



Nectar Smart Alternatives



Actively Managed Certificate on Nectar Smart Alternatives Strategy Portfolio

Performance Report

August 2020 - Final

Product Description

The Nectar Smart Alternatives - Actively Managed Certificate (AMC) provides access to digitally sourced alternative investment strategies using a revolutionary investment approach. Big data is the starting point and machine learning is used to find and assess unique investment pearls in a sea of data. Our digital process constantly evolves by adapting artificial intelligence (AI), latest academic research and decades of know how in the world of alternatives. Human oversight is built into the process with a thorough investment due diligence, outsourced operational due diligence and independent risk management.

The Nectar Smart Alternatives AMC is diversified with an array of return drivers with the objective to deliver true alpha and to enhance client's portfolio efficiency. The target volatility of this product is between 3% and 5% while expected returns are in the 6 to 12% range p.a.

Key Facts

Issuer	Bank Julius Baer & Co. Ltd., Guernsey Branch (Rating: Moody's A2)
Lead manager	Bank Julius Baer & Co. Ltd., Zürich
Investment advisor	Nectar Digital Wealth AG, Zürich
Swiss security number (Valor)	39403804
ISIN	CH0394038043
Total AUM, after flows	USD 9.3m

Top Holdings

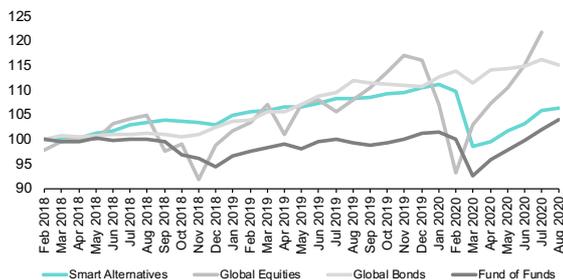
	Weight	Performance Mtd
UK Real Estate Lending	32%	0.7%
US LS EQ / Short Seller	21%	2.1%
Multi Strategy / Leverage Financing	15%	0.0%
Global Asset Backed Lending	12%	0.3%
Global Credit / Multi-strategy	9%	1.5%
USA LS EQ / Multi-Strategy / First Loss	8%	0.0%
EU Real Estate Lending	4%	0.6%

Performance

Price per certificate, final	USD	6'944
Month to date return		0.55%
Cumulative return since inception		6.44%
Cumulative return year to date		-3.60%
Annualized return since inception		2.53%
Annualized volatility since inception		7.25%

Key Statistics Portfolio vs Indices ⁽¹⁾	Portfolio	US Dollar Indices		
		Global Equities	Global Bonds	Fund of Funds
Annualised return	2.5%	8.2%	5.8%	1.6%
Annualised volatility	7.2%	17.0%	3.4%	6.7%
Sharpe ratio	0.35	0.48	1.69	0.24

Monthly Performance



Note: Current month is an estimated performance, previous months are final performance numbers

(1) Annualized returns and volatilities of current portfolio positions since March 1st 2018. Compared to global equities hedged into USD, global bonds hedged into USD, and a global fund of funds index. Risk free rate is 0%.

Differentiators

Innovative	Digital investment process based on big data and AI
Optimised	Unbiased and optimal composition of underlying strategies
Democratic	Technology enables access to institutional types of returns
Human	Human oversight of specialists with decades of experience

Strategy Allocation



Note: Graphics scale to 100%, excluding cash allocation, after monthly rebalancing

Liquidity Profile Sub-Funds



Liquidity and Fees

Secondary Market Subscriptions	Monthly 10 business days	
Secondary Market Redemptions	Monthly 35 calendar days	
Advisory fee		0.00%
Administration fee		0.50%
Performance fee		10%
Hurdle rate	1-year USD swap rate	
High Water Mark		Yes

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