

# ZEST DERIVATIVES ALLOCATION

29 April 2022

## Fund Goal and Strategy

Zest Derivatives Allocation Fund aims to achieve an absolute return managing dynamically the total portfolio risk. In order to reach the performance objective the Management Team searches investment opportunities mainly in the bond and equity markets by assuming strategic tactical and relative value positions. Special emphasis is dedicated to options strategies to reduce market risks.

The flexible fund management is aiming at the reduction of the fund volatility and the achievement of a performance with the maximum decorrelation through a dynamic management of market exposure.

## Features of the Sub Fund

Unit Name	Derivatives Allocation
Strategy	Flexible
Domicile	Luxembourg
Auditor	KPMG Audit
Currency	EUR
Inception Date	19.05.2015
AUM Mio.(29.04.2022)	€ 30.87
NAV frequency:	daily

## NAV and Fees (class R1)

NAV (29.04.2022)	€ 1'087.91
Maximum Subscription Fee	up to 3.00%
Management Fee	1.20%
ISIN Code	LU1216085701
Bloomberg Code	ZDEALR1 LX
Telekurs Code	27717069
Minimal initial investment	€ 10'000
Next Subscriptions	€ 1'000
Redemption Fee	-
Ongoing Fees	1,68%

## Performance Fees

All Classes	10%
High Water Mark	Yes continuous



Past Performance is not a guide to future performance.

Source: Guardian

**THE FUND :** Zest Derivatives Allocation Fund is a flexible fund, set up according to UCITS V rules, with a top/down approach. It can invest in global equity markets, fixed income market as well as FX market with a strong emphasis on options strategies for risk management.

**THE STRATEGY :** the fund strategy is to search investment opportunities mainly in the bond and equity markets assuming strategic, tactical and relative value positions. The flexible fund management is aiming at the reduction of the fund volatility and the achievement of a performance with the maximum decorrelation through a dynamic management of market exposure.

**RISK MANAGEMENT :** The portfolio risk control function assures that every Fund asset allocation modification continues to maintain the VaR within the stated limit. If non-linear instruments are utilized (options etc.), the MVaR (modified VaR) is applied, in order to account for the non-normality of returns distribution, to further improve the Fund risk/return trade off.

**MAIN RISKS:** DERIVATIVES RISK Certain derivatives could increase Sub-Fund volatility or expose the Sub Fund to losses greater than the cost of the derivative. **MANAGEMENT RISK:** Portfolio management techniques that have worked well in normal market conditions could prove ineffective or detrimental during unusual conditions. **LIQUIDITY RISK:** Certain securities could become hard to value, or to sell at a desired time and price.

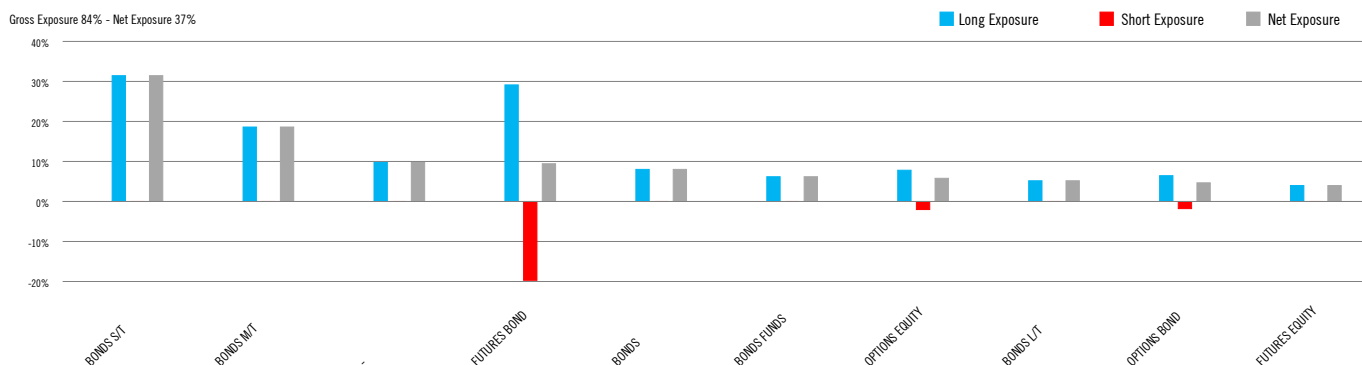
**PERFORMANCE DISCLAIMER :** The performance data does not take into account of the commissions and costs incurred on the issue and redemption of units. The value of investments and any income is not guaranteed and can go down as well as up and may be affected by exchange rate fluctuations. This means that an investor may not get back the amount invested.

