LFIS Vision UCITS - Diversified Market Neutral (Class IS EUR)

LU1162198839

KEY FIGURES

Total Fund AUM: 26.58 M€

Class IS EUR AUM: 16.03 M€

Class IS EUR NAV: 1168.88 €

INVESTMENT HORIZON

Minimum recommended

1 year | 2 years | 3 years | 4 years | 5 years

SYNTHETIC RISK INDICATOR

1	**2**	3	4	5	6	7

Main risks incurred: capital loss, interest rate risk, default risk, spread risk, currency risk, counterparty risk, equity risk, risk linked to credit derivatives, correlation risk, concentration risk, volatility risk, risk linked to leverage, liquidity risk, model risk, risks linked to relative value/arbitrage strategies, merger arbitrage, and event-driven strategies, risk linked to non-sustainable investment.

FUND FEATURES

Legal form: Sub-fund of the Luxembourg SICAV LFIS VISION UCITS.

Fund inception date: 05/14/2014.

Valuation: Daily, each exchange business day "D" as defined in the prospectus.

Currency: Euro.

Cut-off time: D at 12.00PM (Luxembourg time).

Settlement: D+3 business days.

Investment Manager: LFIS Capital.

Custodian and administrator: BNP Paribas SA, Luxembourg Branch.

SHARE CLASS FEATURES

ISIN Code - Class IS EUR: LU1162198839.

Bloomberg code: LFVRPIS LX Equity.

Share class inception date: 12/31/2014.

Investors: Professional clients or Eligible counterparties.

Allocation of income: Capitalization.

Subscription fees: None.

Redemption fees: None.

Dilution rate: Up to 2%.

Management fees: 1.25% per annum.

Performance fees: 15.00% of the outperformance.

Hurdle rate: ESTR +0.085% capitalized.

Initial min. subscription: None.

Document for the use of professional investors only, within the meaning of Markets in Financial Instruments Directive 2004/39/CE. Promotional document. Before subscribing, please refer to the Fund documentation available on request. Source: LFIS Capital, Bloomberg.

UCITS Hedge Awards 2019 — Alternative Risk Premia/Quantitative Best Performing Fund over a 3 Year Period — LFIS Vision UCITS Premia (La Française Investment Solutions)

UCITS Hedge Awards 2018 — Alternative Risk Premia Best Performing Fund over a 2 Year Period — LFIS Vision UCITS Premia (La Française Investment Solutions)

MONDE ALTERNATIVE AWARDS 2019

The reference to awards or nominations is not an indicator of future awards or nominations.

INVESTMENT STRATEGY

The investment objective of LFIS Vision UCITS - Diversified Market Neutral (the "Fund") is to seek stable returns with a low correlation to traditional markets and a target annualized volatility between 5% and 10%, under normal market conditions.

The Fund implements an investment policy seeking to capture premia linked to several risk/style factors across different asset classes including: (i) "academic" premia such as value, medium-term momentum, short-term reversal, low-risk and asset-class beta; (ii) "liquidity/carry" premia; and (iii) "implied" premia such as value and carry.

NET PERFORMANCE IN % (1)

	1 month	3 months	2026 YTD	1Y	3Y (3)	5Y (3)	Inception (3)
Fund (Class IS EUR)	**-0.1%**	**0.1%**	**-0.6%**	**-2.1%**	**-0.3%**	**2.0%**	**1.3%**

MONTHLY NET PERFORMANCE IN % (1) (2)

	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Year
2026	-0.6%	1.3%	0.6%	-0.4%	-1.5%	-0.8%	0.5%	-0.8%	1.0%	-0.1%			**-0.6%**
2025	-0.2%	0.1%	2.0%	-0.8%	0.2%	-1.6%	-1.4%	0.0%	-0.3%	-1.4%	-0.4%	-1.1%	**-4.7%**
2024	1.3%	1.0%	0.2%	0.5%	0.0%	-0.4%	0.6%	-0.7%	-0.2%	0.4%	0.7%	1.1%	**4.6%**
2023	0.0%	1.3%	0.8%	-0.1%	0.6%	-0.2%	0.1%	0.9%	2.0%	-0.1%	0.4%	-0.4%	**5.2%**
2022	-0.1%	-0.2%	-0.1%	0.1%	-0.5%	-1.4%	1.4%	1.0%	2.4%	0.8%	0.6%	-0.3%	**3.6%**
2021	0.3%	-1.3%	1.5%	-1.6%	0.9%	-0.1%	-0.5%	-0.1%	1.1%	-1.2%	1.8%	0.3%	**1.0%**
2020	0.6%	-1.1%	-10.4%	0.8%	0.0%	-1.2%	1.1%	-0.5%	1.4%	-0.3%	1.5%	-0.4%	**-8.8%**
2019	1.2%	1.4%	0.0%	0.2%	-0.9%	1.1%	0.3%	-0.8%	0.8%	0.1%	0.6%	-0.8%	**3.2%**
2018	0.4%	-0.6%	-0.3%	0.3%	0.0%	-0.3%	-0.1%	-0.5%	0.7%	-0.3%	-0.2%	-0.8%	**-1.8%**
2017	-0.3%	0.4%	-0.5%	0.1%	-0.2%	0.2%	0.8%	0.2%	0.8%	1.2%	0.0%	-0.6%	**2.0%**
2016	0.9%	1.3%	0.8%	0.8%	-0.3%	0.4%	0.8%	0.5%	1.3%	-0.2%	0.6%	0.3%	**7.3%**
2015	0.8%	0.9%	1.2%	1.9%	0.8%	-0.6%	1.3%	-1.8%	0.1%	1.6%	0.2%	-0.5%	**5.9%**
2014												0.0%	**0.0%**

