



# Saga Select Asset Allocation Fund

**November 2017**

**ISIN (USD) LU0543854391**

## Strategy

Global Flexible Fund

## Investment style

Top-down approach in order to optimize asset allocation between, on the one hand, short-term liquidity, shares and bonds (neutral allocation : 1/3 for each class) and, on the other, between different OECD countries and/or regions according to their economic and financial situation.

Equity investments are mainly done in index funds or blue chips, while investment on fixed income is essentially on investment grade debtors.

The fund does not use any leverage but may take the opportunity to be positioned against particular overvalued assets through compliant financial tools and within the limits set in the prospectus.

A small portion of the assets may be allocated outside the OECD area.

Particular care is taken in order to ensure that the investments made have an excellent liquidity.

## Investment target

The fund's target is to provide over time, an excess return over the composite benchmark : 1/3 cash, 1/3 Stoxx Euro 50 Index, 1/3 Bloomberg Barclays EuroAgg Bond Index.

## Performance (net of all fees)

Year	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Annual
2010												1.12%	1.12%
2011	-1.11%	0.55%	-0.87%	1.06%	-0.76%	-2.07%	1.74%	-2.44%	-0.36%	0.76%	0.32%	1.04%	-2.19%
2012	2.12%	0.89%	-0.12%	-1.17%	-0.51%	-0.04%	2.42%	0.06%	0.20%	-1.16%	-0.28%	-0.35%	2.01%
2013	-0.39%	-0.54%	1.18%	-1.47%	0.55%	-4.41%	2.34%	-0.74%	0.30%	0.75%	-0.34%	-1.14%	-3.98%
2014	-1.82%	2.44%	-0.24%	-0.39%	2.28%	0.43%	0.46%	0.38%	-0.63%	-1.47%	2.53%	-1.48%	2.36%
2015	2.91%	0.29%	0.52%	1.84%	-0.81%	-2.84%	-1.27%	-3.08%	-2.39%	5.69%	0.06%	-2.63%	-2.06%
2016	-3.37%	2.31%	1.45%	1.61%	-0.24%	-1.59%	3.47%	0.49%	-0.18%	0.89%	-0.59%	1.25%	5.44%
2017	0.86%	1.64%	0.04%	0.63%	0.95%	-0.18%	-0.53%	0.15%	0.53%	1.83%	-0.24%	-0.07%	5.70%

## Outlook : 4rd quarter 2017

Slowly but steadily the world economy continues to improve - and with central banks remaining quite dovish - the equities' long bull term trend does not seem in jeopardy.

Thus the main danger for riskier assets does not come presently from the economic environment but from a political event which could negatively impact the economy. As it is almost impossible to price these events before they happen, should one occur, it will feel like a sharp airplane's air pocket and portfolios need to be sufficiently well structured to be able to overcome these turbulences.

US bond yields continue to reflect skepticism that the Fed will even be able to achieve the modest interest rates rises expected until the end of 2018 and consequently they offer poor value, as is also by the way the case for yields on the other main currencies.

## Portfolio as per 30-11-2017

### Liquidity analysis

100% of total assets are available within 1.07 days.

### Credit risk analysis

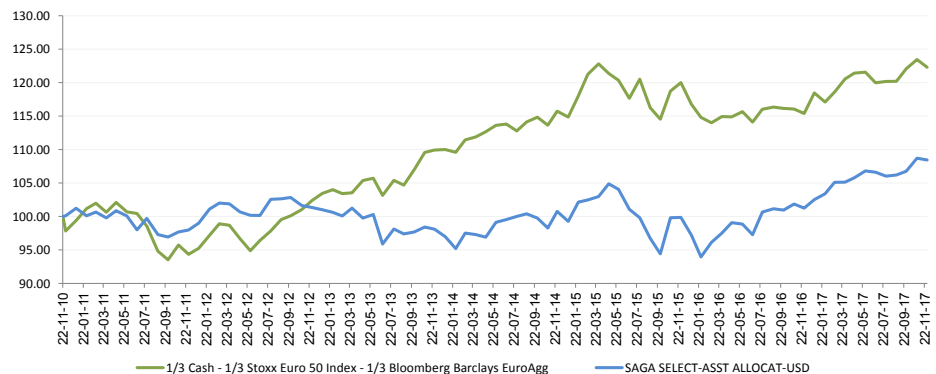
On the bond exposure, 100% of the overall credit risk is in investment grade.

The overall duration of the entire portfolio is 1.83 years, cash included.

