

Investment Opportunity for Selected Partners.

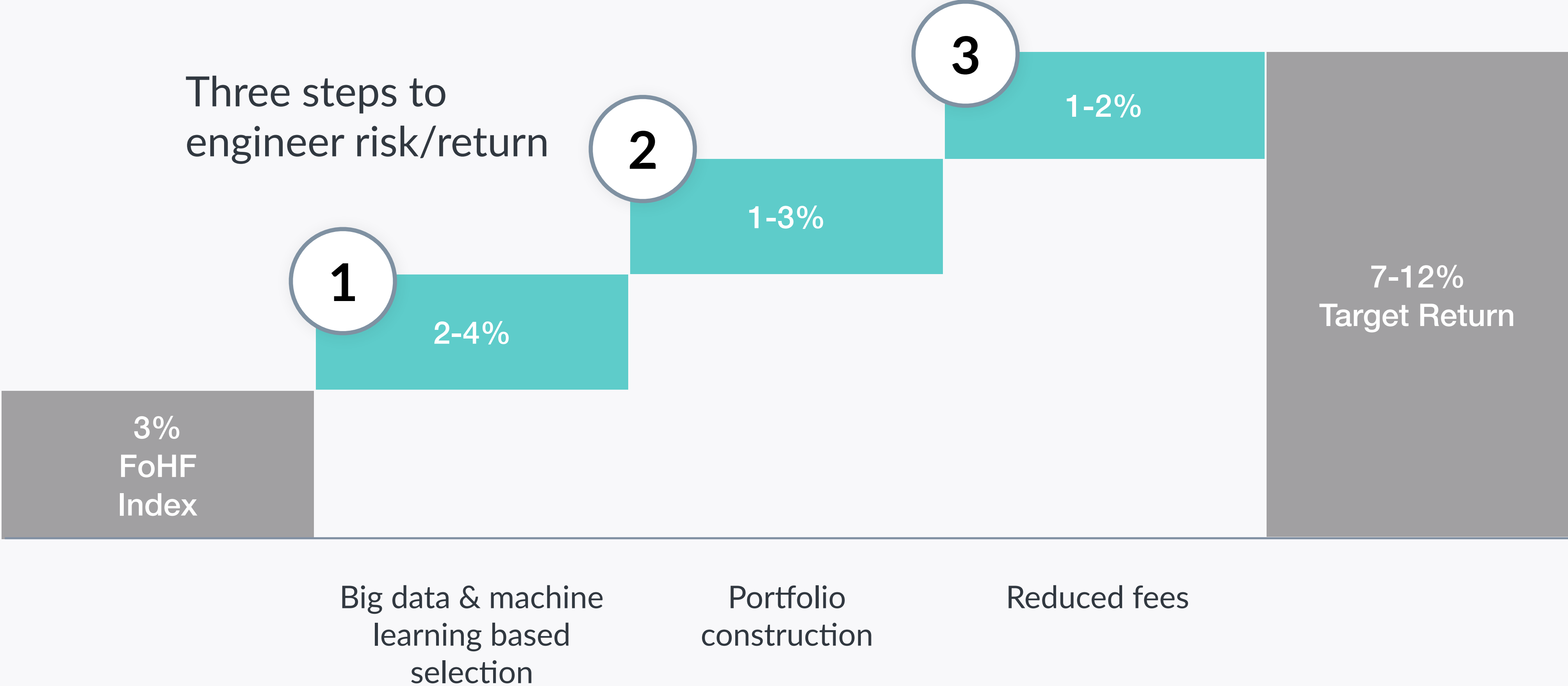
Sponsored by Nectar. Issued by Bank Julius Bär & Co Ltd.

