

# ERAAM Premia Low Vol - Class I EUR

January 31, 2018

## FUND SNAPSHOT

Legal form	French FCP - UCITS
NAV	€1 042.05
Fund's AUM	€60 993 886
Strategy's AUM	€391 214 285
Morningstar category	Moderate Allocation
ISIN Code	FR0013219698
Bloomberg Ticker	ERPRLVI FP
Fund Managers	Cyril Lureau Cyril Julliard

## RISK LEVEL

Lower risk Higher risk

1	2	3	4	5	6	7
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<b>Fund</b>	ERAAM Premia Low Vol - Class I EUR
<b>Index</b>	50% Eonia Capitalized, 25% MSCI World TR, 25% Barclays Agg. Hedged €

KEY EXPOSURES <sup>1</sup>	Fund	Index
Equity net exposure	18.3%	25.0%
Beta of Equity Allocation	13.6%	25.0%
Bond net duration	-0.2	1.9

Regression on MSCI World

RISK (VOLATILITY) ALLOCATION <sup>1</sup>	Fund	Index
Equity	1.8%	2.2%
FX	1.2%	
Commodities	0.8%	
Bonds	0.5%	0.5%

<sup>1</sup> Data as of January 31, 2018

PERFORMANCE & RISK RATIOS <sup>2</sup>	Fund	Index
Sharpe	1.29	0.76
Sortino	1.92	1.11
Calmar	2.01	0.99
Current drawdown	-0.3%	-0.6%
Max drawdown	-1.9%	-1.6%

RISK STATISTICS <sup>2</sup>	Fund	Index
Annualized Volatility	3.0%	2.1%
Annualized Downside Risk	2.0%	1.5%
VaR (99.0%) 20 days	2.3%	1.7%
CVaR (99.0%) 20 days	2.8%	2.1%
Skewness	-0.1	-0.1
Kurtosis	4.9	3.8

<sup>2</sup> Daily data from inception to January 31, 2018

## GENERAL LEGAL INFORMATION

Inception date	December 29, 2016
Benchmark	Eonia Capitalized + 50bp
Allocation of income	Capitalization
Valuation	Daily (D)
Cut-off time	D-1 before 10 am
Min. subscription	250 000 €
Custodian	RBC Inv. Services Bank France
Management fees	0.65% p.a.
Performance fees	9% p.a.
Hurdle	Eonia Capitalized + 50bp

## CONTACT

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## STRATEGY DESCRIPTION

### Global

The portfolio is invested globally in all asset classes and all regions.

### Diversified Risk Premia

The portfolio aims to harvest all attractive, robust, liquid Risk Premia. The selected Risk Premia are either directional ("Market Beta", "Long Term Trend Following") or Relative Value ("Value", "Defensive", "Momentum", "Short Term Reversal", "Implied Volatility").

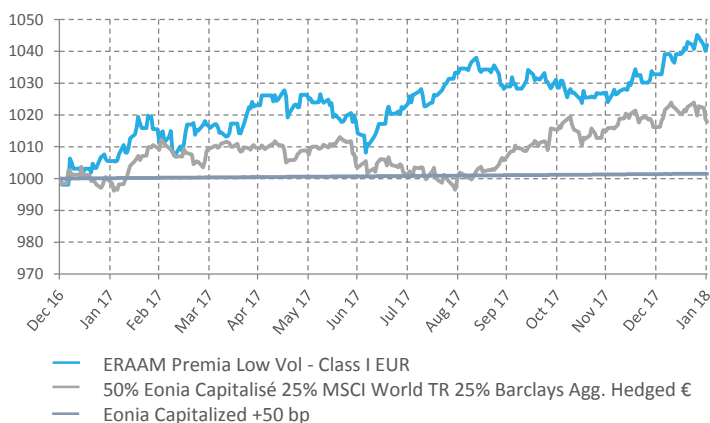
### Active

The strategies are actively managed. The portfolio seeks to mitigate risk by strategy diversification and multi-level risk management, through a proprietary model.

## PERFORMANCE

	Fund	Index	Fund	Index
	Cumulative		Annualized	
YTD	0.9%	0.2%		
1 month	0.9%	0.2%		
3 months	1.3%	0.2%		
1 year	3.6%	2.2%	3.6%	2.2%
3 years	-	-	-	-
5 years	-	-	-	-
Since fund's inception	4.2%	1.8%	3.8%	1.6%

## NAV SINCE INCEPTION



## ASSET CLASS RISK EXPOSURE & PERFORMANCE ATTRIBUTION (GROSS)

	Stand alone risk	Risk weighting	MTD	YTD
Equity	1.8%	41.7%	0.5%	0.5%
FX	1.2%	28.2%	0.5%	0.5%
Commodities	0.8%	19.1%	0.1%	0.1%
Bonds	0.5%	11.0%	0.0%	0.0%
<b>Total</b>	<b>4.3%</b>			
Diversification	1.8%			
<b>Expected Volatility</b>	<b>2.5%</b>			

## STRATEGY RISK EXPOSURE & PERFORMANCE ATTRIBUTION (GROSS)

	Stand alone risk	Risk weighting	MTD	YTD
Defensive	1.5%	27.7%	0.1%	0.1%
Value	1.1%	20.2%	0.1%	0.1%
Momentum	0.8%	15.1%	0.5%	0.5%
Market Beta	0.6%	11.0%	0.0%	0.0%
Trend	0.6%	10.7%	0.5%	0.5%
Volatility Carry	0.5%	8.3%	0.2%	0.2%
Mean Reversion	0.4%	7.0%	0.1%	0.1%
<b>Total</b>	<b>5.5%</b>			
Diversification	3.0%			
<b>Expected Volatility</b>	<b>2.5%</b>			

**MONTHLY PERFORMANCE REVIEW**

The month of January looks very much like the previous months: a continued rise in equity markets, particularly in the US, a declining dollar and a gradual rise in interest rates. However, we should also note the steady rise in implied volatility for several months now, especially in US stocks, as well as the record negative carry of futures contracts on the SP500. All this points to a very leveraged market with increasing risk of a technical correction.

