

FACTSHEET

Performance Returns

The Ronit Global Opportunities UCITS Fund returned +0.52% in the month of September (USD Institutional A Founder Class).

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

The continuous outperformance of economic growth in the major western economies compared with forecasts from economists and investors at the beginning of the year is an important investment theme during 2017. Although in normal times this factor by itself would have led to a significant expectation of a rapid normalisation of the incredibly low interest rate environment we are living in, the general absence of inflation across these economies has allowed central banks to remain very accommodative even in the face of the significantly stronger economic data. Historically a goldilocks environment for risk assets was one where growth was good but not good enough to impact inflation. In its current version we have an accelerating growth environment, which is accepted without a real understanding of why inflation is not picking up, and therefore supportive of expectations of further monetary accommodation.

September also witnessed the re-emergence of the famous Trump trade in the United States with a material increase in the expectation of a revised tax reform deal that would provide a new engine of growth for the US economy which irrespective of these developments has been showing signs of acceleration. Even this factor had only a relatively muted impact on fixed income markets with Fed tightening expectations for the next 18 months remaining incredibly subdued.

As we think about the right framework to underwrite our investments, and when we consider these factors, we find it hard to believe that over the next few months we will not start witnessing an impact of all this growth dynamic on fixed income markets. We do not pretend to understand inflation dynamics (even Mrs. Yellen who has hundreds of economists working for her has labelled it a mystery) but we have seen enough environments to realize that general principles in finance are not dead and especially if growth continues to accelerate, rates will adjust.

It will be interesting to see how markets handle this potential move in rates; during September we saw a modest move and risk assets did to even blink. We can add this to the long list of items we have witnessed this year that seem to have no real impact on the direction of the markets or volatility. However, some markets started to adjust and the dollar regained some of the credibility that had abandoned it all year.

The consensus has observed this rate move with complacency because rates are going up for the right reasons growth, but we do worry that this could be the first part of the slow path for normalisation. Initially the reaction across markets was the predictable reaction by historical correlations – financials up, defensives down and Europe up as the euro weakened. Regarding emerging markets, they did sell off some towards the end of the month although we think that fundamentally this move in rates should not really have as large an impact due to reduced dependence on international capital flows. At the same time, we recognize that some of the effects of this move in rates, such as a stronger dollar, have historically been associated with weaker periods in emerging markets' asset prices. We think that a recurrence of those events would be an attractive buying opportunity.

Meanwhile October will see finally the much-anticipated plenary meeting of the Chinese Communist party. The expectations are that the government would make sure that the economy was performing well into this event but that we could see a slowdown in stimulus going forward. We will have to see the data. In general, we expect continued news regarding the transition of the economy to larger service sector; focus on efficiency at SOEs; continued pollution control and continued push for green technology and further emphasis on the importance of the Silk Road project. The policy meeting is also expected to consolidate the power of President Xi even further. Internationally, it is remarkable how the rhetoric on China has changed among investors, from believing that it would be the source of economic chaos across the world to complete complacency. We do not think the events of October will change that shift.

In Brazil, events continue to follow our expectations with the additional positive development that the government has decided to increase a focus on privatisations as a mechanism to help cover some of the budget issues. Large state companies such as Eletrobras and even Petrobras are now on the Government's agenda in addition to the expected companies in the state sector. This development continues to give support to our thesis that the direction of the Brazilian economy continues to remain positive and that the corruption events from May did not have as large an effect as was feared. We continue to think that lower rates, a better economy and incredibly underweight local investors provides an ideal backdrop for exposure there.

Overall, we continue to be very excited about our exposures and have continued to add to some of our high conviction ideas. From a portfolio point of view in addition to our volatility tail protection, we have added some additional protection for the potential of interest rates starting to move even higher since as we have discussed. If you observe assets across the world, the current level of long term rates seems inconsistent with economic data and other risk assets.

Ronit Global Opportunities UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2017	0.82%	0.03%	0.00%	-0.19%	0.04%	-6.05%	3.88%	2.08%	0.52%				0.84%
2016												0.04%	0.04%

The performance figures quoted above represent the performance of the USD Institutional Founder A Share Class 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 guarantee of future performance or 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 onerous 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 guarantee of future performance or 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	\$46.6m
Strategy AUM	\$222 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: IE00BD8BVBH97/IE00BD87S761

Top 5 Positions (Exposure as % of NAV)

Top 5 Equity Long		Top Corporate Credit Long		Top 5 Equity Short	
ANHEUSER-BUSCH INBEV	5.76%	PETROBRAS	3.07%	Undisclosed – Financials (US)	2.42%
YANDEX NV	5.50%	COLOMBIA TELECOMUNICACIO	2.62%	Undisclosed – Financials (Argentina)	2.26%
VEON LTD	5.10%	PETROLEOS DE VENEZUELA	1.96%	Undisclosed – Telecommunications (Mexico)	2.16%
TIM PARTICIPACOES SA	4.89%			Undisclosed – Financials (Germany)	1.96%
BANCO DO BRASIL S.A.	4.79%			Undisclosed – Consumer (Switzerland)	1.70%

