

# SAGA SELECT

Investment Company with Variable Capital

Annual report, including audited financial statements,  
as at December 31, 2014



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The original of this report is written in French. In case of inconsistencies between the original and this English translation, the French version shall prevail.

No subscription can be received on the basis of this report. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest annual report and the most recent semi-annual report, if published thereafter.

# SAGA SELECT

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# SAGA SELECT

## Organisation of the SICAV

**REGISTERED OFFICE** 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

### THE BOARD OF DIRECTORS OF THE SICAV

**Chairman** Mr Gabriel SAFDIE, Wealth Manager (until September 30, 2014)

Mr Aleksander GOLDENBERG, CEO, Adnir Holdings Ltd (since September 30, 2014)

### Members

Mr Frédéric FASEL, Senior Vice President, FundPartner Solutions (Europe) S.A.

Mr Pascal CHAUVAUX, Senior Vice President, FundPartner Solutions (Europe) S.A. (until September 29, 2014)

Mr Patrick Meunier, Managing Director, Agir Luxembourg S.A. (since September 29, 2014)

### MANAGEMENT COMPANY

FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

### Chairman

Mr Marc BRIOL, Executive Vice President, Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland

### Members

Mr Pierre ETIENNE, Managing Director, Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Ms Michèle BERGER, CEO and Managing Director, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Mr Peter WINTSCH, Executive Vice President, Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland (until June 6, 2014)

Mr Claude KREMER, Partner, Arendt & Medernach - Law Firm, 14, rue Erasme, L-2082 Luxembourg, Grand Duchy of Luxembourg

### EXECUTIVES OF THE MANAGEMENT COMPANY

Ms Michèle BERGER, CEO and Managing Director, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Mr Pascal CHAUVAUX, Head of Central Administration, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Mr Cédric HAENNI, Head of Risk and Compliance, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Mr Dorian JACOB, Head of Investment Management Supervision, FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

### DEPOSITARY BANK

Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

# SAGA SELECT

## Organisation of the SICAV (continued)

**PAYING AGENT,  
DOMICILIARY AGENT,  
ADMINISTRATIVE  
AGENT AND  
TRANSFER AGENT** FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

**INVESTMENT  
MANAGERS** For the SAGA SELECT - LATIN AMERICA EQUITY sub-fund:  
HRD Administração de Recursos Ltda, Av. General Furtado Nascimento 740 CJ65, cito 85, Alto de Pinheiros, Sao Paulo, ZIP CODE 05465 070, Brazil (until August 26, 2014)

For the SAGA SELECT - ASSET ALLOCATION FUND, SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND, SAGA SELECT - BEQUIA GLOBAL and SAGA SELECT - TACTICAL BOND FUND sub-funds:  
Saga Select Asset Management Ltd., 3 Daniel Frisch Street, Tel Aviv 6473104, Israel

**ADVISER  
RESPONSIBLE FOR  
DISTRIBUTING,  
PROMOTING AND  
PLACING THE FUND'S  
SHARES WITH  
INVESTORS** Saga Promotion S.A., 25B, boulevard Royal, BP 430, L-2014 Luxembourg, Grand Duchy of Luxembourg

**CABINET DE REVISION  
AGRÉÉ/AUDITOR** Deloitte Audit, Société à responsabilité limitée, 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg

**COUNTERPARTY ON  
FORWARD EXCHANGE  
CONTRACTS (Note 8)** Banque Pictet & Cie SA Geneva

# SAGA SELECT

## General information

Any notices to attend General Meetings, including those deliberating on an amendment to the Articles of Incorporation or the winding-up and liquidation of the SICAV, shall be sent to shareholders by mail at the address shown on the register of bearer shares and published in accordance with Luxembourg law.

In the event of an amendment to the Articles of Incorporation, the new version shall be filed with the Luxembourg Trade and Companies Register.

Each year, the SICAV publishes a detailed report on its business and the management of its assets, including the statement of net assets and statement of operations and changes in net assets, the detailed breakdown of each sub-fund's assets and securities portfolios, the SICAV's combined financial statements, all sub-funds combined, and the report of the approved independent auditor.

At the end of each half-year, the SICAV also publishes a report that, for each sub-fund and for the SICAV as a whole, includes a list of investments, the number of outstanding shares and the number of shares issued and redeemed since the previous annual report.

Interested parties may obtain these documents free of charge from the SICAV's registered office.

A detailed schedule of changes in the investments of each sub-fund for the financial year ended December 31, 2014, is available free of charge upon request at the registered office of the SICAV.



## Management report

### I

Looking solely at the US stock market, 2014 would have been a pretty decent year, with the S&P500 gaining 11.4% and the NASDAQ up 13.4%.

This good performance was driven by the growth acceleration of the US economy. However, the uninspiring outlook for growth in the rest of the world explains the sluggish performance of the other markets.

For example, while Japan's Nikkei index advanced by 7.10% in yen terms, when expressed in USD, its performance was negative, at -5.8%. In Europe, the main indices, such as the DAX and Euro Stoxx50, were broadly flat in 2014. This was also the case for the emerging markets index expressed in USD, although there were significant differences in performance, with a 27.8% rise on India's stock market and a 13.4% fall on the Brazilian market (both in USD), for example.

In global terms, the FTSE World index barely moved, reflecting a world which is producing growth, but only just.

This lacklustre growth weighed on the commodities market, where the Bloomberg Commodity Index fell by 17%, a level last seen in 2002. Nonetheless, it was the plummeting oil price - down 47.6% in 2014 - that was the focus of attention at the end of the year.

On the forex markets, the upbeat US story also boosted the dollar, which strengthened by 13.8% against the yen to 119.80, and by 11.9% versus the euro to 1.21.

But the biggest surprise of the year came from the developed world's sovereign bond markets, where even US 10-year yields fell, from 3% to 2.17% - despite the likelihood of rate hikes by the Fed in 2015. Meanwhile, yields on the equivalent Japanese and German bonds were close to 0.33% and 0.54% respectively - record lows in both cases. Even highly-indebted, zero-growth countries such as Italy and Spain were able to issue 10-year bonds at below 2%.

In conclusion, 2014 was an extension of 2013, with economic growth gathering pace in the USA, while Europe remained stagnant and emerging countries were hampered by the excess credit growth of recent years.

Given these circumstances, Saga Select sees a number of difficult years ahead for Brazil, and for Latin America in general, and has therefore decided to close the SAGA SELECT - LATIN AMERICA EQUITY sub-fund.

No new sub-funds were created during the year.

### II

SAGA SELECT - ASSET ALLOCATION FUND gained 2.71% in 2014.

During the year, the main source of risk exposure was equities, which represented 40% of the portfolio on average. The equity component was mostly split between the USA and Europe.

*Past performance is not an indicator of current or future returns.*

## Management report (continued)

The sub-fund was under-invested in bonds, with duration approaching two years, as yields on high-quality securities denominated in the reference currency (EUR) were too low - or even non-existent.

Over the year, the sub-fund also maintained exposure of around 35% to the non-euro money markets.

### III

SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND gained 2.17% (2.89% for the DJ Stoxx 50 PRC) in 2014.

The Swiss equity market was the star performer, with a rise of 9.51% for the SMI, while the other European equity markets posted more modest gains, or even losses: Spain (IBEX 35 +3.66%), Germany (DAX +2.65%), Italy (FTSE MIB +0.23%), France (CAC40 -0.54%) and the UK (FTSE100 -2.71%).

At sector level, the sub-fund benefited - as in the previous year - from the excellent performance of pharmaceuticals: Novartis +29.7% and Roche +8.3%. Food stocks also made a positive contribution to the sub-fund's performance: Nestlé +11.7%, Unilever +11.5% and Danone +4.1%.

The picture for industrial and chemical sector stocks was very mixed: Airbus -25.9%, Siemens -5.6%, Bayer +10.8%, Clariant +4.7% and Basf -9.8%.

