

As of 31 July 2019

FUND DESCRIPTION

The AAM Absolute Return Fund is a global long/short equity fund that seek to combine in-depth industrial knowledge with capital market expertise in order to exploit fundamental inefficiencies in publicly traded securities within Energy and Natural Resources. The fund does not have a predetermined directional bias and will aim to generate consistent and uncorrelated investment returns through economic cycles whilst maintaining a conservative policy on leverage.

MONTHLY RETURN % (NET)

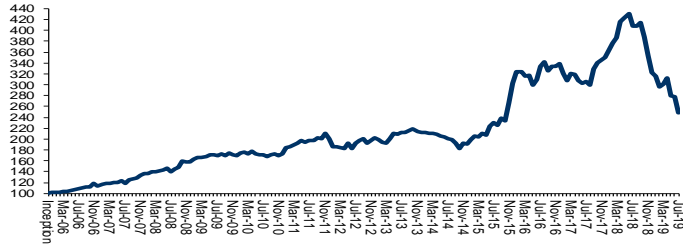
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	-2,38 %	-6,13 %	1,79 %	3,80 %	-10,79 %	-0,37 %	-10,56 %						-23,04 %
2018	3,37 %	3,66 %	2,81 %	7,74 %	1,52 %	1,81 %	-5,36 %	0,02 %	1,69 %	-6,51 %	-8,62 %	-8,80 %	-7,99 %
2017	-5,26 %	-4,21 %	4,18 %	-0,59 %	-3,52 %	-1,82 %	1,49 %	-2,54 %	10,34 %	3,18 %	1,72 %	1,44 %	3,43 %
2016	7,06 %	0,03 %	-2,68 %	0,54 %	-5,45 %	3,32 %	7,68 %	2,29 %	-4,47 %	2,37 %	-0,04 %	1,65 %	12,04 %
2015	4,52 %	2,90 %	-0,49 %	2,80 %	-1,38 %	7,83 %	2,73 %	-1,79 %	5,60 %	-1,68 %	13,54 %	13,92 %	58,50 %
2014	-0,05 %	-0,91 %	0,21 %	-0,46 %	-2,04 %	-0,74 %	-1,26 %	-1,39 %	-2,82 %	-5,31 %	5,25 %	-0,48 %	-9,84 %
2013	-1,88 %	-2,34 %	-1,16 %	4,47 %	5,16 %	-0,94 %	1,51 %	0,48 %	1,63 %	1,47 %	-2,65 %	-0,75 %	4,73 %
2012	-7,41 %	0,17 %	-1,19 %	-0,17 %	4,77 %	-4,94 %	4,97 %	2,85 %	1,38 %	-3,65 %	2,47 %	2,52 %	0,96 %
2011	6,44 %	1,40 %	1,25 %	2,11 %	2,36 %	-1,05 %	1,57 %	0,16 %	2,16 %	-1,21 %	5,22 %	-4,77 %	16,29 %
2010	2,65 %	1,36 %	-2,29 %	3,50 %	-2,74 %	-0,95 %	-0,23 %	-1,88 %	1,60 %	1,16 %	-1,80 %	1,50 %	1,66 %
2009	2,98 %	2,12 %	0,46 %	0,50 %	1,88 %	0,18 %	-0,77 %	1,47 %	-1,30 %	2,32 %	-1,25 %	-1,34 %	7,36 %
2008	-0,89 %	3,16 %	-0,75 %	1,30 %	1,25 %	2,46 %	-4,00 %	2,75 %	2,83 %	7,90 %	-1,78 %	0,34 %	15,03 %
2007	3,13 %	1,44 %	0,15 %	1,42 %	-0,42 %	2,31 %	-3,37 %	5,34 %	1,14 %	1,49 %	3,81 %	2,81 %	20,73 %
2006	0,49 %	0,12 %	0,78 %	0,42 %	1,05 %	1,43 %	2,60 %	0,54 %	1,60 %	0,82 %	4,61 %	-3,42 %	11,41 %
2005	-	-	-	-	-	-	-	-	-	-	-	-	2,02 %

Note: Historical net performance for Class B (NOK) shares

CUMULATIVE NET RETURN SINCE INCEPTION

148,40 %

HISTORICAL NAV DEVELOPMENT



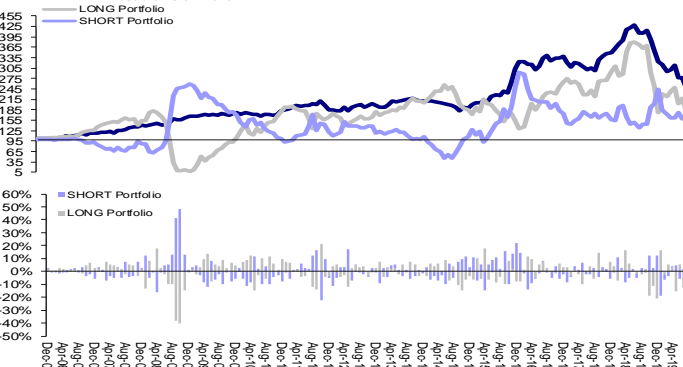
PERFORMANCE STATISTICS

ANN RETURN	6,88 %
ANN VOLATILITY	12,81 %
SHARPE RATIO	0,38
# POSITIVE MONTHS	100
# NEGATIVE MONTHS	64
POSITIVE MONTHS RATIO %	61 %