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

Positive			Negative		
	Strategy	%		Strategy	%
BANCO DO BRASIL S.A.	Equity Long	0.62%	GERDAU SA	Equity Long	-0.29%
YANDEX NV	Equity Long	0.48%	Undisclosed – Financials (Argentina)	Equity Short	-0.28%
GRUPO SUPERVIELLE SA-SP	Equity Long	0.32%	JD.COM INC	Equity Long	-0.25%
BANCO SANTANDER SA	Equity Long	0.26%	Undisclosed – Financials (Italy)	Equity Short	-0.24%
Undisclosed - Financials (Argentina)	Equity Short	0.21%	CIA DE TRANSMISSAO DE ENE-PF	Equity Long	-0.20%

Exposures (% of NAV)

By Country					By Sector					By Market Cap (Equities only)				
	Long	Short	Net	Gross		Long	Short	Net	Gross		Long	Short	Net	Gross
Brazil	37.50%	0.00%	37.50%	37.50%	Financials	34.49%	-14.97%	19.52%	49.46%	> 10 Billion \$	32.24%	-36.14%	-3.90%	68.38%
United States	10.27%	-9.32%	0.95%	19.58%	Telecommunications	21.44%	-2.16%	19.28%	23.61%	5 - 10 Billion \$	37.89%	-4.21%	33.68%	42.10%
Spain	10.36%	-3.31%	7.05%	13.67%	Consumer	11.86%	-4.71%	7.14%	16.57%	2 - 5 Billion \$	16.53%	-2.45%	14.08%	18.98%
Russian Federation	10.65%	0.00%	10.65%	10.65%	Utilities	9.54%	-1.29%	8.25%	10.82%	< 2 Billion \$	5.98%	0.00%	5.98%	5.98%
Mexico	5.66%	-3.73%	1.93%	9.39%	Tech & IT	9.63%	0.00%	9.63%	9.63%	Total	92.64%	-42.80%	49.84%	135.44%
Italy	0.00%	-9.26%	-9.26%	9.26%	Government	1.96%	-6.70%	-4.74%	8.66%					
Argentina	4.66%	-4.13%	0.53%	8.80%	Materials	8.17%	0.00%	8.17%	8.17%					
China	6.33%	0.00%	6.33%	6.33%	Energy	5.15%	0.00%	5.15%	5.15%					
Belgium	5.76%	0.00%	5.76%	5.76%	Industrial	0.00%	0.00%	0.00%	0.00%					
Switzerland	1.88%	-1.70%	0.18%	3.58%	Emerging Market Overlays	0.00%	-9.21%	-9.21%	9.21%					
Poland	2.51%	-0.93%	1.57%	3.44%	Developed Market Overlays	0.00%	-19.14%	-19.14%	19.14%					
Colombia	2.62%	0.00%	2.62%	2.62%	Total	102.25%	-58.19%	44.06%	160.44%					
Germany	0.00%	-2.60%	-2.60%	2.60%										
Peru	2.08%	0.00%	2.08%	2.08%	By Instrument									
Venezuela	1.96%	0.00%	1.96%	1.96%		Long	Short	Net	Gross					
Portugal	0.00%	-1.29%	-1.29%	1.29%	Corporate Credit	7.65%	-0.50%	7.15%	8.14%					
Hong Kong	0.00%	-1.12%	-1.12%	1.12%	Equity & Single Name Options	92.64%	-22.64%	69.99%	115.28%					
South Africa	0.00%	-0.64%	-0.64%	0.64%	Option & Index Hedges	0.00%	-20.16%	-20.16%	20.16%					
General Index Hedges	0.00%	-20.16%	-20.16%	20.16%	Sovereign Credit	1.96%	-14.89%	-12.93%	16.86%					
Total	102.25%	-58.19%	44.06%	160.44%	Total	102.25%	-58.19%	44.06%	160.44%					

Contact Details

Investor Contact

ML Capital Ltd

29 Farm Street,
London, W1J 5RL
T: +44 20 3709 4510

investorrelations@mlcapital.com

Investment Manager

ML Capital Asset Management Ltd

23 St. Stephen's Green,
Dublin 2, Ireland

T: +353 1 533 7020

investorrelations@mlcapital.com

Sub 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 and, potentially, to currency exchange risk. 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. ML Capital Asset Management Ltd is regulated by the Central Bank of Ireland. 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 ML Capital Asset Management Ltd. Authorised and Regulated by the Central Bank of Ireland.