Lastly, with the exception of Royal Dutch Shell (+6.8%), oil and mining stocks suffered significant falls: Eni -17%, Total -4.5% and Rio Tinto -12%.

As at December 31, 2014, 82.41% of the sub-fund's assets were invested in equities.

### IV

With a performance of -2%, SAGA SELECT - BEQUIA GLOBAL had a difficult year in 2014, despite getting off to a good start. Its equity investments in emerging countries, especially China, had a significant impact on performance.

Halfway through the year, the sub-fund decided to reduce the number of positions held, limiting its investments to around 40 securities concentrated in certain countries and sectors. This new approach began to bear fruit by the end of the year. At year-end, the allocation to equities was just below 80%.

Exposure to the bond market remained very low and continued to be reduced. At the end of the year, 10% of the portfolio was invested in a New Zealand inflation-indexed bond maturing in 2030.

# SAGA SELECT

## Management report (continued)

### V

With a performance of 3.96%, 2014 was a good year for SAGA SELECT - TACTICAL BOND FUND. This was achieved in spite of the portfolio's very low duration (around four years) and continuing investments in mainly high-rated bonds (97.05% in the investment grade category at the end of the year).

This sub-fund is mainly invested in floating-rate and inflation-indexed bonds.

Lastly, it maintained non-eurozone exposure of around 35%.

With yields currently at very low levels, the sub-fund will only consider positions in sovereign bonds of leading developed countries on an opportunistic basis.

However, it will seek opportunities to invest in bonds on individual emerging markets.

March 2015

Established and approved by the Board of Directors of the SICAV

## Report of the réviseur d'entreprises agréé / Auditor's report

To the shareholders of  
SAGA SELECT  
Investment Company with Variable Capital  
15, avenue J.F. Kennedy, L-1855 Luxembourg

Following our appointment by the Annual General Meeting of the Shareholders dated April 4, 2014, we have audited the accompanying financial statements of SAGA SELECT (the "SICAV") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2014 and the statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

### *Responsibility of the Board of Directors of the SICAV for the financial statements*

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Responsibility of the réviseur d'entreprises agréé*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the *réviseur d'entreprises agréé's* judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Report of the réviseur d'entreprises agréé / Auditor's report (continued)

### *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of SAGA SELECT and of each of its sub-funds as at December 31, 2014, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

### *Other matter*

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

For Deloitte Audit  
*Société à responsabilité limitée*  
*Cabinet de révision agréé*

N. Hennebert, *Réviseur d'entreprises agréé*  
Partner

April 1, 2015  
560, rue de Neudorf,  
L-2220 Luxembourg

# SAGA SELECT

## Statement of net assets as at December 31, 2014

	COMBINED	SAGA SELECT - ASSET ALLOCATION FUND	SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND
	EUR	EUR	EUR
<b>ASSETS</b>			
Investments in securities at acquisition cost	72,614,487.37	35,409,248.17	13,999,011.79
Net unrealised gain on investments	4,686,700.20	2,166,533.52	679,142.01
Investments in securities at market value (note 2)	77,301,187.57	37,575,781.69	14,678,153.80
Current bank accounts (note 2)	4,078,814.20	485,343.68	866,939.26
Bank deposits	33,344,627.62	15,897,995.20	2,368,024.12
Interest receivable, net	354,979.22	166,568.36	0.00
Net unrealised gain on forward exchange contracts (note 8)	1,590,180.90	487,811.73	0.00
	116,669,789.51	54,613,500.66	17,913,117.18
<b>LIABILITIES</b>			
Investment management and advisory fee payable (note 4)	355,871.41	207,730.66	77,968.39
Performance fee payable (note 5)	239,549.49	22.65	181.46
"Taxe d'abonnement" payable (note 3)	14,616.41	6,856.58	2,256.63
Other fees payable (note 6)	133,457.70	58,770.59	21,226.86
	743,495.01	273,380.48	101,633.34
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2014</b>	<b>115,926,294.50</b>	<b>54,340,120.18</b>	<b>17,811,483.84</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2013</b>	<b>108,602,772.99*</b>	<b>50,195,380.26</b>	<b>14,135,796.78</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2012</b>	<b>95,509,744.69*</b>	<b>49,806,184.81</b>	<b>9,410,763.86</b>

\*Including the total net assets of the liquidated sub-fund

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT

## Statement of net assets as at December 31, 2014 (continued)

SAGA SELECT - BEQUIA GLOBAL	SAGA SELECT - TACTICAL BOND FUND
EUR	EUR
6,441,371.48	16,764,855.93
1,056,995.49	784,029.18
7,498,366.97	17,548,885.11
1,293,435.34	1,433,095.92
1,344,751.20	13,733,857.10
0.00	188,410.86
44,113.24	1,058,255.93
10,180,666.75	33,962,504.92
27,929.36	42,243.00
0.00	239,345.38
1,278.81	4,224.39
14,218.34	39,241.91
43,426.51	325,054.68
<b>10,137,240.24</b>	<b>33,637,450.24</b>
<b>13,927,977.54</b>	<b>25,262,975.70</b>
<b>16,990,015.97</b>	<b>12,793,010.59</b>

The accompanying notes form an integral part of these financial statements.

## Statement of operations and changes in net assets for the year/period ended December 31, 2014

	COMBINED	SAGA SELECT - ASSET ALLOCATION FUND	SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND
	EUR	EUR	EUR
<b>NET ASSETS AT THE BEGINNING OF THE YEAR/PERIOD</b>	<b>108,602,772.99</b>	<b>50,195,380.26</b>	<b>14,135,796.78</b>
<b>INCOME</b>			
Dividends, net	1,126,199.23	310,502.22	541,110.94
Interest on bonds, net	947,105.08	264,513.94	0.00
Bank interest	122,887.80	109,836.16	3,065.95
	2,196,192.11	684,852.32	544,176.89
<b>EXPENSES AND FEES</b>			
Investment management and advisory fee (note 4)	1,423,078.75	804,440.91	292,360.84
Performance fee (note 5)	239,549.49	22.65	181.46
Depository fees, bank charges and interest	169,948.87	71,050.85	25,272.37
Professional fees, audit fees and other expenses	524,937.04	211,162.36	68,172.70
Transaction fees (note 2)	241,643.70	33,227.00	25,265.46
"Taxe d'abonnement" (note 3)	59,192.02	27,119.20	8,475.62
	2,658,349.87	1,147,022.97	419,728.45
<b>NET INVESTMENT INCOME/(LOSS)</b>	<b>-462,157.76</b>	<b>-462,170.65</b>	<b>124,448.44</b>
Net realised gain/loss on sales of investments	-2,282,178.95	-1,022,880.47	854,098.83
Net realised gain/loss on forward exchange contracts	-455,231.53	-224,716.28	50.81
Net realised gain/loss on foreign exchange	89,433.90	-271,048.33	-13,825.37
Net realised gain/loss on forward contracts	-649,709.45	15,989.74	0.00
<b>NET REALISED GAIN/LOSS</b>	<b>-3,759,843.79</b>	<b>-1,964,825.99</b>	<b>964,772.71</b>
<b>Change in net unrealised gain/loss:</b>			
- on investments	3,442,702.62	2,294,951.70	-598,712.54
- on forward exchange contracts	2,628,302.88	1,041,357.34	0.00
<b>GAIN/LOSS RESULTING FROM OPERATIONS</b>	<b>2,311,161.71</b>	<b>1,371,483.05</b>	<b>366,060.17</b>
Proceeds from subscriptions of shares	23,931,370.78	9,640,622.63	4,997,525.08
Cost of shares redeemed	-23,254,611.35	-8,201,576.12	-1,687,898.19
Revaluation difference*	3,630,640.87	1,334,210.36	0.00
Revaluation difference on the net assets at the beginning of the year**	704,959.50		
<b>NET ASSETS AT THE END OF THE YEAR/PERIOD</b>	<b>115,926,294.50</b>	<b>54,340,120.18</b>	<b>17,811,483.84</b>

\* The difference mentioned above is the result of fluctuations in the exchange rates used to convert the different items related to share classes denominated in a currency other than the currency of the sub-funds into the currency of the related sub-funds between December 31, 2013, and December 31, 2014.

