

# Tages Eckhardt Systematic Short-Term UCITS Fund

(sub fund of Tages International Funds ICAV)

May 2022

## INVESTCORP-TAGES

### FIRM DESCRIPTION

Eckhardt Trading Company was founded in 1991 by William Eckhardt in Chicago. Eckhardt is a research driven investment manager with a systematic, technical and evolutionary approach to global markets. The manager employs a variety of short term and pattern recognition strategies with an average trade length of under 10 days. Since its founding, the firm has prioritised ongoing research and development, with a dedicated research team that has been working together for more than a decade. William Eckhardt has been a pioneer in the systematic space since the 1980's, culminating in a research partnership with the University of Chicago.

### INVESTMENT OBJECTIVE & STRATEGY DESCRIPTION

The investment objective of the Fund is to achieve long-term capital growth. Please refer to the latest prospectus and the relevant key investor information document(s) of the Fund ("KIID") for more information. Documents can be found at [www.investcorpTages.com](http://www.investcorpTages.com).

The strategy uses market volatility as a key metric to identify and capture alpha by trading several diversifying models across multiple time horizons and volatility regimes. Eckhardt's unique analysis and understanding of volatility characteristics and positioning/sentiment results in strategies across four system groups: 1) Short-term volatility trend captures price changes across short-term time frames in periods of changing volatility; 2) Pattern recognition uses proprietary models to seek contrarian profit opportunities during periods of consolidating or reversing markets; 3) Risk-off alpha systems aim to capture alpha in periods of higher volatility, particularly in equity markets, and 4) Sentiment Alpha which use positioning/sentiment metrics to identify both contrarian and early trend opportunities. The program also uses different sets of signals to trade subsets of commodities and market sectors where Eckhardt has identified additional alpha to be captured. The Eckhardt program is based on 40 years of pioneering research from Bill Eckhardt and his team, applying evolutionary computing and risk-based utility theory with in-depth volatility analysis. The current portfolio has an average holding period of less than 10 days.

### PERFORMANCE SUMMARY\*

	MTD	YTD	ITD
Tages Eckhardt Systematic Short-Term UCITS Fund (GBP Founder) [TESSTGA ID Equity]	-0.66%	11.05%	4.87%
S&P 500 [SPXT]	0.18%	-12.75%	25.94%
US Broad Investment-Grade Bond [SSBIG]	0.55%	-9.13%	-9.90%

Source: Northern Trust, Bloomberg as of 29<sup>th</sup> April 2022. Indices are not a reference indicator, but used for illustrative purposes. Inception date specified as the launch date of the GBP Class Founder (net of fees) on 7<sup>th</sup> October 2020. ITD returns are cumulative.

### FUND PERFORMANCE NET OF FEES (GBP CLASS FOUNDER) (%)\*

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2020										-1.83*	0.81	-0.34	-1.37
2021	-3.81	5.77	-2.07	-1.04	-0.08	-0.67	0.65	-3.18	-0.04	7.22	-1.26	-5.12	-4.25
2022	0.38	3.66	6.02	1.33	-0.66								11.05

Source: Northern Trust, Bloomberg as of 31<sup>st</sup> May 2022. Returns are for GBP Class Founder. \*Class launched 7<sup>th</sup> October 2020.

### FUND PERFORMANCE NET OF FEES (USD CLASS INSTITUTIONAL) (%)\*

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2020											0.82*	-0.22	0.60
2021	-3.76	5.66	-1.81	-0.97	0.01	-0.58	0.71	-3.12	-0.01	6.97	-1.21	-4.82	-3.52
2022	0.40	3.56	5.77	1.28	-0.60								10.72

Source: Northern Trust, Bloomberg as of 31<sup>st</sup> May 2022. Returns are for USD Class Institutional. \*Class launched 17<sup>th</sup> November 2020.

### STATS & CORRELATION SINCE INCEPTION\*

Compound Return	4.87%	US Stocks [S&P 500 TR]	0.10
Ann. Return	2.89%	US Bonds [FTSE USBIG]	-0.34
Ann. Volatility	11.20%	Non-US Stocks [MSCI EAFE]	0.02
Sharpe Ratio	-8.67	Hedge Funds [Credit Suisse]	0.26
Avg. Margin	9.53%	Managed Futures [BTOP 50]	0.61
Avg. Round Turns	-		

Source: Investcorp-Tages, ETC as of 31<sup>st</sup> May 2022. Statistics are for GBP Class Founder (net of fees). Class launched on 7<sup>th</sup> October 2020.

\*Past performance is not indicative, nor a guarantee, of future returns. Returns include the reinvestment of all dividends, interest, income and profits. The return may increase or decrease as a result of currency fluctuations, for the shares which are not currency-hedged.

