



**For institutional investors only**

The views put forward in the below commentary are the views of the Investment Manager, by Marshall Wace LLP.

## Fund Commentary – Q2 2020

### Fund Overview

Key Fund Information	
Strategy	Equity Market Neutral
Investment Manager	Marshall Wace, LLP
Fund Inception Date	23 November 2007
Dealing Frequency	Weekly
Base Currency	USD

For more detailed fund information, please refer to the monthly fact sheet.

### Q2 2020 Commentary

During Q2 2020 the Fund\* returned 7.89% net, compared with the HFRX Equity Market Neutral Index which rose 3.02%. The strategy generated a volatility of 5.72% over the quarter (based on net daily data, class B USD), compared to that of the MSCI AC World Daily TR Net Local Index at 24.72%, and that of the HFRX Equity Market Neutral Index at 8.59%.

During the second quarter of 2020, the Fund generated gains in Europe (5.14% gross), Americas (3.56% gross), while Asia-Pacific was a detractor. Notable country winners included the UK, the USA and France. Conversely, exposure to China, Finland and Russia generated most of the losses suffered during the quarter.

Over the same period, the Fund generated the greatest returns by sector in Retailing, Banks and Capital Goods. Positions in Auto & Components, Transportation and Tech Hardware & Equipment most heavily detracted from performance.

Looking at the return attribution by factor, Idiosyncratic contributed the most (5.69% gross), followed by Industry (1.93% gross) and Market (1.10% gross).

The Alpha Regime Indicators (ARI's) oscillated down between 2 and 4 across all regions in Q2 after peaking to 5 throughout March in all regions except Asia where it peaked at 4.

As at 30 June 2020, the gross market exposure of the Fund stood at 299.03% (an increase from the end of Q1 2020). The end of June net market exposure stood at +1.89%.

During Q2 2020, the Fund remained highly diversified and liquid, with 99% of investments able to be liquidated in a single trading day (based on trading 1/3 of the average daily volume).

Since the inception of share class B USD, correlation with the equity market\*\* has been minimal at just 0.01. The Fund\* has returned +58.00% net overall since the inception of this share class, and has significantly outperformed its peers over the period. The HFRX Equity Market Neutral Index has fallen – 10.56% over the same period.

### Monthly Market Review

Global equity markets rose in June, with MSCI AC World returning +2.86% (NDLEACWF). Market gains were led by the year-to-date underperformers as Emerging Markets (+6.63%, NDLEEGF) and European equities (+3.23%, NDDLE15) outperformed US equities (+2.24%, NDDUUS).

Whilst equity markets closed the month higher, June was another month of elevated volatility as a number of competing forces hit markets.

The first couple of weeks of the month saw the incoming global economic data improving materially, beating consensus expectations. In the US, the Manufacturing ISM rose for the first time since January, whilst the May NFP jobs data delivered a huge beat vs consensus, with the US economy adding ~2.5mn jobs in May vs consensus expectations of –5mn of job losses (NFP TCH Index). The data improvement was not limited to the US, with for example PMIs improving in Europe and

\* Share Class B Acc. USD (inception date: 11 June 2009)

\*\* As measured by the MSCI AC World Daily TR Net Local Index



**For institutional investors only**

The views put forward in the below commentary are the views of the Investment Manager, by Marshall Wace LLP.

China as well.

In addition, the first half of June saw further central bank easing. On June 4th the ECB announced a €600bn increase in their Pandemic Emergency QE Purchase Program, whilst on June 10th Fed Chair Powell said that the central bank was likely to keep rates low for a long period.

The strength of the data improvement, much of which came out in the first couple of weeks of the month, combined with ongoing dovish central bank policy to drive a sharp move higher in equity markets in the first two weeks of the month.

These broad early month gains were materially reduced on June 11th when MSCI AC World fell – 4.56% as the virus data in the US began to show

tentative signs of rising virus case numbers in a number of US states, including Texas and Florida. By the end of the month, over 60% of US states were seeing rising new case numbers, presenting a material headwind to global equities as concerns grew that the US economy would be unable to sustain the gains seen in May and early June.

This mixture of better than expected economic data with rising US virus fears was reflected at the equity market factor and sector level in June. US equity indices underperformed global peers, whilst within MSCI AC World market gains were led by both cyclicals, including Materials and Financials, and Tech, whilst the defensive Utility sector was a clear underperformer.

