

# Beauclerc Global Opportunity Fund

## 31 August 2020



BEAUCLERC

**Strategy :** Global Allocation / Total Return  
**Performance objective :** 7% p.a., net of fees  
**Liquidity :** Daily  
**Distribution :** UK, LU, SP, CH, Channel Islands

**Portfolio manager :** Beauclerc Limited  
**Programme's start date :** 14 December 2011  
**Fund's launch date :** 27 May 2014  
**Fund's manager :** MS Management Services SA

### Manager

Beauclerc is an asset manager dedicated to developing bespoke and innovative investment solutions for wealthy families. Beauclerc Group has operations in the Channel Islands and in the UK, authorised and regulated by the GFSC and FCA, respectively.

MS Management Services SA is an authorised AIFM under the AIFMD and domiciled in Luxembourg acting under the supervision of the CSSF.

### Investment Strategy

Beauclerc global opportunity fund is a diversified and unlevered investment strategy, pursuing a total return performance objective of 7% p.a. in the form of income generation.

The top-down analysis is at the centre of the investment process, resulting in the identification of macro investment themes used as underlying of high-income investments with limited directional risk.

### Classes of shares

Class	Currency	ISIN	Management Fee
A	USD	LU1012596760	1% p.a.
B	EUR	LU1012597909	1% p.a.
C	GBP	LU1012599863	1% p.a.
D	USD	LU1075049079	1% p.a.
E	EUR	LU1075049152	1% p.a.

Minimum subscription for A, B & C: EUR 125,000 equivalent  
 Minimum subscription for D and E: EUR 125,000 equivalent  
 Performance fee: 20% after hurdle 7% p.a.  
 Subscription/Redemption fees: No  
 Distribution restriction: Eligible investors

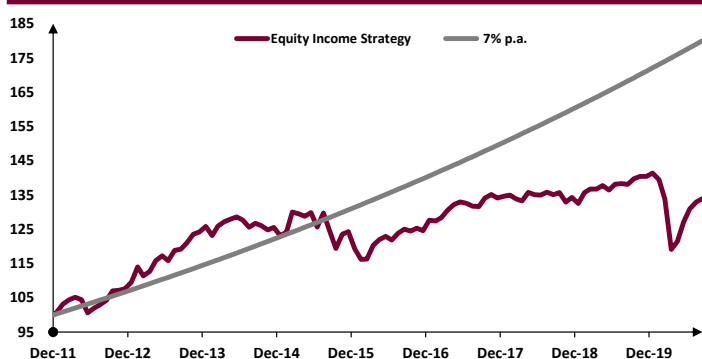
### Performance Table\*

### Share class A, USD

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2012	2.31%	1.18%	0.70%	-0.65%	-3.68%	1.34%	1.02%	1.28%	2.59%	0.17%	0.40%	1.80%	8.64%
2013	4.06%	-2.30%	1.20%	2.77%	1.20%	-1.15%	2.42%	0.29%	1.61%	2.02%	0.54%	1.28%	14.70%
2014	-2.10%	2.21%	1.03%	0.59%	0.54%	-0.72%	-1.66%	0.91%	-0.55%	-0.98%	0.60%	-1.95%	-2.16%
2015	0.88%	4.70%	-0.36%	-0.59%	0.84%	-3.25%	3.26%	-4.13%	-3.97%	3.45%	0.59%	-4.00%	-3.07%
2016	-2.59%	0.05%	3.45%	1.39%	0.79%	-0.87%	1.64%	0.94%	-0.46%	0.70%	-0.60%	2.48%	7.01%
2017	-0.21%	0.78%	1.72%	1.22%	0.59%	-0.27%	-0.43%	-0.06%	1.90%	0.77%	-0.76%	0.39%	5.48%
2018	0.26%	-0.82%	-0.45%	1.87%	-0.51%	-0.10%	0.63%	-0.54%	0.44%	-2.04%	1.03%	-1.29%	-1.56%
2019	2.36%	0.77%	0.01%	0.73%	-0.92%	1.23%	0.11%	-0.15%	1.18%	0.50%	-0.01%	0.71%	6.68%
2020	-1.39%	-4.00%	-11.00%	1.91%	4.77%	2.95%	1.51%	0.79%					-5.26%

### Cumulated Performance

### Share class A, USD



### Portfolio Key Indicators

### Share class A, USD

	2020 YTD	2019	Since inception
Cumulated return	-5.3%	6.7%	3.4% p.a.
Historical volatility	22.4%	2.3%	8.2% p.a.
Average weekly return	-0.1%	0.1%	0.1%
Max weekly return	6.5%	0.9%	6.5%
Min weekly return	-12.0%	-0.7%	-12.0%
% positive weeks	65.7%	69.2%	58.5%
Beta to S&P500	0.41	0.13	0.32
Downside correlation to S&P 500	74.8%	66.3%	65.1%

### Manager's Comments – August 2020

The economic news-flow showed that the global activity rebound following the end of lockdowns was starting to run out of steam. Although the first signs of weaker momentum in the macro cycle were widely expected late Q3, it came at the same time that Covid19 new contaminations surged again across Europe. Investors' concerns rose again, despite most advanced activity indicators remaining in expansion territories. But travel restrictions persisting for longer and the approaching expiry of income supporting measures in the US and Europe, do create a new wall of uncertainty and, as a result, DM equities traded sideways in August, at the exception of the Nasdaq driven higher by the defensive positioning of equity investors, preferring quality-growth tech stocks to value/cyclical stocks. Also, the Fed announced a change in its inflation aim, looking at achieving an average of 2% p.a. rather than a maximum level of 2% p.a.. Inflation will be allowed to exceed 2% p.a. for longer before triggering rate hikes and US short-term real interest rates could stay negative for much longer once inflation starts picking up, which should happen in 2021. As a result, the US yield curve steepened and Gold prices rallied the USD devalued heavily as more monetary accommodation could be implemented by the Fed at the next FOMC mid-September, given that inflation is heading south while unemployment fails to decline.