Nectar Smart Alternatives

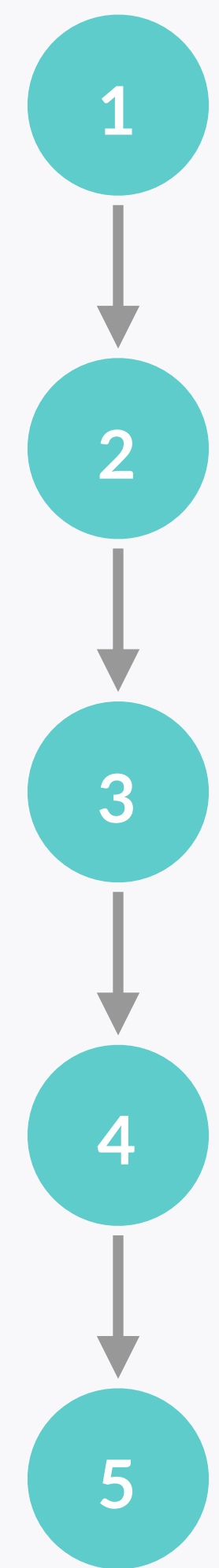
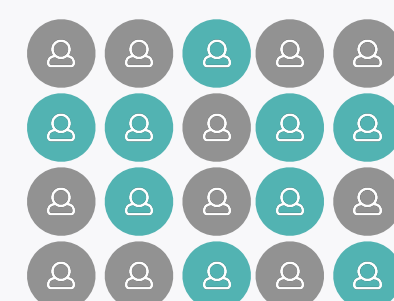
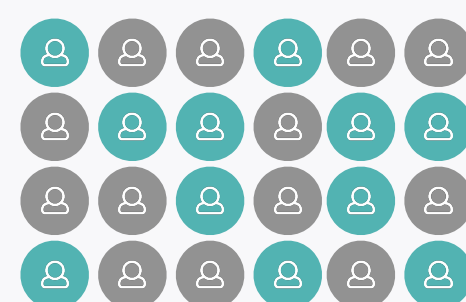
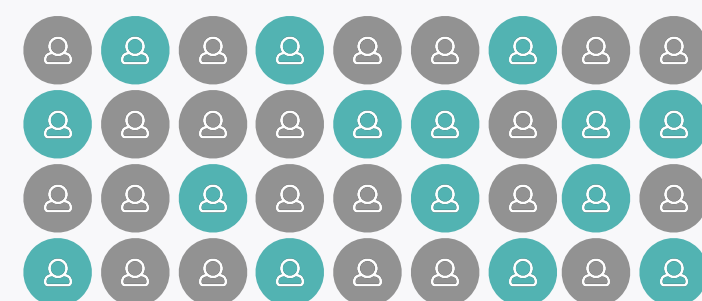
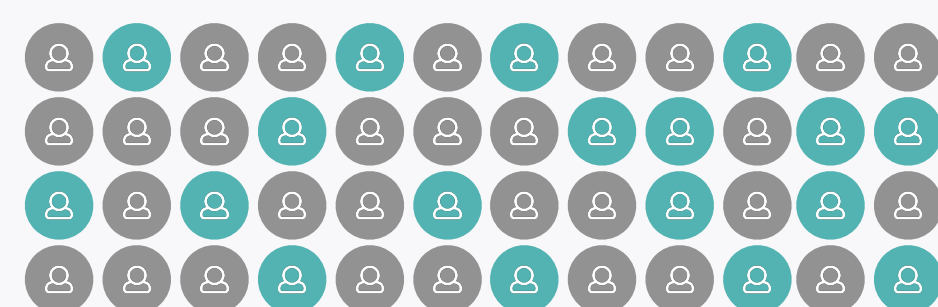
Three steps to Optimise Risk/Return



Extensive data analysis has shown that superior risk/returns can be engineered supported by **AI based technology**



Digital Investment Process



Digital instrument
sourcing using
crowd intelligence
>15'000 instruments

Peer group
assessment using
artificial intelligence
100-200 instruments

Automated single
instrument assessment
using multi-factor analysis
30-50 instruments

Smart algorithmic
portfolio construction
15-25 instruments

Due diligence and
human oversight
15-20 instruments

The Smart Alternatives Portfolio



Optimal portfolio construction and broad diversification without any bias

Portfolio Holdings

US LS EQ / Short Seller	10,0 %
USA LS EQ / Multi-Strategy / First Loss	9,9 %
Global Asset Backed Lending	9,9 %
UK Real Estate Lending	8,2 %
Asia Equity / Multi Strategy	7,7 %
Event Driven	7,3 %
Global Credit / Multi-strategy	6,9 %
UK LS EQ / Trading	6,2 %
EU Real Estate Lending	5,6 %
Global Corporate Credit	5,6 %
US LS EQ / Trading	5,3 %
EUR LS EQ / Systematic	3,8 %
US Volatility Arbitrage	3,4 %
Global Corporate Credit	3,1 %
US LS EQ / Trading	2,9 %
Europe Credit / Low Duration	2,5 %
US Volatility Arbitrage	1,9 %

