

Strategy One Fund

Privium Fund Management BV
Symphony Towers, 26th floor, Financial Offices
Gustav Mahler Square 3, 1082MS Amsterdam
info@priviumfund.com / www.priviumfund.com
+31 (0)20 46 26 644



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Net asset value	NAV/ share Series A (Initial)	NAV/ share Series B (Initial)	NAV/ share Series A May '15
€ 13,226,585	€ 1,250.35	€ 1,182.24	€ 940.31

Investment Objective Strategy One Fund

Strategy One Fund has a three to five year investment horizon. The Fund invests in a mixture of stocks, bonds and funds that are diversified amongst themselves. The investment allocation has two main characteristics: firstly, allocation is fairly dynamic among asset classes in an attempt to capture opportunities that emerge periodically. The second feature is a clear preference to fund managers that have been known to the team for many years. Due to the longstanding relationship with some of these managers and the economies of scale, Strategy One Fund has an opportunity to invest in funds and shareclasses that are not open to most private investors, saving the unit holder considerable costs.

Track Record*

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YEAR
2006								0.4%			19.5%		20.0%
2007		3.0%			0.7%			3.4%			3.3%		10.8%
2008		3.4%			0.7%			-0.9%			-14.9%		-12.2%
2009		4.9%			3.2%			1.5%			30.7%		43.6%
2010	2.4%	-0.6%	3.4%	0.9%	1.3%	2.2%	-1.9%	-0.1%	-1.2%	1.3%	3.0%	2.5%	14.0%
2011	-0.5%	0.5%	-1.4%	-0.3%	1.6%	-3.2%	3.3%	1.9%	1.1%	0.2%	0.6%	1.9%	5.5%
2012	1.4%	0.8%	2.1%	1.0%	-0.3%	0.4%	1.8%	-0.3%	0.6%	-0.8%	0.6%	0.5%	8.1%
2013	0.2%	2.2%	1.7%	0.7%	0.8%	-3.3%	1.7%	-1.4%	2.7%	1.9%	1.4%	1.3%	10.2%
2014	-0.5%	2.1%	-1.4%	-1.5%	2.1%	0.3%	-0.7%	1.0%	1.4%	-0.6%	2.9%	1.5%	6.8%
2015	4.4%	2.9%	2.6%	-2.9%	3.0%	-2.5%	2.4%	-4.3%	-1.8%	2.7%	1.6%	-1.9%	6.0%
2016	-4.7%	-3.2%	-0.7%	-0.8%	2.5%	-4.6%	2.3%	-0.1%	-0.4%	-1.0%	0.4%	2.5%	-7.8%
2017	0.5%	2.5%	1.9%	1.9%	1.1%	-1.2%	1.1%	-0.4%	2.1%	2.0%	0.1%	0.4%	12.7%
2018	1.5%	-2.4%	-1.4%	2.8%	2.0%	-0.6%	1.2%	0.3%	-0.3%	-4.2%	-0.9%	-3.8%	-5.9%

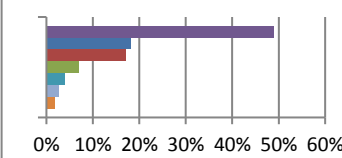
* The track record prior to the launch of the fund (May 1, 2012) relates to the unaudited performance of the total personal portfolio of Hein Jurgens, drawn from historical records. The performance is net of brokerage and custody fees as they were charged. The performance does not take Investment Fund costs into account. This historical track record is for illustration purposes only. The fund performance is based on the returns of the initial series A.

Monthly comment

December was a terrible month for most markets, with safe havens of gold and government bonds posting tiny positive returns. Positive news on the postponement of higher US tariffs on Chinese imports and the Italian government's decision to reign in the budget deficit at 2% provided limited relief. The rate hike by the US government was poorly received as many market participants perceive the Fed's lighting as too aggressive as there is still very little evidence of accelerating inflation. In fact, the oil price fall of 10%, now 30% in three months is clearly deflationary. Economic news came in slightly negative as manufacturers put on hold their investment plans until the outcome of the trade negotiations with the US (and obviously Brexit) have been clarified. Furthermore in Europe, the new emission calculation data on new cars has dramatically reduced car purchases as consumers await the impact on taxation. The high street protests in France contributed to the fall in Q4 GDP data, but we anticipate a rebound in Q1 of 2019. The ECB confirmed that quantitative easing would finish by the end of 2018. On the back of all this uncertainty the Nikkei fell 12%, the S&P fell 10% and has fallen 20% from its record high. Towards the end of the month the Nasdaq was down close to 25% and fallen into bear market territory. European markets fared better as their rating is far lower and companies tend to have less gearing. Interestingly, the S&P's rating is now down 30% for the year, combining the earnings growth and price falls and now trades at 13.5 times, a discount of 9% to the average multiple since the bull market in 2009. Furthermore insider buying (business leaders), has spiked dramatically to levels not seen since 2011. European markets trade at an even lower multiple, with a dividend yield of around 3.5%.

The fund fell with 3.8% for the month, a result we are happy with in lieu of all the turbulence. Again many of our defensive positions performed badly, notably Pictet Water fell close to 6%. Real estate and financials performed poorly and many "winners", positions that had held up well during the year sold off sharply (Roche, Novartis -7%) as people tried to lock in some profits. Another poorly performing sector are our listed funds, many saw their discounts falling into unseen territory. On the plus side our holdings in gold performed well as Chaarat re-listed after a take-over and Syncona performed well on the back of positive news. Generally our hedge funds performed well, except for Capital One which fell 10%. This is our most volatile fund, but after last year's 60% rally we are relaxed on its performance.

Going into 2019 there are many questions that keep investors occupied. The reality is that valuations in markets have come down significantly, world economic growth is still above trend albeit slower and Merrill Lynch fear index is at maximum highs, usually indication a bounce in markets. We are very happy with the composition of our managers and want to thank you for your support in 2018.

Top 5 positions		Asset Allocation	
Name			
Egerton			
Phaidros Balanced Fund			
Adelphi Europe Fund			
Pictet Water			
Syncona			
Fund overview			
Management fee:	1,0%	Subscription & redemption:	Monthly
Performance fee:	5,0%	Redemption notice period:	30 days
High Water Mark	Yes	Base currency	EURO
Hurdle rate	0,0%	Minimum Investment	EUR 100.000,-
Redemption fee	0,5% (credited to the fund)	ISIN code (A class & B class)	NL0010187993 & NL0010556536
Start date fund	May 1, 2012	Administrator:	Custom House Fund Services (Netherlands) B.V.
Investment Manager:	Privium Fund Management BV	Depository:	Darwin Depository Services
Investment Team:	Hein Jurgens	Custodian	ABN AMRO
	Mark Baak	Accountant:	PwC
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