

FACTSHEET

Performance Returns

The Ronit Global Opportunities UCITS Fund returned +2.26% in the month of November (USD Institutional A Founder Class Pooled).

Investment Objective & Strategy

The Ronit Global Opportunities UCITS Fund seeks long term absolute returns in global opportunities by trading a fundamental, bottom-up strategy with macro overlays, to capitalize on Global Opportunities (long-short strategy) with a focus on Emerging Markets and the European periphery. The investment strategy will only invest across a liquid capital structure and is expected to have an equity bias over time. The team believe that fundamental research coupled with a sensible understanding of the risk/reward and idiosyncratic risks can generate attractive returns over time and across market cycles.

Monthly Commentary

In comparison with the volatility and weakness seen in October, financial markets exhibited greater stability this month, helped by a more dovish message from the Federal Reserve and the first signs of easing trade tensions between the US and China. The mixed economic data released in November also provided hope for some investors that rate increases in the US would be either deferred or moderated. Certainly, the recent flattening of the yield curve has raised concerns about an oncoming economic slowdown, although this indicator is by no means unerring. In any case, the new turn of sentiment in financial markets may be short-lived as the recent arrest of Huawei CFO, Meng Wanzhou, in Canada on charges relating to alleged sanctions infractions, has brought the tentative accord reached between Trump and Xi at the G20 meeting into question.

Major indices recovered some of their recent losses across November but continued to exhibit enough volatility to suggest that investors are sceptical of the strength of the recovery. Indeed, the return of stability was largely limited to equities; credit markets remained weak and spreads continued to widen for high yield and financials indices on both sides of the Atlantic. Even more markedly there was a collapse in energy markets, with oil prices correcting more than 20% during the month.

In Mexico, the apparent cancellation of the Mexico City airport project shocked investors who had convinced themselves that AMLO would abandon his campaign promises for more market-friendly policies. We struggle to see why people continue to be surprised by the tone of the Mexican administration as it is entirely consistent with what AMLO offered the Mexican people when they gave him a mandate to govern. From our point of view, the chances of AMLO revising a strategy that reflects his long-held convictions are vanishingly small, though falling oil prices should put some pressure on the budget and may tie the hands of the Finance Ministry. Turning from Mexico to Brazil, the first statements of the incoming government are both encouraging in themselves and, perhaps more importantly, are consonant with Bolsonaro's declared intentions during the election cycle. However, while the recently formed cabinet is full of promise, we have yet to see how effectively it will be able to assert itself, and so will withhold our judgment until more evidence is available. The dovish Fed outlook also eased the pressure on some of the more leveraged countries such as Turkey, which saw some relief across the month. That said, our outlook on Turkey remains negative as the increasingly erratic AKP government is probably not up to the task of stabilising a precariously positioned economy.

Regarding China, the conversation continued to be dominated by the economic slowdown and the impact of the trade tariffs – the two favoured explanations for the recent weakness in Chinese markets. Given the complexity of that vast and rapidly changing economy it is virtually impossible to pinpoint a proximate cause for the sell-off, though it is clear that the authorities will be relaxing economic policy to ensure that this slowdown does not degenerate into something more serious. From a market point of view, there was some relief among many of the Chinese technology and e-commerce companies as earnings performance was generally less negative than anticipated and global headwinds appeared to briefly subside.

All in all, our general view remains unchanged. Despite the sharp declines in October, we believe that many asset prices are still failing to reflect the changing liquidity environment, which has already increased the cost of capital while limiting its availability. In this kind of environment any disturbances at the geopolitical level can have an outsized impact on markets and we would not be surprised to see further abrupt price shocks.

Position Update

As is probably clear by now, we are not convinced that any of the major issues that face the global economy – the Sino-American trade dispute, the fracturing of traditional alliances within the euro system, the tightening liquidity cycle, to name a few – have been resolved. If anything they have been temporarily repressed, and are likely to return again though there is no way to tell when and in what form. What is clear is that, in a regime characterised by tightening liquidity and decelerating growth, the impact will be significantly amplified. As we still have no reason to doubt that we are moving into an environment with tighter liquidity conditions – notwithstanding the Fed's newfound dovishness – we remain defensively positioned with a low gross that should give us the ability to take advantage of any new bouts of volatility.