Portfolio Highlights

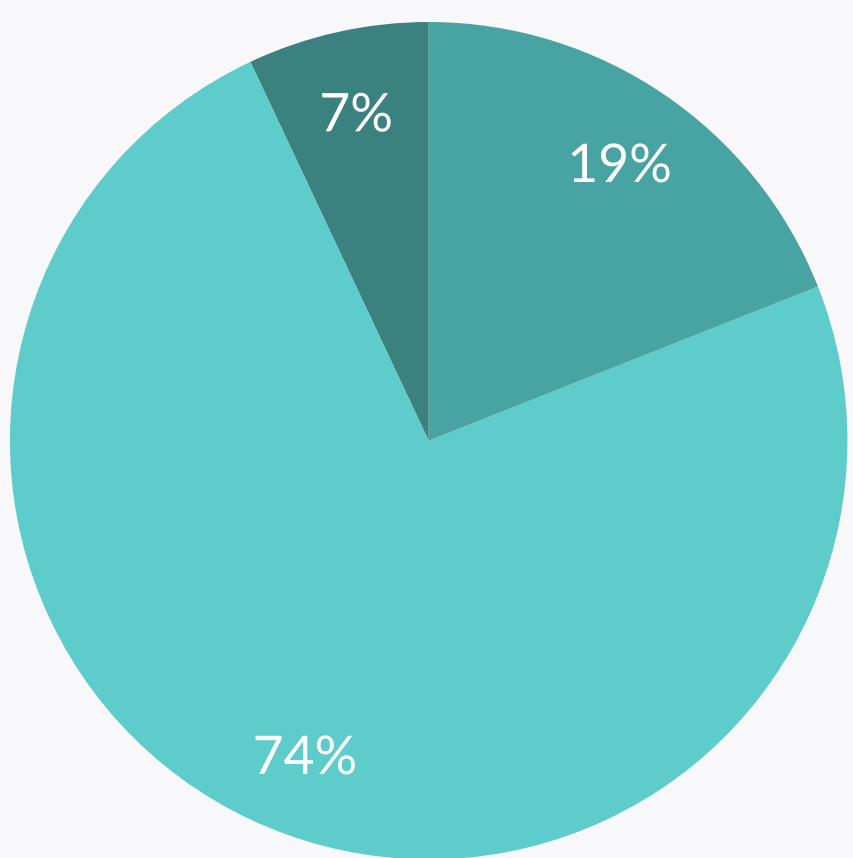
- 1

A data-driven array of return drivers and alpha free of hidden biases.
- 2

Optimally diversified and liquid, consisting of 15-20 positions.
- 3

Low correlation to equities, bonds and traditional hedge funds.

