

**MONTHLY REVIEW**

Lynx was profitable in March as gains in commodities, foreign exchange and fixed income outpaced losses in equities. The dominant macro theme during the month was a sharp energy-driven inflation shock emanating from the escalation of conflict in the Middle East. Crude oil prices surged above \$100 per barrel as supply disruptions and risks around the Strait of Hormuz intensified. Persistently tight refined product markets and structural supply concerns, particularly in Europe, reinforced the moves, with the largest profits realized in Brent crude and London gas oil. Meanwhile, precious metals mitigated the commodity gain as gold and silver experienced sharp declines. Despite rising geopolitical risk, the metals did not behave as safe-haven assets as prices were pressured by rising real yields and a stronger US dollar. In foreign exchange, short positions in the Swiss franc, New Zealand dollar, Korean won and euro were particularly profitable and offset losses from long exposure in emerging market currencies. In equities, global stock indices collapsed early in the month immediately following the onset of military action in Iran. While the program quickly reduced exposure, and ultimately went net short mitigating deeper losses, the asset class was a considerable drag on performance particularly due to long positions in Korea and Japan. Finally, a sudden repricing of inflation expectations and central bank policy led to a spike in US Treasury yields. As with equities, the program entered March with net long exposure in the asset class, although reversed to a short position before the end of the first week. Ultimately, gains across the curve in Australia and Korea and in shorter-term European and US rates outweighed losses in longer-term bonds in the US and Europe.

**MONTHLY NET RETURN, %<sup>1</sup>**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2000					3.35	-2.25	0.88	-4.29	-1.34	3.09	5.69	7.54	12.77
2001	2.06	2.69	7.09	-4.66	-0.49	-2.68	0.77	8.02	6.81	0.25	-6.35	2.36	15.77
2002	0.40	-7.30	2.70	1.60	5.65	10.75	5.27	1.48	3.35	-4.56	-2.85	4.73	21.81
2003	2.99	3.99	-4.52	4.18	10.51	3.25	-5.32	0.41	6.45	4.29	1.14	3.69	34.55
2004	1.19	4.69	-1.69	-2.05	0.83	-2.20	-3.35	2.12	-0.60	7.32	6.45	1.09	13.98
2005	-4.18	1.61	-2.10	-1.20	5.60	3.58	-1.35	-1.60	1.53	1.96	4.48	-1.44	6.59
2006	0.16	-0.13	3.44	3.24	1.92	-2.07	-4.60	3.97	-3.15	-1.04	2.71	1.19	5.34
2007	3.97	-4.69	-3.89	3.38	6.09	4.96	-1.97	-5.81	4.35	6.82	2.83	-2.43	13.22
2008	6.19	6.02	1.57	-3.83	3.45	5.16	-7.20	2.01	2.71	14.90	3.86	2.48	42.23
2009	-1.90	0.23	-2.40	-2.36	1.82	-4.06	1.31	0.51	2.14	-3.72	7.71	-7.34	-8.52
2010	-3.35	3.94	1.97	0.71	1.76	1.89	-3.04	10.38	-1.04	3.78	-4.39	5.45	18.54
2011	-0.60	2.39	-5.76	6.56	-5.90	-4.10	6.83	0.95	5.41	-9.12	0.91	3.06	-0.89
2012	1.78	-0.57	-4.16	2.01	7.84	-6.05	6.97	-2.24	-3.36	-6.19	0.79	-0.97	-5.14
2013	3.60	-0.19	0.73	3.30	-1.69	-5.39	0.56	-2.78	0.60	4.71	5.32	3.30	12.12
2014	-5.29	4.14	-3.00	0.80	3.09	0.88	0.15	9.17	2.93	1.55	9.89	1.29	27.58
2015	6.11	0.32	3.53	-6.18	-1.64	-6.06	4.11	-7.00	2.20	-1.68	2.98	-3.85	-7.98
2016	2.16	3.49	-0.99	-0.08	-4.59	10.23	2.73	-5.21	-1.64	-6.29	-2.97	0.05	-4.16
2017	-1.96	4.61	-3.71	-3.32	-2.37	-6.94	2.37	5.07	-4.45	5.90	0.36	-0.02	-5.27
2018	8.61	-14.14	-0.77	0.81	-0.08	3.16	-1.04	6.41	-1.86	-3.62	0.10	1.54	-2.65
2019	-0.81	2.13	7.59	6.72	-7.25	5.23	5.05	8.43	-4.72	-6.19	0.81	-0.94	15.42
2020	0.19	-4.15	-3.31	2.32	-1.74	-0.62	7.45	0.00	-4.40	-1.85	4.72	8.16	5.94
2021	-0.34	4.21	-0.42	0.56	2.19	-2.81	1.37	-2.07	1.07	1.12	-2.54	-1.35	0.75
2022	2.12	4.40	10.61	8.46	1.06	5.08	-4.56	3.02	9.94	0.27	-8.61	0.99	35.89
2023	-3.19	1.25	-9.23	0.33	2.76	1.63	-3.71	0.27	7.81	-1.88	-5.90	1.71	-8.89
2024	1.42	6.35	5.63	0.62	-4.69	-3.17	-0.73	-4.87	1.82	-5.45	3.69	1.60	1.33
2025	1.18	-0.97	-1.58	-3.64	-4.32	1.98	0.83	0.01	3.96	2.06	-1.94	1.66	-1.11
2026	7.37	5.48	2.41										15.98

