

# Nectar Digital Wealth Investment Solution - Nectar Smart Private Debt

# Introducing Nectar Smart Private Debt



- 1 Attractive and uncorrelated investment solution
- 2 Diversified portfolio in the private debt / credit space with no duration risk
- 3 Attractive and stable return expectations with low volatility

# The Smart Private Debt Portfolio - EUR

Optimal portfolio construction with a focus on credit and private debt

## Portfolio Highlights

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- 1 Credit and private debt strategies in Euro (hedged)
- 2 Optimally diversified portfolio consisting of 9-12 positions
- 3 Low to no correlation to equities, bonds and traditional hedge funds

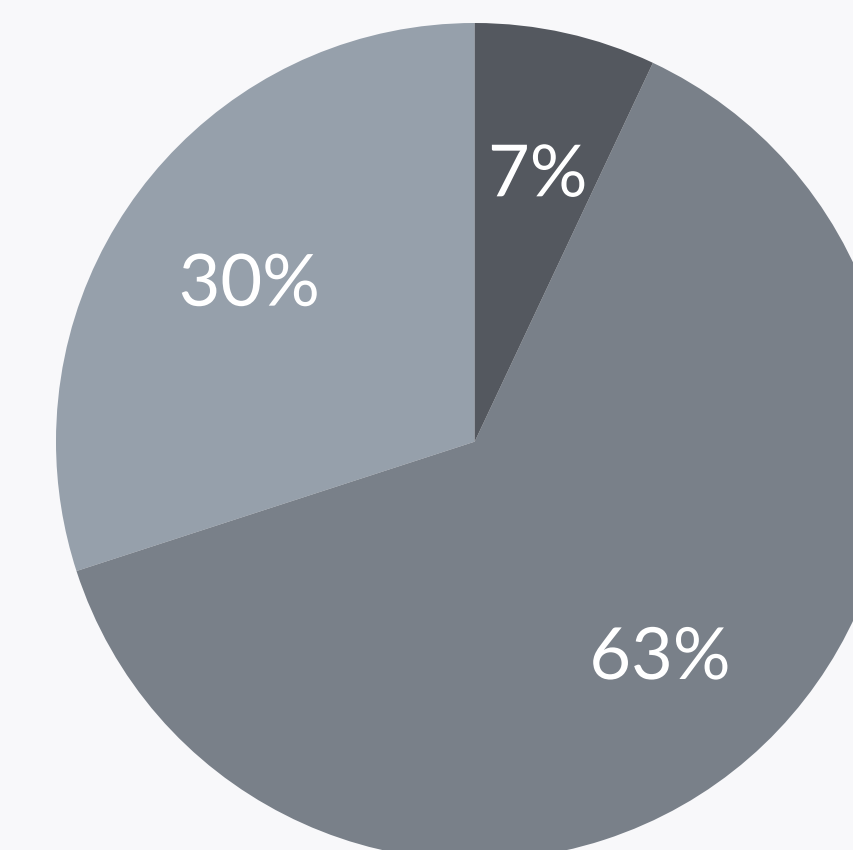
## Portfolio Holdings

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- Germany - Real Estate Lending
- United Kingdom - Real Estate Lending
- Global - Equity Leverage Financing
- Europe - Structured Credit / Collateralised Loans
- Global - Asset Backed Lending
- South Africa - Trade Finance
- Italy - Government Healthcare Receivables
- South Africa - Trade Finance
- Europe - Corporate Credit