Portfolio Liquidity



- Daily/Weekly

19%
- Monthly

74%
- Quarterly

7%

Certificate liquidity

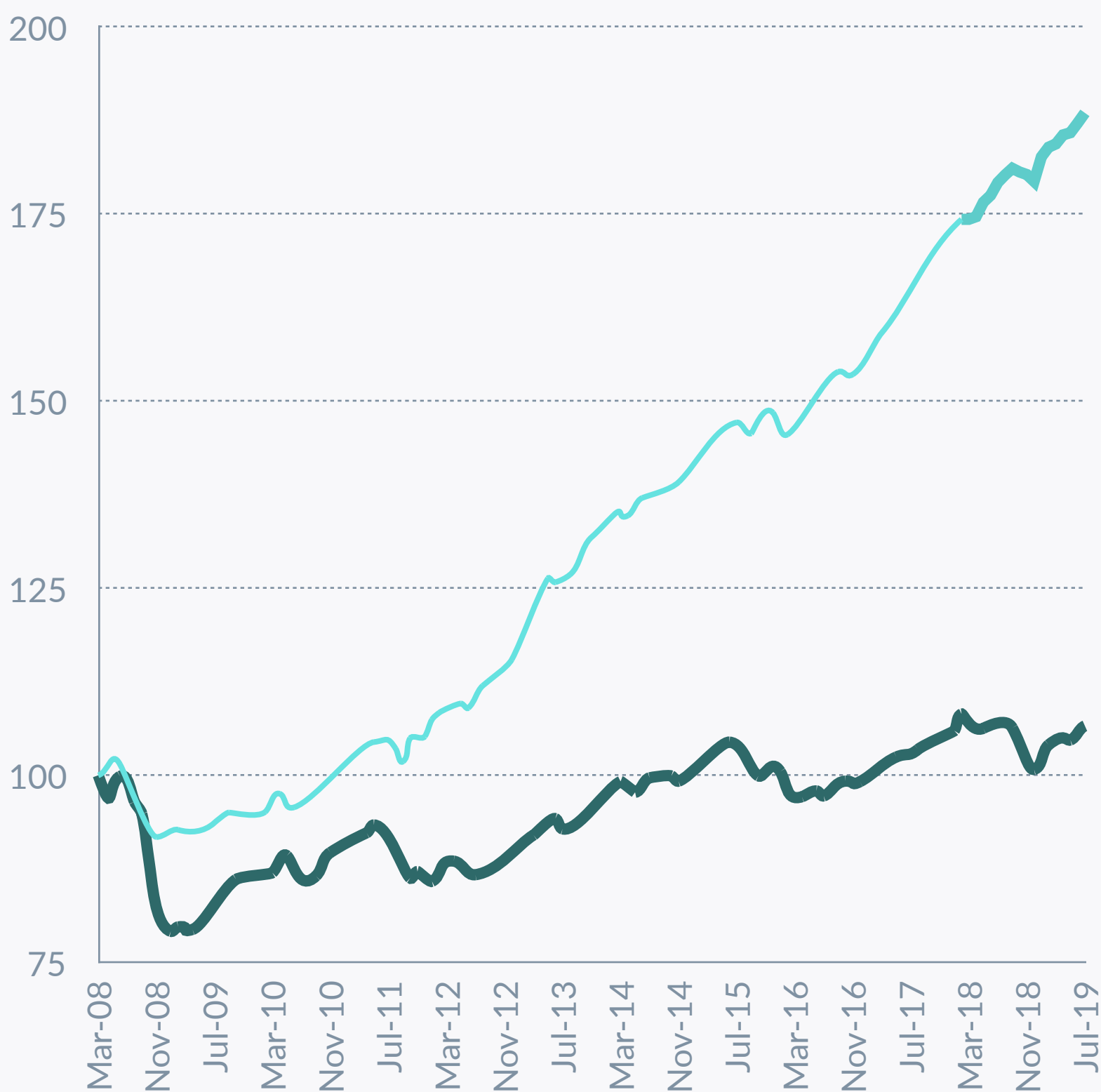
monthly in - 10 b-day's notice

monthly out - 35 c-day's notice

Result of the Implementation



Uncorrelated return sources, digital selection, human proof



Walk-Forward Performance

- Out of sample walk forward test using digital investment process
- Systematic entry and exit signals
- Considering liquidity limitations on underlying funds

