

LFIS Vision UCITS - Diversified Market Neutral (Class R EUR)

LU1012219207

KEY FIGURES

Total Fund AUM: 61.68 M€
Class R EUR AUM: 7.64 M€
Class R EUR NAV: 1023.59 €

INVESTMENT HORIZON

Minimum recommended

1year 2years 3years 4years 5years

SYNTHETIC RISK & REWARD INDICATOR

1	2	3	4	5	6	7
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Main risks incurred: capital loss, interest rate risk, default risk, spread risk, currency risk, counterparty risk, equity risk, risk linked to credit derivatives, correlation risk, concentration risk, volatility risk, risk linked to leverage, liquidity risk, model risk, risks linked to relative value/arbitrage strategies, merger arbitrage, and event-driven strategies, risk linked to non-sustainable investment.

FUND FEATURES

Legal form: Compartment of the Luxembourg SICAV LFIS Vision UCITS.

Fund inception date: 05/14/2014.

Valuation: Daily, each exchange business day "D" as defined in the prospectus.

Currency: Euro.

Cut-off time: D at 12.00 noon (Luxembourg time).

Settlement: D+3 exchange business days.

Investment Manager: LFIS Capital.

Custodian and administrator: BNP Paribas, Luxembourg branch.

SHARE CLASS FEATURES

ISIN code - Class R EUR: LU1012219207.

Bloomberg code: LFRPRE LX Equity.

Share class inception date: 02/17/2016.

Investors: Any investor.

Allocation of income: Capitalization.

Subscription fees: up to 2%.

Redemption fees: None.

Dilution rate: up to 2%.

Management fees: 2% per annum.

Performance fees: 20% of excess performance above Hurdle rate.

Hurdle rate: ESTER +0.085% capitalized.

Initial min. subscription: 10 000 EUR.

The reference to awards or nominations is not an indicator of future awards or nominations.



Alternative Risk Premia/Quantitative Best Performing Fund over a 3 Year Period
 LFIS Vision UCITS Premia
 (La Française Investment Solutions)



Alternative Risk Premia Best Performing Fund over a 2 Year Period
 LFIS Vision UCITS Premia
 (La Française Investment Solutions)



INVESTMENT STRATEGY

The investment objective of LFIS Vision UCITS - Diversified Market Neutral (the "Fund") is to seek stable returns with a low correlation to traditional markets and a target annualized volatility between 5% and 10%, under normal market conditions.

The Fund implements an investment policy seeking to capture premia linked to several risk/style factors across different asset classes including: (i) "academic" premia such as value, medium-term momentum, short-term reversal, low-risk and asset-class beta; (ii) "liquidity/carry" premia; and (iii) "implied" premia such as value and carry.

NET PERFORMANCE IN % ⁽¹⁾

	1 month	3 months	2023 YTD	1Y	3Y ⁽³⁾	5Y ⁽³⁾	Inception ⁽³⁾
Fund (class R EUR)	-0.5%	-0.4%	4.4%	4.4%	2.4%	-0.1%	0.3%

MONTHLY NET PERFORMANCE IN % ⁽¹⁾

	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Year
2023	-0.1%	1.2%	0.8%	-0.1%	0.5%	-0.3%	0.0%	0.8%	2.0%	-0.3%	0.3%	-0.5%	4.4%
2022	-0.2%	-0.3%	-0.2%	0.0%	-0.5%	-1.5%	1.3%	0.9%	2.3%	0.7%	0.6%	-0.4%	2.8%
2021	0.3%	-1.4%	1.4%	-1.7%	0.9%	-0.2%	-0.5%	-0.2%	1.0%	-1.3%	1.8%	0.2%	0.2%
2020	0.5%	-1.1%	-10.5%	0.7%	-0.1%	-1.3%	1.0%	-0.6%	1.4%	-0.4%	1.5%	-0.4%	-9.5%
2019	1.1%	1.3%	0.0%	0.2%	-0.9%	1.0%	0.2%	-0.8%	0.7%	0.0%	0.5%	-0.8%	2.4%
2018	0.3%	-0.6%	-0.4%	0.2%	-0.1%	-0.4%	-0.2%	-0.6%	0.6%	-0.4%	-0.2%	-0.9%	-2.5%
2017	-0.4%	0.3%	-0.6%	0.0%	-0.3%	0.2%	0.7%	0.1%	0.7%	1.0%	-0.1%	-0.6%	1.0%
2016		0.3%	0.7%	0.7%	-0.3%	0.3%	0.7%	0.4%	1.1%	-0.3%	0.5%	0.2%	4.3%

MAIN RISK/RETURN INDICATORS ⁽⁴⁾

	3Y	Incep.		
Annualized return	2.4%	0.3%	Average positive monthly performance	0.7%
Annualized volatility ⁽⁵⁾	3.3%	4.6%	Average negative monthly performance	-0.7%
Sharpe ratio	0.4	0.0	% month > 0	52.1%
Sortino ratio	0.8	0.0	Max drawdown	-12.5%
Downside risk	1.9%	4.7%	Recovery	Not recovered
Skewness	0.4	-2.9	Var 90% 1 month (ex-post)	-0.8%
Kurtosis	1.3	30.4	Cvar 90% 1 month (ex-post)	-2.1%

