

# Tages Paladin UCITS Fund

(sub fund of Tages International Funds ICAV)

June 2019

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 and alternative risk premia with clear tail hedge characteristics.

## PERFORMANCE SUMMARY

	JUNE	YTD
Tages Paladin UCITS Fund B (USD)*	1.38%	1.28%
S&P 500	6.89%	17.35%
Bloomberg Barclays US Agg Bond	1.26%	6.11%

\*Source: Northern Trust

## FUND PERFORMANCE NET OF FEES

Class B	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2019	-1.14	-1.41	1.94	-1.77	2.36	1.38							1.28
2018								-0.21	-0.45	-2.79	0.95	0.50	-2.02

Source: Northern Trust

## TOP 3 CONTRIBUTORS

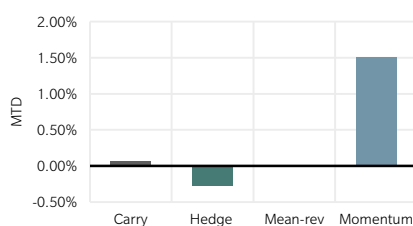
	MTD
Break-out Momentum	0.50%
G4 Rates/Credit Momentum	0.48%
US/EU Rates Momentum	0.47

## BOTTOM 3 CONTRIBUTORS

	MTD
US F Income Volatility	-0.32%
US Equity Put Replication	-0.20%
US Dispersion Long Vega	-0.16%

## PERFORMANCE BY STRATEGY\*

	MTD	YTD	WEIGHT	NOTIONAL
Carry	0.06%	-0.01%	17.22%	39.86%
Hedge	-0.28%	-2.56%	51.93%	120.22%
Mean-rev	0.01%	0.05%	7.49%	17.33%
Momentum	1.51%	3.81%	23.36%	54.07%
Leverage				231.48%



## PERFORMANCE BY ASSET CLASS\*

	MTD	YTD	WEIGHT
Equities	0.29%	-1.99%	69.56%
Fixed Income	1.02%	3.29%	30.44%
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

The Paladin Fund was up +1.38% in June benefiting mainly from fixed income strategies as bonds had their best monthly performance thus far this year following the dovish pivot by most major central banks. The 10y US Treasury yield went down 37bps (a move in the last decade using data since the 80s and even more extreme in relative terms).

The S&P 500 rose 6.9% in June and has risen 17.4% YTD for its best first half since 1997. In the equity space, our portfolio was marginally up, supported by momentum strategies turning bullish, while some hedging strategies weighed on performance. Our equity defensive book only cost 50bps – a very good result given the upbeat mood across global equity.

On the geopolitical side, the G20 summit did not resolve the trade tensions dogging the global economy, however some progress was made. Analysts were far from convinced as the ceasefire seemed largely expected yet no clear pathway was set for durable trade peace.

## INVESTMENT MANAGER

Tages Capital LLP

## FUND MANAGER

Berouz Fatemi

## STRATEGY

Tail Hedge

## VEHICLE

ICAV

## LAUNCH DATE

8 August 2018

## BASE CURRENCY

USD

## NAV

\$99.23 (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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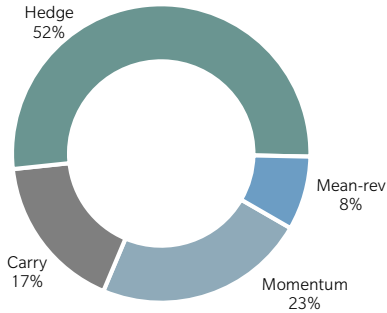
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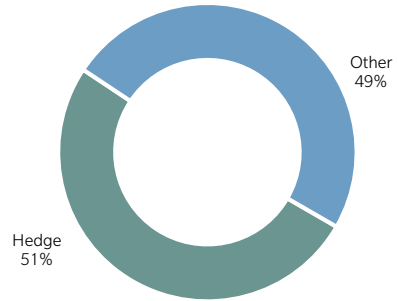
June 2019



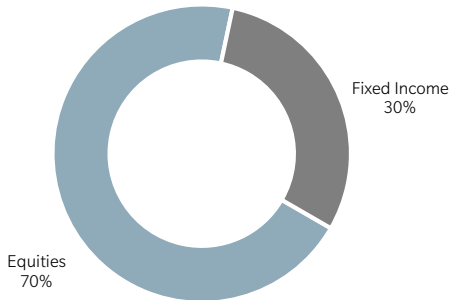
## NOTIONAL BREAKDOWN BY STRATEGY



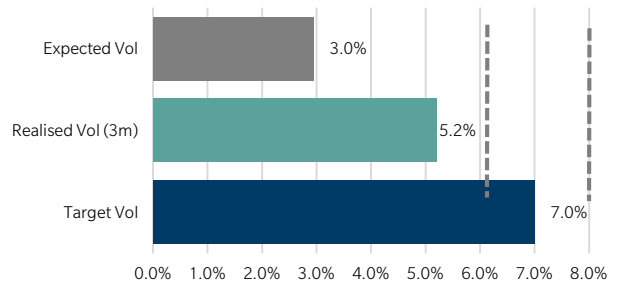
## RISK ALLOCATION BY STRATEGY



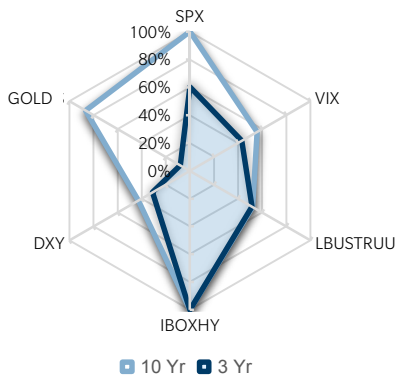
## NOTIONAL BREAKDOWN BY ASSET CLASS



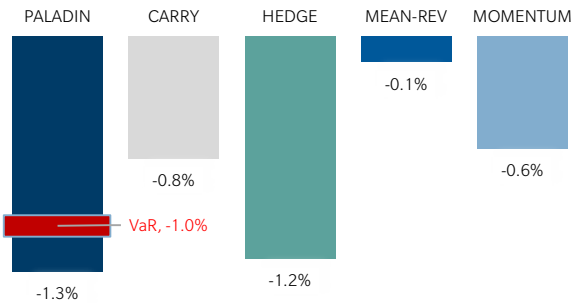
## VOLATILITY



## TAIL HEDGE SCORE\*



## MONTHLY EXPECTED SHORTFALL (95% cVaR)



\*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.

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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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