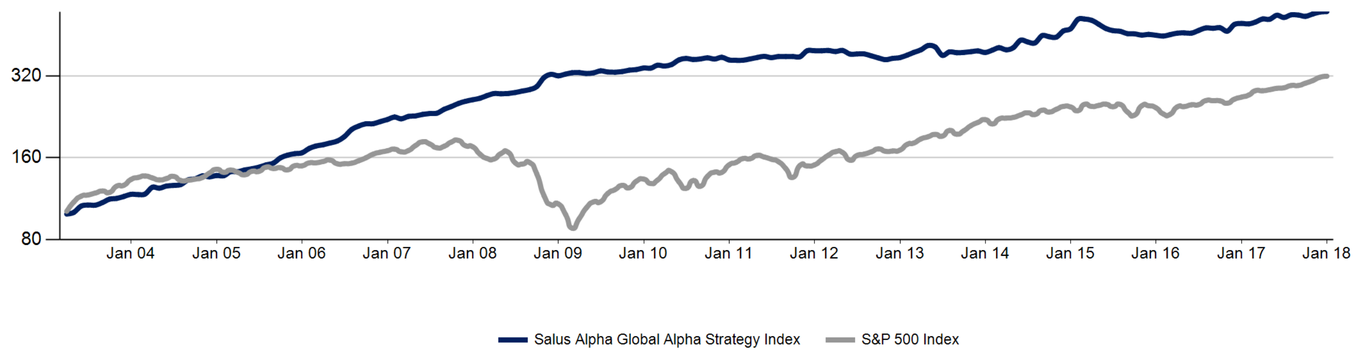
Salus Alpha GAX

31 December 2017

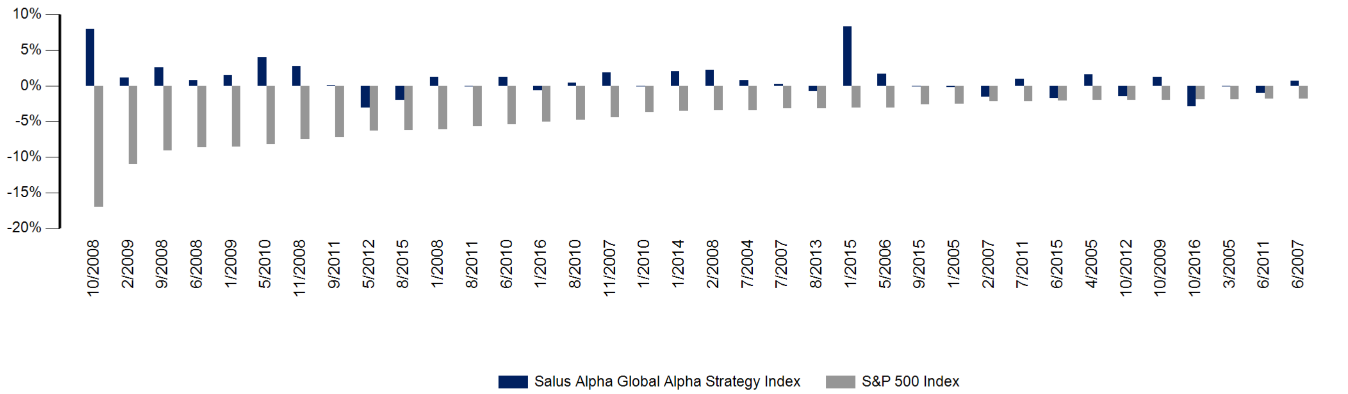
Trading Strategy Description

The Global Alpha Strategy trades futures, options and spreads on Equity indices, FX, Volatilty and Fixed income. A proprietary portfolio optimization engine is used to compute an optimal portfolio with predefined risk and return characteristics. The optimizer is targeting pure Alpha by focusing on the tail of the drawdown distribution. Strategies implemented include e.g spread trading of large cap vs. small cap, emerging markets vs. developed markets, value vs growth, option spreads, fixed income vs. equities, etc. The strategy is fully systematic and market neutral. Risk imbalances are neutralised by re-optimizing the book.

Trading Strategy Returns



The Salus Alpha Global Alpha Strategy outperformed the S&P 500 Index in 95% of the negative months since March 2003.



Performance of The Salus Alpha Global Alpha Strategy	
Year To Date	10.5%
Dec 2017	0.4%
Since Strategy Inception	454.6%

Correlations Since 2003	S&P 500 Index	DJ Stoxx 50	Bonds
Salus Alpha GAX	-0.10	0.00	0.21
S&P 500 Index		0.79	-0.11
DJ Stoxx 50			-0.06