**H1 2020 Performance Review**

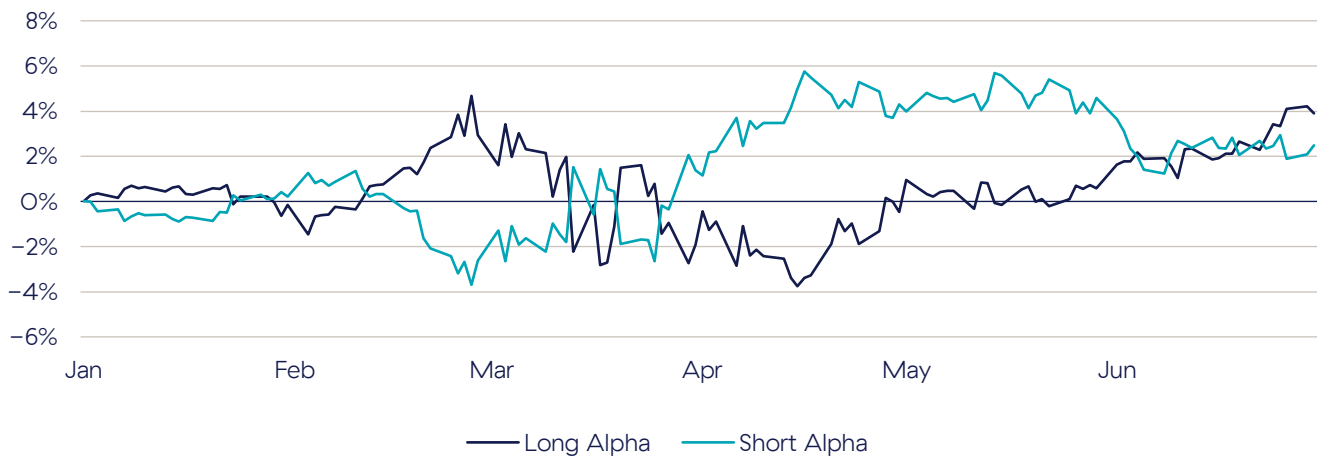
As in previous updates, in response to client requests, we report below our standard attribution charts.

**Table 1: Lumyna – Marshall Wace TOPS (Market Neutral) UCITS Fund and Index Performance Metrics**

Period	Gross Alpha	B USD Net Return	Volatility	Sharpe Ratio	BM Return	BM Volatility
3m	7.03%	7.89%	5.72%	NA	18.27%	24.72%
6m	5.26%	4.07%	6.52%	NA	-5.34%	35.57%
12m	4.75%	3.50%	5.37%	0.41	3.10%	25.92%
36m	10.69%	6.63%	4.32%	0.06	21.26%	17.10%
Since Inception	115.46%	58.00%	3.21%	1.04	182.17%	13.78%

Source: Marshall Wace LLP. Figures based upon daily estimated data. Benchmark is defined as the MSCI AC World Daily TR Net Local Index (NDLEACWF).