\*\* The difference mentioned above results from the conversion of the net assets at the beginning of the year (for the sub-funds denominated in currencies other than Euro) at exchange rates applicable on December 31, 2013 and exchange rates applicable on December 31, 2014.

The accompanying notes form an integral part of these financial statements.



# SAGA SELECT

## Statement of operations and changes in net assets for the year/period ended December 31, 2014 (continued)

SAGA SELECT - BEQUIA GLOBAL	SAGA SELECT - LATIN AMERICA EQUITY (note 1)	SAGA SELECT - TACTICAL BOND FUND
EUR	USD	EUR
<b>13,927,977.54</b>	<b>7,000,869.07</b>	<b>25,262,975.70</b>
145,733.58	155,917.98	0.00
65,766.58	0.00	616,824.56
4,149.12	24.86	5,816.03
215,649.28	155,942.84	622,640.59
135,504.00	46,072.34	152,698.27
0.00	0.00	239,345.38
20,818.80	10,057.01	44,495.62
77,928.31	45,883.91	129,754.66
153,608.58	21,581.53	11,707.42
6,517.10	1,534.28	15,812.15
394,376.79	125,129.07	593,813.50
<b>-178,727.51</b>	<b>30,813.77</b>	<b>28,827.09</b>
386,838.78	-1,613,609.06	-1,166,730.20
-327,452.43	-135,140.59	208,568.18
236,098.43	998.41	137,384.07
-183,490.93	0.00	-482,208.26
<b>-66,733.66</b>	<b>-1,716,937.47</b>	<b>-1,274,159.12</b>
-284,495.08	1,506,272.17	786,157.14
-28,336.21	0.00	1,615,281.75
<b>-379,564.95</b>	<b>-210,665.30</b>	<b>1,127,279.77</b>
1,407,381.87	0.00	7,885,841.20
-5,088,429.40	-6,790,203.77	-2,665,201.76
269,875.18	0.00	2,026,555.33
<b>10,137,240.24</b>	<b>-</b>	<b>33,637,450.24</b>

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT

## Number of shares outstanding and net asset value per share

Sub-fund	Class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
			31.12.2014	31.12.2014	31.12.2013	31.12.2012
SAGA SELECT - ASSET ALLOCATION FUND	A	EUR	326,856.26	137.70	134.07	139.88
	B	USD	60,638.58	186.23	181.93	189.47
SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND	A	EUR	132,391.29	134.54	131.68	113.85
SAGA SELECT - BEQUIA GLOBAL	A	EUR	78,647.92	113.22	115.53	105.62
	B	USD	15,795.92	94.43	96.54	87.76
SAGA SELECT - LATIN AMERICA EQUITY (note 1)	A	USD	-	-	74.66	93.04
SAGA SELECT - TACTICAL BOND FUND	A	EUR	134,988.71	115.38	110.98	110.12
	B	USD	191,787.24	113.96	110.02	108.97

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - ASSET ALLOCATION FUND

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Quantity	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>			
<b>SHARES</b>			
<i>BRAZIL</i>			
VALE ADR -SPONS.-	9,800.00	66,248.51	0.12
		66,248.51	0.12
<i>CANADA</i>			
BARRICK GOLD CORP	15,000.00	133,258.98	0.25
GOLDCORP INC	15,000.00	229,577.33	0.42
		362,836.31	0.67
<i>FRANCE</i>			
DANONE	2,500.00	136,125.00	0.25
GDF SUEZ	4,767.00	92,622.81	0.17
ORANGE	11,000.00	155,650.00	0.29
SANOFI	2,800.00	211,848.00	0.39
THALES	4,800.00	215,976.00	0.40
TOTAL	4,800.00	204,096.00	0.38
		1,016,317.81	1.88
<i>GREECE</i>			
HELLENIC PETROLEUM	7,000.00	26,600.00	0.05
		26,600.00	0.05
<i>ITALY</i>			
ENI	7,600.00	110,276.00	0.20
		110,276.00	0.20
<i>SOUTH AFRICA</i>			
ANGLOGOLD ASHANTI ADR -SPONS.-	15,000.00	107,846.80	0.20
		107,846.80	0.20
<i>SWITZERLAND</i>			
NOVARTIS AG REG.	2,500.00	192,017.24	0.35
ROCHE HOLDING AG	2,000.00	448,948.16	0.83
		640,965.40	1.18
<i>UNITED KINGDOM</i>			
BP PLC	42,000.00	222,435.38	0.41
ROYAL DUTCH SHELL 'A'	7,841.00	216,882.06	0.40
		439,317.44	0.81

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - ASSET ALLOCATION FUND

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<i>UNITED STATES</i>				
ELI LILLY		5,000.00	285,070.91	0.52
NEWMONT MINING CORPORATION		12,500.00	195,239.90	0.36
PFIZER		4,000.00	102,970.97	0.19
			583,281.78	1.07
<b>TOTAL SHARES</b>			<b>3,353,690.05</b>	<b>6.18</b>
<b>BONDS</b>				
<i>CANADA</i>				
1.00% CANADA 13/15	CAD	4,000,000.00	2,854,516.58	5.25
			2,854,516.58	5.25
<i>FINLAND</i>				
1.75% FINLAND 10/16 -SR-	EUR	1,500,000.00	1,534,530.00	2.82
			1,534,530.00	2.82
<i>FRANCE</i>				
FRN BFCM 05/PERP -JR-	EUR	400,000.00	250,000.00	0.46
			250,000.00	0.46
<i>GERMANY</i>				
0.00% GERMANY 13/15 -SR-	EUR	3,000,000.00	3,001,230.00	5.52
0.25% GERMANY 14/16 -SR-	EUR	1,500,000.00	1,506,307.50	2.77
1.50% GERMANY 12/22 -SR-	EUR	3,000,000.00	3,279,270.00	6.04
2.00% GERMANY 11/16 S159	EUR	3,000,000.00	3,072,165.00	5.65
2.00% K.F.W. 11/16	EUR	3,000,000.00	3,099,870.00	5.70
2.25% K.F.W. 10/15	EUR	3,000,000.00	3,017,910.00	5.55
			16,976,752.50	31.23
<b>TOTAL BONDS</b>			<b>21,615,799.08</b>	<b>39.76</b>
<b>CERTIFICATES</b>				
<i>JERSEY</i>				
GOLD BULLION SECURITIES (ETFS) CERT. PERP.		17,100.00	1,613,214.00	2.97
			1,613,214.00	2.97
<b>TOTAL CERTIFICATES</b>			<b>1,613,214.00</b>	<b>2.97</b>
<b>TOTAL I.</b>			<b>26,582,703.13</b>	<b>48.91</b>

