

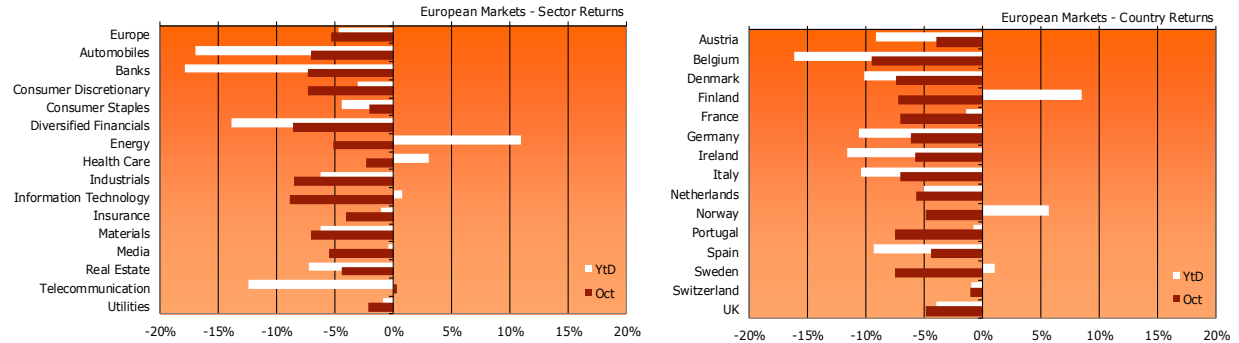


Fund Performance										
	Oct	YTD	3M	6M	1 Yr	3 Yr (ann)	5 Yr (ann)	7 Yr (ann)	NAV (31-Oct-2018)	Inception
Share Class B	-1.2%	0.6%	0.5%	-1.9%	-0.8%	0.1%	8.0%	6.7%	EUR 1529.9	26-Jun-2008
Share Class A	-1.3%	0.2%	0.3%	-2.2%	-1.3%	-0.5%	7.0%	5.8%	EUR 1570.41	26-Jan-2009
Share Class D	-1.3%	0.2%	0.3%	-2.2%	-1.3%				EUR 963.09	31-Dec-2015

The Fund lost 1.2% in October. A large market correction and an increase in volatility resulted in a choppy and difficult month for hedge funds and quant investors. Outflows and de-risking meant that on some down days Quality and Earnings Momentum were hit hard. On other days when markets retreated, investors came back to these styles. Cyclical stocks fared poorly as both Q3 results and an Emerging Markets sell-off dampened prospects. At the end of a turbulent month, Defensive Value and Stability were the strongest styles, while Momentum underperformed. Being overweight Quality at the expense of Value was geared more towards a slowdown scenario, which underperformed in a recession type month. Individual long positions in Royal Mail, Epiroc, Lundbeck and Covestro were held back by poor earnings. On the positive side, shorts in cyclical names such as Metro Bank, SAAB, Valeo, SPIE and Umicore helped the Fund in a risk-off market environment.

**Market Developments**

Global equity markets took a pounding last month with a ~2 sigma downward move. For the US, it was the worst 1-month sell-off since the Lehman collapse. Europe outperformed slightly. A conflict about rates between the Fed and US Administration, increasing US-China trade war tensions, weak Chinese macro data and increased political risk in EMEA constrained investor sentiment. There were also a significant number of profit warnings in October, with EPS revisions now firmly in net-downgrade territory. Overall, "Red October" was a volatile month. Sector performance reflected this general risk-off sentiment towards low volatility "bond proxies", with Telecommunication stocks generating a small gain. Other defensive sectors were down 'only' 2%. The growth sensitive sectors: Information Technology, Industrials, Materials, Banks and Consumer Discretionary, underperformed. Country-wise, only Switzerland stood out with a small loss. US treasury yields rose, which was surprising given the risk off move, while Bunds delivered marginally positive returns. European currencies fell on USD strength. Energy prices saw a leg down, like most industrial metals.



