

Fortem Capital Progressive Growth Fund

Monthly Report – 29th May 2020

For Professional Investors and Institutional Clients only



Investment objective

The Fund aims to provide positive returns of 6-7% over the medium to long term, whilst aiming to reduce equity market beta in short term draw-downs. It will invest in a Core portfolio comprised of defined return equity strategies that aim to provide capital growth over the medium to longer term, in all but extreme negative market scenarios. The Fund will make a smaller allocation to Diversifying investments that also meet strict capital preservation and investment return criteria.

The Fund will

- Employ stringent counterparty controls, limiting credit exposure to high grade sovereign risk.
- Mitigate against material single index exposure via robust portfolio construction and management.
- Impose strict exposure limits to each investment, strike level, barrier level.

Monthly update

May continued where April finished as global equities continued their strong performance, with the exception of Hong Kong, which posted significant negative returns, driven by fears of Chinese intervention. The Fund gained

Total Return	YTD	May	
UK 100	-18.1%	3.4%	+3.2% versus UK, European and US large caps posting +3.4%, +4.8% and +4.9% respectively. Overall the Core delivered +3.3% driven predominantly by the sensitivity to those equity market moves and a dissipation in implied volatility.
US 500	-5.0%	4.8%	
Europe 50	-17.3%	4.9%	
Swiss 30	-4.4%	2.5%	
Japan 225	-6.6%	8.4%	
Hong Kong 50	-17.9%	-6.3%	The Diversifiers gave back some of their gains from prior months. These were mainly within the commodity congestion risk premia space; the premia gains being harvested were more than offset by the front end of the WTI commodity curve, which the strategies tend to be short, appreciating
US 2000	-16.0%	6.5%	
FCPGF	-6.6%	3.2%	

more than contracts further out on the curve, which the strategies tend to be long. There were gains to offset these losses from the narrowing of Sovereign credit spreads during the month.

As the table above highlights, YTD performance of the Fund has been pleasing. Relative to the underlying equity markets and its peers, the Fund withstood March's selloffs well and has outperformed. The Core is positioned to deliver 9.2% annualised should equity markets remain flat for the life of the investments due to the inherent intrinsic value now locked into them. Conversely should equity markets sell off, the Fund is positioned similarly to March to withstand significant falls and corresponding increases in implied volatility, as one would hope and expect of a defensive equity fund.

Platform availability

Zurich	Nucleus	James Hay	Fidelity Int'l	Ascentric	Novia Fin'l	Standard Life
Novia Global	Allfunds	Aviva	7im	Old Mutual	Elevate	Transact

Past performance is not necessarily a guide for the future. Forecasts are not reliable indicators of future performance. The value of investments, and the income from them, can go down as well as up and the investor may not get back the amount originally invested. The data is sourced from Fortem Capital Limited and external sources. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.

Phone: 0208 050 2905 Email: sales@fortemcapital.com

Fortem Capital Limited registration number 10042702 is authorised and regulated by the Financial Conduct Authority under firm reference number 755370

Key Facts

Investment Manager	Fortem Capital Limited
Unit NAV	Class A: £1.0452 Class A (hedged) USD: \$1.0034 Class A (hedged) EUR: €0.9691 Class D: £0.9412 ¹ Class D (hedged) EUR: €1.1125 ¹
Net Asset Value	£156,907,027
Fund Launch Date	20 th September 2017
Fund Type	Irish Domiciled UCITS V ICAV
Base Currency	GBP
Liquidity	Daily
Dealing Deadline	10:30am Irish Time
Pricing	Daily COB
Share Type	Class A: Accumulation Class D: Distribution of capital
Initial Share Price	£1.000
Minimum Subscription Amount	Class A: £5,000,000 [^] Class D: £5,000,000 [^]
Annual Management Charge	Class A: 50bps Class D: 50bps
OCF	Class A: 70bps Class D: 70bps
Reporting Status	Registered with HMRC
ISIN	Class A GBP - IE00BF047831 Class A EUR - IE00BJH53565 Class A USD - IE00BJH53458 Class D GBP - IE00BD7Y3W82 Class D EUR - IE00BKM60L60
Bloomberg	FCPGFAA ID <equity> FCPGFEA ID <equity> FCPGFUA ID <equity> FCPGFDD ID <equity> FCPGFED ID <equity>
Dealing Line	+353 (0)1434 5124
Dealing Email	davy.ta_queries@ntrs.com
Depository, Admin, Registrar & TA	Northern Trust

