

Winton Diversified Fund (UCITS)

Monthly Report - December 2020



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Fund Assets: \$146.0mn | Winton AUA: \$7.0bn ¹

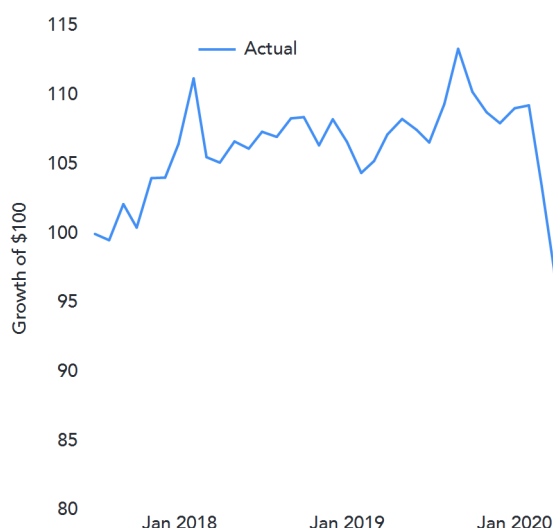
Fund Overview

- The broadest expression of Winton's research and systematic investment management capabilities.
- A dynamic portfolio of quant macro and equity strategies, using data that is either intrinsic or extrinsic to markets.
- Invests long and short in 100+ futures and forwards markets and universe of 8,000+ equity securities.
- Aims to deliver long-term capital appreciation by maximising risk-adjusted returns.

Fund Details ²

Inception Date	July 2017
Investment Manager	Winton Capital Management Limited
Minimum Investment	US\$50,000/€50,000/£50,000/CHF50,000
Subscription Frequency	Daily
Redemption Frequency	Daily
Management Fee	0.85% p.a. (0.92% p.a. for I-P Shares)
Performance Fee	18% p.a., accrued weekly, payable the last business day of June
Ongoing Charges Figure	1.01% (1.08% for I-P Shares)
ISIN (USD I Shares)	IE00BYWTYX35

Net Performance Since Inception ³



Performance Statistics ³

Characteristics	
Sharpe Ratio wrt 3-month Treasury bill	-0.6
Sortino Ratio wrt 3-month Treasury bill	-0.7
% Winning Months	48
% Losing Months	52
Worst calendar month in the past 2 years (%)	-6.9

Correlations	3 Year	5 Year	7 Year	Inception
JPM Bond Index*	0.1	-	-	0.1
MSCI World Index	0.3	-	-	0.3
S&P GSCI Index	0.2	-	-	0.2
US Dollar Index	0.0	-	-	0.0

Fund Assets and Returns ³

Share Class	Launch	Assets (m)	MTD	YTD	Jan 15 - Dec 16	Jan 16 - Dec 17	Jan 17 - Dec 18	Jan 18 - Dec 19	Jan 19 - Dec 20	Since inception (annualised)
USD I Shares	Jul 2017	\$62.8	2.56%	-20.55%	-	-	0.14%	2.28%	-20.55%	-4.01%
GBP I Dist Shares	Jul 2017	£7.0	2.48%	-20.94%	-	-	-1.45%	0.71%	-20.94%	-5.12%
GBP I-2 Dist Shares	Jul 2017	£0.7	2.48%	-20.94%	-	-	-1.19%	0.73%	-20.94%	-4.70%
EUR I Shares	Jul 2017	€40.1	2.42%	-21.31%	-	-	-2.12%	-0.51%	-21.31%	-5.87%
EUR I-2 Shares	Jul 2017	€15.3	2.42%	-21.30%	-	-	-2.27%	-0.51%	-21.30%	-5.58%
EUR I-P Shares	May 2018	€3.0	2.42%	-21.36%	-	-	-	-0.65%	-21.36%	-9.76%
CHF I Shares	Jul 2017	CHF0.2	2.50%	-21.49%	-	-	-2.28%	-0.92%	-21.49%	-6.32%

Please note performance is shown for full twelve-month periods only.