**Chart 1: Lumyna – Marshall Wace TOPS (Market Neutral) UCITS Fund – Gross Long and Short Alpha (% of NAV) – H1 2020**



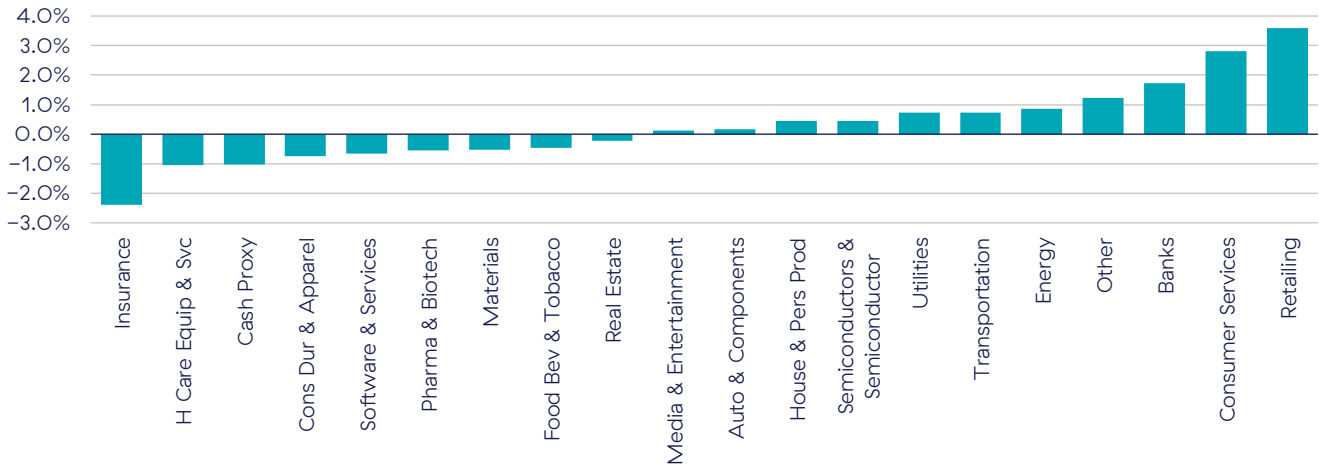
Source: Marshall Wace LLP



For institutional investors only

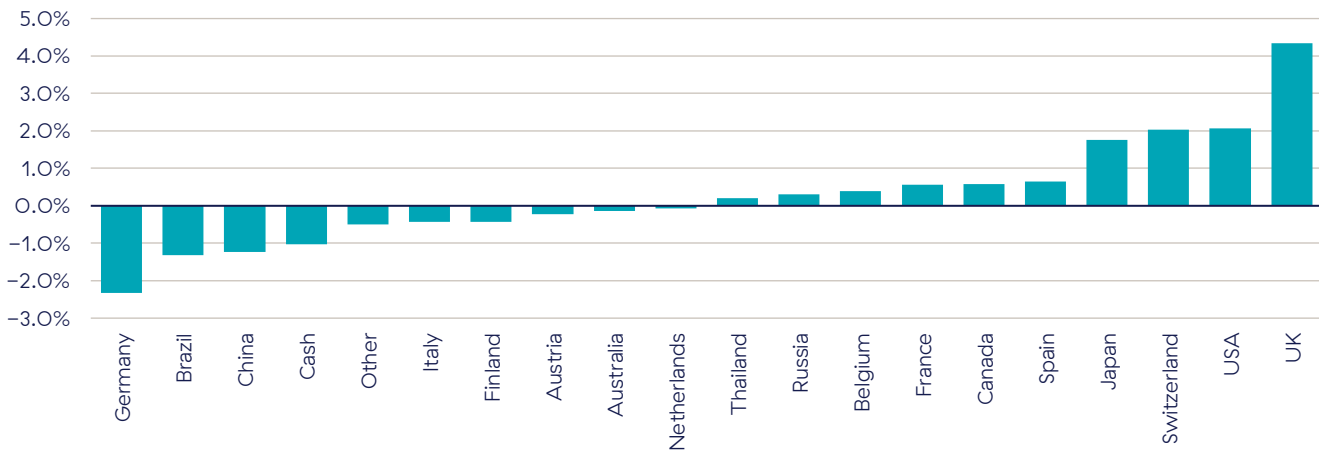
The views put forward in the below commentary are the views of the Investment Manager, by Marshall Wace LLP.

Chart 2: Lumyna – Marshall Wace TOPS (Market Neutral) UCITS Fund – Industry Group Gross Attribution (% of NAV) – H1 2020



Source: Marshall Wace LLP

Chart 3: Lumyna – Marshall Wace TOPS (Market Neutral) UCITS Fund – Country Gross Attribution (% of NAV) – H1 2020



Source: Marshall Wace LLP

Table 2: Lumyna – Marshall Wace TOPS (Market Neutral) UCITS Fund – Regional Gross Attribution (% of NAV) – H1 2020

Region	Gross Attribution
Europe	3.97%
Americas	1.29%
Asia-Pacific	0.13%
Other	-0.16%
<b>Total</b>	<b>5.23%</b>

Source: Marshall Wace LLP

**Notes:**

All attribution and exposure data is estimated by Marshall Wace LLP and may differ from data subsequently provided by Lumyna Investments Limited. Attribution figures are presented before investment management and performance fees, certain financing costs and benefits, trading and administration fees and include the reinvestment of all income.



## Important Disclosures

This marketing communication is issued and approved by Lumyna Investments Ltd. (“Lumyna”). Lumyna is authorised and regulated by the Financial Conduct Authority.

This communication is not for distribution to the public or a large number of persons, but is personal to named recipients. All recipients are (a) persons who have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (b) high net worth entities, and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(1) of the Order (all such persons together being referred to as “relevant persons”). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is only available to relevant persons and will be engaged in only with relevant persons. The U.K. compensation scheme and rules for the protection of eligible claimants do not apply to the services provided or products sold by non-U.K. regulated affiliates.

