carry rate, within predictable bets.
- Biased UCITS ETFs (Equity Traded Funds) and Funds to maximise an investment idea.

Bond Portfolio: Bonds active management. Mainly corporates with short and intermediate duration with a great sector and geographical diversification.

Money market: up to 10% of the portfolio (reduce the volatility. gives ability to seize market opportunities)

Creation Date :	27/12/2011 AISM GLOBAL OPPORTUNITIES FUND (created le 14/12/2011)	Asset under Management:	€ 12 630 837,55
Currency	Euro	Net Asset Value:	€ 898,43
Administrator & Custodian :	CACEIS BANK Luxembourg	Number of shares:	12 005,71
Asset Manager	Alpha Investor Services Management Lux. Absolute Return	Management Fees	2% maximum
Income account	Capitalisation	Subscription fees :	4% maximum
		Redemption fees:	2% maximum
		Valuation	Daily

SUBSCRIPTION AND REDEMPTION:

As from September 2nd 2013 orders are centralized by CACEIS Bank Luxembourg each day working day (Monday to Friday) until 12h CET and executed on the basis of the next Net Asset Value ("NAV") calculated and published the first following Valuation Day. They are executed at an unknown NAV.

Share's payment and delivery are carried out maximum 3 working days after the Net Asset Value calculation.

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