PERFORMANCE ATTRIBUTION ⁽⁶⁾

	December	YTD
Multifactor / X-asset systematic	-1.0%	1.5%
Vol / Correl / Implied	-0.2%	0.0%
Synthetic Credit / Cash Mgt	1.1%	7.4%
Global Hedge	-0.3%	-2.5%

VOLATILITY (EX-POST) PER STRATEGY

	Inception ⁽³⁾
Multifactor / X-asset systematic	4.1%
Vol / Correl / Implied	6.3%
Synthetic Credit / Cash Mgt	4.1%

(1) The figures provided relate to previous months or years and past performance is not a reliable indicator as to future performance. Past performance does not guarantee future results. Results are not constant over time. Performance calculations do not take into account fees and expenses related to subscription and redemption of shares.

(2) The cumulative net performance figures related to the period from March 23, 2020 to March 30, 2020 are based on the NAV prior to applying the swing factor.

(3) annualised data. The class was created on February 17, 2016.

(4) Definitions of all terms are available from the Investment Manager upon request.

(5) Calculated by using weekly data.

(6) Gross of fees.

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ASSET CLASSES EXPOSURE ⁽¹⁾

	Equity	Commodities	Foreign exchange	Credit (5 years HY duration)	Interest rates (7,5 years duration)	Volatility
Long	34.5%	20.0%	17.5%	63.2%	39.2%	0.2%
Short	-31.7%	-17.6%	-15.0%	-44.3%	-30.1%	-0.1%
Total	2.8%	2.4%	2.5%	18.9%	9.1%	0.1%

LEVERAGE (COMMITMENT METHOD)

Leverage (Commitment method)	5.9x
VaR 99% 1 day (ex-ante)	-0.6%

CORRELATION BETWEEN STRATEGIES

	Synthetic Credit/ Cash Mgt	Vol / Correl / Implied	Multifactor/ X-asset systematic
Synthetic Credit / Cash Mgt	100%	4%	1%
Vol / Correl / Implied	4%	100%	11%
Multifactor / X-asset systematic	1%	11%	100%

PORTFOLIO MANAGER COMMENTARY

During its last meeting of the year, as expected, the Federal Reserve left its key rate unchanged and opened the door to rate cuts in 2024. The surprise came from the very dovish tone of its President J.Powell who has suggested a quicker than awaited timing. That was all it took to turn all the indicators green, and even tip over the markets into a year-end euphoria. In the aftermath, however, the European Central Bank's statement was much more measured. While the rate hike cycle appears to be over, questions remain about second-round inflation and about the balance sheet reduction in conjunction with rate cuts, as both of which have opposite effects. In the end, Investors have postponed these questions until 2024, and December was a perfect continuation of November on the markets.

Over the month, 10Y yields lost -50bps in the US and -45bps in Europe, representing an easing of 10Y bond yields since their late-October peak of 120bps for Treasuries and 100bps for the German Bund. This is just comparable in magnitude (even higher for the Bund) to the Q1 2020 easing at the time of the Covid. Equity markets kept only in mind falling interest rates and inflation level, in addition to an averted "hard landing" scenario, so that they gained +4.8% over the month and +11% over the quarter (represented by the MSCI World index). Technology stocks, which are the most sensitive to duration, were the real drivers of the indices, with the Nasdaq index up 17% over two months and over 50% for the year. Risk parameters naturally continued to fall in this very "risk-on" environment. Investment Grade credit indices lost 8bps over the month, 20bps over the quarter, and returned to levels close to those of end-December 2020. Equity volatility indices such as Vix and V2X remained stable, having already reached extremely compressed levels at the end of November. These levels are surprising given the geopolitical context, which has not really improved over the past two months.

In that context, our Multi-Strategy Funds delivered a negative performance.

The quantitative and systematic strategies suffered this month. Rates and Forex strategies had negative contributions from almost all factors. Equity strategies delivered negatively, mainly due to the Defensive factor whereas Commodities strategies contributed slightly positively.

Implied Premia family delivered a slightly negative performance. This is mainly due to interest rate and Forex volatility positions whereas Dispersions strategies delivered a good carry and a good performance.

The contribution of Credit & carry strategies has been positive this month. This is primarily due to Carry positions in a context of tightening credit spreads.

Hedging positions had a negative contribution this month in a very risk-on context.

(1) Definitions of all terms are available from the Investment Manager upon request.

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Please also note the following details concerning specific awards and nominations: Hedge Fund Journal: decided based on risk adjusted returns as calculated using the Sharpe Ratio. MondoAlternative: Funds registered for sale in Italy and present in the MondoAlternative database are eligible, quantitative process based on Sharpe ratios and returns over the relevant time period.