Key Statistics

Nectar Smart Alternatives

Annual Returns	5.7%
Annual Std. Dev.	3.3%
Sharpe Ratio	1.8x

Barclay Fund of Fund Index

Annual Returns	0.6%
Annual Std. Dev.	4.9%
Sharpe Ratio	0.1x

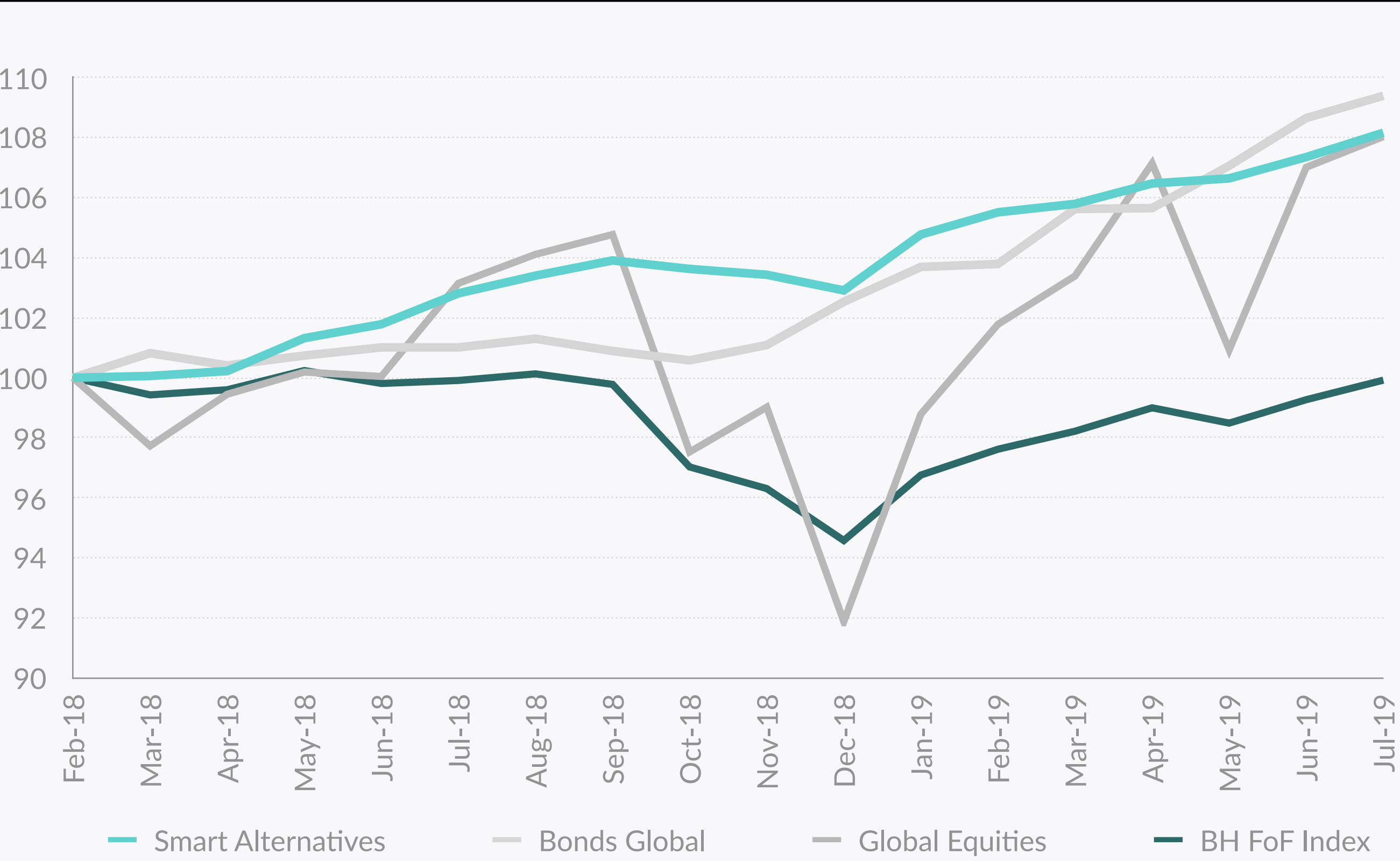
Returns shown are NET of fees (see terms and conditions). Performance for the period March 2008 until February 2018 are based on simulations and our automated walk forward analysis. The performance shown since March 2018 reflects the performance of the AMC Nectar Smart Alternatives Strategy Portfolio. The performance shown is not indicative for future results.