**Investment Outlook & Strategy**

Both the earnings season and the increase in market volatility point towards a market environment moving from slowdown to recession. A flattening yield curve with an increasingly hawkish Fed rhetoric also suggests we are at the back-end of a long period of growth. However, unemployment and monetary policy in Europe remain positive. Classic end-of-cycle indicators do not yet appear to be flashing warning signs. We are overweight Quality, however the big question remains around how to position Value. In October, Defensive Value was a clear winner, however we feel there is too much risk and poor earnings revisions in Value. Our style positioning could be described as "risk-off/slowdown" and not downright "recession". Our sector positioning is now becoming more defensive with Health Care, Utilities and Real Estate as overweights. Automobiles, Materials and Media are clear-cut shorts. In a scenario where markets and cyclicals come under further pressure, we should now be well-positioned. A breakthrough in Brexit or US-China tariff wars could be a risk to the Fund, if markets bounce back strongly into year-end.

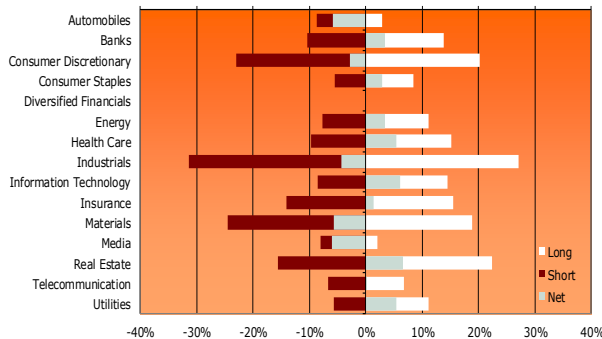
**Key Portfolio Information**

Total Net Assets (in mln)	€418 / \$474	Net Exposure Beta-Adj	-0.07
Outstanding Shares (B/A)	261221 / 10392	Beta (ex post, 3Y monthly data)	0.10
Number of Long Positions	108	Volatility (ex ante, short-term risk model)	7.6%
Long Positions (% of NAV)	189.7%	Volatility (ex post, 3Y monthly data)	8.6%
Number of Short Positions	132	VaR (1 day / 95% conf)	0.6%
Short Positions (% of NAV)	-179.7%	Long Liquidity (avg)	0.33 days
Gross Exposure (% of NAV)	369.3%	Short Liquidity (avg)	0.26 days
Net Exposure (% of NAV)	10.0%	Portfolio Turnover (/GAV)	0.7



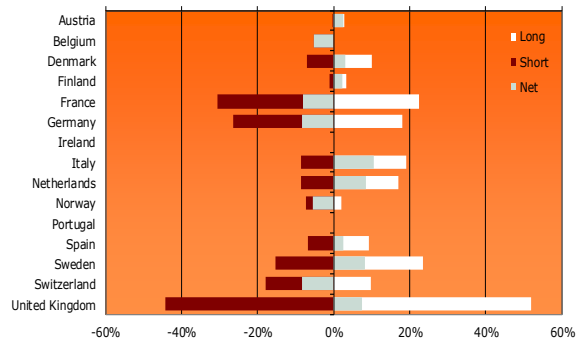
**Sector Allocation (L&S as % NAV)**

The Fund is net short Media, Automobiles, Materials, Industrials and Consumer Discretionary, while it is net long Real Estate, Information Technology, Health Care, Utilities, Banks, Energy and Consumer Staples. Positions in Insurance, Telecommunication and Diversified Financials are balanced. The Fund has no exposure in Diversified Financials.



**Country Allocation (L&S as % NAV)**

Italian, Dutch, Swedish, British, Danish, Austrian, Spanish and Finnish stocks are overweight in the portfolio, whereas stocks in Germany, Switzerland, France, Norway and Belgium are under-represented. The Fund has no holdings in Ireland and Portugal.