Please read the important notes and disclaimer at the back of this document. Past performance is not indicative of future results.

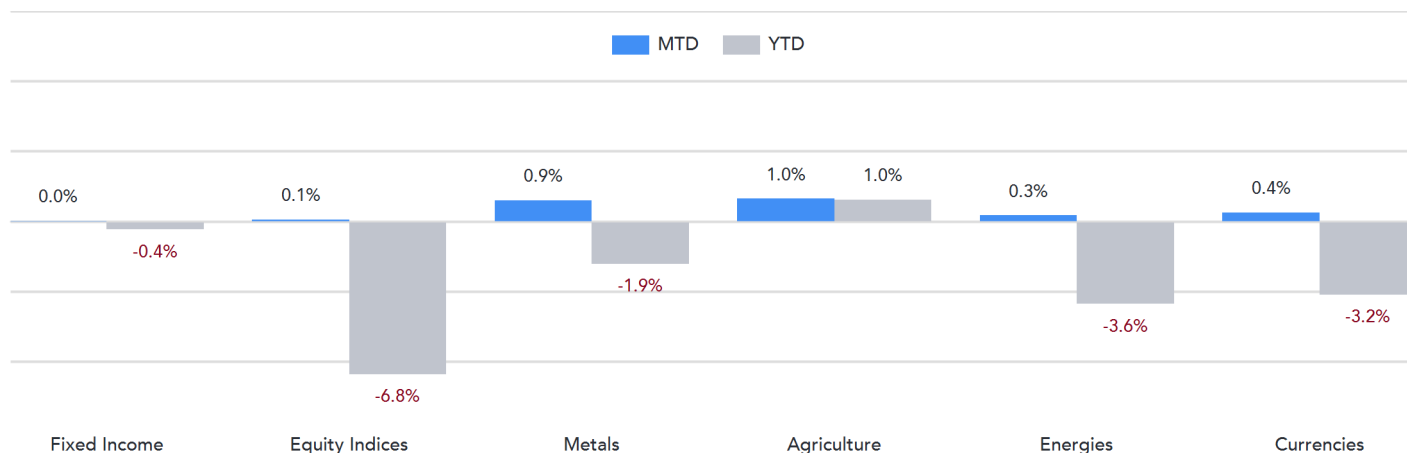
*JPM Bond Index = JPM US. Agg Bond Index

Monthly Performance Review

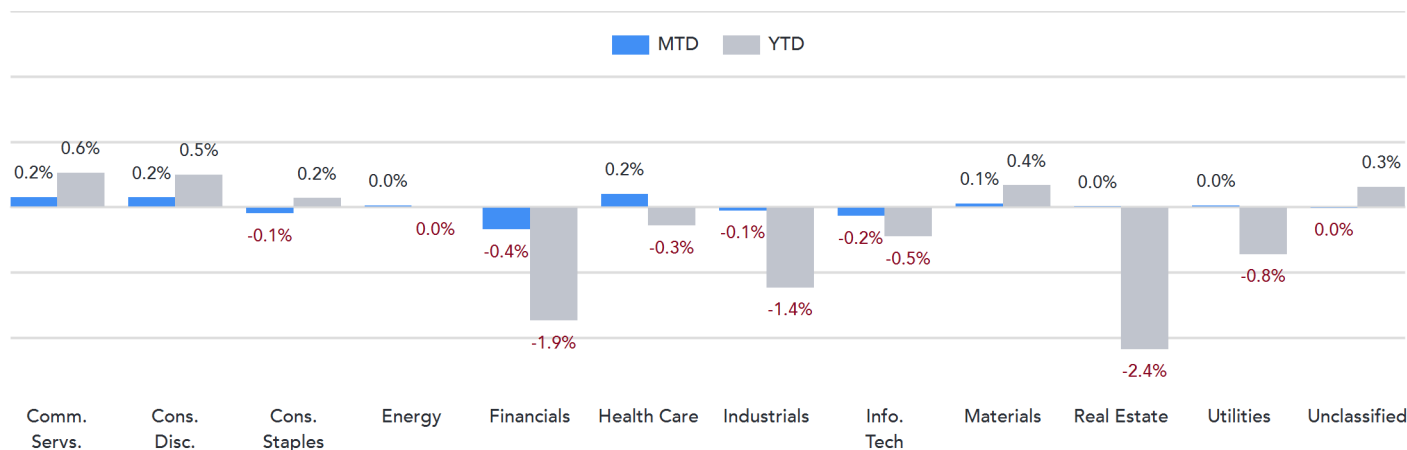
Global equities built on their November gains in the final month of the year, as the MSCI World rose by 4.2%. Information technology and consumer discretionary stocks continued to outperform, while the materials sector was boosted by rising metal prices, with iron ore and silver rallying by a fifth over the month. Energy and crop prices were also buoyant in this environment. WTI crude oil neared \$50 a barrel for the first time since February, whereas the corn and soybean markets rose to their highest levels since June 2014. Elsewhere, fixed income markets were mixed and the US dollar continued to weaken against most major currencies.

