

# Global Dynamic Opportunities 10+ Fund - Class R

## INVESTMENT TEAM

Multi Asset Solutions team



**Markku Malkamäki**  
Head of Multi-Asset Solutions, 23 Years of Investment Experience

## MONTHLY FACTS

|                    |        |
|--------------------|--------|
| NAV                | 104.87 |
| Fund Size (EUR)    | 37.6M  |
| Number of Holdings | 34     |

## BASIC INFORMATION

|             |                       |
|-------------|-----------------------|
| Currency    | EUR                   |
| Type        | UCITS                 |
| ISIN        | LU0793149278          |
| Bloomberg   | LSGDREA LX            |
| Benchmark   | Absolute 10% annually |
| Quotation   | Daily                 |
| Launch Date | 20.06.2012            |
| Domicile    | Luxembourg            |

## FEES AND CHARGES

|                    |                         |
|--------------------|-------------------------|
| Management         | 2.5%                    |
| Performance        | 15% over 8% hurdle p.a. |
| Subscription (max) | 3.0%                    |
| Redemption (max)   | 1.0%                    |

## CONTACT

|        |                  |
|--------|------------------|
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## INVESTMENT OBJECTIVE

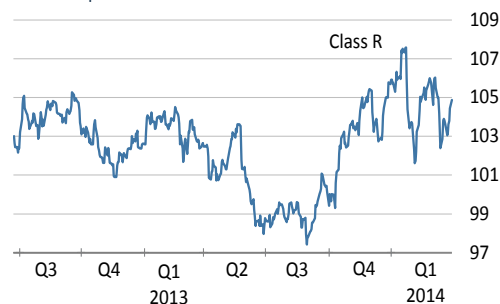
The Global Dynamic Opportunities 10+ Fund has an absolute return target aiming to generate an annualized return of over 10% on invested capital over the period of a business cycle. The Fund invests in all major liquid asset classes and allocates capital among the asset classes with a dynamic approach. Capital preservation is the first priority in poor market environments.

March 2014

## PERFORMANCE

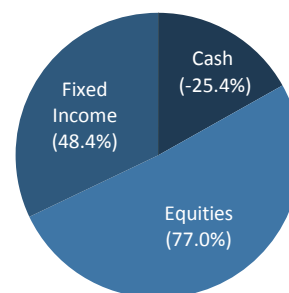
### Cumulative Performance

Since Inception



### Asset Allocation

Net, % NAV, End of Month



|                | 1 Month | 3 Months | 1 Year | 3 Years | Inception | YTD               | 2013  | 2012 <sup>1</sup> | 2011  |       |      |      |
|----------------|---------|----------|--------|---------|-----------|-------------------|-------|-------------------|-------|-------|------|------|
| Fund (Class R) | -0.8%   | -1.0%    | 2.3%   |         | 1.8%      | -1.0%             | 3.2%  | -0.4%             |       |       |      |      |
| Absolute 10%   | 0.8%    | 2.4%     | 10.0%  |         | 18.5%     | 2.4%              | 10.0% | 5.2%              |       |       |      |      |
|                | Jan     | Feb      | Mar    | Apr     | May       | Jun               | Jul   | Aug               | Sep   | Oct   | Nov  | Dec  |
| 2014           | -2.1%   | 2.0%     | -0.8%  |         |           |                   |       |                   |       |       |      |      |
| 2013           | 1.0%    | -0.9%    | -0.2%  | -1.1%   | -0.5%     | -2.2%             | 0.1%  | -1.0%             | 1.7%  | 4.2%  | 1.8% | 0.4% |
| 2012           |         |          |        |         |           | 0.2% <sup>1</sup> | 0.7%  | -0.2%             | -0.6% | -1.4% | 0.5% | 0.5% |

<sup>1</sup>since 20.06.2012

## MANAGER COMMENTARY

We took back the long Italian government bond against short German government bond position and left the credit exposure otherwise unchanged. We slightly reduced the equity exposure tactically during the first part of the month and increased it again in the second part. The USD exposure was left unchanged. The fund was slightly negative for the month with the biggest negative contribution coming from US equities. All credit positions contributed positively.

Global equity and credit markets showed some weakness in the first part of the month due to the political tensions caused by Russia's intervention in Ukraine. European and emerging market equity and credit positions performed well in the second part of the month as they rebounded from an oversold condition whilst US equities were more range bound since in particular social media and biotech stocks started to correct due to valuation concerns. The emerging market strength was mainly based on a technical rebound together with the hope for positive outcomes

of upcoming elections in India, Brazil and Indonesia. Furthermore, China came off recent lows as weak economic numbers increased expectations for government action to support the economy.