**Top Long Positions**

Company	Model Score	As % NAV
IAG	99	3.3%
Kering	99	3.3%
Rio Tinto	100	3.2%
Legal & General	99	3.2%
Carlsberg	91	3.2%

- IAG has weathered this year's increase in energy costs better than most European carriers have. Strong transatlantic passenger volumes and a weakening GBP from 2016 onward have underpinned solid earnings and a lack of downgrades seen elsewhere. At 6x 2019 earnings, the company is attractively valued.
- Kering specializes in luxury goods (Gucci, YSL), and sports/lifestyle (Puma). The stock price lost over 30% from its peak in June to end-October, due to global trading uncertainty, in particular China. This sharp de-rating does not seem to be justified by changes in long-term trends. Kering is still delivering good execution, as indicated by Q3 figures. The outlook for H2 was solid too. The shares are well-supported for a continuing rebound into year-end.
- Rio Tinto is one of the world's largest mining companies and one of the low cost producers of iron ore, aluminum and copper. Since the start of 2016, earnings expectations and Rio's share price have been trending up, helped by a strong global economy. Despite tariffs and a slowdown in emerging markets, analysts have remained positive on coming years, with good cost control and improving dividends. At 11x 2019 earnings, the company remains attractively valued.
- Legal & General is UK-focused life insurance and asset management company. L&G's has a substantial asset management subsidiary that has grown steadily over the years. It is a leading provider of index funds. Although lower UK growth as a possible result from Brexit would affect L&G, the valuation seems to adequately compensate for this risk. Based on consensus, the expected dividend yield is above sector-average.
- Carlsberg is an international brewing company, generating 60% of its revenues in Western Europe. Q3 earnings were very strong, not just because of the excellent summer weather. The company's focus on delivering volume growth through higher margin premium brands, craft and alcohol free beer seems to gain momentum worldwide. Analysts have upgraded the consensus on future earnings and overall it is now clearly our favourite brewing stock in Europe.

**Top Short Positions**

Company	Model Score	As % NAV
Umicore	1	3.3%
Airbus	13	3.2%
Daimler	5	3.2%
Swiss Re	12	3.2%
ICADE	8	3.2%

- Umicore is a Belgian specialty materials company, with a broad portfolio including automotive catalysts, building materials, cobalt and zinc. The company's share price has tripled since March 2016, despite only modest upgrades to 2018 and 2019 earnings expectations. Q1 figures were good, but expectations have stalled since. We feel investors are too optimistic about growth prospects in catalysts, recycling and rechargeable batteries. As such, 24x 2019 earnings seems far too optimistic a valuation.
- Airbus manufactures civil airplanes and military equipment. We are generally short the sector and Airbus is no exception. Higher oil prices and more difficult financing conditions should offset geo-political tensions. The share price has seen a steady uptrend since the middle of 2016, not backed up by significant earnings upgrades. At 17x 2019 earnings, valuation lacks appeal as well.
- Daimler manufactures and sells a wide range of automotive products and services, of which Mercedes-Benz Cars is the largest with 55% of total sales. Q3 earnings were a negative surprise, as global auto demand is slowing, inventory is high and input costs are increasing. The outlook for China – which counts for the bulk of global auto growth – has weakened substantially.
- Swiss Re is a reinsurance company with property & casualty as well as life reinsurance divisions. Although the company is well-capitalised the shares do not seem that attractively valued given the tepid growth in earnings. Return prospects for the investment portfolio are not enticing either given the valuation of bonds.
- French real estate company Icade specialises in business parks while, it aims to grow its health care property portfolio. Given its niches, Icade misses out on the strong rental growth in prime offices, although the shares seem to be pricing the stronger rental growth that is expected for property companies with focused exposure to prime offices. With the growth in health care largely in its infancy, there seem to be other stocks in the sector that offer a more attractive reward-to-risk ratio.