Positioning in agriculture, metals and currencies drove the fund's gain in December. Both technical and fundamental signals contributed positively to performance in the macro portfolio. The two strategy clusters were on the right side of uptrends in precious metals and crops, where long silver and soybean positions were the top individual contributors to returns. Gains in currencies, meanwhile, were driven by technical signals, which profited from the downtrend in the US dollar. In the long-short equity portfolio, losses in fundamental signals were cancelled out by profits from technical signals and Winton's alpha capture platform. The latter was first introduced to the fund during the month.

Performance Attribution: Macro (MTD: 2.69%, YTD: -14.93%) ⁴



Performance Attribution: Equity (MTD: -0.04%, YTD: -5.26%) ^{4,5}





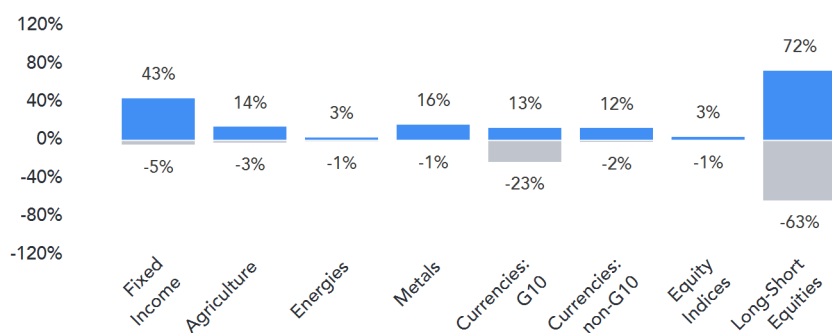
Market Risk ⁶

Overview			
Forecast Volatility	5.4%		
Forecast Volatility (Equity Strategy)	2.1%		
Realised Volatility	9.4%		
Margin to Equity	21.7%		
Margin to Equity (Macro Strategy)	6.4%		
Sector	Forecast Volatility	Risk Allocation	
Fixed income	1.1%	10.9%	
Agriculture	1.5%	14.7%	
Energies	0.9%	8.7%	
Metals	2.8%	27.7%	
Currencies	1.3%	12.6%	
Equity Indices	0.4%	4.1%	
Long-Short Equities	2.1%	21.3%	
Concentration (Long-Short Equities)		Long	Short
Number of positions		4,039	2,418
Top 10 Single-Stock Positions (% AUM)		1.8%	4.3%
Top Single-Stock Position (% AUM)		0.2%	0.8%

Sensitivity Analysis	
MSCI World Index falls 1%	-0.1%
US 10-year Treasury note falls 1%	-0.1%
Crude Oil falls 1%	0.0%
US Dollar Index falls 1%	0.4%

