

Price as at 10/31/2018 1,198.72 USD

Total AUM: 6,287,380 USD

# ASG Global Allocation Fund

October 2018

## Portfolio managers commentary

This month saw worst 'rout' in equity markets since October 2008. On the 'Blame Radar' were the usual suspects: trade barriers, European 'weak links' (Italy and Brexit), interest rate increases, as well as emerging market indebtedness in US Dollars.

Unlike 2008, Central Banks are now fully implicated in the international financial framework. It is mostly through their actions we have experienced the past build up in asset prices as well as the present-day correction. Today's volatile environment is unlikely to be allowed to deteriorate to any significant extent without them considering intervening once again. After all, it has been their objective to stabilize dysfunctional markets since 2008. Recent comments by the PBOC of China and the ECB in Europe confirm no fundamental change on their part in the support of their local markets.

This month's climate of uncertainty for investors weighed negatively on all asset classes including the subordinated investment space. ASG has pursued its reallocation strategy, by redeploying the proceeds of maturing bonds onto new assets with higher yield levels. We expect 'yield hungry' investors to return to the subordinated investment space for the relative high yield these instruments provide (currently between 6% and 8% per annum), once market volatility settles down.

## Investment strategy

The fund's objective is to achieve Income and long-term capital gains through a strategic allocation of its assets in a global diversified income-generating portfolio. The fund invests in Senior Bonds, Junior and Senior Subordinated Debts, Hybrids, Preferred Securities and Contingent Convertible Bonds.

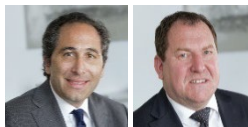
Through our dynamic and action investment approach, ASG strategically invests in investment companies with strong balance sheets and sustainable earnings patterns that we believe they will reach a performance over and above an equivalent static portfolio.

In addition, the investment advisor uses a flexible allocation method to achieve consistent risk adjusted returns.

Currency Hedging may be employed to protect against foreign exchange risk.

## Fund details

Fund type	Segregated Account of Emerging Manager Platform Ltd in Bermuda
ISIN code	BMG3032V1182
Fund advised by	ASG Capital LLC
Management company	Emerging Asset Management Ltd
Inception date	May, 1 <sup>st</sup> 2009*
Valuation	Monthly
Investment advisor's management fee	1.9% per annum
Minimum investment	10,000.00 USD
Redemption	Monthly, Ten business days notice
Subscription fee	Up to 3.00% Max
Assignment	Capitalization
Administrator	Apex Fund Services Ltd
Auditors	Deloitte
Custodian	Northern Trust Bank
Recommended length of investment	3 to 5 years



ASG Capital  
Investment Managers  
Ygal Cohen  
Steven Groslin



**ASG CAPITAL**  
ASSET MANAGEMENT

## Performances and statistics

Fund performance at 10/31/2018	Oct-18	YTD 2018	Since Inception*
ASG Global Allocation Fund USD	-0.97%	-4.53%	21.05%

Historic yearly performance	2009	2010	2011	2012	2013	2014	2015	2016	2017
ASG Global Allocation Fund USD	8.13%	-1.33%	-11.29%	8.36%	7.74%	1.12%	-2.71%	5.93%	8.28%

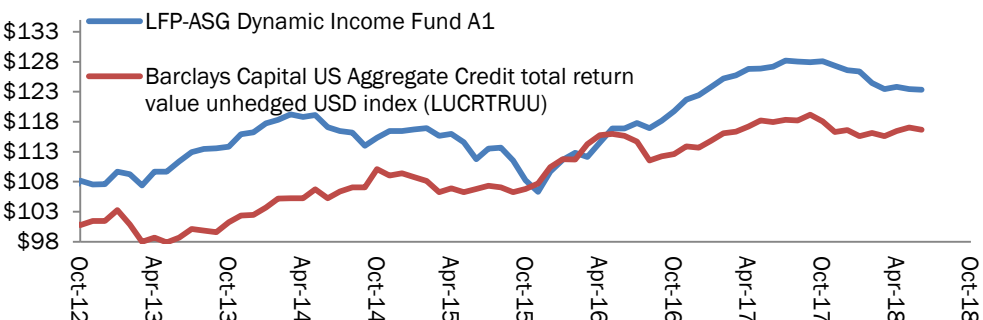
## Bond portfolio statistics

Average yield (Portfolio): 6.22%

Average rating (S&P): BBB

Annual Standard Deviation: 1.10%

Average adjusted duration: 2.46 years



## Current holdings

LFPartners - ASG Dynamic Income Fund (UCITS IV Fund) - 0% Management fees share class B1 (ISIN: LU1107613330)

## Portfolio structure

Top 10 holdings	% NAV
JP Morgan	2.72%
AG Assurance	2.20%
EDF	2.22%
MetLife	2.22%
HSBC	2.19%
Santander	2.16%
Rabobk	2.09%
BNP	1.98%
Man Group	1.94%
GE	1.78%

## Breakdown of holdings

Holdings representing more than 3%	0.00%
Holdings between 1 and 3%	74.17%
Holdings representing less than 1%	25.83%

## Breakdown by coupon structure

Fixe rate exposure	19.75%
Floater rate exposure	24.48%
Fixe to floater rate exposure	55.77%

## Breakdown by economic sector

Finance	55.21%
Insurance&Asset Management	21.63%
Mining&Commodities	9.61%
Utilities	6.15%
Industrial	4.13%
Telco	2.43%
Other	0.84%

## Breakdown by geographical sector

Europe Euro Zone	36.54%
Europe Non Euro Zone	24.66%
North America	23.49%
Australia	4.91%
Emerging Asia	4.52%
Emerging Latin America	3.28%
Emerging Africa	2.61%

## Breakdown by currency

USD	92.62%
EUR	6.63%
GBP	0.75%

NB. The currency risk is hedged.

## Issuer and Instrument ratings

AAA / AA	5.17%
A	10.08%
BBB	22.60%
BB	4.28%
B	0.00%
CCC / D	0.00%
n/r	2.97%

64.98% of the portfolio is in the A and BBB categories.

Legend: ■ Issuers, ■ Instruments

## Disclaimer

Performance quoted represent past performance and do not guarantee future results. Risk indicator as defined in the LFP-ASG Dynamic Income Fund KIIDS is 3 on a scale of 1 to 7. (1 being the lowest risk, 7 being the highest risk). Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance figures are net of fees.

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