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - ASSET ALLOCATION FUND

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Quantity	Market value (note 2)	% of net assets
<b>II. OTHER TRANSFERABLE SECURITIES</b>			
<b>RIGHTS</b>			
<i>FRANCE</i>			
GDF SUEZ -STRIP VVPR-	1,512.00	0.00	0.00
		0.00	0.00
<b>TOTAL II.</b>		<b>0.00</b>	<b>0.00</b>
<b>III. UNITS OF INVESTMENT FUNDS</b>			
<i>FRANCE</i>			
LYXOR ETF IAM BRAZIL C EUR	7,300.00	103,952.00	0.19
LYXOR ETF IAM MSCI KOREA C EUR	3,300.00	133,518.00	0.25
LYXOR ETF IAM RUSSIA C EUR	8,400.00	161,448.00	0.30
LYXOR ETF MSCI INDIA A	46,200.00	615,384.00	1.13
		1,014,302.00	1.87
<i>IRELAND</i>			
ISHARES - FTSE 100 FUND	120,000.00	1,008,033.49	1.86
		1,008,033.49	1.86
<i>UNITED STATES</i>			
ISHARES CHINA LARGE CAP ETF	24,200.00	832,365.73	1.53
ISHARES MSCI BRASIL INDEX	11,700.00	353,596.19	0.65
ISHARES MSCI HONG KONG ETF	28,900.00	490,563.27	0.90
ISHARES MSCI SINGAPORE INDEX	49,200.00	531,826.04	0.98
ISHARES MSCI SOUTH KOREA CAPPED ETF	9,600.00	438,725.74	0.81
ISHARES MSCI TAIWAN INDEX ETF	50,100.00	625,603.17	1.15
POWERSHARES QQQ TRUST S1	19,500.00	1,663,877.78	3.06
SECTOR SPDR - TECHNOLOGY SELECT FUND	47,500.00	1,623,176.97	2.99
SPDR DOW JONES INDUSTRIAL AVERAGE ETF TRUST	3,000.00	441,006.64	0.81
SPDR S&P 500 ETF TRUST S1	11,600.00	1,970,001.54	3.63
		8,970,743.07	16.51
<b>TOTAL III.</b>		<b>10,993,078.56</b>	<b>20.24</b>
<b>TOTAL INVESTMENTS</b>		<b>37,575,781.69</b>	<b>69.15</b>
CASH AT BANKS		485,343.68	0.89
BANK DEPOSITS		15,897,995.20	29.26
OTHER NET ASSETS		380,999.61	0.70
<b>TOTAL NET ASSETS</b>		<b>54,340,120.18</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - ASSET ALLOCATION FUND

## Geographical and industrial classification of investments as at December 31, 2014

### Geographical classification

(in % of net assets)

Germany	31.23
United States	17.58
Canada	5.92
France	4.21
Jersey	2.97
Finland	2.82
Ireland	1.86
Switzerland	1.18
United Kingdom	0.81
Italy	0.20
South Africa	0.20
Brazil	0.12
Greece	0.05
	<b>69.15</b>

### Industrial classification

(in % of net assets)

Bonds issued by countries or cities	28.05
Units of investment funds	20.24
Bonds issued by companies	11.71
Certificates	2.97
Pharmaceuticals and cosmetics	1.76
Oil	1.44
Precious metals and stones	0.81
Mining and steelworks	0.54
Chemicals	0.52
Electronics and electrical equipment	0.40
Communications	0.29
Food and soft drinks	0.25
Public utilities	0.17
Rights	0.00
	<b>69.15</b>

# SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Quantity	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>			
<b>SHARES</b>			
<i>FRANCE</i>			
ARKEMA	4,571.00	251,724.97	1.41
AXA	24,500.00	470,522.50	2.64
BNP PARIBAS	8,100.00	399,006.00	2.24
DANONE	4,600.00	250,470.00	1.41
DASSAULT SYSTEMES	4,600.00	232,484.00	1.31
ELECTRICITE DE FRANCE	4,000.00	91,300.00	0.51
GDF SUEZ	10,000.00	194,300.00	1.09
MICHELIN 'B'	4,800.00	361,296.00	2.03
SAINT GOBAIN	11,400.00	401,622.00	2.25
SANOFI	5,000.00	378,300.00	2.12
TOTAL	12,000.00	510,240.00	2.86
		<hr/>	
		3,541,265.47	19.87
<i>GERMANY</i>			
ALLIANZ SE REG.	6,000.00	824,100.00	4.63
BASF REG.	5,600.00	391,328.00	2.20
BAYER REG.	3,800.00	429,400.00	2.41
DEUTSCHE BOERSE REG.	8,000.00	473,760.00	2.66
SIEMENS AG	5,000.00	468,750.00	2.63
VOLKSWAGEN VORZ. -OSR-	2,650.00	489,322.50	2.75
		<hr/>	
		3,076,660.50	17.28
<i>ITALY</i>			
ENEL	40,000.00	147,840.00	0.83
ENI	22,800.00	330,828.00	1.86
		<hr/>	
		478,668.00	2.69
<i>NETHERLANDS</i>			
AIRBUS GROUP	5,900.00	243,965.00	1.37
UNILEVER SHS	13,700.00	447,168.00	2.51
		<hr/>	
		691,133.00	3.88
<i>NORWAY</i>			
STATOIL	10,200.00	147,506.58	0.83
		<hr/>	
		147,506.58	0.83
<i>SPAIN</i>			
TELEFONICA	16,457.00	196,167.44	1.10
		<hr/>	
		196,167.44	1.10
<i>SWITZERLAND</i>			
CLARIANT REG.	16,000.00	222,494.65	1.25
GEORG FISCHER REG.	500.00	261,567.61	1.47
NESTLE SA REG.	10,700.00	649,190.84	3.64

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Quantity	Market value (note 2)	% of net assets
NOVARTIS AG REG.	10,500.00	806,472.41	4.53
ROCHE HOLDING	3,000.00	668,057.81	3.75
SULZER	1,700.00	149,871.17	0.84
SWISS RE AG	5,400.00	375,684.28	2.11
		<b>3,133,338.77</b>	<b>17.59</b>
<i>UNITED KINGDOM</i>			
ASTRAZENECA GBP	3,100.00	181,974.48	1.02
BHP BILLITON	12,600.00	225,439.06	1.27
GLAXOSMITHKLINE	22,200.00	393,626.33	2.21
RIO TINTO PLC	10,700.00	413,635.46	2.32
ROYAL DUTCH SHELL 'A'	10,079.00	278,785.14	1.57
VODAFONE GROUP SHS	123,200.00	353,464.78	1.98
		<b>1,846,925.25</b>	<b>10.37</b>
<b>TOTAL I.</b>		<b>13,111,665.01</b>	<b>73.61</b>
<b>II. UNITS OF INVESTMENT FUNDS</b>			
<i>IRELAND</i>			
ISHARES - FTSE 100 FUND	53,000.00	445,214.79	2.50
ISHARES II - FTSE MIB EUR	39,200.00	446,488.00	2.51
		<b>891,702.79</b>	<b>5.01</b>
<i>LUXEMBOURG</i>			
DBX-TRACKERS IBEX 35 IND.ETF 1C-CAP	31,400.00	674,786.00	3.79
		<b>674,786.00</b>	<b>3.79</b>
<b>TOTAL II.</b>		<b>1,566,488.79</b>	<b>8.80</b>
<b>TOTAL INVESTMENTS</b>		<b>14,678,153.80</b>	<b>82.41</b>
CASH AT BANKS		866,939.26	4.87
BANK DEPOSITS		2,368,024.12	13.29
OTHER NET LIABILITIES		-101,633.34	-0.57
<b>TOTAL NET ASSETS</b>		<b>17,811,483.84</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.



# SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND

## Geographical and industrial classification of investments as at December 31, 2014

### Geographical classification

(in % of net assets)

France	19.87
Switzerland	17.59
Germany	17.28
United Kingdom	10.37
Ireland	5.01
Netherlands	3.88
Luxembourg	3.79
Italy	2.69
Spain	1.10
Norway	0.83
	<b>82.41</b>

### Industrial classification

(in % of net assets)

Pharmaceuticals and cosmetics	13.63
Insurance	9.38
Units of investment funds	8.80
Food and soft drinks	7.56
Chemicals	7.27
Oil	7.12
Electronics and electrical equipment	3.94
Communications	3.08
Automobiles	2.75
Holding and finance companies	2.66
Public utilities	2.43
Stainless steel	2.32
Construction of machines and appliances	2.31
Construction and building materials	2.25
Banks and credit institutions	2.24
Tyres and rubber	2.03
Aeronautics and astronautics	1.37
Precious metals and stones	1.27
	<b>82.41</b>