## Portfolio Liquidity

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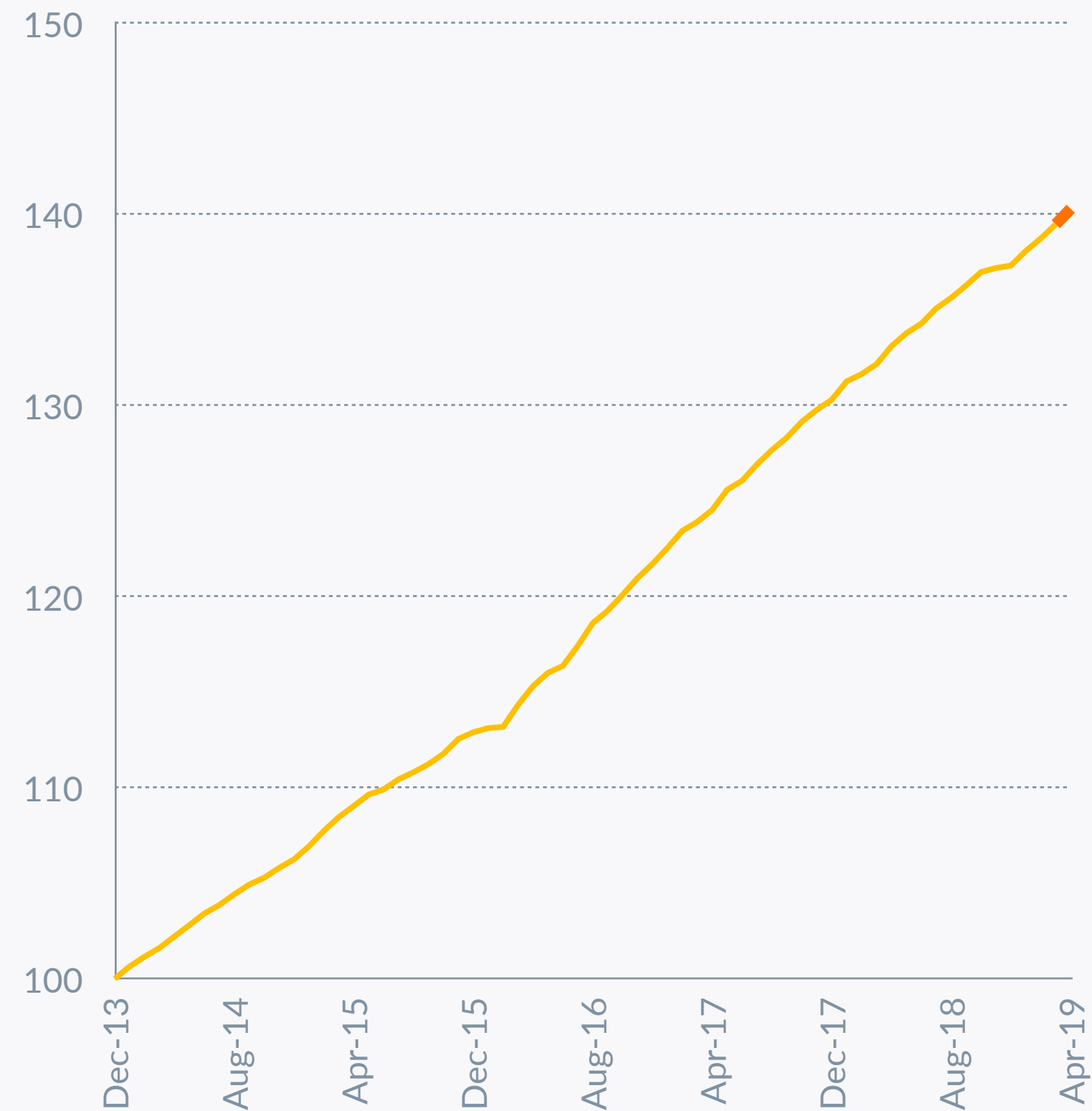