Long-Short Equities	Net Leverage
Communication Services	1.3%
Consumer Discretionary	4.6%
Consumer Staples	1.3%
Energy	-0.6%
Financials	-2.3%
Health Care	2.8%
Industrials	1.5%
Information Technology	-0.5%
Materials	1.7%
Real Estate	0.3%
Utilities	-0.8%

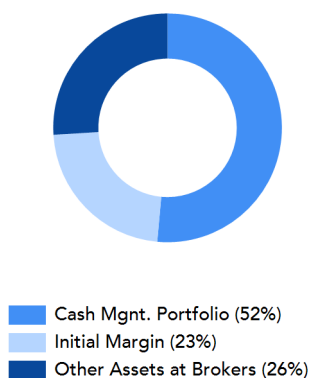
Leverage ^{7,8}



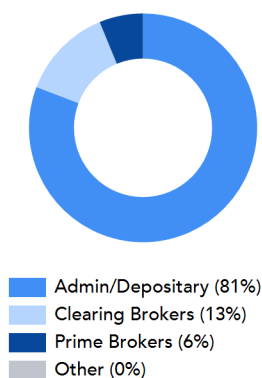
Overview	
Winton Gross Leverage	250%
UCITS - Commitment Leverage	970%

Liquidity, Funding & Counterparty Risk

Funding Summary ⁹

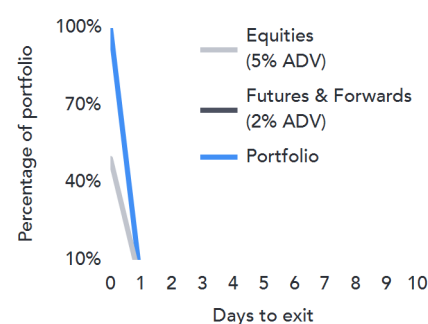


Assets by Counterparty ¹⁰



Days to Liquidate

Days to Liquidate 90% of the Portfolio





Report Notes

- 1 "Winton AUA" (or "assets under advisement") comprises assets of which Winton has discretionary investment authority and assets of which Winton has advisory but not discretionary investment authority. Winton AUA is based on internal estimates.
- 2 Please refer to the prospectus for full terms and conditions. Investments are to be made solely on the terms of the relevant prospectus, and no reliance should be placed on this document. Ongoing charges figure includes the 0.85% management charge and a maximum operational expense of 0.11% per annum (for EUR I-P Share class, ongoing charges figures includes 0.92% management fee and a maximum operational expense of 0.16% per annum) to meet a portion of all ongoing operational and other general expenses and charges attributable to the fund. The operational expense charge is based on expenses for the year ending December 2019. It may vary from year to year. It excludes portfolio transaction costs and performance fees, if any. More detailed charges information may be found in the "Fees and Expenses" section of the prospectus.
- 3 Charts and statistics are representative of USD I Shares and are shown net of a 0.85% management fee and 16% performance fee. All returns are confirmed by the Administrator unless stated as estimated returns.
- 4 All sector returns are estimated and gross of fees. FX contracts held for share class hedging purposes have been excluded.
- 5 Equity includes cash equities, fully funded swaps, CFDs and equity index derivatives held for hedging purposes.
- 6 Risk statistics are shown as the average throughout the month, except concentration which is as at month end. Margin to Equity is estimated based on figures provided by the fund's brokers. Macro strategy margin is representative of all futures and FX forwards traded. Sensitivities have been calculated by estimating how correlated each of the positions in the fund are with respect to the factor in question. Hence these calculations assume that our position remains unchanged and that the correlation structure of the portfolio remains fixed.
- 7 Leverage figures are shown as the average throughout the month. Bonds and short-term interest rates (STIRs) leverage is calculated by multiplying the notional value by the ratio of the modified duration of the contract to the modified duration of a 10-year T-note. For currencies, exposure is netted when there are two contracts involving the same currency with opposing exposure. This includes FX derivative contracts but not indirect exposure (e.g., assets priced in dollars). Netting may be applied where multiple instruments have identical but opposing underlying exposure.
- 8 When calculating the portfolio gross leverage, the contribution from currency markets is divided by two to avoid double-counting. The references to Winton leverage and UCITS leverage refer to different methodologies used to calculate the fund's leverage. The calculation of the UCITS leverage using the commitment method, defines leverage as the sum of notional values of the instruments in the portfolio.
- 9 "Cash Mgmt. Portfolio" is the market value of cash holdings and fixed income instruments held in custody. "Equities in Custody" is the exposure to fully-funded cash equities as valued by the custodian. "Initial Margin" is estimated using figures provided by the fund's brokers outlined in report note 12. "Other Assets at Brokers" includes excess cash held at brokers. Cash held in operational accounts for dealing purposes have not been included.
- 10 Administrator: Citco Fund Services (Ireland) Limited; Depositary: The Bank of New York Mellon SA/NV, Dublin Branch; Prime Brokers: Morgan Stanley & Co, UBS AG; FX Prime Brokers: UBS AG; Clearing Brokers: Société Generale Newedge UK Limited, UBS AG

