

Fortem Capital Progressive Growth Fund

Monthly Report – September 28th 2018

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, initially being 100% gilt backed.
- 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

September was a notable month in that the Fund passed its one year anniversary on the 20th, posting a return since launch of 4.26% to the end of September. The performance is in line with expectations, given the Fund was not fully invested until the end of December 2017, and given the relative volatility of markets in 2018. Indeed, year to date only US and Japanese equities have posted positive returns whilst the FTSE 100 and Eurostoxx 50 have delivered -2.31% and -2.99% returns respectively.

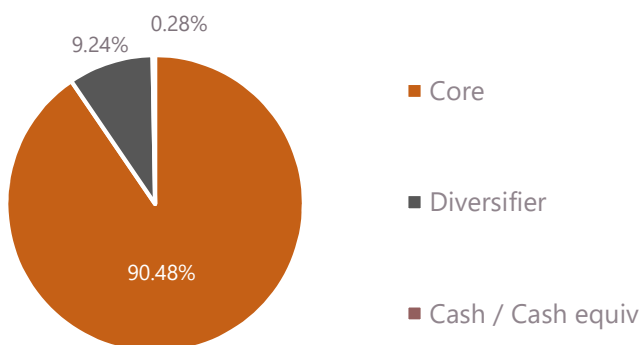
The Fund posted a return of 0.29% for the month. Gains within the Core amounted to 0.77%, predominantly attributable to equity market moves and time decay (all else being equal, the passing of time benefits the Core positions of the Fund).

Gains within the Core were offset by two factors. The Diversifiers posted returns of -0.15%, mainly attributable to the WTI futures curve going into further backwardation. In addition, there was a negative mark to market of the Gilt portfolio as UK Sovereign credit spreads widened over the month. Given the Fund is 100% backed by UK Gilts and these sovereign bonds trade daily, the Fund will experience daily moves from UK sovereign credit spreads. It is worth noting however that YTD the Gilt portfolio has delivered net positive returns as the portfolio has benefited from the roll down effect.

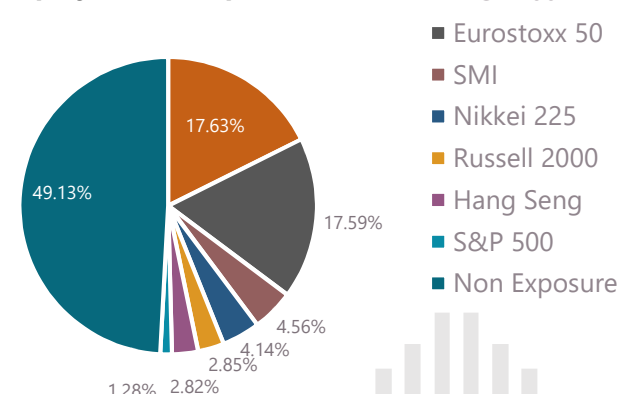
Past performance is not necessarily a guide for the future

Portfolio Breakdown

Asset Allocation



Equity Market Exposure



Key Facts

Investment Manager	Fortem Capital Limited
Unit NAV	Class A: £1.0426 Class D: £1.0235 ¹
Net Asset Value	£82,533,116.2
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: IE00BF047831 Class D: IE00BD7Y3W82
Bloomberg	FCPGFAA ID <equity> FCPGFDD 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 2p of capital

[^] Minimum sizing can be waived upon request

Information as at 28/09/2018

* Includes FTSE 100 Equal Weight Index

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Short term projected Fund performance[^]

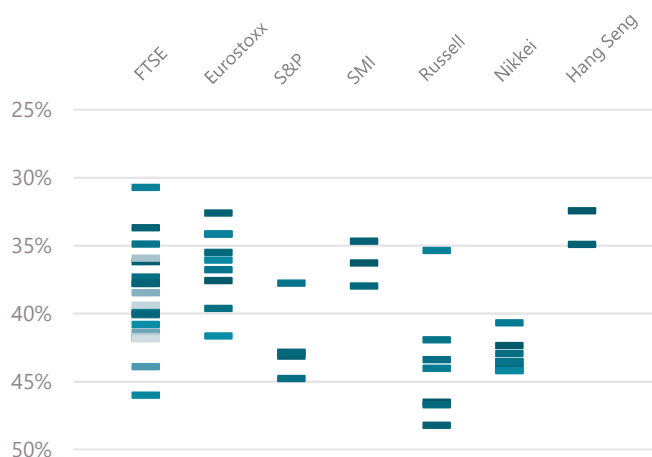
	-15%	-10%	-5%	0%	+5%	+10%
Immediate	-8.6%	-5.2%	-2.4%	0.0%	1.9%	3.3%
1 month	-8.3%	-4.9%	-2.0%	0.4%	2.4%	3.8%
2 months	-7.8%	-4.5%	-1.6%	0.9%	3.0%	4.3%
3 months	-7.4%	-4.2%	-1.3%	1.2%	3.2%	4.6%

[^]These scenarios are net of fees and represent sensitivities to equity market moves only.

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.

Summary of equity index barrier exposures

Cover to capital preservation barriers



Cover to capital growth barriers



- 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.

Fund performance – Share Class A (Accumulation)

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
FCPGF	2017									-0.10%	0.06%	0.33%	0.84%	1.13%
FTSE TR	2017									1.41%	1.82%	-1.79%	5.03%	6.50%
FCPGF	2018	0.34%	-0.88%	0.45%	2.66%	-0.20%	-0.15%	1.38%	-0.78%	0.29%				3.10%
FTSE TR	2018	-1.96%	-3.40%	-2.03%	6.84%	2.80%	-0.23%	1.52%	-3.29%	1.19%				1.01%

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