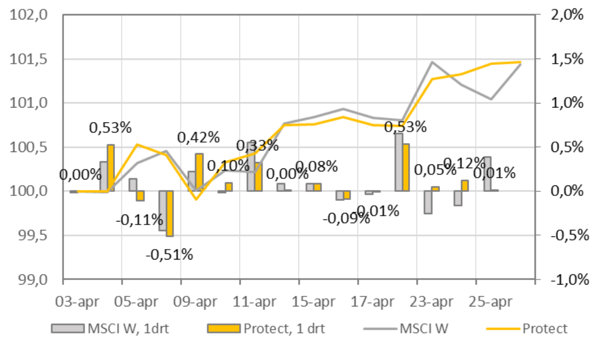
Månadsbrev april 2019

PROTECT

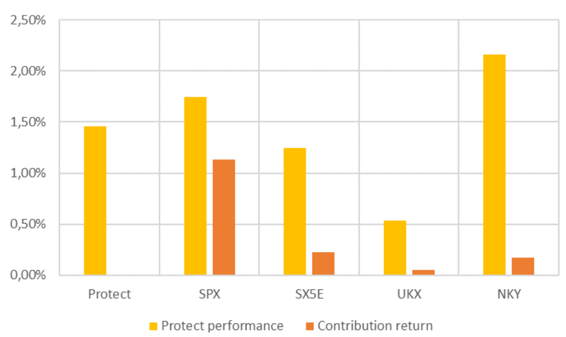
Crescit Protect uses equity derivatives to expose investors to equity returns over an economic cycle. The goal is to create MSCI World-like returns with lower volatility.

Crescit Protect allocate geographically to global equity indices through a systematic derivatives-base strategy. The underlying exosure is protected via an ongoing put-buying program financed by selling short-dated out-of-the money call options. In addition, investors are provided with capital protection via investment in government bonds. Crescit protect aim to provide a better risk-adjusted return than the MSCI World index over time, primarily measured via sharpe.

The fund launched in April and the monthly return was +1,46%. The return was equivalent to the benchmark index MSCI W. The picture below show the daily returns for Crescit Protect and MSCI W respectively. The last trading day of April was Friday the 26th due to holidays.



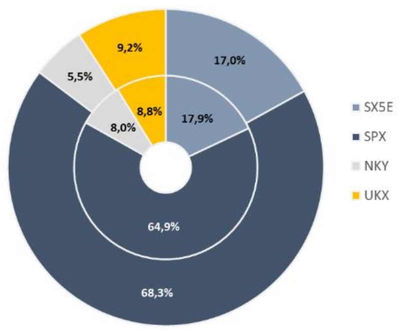
In the picture below we show the returns of each component index of Crescit Protect since inception. The strongest performing indices were the S&PP500 and the Nikkei.



Portfolio weightings were relatively constant throughout the month due to lack of active rebalancing and high correlation between the indices.

The table below shows each index to which Crescit Protect is currently allocated and their respective weights[1], exposure[2] (Delta), Value at Risk[3], Standard Deviation[4] and the weighted average of the currently held puts for each index.

	Weight	Delta	VaR	StDev	Wtd Avg Strike put
SX5E	17,9%	79,2%	6,9%	8,9%	81,5%
SPX	64,9%	87,9%	7,8%	10,1%	84,7%
NKY	8,0%	57,7%	10,9%	11,3%	86,4%
UKX	8,8%	87,5%	8,2%	8,6%	86,1%
Protect	**100,0%**	**83,6%**			**84,1%**



The diagram above shows notional exposure and current exposure, as measured by current delta, for each index. The current exposure vary from day to day and depends on the current portfolio holdings.

[1] Weights as measured by notional exposure
[2] The current exposure is the sum of the owned futures, the owned puts and the sold calls.
[3] VaR measured over 20 days
[4] Std. Dev measured as rolling 20 days