



Kyron Global Smart Trend aims to participate in the medium to long term with a balanced strategy to the performance of the world's major markets. This strategy has been implemented since January 2007 in managed account whose performance is evident in the chart below. The result of the management model is a portfolio capable of improving risk-adjusted returns. The basis of the asset allocation process is a quantitative model, the output of which is a portfolio composed exclusively of ETFs listed in accordance with UCITS regulations.



The performance results refer to managed accounts of the strategy Kyron Global Smart Trend. Data from January 2007 to September 2018 are the result of investment in funds UCITS. Data from October 2018 are the result of a strategy in international equity ETFs (global, sectoral, regional) and bonds (corporate investment grade, corporate high yield, sovereigns) with the exclusion of illiquid ETFs (high bid-ask spread, low volume). The performances are gross of the costs.

AISM is pleased to announce the launch of two sub-fund of the SICAV Kyron, Kyron Global Smart Trend and Kyron Global Corporate ESG Bond.

AISM launches its first ESG fund, **Kyron Global Corporate ESG Bond**, which aims to provide investors with stable returns, mainly through exposure to global corporate issuers with moderate duration exposure and focus on their environmental, social and governance metrics (ESG). The Fund will invest primarily in investment grade debt securities, denominated in USD, issued both by companies whose assets are primarily in Developed Markets and governmental or semi-governmental entities.

All information on the fund's characteristics and strategy is available on our website.

Reading time: 60 seconds



Market insights

Reading time: 3 minutes

Against the expectations, **the German economy grew in the third quarter of 2019 by 0.1%** and shy recession, after a contraction of 0.2% in the second quarter of 2019 According to the Federal Statistical Office of Wiesbaden. Germany thus avoids the danger of entering a recession after closing the second quarter with a contraction of the economy of 0.2% (a downward revision compared to the -0.1% previously estimated). The economic situation has stabilized, notes the institute for economic research Ifo. An important impulse, compared to the previous quarter, came from private consumption and the rise in exports, while imports remained at the levels of the previous months, reads the document of the Federal Office of Statistics. Real estate investments were higher than those of the previous quarter while equipment investments decreased compared to the previous quarter.

Facebook officially enter the world of payments.

The company announces Pay, intended for who use the company's app ecosystem led by Mark Zuckerberg, i.e. Facebook, Messenger, Instagram and WhatsApp, and who will "offer people a convenient, secure and consistent payment experience" among all applications. Facebook Pay will debut this week in the United States, and then spread to other countries, it can be used to make purchases, make donations or transfer money.

LVHM is having breakfast at Tiffany

At the opening of a Louis Vuitton leather factory in Texas last month, President Donald Trump was given a hint about an upcoming deal that would be the luxury sector's biggest ever. "I told the president I would buy something significant in the US, but I didn't tell him the name" said B. Arnault, chief executive of LVMH, the French luxury group that owns Louis Vuitton and has now agreed to buy Tiffany & Co for \$16.6bn. Only two days before the ribbon-cutting ceremony, Mr Arnault had sent a lieutenant to New York to approach Tiffany. A. Belloni, group managing director at LVMH, invited A. Bogliolo, chief executive of Tiffany, for lunch and presented him with a letter offering to buy the US company for \$14.9bn, or \$120 a share. He laid out LVMH's vision for how the world's largest luxury group could spare Tiffany from the demands of quarterly reporting and invest over the long term to restore the lustre of a brand known for its robin's egg blue boxes and diamond rings. Despite Mr Arnault's confidence during his meeting with Mr Trump that the deal would be concluded, the initial reaction among Tiffany's camp was that the price was too low. In addition, after LVMH's interest became public, Tiffany's advisers received a number of inquiries from rival luxury goods groups. But none of the alternative approaches were seen as compelling and talks continued with Mr Arnault's group, with LVMH advised by Citi, JPMorgan and Skadden and Tiffany advised by Centerview, Goldman Sachs and Sullivan & Cromwell. Earlier this month LVMH informally increased its offer to close to \$130 a share, prompting Tiffany to open its books. Then on Sunday the boards of both companies met to approve a higher \$135-per-share bid from LVMH for Tiffany — representing a premium of about 37 per cent over Tiffany's undisturbed share price and an increase in the takeover offer by about \$600m.



PHARUS AVANTGARDE

Volatility (V2X Index) remained below the lower hedge of 13% for the period considered in this report. No significant spikes despite the five-week month. We witnessed the lowest value on November 15th at 11.537%, a -16.376% from the highest value in the period (13.7963% on October 30th). With similar low values, the Fund will maintain a low exposure (0.6 average leverage) to preserve the accumulated profits.

The bond portfolio slightly suffered despite having a duration lower than 0.5. The DJ Eurostoxx50 Index (SX5E) performed +2.176% in the considered period. The Index YTD performance lined up at +23.43%.