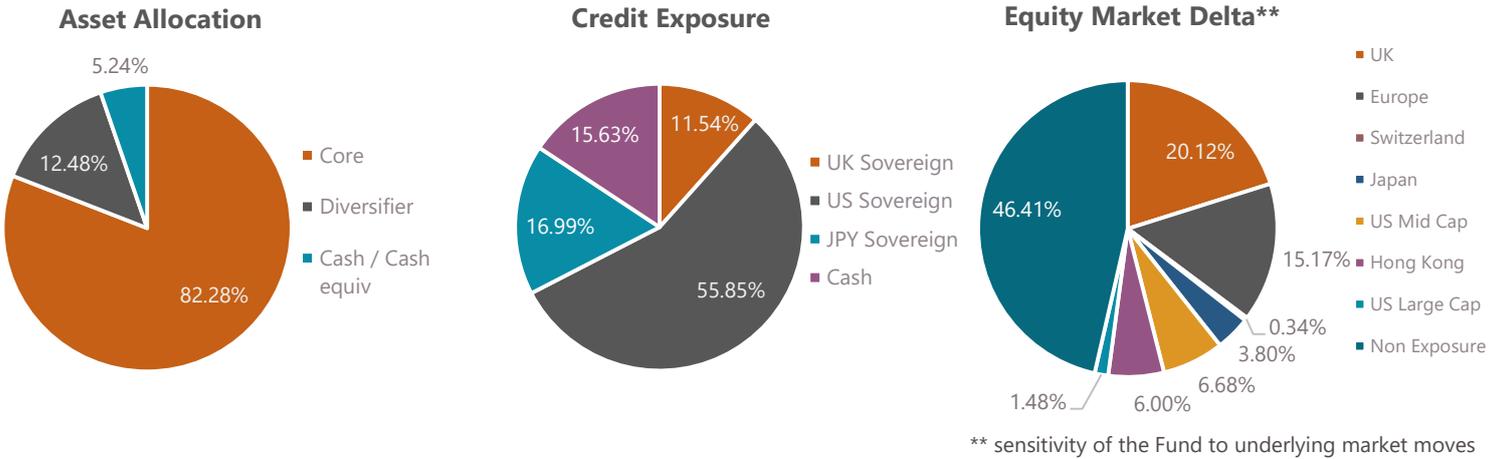
Auditor
Deloitte
1 Excludes distribution of capital