Where a service and/or information is provided by way of an electronic medium such as a website or email (“e-commerce activity”), the following details are hereby disclosed to the recipients of an e-commerce activity provided by Lumyna.

The material in this marketing communication is not investment research or a research recommendation as defined by the rules of the Financial Conduct Authority and has accordingly not been prepared in accordance with any legal requirements designed to promote the independence of investment research nor is it subject to any dealing prohibition on dealing ahead of the dissemination of investment research. This material has been compiled by Lumyna and marketing personnel from various sources. To the extent that the information in this communication reflects the views of Lumyna, this information and views expressed are subject to change without notice to you. Although the information set out in this marketing communication is obtained from sources believed to be reliable, neither Generali nor Lumyna guarantees its accuracy or completeness. This information is for discussion purposes and neither the information nor any opinions expressed constitutes a solicitation by us for the purchase or sale of any securities or other financial instruments.

The information in this marketing communication does not constitute an offer, solicitation or recommendation for the purchase or sale of any securities or other financial instruments. It does not constitute an intention to market any other product, including any other investment fund, nor does it constitute advice of any kind, whether in relation to legal, compliance, accounting, regulatory matters or otherwise, a personal recommendation (as defined by the rules of the Financial Conduct Authority) or otherwise or an expression of our view as to whether a particular financial product is suitable or appropriate for you and meets your financial or any other objectives. This information is not based on the particular circumstances of any named recipient.

The information herein was obtained from various sources including the investment manager of the UCITS Fund. Lumyna have not verified this information and do not guarantee its accuracy or completeness.

Any description involving investment process, goals or risk management techniques are provided for illustration purposes only, will not apply in all situations, may not be fully indicative of any present or future investments and may be changed in the discretion of the investment manager. No representation is made that any strategy’s investment process, goals or risk management techniques will or are likely to be achieved or successful.

**Investors should note that the Fund is authorised to invest up to 100% of its net assets in transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities, by another OECD Member State, or by public international organisations in which one or more EU Member States are members.**

Where the information herein relates to legislative initiatives, it represents a non-exhaustive summary of Lumyna’s current understanding of the legislation and the proposed timeframes as at the date of this publication, which is subject to change pending further clarification of the rules through the legislative rule making and implementation processes in the relevant jurisdiction. This information is for your private information and is for discussion purposes only. A variety of market factors and assumptions may affect this analysis, and this analysis does not reflect all possible loss scenarios. Some products may place your capital at risk; yield figures quoted may not display all the short and long term prospects for the investment. There is no certainty that the parameters and assumptions used in this analysis can be duplicated with actual trades. Any historical exchange rates, interest rates or other reference rates or prices which appear above are not necessarily indicative of future exchange rates, interest rates, or other reference rates or prices. Neither the information, recommendations or opinions expressed herein constitutes an offer to buy or sell any securities, futures, options, or investment products. Foreign currency denominated investments is subject to fluctuations in exchange rates that could have a positive or adverse effect on the investor’s return. Unless otherwise stated, any pricing information in this message is indicative only, is subject to change and is not an offer to deal. Some investments or services may have complex charging structures and the firm may receive more than one element of remuneration. Where relevant, the price quoted is exclusive of tax and delivery costs. Any reference to the terms of executed transactions should be treated



as preliminary and subject to our written confirmation. You should discuss with your professional legal, accounting or other adviser how it may affect you.

Investment products offered by investment banking affiliates may lose value and are not bank guaranteed.

Generali and/or its affiliates may have a position and/or trade for their own accounts as odd-lot dealer, market maker, block positioner, specialist, liquidity maker and/or arbitrageur in any securities of issuers mentioned herein or in related investments and also may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any issuer mentioned herein.

This material is not to be distributed to, nor to be read by, retail clients. If the reader of this message is not the intended recipient you are hereby notified that any dissemination, distribution, copying, or other use of this transmission is strictly prohibited.

**SELLING RESTRICTIONS:**

The Fund may only be offered and distributed to investors in accordance with all relevant local laws and regulations. The distribution of this presentation and the offering or purchase of Shares may be restricted in certain jurisdictions. It is the responsibility of any persons in possession of this document and any persons wishing to subscribe for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for the Fund should inform themselves as to the legal requirements of so applying, and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile. The tax implications of investing in the Fund will depend on individual financial circumstances and the investor's country of residence. Applications to invest in the Fund must only be made on the basis of the Prospectus and subscription documentation. Before any subscription, it is recommended that you read carefully the most recent Prospectus and review the latest financial reports published by Lumyna.