Important Information

The Winton Diversified Fund (UCITS) (the "Fund") is a sub-fund of Winton UCITS Funds ICAV (the "Company"). The Company is authorised by the Central Bank of Ireland as an undertaking for collective investment in Transferable Securities pursuant to the UCITS Regulations.

This document is a summary only and potential investors must refer to the prospectus, the supplement and the Key Investor Information Document ("KIID") for the Fund, which is available from www.winton.com/funds. This document is not a recommendation to purchase or sell any investments. The Fund currently has or intends to have more than 35% of its total holdings in bonds issued by or guaranteed by: EU member state, by its local authorities, by any other OECD member state, or by any public international body of which one or more EU member states are members. The value of an investment and any income derived from it can go down as well as up and investors may not get back their original amount invested. The information in this document is believed to be materially correct but Winton makes no representation or warranty as to its accuracy or completeness and accepts no liability for any inaccuracy or omission. This material is not suitable for distribution in the United States or to US Persons.

First Fund Independent Services Ltd, with registered office at Klausstrasse 33, CH – 8008 Zurich, Switzerland has been appointed to act as Swiss representative and NPB Neue Privat Bank AG, with registered office at Limmatquai 1/am Bellevue, P.O. Box CH – 8024 Zurich, Switzerland has been appointed to act as Swiss paying agent of the Company. The prospectus, the instrument of incorporation, the Key Investor Information Document as well as the annual and semi-annual report pertaining to the Fund can be obtained free of charge from the Swiss representative. The place of performance and jurisdiction in relation to shares distributed in Switzerland is at the registered office of the Swiss representative.

This document contains forward-looking statements that are based on current indicators, expectations and assumptions that Winton believes to be reasonable but are subject to a wide range of risks and uncertainties and, therefore, there can be no assurance that actual results will not differ from those expressed or implied by such forward-looking statements. These statements speak only as of the date on which they are made.

Who is the Fund for?

- Investors seeking long-term capital appreciation.
- Investors seeking a strategy that has the potential to provide positive returns in a variety of market environments.
- Investors seeking exposure to multiple asset classes and markets as part of a diversified portfolio.

Key risks to consider:

Derivatives – The Fund invests in futures and forwards, which are financial derivative instruments that can increase the size of gains and losses.

Commodity-related and macroeconomic risk – The Fund will gain exposure to the performance of equities, equity indices, government bonds, interest rates, currencies and commodities, all of which can be volatile and influenced by economic and political developments.

Process risk – There may be issues with the systems and mathematical models that Winton uses to implement the Fund's strategy or the processes and procedures related to those systems.

A more comprehensive list of risks is provided in the Fund's prospectus.