

LO FUNDS - US EQUITY FACTOR ENHANCED, (USD) P

FUND FACTS

Domicile	Luxembourg/SICAV
Fund inception date	25 June 2015
Currency of Fund	USD
Currency of share class	USD
Registered in	AT, BE, CH, DE, ES, FI, FR, GB, IT, LI, LU, NL, NO, SE
Fund manager	A. Deruaz (CFA), A. Medvedev
Net assets (all classes)	USD 146.74 million
Number of positions	97
Liquidity (sub./red.)	Daily
Min. investment	EUR 3'000 or equivalent
Management fee	0.50%
Distribution fee	0.5%
Performance fee	0.00%
TER max (31 March 2016)	1.35%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

CODES

Class A

ISIN	LU1230567528
Bloomberg	LUSEUPA LX
Telekurs	28100546
NAV	USD 10.85

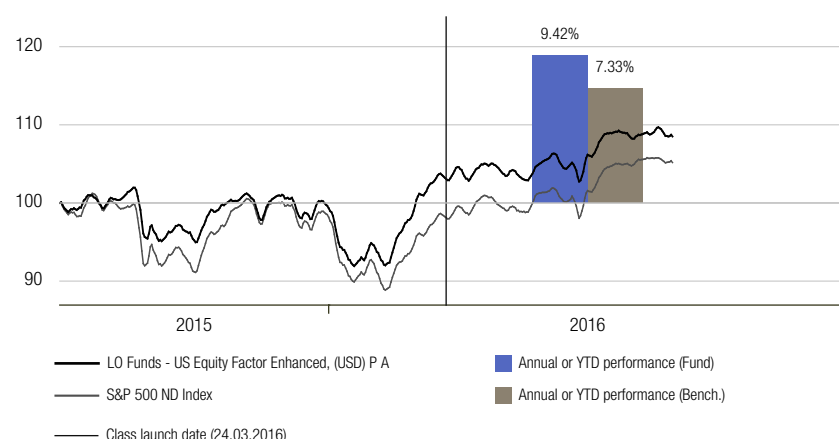
FISCAL INFORMATION

EUSD	In Scope - no tax
UKRFS	No
DE InvStG	Not transparent

HIGHLIGHTS

LO Funds - US Equity Factor Enhanced is a rule-based portfolio. Its long-only US equity strategy has been in place since June 2015. It invests in securities within the S&P 500 universe. It seeks to offer higher risk-adjusted returns compared to the S&P 500 index. The investment approach seeks to offer a transparent, systematic and dynamic process combining: i) a factor-based stock selection focusing on Value, Quality, Momentum, Low Risk and Small Size; ii) a risk-based allocation achieving diversification by equalizing the risk contribution of sectors to the portfolio; and iii) an adjustment of factors relative importance to prevailing economic and market environments. The portfolio typically holds around 100 stocks and is rebalanced on a quarterly basis. Risk management is performed by fund managers at a portfolio level, alongside independent teams who oversee investment, counterparty and operational risks.

NET PERFORMANCE AND ANNUAL PERFORMANCE IN USD Jun 25, 2015 - Aug 31, 2016



NET PERFORMANCE IN USD	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	9.42%	7.33%	—	—
1 month	-0.48%	0.06%	—	—
3 months	3.19%	3.93%	—	—
1 year	12.38%	11.81%	—	—
Total return (since 25.06.2015)	8.51%	5.17%	7.09%	4.32%

STATISTICS 25.06.2015 - 31.08.2016

	Fund	Bench.
Maximum drawdown	-5.61%	-8.47%
Correlation		0.948
Tracking error		4.65%

TOP 10 (IN %)

Sysco	2.2
PG&E Corp	2.1
AT&T Inc	2.0
Entergy Corp	2.0
Pinnacle West Capital	2.0
Dr Pepper Snapple Group Inc	2.0
Alliant Energy	1.9
Campbell Soup	1.9
JM Smucker	1.9
Public Service Enterprise	1.9

SECTORS (IN %)

Others (liquid Assets Incl.)	16.5
Financials	12.2
Utilities	11.7
Healthcare	11.2
Consumer staples	10.5
Industrials	9.1
Consumer discretionary	8.7
Information technology	8.1
Materials	6.0
Energy	6.0

COUNTRIES (IN %)

United States	99.7
Liquid assets	0.3

CURRENCIES (IN %)

USD	100.0
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INCREASED

Entergy Corp	2.0
JM Smucker	1.9
Alliant Energy	1.9
Zimmer Holdings	1.6
Nucor	1.2

REDUCED

Church & Dwight	-2.2
Dentsply International Inc	-1.7
Cr Bard Inc	-1.7
Westrock Co	-1.6
Coca-Cola European Partners Npv	-1.1

MONTHLY RETURNS IN %

	2015		2016	
	Fund	Bench.	Fund	Bench.
January			-4.2	-5.0
February			2.4	-0.2
March			7.2	6.7
April			-0.1	0.4
May			0.9	1.7
June	-1.7	-1.8	0.8	0.2
July	2.4	2.1	2.9	3.6
August	-4.1	-6.1	-0.5	0.1
September	-1.2	-2.5		
October	5.2	8.4		
November	0.3	0.2		
December	-1.5	-1.6		
Year	-0.8	-2.0	9.4	7.3

PARTICULAR RISKS

LO Funds - US Equity Factor Enhanced is a rule-based, long-only US equity investment strategy launched in June 2015. It invests in securities within the S&P 500 universe and seeks to offer higher risk-adjusted returns compared to the index. The investment approach seeks to offer a transparent, systematic and dynamic process combining: i) a

GLOSSARY

Credit Ratings: The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.

Risk and Reward Profile: This indicator (SRRI) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

Total Expense Ratio (TER): The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports)

Volatility: A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.

Sharpe Ratio: A measure of risk-adjusted performance. The higher the ratio, the better risk-adjusted performance has been.

Drawdown: A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.

Correlation: Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in

factor-based stock selection focusing on Value, Quality, Momentum, Low Risk and Small Size; ii) a risk-based allocation achieving diversification by equalizing the risk contribution of sectors to the portfolio; and iii) an adjustment of factors relative importance to prevailing economic and market environments.

different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation coefficient of 0 suggests there is no correlation.

Tracking Error: A measure of how closely an investment portfolio follows the index against which it is benchmarked.

Bond Floor: The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.

Delta: The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.

Premium: If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.

Yield to Maturity: The rate of return anticipated on a bond if it is held until the maturity date.

Coupon: The interest rate stated on a bond when it's issued.

Modified Duration: This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.

Average Duration: The average modified duration of the portfolio expressed in years.

Expected Loss: Annual average expected loss to the portfolio expressed in percent.

Attachment Point: The modelled probability of a negative portfolio return in any given year.

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