

# Credit Suisse (Lux) Prima Multi-Strategy Fund

a subfund of CS Investment Funds 4 - Class IB EUR

## Investment policy

Credit Suisse (Lux) Prima Multi-Strategy fund (CS Prima Multi-Strategy) is a UCITS IV compliant multi-strategy fund of funds.

The CS Prima Multi-Strategy fund allocates assets across multiple strategies in the liquid UCITS compliant universe. It targets attractive risk adjusted returns through active portfolio management and may invest in various alternative investment strategies including: Equities, Event Driven, Convertibles, Macro, Credit, Managed Futures, Fixed Income, Emerging Markets Equities and Rates. The fund is domiciled in Luxembourg and will be passported most other European countries. The fund is open to both institutional and retail investors and offers weekly liquidity.

## Fund Facts

as per 31/05/2016	
<b>Fund manager</b>	Credit Suisse AG
<b>Fund manager since</b>	since inception
<b>Location</b>	Zürich
<b>Fund domicile</b>	Luxembourg
<b>Fund currency</b>	EUR
<b>Passport</b>	ESP, ITA, UK, GER, AUT, CHF, FR, NL, LUX, SWE, LIE, NOR, FIN, HUN, SIN
<b>Ucits III-Compliant</b>	No
<b>Close of financial year</b>	30. Nov
<b>Total net assets (in millions)</b>	695.58
<b>Inception date</b>	21/07/2010
<b>Annual management charge in %</b>	1.00
<b>TER without performance fee (11/2015) in %</b>	3.06
<b>Performance fee in % with Highwatermark</b>	5.00
<b>TER with performance fee (11/2015) in %</b>	3.06
<b>Subscription</b>	Weekly
<b>Redemption</b>	Weekly
<b>Unit Class</b>	<b>Category IB (capital growth)</b>
<b>Unit class currency</b>	EUR
<b>ISIN number</b>	LU0522193613
<b>Bloomberg Ticker</b>	CSPMSIE LX
<b>Net asset value (NAV)</b>	1,073.44
<b>Min. Investment Amount</b>	500,000
<b>EU taxation</b>	In scope - tax

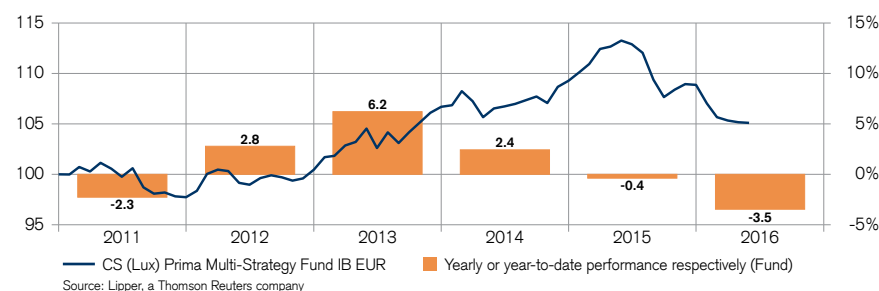
## Number of holdings

as per 31/05/2016	
<b>Fund</b>	23

## Top ten holdings in %

as per 31/05/2016	
Gam Star Fund Global Rates	8.82
Gam Star European Alpha	7.43
Marshall Wace Dev Europe TOPS	7.30
Henderson Gar UK Absolute Return	6.35
Legg Mason Western Asset Macro	6.28
<b>Total</b>	<b>36.18</b>

## Net performance in EUR (rebased to 100) and yearly performance <sup>2)</sup>



## Net performance in EUR <sup>2)</sup>

as per 31/05/2016	<b>1 month</b>	<b>3 months</b>	<b>YTD</b>	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>
Fund	-0.06	-0.54	-3.46	-7.20	0.54	4.52

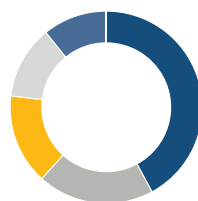
## Historical monthly performance in % <sup>2)</sup>

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2016	-1.69	-1.28	-0.31	-0.16	-0.06	-	-	-	-	-	-	-	-3.46
2015	0.78	0.73	1.35	0.21	0.53	-0.32	-0.75	-2.38	-1.57	0.68	0.51	-0.07	-0.38
2014	0.15	1.30	-0.92	-1.48	0.82	0.19	0.23	0.35	0.33	-0.60	1.50	0.56	2.43
2013	1.24	0.13	1.01	0.34	1.28	-1.84	1.51	-1.02	1.04	0.94	0.91	0.56	6.21
2012	0.64	1.70	0.43	-0.14	-1.16	-0.19	0.67	0.28	-0.20	-0.33	0.22	0.86	2.78
2011	-0.01	0.74	-0.44	0.86	-0.58	-0.79	0.85	-1.89	-0.63	0.12	-0.39	-0.09	-2.27
2010	-	-	-	-	-	-	-	0.36	0.95	0.62	-0.55	0.74	-

The performance calculation is based on EUR. Therefore, the return may increase or decrease as a result of currency fluctuations. If the currency in which the past performance is displayed differs from the currency of the country in which you reside, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency.