**France:**

The key investor information document, Prospectus, articles and latest annual and half-yearly reports are freely available upon request from Société Générale 29, boulevard Haussmann, 75009 Paris, the centralising agent of the Company in France. The Prospectus, the articles and the latest annual and half-yearly reports are only available in English. The information below is for general guidance only and further information is available in the Prospectus.

**Luxembourg:**

The Fund is being registered for public distribution in Luxembourg.

The Fund may be registered for public distribution in other jurisdictions in the future. For an up-to-date list of those jurisdictions contact your distributor.

**United States:**

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any U.S. Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws. The Fund has not been and will not be registered in the U.S. There has not been and will not be a public offering of the Shares in the United States.

**INVESTMENT RISKS:**

Investment in the Fund carries substantial risk. There can be no assurance that the investment objectives of the Fund will be achieved and investment results may vary substantially over time. Investment in the Fund is not intended to be a complete investment programme for any investor. Investment in the Fund is intended for experienced investors who are able to understand and accept the risks involved.

A prospective investor should appreciate that the value of any investment, and any income from any investment, may go down as well as up and that an investor's capital is at risk and the investor may not receive back the amount invested. Past performance is not necessarily indicative of future results.

Persons considering investing in the Fund should have regard to, among other matters, the considerations described under the heading "RISK FACTORS" in this Prospectus and the statements set out under the heading "RISK PROFILE" and "SPECIFIC RISK WARNINGS" in the relevant Supplement.

**NOTICE TO INVESTORS IN HONG KONG:**

**Warning**

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This communication has not been registered by the Registrar of Companies in Hong Kong. The Sub-Fund is a collective



investment scheme as defined in the Securities and Futures Ordinance of Hong Kong (the “Ordinance”) but has not been authorised by the Securities and Futures Commission pursuant to the Ordinance. Accordingly, the Shares may only be offered or sold in Hong Kong to persons who are “professional investors” as defined in the Ordinance and any rules made under the Ordinance or in circumstances which are permitted under the Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong and the Ordinance. In addition, this communication may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and the Shares may not be disposed of to any person unless such person is outside Hong Kong, such person is a “professional investor” as defined in the Ordinance and any rules made under the Ordinance or as otherwise may be permitted by the Ordinance.

**NOTICE TO INVESTORS IN SINGAPORE:**

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor pursuant to Section 304 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) or (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

**NOTICE TO INVESTORS IN SWITZERLAND:**

Société Générale, Paris, Zweigniederlassung Zürich, is the representative and the paying agent for Switzerland. The prospectus and KIIDs, the articles of association, together with the annual and semi-annual reports may be obtained free of charge at the representative’s offices, 50, Talacker, 8011 Zürich, Switzerland. In respect of the Shares distributed in Switzerland, the place of performance and jurisdiction is at the registered office of the Representative in Switzerland. Home Jurisdiction of the Sub-Fund: Luxembourg.

**NOTICE TO INVESTORS IN JERSEY:**

The following selling restriction wording applies when the offer is a “valid offer” under either UK or Guernsey financial services law:

Consent under the Control of Borrowing (Jersey) Order 1958 (the “COBO Order”) has not been obtained for the circulation of this document. Accordingly, the offer that is the subject of this document may only be made in Jersey where the offer is valid in the United Kingdom or Guernsey and is circulated in Jersey only to persons similar to those to whom, and in a manner similar to that in which, it is for the time being circulated in the United Kingdom or Guernsey as the case may be. The Directors may, but are not obliged to, apply for such consent in the future.

**NOTICE TO INVESTORS IN GUERNSEY:**

This communication is only being, and may only be, made available in or from within the Bailiwick of Guernsey and the provision of this communication is only being, and may only be, made in or from within the Bailiwick of Guernsey:

- (i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended); or
- (ii) to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended), the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (as amended) or the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 (as amended).

The Fund referred to in this communication is not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs (i) and (ii) and must not be relied upon by any person unless made or received in accordance with such paragraphs.

**NOTICE TO INVESTORS IN THE ISLE OF MAN:**

The Fund is not subject to any form of regulation or approval in the Isle of Man. This document has not been registered or approved for distribution in the Isle of Man and may only be distributed in or into the Isle of Man by a person permitted under Isle of Man law to do so and in accordance with the Isle of Man Collective Investment Schemes Act 2008 and regulations made thereunder. The participants in the Fund are not protected by any statutory compensation scheme.