# SAGA SELECT - BEQUIA GLOBAL

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Quantity	Market value (note 2)	% of net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>			
<b>SHARES</b>			
<i>BERMUDA</i>			
BEIJING ENTERPRISES WATER GROUP	400,000.00	225,496.59	2.22
		225,496.59	2.22
<i>CANADA</i>			
BURCON NUTRASCIENCE	21,176.00	40,643.46	0.40
		40,643.46	0.40
<i>CAYMAN ISLANDS</i>			
ALIBABA GROUP HOLDING ADR -SPONS.-	1,200.00	103,076.75	1.02
VIPSHOP HOLDINGS ADR -SPONS.-	7,000.00	113,036.67	1.12
		216,113.42	2.14
<i>CHINA</i>			
CHINA EASTERN AIRLINES 'H'	450,000.00	178,393.80	1.76
SHANGHAI ELECTRIC GROUP 'H'	300,000.00	132,036.99	1.30
		310,430.79	3.06
<i>FRANCE</i>			
INGENICO CIE INDUSTRIELLE ET FINANCIERE	1,200.00	104,736.00	1.03
MONTUPET	3,500.00	232,575.00	2.29
		337,311.00	3.32
<i>INDIA</i>			
AXIS BANK GDR -SPONS.- REG.S	8,000.00	257,840.62	2.54
		257,840.62	2.54
<i>IRELAND</i>			
ALKERMES	1,800.00	87,110.46	0.86
		87,110.46	0.86
<i>ITALY</i>			
BIESSE	27,500.00	257,400.00	2.54
BREMBO	7,000.00	193,900.00	1.91
DATALOGIC	20,000.00	178,000.00	1.76
FINMECCANICA -POST RAGGRUPPAMENTO-	40,000.00	309,400.00	3.05
HERA	90,000.00	175,050.00	1.73
LA DORIA	30,000.00	243,300.00	2.40
		1,357,050.00	13.39
<i>MALAYSIA</i>			
MY E.G.SERVICES BERHAD	300,000.00	299,224.34	2.95
		299,224.34	2.95

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - BEQUIA GLOBAL

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<i>NETHERLANDS</i>				
FIAT CHRYSLER AUTOMOBILES		33,000.00	316,800.00	3.13
GEMALTO		3,000.00	203,790.00	2.01
NXP SEMICONDUCTORS		4,000.00	252,551.59	2.49
			<hr/> 773,141.59	7.63
<i>PHILIPPINES</i>				
METROPOLITAN BANK & TRUST		95,000.00	145,671.76	1.44
			<hr/> 145,671.76	1.44
<i>SINGAPORE</i>				
ASCENDAS INDIA TRUST		450,000.00	230,130.67	2.27
MAPLETREE GREATER CHINA COMMERCIAL TRUST REIT -S-		500,000.00	296,238.67	2.92
			<hr/> 526,369.34	5.19
<i>SPAIN</i>				
BANCO SANTANDER		665.00	4,652.34	0.05
			<hr/> 4,652.34	0.05
<i>UNITED STATES</i>				
ANADIGICS		100,000.00	61,980.92	0.61
APPLE		2,000.00	182,438.77	1.80
ATMEL		16,000.00	111,003.69	1.10
CAVIUM		5,000.00	255,444.03	2.52
COMMUNITY HEALTH SYSTEMS		4,000.00	178,240.60	1.76
EOG RESOURCES		1,800.00	136,958.00	1.35
FACEBOOK 'A'		2,000.00	128,953.37	1.27
GILEAD SCIENCES		2,000.00	155,795.24	1.54
LULULEMON ATHLETICA		3,000.00	138,316.62	1.36
MICRON TECHNOLOGY		5,500.00	159,129.81	1.57
MONMOUTH REAL ESTATE INVESTMENT 'A'		20,000.00	182,967.67	1.80
SYNAPTICS		3,000.00	170,670.66	1.68
			<hr/> 1,861,899.38	18.36
<b>TOTAL SHARES</b>			<b>6,442,955.09</b>	<b>63.55</b>
<b>BONDS</b>				
<i>NEW ZEALAND</i>				
3.00% NEW ZEALAND (CPI) 13/30 -SR-	NZD	1,400,000.00	1,020,970.01	10.08
			<hr/> 1,020,970.01	10.08
<b>TOTAL BONDS</b>			<b>1,020,970.01</b>	<b>10.08</b>

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - BEQUIA GLOBAL

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Quantity	Market value (note 2)	% of net assets
<b>OPTIONS</b>			
<i>UNITED STATES</i>			
PUT S&P 500-STOCK SPX 19/06/2015 1800 *	11.00	31,816.87	0.31
		<u>31,816.87</u>	<u>0.31</u>
<b>TOTAL OPTIONS</b>		<b>31,816.87</b>	<b>0.31</b>
<b>WARRANTS</b>			
<i>ITALY</i>			
SPACE CALL-WTS 13/PERP **	3,500.00	2,625.00	0.03
		<u>2,625.00</u>	<u>0.03</u>
<b>TOTAL WARRANTS</b>		<b>2,625.00</b>	<b>0.03</b>
<b>TOTAL INVESTMENTS</b>		<b>7,498,366.97</b>	<b>73.97</b>
CASH AT BANKS		1,293,435.34	12.76
BANK DEPOSITS		1,344,751.20	13.27
OTHER NET ASSETS		686.73	0.00
<b>TOTAL NET ASSETS</b>		<b>10,137,240.24</b>	<b>100.00</b>

\* Refer to note 10

\*\* Refer to note 11

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - BEQUIA GLOBAL

## Geographical and industrial classification of investments as at December 31, 2014

### Geographical classification

(in % of net assets)

United States	18.67
Italy	13.42
New Zealand	10.08
Netherlands	7.63
Singapore	5.19
France	3.32
China	3.06
Malaysia	2.95
India	2.54
Bermuda	2.22
Cayman Islands	2.14
Philippines	1.44
Ireland	0.86
Canada	0.40
Spain	0.05
	<b>73.97</b>

### Industrial classification

(in % of net assets)

Electronics and electrical equipment	11.79
Bonds issued by countries or cities	10.08
Automobiles	7.33
Real estate	6.99
Computer and office equipment	5.05
Construction of machines and appliances	4.76
Internet, software and IT services	4.22
Banks and credit institutions	4.03
Aeronautics and astronautics	3.05
Food and soft drinks	2.80
Holding and finance companies	1.89
Transport and freight	1.76
Healthcare & social services	1.76
Public utilities	1.73
Pharmaceuticals and cosmetics	1.54
Textiles and clothing	1.36
Oil	1.35
Retail and supermarkets	1.12
Utilities	1.02
Options	0.31
Warrants	0.03
	<b>73.97</b>

# SAGA SELECT - TACTICAL BOND FUND

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>					
<b>BONDS</b>					
<i>AUSTRALIA</i>					
FRN	ANZ BANKING GROUP 14/19 '1792' -SR-S	EUR	1,000,000.00	1,001,250.00	2.98
5.00%	AGL ENERGY 14/21 -SR-	AUD	400,000.00	279,427.13	0.83
6.05%	QUANTAS AIRWAYS 06/16 -S-	USD	100,000.00	86,434.46	0.26
				1,367,111.59	4.07
<i>CANADA</i>					
3.75%	TOTAL CAPITAL CANADA 14/19 '98' -SR-S	AUD	400,000.00	277,683.64	0.83
				277,683.64	0.83
<i>CROATIA</i>					
5.00%	CROATIAN BANK REC. 07/17 -SR-S	EUR	600,000.00	606,000.00	1.80
				606,000.00	1.80
<i>FRANCE</i>					
FRN	SOCIETE DES AUTOROUTES 14/19 -SR-	EUR	500,000.00	504,135.00	1.50
FRN	TOTAL CAPITAL 14/20 '102' -SR-S	EUR	1,000,000.00	1,002,025.00	2.98
				1,506,160.00	4.48
<i>GERMANY</i>					
5.375%	LANDWIRTSCHAFTLICHE RENTENBANK 14/24 -SR-S	NZD	1,500,000.00	1,038,505.23	3.09
6.00%	K.F.W. (DUAL CURRENCY) 13/16 -SR-	BRL	1,500,000.00	443,860.04	1.32
7.125%	FREENET 11/16 -SR-	EUR	500,000.00	533,625.00	1.59
				2,015,990.27	6.00
<i>IRELAND</i>					
FRN	G.E. CAPITAL EUROPEAN FUNDING 06/16 -SR-S	EUR	1,500,000.00	1,500,787.50	4.46
FRN	G.E. CAPITAL EUROPEAN FUNDING 06/21 S.4360 -SR-S	EUR	500,000.00	494,275.00	1.47
				1,995,062.50	5.93
<i>ISRAEL</i>					
4.00%	ISRAEL (CPI) 04/24 GALIL 5904 -SR-	ILS	150,000.00	52,046.27	0.15
				52,046.27	0.15
<i>NETHERLANDS</i>					
5.125%	ENEL FINANCE 09/19 -SR- REG.S	USD	100,000.00	91,335.50	0.27
5.75%	ABN AMRO BANK 13/18 139 -SR-S	NZD	500,000.00	334,556.31	0.99
5.75%	ABN AMRO BANK 14/20 '196' -SR-S	NZD	500,000.00	336,290.62	1.00
				762,182.43	2.26
<i>NEW ZEALAND</i>					
3.00%	NEW ZEALAND (CPI) 13/30 -SR-	NZD	4,000,000.00	2,917,057.17	8.66
4.50%	NEW ZEALAND 14/27 -SR-	NZD	2,000,000.00	1,381,379.43	4.11
				4,298,436.60	12.77

