

**Objectives:** 7% Perf (by Mar 27, 2015), Max DD < 10%, Max Exp = 200%  
**Investment Universe:** EuroStoxx50 components  
**3-Step Approach:** Quantitative, Fundamental and Technical analyses

**Performance since Inception:**

**+ 11.30%**

**Trading week n°10 Net Result:**

**- 1.04%**

## Weekly comment

Lion Equities Fund was launched 10 weeks ago on Tuesday January 20<sup>th</sup> 2015. With EUR 100M in AUM, we have strived at combining a quantitative investment approach with fundamental and technical analyses over European stocks.

Lion Equities ended its last week of trading with a loss of 1.04%, mainly driven by our positive exposures on LVMH SA, Enel SpA and Daimler AG.

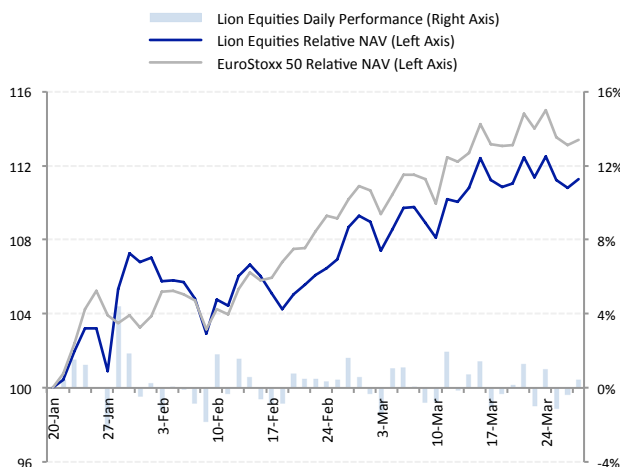
We have achieved to generate a performance of 11.30% since our fund's inception, reaching our target performance of 7% under the pre-defined leverage and drawdown level constraints. Although extraordinary European bull-market conditions have helped us a lot these past weeks, we still had a number of challenges to overcome in our monitoring policies: filtering the right long / short positions while managing our volatility exposure and diversification level efficiently.

We will hold our Global Investors Meeting next week on Friday (April 3) at our headquarters' office. We hope you enjoyed our weekly follow up as well as our website updates over the past months. Looking forward to opening our real fund in a few years from now and providing a myriad of services to our clients, we warmly thank you for your trust.

## Characteristics

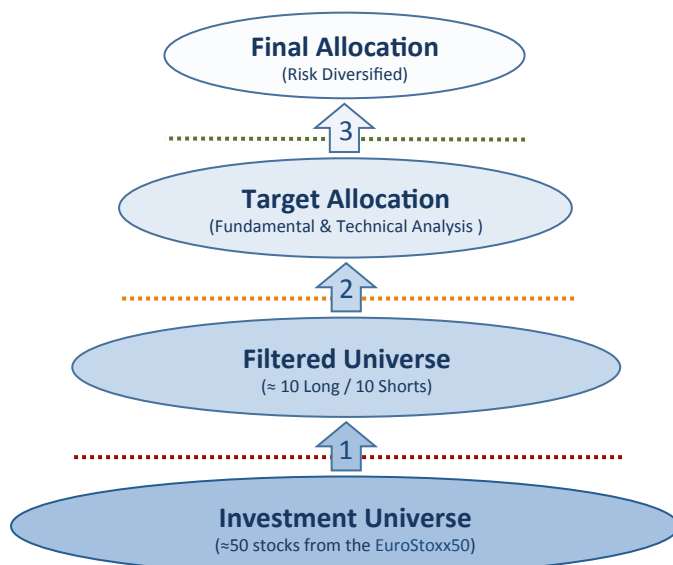
NAV	I Shares: <b>111.30 EUR</b>
Inception	Jan 20, 2015
AUM	EUR 100 M
UCITS IV	Yes
ISIN	I Shares: IR203203203
Bloomberg Ticker	(I) LFEQIR Equity
Domicile	Ireland
Manager	Lion Partners Ltd.
Liquidity	Daily
Min initial subscription	I Share: 1 000 000€
Cut off	By D-1, 5:00 p.m.
Rebalances	Weekly
Custodian	RBC Investor Services (France)
Administrator	
Management fees (including admin fees)	1.7% per year
Incentive fees	20% of the outperformance (Cf. prospectus)
Website	<a href="http://www.lionfund203.com">www.lionfund203.com</a>
Contact	<a href="mailto:lionfund203@gmail.com">lionfund203@gmail.com</a>

