



## Investment Approach:

- Generate consistent alpha in global capital markets through disciplined use of time-tested econometric models, while reducing capital market-risk through index-futures
- Systematically exploit short term irrational market behaviour with long term fundamental rational
- Rationalized buy and sell discipline

## Trailing Returns (annualized for periods exceeding 1 year)

|   | 1 month     | YTD         | 1 Year       | 3 Years     | 5 Years     | 7 Years     |
|---|-------------|-------------|--------------|-------------|-------------|-------------|
| <b>Vector Flexible C1</b>                 | <b>1,34</b> | <b>6,19</b> | <b>-2,33</b> | <b>5,21</b> | <b>6,63</b> | <b>8,44</b> |
| +/- Category                              | -0,36       | 0,68        | 0,67         | 2,98        | 4,97        | 6,24        |
| <b>Peer group percentile</b>              | <b>58</b>   | <b>34</b>   | <b>48</b>    | <b>18</b>   | <b>5</b>    | <b>3</b>    |
| EAA Fund EUR Flexible Allocation - Global | 1,70        | 5,51        | -3,00        | 2,23        | 1,66        | 2,20        |
| Cat 50%Barclays EurAgg TR&50%FTSE Wld TR  | 1,72        | 5,98        | 4,57         | 6,29        | 7,10        | 7,82        |

VECTOR Flexible is a global allocation fund that is managed with the same set of proprietary mathematical valuation models that drive the stock selection process in VECTOR Navigator: we systematically screen global equity markets in search of undervalued stocks, by continuously assessing 2700 quoted companies on their growth, risk and valuation properties. Out of this vast universe, we construct a portfolio of around 90 companies, based on their chances of outperforming their peers in the months following their selection. VECTOR Flexible and Navigator are holding the same stocks, in exactly the same proportions.

The difference between both funds is in their approach to risk. Navigator will in principle always remain fully invested, targeting a Beta of 1.00 throughout a full business cycle. It will try to outperform the equity markets in good as well as in bad times, without taking on more - or less - risk than the market.

Flexible allocates its resources between equity markets and cash (or fixed income) markets and always has some protection against unexpected market downturns, by systematically hedging 25% of market risk. When we have reason to believe equity markets might not perform all that well in the near future, we will further reduce our equity exposure, possibly to 0%. Flexible consequently should, at all times and in all market conditions, be of a more defensive nature than Navigator. Certainly when we have successfully predicted a market correction, but also in the event of an unexpected market downturn.

This decision to increase hedging is based on the outcome of a quantitative decision process that compares current market conditions to 55 years of detailed financial history, so as to place present conditions in historical perspective, and make a well-informed judgment about the direction of markets. Our decision process is based on an analysis of 15 factors in total:

- 5 macro-economic factors (such as newly authorized Building Permits)
- 5 "technical" factors (such as the 200-day moving average of the S&P500)
- 5 valuation factors (such as the current risk premium on equities versus bonds)

## Top Holdings

Portfolio Date: 28/02/2019

|   | Portfolio Weighting % | Total Ret YTD (Daily) |
|---|-----------------------|-----------------------|
| The Hartford Financial Services Group Inc | 1,27                  | 10,82                 |
| KLA-Tencor Corp                           | 1,26                  | 30,42                 |
| Progressive Corp                          | 1,22                  | 26,13                 |
| Roche Holding AG Dividend Right Cert.     | 1,19                  | 13,89                 |
| Foot Locker Inc                           | 1,17                  | 15,57                 |
| Best Buy Co Inc                           | 1,17                  | 29,44                 |
| Lockheed Martin Corp                      | 1,17                  | 17,81                 |
| Microsoft Corp                            | 1,16                  | 11,17                 |
| Raytheon Co                               | 1,13                  | 19,94                 |
| SS&C Technologies Holdings Inc            | 1,11                  | 36,76                 |
| Eiffage SA                                | 1,11                  | 18,89                 |
| Ryder System Inc                          | 1,10                  | 25,91                 |