Ronit Global Opportunities UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018	4.39%	1.71%	-0.17%	-3.28%	-2.92%	-1.56%	2.86%	-2.75%	-0.48%	9.92%	2.26%		9.61%
2017	0.82%	0.03%	0.00%	-0.19%	0.04%	-6.05%	3.88%	2.08%	0.52%	-1.52%	-3.08%	0.94%	-2.84%
2016												0.04%	0.04%

The performance figures quoted above represent the performance of the USD Institutional Founder A Share Class Pooled in the Ronit Global Opportunities UCITS Fund since launch on 5th December 2016. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Ronit Global Opportunities Master Fund LTD Performance (Non-UCITS)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2016	1.06%	-3.30%	7.90%	2.08%	-4.31%	1.70%	3.53%	1.02%	-1.62%	2.29%	-2.34%		7.67%
2015	-3.81%	4.35%	-4.67%	4.68%	-2.74%	-4.60%	-1.65%	5.55%	1.17%	0.46%	2.91%	-2.25%	-1.36%
2014	-1.87%	1.17%	3.98%	2.65%	-1.22%	3.46%	4.82%	-0.97%	-0.49%	-3.39%	-0.30%	0.36%	8.13%
2013						0.2%	1.4%	-1.1%	2.1%	4.2%	-0.1%	-0.08%	6.67%

The performance figures quoted above represent the performance of the Ronit Global Opportunities Master Fund LTD since launch on 1st June 2013 and not the Ronit Global Opportunities UCITS Fund. UCITS Funds have to abide by investment restrictions and consequently the performance of the Ronit Global Opportunities UCITS Fund may not be similar to that presented above. These performance figures refer to the past and past performance is not a reliable guide to future performance.

THE MANAGER

RONIT | CAPITAL

Edward Misrahi (Founding Partner and CIO)

Prior to starting Ronit, Edward was a founding partner of Eton Park in 2004 and subsequently managed public and private Emerging Market and European investments for the firm over the next eight years.

Edward worked for Goldman Sachs & Co., becoming a partner in 2000, where his role included Financial Analyst in Structured Finance, Member of Equities Arbitrage Group, Member of Global Emerging Markets Committee and Co-Head of Latin America for the Firm.

Luis Arenzana (Founding Partner)

Luis was Founding Partner and Portfolio Manager of Shelter Island Capital Management (2003-2013). Here he managed a European Event-Driven Strategy. From 2010 he also managed the Shelter Island Total Return Fund (a Long-Short Equity & Credit Mandate).

From 2008 onwards he also offered advisory services to institutional clients investing in Spain. Prior to founding Shelter Island, Luis was an Executive Director at Orchard Capital Advisors (2001-2003) – here he worked as a Senior Analyst for the European Long-Short Equity Strategy.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$25m
Strategy AUM	\$146 million
Inception	5 th December 2016
Share Class	Institutional/Institutional Founder
Currency	EUR/USD/GBP
Mgt. Fee	1.75%/1.5%
Perf. Fee	17.50%/15%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BD87RV38/IE00BD87S431 USD: IE00BD87RX51/IE00BD87S654 GBP: IE00BD87RW45/IE00BD87S548
Share Class	Institutional A Founder/Retail Pooled
Currency	EUR/USD/GBP
Mgt. Fee	1.2%/2%
Perf. Fee	15%/20%
Min Init. Sub.	10,000,000/10,000
ISIN Codes	EUR: IE00BD8BVG80/IE00BD87SM12 USD: IE00BD87RT16/IE00BD87S878 GBP: IE00BD8BVH97/IE00BD87S761

Top 5 Positions (Exposure as % of NAV)

Top 5 Equity Long	
CIA DE TRANSMISSAO	8.05%
PLAY COMMUNICATIONS	5.57%
TRANSMISSORA ALIANCA	4.72%
JD.COM	4.54%
ALTABA INC	4.40%

Top Corporate Credit Long	
PETROBRAS	7.34%
CEMIG GERACAO E TRANSM	5.48%

Top 5 Equity Short	
Undisclosed – Tech & IT (Argentina)	1.81%
Undisclosed – Tech & IT (Germany)	1.50%
Undisclosed – Financials (Brazil)	1.43%
Undisclosed – Materials (Switzerland)	1.42%
Undisclosed – Consumer (China)	1.37%

Top P&L Contributors (Ex-Hedges and CDS)

Positive		
	Strategy	%
SIEMENS GAMESA RENEWABLE ENE	Equity Long	0.82%
TENCENT HOLDINGS LTD	Equity Long	0.60%
CIA DE TRANSMISSAO DE ENE	Equity Long	0.49%
Undisclosed – Tech & IT (Germany)	Equity Short	0.41%
CIA ENERGETICA DE	Equity Long	0.39%

Negative		
	Strategy	%
Undisclosed – Consumer (China)	Equity Short	-0.33%
JD.COM INC	Equity Long	-0.29%
TAIWAN SEMICONDUCTOR	Equity Long	-0.22%
PETROLEO BRASILEIRO	Equity Long	-0.15%
ALEATICA SAB DE CV	Equity Long	-0.13%

Exposures (% of NAV)