FUND	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2016	-1.45	-1.87	2.27	0.92	0.57	-1.59	0.73	0.99	-0.43	1.21	0.79	0.53	2.62
2017	0.33	-0.08	-0.26	0.22	0.31	-0.08	0.85	0.00	0.60	1.03	-0.29	0.15	2.82
2018	1.57	-0.46	-0.98	2.52	-1.50	-0.20	1.66	-1.06	1.21	-2.50	-0.35	-4.26	-4.47
2019	4.28	0.76	-0.09	-0.99	1.70	-0.46	0.80	-0.51	1.52	0.19	-0.05	0.18	7.45
2020	-0.87	-2.09	-6.72	1.53	0.11	0.26	2.16	2.63	-1.29	0.18	2.88	0.72	-0.88
2021	0.38	0.68	0.55	-0.11	0.21	0.12	-1.55	0.62	0.21	0.99	-0.57	0.47	2.01
2022	-0.35	-0.80	0.50	-0.43									-1.08

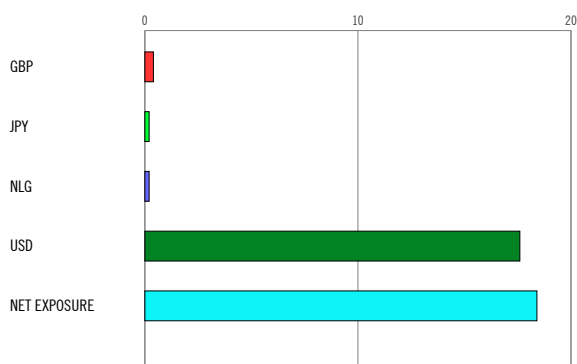
Data pro forma Class R

### MARKET EXPOSURE

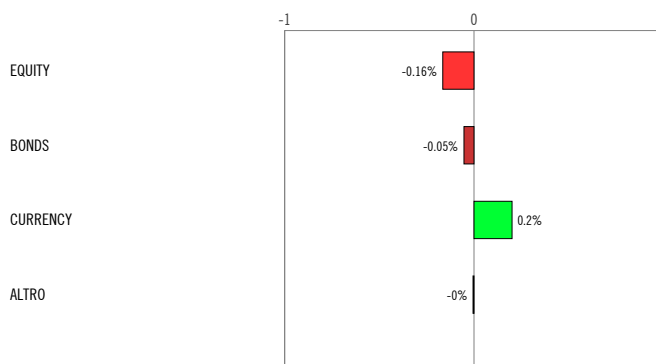
Gross Exposure 84% - Net Exposure 37%



### CURRENCY EXPOSURE (%)



### GROSS PERFORMANCE CONTRIBUTION (%) FROM 22.04.2022 TO 29.04.2022



Source: Guardian

### TOP 10 POSITIONS

US 2YR NOTE (CBT) JUN22 - USD	29.1%
EURO FX CURR FUT JUN22 - USD	9.8%
US TREASURY N/B 0.5% 28.02.26 - USD	7.0%
ISHARES EURO CORP 1-5YR - EUR	6.2%
CCTS EU TV 0.279% 15.09.25 - EUR	5.5%
BUONI POLIENNALI DEL TES 9% 01.11.23 - EUR	3.8%
BANCO BILBAO VIZCAYA ARG TV 5.875% - EUR	3.3%
CCTS EU TV 15.12.22 - EUR	3.3%
MSCI EMGMKT JUN22 - USD	2.9%
BUONI POLIENNALI DEL TES 0.4% 11.04.24 - EUR	2.7%

### STATISTICS

ANNUALIZED STANDARD DEVIATION (volatility)	3.9
MONTHLY SKEWNESS	-0.1
MONTHLY EXCESS KURTOSIS	1.8
SHARPE RATIO (1 month Euribor)	1.3
MAXIMUM DRAWDOWN	-9.7
MONTHLY VaR 99% ex post	2.6
MONTHLY VaR 99% ex ante	2.6

### \*VaR (Value at Risk)

VaR is a statistical measure derived from the volatility of the time series of returns of various asset classes. **Monthly VaR 99% = 5** means that the fund can only be invested in instruments with volatility and correlation such as at any time it cannot be expected statistically and under normal market conditions to underperform the target of more than 5% in the following month with a 99% probability.

Asset allocation and fx exposure are relative to the date of publishing the fact sheet and they are only spot information. Portfolio VaR is computed on the basis of the above allocation together with the statistical features of the selected investment tools.

This is a marketing communication. Please refer to the prospectus and information document of the fund before making any final investment decisions. You will find the Prospectus and the information document on the dedicated website ([www.zest-funds.com](http://www.zest-funds.com)) in the relevant sections. You will find the KIID translated in all the languages where the SICAV and each sub-fund is registered and distributed.

### RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Lower potential risk/reward Not risk-free.				Higher potential risk/reward		

### ZEST ASSET MANAGEMENT INFORMATION

Management Company	Fund Partner Solutions S.A.
Investment Manager	Zest S.A.
Fund Manager	Pasquale Corvino
Custodian Bank	Pictet & Cie (Europe) S.A.
Platforms	Allfunds/Fundstore/Online Sim
Paying Agent	BNP Paribas/AllFunds Bank
Website	<a href="http://www.zest-management.com">www.zest-management.com</a>
Email	<a href="mailto:info@zest-management.com">info@zest-management.com</a>

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