**RETURN AND KEY FIGURES<sup>1</sup>**

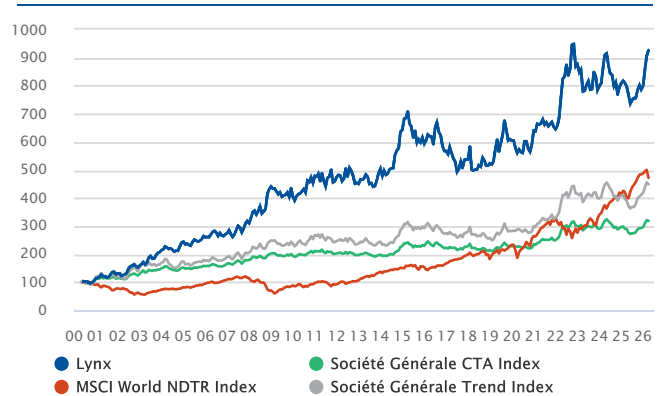
	Lynx	MSCI World
Total return since inception, %	827.12	371.52
Average monthly return since inception, %	0.72	0.50
Average annual return since inception, %	8.97	6.17
Standard deviation, %	14.83	14.17
Downside risk, %	9.20	10.16
Max drawdown, %	-30.58	-50.77
Sharpe ratio	0.50	0.33
Margin to equity ratio (month end)	13.7%	-
Value at Risk (month end) <sup>2</sup>	1.7%	-
Correlation with Lynx	-	-0.13

**ASSETS**

Firm assets	SEK 68 511 Mkr (USD 7 214M)
Program assets	SEK 64 958 Mkr (USD 6 840M)
Fund assets	SEK 2 142 Mkr (USD 226M)

**PERFORMANCE BREAKDOWN BY ASSET CLASS, %<sup>3</sup>**

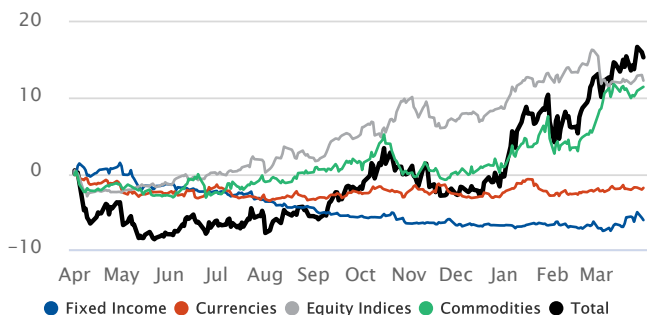
	MTD	YTD
<b>Fixed Income</b>	<b>0.2%</b>	<b>0.9%</b>
Bonds	-0.5%	0.0%
Interest rates (STIR)	0.7%	0.9%
<b>Currencies</b>	<b>0.4%</b>	<b>1.1%</b>
<b>Equity Indices</b>	<b>-3.4%</b>	<b>3.6%</b>
<b>Commodities</b>	<b>5.2%</b>	<b>10.2%</b>
Energies	7.2%	7.8%
Metals	-1.7%	2.6%
Agriculturals	-0.3%	-0.2%
<b>Total Gross</b>	<b>2.4%</b>	<b>15.8%</b>
<b>Total Net<sup>1</sup></b>	<b>2.4%</b>	<b>16.0%</b>

**NET RETURN SERIES<sup>1</sup>**

**PERFORMANCE BREAKDOWN BY MODEL TYPE, %<sup>3</sup>**

	MTD	YTD
<b>Trend models</b>	<b>-3.7%</b>	<b>5.1%</b>
Long-term	-4.0%	0.5%
Medium-term	-0.7%	2.5%
Short-term	1.0%	2.1%
<b>Diversifying models</b>	<b>6.1%</b>	<b>10.7%</b>
Long-term	1.0%	1.8%
Medium-term	4.4%	9.1%
Short-term	0.7%	-0.2%
<b>Total Gross</b>	<b>2.4%</b>	<b>15.8%</b>
<b>Total Net<sup>1</sup></b>	<b>2.4%</b>	<b>16.0%</b>