[^] Minimum sizing can be waived upon request

* Includes the UK Equal Weight Index

Information as at 29th May 2020

Portfolio breakdown

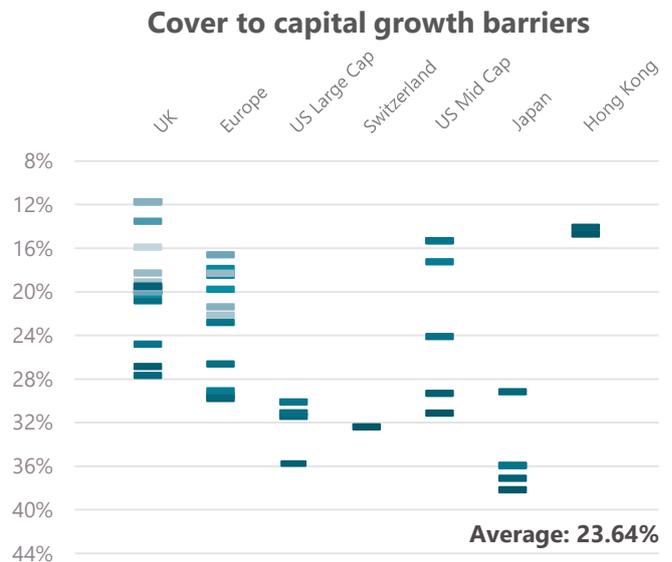
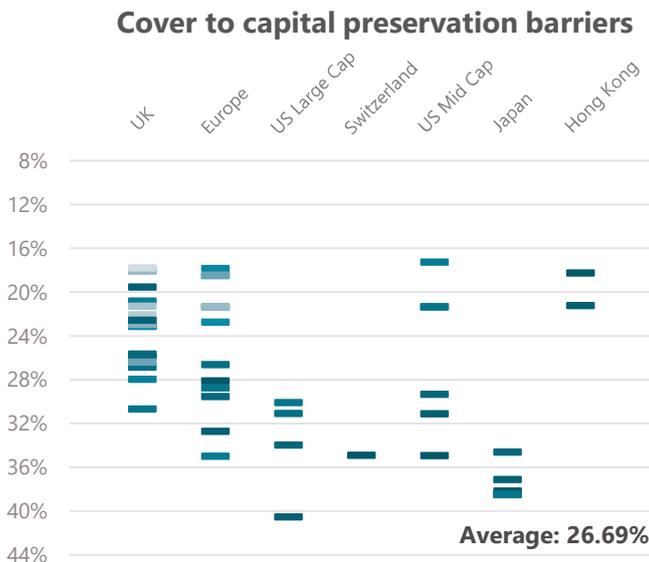


12 month projected Fund performance[^]

	-15%	-10%	-5%	0%	+5%	+10%
Immediate	-9.4%	-5.8%	-2.7%	0.0%	2.3%	4.5%
1 month	-9.4%	-5.8%	-2.6%	0.1%	2.4%	4.5%
2 months	-9.2%	-5.6%	-2.4%	0.4%	2.8%	4.9%
3 months	-9.0%	-5.3%	-2.1%	0.7%	3.2%	5.3%
6 months	-8.1%	-4.3%	-1.0%	1.9%	4.4%	6.5%
12 months	-6.6%	-2.7%	0.7%	3.8%	6.9%	9.4%

[^]These scenarios are net of fees and represent sensitivities to equity market moves only. Therefore it does not include performance contribution from the Diversifiers or credit.

Summary of equity index barrier exposures



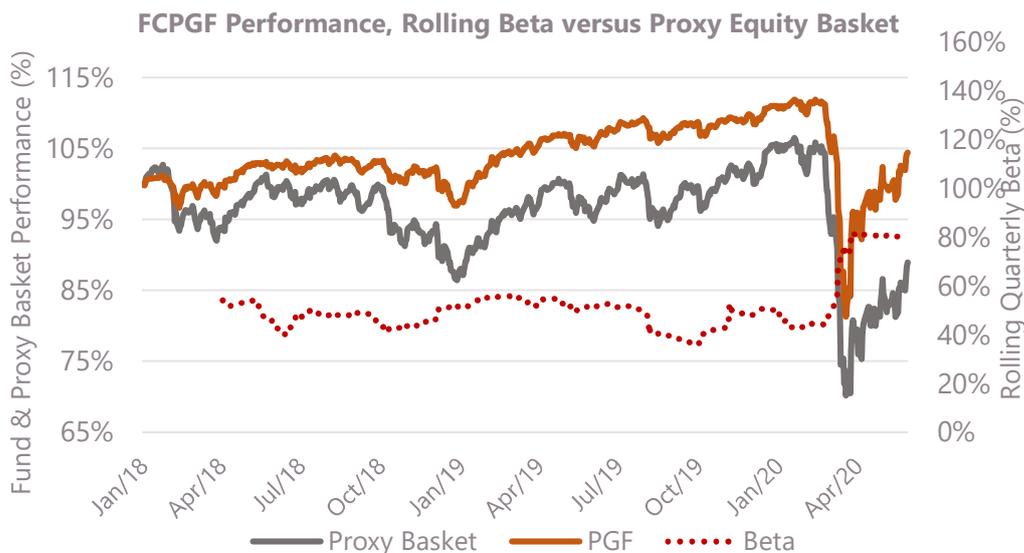
- Cover to capital preservation represents for each investment, the level by which the underlying equity index may fall, before capital is eroded, assuming each investments runs to it's maturity.
- Cover to capital growth represents for each investment, the level by which the underlying equity index may fall, before capital growth is zero, assuming each investments runs to it's maturity.