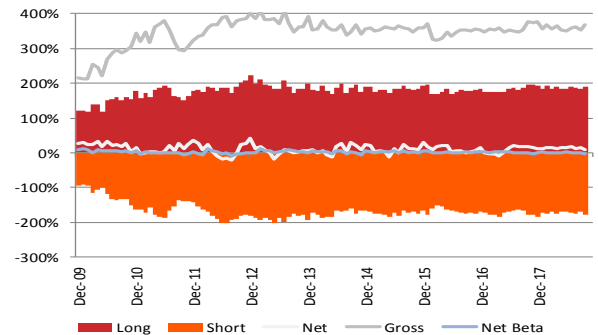
**Exchange Liquidity Breakdown**

The holdings in the Fund are highly liquid. The table below shows the percentage of securities in the portfolio which can be unwound within a particular period of time. The calculation is based on the assumption that maximum 25% of average daily volume (ADV, based on most recent 3 months) in a security can be traded per day. A higher participation rate is possible but will result in market impact costs. Under these assumptions and current market circumstances 95% of the portfolio can be liquidated within 3 days.

Liquidity	Long	Short	Portfolio
Within 3 Days	94.0%	97.7%	95.8%
Within 1 Week	98.0%	99.6%	98.7%
Within 2 Weeks	100.0%	100.0%	100.0%
Within 1 Month	100.0%	100.0%	100.0%

**Market Exposure**

The Fund applies leverage but is typically run with low (beta-adjusted) net exposure and will be predominantly market-neutral over time.



**Monthly Performance Contribution by Sector and Market Capitalization (%)**

	Long	> 5bn	1-5bn	< 1bn	Short	> 5bn	1-5bn	< 1bn	Total
Automobiles	-0.6	-0.6	0.0	0.0	0.9	0.8	0.1	0.0	0.3
Banks	-0.6	-0.4	-0.2	0.0	1.6	0.8	0.8	0.0	0.9
Consumer Discretionary	-1.2	-1.5	0.0	0.3	1.2	0.2	0.7	0.4	0.0
Consumer Staples	0.1	0.0	0.1	0.0	0.3	0.2	0.0	0.1	0.4
Diversified Financials	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Energy	-0.3	-0.3	0.0	0.0	0.5	0.3	0.2	0.0	0.3
Health Care	-0.9	-0.6	-0.3	0.0	0.3	0.1	0.1	0.0	-0.6
Industrials	-3.4	-2.9	-0.5	0.0	3.1	0.9	2.1	0.1	-0.3
Information Technology	-1.6	-0.3	-1.3	0.0	0.0	0.0	-0.1	0.0	-1.6
Insurance	-0.4	-0.4	0.0	0.0	0.0	-0.1	0.1	0.0	-0.4
Materials	-1.7	-1.2	-0.5	0.0	1.8	1.3	0.5	0.0	0.0
Media	0.0	0.0	0.0	0.0	0.2	0.2	0.0	0.0	0.2
Real Estate	-0.5	-0.2	-0.3	0.0	0.3	0.2	0.1	0.0	-0.2
Telecommunication	-0.1	0.0	0.0	0.0	0.2	0.1	0.1	0.0	0.1
Utilities	-0.2	-0.1	-0.2	0.0	0.1	0.0	0.1	0.0	-0.1
Cash / Other									-0.3
<b>Total</b>	<b>-11.3</b>	<b>-8.4</b>	<b>-3.1</b>	<b>0.2</b>	<b>10.3</b>	<b>4.9</b>	<b>4.8</b>	<b>0.7</b>	<b>-1.2</b>

**Top Contributors**

Metro Bank	0.7%	Short
Saab	0.6%	Short
Valeo	0.5%	Short
SPIE	0.5%	Short
Rolls-Royce	0.4%	Short

**Top Detractors**

Royal Mail	-0.8%	Long
Epiroc	-0.6%	Long
H. Lundbeck	-0.5%	Long
Covestro	-0.5%	Long
SSAB	-0.5%	Long