### COMMENTARY

Evolution strategies were positive through most of May and then in the final days a number of markets turned on relatively low volumes. Small losses were incurred in Fixed Income, both US and European, and in Gold which frustratingly overrode the positive contributions from Energy and Grain markets. In the first few days of the new month many markets resumed their previous directions and with most positions still intact the negative return for May was recovered quickly. The strategy is currently positioned for further commodity price rises, weakness in fixed income markets, and volatile equities.

The major themes driving markets continue to be high inflation, the Russian war in Ukraine, and the knock-on effects of covid lockdowns now in China. Signs of moderating wage growth in the US, a slowing service sector, and a drop in new home sales complicate the US Federal Reserve's stance. Comments about being too slow to recognize inflationary problems have led to choppy markets and difficult trading in fixed income.

Inflation looks set to remain stubbornly high beyond forecasts and the prospects are tough, especially for food and energy. Sentiment Alpha, which has made gains every month this year, accounted for the bulk of profits in the energy sector by maintaining its long positions in crude, heating oil, and gasoline. High demand and constraints on Russian oil exports sustain upward pricing pressure with increased OPEC production unlikely to resolve the issue. Of the Vol. Trend portfolio, the Commodity Select systems made greatest gains on the long side of the wheat complex. Wheat is further challenged as India announces it will ban wheat exports in response to crop damage and home demand.

### INVESTMENT MANAGER

Tages Capital LLP

### FUND MANAGER

Eckhardt Trading Company (ETC)

### STRATEGY

Systematic Short-Term

### FUND TYPE

UCITS

### VEHICLE

ICAV

### LAUNCH DATE

07 October 2020

### BASE CURRENCY

USD

### NAV

£104.87 (GBP Class Founder)  
\$107.46 (USD Class I)

### FUND SIZE

\$145.0m

### ISIN

IE00BL3HNF00 (GBP Class Founder)  
IE00BL3HNM76 (USD Class I)

### MANAGEMENT FEE

Class Founder: 0.75%  
Class I: 1.25%

### PERFORMANCE FEE

Class Founder: 15%  
Class I: 15%

### MINIMUM INVESTMENT

Class Founder: EUR, GBP, USD, CHF  
5,000,000,  
Class I: EUR, GBP, USD, CHF 1,000,000  
Class R: EUR, GBP, USD, CHF 10,000

### DEALING

Daily dealing (1 Business Day notice)

### MANAGEMENT COMPANY

Waystone Fund Management (IE) Ltd.

### ADMINISTRATOR / DEPOSITARY

Northern Trust International Fund  
Administration Services (Ireland) Ltd.

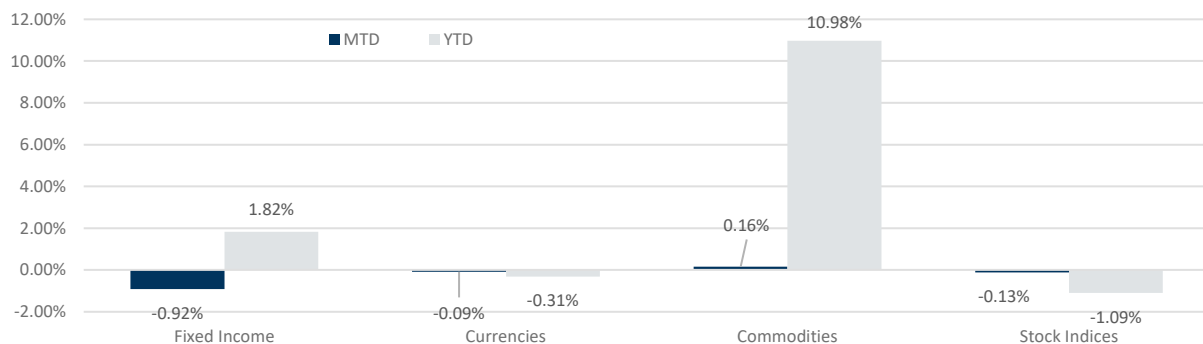
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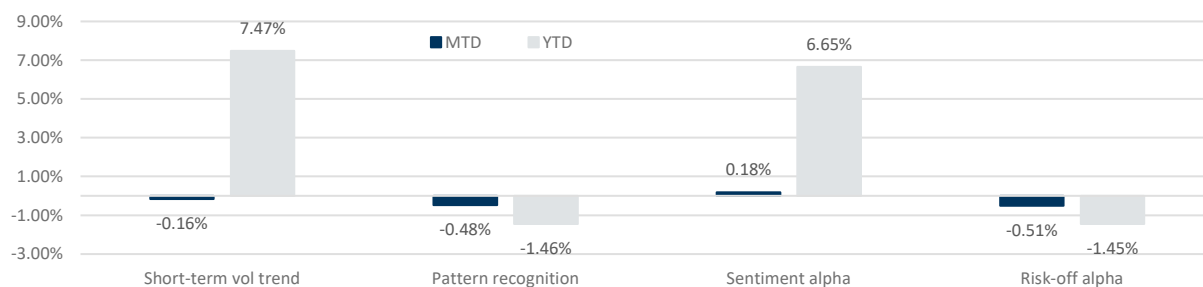
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## GROSS P&L BY ASSET CLASS\*