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - TACTICAL BOND FUND

## Statement of investments and other net assets as at December 31, 2014 (expressed in EUR)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
<i>RUSSIA</i>					
7.288%	GAZPROM OAO 07/37 '12' -SR- REG.S	USD	250,000.00	188,008.79	0.56
			188,008.79	0.56	
<i>SINGAPORE</i>					
7.50%	OLAM INTERNATIONAL 10/20 -SR-S	USD	500,000.00	458,658.80	1.36
			458,658.80	1.36	
<i>SOUTH KOREA</i>					
5.125%	EXPORT-IMPORT BANK OF KOREA 14/19 -SR-S	NZD	2,500,000.00	1,629,496.58	4.84
			1,629,496.58	4.84	
<i>SUPRANATIONAL</i>					
7.25%	I.A.D.B. 14/17 -SR-	IDR	5,800,000,000.00	385,815.52	1.15
7.35%	I.A.D.B. 14/18 -SR-	IDR	15,000,000,000.00	1,004,304.62	2.99
			1,390,120.14	4.14	
<i>UNITED STATES</i>					
FRN	GOLDMAN SACHS 14/19 -JR-S	EUR	500,000.00	501,675.00	1.49
FRN	GOLDMAN SACHS GROUP 07/17 -SR-	EUR	500,000.00	500,252.50	1.49
			1,001,927.50	2.98	
<b>TOTAL INVESTMENTS</b>			<b>17,548,885.11</b>	<b>52.17</b>	
CASH AT BANKS			1,433,095.92	4.26	
BANK DEPOSITS			13,733,857.10	40.83	
OTHER NET ASSETS			921,612.11	2.74	
<b>TOTAL NET ASSETS</b>			<b>33,637,450.24</b>	<b>100.00</b>	

The accompanying notes form an integral part of these financial statements.

# SAGA SELECT - TACTICAL BOND FUND

## Geographical and industrial classification of investments as at December 31, 2014

### Geographical classification

(in % of net assets)

New Zealand	12.77
Germany	6.00
Ireland	5.93
South Korea	4.84
France	4.48
Supranational	4.14
Australia	4.07
United States	2.98
Netherlands	2.26
Croatia	1.80
Singapore	1.36
Canada	0.83
Russia	0.56
Israel	0.15
	<hr/>
	52.17

### Industrial classification

(in % of net assets)

Bonds issued by companies	35.11
Bonds issued by countries or cities	12.92
Bonds issued by supranational institutions	4.14
	<hr/>
	52.17



# SAGA SELECT

## Notes to the financial statements as at December 31, 2014

### NOTE 1

#### GENERAL

SAGA SELECT ("the SICAV") is a *société d'investissement à capital variable* (open-ended investment company) incorporated for an indefinite period as a *société anonyme* (public limited company) under Luxembourg law on October 7, 1999, in accordance with the law of August 10, 1915, on commercial companies, as amended, as well as with Part I of the law of December 17, 2010 on undertakings for collective investment, as amended.

The registered office is located in Luxembourg at 15 avenue J.F. Kennedy. The SICAV is registered in the Luxembourg Trade and Companies Register under number B 71 869.

The articles of incorporation were filed with the Registry of the District Court of Luxembourg along with the Legal Notice regarding the issue and sale of shares, and published in *Mémorial C, Recueil Spécial des Sociétés et Associations* (the "Mémorial") on November 18, 1999. The articles of incorporation were amended on August 29, 2005, and published in the Mémorial of September 22, 2005; they were amended for the last time on July 14, 2010, and published on October 15, 2010. Any interested party may visit the registered office of the SICAV or the Luxembourg Trade and Companies Register to view and receive a copy of the articles of incorporation.

The SICAV's central administration is located in Luxembourg.

The SICAV's share capital shall at all times be equal to the net asset values of all sub-funds combined.

FundPartner Solutions (Europe) S.A., with its registered office at 15, avenue J.F. Kennedy, L-1855 Luxembourg, was appointed as the SICAV's Management Company with effect from June 30, 2013. It is a management company within the meaning of article 101 (2) of the Luxembourg Law of 17 December, 2010, as amended.

As at December 31, 2014, the SICAV had four active sub-funds:

- SAGA SELECT - ASSET ALLOCATION FUND, expressed in euro (EUR),
- SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND, expressed in euro (EUR),
- SAGA SELECT - BEQUIA GLOBAL, expressed in euro (EUR),
- SAGA SELECT - TACTICAL BOND FUND, expressed in euro (EUR).

On July 11, 2014, the Board of Directors of the SICAV decided to liquidate the SAGA SELECT - LATIN AMERICA EQUITY sub-fund with effect from August 26, 2014.

On March 10, 2014, the SICAV's Board of Directors confirmed that it had signed up to ALFI's code of conduct on Luxembourg investment funds.

### NOTE 2

#### SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

##### a) General

Financial statements are prepared in accordance with generally accepted accounting principles and the regulations in force in Luxembourg regarding undertakings for collective investment.

## Notes to the financial statements as at December 31, 2014 (continued)

### b) Combined financial statements of the SICAV

The combined financial statements of the SICAV are expressed in euro and correspond to the sum of items in the financial statements of each sub-fund.

### c) Formation expenses

All costs incurred in creating a new sub-fund are assumed by this sub-fund. The cost of setting up a new sub-fund may be amortised over a maximum period of five years from inception.

### d) Conversion of foreign currencies in the SICAV

The value of all assets and liabilities not expressed in the sub-fund's reference currency is converted into the sub-fund's reference currency at the latest exchange rates quoted by a major bank. If these prices are not available, the exchange rate shall be determined with prudence and in good faith or according to procedures laid down by the SICAV's Board of Directors.

### e) Asset valuation

1) The value of cash in hand or at bank, notes and bills payable at sight and accounts receivable, prepaid expenses, dividends received and interest declared or due but not yet received, consists of the nominal value of these assets, unless it appears unlikely that this value will be received; in the latter case, the value is determined by deducting an amount the SICAV deems appropriate to reflect the real value of those assets.

2) The value of assets listed or traded on a Regulated Market, a stock exchange of another country or any other Regulated Market (as these terms are defined in the "Eligible Investments" section of the current prospectus) is determined on the basis of the last known price on the Valuation Day, or in the absence of transactions on the basis of the last known price on the market normally considered to be the primary market for these assets.

3) If the assets are not listed or traded on a Regulated Market, a stock exchange of another country or any other Regulated Market, or if for the assets held in the portfolio on the Valuation Day no price is available or the price determined according to paragraph (2) does not reflect the true value of these assets, the SICAV's Board of Directors will value the assets with prudence and in good faith on the basis of their foreseeable sale price.