● Weekly	7%
● Monthly	63%
● Quarterly	30%

# The Smart Private Debt Portfolio - EUR



Past performance of indicative portfolio



## Historical Monthly Performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	0.64%	0.51%	0.45%	0.59%	0.58%	0.59%	0.42%	0.54%	0.49%	0.34%	0.49%	0.42%	6.24%
2015	0.64%	0.75%	0.67%	0.54%	0.55%	0.24%	0.49%	0.33%	0.38%	0.49%	0.70%	0.31%	6.26%
2016	0.20%	0.05%	1.01%	0.86%	0.61%	0.31%	0.91%	1.01%	0.56%	0.69%	0.73%	0.61%	7.80%
2017	0.68%	0.74%	0.39%	0.50%	0.85%	0.38%	0.68%	0.59%	0.51%	0.64%	0.48%	0.41%	7.06%
2018	0.74%	0.29%	0.40%	0.71%	0.51%	0.38%	0.59%	0.41%	0.48%	0.51%	0.16%	0.09%	5.39%
2019	0.56%	0.47%	0.54%	0.58%	-	-	-	-	-	-	-	-	2.26%

## Key Statistics

Annual Returns	6.53%
Annual Volatility	0.68%
Sharpe <sup>1</sup>	9.6x

The performance shown prior to April 2019 is simulated - net of fees. It is not indicative for future results.

