

# Tages Paladin UCITS Fund

(sub fund of Tages International Funds ICAV)

January 2020



## FIRM DESCRIPTION

Tages Capital is a specialist, alternative asset management firm with approximately US\$2 billion run on behalf of global institutional investors and family offices. Tages manages a range of innovative, alternative investment products and solutions, including multi-manager portfolios, single manager UCITS and dedicated seeding funds. The firm is a market-leader in providing early stage capital to world-class emerging asset managers. We offer a fully independent UCITS platform, hosting multiple single-strategy, alternative UCITS funds with the aim of bringing best in breed strategies to market.

## STRATEGY DESCRIPTION

The Fund aims to provide investors with protection from sharp dislocations in global equity and bond markets without the typical burden of carry associated with tail hedge strategies. The Fund uses a combination of systematic long volatility, convexity, momentum and mean reversion strategies together with low beta carry strategies designed to compensate for time decay. The PM uses a proprietary combination of quantitative and qualitative techniques to evaluate and select a portfolio of investable trading strategies with clear tail hedge characteristics.

## PERFORMANCE SUMMARY

	JAN	YTD
Tages Paladin UCITS Fund B (USD)*	1.16%	1.16%
S&P 500	-0.16%	-0.16%
Bloomberg Barclays US Agg Bond	1.92%	1.92%

\*Source: Northern Trust, Bloomberg as of 31<sup>st</sup> January 2020

## FUND PERFORMANCE NET OF FEES

Class B	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2020	1.16												1.16
2019	-1.14	-1.41	1.94	-1.77	2.36	1.38	-0.03	2.95	-1.12	-1.05	-0.39	-1.21	0.36
2018								-0.21	-0.45	-2.79	0.95	0.50	-2.02

Source: Northern Trust

## TOP 3 CONTRIBUTORS

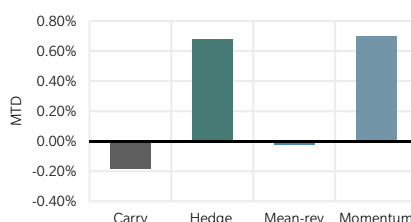
	MTD
G4 Rates/Credit Momentum	0.37%
US Equity Momentum/Mean Reversion	0.32%
US Fixed Income Volatility	0.32%

## BOTTOM 3 CONTRIBUTORS

	MTD
Equity Low Beta Carry	-0.15%
G4 Fixed Income Momentum	-0.12%
EU Dividend Carry	-0.04%

## PERFORMANCE BY STRATEGY\*

	MTD	YTD	WEIGHT	NOTIONAL
Carry	-0.18%	-0.18%	14.42%	38.40%
Hedge	0.68%	0.68%	47.02%	125.23%
Mean-rev	-0.02%	-0.02%	15.05%	40.08%
Momentum	0.70%	0.70%	23.51%	62.60%
Leverage				266.31%



## PERFORMANCE BY ASSET CLASS\*

	MTD	YTD	WEIGHT
Equities	0.25%	0.25%	65.54%
Fixed Income	0.93%	0.93%	34.46%
FX	0.00%	0.00%	0.00%



Source: Tages Capital LLP.

\*Estimated return contributions of the underlying strategies or asset class, excluding fund fees, expenses, and other miscellaneous factors.

## COMMENTARY

Deepening fears about the economic and human impact of the coronavirus sent global risky assets lower, eroding the strong performance of the equity markets earlier in the month. Commodity prices, notably oil, have been knocked down by the crisis as market participants focused on how much the outbreak could curb demand in the second largest global economy.

The Tages Paladin UCITS fund was up +1.16% in January. The fund navigated flawlessly throughout those two phases. Our fixed income volatility position helped to compensate the cost of the Equity Hedging strategies earlier in the month. Then the equity defensive book was able to take advantage of the sell-off during the last few days of the month.

Equity and Fixed Income short term trend and Mean Reversion strategies contributed +0.81% to performance and Fixed Income volatility strategies +0.51%. Equity Hedging strategies were slightly down earlier in the month as the S&P index was enjoying its January rally, but the strategies nicely recovered and finished the month +0.20% as the S&P index sold off and ended the month down -0.16%.