### Risk and Performance Statistics

NAV as per 30/11/2017	203.44
FROM Inception	8.45%
Annualized	1.19%
12 month volatility	2.95%
Sharpe ratio 1year	2.15
Assets under management (in millions)	56.53

### Evolution of the unit from 2010



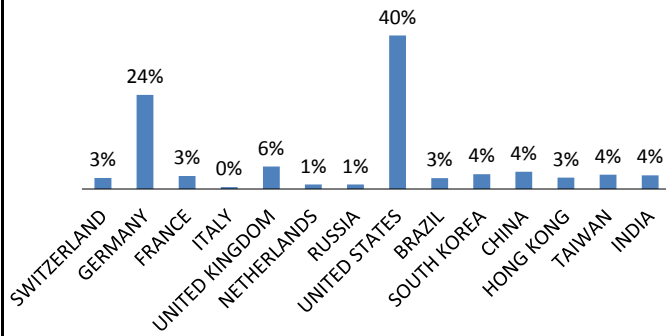
## Allocation by asset classes

Cash	19.14%
Bonds	32.94%
Equities	44.27%
Gold (via ETF)	3.65%

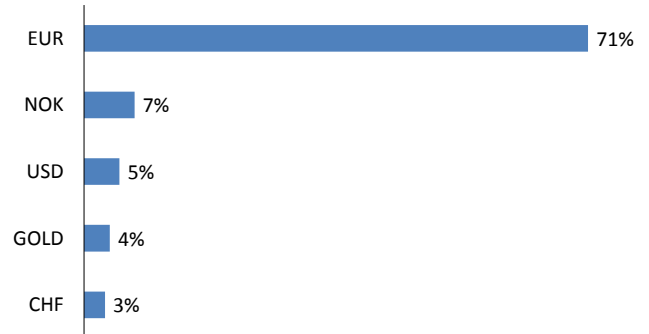
## Top 5 fund's positions

DBR 1 1/2 09/04/22	6.89%
DAX INDEX FUTURE Dec17	5.49%
SPDR S&P 500 ETF Trust	5.42%
Technology Select Sector SPDR	5.35%
PowerShares QQQ Trust Series 1	5.34%

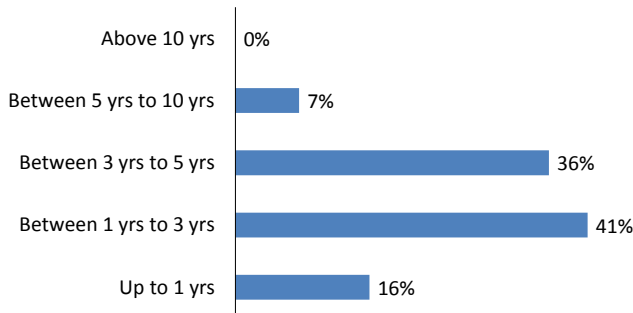
## Geographical stock allocation



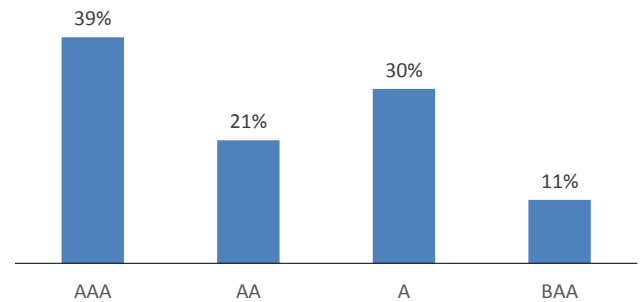
## Top 5 Currencies



## Bonds' duration allocation



## Bonds' rating allocation



## Manager's monthly comment

In November, the bull equity market has shown signs of vulnerability for the first time this year. Thus the fund could be reducing its equity allocation, currently at 44%, in the next weeks.

Bond duration remains low (1.83 years) as long term yields remain unattractive.

## Characteristics of the fund

Investment Manager	Saga Select Asset Management Ltd	Fund Administrator & Custodian	Pictet & Cie (Europe) SA
Fund Auditor	Deloitte & Touche	For additional information	
ISIN code USD	LU0543854391	please contact :	advisors@sagaselect.com
Bloomberg Symbol	SAGSAU LX Equity	Pictet client's servicing for	
Domiciliation	Luxembourg - UCITS IV	subscriptions :	Tel. : +352 46 71 71 7666
Inception date	22-11-10		Email : pcfs.lux@pictet.com
Fund Currency	USD	Management fees	1.5 % year of AUM
Open for Investment	Yes	Performance fees	10 % of the difference between the performance and the Libid
NAV Frequency	Weekly		Euro 1 year (High Water Mark)
Subscription / Redemption	Weekly	Benchmark	1/3 Cash
Subscription / Redemption fees	None		1/3 Stoxx Euro 50 Index
			1/3 Bloomberg Barclays EuroAgg Bond Index

## Warning

Disclaimer : Past performance should not be taken as an indication or guarantee of future performance and no representation or warranty, expresses or implied, is made by Saga Promotion SA regarding future performance.