Past performance is not necessarily a guide for the future. Forecasts are not reliable indicators of future performance. The value of investments, and the income from them, can go down as well as up and the investor may not get back the amount originally invested. The data is sourced from Fortem Capital Limited and external sources. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.

Fund performance (%) – Share Class A (Acc)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	12 Month Perf Periods	
2017									-0.10	0.06	0.33	0.84	1.13	May 17 – May 18	N/A
2018	0.34	-0.88	0.45	2.66	-0.20	-0.15	1.38	-0.78	0.29	-1.54	0.34	-4.24	-2.47	May 18 – May 19	2.88%
2019	5.03	1.76	1.17	1.48	-1.60	2.32	1.08	-1.62	1.49	0.00	0.75	1.00	13.46	May 19 – May 20	-1.85%
2020	-0.79	-4.84	-8.16	4.38	3.19								-6.60		

Fund performance (%) – Share Class A (Acc) versus proxy basket of equity indices



*** Proxy basket of indices consists of underlying indices to which the Fund has market sensitivity, as measured by delta. Their weight within the basket is rebalanced each month end to match that of the Fund's delta, normalised to an overall basket weight of 100%.

For example May 2019 the UK market delta = 21% and overall Fund delta = 50%, UK weight in proxy basket = 21% / 50% = 42%. This methodology is applied for each underlying equity index.

The weights as calculated at May 2019 will be applied for calculating June 2019's historical performance for the Proxy basket.

Past performance is not necessarily a guide for the future. Forecasts are not reliable indicators of future performance. The value of investments, and the income from them, can go down as well as up and the investor may not get back the amount originally invested. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.

Disclaimer

- This document has been issued and approved as a financial promotion by Fortem Capital Limited for the purpose of section 21 of the Financial Services and Markets Acts 2000. Fortem Capital Limited registration number 10042702 is authorised and regulated by the Financial Conduct Authority under firm reference number 755370.
- This document is intended for Professional Investors, Institutional Clients and Advisors and should not be communicated to any other person.
- The information has been prepared solely for information purposes only and is not an offer or solicitation of an offer to buy or sell the product.
- Data is sourced from Fortem Capital Limited and external sources. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.
- Information, including prices, analytical data and opinions contained within this document are believed to be correct, accurate and derived from reliable sources as at the date of the document. However, no representation or warranty, expressed or implied is made as to the correctness, accuracy or validity of such information.
- Fortem Capital Limited assumes no responsibility or liability for any errors, omissions or inaccuracy with respect

to the information contained within this document.

- All price and analytical data included in this document is intended for indicative purposes only and is as at the date of the document.

- The information within this document does not take into account the specific investment objective or financial situation of any person. Investors should refer to the final documentation and any prospectus to ascertain all of the risks and terms associated with these securities and seek independent advice, where necessary, before making any decision to buy or sell.

- The product may not be offered, sold, transferred or delivered directly or indirectly in the United States to, or for the account or benefit of, any U.S. Person.

- The Fortem Capital Progressive Growth Fund is a Sub-Fund of Skyline, an open-ended investment company with variable capital incorporated on 1 June 2010 with limited liability under the laws of Ireland with segregated liability between Funds. The Company is authorised in Ireland by the Central Bank of Ireland pursuant to the UCITS Regulations.

Phone: 0208 050 2905 Email: sales@fortemcapital.com