MONOGRAM™

NEWSLETTER

Preserving and Growing Your Wealth

December 2017

Performance Update

The Fund returned 0.4% in November, bringing year-to-date net return to 10%.

Global Equity (ACWI) markets were up +1.6%, Developed ex-US Equity (EAFE) was up 0.6% and US Equity (S&P) up 2.6%. US Investment Grade Bonds lost -1.3%, High Yield Debt -3.0% while Gold was flat at 0.1%.

Strategy for the Current Market Environment

We are delighted that 2017 has been a successful year and we have delivered strong returns to our investors.

Our innovative strategy has been behaving exactly as expected and has captured the rally in risk assets while continuing to provide downside protection should the markets correct.

By employing *dual momentum*, we combine *absolute* and *relative* momentum indicators to generate asset allocation signals.

As we invest only in assets with positive *absolute momentum* and avoid assets in drawdown (negative *absolute momentum*), we minimise the risk of large portfolio drawdowns, protect the downside and allow returns to compound over time in a more stable manner.

Relative momentum allows us to put assets in competition with each other and invest in the assets with the strongest positive momentum. Thus, we identify top performers and generate alpha for the portfolio.

Due to its asymmetric return profile, our approach is particularly relevant in the current market environment of elevated asset prices where the risk

of price correction is high but the timing of which no one can predict. The ability to preserve wealth in this environment is paramount for investors.

As always, we will continue to align ourselves with the prevailing winds, within the discipline of the Dual Momentum approach, to the benefit of all of our investors.

Portfolio Positioning

For the month of December our strategy favours US Equity, Japanese Equity, Emerging Asia Equity, BRICs Equity as well as US High Yield Bonds, US Aggregate Bonds and Gold.

Thank You and Festive Wishes

During this time of the year, more than ever, our thoughts turn gratefully to those who make our successful journey possible and once again we would like to thank you wholeheartedly for your continued support.

We wish you and your families peace and love during the holiday season, and a very happy, healthy and prosperous 2018!

Best wishes and warm regards,

Monogram Team

About MONOGRAM

MONOGRAM Capital Management is an investment boutique founded in 2014 and headquartered in London. We take an innovative empirical, evidence-based approach to investing and believe there are fundamental, identifiable, persistent, and exploitable sources of return; risk is the permanent impairment of capital (peak-to-trough drawdown) and not volatility in its various forms.

There are two options for investors to access MONOGRAM's investment strategy. Investors can invest in the Luxembourg Domiciled MONOGRAM Fund or in MONOGRAM's bespoke segregated managed account, provided the investors meet the minimum subscription requirements. Further details are available on request.

For further information on MONOGRAM or to invest, please contact Milena Ivanova on **milena.ivanova@monograminvest.com** or **+44 (0)7931 776206**