**Monthly Fund Performance**

Perf. Class B	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2018	-0.2%	-1.3%	3.0%	1.1%	1.1%	0.0%	-3.5%	-1.4%	3.2%	-1.2%			0.6%
2017	0.4%	-1.4%	2.3%	4.0%	-2.7%	-0.4%	-0.3%	3.3%	-1.4%	5.6%	-2.9%	1.5%	7.9%
2016	-4.2%	-3.0%	-1.3%	-2.6%	2.6%	-2.5%	-0.2%	-3.2%	1.4%	4.6%	-0.6%	-1.2%	-10.1%
2015	1.2%	2.6%	3.6%	0.1%	3.4%	0.6%	0.2%	0.1%	1.3%	-3.5%	-0.6%	3.3%	12.7%
2014	2.8%	3.5%	0.2%	-3.6%	-0.1%	6.5%	2.3%	2.1%	3.8%	2.7%	1.2%	3.3%	27.3%
2013	0.0%	0.5%	2.4%	1.4%	-1.9%	3.2%	-2.9%	-9.5%	2.1%	6.5%	2.4%	2.6%	5.9%
2012	-4.6%	-0.5%	-0.8%	3.6%	-1.3%	1.2%	0.6%	0.4%	1.0%	-0.8%	-0.5%	2.1%	0.4%
2011	0.7%	-1.7%	0.7%	0.0%	1.6%	4.5%	1.0%	-0.7%	2.4%	2.2%	3.2%	2.7%	17.8%
2010	0.7%	1.8%	1.4%	-1.2%	1.0%	-0.1%	-1.6%	0.5%	1.6%	2.0%	1.9%	-1.9%	6.1%
2009	5.0%	-0.4%	-1.0%	-3.1%	-1.3%	0.8%	-2.5%	-2.1%	-0.8%	2.7%	-0.5%	0.0%	-3.5%
2008							1.0%	-6.0%	-5.3%	-5.8%	-0.8%	1.4%	-14.9%

Source: Citi Financial Services and BNY Mellon. Returns are based on official month-end NAVs and are net of all fees for a Day one investor in the fund. The returns given is for the main share series (B). Investor's holdings may be in a different share class and have a different returns. See your BNY Mellon statement for full details. Results in 2008 and 2009 are not representative of our current quantitative investment strategy.



Investment Objective

The Saemor Europe Alpha Fund is a market-neutral long/short equity fund. The Fund aims to generate consistent returns of more than 8% per annum in bull and bear markets while keeping volatility around 8-10%. There is no guarantee that the investment objective will be met. The Fund is run with low (beta-adjusted) net exposure and will be predominantly market-neutral over time.

Fund Highlights

Our alpha strategy encompasses an innovative quant factor model that is designed to add value during all phases of the business cycle and most market environments.

Fund Facts

Universe	Europe / EMEA
Currency share class	EUR
Min Investment EUR (A/B/C/D)	25k/25m/10m/25k
Lock-up (A/B/C/D)	no/1 year/no/no
Frequency Subs & Reds	Monthly
Notice Period Subs & Reds	5 /15 days
Early Redemption Fee	max 1.0%
Man Fee (A/B/C/D)	1.5%/1.0%/1.25%/1.5%
Perf Fee (A/B/C/D)	20%/15%/17.5%/20%
Equalization (A/B/C/D)	Yes/Yes/Yes/No
High Watermark	Yes
Ongoing Charges Figure 2017 (A&D/B)*	1.65/1.15%

Management

Manager	Saemor Capital
Administrator	BNY Mellon Fund Services
Depository	Bank of New York Mellon
Prime Brokers	Morgan Stanley, BoA ML, Barclays
Auditor	PwC
Title Holder	SGG Custody B.V.
Legal	De Brauw Blackstone Westbroek
Fund Domicile	The Netherlands
Fund Structure	FGR (fund for joint account)
Tax Structure	VBI (tax exempt)

\* The Ongoing Charges Figure (OCF) is a ratio of the total ongoing costs to the average net assets of the Fund. Ongoing costs include cost of investment management and administration, plus other costs of running the fund, such as fees for custodians, depository, regulators and auditors. Transaction costs of investments, stock loan fees, interest and performance fee are excluded from the calculation.

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