## GROSS ATTRIBUTION BY ASSET CLASS, %<sup>3,4</sup>



## ABOUT US

Headquartered in Stockholm, Sweden, Lynx Asset Management was founded with the conviction that a systematic approach was optimal to capitalize on the broadest set of investment opportunities. Since 1999, Lynx has developed and implemented innovative and differentiated proprietary algorithms to invest actively in global equities, fixed income, commodities and currencies. With a broad set of systems and trading concepts, we attempt to meet the goals of our investors by offering a combination of established investment programs and customized solutions. And, as has been the case throughout our history, we are developing dynamic new models to take us into the next generation.

## THE PROGRAM

The Lynx Program is our original strategy that was launched in May 2000. It is a diversified managed futures program that aims to deliver high risk-adjusted returns with attractive portfolio characteristics. While the primary approach is systematic trend-following applied across a broad universe of global futures and foreign exchange markets, a portion of the risk is allocated to complementary models that are designed to enhance performance in non-trending market environments. These diversifying models utilize a variety of concepts from quantitative macro to machine learning. The program attempts to identify opportunities across time frames, holding positions from only a few days to over a year.

## RISK MANAGEMENT

Risk management is an integrated feature in the investment process. The models operate independently and the portfolio is constructed based on the signals from each model. Individual models apply systematic risk-reducing mechanisms to minimize losses resulting in a dynamic utilization of the risk budget across the portfolio over time. Value-at-Risk is used to limit position concentration and aggregated risks; limits are applied on the instrument, asset class and total portfolio level.

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The figures presented are estimates calculated by Lynx Asset Management AB. 1) The net performance figures include interest, costs and fees and reflect the Lynx Fund with a 1% management fee and a 20% performance fee. Index-figures are based on available data at the time of publication and are subject to revision. 2) The Value at Risk (VaR) is measured using a 1-day, 95% confidence interval. VaR is measured with three models capturing different time horizons and the highest risk figure is presented. 3) Gross return excludes interest on unencumbered cash. 4) Based on daily data for the past 12 months.

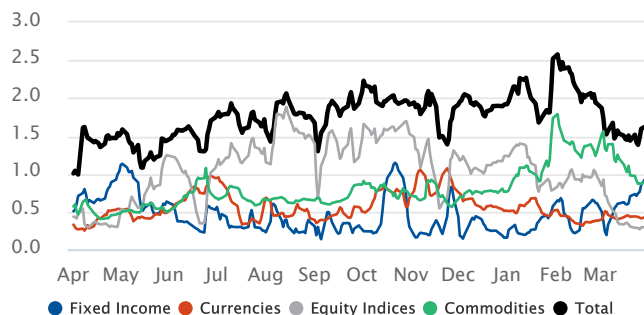
## IMPORTANT INFORMATION

This document is strictly confidential and may not be copied or forwarded without written permission from Lynx Asset Management AB.

Lynx is a special fund as defined in Chapter 1, Section 11 of the Act (2013:561) on managers of alternative investment funds. This material shall not be regarded as investment advice. An investor considering investing in the fund should carefully read the fund's simplified prospectus, subscription document and the information memorandum containing the fund rules. These documents are available for download at [www.lynxhedge.se](http://www.lynxhedge.se).

Investing in funds is associated with risk. **Past performance is no guarantee of future return.** The value of the capital invested in the fund may increase or decrease and investors cannot be certain of recovering all of their invested capital. The returns are not adjusted for inflation. The fund has no investments in hard-to-value assets for which no market pricing information is available, e.g. some unlisted/private equity, or model priced instruments for which no industry standard software models are available, e.g. complex, structured, one-off contract.

## VALUE AT RISK BY ASSET CLASS AND TOTAL PORTFOLIO, %<sup>2,4</sup>



## EXECUTIVE SUMMARY

Strategy	Global managed futures (CTA)
Approach	Systematic, directional, trend following
Instruments	Fixed income, equity index and commodity futures; currency futures and forwards; interest rate swaps
Targets	<b>Volatility:</b> 18% p.a. before fees <b>Return:</b> High risk-adjusted return <b>Correlation:</b> Low or negative with stock markets
Team	Around 100 employees, the majority within research, system development and trade execution.

## KEY POINTS

Management fee	1% p.a.
Performance fee	20% over hurdle rate and HWM
Liquidity	Monthly (documentation and payment due 3 banking days before dealing day)
Minimum investment	SEK 500,000
Custodian	SEB
Administrator	SS&C Financial Services (Ireland) Ltd.
Auditor	KPMG AB
Inception date	1 May 2000