

## Fund Description

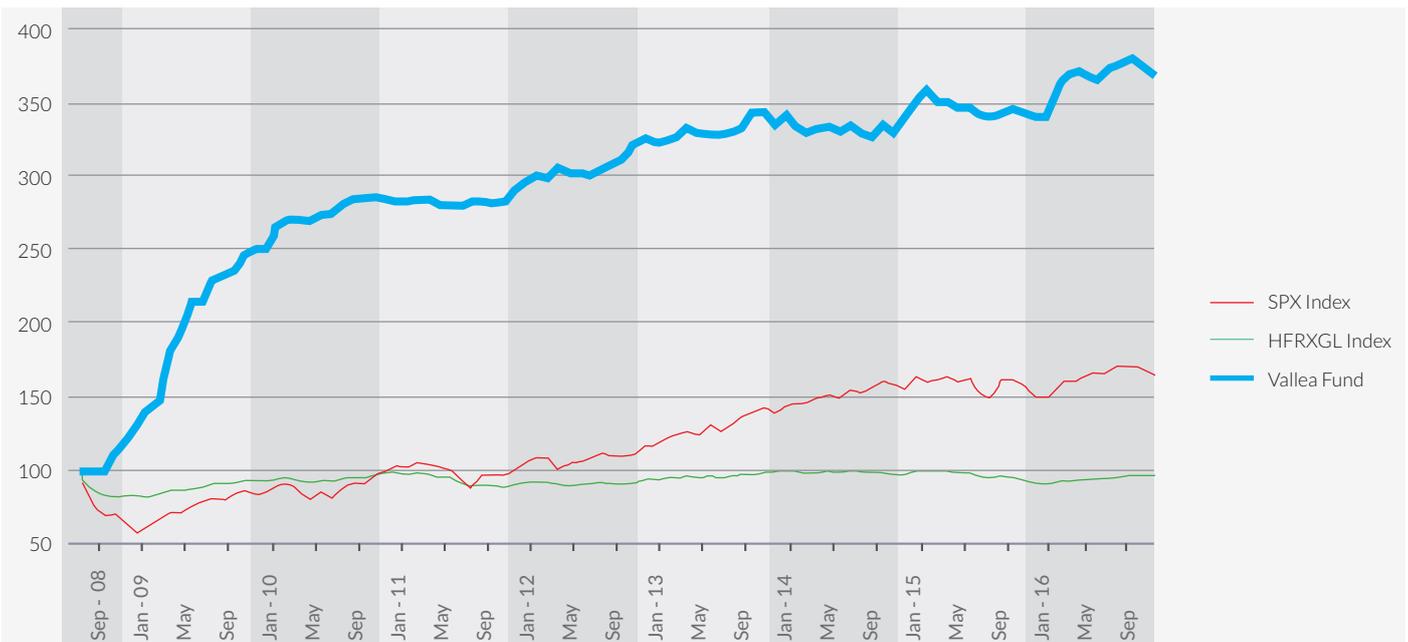
For QUALIFIED INVESTORS only

Vallea Fund is a Global Multi-Asset fund launched in September 2008.

Vallea Capital invests exclusively in liquid assets, including equities, fixed income and foreign exchange, and strict risk management is applied.

Pascal Monnerat is the portfolio manager of Vallea Fund since inception.

## Performance Chart



## Monthly Commentary

The fund has an estimated loss of -0.49% in November. Gains in equities have been offset by losses on fixed income. We have been generally too defensive during the month and surprised by the strength of the Trump election effect. Of course, we agree that his program should be positive for the US economy but the political and practical implementation will take several years to implement. Also, this program came at the same moment as the US seems to be moving from deflation to reflation, therefore provoking a big shift in asset allocation that could last several years if confirmed. We have had already in the past called a bottom on interest rates for the cycle and these calls have been premature. Global growth, inflation and corporate earnings are improving but the secular forces for deflation, the globalization and the technological progress and their influence on the labor market are still very important. US productivity has been stagnating during the last years and although the proposed fiscal policy expansion should help growth, it will be limited unless productivity improves.

So, the big theme for next year will be around this significant shift between reflation/deflation. We think that the year ahead will see increased volatility, though generally favorable, for equities. US Dollar will remain strong and the benchmark and should limit the performance for emerging markets. The US markets will be, more than ever, the main markets with the new leadership and the expected deregulation. Commodity prices rebounded sharply this year, but after 5 years of decline and with the global positive outlook, we think they should continue to perform for several years.

So we will continue to invest with a positive view on equities, cautious or negative on bonds but as market moves are very sharp we will also reverse the trades or stay with smaller exposure when the trend is exaggerated..

## Statistics

Mean Return	17.98%	Performance last 12 Months	6.86%
% Positive Months	60.61%	Maximum Drawdown	-5.16%
Avg Return Positive Months	2.81%	Sharpe Ratio	1.47
Avg Return Negative Months	-0.81%	Sortino Ratio (Libor 3mths)	2.81
Best Month	23.19%	Skewness	3.14
Worst Month	-2.44%	Correlation HFRX	0.32
Total Return	270.19%	Kurtosis	13.31

### Historical Performance

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2016	-1.07%	-0.11%	5.23%	2.23%	0.34%	-0.87%	1.84%	1.33%	0.65%	-1.67%	-0.49%*		7.46%
2015	3.19%	3.38%	2.19%	-2.44%	-0.13%	-0.86%	-0.08%	-1.46%	-0.28%	0.48%	1.10%	-0.56%	4.45%
2014	-2.39%	1.81%	-2.24%	-1.34%	0.93%	0.46%	-0.94%	1.39%	-1.76%	-0.58%	2.59%	-1.94%	-4.09%
2013	0.82%	-0.99%	0.88%	0.54%	1.79%	-1.11%	-0.24%	-0.20%	0.66%	1.23%	2.97%	-0.21%	6.24%
2012	3.18%	1.56%	1.27%	-0.50%	2.47%	-1.07%	-0.37%	-0.56%	1.57%	1.11%	1.16%	3.55%	14.08%
2011	-0.66%	-0.24%	0.02%	0.22%	-0.15%	-1.22%	0.02%	-0.36%	1.36%	0.07%	-0.57%	0.60%	-0.93%
2010	1.10%	-0.01%	6.49%	1.69%	0.09%	0.77%	1.84%	-0.21%	2.62%	0.99%	0.53%	0.24%	15.38%
2009	6.66%	8.26%	7.13%	4.82%	23.19%	6.75%	10.57%	0.35%	6.26%	2.08%	1.33%	4.77%	117.88%
2008									0.14%	-0.79%	-0.01%	14.70%	13.94%

(Net Monthly Returns: Vallea Fund Euro Series Initial NAV 100, Current NAV 371.9636)

\* Estimate

### FUND FACTS

Minimum Investment	100'000 EUR/USD/GBP	Auditor	KPMG
Management, Performance Fee	2% / 20%	Bloomberg	VALLEAF KY
Subscription/Redemption	Monthly	ISIN / CUSIP - USD	KYG9315A2268 / G9315A226
Administrator	Swiss Financial Services	ISIN / CUSIP - GBP	KYG9315A1922 / G9315A192
Custodian	Barclays	ISIN / CUSIP - EUR	KYG9315A1013 / G9315A101



### CONTACT INFORMATION

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