## Performance Statistics, 7 years

Time Period: 01/03/2012 to 28/02/2019

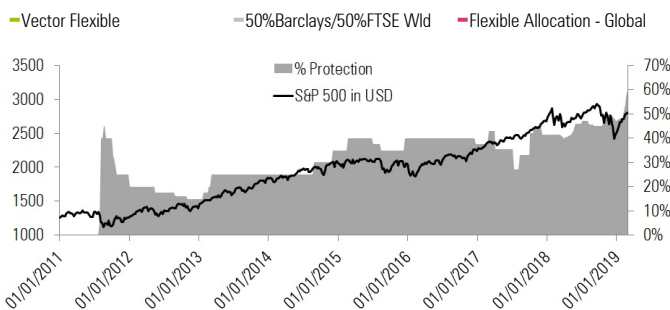
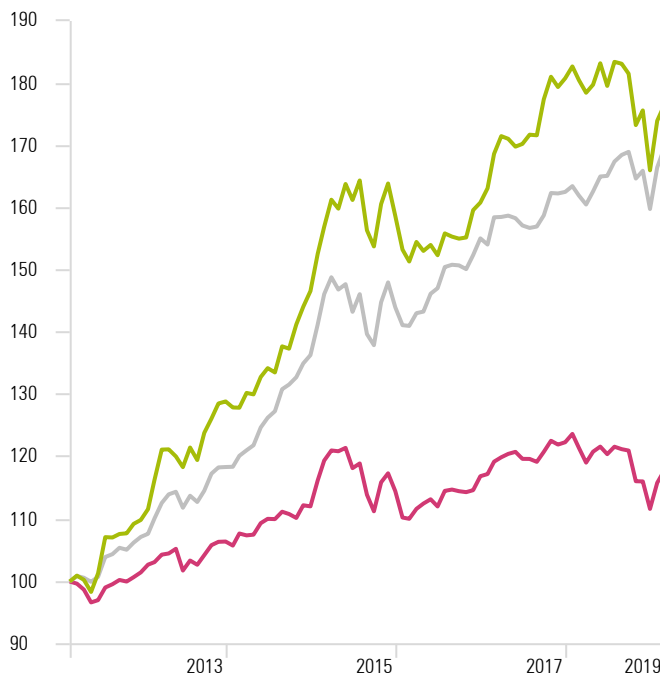
Display Benchmark 1: 50%Barclays/50%FTSE Wld TR

|                         | Fund   | Bmk1   | Cat Avg |
|-------------------------|--------|--------|---------|
| Cumulative Return       | 76,31  | 69,37  | 16,42   |
| Annualized Return       | 8,44   | 7,82   | 2,20    |
| Std Dev                 | 7,45   | 5,66   | 5,66    |
| Sharpe Ratio            | 0,54   | 0,55   | -0,09   |
| Excess Return           | 0,62   | 0,00   | -5,62   |
| Alpha                   | 0,27   | 0,00   | -5,85   |
| Beta                    | 1,09   | 1,00   | 1,10    |
| R2                      | 85,64  | 100,00 | 94,33   |
| Tracking Error          | 3,78   | 0,00   | 2,40    |
| Information Ratio (geo) | 0,15   |        | -2,17   |
| Up Capture Ratio        | 110,53 | 100,00 | 63,02   |
| Down Capture Ratio      | 115,33 | 100,00 | 123,42  |

|                 |                    |                            |       |
|-----------------|--------------------|----------------------------|-------|
| Name            | Vector Flexible C1 | Morningstar Rating 3 Yr    | ★★★★  |
| ISIN            | LU0558384458       | Morningstar Rating 5 Yr    | ★★★★★ |
| Month End Price | 1.718,03           | Morningstar Rating Overall | ★★★★★ |
| Fund Size       | 79.381.818,00      | Base Currency              | Euro  |