Live Performance vs. Peers

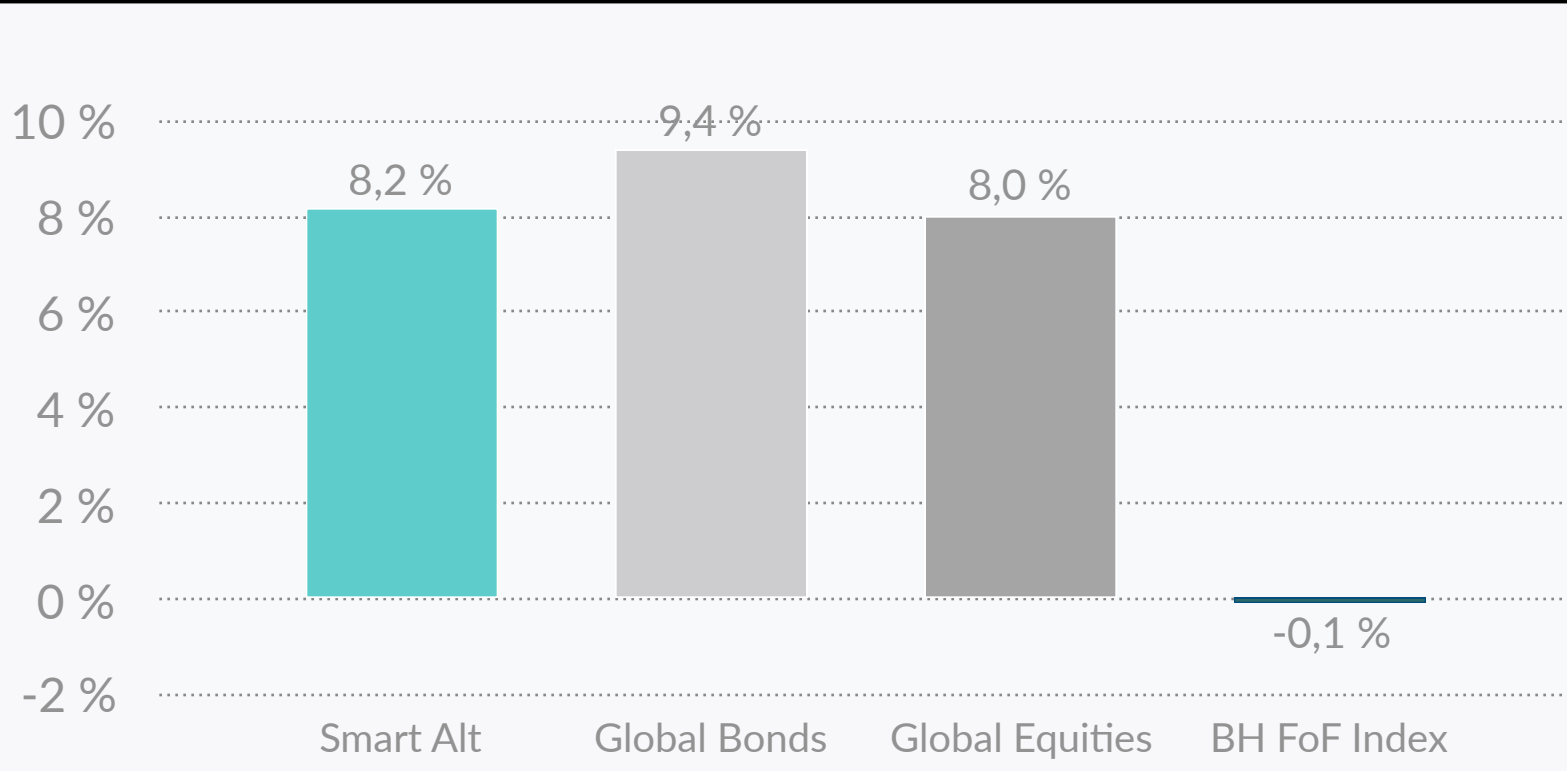


Attractive returns combined with low volatility

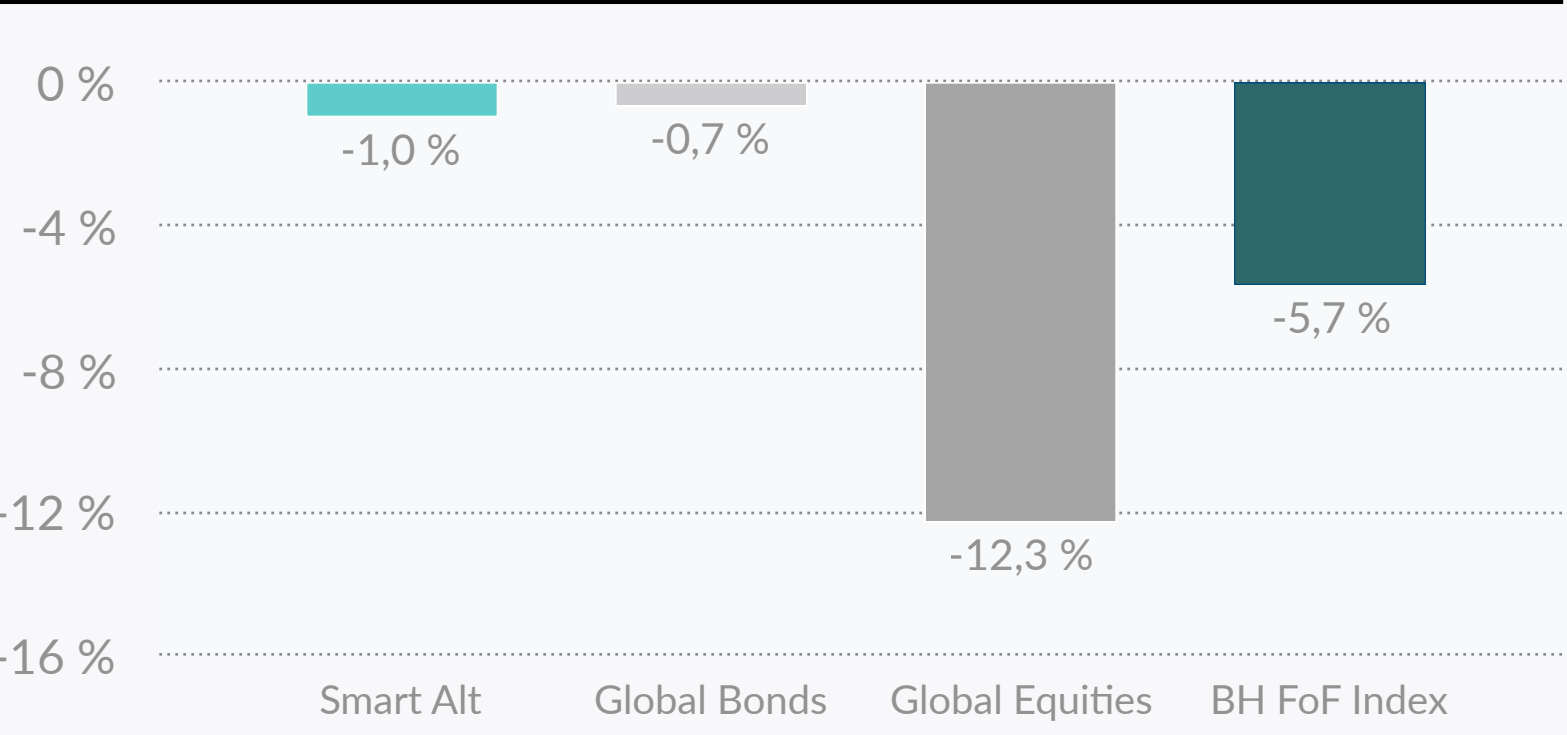
Performance Since Inception, rebased to 100, in USD