The economies in the US and Europe are still on track for a continuation of the recovery and we expect in particular in the US better economic numbers over the next few months. The US Fed has indicated that we will probably see first interest rate hikes next year which confirms our view that interest rate duration exposures should be kept low. The business cycle remains positive for equities and credit in general whereas we have to follow the situation in credit markets closely as some credit instruments might be affected negatively when long interest rates in the US start to increase. We keep the biggest equity exposures in Europe where we expect the multiple expansion to continue for the time being. However, European earnings should start to surprise positively soon based on historic correlations with the manufacturing PMI numbers.

## STATISTICS

|        |                      |       |      |                                 |      |
|--------|----------------------|-------|------|---------------------------------|------|
| Return | Best Monthly Return  | 4.2%  | Risk | Standard Deviation <sup>2</sup> | 6.2% |
|        | Worst Monthly Return | -2.2% |      | Modified Duration               | 0.7  |

<sup>2</sup>annual standard deviation of daily returns since inception

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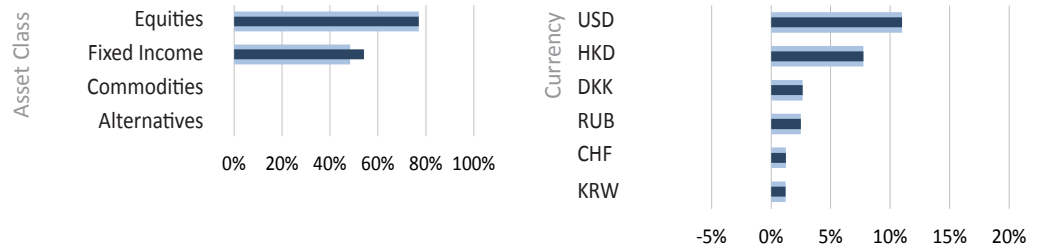
## ETHICAL INVESTMENT

Northern Star is a signatory to the UN Principles for Responsible Investment



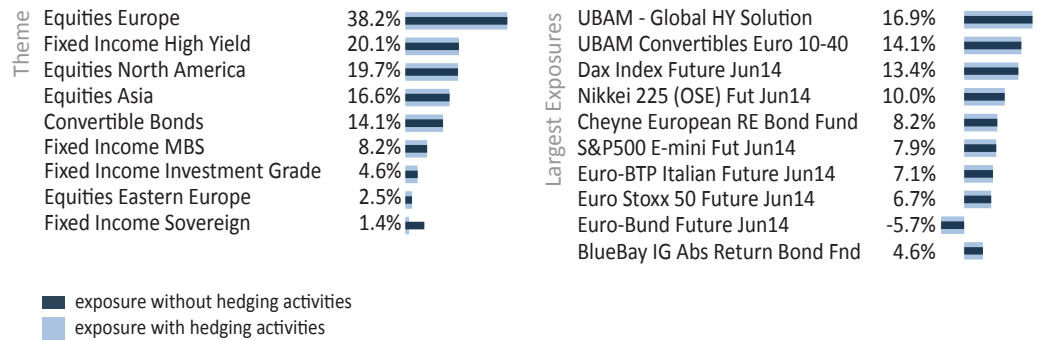
## EXPOSURE

March 2014



## CONTACT

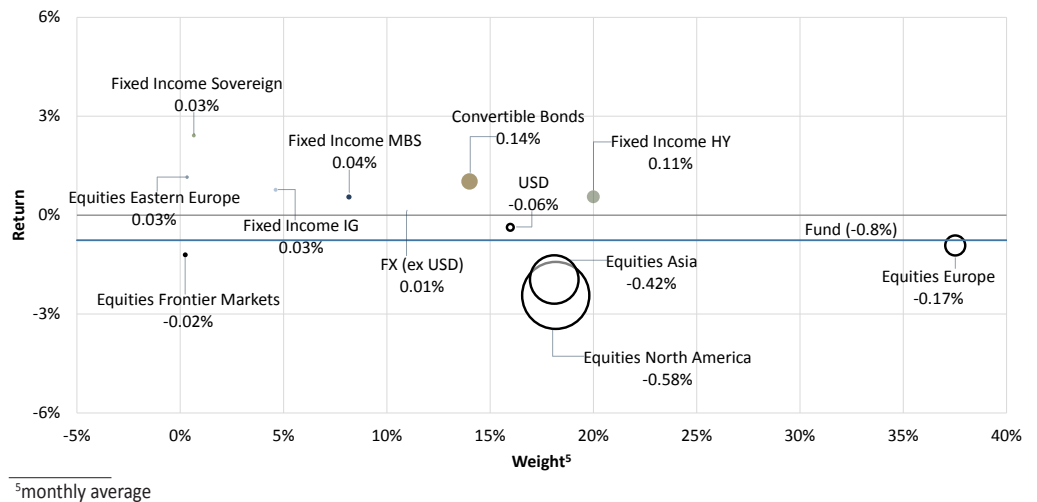
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## PERFORMANCE CONTRIBUTION

### Theme Contribution Analysis

March 2014, Contribution - Size of the Circle



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