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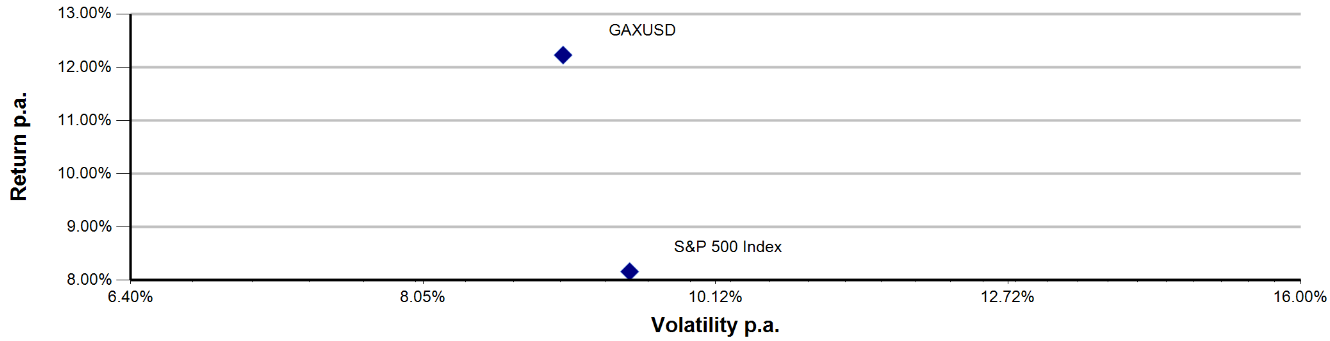
Trading Strategy Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2003			-0.79%	1.42%	5.49%	0.96%	-0.15%	2.28%	2.93%	0.63%	1.63%	1.91%	**19.3%**
2004	-0.24%	0.43%	5.95%	-0.81%	1.88%	0.50%	0.74%	4.07%	0.88%	2.52%	-0.77%	1.12%	**17.3%**
2005	-0.18%	3.48%	-0.04%	1.57%	0.94%	1.40%	2.00%	1.48%	4.57%	2.34%	1.29%	0.68%	**21.3%**
2006	3.81%	2.02%	1.10%	1.54%	1.67%	3.75%	6.25%	3.09%	1.87%	0.08%	1.79%	1.77%	**32.7%**
2007	2.19%	-1.57%	2.11%	0.38%	1.35%	0.73%	0.26%	3.39%	2.32%	2.69%	1.87%	1.34%	**18.4%**
2008	1.26%	2.19%	1.87%	-0.22%	0.27%	0.82%	1.30%	1.22%	2.60%	7.94%	2.78%	-1.22%	**22.6%**
2009	1.47%	1.14%	0.11%	-0.74%	0.55%	1.74%	-1.01%	-0.19%	0.58%	1.19%	0.51%	1.30%	**6.8%**
2010	-0.09%	2.51%	-0.70%	1.33%	3.99%	1.24%	-0.90%	0.45%	0.96%	-1.04%	1.54%	-2.22%	**7.1%**
2011	-0.34%	0.07%	1.08%	1.24%	0.99%	-1.03%	0.92%	-0.09%	0.09%	-0.16%	5.19%	0.03%	**8.1%**
2012	-0.04%	0.27%	-0.93%	0.94%	-3.04%	0.09%	0.03%	-1.63%	-1.75%	-1.48%	1.13%	0.63%	**-5.7%**
2013	2.15%	2.31%	2.23%	3.68%	-1.18%	-6.82%	2.95%	-0.71%	0.25%	0.64%	0.64%	-1.32%	**4.5%**
2014	2.08%	2.06%	-1.82%	1.87%	6.55%	-1.47%	-0.88%	6.45%	-0.90%	-0.37%	5.45%	1.85%	**22.4%**
2015	8.31%	0.28%	-1.09%	-3.25%	-3.63%	-1.73%	-0.60%	-1.98%	-0.15%	-1.05%	0.57%	-0.74%	**-5.4%**
2016	-0.66%	1.20%	1.30%	0.21%	-0.20%	2.29%	2.22%	-0.34%	0.47%	-2.87%	5.81%	0.97%	**10.6%**
2017	-0.46%	1.57%	2.71%	-0.29%	3.50%	-1.91%	2.32%	-0.19%	-1.11%	2.00%	1.65%	0.43%	**10.5%**

Risk vs Return



Statistical Analysis

Returns		**Risk**	
Compounded Annual Return	12.23%	Annualised Volatility 5 years	8.98%
Cumulative Return Since Inception	454.59%	Annualised Volatility trailing 12 months	5.80%
Cumulative Return Trailing 12 months	10.53%	Sharpe Ratio rolling 12 month	1.82
Cumulative Return Trailing 3 years	15.67%	Sortino Ratio Since Inception	3.07
Largest Monthly Gain	8.31%	Max Drawdown Trailing 12 months	1.91%
Largest Monthly Loss	-6.82%	Return / Max Drawdown Trailing 12 Months	5.50
% Positive Months	69.10%	Skewness Since Inception	0.52
% Negative Months	30.90%	Kurtosis Since Inception	2.27

Managed Investment Platform

Trading Advisor:	Salus Alpha Capital Ltd	Trading Strategy Inception:	1 March 2003
Program Name:	Salus Alpha Global Alpha Strategy (GAXUSD)		
Portfolio Manager(s):	Oliver Prock, CIO + Quant Team	Investment Strategy:	Macro
Primary Location:	Liechtenstein	Manager Trading Style:	Long Term Systematic
Website:	sac.salusalpha.com		
Marketing Contact:	Günther Schneider	UCITS Eligible:	-
	invest@salusalpha.com	Reporting Date:	31 December 2017
	+423 399 0329	Current Availability:	Available