

Equity - Long Short

NS Selection - Columbus Class DPM CHF

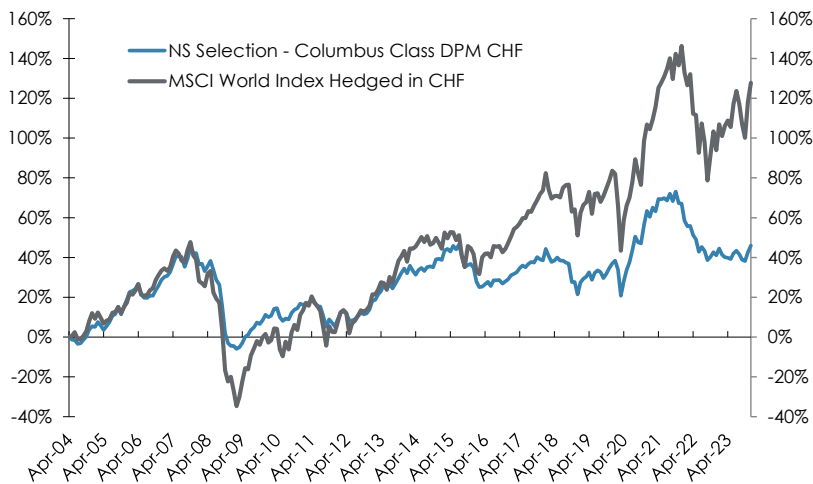
December 31, 2023



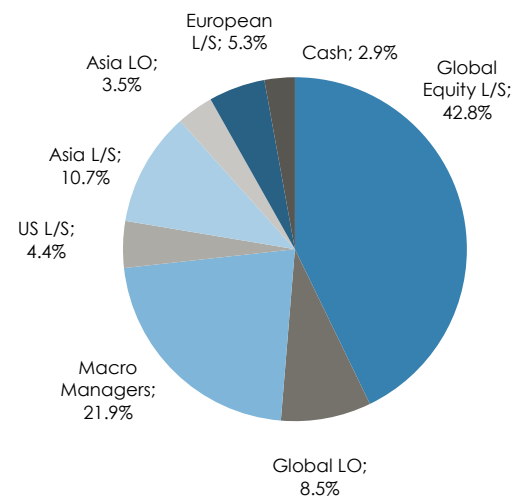
FUND OBJECTIVE

Columbus invests primarily in a selection of hedge funds managed by experienced independent investment managers. The selected money managers focus mainly on global equity hedge and macro related strategies in developed markets. These strategies will be diversified across various investment styles including equity long/short, equity long-bias, trading oriented, event-driven, global macro and geographies including US, Europe, Asia, Japan and Emerging Markets. Columbus has a target annual return of 8-12% with a volatility target of 2/3's of the equity market over a market cycle.

HISTORICAL PERFORMANCE



STRATEGY BREAKDOWN (% Allocation)



MONTHLY PERFORMANCE (%) NET OF FEES

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Fund	Index*
2023	2.47%	-2.16%	-0.91%	-0.15%	-0.50%	2.03%	0.99%	-1.26%	-1.95%	-0.45%	3.13%	2.40%	3.51%	17.47%
2022	-5.15%	-1.74%	0.10%	-2.92%	-1.51%	-4.16%	1.72%	-1.38%	-3.25%	1.12%	1.70%	-1.08%	-15.58%	-21.27%
2021	-1.86%	2.89%	-1.15%	3.86%	-0.10%	0.37%	-0.77%	2.06%	-2.18%	2.87%	-3.40%	-0.09%	2.24%	19.08%
2020	1.06%	-3.24%	-9.82%	5.96%	4.51%	2.85%	4.43%	4.77%	-1.94%	-0.34%	6.38%	4.45%	19.32%	12.61%
2019	4.97%	1.47%	0.71%	1.74%	-2.88%	2.81%	0.87%	-0.63%	-2.29%	1.71%	2.27%	1.60%	12.78%	21.54%
2018	4.15%	-2.47%	-2.13%	0.52%	1.08%	-1.12%	-0.01%	-0.70%	-0.43%	-6.71%	0.03%	-4.89%	-12.36%	-12.99%

STATISTICAL ANALYSIS (Since May 2004)

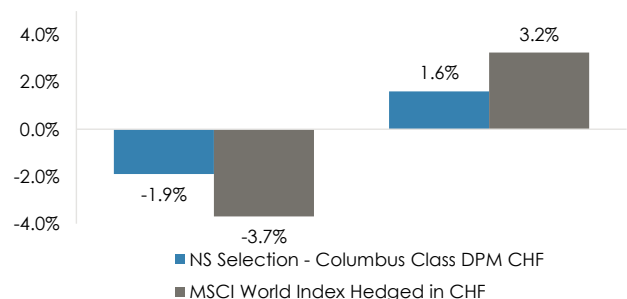
Return	Fund	Index*
Annualized return	1.9%	4.3%
% Positive Months	58%	60%

Risk	Fund	Index*
Annualized Volatility	8.8%	15.6%
Sharpe Ratio (1%)	0.11	0.21
Maximum Drawdown	-35.1%	-55.8%
Months In Maximum Drawdown	16	16
Months To Recover	75	63

Comparison To Benchmark	Index*
Annualized Alpha	-0.3%
Beta	0.48
Correlation	0.85

*Index MSCI World Index Hedged in CHF

Average Return during Bear & Bull Markets



Top Holdings	Weight
The Children's Investment Fund	9.3%
MW Eureka Fund B2 USD	7.4%
Caxton Macro Fund	7.1%
Crake Global Feeder Fund	5.1%
SEG Partners Fund	4.4%

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FUND COMMENTARY

Performance

The Columbus (class DPM – USD) gained +2.44% in December, which brings the performance for the year to +10.30%. The HFRI FoHF Composite index was up +6.3% and the CS Hedge Fund index was up +5.8% in 2023.