## Investment Growth, 7 years (start = 100€)

Time Period: 01/03/2012 to 28/02/2019



Current protection Level: 59.8%

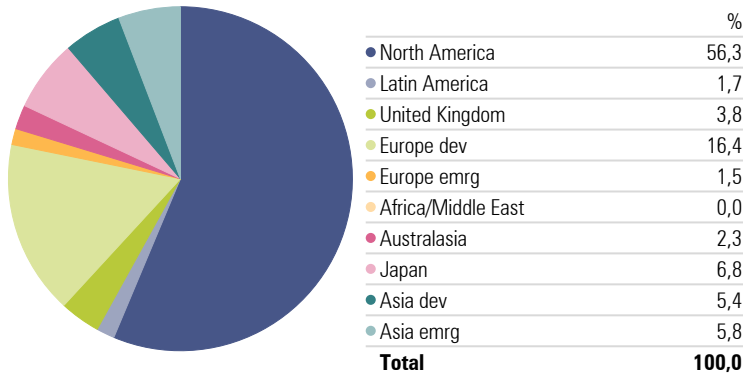
## Returns, annualized

As of Date: 28/02/2019



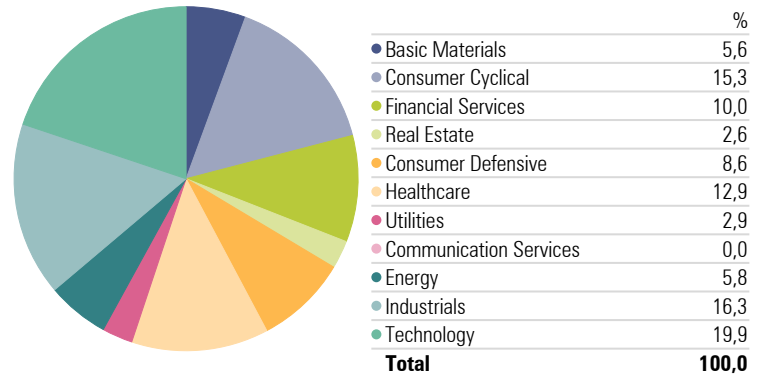
## Vector Flexible C1 - Equity Regional Exposure

Portfolio Date: 28/02/2019



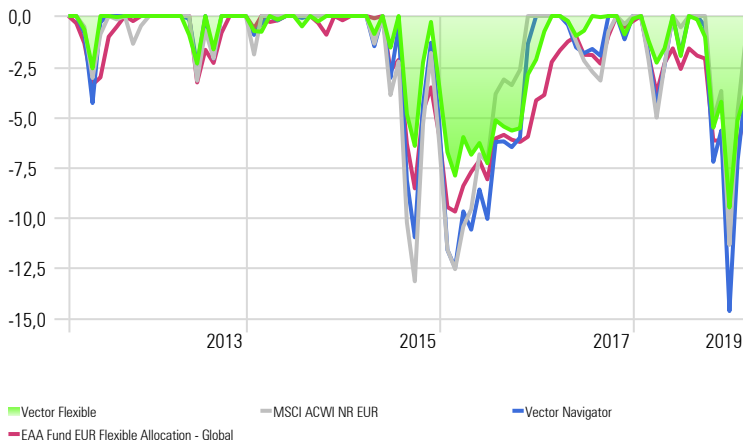
## Vector Flexible C1 - Equity Sectors (Morningstar)