Share I - LU1620769817

Performance

Last Month	-0.16%
YTD	1.38%
Since inception	4.66%
NAV/Share	104.62
Statistics	
Volatility	1.11%
Sharpe ratio	3.65
Sortino Index	4.94
Average yield	-0.001%
Average duration	0.62 years

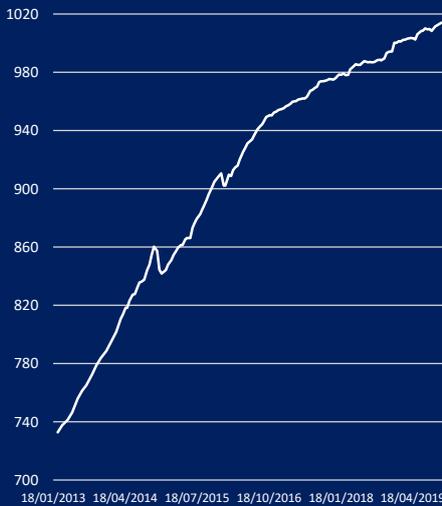
From the day 12/16/2019 the NAV of the Pharus SICAV Avantgarde Fund is calculated daily instead of weekly.

KRONOS

Volatility (V2X Index) remained below the 15% value for the period considered in this report from October 18th to November 15th.

The last volatility value above 15% was, in fact, October 18th, with 15.37%. The Index reached a minimum value of 11.53% on November 15th

(-25% from the value of the beginning of the period). With similar low values, the Fund will maintain a low exposure to preserve the accumulated profits and avoid risks in potential volatility spikes. The DJ Eurostoxx50 Index (SX5E) performed +3.693% in the considered period. The Index YTD performance lined up at +23.66%.



Share C – MT7000006888

Performance

Last Month	0.14%
YTD	1.25%
Since inception	38.18%
NAV/Share	1012.65
Statistics	
Volatility	2.32%
Sharpe ratio	2.50
Sortino Index	1.94
Max DrawDown	-3.47%
Worst Month	-2.28%

n.b. since the strategy for the Kronos fund is the same as the Avantgarde fund, except for the bond's section, its commentary follows the same main points of the second.

KYRON FIXED INCOME

In absence of major surprises, interest rates have been rather stable over the month, with the exception of a spike during the first week on the back of optimism over the trade agreement between US and China. Bonds have subsequently recovered part of the lost ground, nonetheless a small increase in yields was recorded over the month with the curve shifting up by about 10 bps.

Such increase caused some losses on the Fund, partially offset by the carry.



Share B1 – LU1918787018

Performance

Last trimester	0.2%
YTD	1.3%
Since inception	1.3%
NAV/Share	101.27
Statistics	
VaR	0.6%
Ex-Ante Volatility	1.2%
Sharpe Ratio	N/A
Sortino Index	N/A
Average yield	1.9%
Average duration	2 anni

KYRON EQUITY ABSOLUTE RETURN

Global equity markets were again dominated by the development of the trade agreement between US and China, or the lack thereof. In absence of clear news, investors rested on the assumption that a final agreement was soon to be reached, pushing stock indexes to new alltime highs.

The general bullish mood was supported by an overall positive earnings season and appeared to offset as well subdued macroeconomic data, although they haven't been as bad as feared. As markets kept rising, they appeared more and more fragile to potential disappointments: the cautious positioning of the Fund meant that a small drift lower during the month was the price to pay to profit from an eventual correction which appears getting closer and closer.



Share A1 - LU1918787364

Performance

Last trimester	-0.5%
YTD	-1.2%
Since inception	-1.2%
NAV/Share	987.52

Statistics

VaR	2.2%
Ex-Ante Volatility	4.7%
Sharpe ratio	N/A
Sortino Index	N/A

LOW VOLATILITY

In November, the fund went more neutral to protect the performance generated this year. Despite a weakening macro environment, which should have had a positive influence on government bonds, and High-grade securities, the stock market continued to pursue its irresistible race to the sky. AISM stick to the market picture reducing the duration across the Government bond segment despite strong conviction to increase it. The fund will end the year with a reduced duration (preventing any strong shock on the bonds/credit side) and a hedged equity pocket to prevent any short term down move on the equity segment. The major bet for the end of year lies in the USD, the distortion brought by the aggressive Chinese devaluation of the Yuan should have some positive effect in the near term for the dollar, despite the willingness from the US to have a weaker currency to soften any economic shock.



Share I - LU0677960717

Performance

Last Month	-0.32%
YTD	4.09%
Since inception	-2.42%
NAV/Share	952.08

Statistics

Volatility	4.54%
Sharpe ratio	0.92
Sortino Index	1.09
Average yield	2.63%
Average duration	2.5 years

The past performance of an investment does not necessarily constitute an indicator or guide to the future performance of this investment. The value of an investment may also fall rapidly, as it may increase, and investors may not necessarily recover the amount originally invested. In addition to the typical performance of each investment, changes in the exchange rates of foreign currencies can cause the value of investments to increase or decrease.