

Managed Futures Explained

In a world of increased uncertainty and market turbulence, investors may be reassessing their long term investment goals. With the potential to provide low correlation and diversified¹ returns to traditional portfolios², flows into managed futures have increased. So, what exactly is a managed futures strategy and why might certain investors want to consider it?

¹ Diversification does not assure a profit, nor does it protect against a loss.

² References herein to "traditional portfolio" refer to portfolios concentrated in bonds and equities.

What is Managed Futures?

Managed futures is an alternative investment strategy trading liquid³ global futures and other derivative markets through Commodity Trading Advisors (CTAs). Typically bi-directional in nature, CTAs have the ability to go long or short in any given trade. Managed futures has historically delivered low correlation to equities.

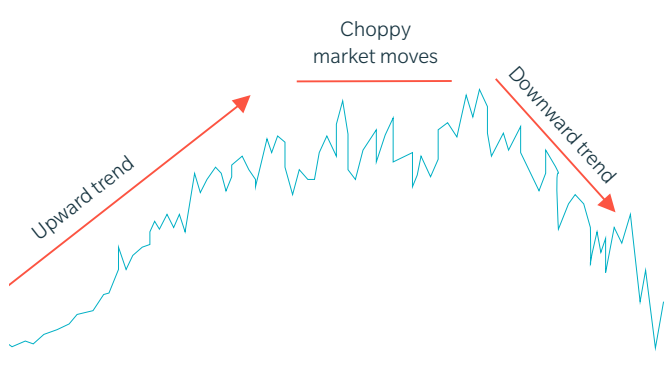
³ Liquidity is subject to market conditions.



How do Managed Futures work?

The most prevalent trading strategies for CTAs⁴ are systematic strategies. This contrasts with the discretionary or value based decision making style of many bond and equity investment managers.

⁴ Please see the Glossary of Terms on page 4.



For illustrative purposes only.

Trendfollowing, which is an example of a managed futures trading style, is a 'momentum' investment strategy that looks for signals in the price movement of a security, whether that is up or down, over a period of time. Using price data, such as moving averages, price breakout and other trading signals, trendfollowing managers determine whether an asset is potentially moving on an up or down trend.

The core features of Managed Futures



Diversification

The drivers of returns for managed futures are different to those of long equity portfolios. Combining managed futures with equities has the potential to create portfolio benefits above those experienced by an equity-only portfolio.⁵



Low correlation

With low correlation over time to bonds and equities, managed futures can provide a differentiated return stream.



Liquidity*

Managed futures offers access to highly liquid markets often with the ability to get in or out of a position quickly.



Bi-directional

CTAs can take long or short positions across markets.

⁵ These benefits may include a lower drawdown and volatility profile and a better risk-adjusted return. However, managed futures may not provide these benefits and these benefits are dependent upon a number of variable factors including market environments. Trading in managed futures is not suitable for all investors given its speculative nature and the high level of risk involved. Past results are not indicative of future results.

Investing in managed futures is not suitable for all investors given the level of risk involved, including the risk of loss.

Diversification does not assure a profit, nor does it protect against a loss.

*Liquidation of contracts is subject to market conditions.

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Why consider Managed futures?

Managed futures has a low correlation to equities and bonds over time and can have a three-fold impact on a traditional portfolio⁶ by potentially increasing sharpe ratio⁷, lowering volatility⁷, and can potentially lead to lower drawdowns⁷ when compared to a portfolio comprising of bonds and equities.

⁶ References herein to "traditional portfolio" refer to portfolios concentrated in bonds and equities.

⁷ Please see the Glossary of Terms on page 4. It is important to note that managed futures may not generate positive returns in all market environments.

Abbey Capital Futures Strategy Fund

The Abbey Capital Futures Strategy Fund (the "Fund"), is a multi-manager managed futures strategy with allocations to a diversified set of managed futures trading advisors and short-dated T-bills. The Fund's primary investment objective is to seek long-term capital appreciation. Further information on this fund is available at:

<https://www.abbeycapital.com/abbey-capital-futures-strategy-fund/>

Please read the Prospectus carefully before investing. Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing in the Fund. This and other information is in the Prospectus. A copy of the Prospectus and summary prospectus, and other information about the Fund, may be obtained by contacting businessdevelopment@abbeycapital.com or by calling (646) 453 7850.

Glossary of Terms

CTA

Commodity Trading Advisor.

Sharpe Ratio

The Sharpe ratio is a measure of risk-adjusted return. The measure subtracts the risk-free rate from the annualised performance of the asset or fund and divides by the realised annualised volatility. A higher (lower) Sharpe ratio is seen as indicative of stronger (weaker) risk-adjusted performance.

Volatility

Volatility is a statistical measure of the dispersion of returns for a given security or market index.

Drawdown

Drawdown refers to how much an investment or trading account is down from the peak before it recovers back to the peak. Drawdowns are a measure of downside volatility.

Disclosures

RISK CONSIDERATIONS:

An investment in the Abbey Capital Futures Strategy Fund ("The Fund") is speculative and involves substantial risk and conflicts of interest. It is possible that an investor may lose some or all of their investment.

All investments in securities involve risk of the loss of capital. An investment in the Fund includes the risks inherent in an investment in securities, as well as specific risks associated with this open-ended investment product. Among the risks associated with investing in this Fund are Commodity Sector Risk, Counter-Party Risk, Credit Risk, Currency Risk, Manager and Management Risks, Advisory Risk, Subsidiary Risks, Tax Risks, Emerging Markets Risk, Leveraging Risks, Foreign Investment Risks, Fixed Income Securities Risks, Short Sale Risk and Portfolio Turnover Risks.

The Fund may invest in or utilize derivative investments, futures contracts, and hedging strategies. A portfolio of hedge funds may increase the potential for losses or gains. One or more underlying managers, from time to time, may invest a substantial portion of the assets managed in a specific industry sector. As a result, the underlying manager's investment portfolio (as well as the Fund's) may be subject to greater risk and volatility than if investments had been made in the securities of a broader range of issuers. Trading in futures is not suitable for all investors given its speculative nature and the high level of risk involved.

There can be no assurance that the Fund's or an underlying manager's strategy (hedging or otherwise) will be successful or that it will employ such strategies with respect to all or any portion of its portfolio. The value of the Fund's portfolio investments should be expected to fluctuate. Investing in managed futures is not suitable for all investors given its speculative nature and the high level of risk involved. The Fund is appropriate only for investors who can bear the risks associated with the product. Investors may lose some or all of their investment.

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Contact Us

Abbey Capital Limited
8 St. Stephen's Green,
Dublin 2, Ireland
D02 VK30

Phone: +353 1 828 0400
Fax: +353 1 828 0499
Email: info@abbeycapital.com
www.abbeycapital.com

Abbey Capital (US) LLC
1270 Avenue of the Americas,
Suite 2602
New York, NY 10020

Phone: +1 646 453 7850

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