During the month of January, the ERAAM Premia I share appreciated by +0.90% (+0.87% for the A share) and reached a new high.

**Currencies: +0.6%**

The "Trend" and "Value" strategies benefited from the decline of the dollar against all currencies. Currency Risk Premia were the month's best performers.

**Equities: +0.6%**

All equity Risk Premia, with the exception of "Volatility", contributed positively to the fund's performance during the month. "Quality" on US equities and "Value" in Europe were the two best performers (respectively +0.3% and +0.2%). Our investments in Research and Development have started to pay off.

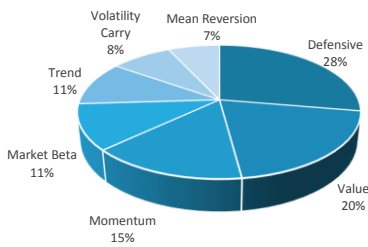
**Rates: -0.1%**

The trend tracking strategies, "Short Rates Trend" and "Long Rates Trend", are slightly sellers and therefore benefit from the steady rise in rates. Carrying strategies are penalized by flattening of the US yield curve.

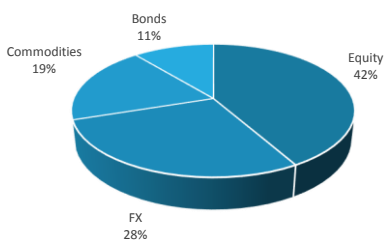
**MONTHLY PERFORMANCES**

Year	YtD	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec
2016	-0.2%												
2017	3.5%	0.7%	0.6%	0.5%	0.7%	0.2%	-1.0%	0.9%	0.9%	-0.4%	0.0%	-0.1%	0.6%
2018	0.9%	0.9%											

**RISK ALLOCATION PER STRATEGY**



**RISK ALLOCATION PER ASSET CLASS**



**ROLLING VOLATILITY**



**STRATEGY RISK & PERFORMANCE ATTRIBUTION (GROSS)**

	Stand-alone risk	Risk weighting	MTD	YTD
<b>Defensive</b>				
USA Quality	1.5%	13.3%	0.2%	0.2%
USA Low Volatility	1.0%	9.1%	0.0%	0.0%
Commodity Curve	0.4%	3.7%	0.1%	0.1%
IR Curve	0.3%	2.2%	-0.1%	-0.1%
Credit Curve	0.2%	1.4%	-0.1%	-0.1%
Europe Low Volatility	0.2%	1.4%	0.0%	0.0%
<b>Market Beta</b>				
Equity USA	0.7%	6.1%	-0.5%	-0.5%
Equity Emerging	0.3%	3.1%	0.2%	0.2%
Equity Europe	0.3%	3.0%	0.3%	0.3%
Equity Japan	0.3%	2.9%	0.0%	0.0%
<b>Mean Reversion</b>				
Commodity Reversal	0.4%	3.4%	0.1%	0.1%
<b>Momentum</b>				
FX Momentum	0.7%	6.4%	0.3%	0.3%
Commodity Momentum	0.3%	2.5%	0.0%	0.0%
Europe Momentum	0.2%	1.6%	0.1%	0.1%
USA Momentum	0.1%	1.3%	0.1%	0.1%
<b>Trend</b>				
Equity Trend	0.5%	4.6%	0.3%	0.3%
Rates Momentum	0.2%	1.5%	0.1%	0.1%
Bond Momentum	0.1%	0.9%	0.0%	0.0%
<b>Value</b>				
Europe Large Caps Value	0.7%	6.4%	0.1%	0.1%
FX Carry	0.5%	4.7%	0.0%	0.0%
FX Value	0.4%	3.6%	0.1%	0.1%
Commodity Carry	0.3%	2.4%	0.0%	0.0%
USA Value	0.2%	2.0%	-0.1%	-0.1%
Europe Small Caps Value	0.2%	1.8%	0.0%	0.0%
IR Spread	0.1%	1.1%	-0.1%	-0.1%
USA Small Caps Value	0.0%	0.0%	0.0%	0.0%
<b>Volatility Carry</b>				
Global Equity Volatility Carry	0.3%	3.0%	-0.2%	-0.2%
Commodity Volatility Carry	0.3%	2.4%	0.0%	0.0%
<b>Total</b>	<b>11.3%</b>			
Diversification	8.9%			
<b>Expected Volatility</b>	<b>2.5%</b>			

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The value of investments and income derived there from can decrease as well as increase (this may be partly due to exchange rate fluctuations in investments that have an exposure to currencies other than the base currency of the Fund). Performance numbers shown are records of past performance and as such do not guarantee future performance.

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