

# Tages Paladin UCITS Fund

(sub fund of Tages International Funds ICAV)

July 2020

INVESTCORP-TAGES

## 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

	JUL	YTD
Tages Paladin UCITS Fund B (USD)	-0.39%	8.80%
S&P 500	5.51%	1.25%
Bloomberg Barclays US Agg Bond	1.49%	7.72%

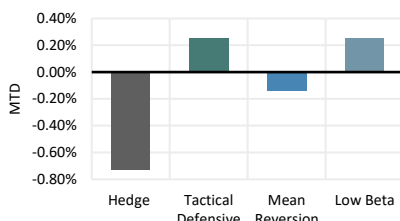
## FUND PERFORMANCE NET OF FEES

Class B	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2020	1.16	5.17	4.41	-1.31	-2.99	2.71	-0.39						8.80
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, Bloomberg as of 31<sup>st</sup> July 2020

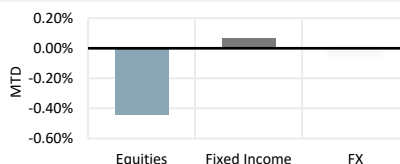
## PERFORMANCE BY STRATEGY\*

	MTD	YTD	WEIGHT	NOTIONAL
Hedge	-0.73%	11.63%	54.12%	75.52%
Tactical Defensive	0.25%	6.53%	17.44%	24.33%
Mean Reversion	-0.14%	-5.04%	5.14%	7.17%
Low Beta	0.25%	-4.64%	23.31%	32.52%
Leverage				139.54%



## PERFORMANCE BY ASSET CLASS\*

	MTD	YTD	WEIGHT
Equities	-0.44%	0.14%	63.93%
Fixed Income	0.07%	8.34%	36.07%
FX	0.00%	0.00%	0.00%



Source: Tages Capital LLP. \*Estimated return contributions of the underlying strategies/asset class, excl. fund fees, expenses, & other miscellaneous factors.

## COMMENTARY

July turned out to be one of the least thrilling months of the year so far. Despite a noisy background in politics, geo-politics and the pandemic, the S&P 500 managed to rally +5.50% and turn positive year-to-date. In the meantime, the Nasdaq rallied another +6.82% and is up +19.76% this year. Sovereign yields dropped -0.13% in the US, pushing real rates into negative territory and gold up +30% year-to-date. All of this has been happening against a backdrop of record-breaking stimulus, borrowing, deficits and economic downturns. If only the Tokyo Olympic Games were going ahead!

The Tages Paladin UCITS Fund, negatively correlated to major risk assets, managed to hold on to its earlier gains and was down -0.39% for the month. As expected in risk-on scenarios, the hedging strategies suffered relatively small losses (down -0.73%) in the face of the rally, while tactical trend and low beta strategies were positive, each contributing +0.25% to overall performance.

## INVESTMENT MANAGER

Tages Capital LLP

## FUND MANAGER

Berouz Fatemi  
Sébastien Krol

## STRATEGY

Tail Hedge

## VEHICLE

ICAV

## LAUNCH DATE

8 August 2018

## BASE CURRENCY

USD

## NAV

\$106.99 (Class B)

## FUND SIZE

\$41.3m

## 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 (1 Business Day 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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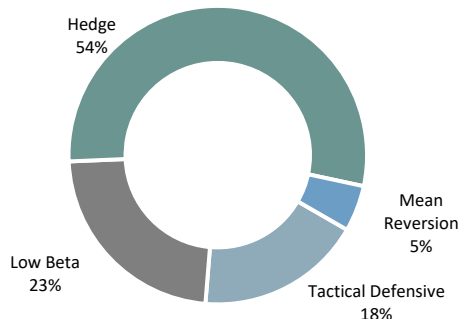
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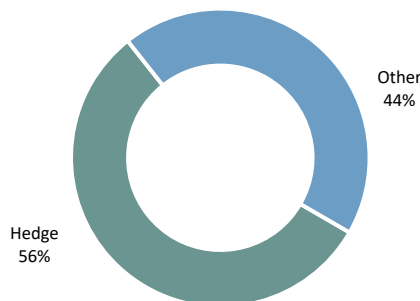
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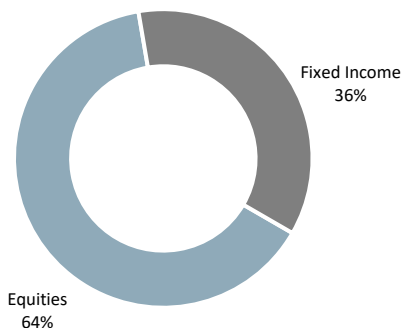
## NOTIONAL BREAKDOWN BY STRATEGY



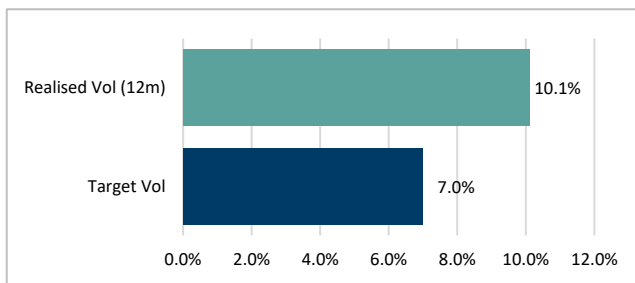
## RISK ALLOCATION BY STRATEGY



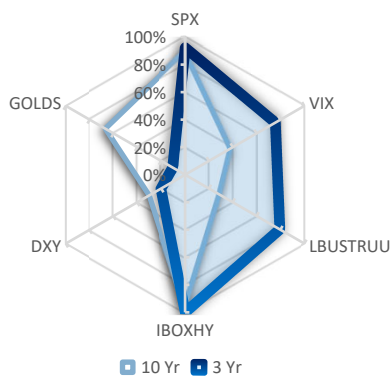
## NOTIONAL BREAKDOWN BY ASSET CLASS



## VOLATILITY

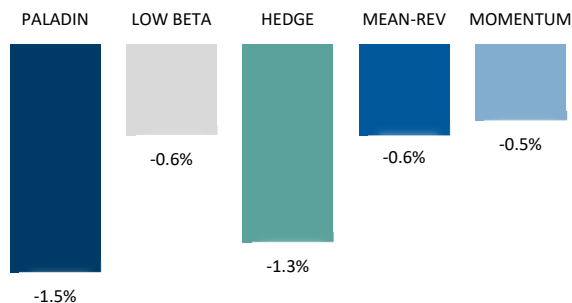


## TAIL HEDGE SCORE\*



\*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)



Investcorp-Tages

39 St James's Street, London SW1A 1JD

Tel: +44 (0)203 036 6051

Email: [clientservices@InvestcorpTages.com](mailto:clientservices@InvestcorpTages.com)

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The Company is an umbrella open-ended Irish collective asset-management vehicle with segregated liability between sub-funds formed in Ireland under the Irish Collective Asset-management Vehicles Act 2015 and authorised by the Central Bank of Ireland as a UCITS pursuant to the UCITS regulations. The registered office of the ICAV is located 32 Molesworth Street, Dublin 2, Ireland.

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