4) Units/shares of open-ended undertakings for collective investment shall be valued on the basis of the last net asset value available; if the price determined is not representative of the fair value of these assets, the price shall be determined by the SICAV's Board of Directors according to equitable and prudent criteria. Units/shares of closed-ended UCIs shall be valued on the basis of the last market value available.

5) Money market instruments not listed or traded on a Regulated Market, stock exchange of another country or any other Regulated Market, and with a residual maturity of no more than twelve months, are valued at their nominal value plus any interest due, with the total value amortised on a straight-line basis.

## Notes to the financial statements as at December 31, 2014 (continued)

6) The value of futures and options contracts traded on a stock exchange or another Regulated Market shall be based on the closing price or settlement price published by this stock exchange or Regulated Market on which the contracts in question are primarily traded. Forward contracts and options contracts not traded on a stock exchange or another Regulated Market are valued at their liquidation value determined in accordance with the rules established in good faith by the SICAV's Board of Directors, in keeping with uniform criteria set out for each type of contract. If a forward contract or option cannot be sold on the Valuation Day of the net assets concerned, the criteria for determining the liquidation value of such forward contract or option shall be set by the SICAV's Board of Directors in a reasonable and fair manner.

7) All other assets are valued at their foreseeable sale price estimated with prudence and in good faith by the SICAV's Board of Directors.

### f) Net realised gains or losses on investments

Net capital gains/losses realised on the sale of securities are calculated on the basis of the average cost of the securities sold.

### g) Acquisition cost of portfolio securities

The cost of securities denominated in currencies other than the base currency of the sub-fund is calculated at the exchange rate prevailing on the acquisition date.

### h) Recognition of forward contracts

Unrealised capital gains/losses on forward contracts are cleared each day by receiving/paying an amount corresponding to the daily increase/decrease in the market value of the various outstanding forward contracts. This amount is recorded under "cash at banks" on the statement of net assets and under "Net realised gain/(loss) on forward contracts" on the statement of operations and changes in net assets.

### i) Income

Dividends are recorded at the ex-dividend date. Interest is recorded on an accrual basis.

### j) Valuation of forward exchange contracts

The unrealised gains or losses resulting from outstanding forward exchange contracts are determined on the valuation day on the basis of the forward exchange prices applicable on this date and are recorded in the statement of net assets.

### k) transaction costs

Transaction costs represent the costs incurred by each sub-fund in relation to investment purchases and sales.

These include brokerage fees, bank charges, taxes, deposit fees and other transaction costs and are presented in the statement of operations and changes in net assets.

# SAGA SELECT

## Notes to the financial statements as at December 31, 2014 (continued)

### NOTE 3 TAXE D'ABONNEMENT

Under current legislation, the SICAV is not subject to any Luxembourg income tax. Equally, dividends paid by the SICAV do not incur any Luxembourg withholding tax. In contrast, the SICAV is subject to an annual tax in Luxembourg equating to 0.05% of the SICAV's net asset value. The portion of the net assets invested in units of other Luxembourg undertakings for collective investment is exempt from the "taxe d'abonnement", provided that such units have already been subject to this tax.

### NOTE 4 MANAGEMENT AND INVESTMENT ADVISORY FEE

The Investment Managers and the Investment Adviser appointed to help them are entitled to a fee payable quarterly at an annual rate that may vary depending on the sub-fund but which may not exceed 2.00% of the average net assets of each sub-fund of the SICAV, calculated on the basis of the NAV for the quarter in question.

For the year covered by this report, the maximum fee applied was:

- 1.50% p.a. for SAGA SELECT - ASSET ALLOCATION FUND (of which 0.20% is payable to the investment manager and 1.30% to the investment adviser)
- 1.75% p.a. for SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND (0.20% to the investment manager and 1.55% to the investment adviser)
- 1.00% p.a. for SAGA SELECT - BEQUIA GLOBAL (0.20% to the investment manager and 0.80% to the investment adviser)
- 0.50% p.a. for SAGA SELECT - TACTICAL BOND FUND (0.10% to the investment manager and 0.40% to the investment adviser)

### NOTE 5 PERFORMANCE FEE

The Investment Managers and Investment Adviser receive a performance fee in addition to the fixed fee mentioned above. The terms of this fee and rate applicable to each sub-fund are described in Appendix 1 of the current prospectus.

The performance fee is calculated on the basis of the amount of the net asset value (hereinafter the "NAV") per share for the sub-fund concerned over and above a reference NAV.

The performance fee is calculated on the basis of the NAV less any costs and liabilities and the management and advisory fee (but not the performance fee) and adjusted to take into account any subscriptions and redemptions during the year.

If shares are redeemed on a date other than that on which the performance fee is paid, but a performance fee has been provisioned, the portion of the performance fee due for the redeemed shares shall be paid to the Investment Adviser and/or investment managers at the end of the year.

The adjustment for subscriptions consists in subtracting the performance fee relating to shares subscribed and to the year prior to the subscription date from the performance fee provision calculated on the basis of the number of underlying shares. Thus, for these shares, no performance fee will be provisioned for outperformance prior to the subscription date.

Details on how the performance fee is calculated can be found in the current prospectus.

# SAGA SELECT

## Notes to the financial statements as at December 31, 2014 (continued)

### SAGA SELECT - ASSET ALLOCATION FUND

The performance fee is 10.00% of the difference in performance between the net asset value and the 12-month Libid in the reference currency, established on the first day of each financial year. More information can be found in the latest prospectus.

For financial the year ended December 31, 2014, the performance fee to be paid amounted to EUR 22.65.

### SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND

The performance fee is 15.00% of the performance. More information can be found in the latest prospectus.

For the financial year ended December 31, 2014, the performance fee to be paid amounted to EUR 181.46.

### SAGA SELECT - BEQUIA GLOBAL

The performance fee is 25.00% of the difference in performance between the net asset value and the 12-month Libid in the reference currency, established on the first day of each financial year. More information can be found in the latest prospectus.

For the financial year ended December 31, 2014, there is no performance fee to be paid.

### SAGA SELECT - TACTICAL BOND FUND

The performance fee is 20.00% of the difference in performance between the net asset value and the 12-month Libor in the reference currency, established on the first day of each financial year. More information can be found in the latest prospectus.

For the financial year ended December 31, 2014, the performance fee to be paid amounted to EUR 239,345.38.

## NOTE 6 OTHER FEES PAYABLE

As at December 31, 2014, other fees payable mainly include administration, depository, domiciliation and management company fees.

## NOTE 7 SUBSCRIPTIONS AND REDEMPTIONS

Shares in the various sub-funds are issued at the subscription price, which is equal to the NAV on the valuation day concerned.

The redemption price is equal to the NAV on the valuation day.

In certain circumstances, the SICAV is authorised to apply a "dilution levy" of up to 2.50% of the net asset value per share to the subscription, redemption and/or conversion price, as described in the "Dilution Levy" section of the prospectus. This fee will apply identically to all shareholders on the same NAV calculation date.

# SAGA SELECT

## Notes to the financial statements as at December 31, 2014 (continued)

Procedures for issuing, redeeming and converting shares are described in the prospectus. The NAV along with the issue, redemption and conversion prices for shares in each sub-fund may be obtained during business hours from the SICAV's registered office.

### NOTE 8

#### FORWARD EXCHANGE CONTRACTS

Forward exchange contracts on identical currency pairs shown in this note are aggregated. Only the longest maturity date is shown.

As at December 31, 2014, the SICAV had the following forward exchange contracts outstanding:

#### SAGA SELECT - ASSET ALLOCATION FUND

	Purchase		Sale	Maturity
CAD	7,569,870.00	GBP	4,200,000.00	09/06/2015
EUR	2,811,778.69	CAD	4,020,000.00	04/05/2015
EUR	2,733,277.66	USD	3,600,000.00	09/03/2015
USD	11,055,000.00	EUR	8,318,176.36	18/12/2015

The net unrealised gain on these contracts as at December 31, 2014 was EUR 487,811.73 and is included in the statement of net assets.