Markets

« Muy Tranquilo » - Gramatik, 2010

2023 has come to an end, “Muy Tranquilo” in December with, nevertheless, many interesting moves in key markets (more on that below). But the whole year was far from “Muy Tranquilo”: apart from the insatiable thirst from equity investors towards the famous Magnificent Seven, there has been several significant ups and downs for a lot of financial assets.

Let's start with the most important one, US 10 year yield: it ironically ended 2023 more or less where it started (3.85%), but went as low as 3.25% and as high as 5.01%. That's a 176 bps amplitude, more than 45% of the starting point! What about Oil, ranging from \$65 to \$95 for the WTI, or the Japanese Yen, down 16% at some point versus the dollar, falling to a 32 years low, or the Chinese CSI 300 equity index, up 10% in January to end the year 12% down. This list could expand further, but it is clear that inflation expectations, and consequently monetary policies, are one of the main reasons for these wild moves.

A more dovish, or less hawkish, Fed, pulled the trigger for a spectacular year-end rally: all major indices, barring the Japanese Topix (as usual struggling when the USD is weak), were on the rise. The S&P 500 added 4.4%, the Stoxx 600 3.8%, the MSCI Emerging Markets 3.7%, and the high-flying Nasdaq 100 5.5%. In a falling interest rates environment, the MSCI World Value surprisingly outpaced the MSCI World Growth (+5.2% versus +4.4%), while Oil, despite tensions in the Red Sea, abandoned 5.7%.

Interestingly, we have witnessed several All-Time Highs in December: the Dow Jones, the DAX, the CAC, the S&P 500 total return, the Nasdaq 100 total return, the Itraxx Crossover and Gold. Also worth mentioning is the Topix, which reached levels unseen since 1990!

Do not expect a “Muy Tranquilo” 2024: we will have to cope with high valuations for the market leaders, an economic slowdown (or a recession?), a difficult to tame inflation (favourable base effects are behind), continuous geopolitical tensions, which, added to the looming US presidential election, will maintain a heightened fear factor. But we nevertheless wish you a wonderful 2024, as “Muy Tranquilo” as possible!

Strategies

All strategies in Columbus ended the month in positive territory:

- Global Equity L/S: +2.9% MTD/+15.9% YTD
- Global Macro: +1.9% MTD/-6.2% YTD
- Long-Only Equity: +5.0% MTD/+28.7% YTD
- Asia/China Equity: +1.3% MTD/+11.0% YTD

Equity long/short managers' MTD returns were driven mainly by beta gains. We witnessed slightly positive long alpha but negative short alpha due to a low-quality names rally. Technology and healthcare were positive performance contributors and some profit taking was made on technology stocks. SEG was the best MTD performance contributor, adding 37bps (+9.5% MTD, +5.5% YTD) and TCI was up +4.3% MTD and +32.8% YTD, outperforming the market by a significant margin. Managers remain constructive on the outlook for their portfolios as fundamentals are improving. Gross exposure remains stable overall while net long exposure is close to +70% at this stage. The long-only equity bucket, which represents just under 10% of the portfolio allocation, is up +28.7% in 2023.

Asian stock markets saw high dispersion last year, Japan (Topix index) being up +25.1% and China (MSCI China index) being down -13.3%. Geographical exposure of our pan-Asian managers has grown in line with opportunities in countries like Japan, Korea and India. Even with a challenging market, our managers focused on greater China like Greenwoods Golden China (+6.8% YTD), managed to end the year with a positive return. They have in common to be macro aware and not to hesitate to cut risk when needed.

Global macro funds made a positive contribution to performance in December and nearly all underlying funds had positive returns. Positive attribution came from commodities and currencies, while fixed income positions detracted slightly. 2023 has been a difficult year for some macro managers and we expect them to be back in the game in 2024.

Outlook

The soft-landing scenario seems to be the base case, which looks a favourable environment to invest in markets going forward. Even if disinflation is under way and that there is room for central banks to cut rates, it is possible that they keep rates higher than neutral just to be sure that inflation is behind us. Nevertheless, the potential for inflationary supply-side disruptions still exists and we are living in a politically populist world with geopolitical uncertainty. This forces us to remain vigilant.

GENERAL INFORMATION

Signatory of:



Fund Inception	30-Apr-2004	Subscription	Monthly	Fund Domicile	Luxembourg
AUM (USD)	143 470 942	Redemption	Monthly (35 Days)	Inv. Manager	NS Partners Europe SA
Share classes	USD EUR CHF GBP	Management Fee	1.90%	Administrator	Apex Fund Services S.A.
Investment Min	10 000	Performance Fee	0.00%	Auditor	PricewaterhouseCoopers, Lux.
ISIN (CHF)	LU0559925176	NAV	144.37	Custodian	UBS Europe SE, Lux. Branch
Fund Type	SIF				

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For additional information, please refer to the Prospectus of the Fund.

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