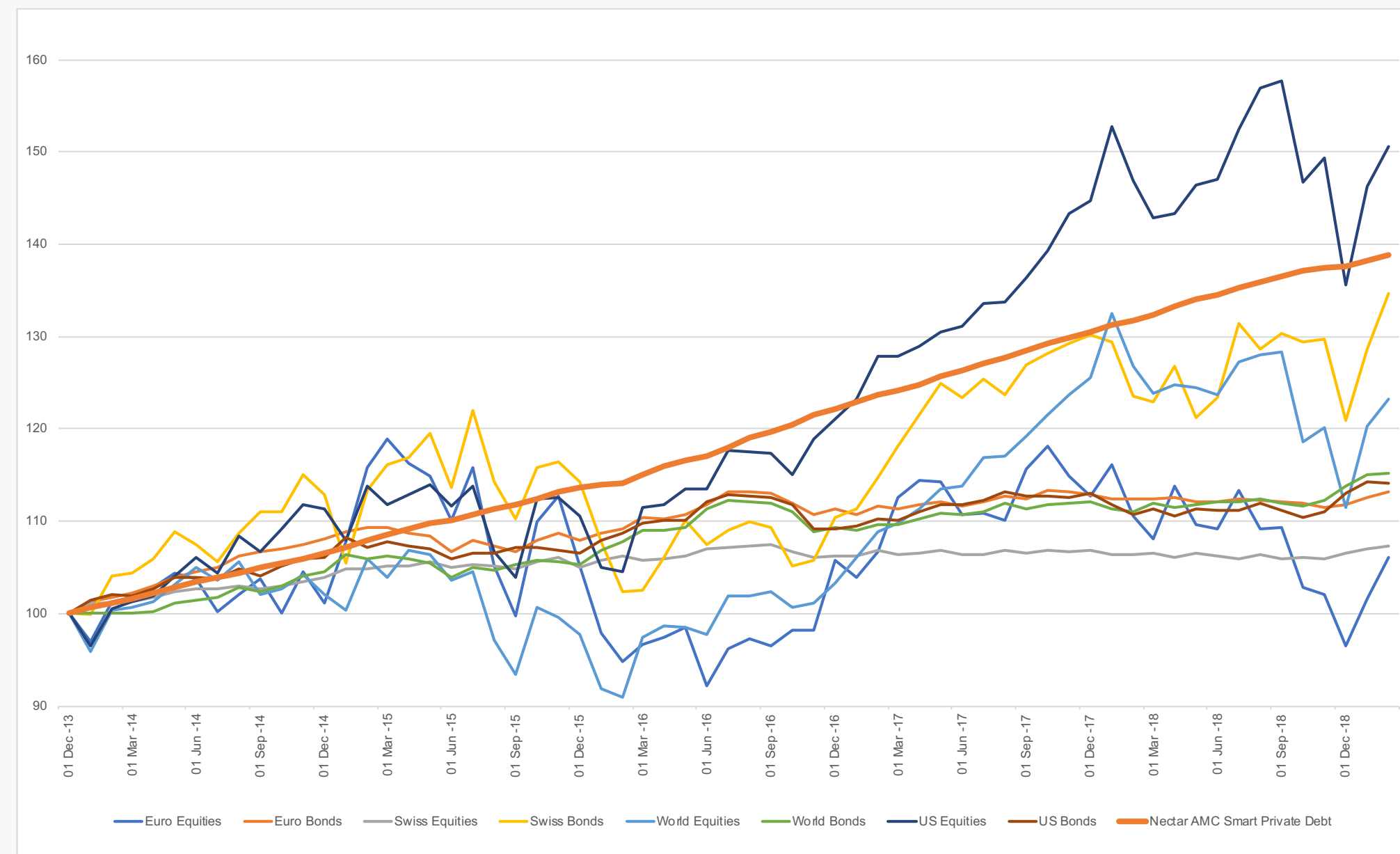
<sup>1</sup> Risk Free Rate 0%

# The Smart Private Debt Portfolio - EUR



Comparison of multiple asset classes versus simulated portfolio

## Historical Performance



## Historical Correlation Asset Classes

	Euro Equities	Euro Bonds	Swiss Equities	Swiss Bonds	World Equities	World Bonds	US Equities	US Bonds	Smart Private Debt
Euro Equities	1.00								
Euro Bonds	0.36	1.00							
Swiss Equities	0.06	0.69	1.00						
Swiss Bonds	0.72	0.31	-0.02	1.00					
World Equities	0.69	0.26	-0.04	0.66	1.00				
World Bonds	0.04	0.70	0.65	-0.06	0.04	1.00			
US Equities	0.63	0.25	-0.02	0.67	0.95	0.00	1.00		
US Bonds	-0.07	0.60	0.68	-0.13	-0.03	0.90	-0.09	1.00	
Smart Private Debt	0.39	0.09	-0.06	0.31	0.34	-0.24	0.32	-0.19	1.00

## Historical Correlation Portfolio Holdings

	Fund 1	Fund 2	Fund 3	Fund 4	Fund 5	Fund 6	Fund 7	Fund 8	Fund 9
Fund 1	1.00								
Fund 2	-0.21	1.00							
Fund 3	-0.30	0.20	1.00						
Fund 4	-0.31	-0.23	0.02	1.00					
Fund 5	-0.21	0.05	-0.14	0.41	1.00				
Fund 6	-0.03	-0.04	-0.14	0.03	0.24	1.00			
Fund 7	0.33	-0.43	-0.18	0.14	0.01	0.10	1.00		
Fund 8	0.30	-0.36	-0.30	0.04	0.05	-0.10	0.37	1.00	
Fund 9	-0.39	0.57	0.22	-0.05	0.12	0.12	-0.42	-0.64	1.00

simulated portfolio compared to different asset classes, in local currencies  
period 31.12.2014 to 30.04.2019

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# Key Risks



Through an investment into this Certificate you gain exposure to an actively managed portfolio consisting of globally diversified credit and private debt investments with a minimum investment of EUR 10'000. The following risks should be considered prior to an investment (please refer to the term sheet for a detailed risk declaration):

- ❗ **Product risk:** A potential investor should determine the suitability and appropriateness of such an investment in light of such investor's particular circumstances.
- ❗ **Performance risk:** Prospective investors should be prepared to sustain a partial or total loss of the amount of their investment.
- ❗ **Credit and private debt market risk:** Most of the underlying investments are not publicly traded and may not have any liquid secondary market.
- ❗ **Hedge fund specific risk:** Hedge funds are typically unregistered private investment partnerships, funds or pools. Hedge funds are not subject to the same regulatory requirements as mutual funds.
- ❗ **Liquidity risk:** Given the illiquid nature of the underlying investments, redemptions are only possible on a monthly basis with a 95 calendar-days pre-notice period. The Certificate may apply a gating provision if redemptions per calendar month surpass 15%.