Return Since March 01, 2018



Maximum Drawdown



Source: Nectar Digital Wealth, Morningstar, BarclayHedge. Based on monthly data as per January 31, 2018

Nectar Smart Alternatives – Indicative Key Terms



Actively Managed Certificate sponsored by Nectar and Issued by Bank Julius Baer & Co Ltd.

Actively Managed Certificate issued by
Bank Julius Baer & Co Ltd. (BJB)
Rating: Moody's A2

Launch date: February 28, 2018

Minimum investment: USD 10'000¹

Valor: 39403804

ISIN: CH0394038043

Administration fee (BJB): 0.50% p.a.

Advisory fee (Nectar): 0.50% p.a.

Performance fee (Nectar): 10% above 1-year USD Swap

Reporting: monthly factsheet, bi-weekly estimates

Certificate liquidity: monthly in, monthly out
(35 day's notice)

¹ For Swiss domiciled investors only. For investors domiciled outside of Switzerland, other minimum investments may apply.

Nectar Smart Alternatives – Reporting



Monthly Factsheets and Mid-Month Estimates E-Mail

Actively Managed Certificate on Nectar Smart Alternatives Strategy Portfolio

Performance Report

January 2019 - Estimate

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 13.2m

Top-10 Holdings

	Weight	Performance Mtd
UK Real Estate Lending	10%	0.6%
USA LS EQ / Multi-Strategy / First Loss	10%	0.6%
Global Asset Backed Lending	10%	0.6%
Asia Equity / Multi Strategy	9%	0.9%
Asia Credit / Multi Strategy	8%	0.0%
Asia Multi Credit	8%	2.2%
US LS EQ / Short Seller	7%	12.2%
Global Corporate Credit	7%	2.3%
US LS EQ / Trading	7%	1.6%
EUR LS EQ / Systematic	5%	0.7%

Performance

Price per certificate, estimate	USD	10'448
Month to date return		1.56%
Cumulative return since inception		4.48%
Cumulative return year to date		1.56%
Annualized return since inception		4.90%
Annualized volatility since inception		2.21%

Monthly Performance

Strategy Allocation

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

Liquidity Profile Sub-Funds

Nectar Smart Alternatives - January 2019 Estimate Performance Report - BJB

Nachricht

Nectar Smart Alternatives - January 2019 Estimate Performance Report

ND

Nectar Digital Wealth AG <info@nectarfinancial.com>
Andreas Gilgen
Montag, 11. Februar 2019 um 10:10
[Details anzeigen](#)

Abonnement kündigen

Add-Ins verwalten...

View this email in your browser

Dear Andreas,

Please click on the following link to access the [Estimate January 2019 Performance Report](#).

	Mtd	S.I. *
Nectar Smart Alternatives	1.56%	4.48%
Fund of Funds Index	2.63%	-2.96%

* Since inception on March 1, 2018

For additional information please do not hesitate to contact us.

