

# Tages Paladin UCITS Fund

(sub fund of Tages International Funds ICAV)

September 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

	SEP	YTD
Tages Paladin UCITS Fund B (USD)*	-1.12%	3.06%
S&P 500	1.72%	18.74%
Bloomberg Barclays US Agg Bond	-0.53%	8.52%

\*Source: Northern Trust, Bloomberg as of 30<sup>th</sup> September 2019

## 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	-0.03	2.95	-1.12				3.06
2018								-0.21	-0.45	-2.79	0.95	0.50	-2.02

Source: Northern Trust

## TOP 3 CONTRIBUTORS

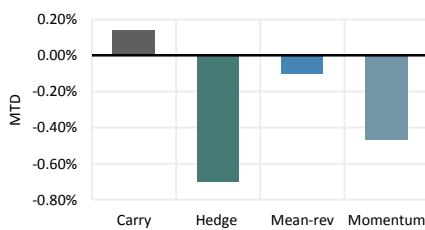
	MTD
EU Dividend Carry	0.15%
Equity Dispersion Carry	0.12%
US Equity Mom/Mean Reversion	0.05%

## BOTTOM 3 CONTRIBUTORS

	MTD
FI Break-out Momentum	-0.39%
US/EU Rates Momentum	-0.19%
G4 Rates/Credit Momentum	-0.19%

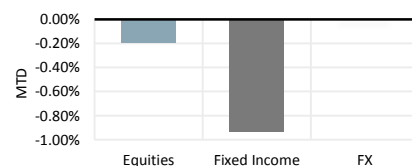
## PERFORMANCE BY STRATEGY\*

	MTD	YTD	WEIGHT	NOTIONAL
Carry	0.14%	0.07%	18.02%	37.77%
Hedge	-0.70%	-1.52%	50.14%	105.11%
Mean-rev	-0.10%	0.03%	7.49%	15.70%
Momentum	-0.47%	4.38%	24.36%	51.06%
Leverage			209.63%	



## PERFORMANCE BY ASSET CLASS\*

	MTD	YTD	WEIGHT
Equities	-0.20%	-3.13%	68.55%
Fixed Income	-0.94%	6.09%	31.45%
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

September was particularly rich in dramatic headlines on the political side with the Trump impeachment and the UK supreme court ruling against Boris Johnson. The Fed continues to come under pressure not only from the White House but also from a dysfunction in the repo market. Additionally, oil prices surged after a strike on the heart of Saudi Arabia's oil production facilities.

In spite of this, stocks recorded strong performance, led by Japan and Europe. The market remains focused on the evolution of the Sino-US trade war which saw little progress in September. The upbeat mood in equity markets was combined with an aggressive remark of government yields. In the US, treasury yields saw the largest weekly increase in relative terms on record. Consequently, our fixed income book weighed on Paladin's performance which was down -1.12% for the month. The loss was compensated by our carry strategies. Notably, equity dispersion partly benefited from the historic factor rotation with momentum hit particularly hard.

## INVESTMENT MANAGER

Tages Capital LLP

## FUND MANAGER

Berouz Fatemi

## STRATEGY

Tail Hedge

## VEHICLE

ICAV

## LAUNCH DATE

8 August 2018

## BASE CURRENCY

USD

## NAV

\$100.98 (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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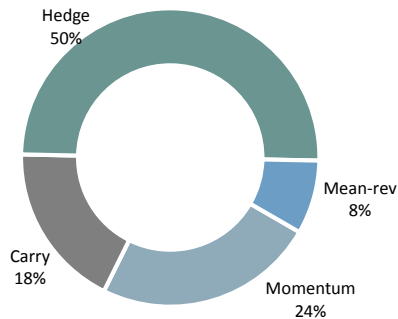


# Tages Paladin UCITS Fund

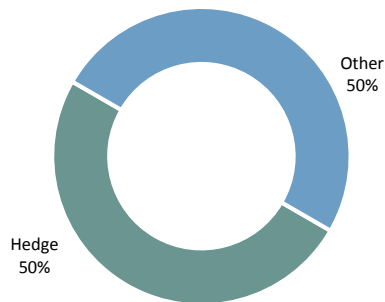
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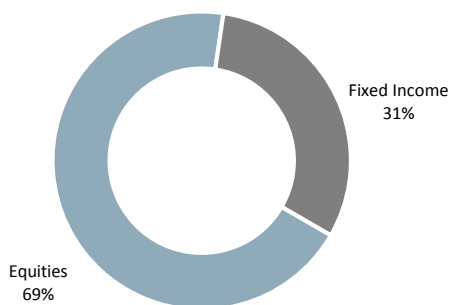
## NOTIONAL BREAKDOWN BY STRATEGY



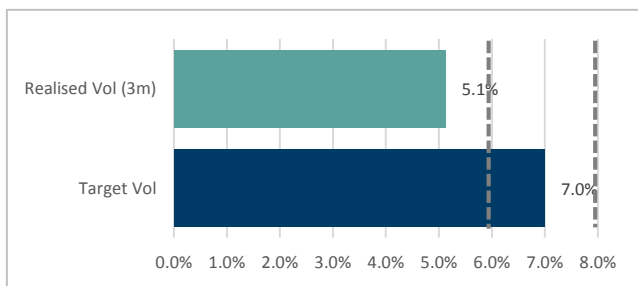
## RISK ALLOCATION BY STRATEGY



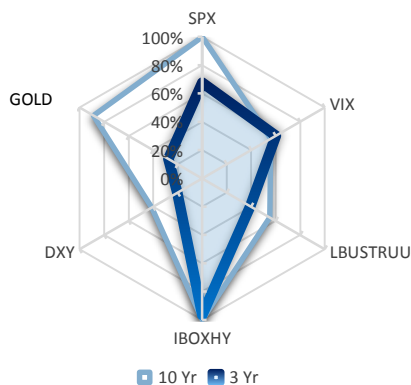
## NOTIONAL BREAKDOWN BY ASSET CLASS



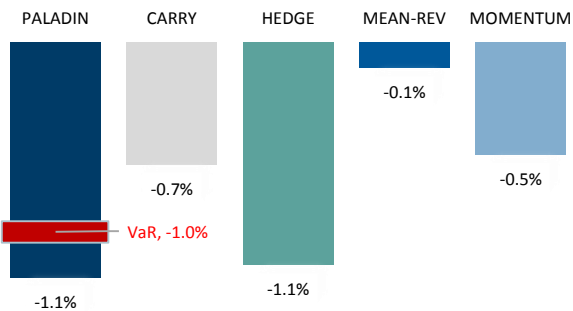
## VOLATILITY



## 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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