#### SAGA SELECT - BEQUIA GLOBAL

	Purchase		Sale	Maturity
EUR	4,859,959.74	USD	6,054,592.50	13/05/2015
GBP	680,000.00	EUR	849,256.90	13/05/2015
INR	137,238,000.00	USD	2,202,156.34	05/05/2015
USD	1,725,000.00	EUR	1,255,484.66	07/04/2015
USD	2,197,804.01	INR	140,046,000.00	05/05/2015
USD	924,622.81	JPY	106,695,000.00	17/02/2015

The net unrealised gain on these contracts as at December 31, 2014 was EUR 44,113.24 and is included in the statement of net assets.

#### SAGA SELECT - TACTICAL BOND FUND

	Purchase		Sale	Maturity
EUR	9,000,000.00	USD	11,525,312.50	23/04/2015
INR	303,097,000.00	USD	4,854,768.47	05/05/2015
NOK	9,123,000.00	EUR	1,000,000.00	23/03/2015
USD	24,494,000.00	EUR	18,546,904.70	18/12/2015
USD	4,895,110.40	INR	313,353,000.00	05/05/2015
USD	5,000,000.00	NZD	6,388,570.75	30/01/2015

The net unrealised gain on these contracts as at December 31, 2014 was EUR 1,058,255.93 and is included in the statement of net assets.

# SAGA SELECT

## Notes to the financial statements as at December 31, 2014 (continued)

### NOTE 9 FORWARD CONTRACTS

As at December 31, 2014, the SICAV had the following forward contracts outstanding:

#### SAGA SELECT - ASSET ALLOCATION FUND

	Maturity	Currency	Commitment in EUR
Purchase of 8.00 DAX INDEX	23/03/2015	EUR	1,961,110.00
Purchase of 8.00 S & P 500-STOCK (OS) SPX	20/03/2015	USD	3,392,421.26
Purchase of 50.00 INDICE CAC 40	20/03/2015	EUR	2,138,750.00
Purchase of 54.00 UNITED STATES 10Y TREASURY BOND	20/03/2015	USD	5,658,470.77
Purchase of 70.00 EUROSTOXX 50 ESTX 50 EUR -PRICE-	20/03/2015	EUR	2,195,165.00
Sale of 36.00 GERMANY 10Y BUND GOVERNMENT BOND	09/03/2015	EUR	-5,611,320.00

#### SAGA SELECT - BEQUIA GLOBAL

	Maturity	Currency	Commitment in EUR
Purchase of 1.00 S & P 500-STOCK (OS) SPX	20/03/2015	USD	424,052.66
Purchase of 3.00 NASDAQ 100 INDEX USA	19/03/2015	USD	1,049,398.62

#### SAGA SELECT - TACTICAL BOND FUND

	Maturity	Currency	Commitment in EUR
Purchase of 15.00 ITALY 10Y BTP LT GOVERNMENT BOND	09/03/2015	EUR	2,034,000.00

### NOTE 10 OPTIONS

As at December 31, 2014, the SICAV had the following option contract outstanding:

#### SAGA SELECT - BEQUIA GLOBAL

Quantity Name	Strike price	Maturity	Currency	Commitment in EUR
11 PUT S&P 500-STOCK (OS) SPX	1,800.00	19/06/2015	USD	-337,327.47

### NOTE 11 WARRANTS

As at December 31, 2014, the SICAV had the following warrant outstanding:

#### SAGA SELECT - BEQUIA GLOBAL

Quantity Name	Currency	Commitment in EUR
3,500 SPACE CALL-WTS 13/PERP	EUR	22,300.32

### NOTE 12 EXCHANGE RATES AS AT DECEMBER 31, 2014

The following exchange rate was used for the conversion of the SICAV's net assets into EUR as at December 31, 2014:

EUR 1 = USD 1.210050

# SAGA SELECT

## Other information to Shareholders (unaudited appendix)

### **Risk measurement information**

The five sub-funds of SAGA SELECT SICAV use the VaR approach to controlling overall risk.

The SAGA SELECT - LATIN AMERICA EQUITIES sub-fund was closed on August 26, 2014.

Table 1.1 below presents the information required by CSSF circular 11/512.



# SAGA SELECT

## Other information to Shareholders (unaudited appendix) (continued)

Sub-fund	Average leverage	Leverage calculation method	Overall risk control method	Type of limitation	Use of VaR limit			Sub-fund	Benchmark	Benchmark	Legal limit	Factors used in calculating VaR
					Average	Minimum	Maximum					
SAGA SELECT - ASSET ALLOCATION FUND	65.05%	Sum of derivative instruments' notional values	VaR	Absolute	5.73%	4.99%	6.70%	5.73%	N/A	N/A	20%	holding period of one month, CI of 99%, Monte Carlo, observation period of 3.5 years
SAGA SELECT - TACTICAL BOND FUND	128.80%	Sum of derivative instruments' notional values	VaR	Absolute	3.02%	1.96%	4.93%	3.02%	N/A	N/A	20%	holding period of one month, CI of 99%, Monte Carlo, observation period of 3.5 years
SAGA SELECT - BEQUIA GLOBAL	182.66%	Sum of derivative instruments' notional values	VaR	Absolute	8.51%	4.80%	12.67%	8.51%	N/A	N/A	20%	holding period of one month, CI of 99%, Monte Carlo, observation period of 3.5 years
SAGA SELECT - LATIN AMERICA EQUITY	11.04%	Sum of derivative instruments' notional values	VaR	Relative	101.83%	0.17%	123.99%	15.88%	15.61%	MSCI Latin America	200% (twice the benchmark's VaR)	holding period of one month, CI of 99%, Monte Carlo, observation period of 3.5 years
SAGA SELECT - TACTICAL EUROPEAN EQUITY FUND	2.68%	Sum of derivative instruments' notional values	VaR	Relative	91.97%	80.24%	104.07%	11.53%	12.54%	MSCI Europe	200% (twice the benchmark's VaR)	holding period of one month, CI of 99%, Monte Carlo, observation period of 3.5 years

## Other information to Shareholders (unaudited appendix) (continued)

### General comments

The factors below are taken into account when calculating VaR

- Holding period of one month
- Confidence interval (CI) of 99%, which means that there is a 1% probability of the portfolio's value falling by more than the percentage indicated over one month
- Monte Carlo simulation method
- Identification of risk factors based on a track record of 3.5 years

Processing and presentation of VaR figures differ somewhat according to the type of limit used (relative or absolute).

#### 1. Relative VaR limit

For sub-funds that apply the relative VaR method, the maximum level of the VaR may not exceed twice that of the index used as a benchmark for risk (200%, i.e. twice the VaR of the benchmark)

Data in the Use of VaR limit column represents the level of VaR observed for the sub-fund relative to the level of VaR observed for the benchmark, bearing in mind that the maximum limit is 200%.

For example, on January 1, 2014, we have the following figures for the Tactical European Equity sub-fund:

VaR of the sub-fund	12.08%
VaR of the benchmark	12.75%
Use of VaR limit	94.76%

This ratio must therefore be viewed against the regulatory maximum limit of 200%.

In the table, we present the average, minimum and maximum levels observed during the period under review.

#### 2 Absolute VaR limit

For sub-funds that apply the absolute VaR method, the maximum limit is the legal maximum, i.e. a one-month VaR of 20% with a confidence interval of 99%.

For these sub-funds, we present figures (average, minimum and maximum) in absolute terms. In other words, they are not expressed in relation to a limit or benchmark. We consider this way of presenting results to be more transparent and easier to understand.

Leverage levels are also shown in the table. They correspond to the sum of the nominal values of the derivatives used (CESR/10-788 case 25). Data shown is based on twice-monthly observations during the period under review.