The fund's positive return was mostly driven by the selection of volatility income notes in August. In order to maintain a high running yield, the sector diversification was maintained in keeping luxury stocks as underlying of a new note. By contrast, the global risk was reduced by selecting DM equity underlying for the reinvestment of the crude oil note.



		31/08/2020	31/07/2020	VAR.	ANNUAL INCOME	DURATION
<b>Cash</b>		<b>1.8%</b>	<b>4.9%</b>	<b>-3.1%</b>	<b>0.0%</b>	<b>1 day</b>
<b>USD</b>		1.8%	4.8%	-3.0%	0.0%	1d
<b>EUR/GBP</b>		0.0%	0.1%	-0.1%	0.0%	1d
<b>Bonds – Investment Grade</b>		<b>7.2%</b>	<b>7.2%</b>	<b>0.0%</b>	<b>2.4%</b>	<b>3.6 years</b>
DM sovereign & corporate		4.3%	4.3%	0.0%	1.9%	3.5y
EM sovereign & corporate						
DM/EM subordinated	Financials					
	Corporates	2.9%	2.9%	0.0%	3.0%	3.9y
<b>Bonds – High Yield</b>		<b>8.3%</b>	<b>8.2%</b>	<b>+0.1%</b>	<b>4.0%</b>	<b>1.8 years</b>
DM sovereign/corporate						
EM sovereign/corporate						
DM/EM subordinated	Financials	3.0%	2.9%	+0.1%	3.8%	0.1y
	Corporates	5.3%	5.3%	0.0%	4.1%	2.8y
<b>Volatility Income Strategy – Currencies</b>						
<b>Volatility Income Strategy – Commodities</b>		<b>0.0%</b>	<b>5.1%</b>	<b>-5.1%</b>		
Crude oil	WTI/Brent	0.0%	5.1%	-5.1%		
<b>Volatility Income Strategy – Equities</b>		<b>82.7%</b>	<b>74.6%</b>	<b>+8.1%</b>	<b>9.1%</b>	<b>4.2 months</b>
DM/EM equity indices	US, UK, EZ & CAN	60.7%	53.6%	+7.1%	9.2%	4.2m
Equity sector indices	EU Auto Sector	8.8%	8.8%	0.0%	8.8%	3.3m
	EU Oil & Gas Sector	7.1%	7.1%	0.0%	8.0%	4.3m
Direct DM stocks	EZ Luxury Stocks	6.1%	5.1%	+1.0%	10.6%	5.5m
				<b>TOTAL PORTFOLIO</b>	<b>8.1%</b>	<b>8.4 months</b>

**Risk Analysis, % of NAV**

	Worst-Performer Allocation, % NAV	Perf. since inception	Protection barrier	Expiry Date	Allocation %	Perf. since inception	Protection barrier	Expiry Date	Allocation %
<b>Volatility Notes on DM indices</b>	<b>57.6%</b>		<b>Note 1</b>				<b>Note 2</b>		
FTSE 100	7.9%	-11.2%	-17%	05/10/20	7.9%				
Euro Stoxx 50	10.0%					-2.3%	-25%	13/01/21	10.0%
S&P 500									
S&P TSX 60									
<b>Volatility Notes on DM indices</b>			<b>Note 3</b>				<b>Note 4</b>		
Euro Stoxx 50	24.0%	-0.8%	-22%	29/01/21	14.2%	-0.4%	-27%	23/12/20	9.8%
S&P 500									
S&P TSX 60									
<b>Volatility Notes on DM indices</b>			<b>Note 5</b>				<b>Note 6</b>		
Euro Stoxx 50	11.5%					+1.3%	-27%	29/12/20	11.5%
S&P 500									
S&P TSX 60	4.2%	0.0%	-22%	22/03/21	4.2%				
<b>Volatility Notes on DM/EM indices</b>	<b>3.1%</b>		<b>Note 1</b>						
Euro Stoxx 50	3.1%	-1.8%	-22%	18/02/21	3.1%				
S&P 500									
S&P TSX 60									
MSCI EM									
<b>Volatility Notes on DM equity sectors</b>	<b>15.9%</b>		<b>Note 1</b>						
European Auto Sector	8.8%	+1.5%	-30%	09/12/20	8.8%				
			<b>Note 2</b>						
European Oil & Gas Sector	7.1%	-4.9%	-24%	06/01/21	7.1%				
<b>Volatility Notes on DM stocks</b>	<b>6.1%</b>		<b>Note 1</b>						
Kering									
LVMH									
L'Oréal	6.1%	-0.1%	-22%	11/02/21	6.1%				

**\* Methodology Notes**

Performance table calculated with fund's daily NAVs since launch date on 26/05/2014, pro-forma returns before (i.e. average of the actual performances of segregated mandates). **Pro-forma returns certified in accordance with ISAE 3000 and fund's NAVs are audited by Deloitte Audit (Lux) SARL.**

**Share Classes' Performances**

Class3	Currency	Inception Date	NAV	Net Cumulated Performance		
				Since Inception	3 months	1 month
A	USD	26/05/2014	1,040.73	4.1%	5.3%	0.8%
B	EUR	To be launched				
C	GBP	30/05/2014	973.48	-2.7%	5.0%	0.7%
D	USD	Closed				
E	EUR	Closed				

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