## Performance



## Investment Approach

1. Long term Quant Approach. We first rank the EuroStoxx50's components with their respective adjusted Sharpe ratios computed over the past 2 years (risk adjusted). We then cross these results with a CAPM regression between each stock and their benchmark ranking Alphas and Betas. We end up with Max 10 "Best" Stocks and Max 10 "Worst" stocks based on these indicators. These stocks stand as our Filtered Universe.
2. Short term Fundamental and Technical approach.
3. Final allocation based on a risk minimization (min VaR).



## Last Week's Breakdown

Stock Names	Position (Long/Short)	Entered Price (€)	Last Quote	Stop Loss	Performance contribution
Air Liquide SA	Long	121,80	120,15	2%	-0,05%
Allianz SE	Long	161,75	160,25	2%	-0,04%
AXA SA	Long	23,83	23,53	2%	-0,05%
Banco Bilbao Vizcaya Argentaria SA	Long	9,37	9,56	2%	0,10%
Bayer AG	Long	143,95	139,15	2%	-0,13%
Bayerische Motoren Werke AG	Long	115,10	116,10	2%	0,04%
BNP Paribas SA	Long	55,80	56,19	2%	0,07%
Carrefour SA	Long	31,89	31,22	2%	-0,11%
Cie de Saint-Gobain	Long	41,56	40,95	2%	-0,06%
Daimler AG	Long	91,51	88,47	2%	-0,17%
Danone SA	Long	62,75	62,98	2%	0,04%
Deutsche Bank AG	Long	31,65	31,63	2%	0,00%
Deutsche Post AG	Long	29,52	29,20	2%	-0,05%
Deutsche Telekom AG	Long	16,99	17,02	2%	0,01%
E.ON SE	Long	14,25	14,03	2%	-0,09%
Enel SpA	Long	4,35	4,24	2%	-0,18%
Eni SpA	Short	16,25	16,04	2%	0,10%
Essilor International SA	Long	108,35	106,30	2%	-0,08%
L'Oreal SA	Long	172,10	172,15	2%	0,00%
LVMH Moet Hennessy Louis Vuitton SA	Long	169,25	162,25	2%	-0,21%
Orange SA	Long	14,89	15,05	2%	0,04%
SAP SE	Long	67,10	66,35	2%	-0,03%
Telefonica SA	Long	13,45	13,43	2%	-0,01%
Total SA	Long	47,63	46,60	2%	-0,09%
Volkswagen AG	Long	250,05	244,60	2%	-0,11%

Since Inception	Lion Equities	SX5E
<b>Return*</b>	<b>+ 11,30%</b>	<b>+ 13,38%</b>
<b>Ann Volatility*</b>	<b>18,70%</b>	<b>13,98%</b>
<b>Sharpe Ratio*</b>	<b>1,31</b>	<b>2,09</b>
<b>MaxDD*</b>	<b>4,07%</b>	<b>1,98%</b>

\*Data based on Daily Historical NAVs since Jan 20, 2015

## Risks Indicators\*

- To determine the optimal weights to implement, we have minimized the variance of the portfolio with constraints on the weights and a minimal return target for the portfolio, using the returns of the stocks and their variance covariance matrix.
- Market Risk: we are exposed to reversals in our selected stocks' prices, limited to a 2% loss (stop-loss).

Since Inception	Lion Equities	SX5E
<b>VaR-95% 1 day</b>	-1,71%	-1,18%
<b>CVaR-95% 1 day</b>	-2,43%	-1,82%
<b>CVaR-99% 1 day</b>	-3,14%	-2,35%

\*Data based on Daily Historical NAVs since Jan 20, 2015