## INVESTMENT MANAGER

Tages Capital LLP

## FUND MANAGER

Berouz Fatemi

## STRATEGY

Tail Hedge

## VEHICLE

ICAV

## LAUNCH DATE

8 August 2018

## BASE CURRENCY

USD

## NAV

\$99.47 (Class B)

## MANAGEMENT FEE

Class B 0.85%

## PERFORMANCE FEE

Class B 0%

## MINIMUM INVESTMENT

Class A JPY 1,000,000,000  
Class A USD 1,000,000  
Class B USD, EUR, GBP 1,000,000  
Class R USD, EUR, GBP 10,000

## DEALING

Daily dealing with 3 business day's notice

## SHARE CLASSES

Class A JPY: IE00BFLVDR48  
Class A USD: IE00BDGT2T45  
Class B GBP: IE00BDGT2V66  
Class B EUR: IE00BFLVDS54  
Class B USD: IE00BFLVDT61  
Class R GBP: IE00BDGT2W73  
Class R EUR: IE00BFLVDV83  
Class R USD: IE00BFLVDW90

## ADMINISTRATOR / DEPOSITARY

Northern Trust International Fund Administration Services (Ireland) Limited

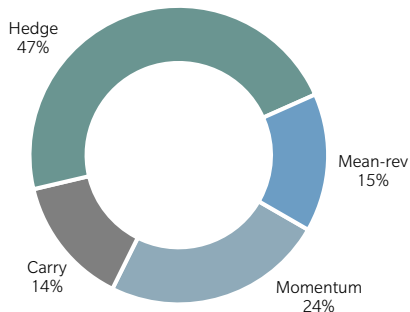
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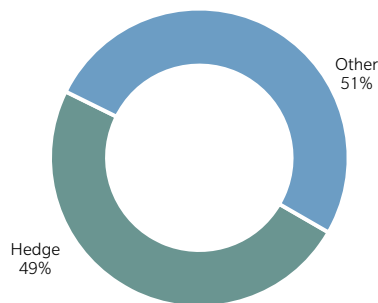
January 2020



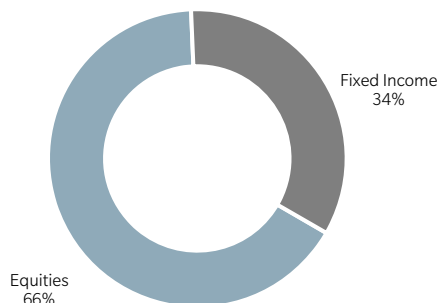
## NOTIONAL BREAKDOWN BY STRATEGY



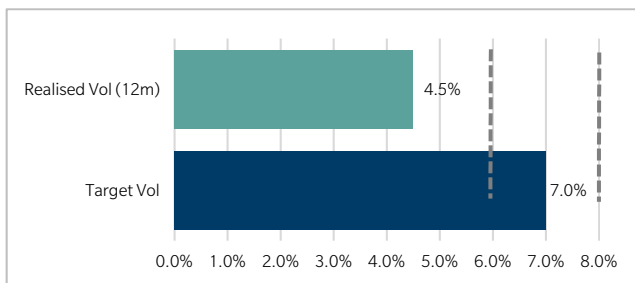
## RISK ALLOCATION BY STRATEGY



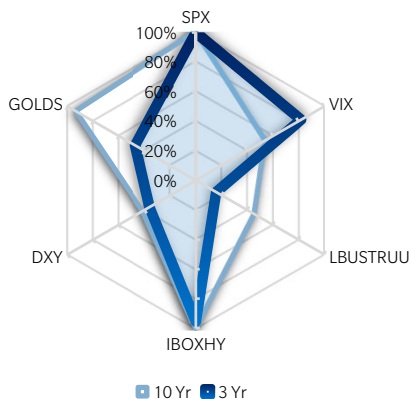
## NOTIONAL BREAKDOWN BY ASSET CLASS



## VOLATILITY

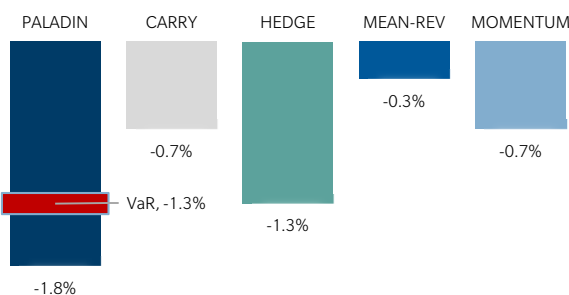


## TAIL HEDGE SCORE\*



\*The tail hedge score is a metric which estimates the expected recovery rate of the Paladin Fund for each risk factor. It is based on historical monthly returns over the last three and ten years.

## MONTHLY EXPECTED SHORTFALL (95% cVaR)



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