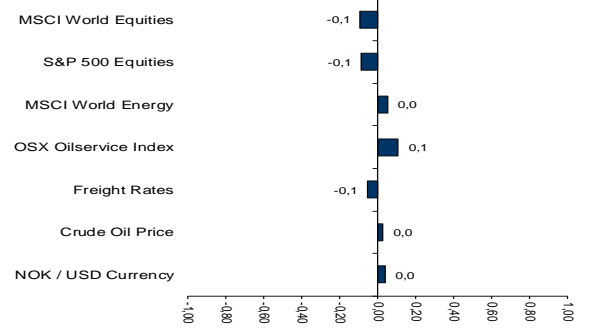
PORTFOLIO EXPOSURE

NET ASSET VALUE (MUSD)	370
# LONG POSITIONS	27
# SHORT POSITIONS	22
AVERAGE TOP 10 LONG POSITION %	7,94 %
AVERAGE TOP 10 SHORT POSITION %	-11,53 %
MONTH END EQUITY GROSS %	236,54 %
MONTH END EQUITY NET %	-45,38 %

PERFORMANCE ATTRIBUTION

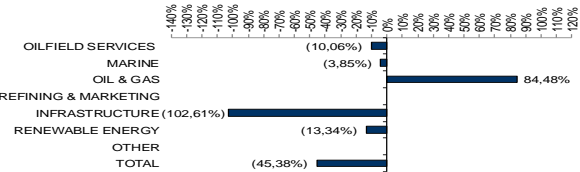


MONTHLY CORRELATION

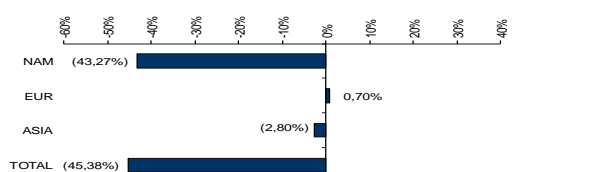


Note: Based on monthly data since inception

SECTOR EXPOSURE



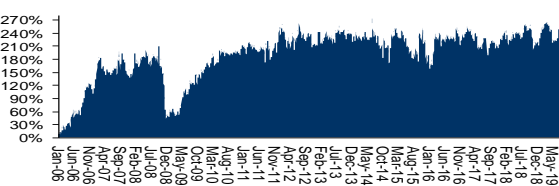
REGIONAL EXPOSURE



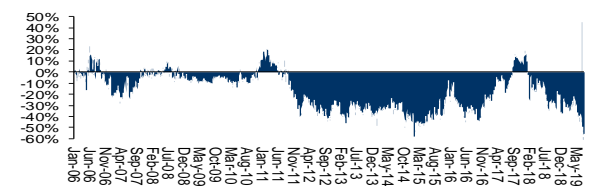
MONTHLY COMMENT

The AAM Absolute Return Fund finished July with an investment return of -10,56%. Whilst the long portfolio contributed -12,77%, the short portfolio contributed +2,22% to the overall performance. During July, the average daily gross equity exposure was 245,16%, and the average daily net equity exposure was -47,83% (See graphs below for further details). Although the global economy has recovered, the risks for a setback include a potential hard landing in China and setback in Europe triggered by higher interest rates and too high government debts. Moreover, the aggressive monetary policies in the EU, US and Japan may turn out to be dangerous experiments. A potential trade war remains a risk. The balance in the oil market shifted from under- to oversupplied during 2018, but the recent OPEC cut and a potential activity reduction in the US following the recent plunge in oil prices may shift the market back to undersupply in 2019. Whilst both oil prices and energy stocks remain volatile, we believe that many stocks have significant upside if oil prices remain at current levels. The relative valuation inefficiencies between stocks in our universe are still very high and we consider our short portfolio to be significantly overpriced regardless of oil prices. We maintain a significant short position in the energy infrastructure sector in the US and in companies that have adopted unsustainable dividend policies, where valuations are still excessive. We still see 50-80% downside for many of these companies, if they were to be valued on traditional valuation metrics.

GRS EQUITY EXPOSURE (DAILY)



NET EQUITY EXPOSURE (DAILY)



KEY FACTS AND TERMS

INCEPTION DATE:	8 Dec 2005 at NOK 100	MANAGEMENT FEE:	1,50 %	FUND AUDITOR:	KPMG
SHARE CLASSES:	USD, NOK, SEK and EUR	PERFORMANCE FEE:	20 %	FUND ADMINISTRATOR:	MFG
DOMICILE:	Ireland	HIGH WATERMARK:	Yes	PRIME BROKER:	UBS & Morgan Stanley
MINIMUM INVESTMENT:	EUR 100,000	EQUALISATION:	Yes		
DEALING DAY:	Monthly				