## Sectors in %

as per 31/05/2016



Long/Short Equity	42.10
Global Macro	19.60
Event Driven	15.20
Corporate	12.30
CTA	10.70
Cash/Cash Equivalents	0.10

<sup>1)</sup> The calculation of the risk indicator is based on the CESR/10-673 Directive. The risk indicator is based on historic and partly simulated data; it cannot be used to predict future developments. The classification of the fund may change in future and does not represent a guarantee. A classification into category 1 is not a risk-free investment either.

<sup>2)</sup> Historical performance indications and financial market scenarios are no guarantee for current or future performance. Performance indications do not consider commissions levied at subscription and/or redemption.

## Risks

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- The Fund may invest in underlying funds that are not denominated in the base currency. Subsequently, changes in exchange rates may have a negative impact on the value of these instruments.
- As part of their investment approach, underlying funds can use over the counter derivatives including, but not limited to, futures, forwards, swaps, options and contracts for differences. These instruments can be highly volatile and may expose the Fund and investors to a risk of loss.
- The Fund offers no capital protection. Investors may lose part or all of their investment in this product.
- The Fund may invest in underlying funds (e.g. Hedge Funds or Private Equity) which are complex instruments and may carry a very high degree of risk. Such risks can arise from extensive use of short sales, derivatives and debt capital. Furthermore, the minimum investment periods can be long. Hedge Funds are intended only for investors who understand and accept the associated risks.

## Portfolio Commentary

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### Month in review

The US dollar as well as macroeconomic and political uncertainties remained the key driving forces of markets in May. The Fed succeeded in nudging markets to price in additional rate hikes by consistently issuing hawkish statements during the various speeches of its members throughout the month. Largely as a consequence of this repricing, the US dollar rose by over +3% on a trade weighted basis, and even considerably more against currencies such as the Australian dollar, Brazilian real or the Mexican peso. However, contrary to previous such episodes of US dollar strength, markets reacted positively to the Fed's hawkish statements. While global equity markets started May on a negative note, they recovered their initial losses to end the month flat to slightly up. The renewed USD strength did hurt emerging markets as well as specific sectors such as energy, which underperformed as a result. On the other hand, the technology sector was a notable outperformer with the Nasdaq Composite Index registering a +3.6% gain and the S&P 500 Information Technology sector ending the month up +5.3%. As for regional markets, Europe as well as Japan outperformed while emerging economies as well as Asian markets were among the underperformers (Nikkei 225 Index +3.4%, DJ EuroStoxx 50 Index +1.8%, MSCI Asia Pacific ex Japan Index -1.6%, MSCI Emerging Markets Index -3.7%). Generally, many investors, including hedge funds, stayed put in May and kept exposures low amidst decisive looming events in June such as the Brexit vote, the Fed meeting or the potential inclusion of Chinese equities by MSCI, among others. Furthermore, the seasonally occurring lack of liquidity in markets during the summer months has led to generally low risk taking. May generally offered positive returns to hedge fund strategies as markets refocused on fundamentals after experiencing a sharp sell-off early in the year which was followed by an equally indiscriminate junk rally in March.

### Strategy performance

The portfolio posted flat performance in May. Equity long-short delivered positive contribution, CTA and corporate was flat, while macro and event driven detracted from performance.

Equity long-short funds were the strongest positive contributors in May. The equity long-short manager with Europe focus was up on the long and short book. Longs in a jewelry company, an airline and a short in a basic materials company were the main contributors. The equity long-short manager with UK focus was up on its long book while the short book was flat. The gains of the long book were spread across sectors ranging from consumer discretionary, insurance to IT. Macro strategies were the main detractors in May. The quant macro manager lost on its bond program while other programs were flat. Positions in 10-year US treasuries, short GBP and long CAD were the main detractors. The lowest performing diversified macro manager was down as his currencies and fixed income book detracted. The main detractor was the Mexican peso basket. Event driven also detracted in May. The merger arbitrage specialist was down mainly due to two positions in the healthcare sector and an S&P 500 index hedge.

## Glossary

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### Beta

This is a measure of the volatility of the fund relative to its benchmark. A figure greater than 1 indicates that the fund will tend to outperform in a rising market and underperform in a falling one. I.e. is more volatile than the market. The reverse applies to a Beta of less than 1.

### Tracking Error

Indicates how closely the fund tracks the benchmark. It is the standard deviation of the monthly returns of the fund divided by the monthly returns of its benchmark. The lower the number, the closer the fund follows its benchmark.

### Volatility

One of the main ways in which the risk of an investment is measured is calculating the degree to which its value fluctuates around an average. The standard method for calculating this volatility is standard deviation.

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