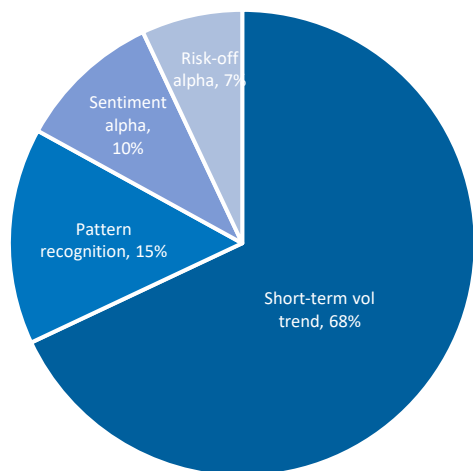
Source: Investcorp-Tages, ETC. Data as at 31<sup>st</sup> May 2022.

## GROSS P&L BY SYSTEM GROUP\*



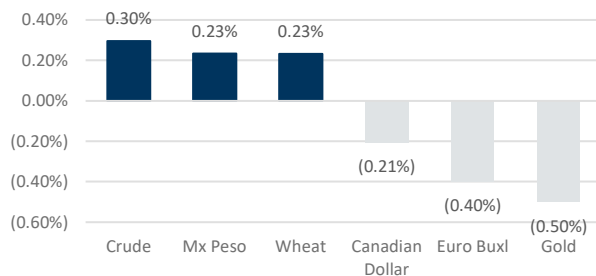
Source: Investcorp-Tages, ETC. Data as at 31<sup>st</sup> May 2022.

## COMMITMENT BY SYSTEM GROUP



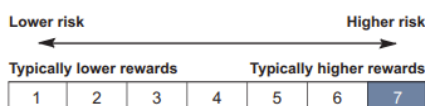
Source: Investcorp-Tages, ETC. Data as at 31<sup>st</sup> May 2022.

## TOP 3 BEST/WORST PERFORMING MARKETS MTD



Source: Investcorp-Tages, ETC. Data as at 31<sup>st</sup> May 2022.

## RISK & REWARD PROFILE



Risk Scale from the key investor information document(s) of the Fund ("KIID"). Risk 1 does not mean a risk-free investment. This indicator may change over time. Please refer to the risk glossary at the back of this document.

\*Past performance is not indicative, nor a guarantee, of future returns. Returns include the reinvestment of all dividends, interest, income and profits. The return may increase or decrease as a result of currency fluctuations, for the shares which are not currency-hedged.

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## RISK GLOSSARY

**Credit and Counterparty Risk:** A counterparty may fail in paying the proceeds of sale for assets sold by the Sub-Fund or may fail in delivering securities purchased by the Sub-Fund. The Sub-Fund may also incur the risk that a counterparty may fail to settle a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-Fund to suffer a loss.

**Derivatives and Leverage Risk:** The Sub-Fund may use derivatives as a means of gaining indirect exposure to a specific asset or as part of a strategy designed to reduce exposure to other risks, such as interest rate or currency risk. Whilst this is intended to help the Sub-Fund to manage risk or to take investment positions more efficiently or effectively than could be done otherwise, derivatives can involve the use of debt to finance the purchase of assets (leverage) and the risk of higher volatility, especially if some of the expected offsetting positions between long and short investments do not work as expected, and the Sub-Fund may be exposed to additional risks and costs as a result.

**Short Selling Risk:** The Sub-Fund may create synthetic short positions through the use of derivatives. Short positions behave differently to long positions; for example, the Sub-Fund can come under pressure to close out short positions at short notice and before an offsetting long position can mature. This can create unexpected losses from positions that might otherwise have been seen as low risk or well hedged.

For a more detailed explanation of risks, please refer to the "Special Considerations and Risk Factors" section of the prospectus.

## REGULATORY INFORMATION AND RISK WARNINGS

This document is intended to be of general interest only and does not constitute legal, investment or tax advice nor is it an offer for shares or invitation to apply for shares of any sub-funds of Tages International Funds ICAV (the "Company"). This document is intended for professional clients.

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