

As of 29 March 2019

Fund description

- The investment objective of the Fund is to provide global equity-like returns with significantly less risk
- The objective is achieved by seeking to capture the majority of stock market advances while simultaneously providing downside protection during market declines
- Statistical focus on convertible structure is used to create a balanced, diversified portfolio that optimizes the asymmetrical risk/reward characteristics of convertibles
- The investment approach is not reliant on forecasting or market timing
- The Fund targets a consistent risk/reward profile at all times

Investment manager: Zazove Associates, LLC (US)

- Zazove Associates, LLC (US) is an SEC-regulated investment advisor that has specialized in the management of convertible securities since 1971
- The firm manages US\$ 2.5 bn for global institutional investors
- The firm is independent and 100% employee owned
- Zazove has expertise across all segments of the market: US, global, and high yield (“busted”) convertibles
- 24-year track record managing global convertibles

Cumulative performance (%)

	I USD C shares	Index*
1M	0.14	0.22
3M	7.52	6.64
6M	-1.13	1.59
YTD	7.52	6.64
1Y	0.17	3.19
Since inception (30 Nov 2016)	8.79	11.06

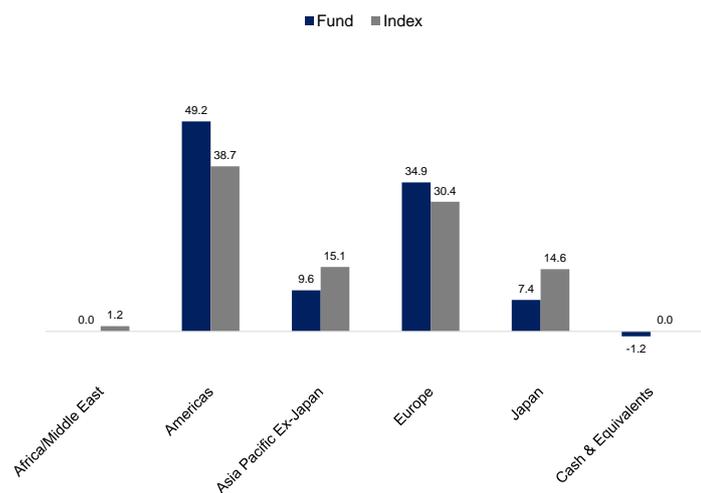
* Index = UBS Thomson Reuters Global Focus Hedged Convertible Bond Index USD

Portfolio characteristics

Main indicators	Fund	Index
No. of securities	57	205
Investment premium (%)	23.8	18.7
Conversion premium (%)	28.1	32.9
Delta (%)	49.0	45.0
Yield to maturity (%)	-1.5	-1.6
Current yield (%)	1.5	0.8
Convertible duration	2.1	1.9

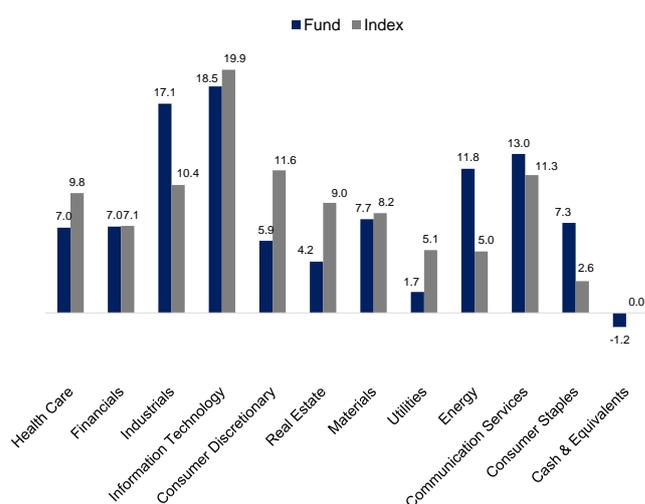
Region breakdown (% AUM*)

* AUM ex. unrealised p/l of share class hedging FX forwards



Sector breakdown (% AUM*)

* AUM ex. unrealised p/l of share class hedging FX forwards



Top 10 issuers

Issuer	Sector	Country	% AUM
LIBERTY MEDIA CORP	Communication Services	United States	5.52
SIEMENS FINANCIERINGSMAT	Industrials	Netherlands	3.97
GLENCORE FUNDING LLC	Materials	Switzerland	3.40
TOTAL SA	Energy	France	3.29
BUNGE LTD	Consumer Staples	United States	3.29
BP CAPITAL MARKETS PLC	Energy	United Kingdom	3.20
LIBERTY INTERACTIVE LLC	Communication Services	United States	3.06
QIAGEN NV	Health Care	Netherlands	2.81
AIRBUS SE	Industrials	France	2.74
TORAY INDUSTRIES INC	Materials	Japan	2.70
			33.98

Investment manager's commentary

Dovish signals from both the Fed and China during March supported equity prices, driving modestly positive returns in global equities and convertibles. Large cap names in the US and Europe were top performers, while Japanese and small cap US stocks declined. The shift in expectations from rising rates to a more benign interest rate environment was positive for fixed income, with high grade corporates outperforming high yield. Equity market volatility continued to decline from elevated year-end levels. Convertible supply was strong with US\$11.9 billion of new paper added to the market, surpassing January and February combined. Europe was the largest issuer but was dominated by a jumbo mandatory deal from Vodafone. The US was the largest issuer of traditional convertible structures.

The Fund returns were slightly positive for the month. Core positions in Europe participated in substantial underlying equity advances. Most notably, a convertible from Inmarsat participated in 100% of the underlying equity returns due to a unique takeover ratchet that came into effect upon an offer to acquire the company. Convertibles in other regions declined modestly. Telecommunications Services, Consumer Cyclical, and Energy were the top performing sectors, while Industrials and Technology convertibles underperformed. Relative to the Thomson Reuters Global Focus Index, outperformance in Europe and the Telecommunications Services and Consumer Cyclical sectors was offset by underperformance in the US and Japan, primarily in Industrials. Significant activity included participation in two new deals in US Technology, adding to existing holdings at attractive levels, and initiating a new position in a Japanese Healthcare convertible. Sales involved exiting positions that had become too equity-sensitive or bond-like.

Fund facts

Fund total net assets:	\$31.81 M	Identifiers:	Institutional USD Capitalisation share class Isin: LU1494400200 Ticker: ALZICUS LX
Fund domicile:	Luxembourg	Base currency:	USD
Fund type:	UCITS SICAV	Management fee:	0.80% p.a.
Depository, Administrator, Transfer Agent:	BNP Paribas Securities Services (LU)		
Dealing:	Each day with a 1-day notice. Cut-off time: 12 pm CET		
Management company:	Alma Capital Investment Management (LU)		
Investment manager:	Zazove Associates, LLC (U.S.A.)	Fund registered in:	Luxembourg, France, UK
Fund manager:	Greg Shorin, JD, CFA		

Contacts

Nick Stoop (UK)	+44 77 8980 0397
Baptiste Fabre (FR)	+33 1 56 88 36 55
Hervé Rietzler (FR / CH / LU / IT)	+352 28 84 54 19
Dirk Tödtle (DE / AT)	+352 28 84 54 16

info.investors@almacapital.com

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