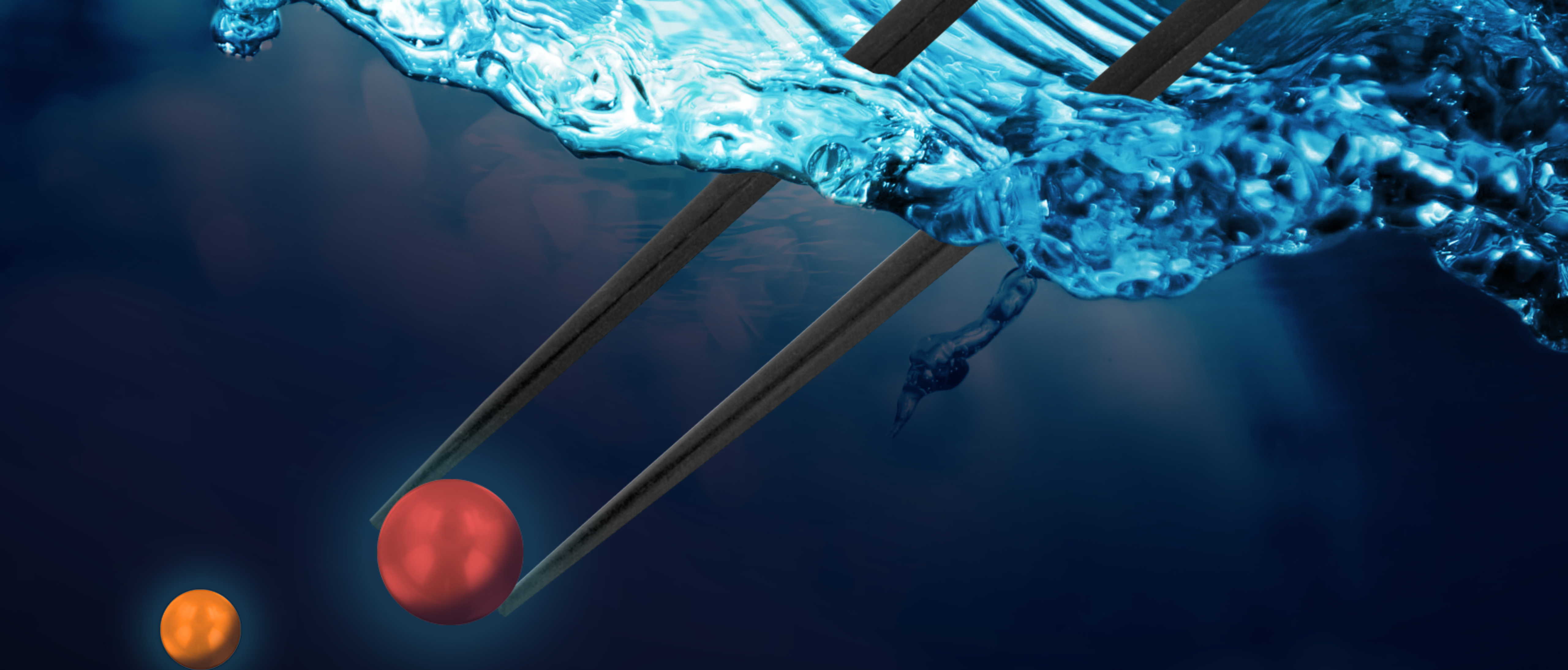
Kind regards,
Your Nectar Team

Nectar Digital Wealth AG | T +41 44 521 51 33 | [nectarfinancial.com](#)

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Appendix

Key Benefits and Risks



- ✓ Through an investment into these certificates you gain exposure to an actively managed portfolios consisting of mainly alternative investment strategies.
- ✓ These products are aimed at investors who expect a positive performance of the underlying. Investor benefits fully from an increase in the value of the underlying less disclosed fees.
- ✓ Efficient way to invest in a diversified portfolio of alternative investments with a small minimum investment amount.
- ! If the Issuer defaults or becomes insolvent, your investment may be at risk and you could lose some or all of the capital invested.
- ! Depending on the performance of the underlying portfolio, the repayment may be less than the invested capital. Alternative investments may employ speculative or leveraged strategies.
- ! Based on the underlying investments, the issuer cannot provide any assurances as to how the certificates will trade in the secondary market or whether such market will be liquid or illiquid.

Simplified prospectuses can be downloaded on www.nectarfinancial.com/smartalternatives or may be obtained free of charge from Nectar Digital Wealth AG, Mythenquai 26, 8002 Zürich, Switzerland.

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