

Quantica Managed Futures UCITS Fund

A Sub-fund of Fundlogic Alternatives plc, an Irish UCITS Fund

Fund Objective and Investment Strategy

The Quantica Managed Futures UCITS Fund provides exposure to the Quantica Managed Futures ("QMF") Program. The QMF Program is a systematic, medium-term trend-following investment program which trades more than 60 liquid exchange-traded futures and FX forward instruments in equities, fixed income, interest rates, commodities and currencies. The investment strategy is based on proprietary quantitative models that statistically identify relative trends in market price movements using sophisticated dynamic risk management techniques.

The Quantica Managed Futures Program was launched in 2005.

Investment Management

Founded in 2003, Quantica Capital is a leading Swiss alternative investment management firm highly specialised in systematic investment management. The objective of the firm is to provide institutional and other qualified investors with high-quality systematic investment strategies to optimise long-term risk-adjusted returns.

Quantica Capital has approximately USD 420 million assets under management (as of Dec 2016).

Fund Characteristics

Inception Date	07-Aug-15
Total Assets (USD)	\$94 MM
Base Currency	USD
Domicile	Ireland
Passporting Status (registered in)	UK, Spain, Italy, Germany, France, Switzerland, Sweden, Austria and Belgium
Legal Structure	An Open-Ended Investment Company (OEIC)
Dealing Day	Every day (except legal public holidays in the United Kingdom, Ireland, Switzerland or the United States of America and days on which the stock markets in London are closed)
Subscription/Redemption notice	12 midday Irish time, 3 business days prior to the relevant dealing day
Settlement	Subscription: Dealing Day -1 Redemption: Dealing Day +5
Currency Classes Available	USD / EUR / GBP / CHF
Investment Manager	Quantica Capital AG
Promoter & Distributor	Morgan Stanley & Co International plc
Custodian	Northern Trust Fiduciary Services (Ireland) Ltd
Administrator	Northern Trust International Fund Administration Services (Ireland) Ltd
Auditor	Ernst & Young

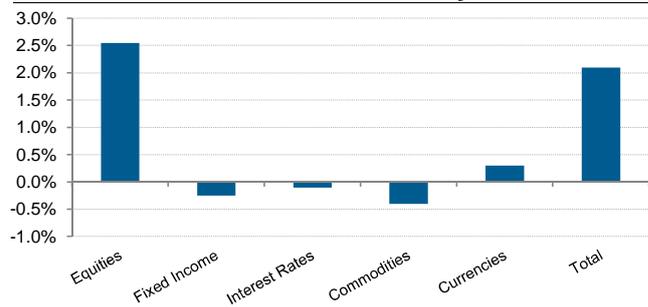
Performance ⁽¹⁾



Sources: Fund - Morgan Stanley, Northern Trust

The above figures refer to the past. Past performance is not a reliable indicator of future results.

Gross Performance Contribution by Sector



Source: Quantica

Performance contribution is based on internal valuation and settlement prices and provided by the Investment Manager

Investment Manager Commentary ⁽²⁾

In December 2016, the Quantica Managed Futures (QMF) Program delivered a net return of 1.97%, bringing the year to date net performance to 8.61%.

Equity risk was the main driver of last month's positive performance, especially long positions in rallying European stock index futures. Besides, a further strengthening of the USD, albeit at a slower pace than in November, favourably affected the monthly result. The contributions from the remaining asset classes were marginal.

Consequently, the QMF Program increased its Equity and long USD exposure once again. Moreover, it turns out that the strategy starts 2017 with little sensitivity towards changes in government rates.

The top performers in December were CAC 40 (long), followed by DAX (long) and Euro StoXX (long). On the downside of the instrument P&L contributions rank Soy Beans (long), Copper (long) and Hang Seng (long).

The annualized portfolio volatility increased to 14%.

Source: Quantica

Historical Monthly Returns ⁽¹⁾

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug ⁽¹⁾	Sept	Oct	Nov	Dec	YTD ⁽¹⁾
2015	Quantica - B1 USD	-	-	-	-	-	-	-	-6.55%	2.31%	-1.52%	-0.16%	-4.24%	-9.98%
2016	Quantica - B1 USD	5.85%	3.62%	-2.85%	0.53%	-0.56%	5.75%	0.08%	-2.61%	0.49%	-2.82%	-0.65%	1.97%	8.61%

Source: Morgan Stanley / Northern Trust. The above figures refer to the past. Past performance is not a reliable indicator of future results. Fund performance is quoted net of fees and based on unaudited figures.

1. For 2015, August 2015 and YTD performances are from 7th August, 2015.

2. Information sourced from Quantica Capital AG and mirrors the opinion and expectations of Quantica only. It is not agreed with Morgan Stanley and may not mirror Morgan Stanley's views.

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Quantica Managed Futures UCITS Fund

Fund Share Class Details*

Share Class	Performance			Identifiers			Fees						
	Ccy	Min Inv	Launch Date	NAV	MTD	YTD	LTD	ISIN	BBG	SEDOL	Mgmt	Perf.	TER ⁽³⁾
Class B1	USD	5,000,000	07-Aug-15	977.69	1.97%	8.61%	-2.23%	IE00BX906K36	MSQMB1U ID	BX906K3	0.50%	10%	0.90%
Class B1	EUR	5,000,000	07-Aug-15	960.93	1.85%	7.11%	-3.91%	IE00BX906G99	MSQMB1E ID	BX906G9	0.50%	10%	0.90%
Class B1	GBP	5,000,000	07-Aug-15	977.01	1.87%	8.70%	-2.30%	IE00BX906P80	MSQMB1G ID	BX906P8	0.50%	10%	0.90%
Class B1	CHF	5,000,000	07-Aug-15	950.32	1.73%	6.36%	-4.97%	IE00BX906R05	MSQMB1C ID	BX906R0	0.50%	10%	0.90%
Class B2	USD	1,000,000	04-Sep-15	1023.29	1.95%	7.08%	2.33%	IE00BX906J21	MSQMB2U ID	BX906J2	0.75%	15%	1.15%
Class B2	CHF	1,000,000	10-Dec-15	1044.95	1.71%	5.82%	4.50%	IE00BX906Q97	MSQMB2C ID	BX906R0	0.75%	15%	1.15%
Class B2	EUR	1,000,000	19-Jul-16	958.24	1.82%	-	-4.18%	IE00BX906F82	MSQMB2E ID	BX906F8	0.75%	15%	1.15%
Class I	EUR	1,000,000	28-Nov-16	1016.07	1.51%	-	1.61%	IE00BX906810	MSQMFIE ID	BX90681	1.00%	20%	1.40%
Class A	CHF	10,000	27-May-16	993.21	1.61%	-	-0.68%	IE00BX906703	MSQMFAC ID	BX90670	2.00%	20%	2.40%
Class A	GBP	10,000	09-Nov-16	1029.11	1.42%	-	2.56%	IE00BX906695	MSQMFAG ID	BX90669	2.00%	20%	2.40%
Class A	EUR	10,000	21-Oct-15	989.12	1.72%	5.00%	-1.09%	IE00BX906471	MSQMFAE ID	BX90647	2.00%	20%	2.40%

Source: Morgan Stanley. NAV are computed by Northern Trust

* The share classes shown have been launched. Please refer to the Fund supplement for an overview on the available share classes

3. Total Expense Ratio includes Management Fees and Promoter fees. This figure may vary from year to year.

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