Portfolio Date: 28/02/2019



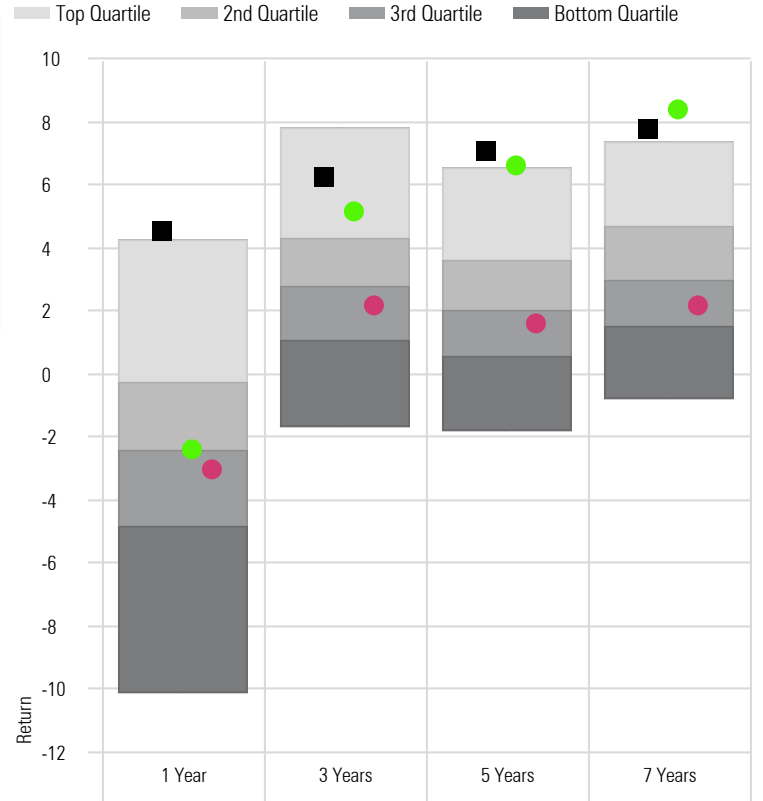
## Drawdown

Time Period: 01/03/2012 to 28/02/2019



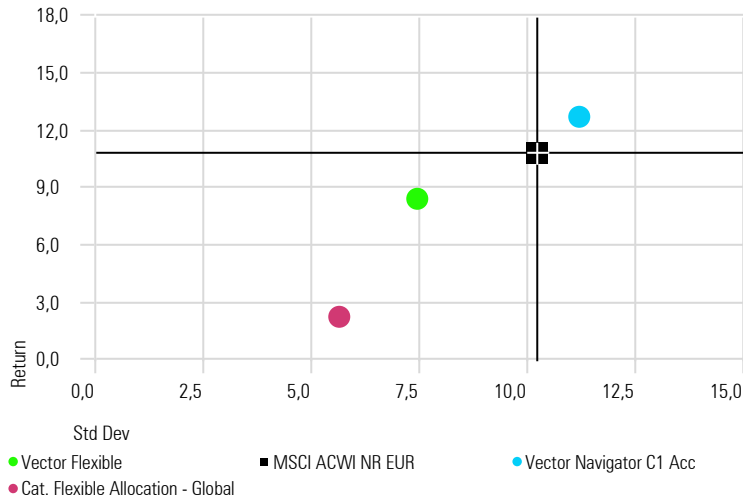
## Performance Relative to Peer Group

As of Date: 28/02/2019 Peer Group (5-95%): Open End Funds - Europe/Africa/Asia - EUR Flexible Allocation - Global



## Risk-Reward, 7 years

Time Period: 01/03/2012 to 28/02/2019



| Annual Returns:              | 2012     | 2013     | 2014     | 2015      | 2016      | 2017     | 2018      | 02/2019   |
|------------------------------|----------|----------|----------|-----------|-----------|----------|-----------|-----------|
| Vector Flexible C1           | 16.29    | 17.32    | 13.75    | 8.22      | 1.35      | 12.41    | -8.70     | 6.19      |
| +/- Category                 | +9.82    | +11.85   | +8.48    | +6.14     | -0.83     | +7.35    | +0.54     | +0.68     |
| <b>Peer Group Percentile</b> | <b>5</b> | <b>5</b> | <b>6</b> | <b>11</b> | <b>58</b> | <b>7</b> | <b>53</b> | <b>34</b> |
| Flexible Allocation - Global | 6.47     | 5.47     | 5.27     | 2.08      | 2.18      | 5.06     | -8.71     | 5.51      |

Fund Name: Vector Flexible  
 Domicile & Legal Status: Luxembourg, UCITS5  
 Management Company: Vector Asset Management  
 Portfolio Manager: Werner Smets & Thierry Vandeghinste  
 Custodian & TA: Edmond de Rothschild (Europe)  
 Auditor: BDO Luxembourg  
 Inception: November 2010  
 Share Price Publication: Morningstar, Bloomberg, Reuters  
 NAV Calculation & Cut-Off: Daily, 18h

| Share-Classes:             | C1           | P               | I1           |
|----------------------------|--------------|-----------------|--------------|
| Management Fee             | 1,50%        | 1,50%           | 0,75%        |
| Subscription Fee (1)       | 1,00%        | 1,00%           | 2,00%        |
| Redemption Fee (2)         | 0,25%        | 0,25%           | 0,00%        |
| Performance Fee            | 15%          | 20%             | 20%          |
| Performance (3) Benchmark: | 5% / year    | 75% MSCI AC Wld | €/25% Eonia  |
| ISIN                       | LU0558384458 | LU1030155458    | LU1013276123 |
| Bloomberg                  | VFFLXC1:LX   | VFFLXPA:LX      | VFFLXCI:LX   |

(1) maximum, in favour of intermediary (2) maximum, in favour of share-class (3) Including High Watermark

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