By Country	Exposures			
	Long	Short	Net	Gross
Brazil	29.90%	-1.43%	28.47%	31.33%
Germany	22.49%	-1.50%	20.99%	23.99%
United States	22.54%	0.00%	22.54%	22.54%
China	8.71%	-1.37%	7.34%	10.07%
Spain	3.36%	-2.91%	0.45%	6.26%
Poland	5.57%	0.00%	5.57%	5.57%
Italy	3.72%	-0.23%	3.49%	3.95%
Argentina	1.43%	-1.81%	-0.39%	3.24%
Taiwan	3.21%	0.00%	3.21%	3.21%
Russian Federation	2.84%	0.00%	2.84%	2.84%
Switzerland	0.00%	-1.42%	-1.42%	1.42%
Mexico	1.24%	0.00%	1.24%	1.24%
Hong Kong	0.00%	-0.95%	-0.95%	0.95%
Turkey	0.00%	-0.82%	-0.82%	0.82%
Developed Market Overlays	6.19%	-40.33%	-34.14%	46.53%
Total	111.20%	-52.77%	58.43%	163.96%

Equity Exposures By Instrument (Delta Adjusted)	Exposures			
	Long	Short	Net	Gross
Equity & Single Name Options	54.45%	-24.72%	29.73%	79.17%
Option & Index Hedges	5.47%	-27.82%	-22.34%	33.29%
Total	59.93%	-52.54%	7.39%	112.46%
Option Premium (MTM)	30 Bps	-33 Bps	-3 Bps	63 Bps
By Sector	Long	Short	Net	Gross
Sovereign	37.70%	0.00%	37.70%	37.70%
Utilities	22.59%	0.00%	22.59%	22.59%
Tech & IT	11.28%	-3.31%	7.97%	14.59%
Telecommunications	10.11%	-1.65%	8.46%	11.76%
Energy	10.70%	0.00%	10.70%	10.70%
Financials	7.22%	-2.25%	4.97%	9.46%
Industrial	1.24%	-1.26%	-0.02%	2.50%
Materials	0.00%	-2.37%	-2.37%	2.37%
Consumer	0.00%	-1.60%	-1.60%	1.60%
Developed Market Overlays	10.36%	-40.33%	-29.97%	50.70%
Total	111.20%	-52.77%	58.43%	163.96%

Credit Exposures	Exposures			
	Long	Short	Net	Gross
Corporate Credit	13.57%	-0.23%	13.34%	13.80%
Sovereign Credit	37.70%	0.00%	37.70%	37.70%
Total	51.27%	-0.23%	51.04%	51.50%
Sovereign Credit DV01	€1.3k	€0	€1.3k	€1.3k
Corporate Credit DV01	€2.6k	€0	€2.6k	€2.6k
CDS PV	0.75%	-0.23%	0.52%	0.98%

By Market Cap (Equities only)	Exposures			
	Long	Short	Net	Gross
> 10 Billion \$	24.28%	-49.90%	-25.62%	74.19%
5 - 10 Billion \$	11.75%	-2.63%	9.12%	14.38%
2 - 5 Billion \$	23.89%	0.00%	23.89%	23.89%
< 2 Billion \$	0.00%	0.00%	0.00%	0.00%
Total	59.93%	-52.54%	7.39%	112.46%

Contact Details

Investor Contact
ML Capital Ltd
 Park House, 116 Park Street
 London, W1K 6AF, UK
 T: +44 20 3709 4510
 investorrelations@mlcapital.com

Management Company
MLC Management Limited
 23 St. Stephen's Green,
 Dublin 2, Ireland
 T: +353 1 533 7020
 investorrelations@mlcapital.com

Investment Manager
Ronit Capital LLP
 5th Floor, 52 Conduit Street,
 London, W1S 2YX
 T: +44 20 3642 1950
 ir@ronitcapital.com

Disclaimer

Risk Warning: Past performance is not a reliable indicator of future results, prices of investments and the returns from them may fall as well as rise. Investments in equities are subject to market risk. Changes in exchange rates may have an adverse effect on the value price or income of the product. Ronit Global Opportunities UCITS Fund (the "Fund") may use higher leverage and financial derivative instruments as part of the investment process. The distribution of this report does not constitute an offer or solicitation. Any investment in the Fund should be based on the full details contained in the Fund's Supplement Prospectus and Key Investor Information Document which together with the MontLake UCITS Platform ICAV Prospectus may be downloaded from the MontLake website (www.montlakeucits.com). Information given in this document has been obtained from, or based upon, sources believed by us to be reliable and accurate although neither ML Capital nor Ronit Capital LLP accepts liability for the accuracy of the contents. Ronit Capital LLP is authorised and regulated by the Financial Conduct Authority (the "FCA"). Funds regulated under UCITS must abide by onerous investment restrictions. ML Capital does not offer investment advice or make recommendations regarding investments. The Manager of the Fund is MLC Management Ltd, a company regulated by the Central Bank of Ireland. The MontLake UCITS Platform ICAV is registered and regulated as an open-ended Irish collective asset-management vehicle with segregated liability between sub-Funds formed in Ireland under the Irish Collective Asset-management Vehicles Act 2015 and authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. This notice shall not be construed as an offer of sale in the Fund. The state of origin of the Fund is the Republic of Ireland. Issued and approved by MLC Management Ltd. Authorised and Regulated by the Central Bank of Ireland.