

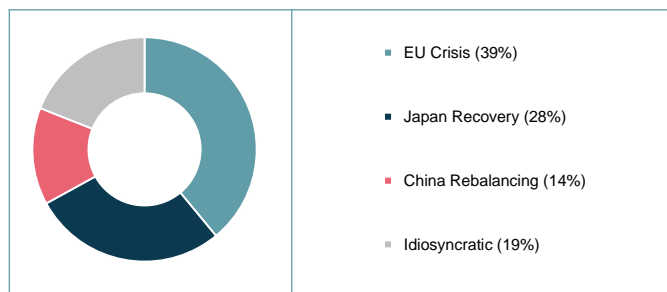
## CF Eclectica Absolute Macro Fund

31 JANUARY 2017

### Performance Attribution Summary

- The Fund returned -0.4% in January.
- In fixed income, gains came primarily from our European sovereign bond RV trades. We took the opportunity to initiate a more tactical short versus the French OAT when the spread over German bunds narrowed sharply towards the beginning of the month, which subsequently provided an additional boost to P&L as the race for the French Presidency began to open up.
- Profits were taken on our remaining Chinese interest rate “paying” positions that had been main drivers of positive performance the previous month. We await the opportunity to re-engage at a more attractive level.
- In FX, we reduced our short JPY exposure, although losses sustained on our smaller position, combined with those on our Asian consumer basket were sufficient to offset the Fund’s fixed income gains as the post-election rally in the US dollar began to fade.
- With the reductions across our China and Japan books, the balance of risk has shifted more towards our ‘EU Crisis’ theme with multiple elections across the continent looming large.

### Current Themes (% VaR)\*



\* Aggregate strategy VaR 95/aggregate portfolio VaR 95. Does not account for full effects of diversification.

### Top 10 Current Strategies (% VaR)\*

Theme	Value	Theme	Value
Long Bunds vs Short BTPs	21.0	Long Bunds vs Short OATs	7.1
Short JPY	15.1	UK Housebuilders	5.7
EU Banks RV	13.1	Nikkei 225 Call Options	5.2
Long SEK vs EUR	8.3	Consumer vs Producer FX	4.7
Korean 3yr vs 10yr Steepener	7.7	German Property	4.4

\* Strategy or Theme VaR 95/aggregate portfolio VaR 95 and does not account for full effects of diversification. Source (all Asset/Theme/Strategy VaR data): EAM. Data as at 31/01/17.

### Performance (%) - 'A' £ shares

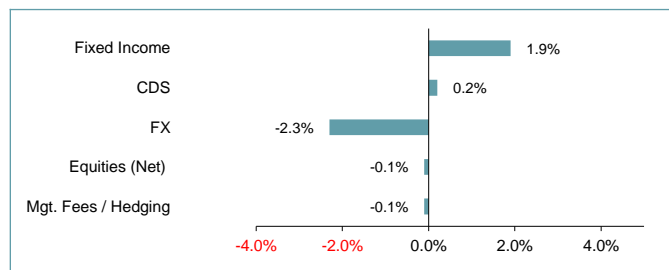


Past performance is not a guide to future returns. Calculation on NAV basis with net income reinvested. Shares net of fees and expenses.

### Monthly Returns Since Inception (%)

	J	F	M	A	M	J	J	A	S	O	N	D	Y
2010	1.2	0.4	-0.5	-0.7	-0.3	-0.2	-1.5	5.4	-0.3	-2.0	0.5	1.7	3.6
2011	-1.8	1.4	-1.7	-0.1	2.8	-0.1	2.1	3.2	1.5	0.2	-0.2	1.1	8.6
2012	-1.0	0.1	-1.9	1.7	1.4	0.7	2.6	-1.0	0.2	-2.2	0.5	-1.4	-0.4
2013	0.9	1.1	2.4	-0.5	-2.3	-1.2	-1.1	0.0	-1.8	0.1	0.7	2.7	0.8
2014	-3.6	1.1	-5.6	-1.7	0.3	0.4	-1.0	-1.2	2.5	0.6	9.3	1.7	2.1
2015	7.2	2.9	3.0	-1.7	-0.6	-1.8	0.3	-8.1	-0.2	-0.4	2.9	1.5	4.4
2016	-3.8	-1.4	-1.6	0.9	0.6	-2.5	3.4	-1.6	-1.4	2.2	0.3	4.9	-0.5
2017	-0.4												-0.4

### Monthly Performance Attribution



Internal estimate based on calendar month P&L.

### Portfolio VaR

Total Risk *	10.8
95% Fat Tail **	1.4
95% Cond VaR **	1.8

\* Ex-ante standard deviation \*\* Based on 1 day time-horizon Monte Carlo simulation. Source: Independent Risk Management Solutions.