MAIN RISK/RETURN INDICATORS (4)

	3Y	Incep.
Annualized return	-0.3%	1.3%
Annualized volatility (5)	2.9%	4.4%
Sharpe ratio	-1.1	0.1
Sortino ratio	-1.5	0.1
Downside risk	2.1%	4.5%
Skewness		-2.1
Kurtosis		34.2

Average positive monthly performance	0.8%
Average negative monthly performance	-0.7%
% month > 0	55.9%
Max drawdown	-16.6%
Recovery	43 months
Var 90% 1 month (ex-post)	-0.8%
Cvar 90% 1 month (ex-post)	-1.9%

PERFORMANCE ATTRIBUTION (6)

	Oct 26	YTD
Multifactor / X-asset systematic	0.0%	0.2%
Implied Parameters & Credit	-0.2%	1.4%
Cash Management	0.2%	1.8%
Global Hedge	-0.1%	-2.2%

VOLATILITY (EX-POST) PER STRATEGY (3)

	Inception
Multifactor / X-asset systematic	1.8%
Implied Parameters & Credit	4.1%

(1) The figures provided relate to previous months or years and past performance is not a reliable indicator as to future performance. Past performance does not guarantee future results. Results are not constant over time. Performance calculations do not take into account fees and expenses related to subscription and redemption of shares.
(2) The cumulative net performance figures related to the period from March 23, 2020 to March 30, 2020 are based on the NAV including a swing factor.
(3) Annualized data. The class was created on December 31, 2014.
(4) Definitions of all terms are available from the Investment Manager upon request.
(5) Calculated by using weekly data.
(6) Gross of fees.

ASSET CLASSES EXPOSURE [1]

	Equity	Commodities	Foreign exchange	Credit (5 years HY duration)	Interest rates (7,5 years duration)	Volatility
Long	1.2%	0.0%	2.0%	3.3%	0.6%	0.0%
Short	-25.3%	0.0%	-4.5%	0.0%	0.0%	0.0%
Total	-24.2%	0.0%	-2.5%	3.3%	0.6%	0.0%

LEVERAGE (COMMITMENT METHOD)

Leverage (Commitment method)	1.0x
VaR 99% 1 day (ex-ante)	-0.5%

CORRELATION BETWEEN STRATEGIES

	Multifactor / X-asset systemaic
Implied Parameters & Credit	5.6%

PORTFOLIO MANAGER COMMENTARY

In October, more than 35 attacks on vessels were recorded in the Strait of Hormuz, while the Houthis targeted Saudi airports, notably Riyadh's, as US-Iran negotiations failed to make progress. Against this backdrop, Brent rallied back to $117, close to its wartime highs, up 15% on the month.
All major central banks left policy rates unchanged in October. With inflation remaining elevated and above target, the Federal Reserve opted for a pause, as did the ECB and the BoJ. Nevertheless, investors are pricing in a 25bp hike at the December meeting. While end-October CPI and Core PCE prints are expected to come in flat to slightly higher amid rising energy prices, G10 10Y yields nonetheless retreated, benefiting from a flight to quality as tech stocks corrected.
Macro data remained mixed and volatile. While ISM Manufacturing and Services stayed in expansionary territory, job creation disappointed sharply (+30k) amid corporate layoffs (e.g., Microsoft), and consumer confidence (Michigan) remains at record lows.
Equity markets declined in October, led lower by the tech correction. Investors are increasingly concerned about the staggering amounts being spent in the AI race while profits are taking time to materialize, pushing companies into negative free cash flow. Earnings growth of +20-30% YoY is therefore no longer enough. The monthly loss was contained as Value stocks rebounded strongly. Overall, the MSCI World finished the month down a modest 1%.
In this environment, risk gauges repriced higher, with volatility indices up 3 points and IG credit spreads wider by 3bps.
In this context, our multi-strategy funds posted a slightly negative performance.
"Carry & Tail" strategies has a negative contribution in a context of higher realized volatilities. Rates volatility strategy lost in MtM in a context of decreasing long term rates whereas Implied Repo positions continued to gain in MtM.
Hedging positions had a slightly negative contribution this month.

(1) Definitions of all terms are available from the Investment Manager upon request.

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Please also note the following details concerning specific awards and nominations: Hedge Fund Journal: decided based on risk adjusted returns as calculated using the Sharpe Ratio. MondoAlternative: Funds registered for sale in Italy and present in the MondoAlternative database are eligible, quantitative process based on Sharpe ratios and returns over the relevant time period.