### Top 10 Holdings (% NAV)

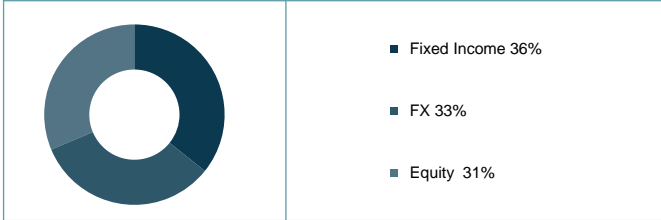
German 10yr Bond Ftrs	160.7	Long USD vs JPY	40.3
Short French 10yr OAT Ftrs	-89.8	Long SEK vs EUR	18.8
Short Italian 10yr BTP Ftrs	-87.3	Short Euro Stoxx Banks Ftrs	-14.1
Korean 3yr Bond Ftrs*	70.5	Long SEK vs EUR (Options) $\Delta$	14.0
Short Korean 10yr Bond Ftrs	-65.2	Long INR vs USD**	13.4

\*Interest rate/bond positions are included on a 10yr adjusted notional basis. \*\*Positions represent “consumer” leg of the “consumer vs producer” FX strategy – “producer” leg comprises short KRW, TWD, SGD and MYR positions (vs USD).  $\Delta$  Delta adjusted exposure.

# CF Eclectica Absolute Macro Fund

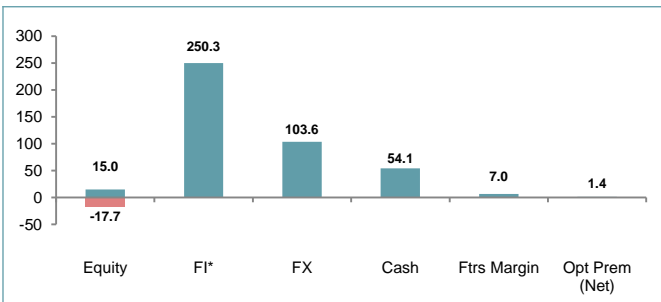
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## Asset Allocation (% VaR)\*



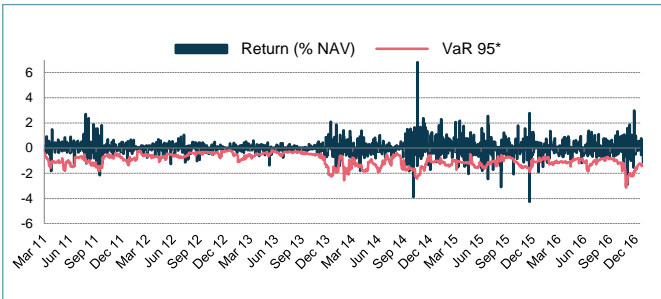
\* Aggregate asset class VaR 95/aggregate portfolio VaR 95. Does not account for full effects of diversification.

## Asset Allocation (% NAV)



Equity index options are represented as premium.

## Portfolio VaR History



Source: Independent Risk Management Solutions. Return figure illustrates daily Fund performance from 12pm to 12pm.

	NAV	\$c	£p	€c
A shares		152.69	106.44	138.69
C shares		157.62	110.86	-
<b>AUM</b>				<b>\$35.5m</b>

Exchange Rate £/\$: 1/1.2570. Source: Bloomberg.

## Manager Details

Investment Manager	Eclectica Asset Management LLP
ACD	Capita Financial Services Ltd
Administrator	Capita Asset Services Administrators Ltd

## Fund Details

Launched	31 December 2009
Fund Manager	Hugh Hendry
IA Sector	Targeted Absolute Return
Target Return	Annualised 10% on a rolling 3-year basis
Share Classes	£/€/\$ (€ and \$ share classes are hedged)
Structure	UCITS IV sub fund of CF Eclectica Funds
Dividends	Accumulated
ISA/PEP Eligible	Yes
Prospectus & KIID	<a href="http://www.capitaassetservices.com">www.capitaassetservices.com</a>

## Fund Identifiers

	ISIN	SEDOL	Bloomberg
A share (£)	GB00B2PJSV25	B2PJSV2	CFEGASA LN
A share (€)	GB00B2PJWD21	B2PJWD2	CFEGAEA LN
A share (\$)	GB00B39WZQ85	B39WZQ8	CFEGADA LN
C share (£)	GB00B3B1NB14	B3B1NB1	CFEGCSA LN
C share (€)	GB00B3B1NB48	B3B1NB4	CFEGCEA LN
C share (\$)	GB00B39WZY69	B39WZY6	CFEGCDA LN

## Fees, Costs & Redemption Structure

Initial Charges	None
Anti-Dilution Levy	Up to 0.75% on subs/reds over 5% of NAV
Annual Charges	1.5% (class A); 1.0% (class C)
Performance Fee	20% (Annual High Water Mark)
Minimum Investment	£5,000 (class A); £2m (class C) (equivalent for € and \$)
Dealing	Daily at 12pm
Dealing Line	0345 608 0941

## Service Providers

Depository	BNY Mellon
Auditors	Ernst & Young
Accounts Date	Financial year-end 31 December

## Investor Relations

[IR@eclectica-am.com](mailto:IR@eclectica-am.com)

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