

**SRRI – Risk and Reward Profile**



**Investment objective**

Diapason Commodities - Global is a Luxembourg long only UCITS IV commodity fund, authorized for distribution in France, in Spain and in Austria. The fund aims to increase the value of its assets over the medium term. It strives to achieve this objective through an active tactical allocation strategy within UCITS IV compliant global or sectorial commodity indices covering the 3 sub-segment of the commodities asset class (energy, metals, agriculture). The investment decisions are based on an investment process relying on 5 pillars : market structure analysis, macro economy and monetary issues, fundamental analysis, quantitative analysis and risk management.

**Class details**

Inception date :	07/08/2009
Currency :	EUR
ISIN :	LU0437830176
Bloomberg :	DCGLOBA LX
Telekurs :	10300508
Other classes :	EUR I; GBP A; GBP I

**Fees**

Subscription fees	2% max
Redemption fees	0%
Conversion fees	1% max
Management fees	1.45%
Admin. and other fees	0.55%
Performance fees	None

**Benchmark :**

Bloomberg Commodity Index Total Return

Daily Valuation - Orders cut off : 16:00 (CET) on previous business day

Legal form : UCITS IV fund registered in Luxembourg

Investment Manager : Twenty First Capital

Fund custodian & administrator :  
CACEIS Bank Luxembourg (Luxembourg)

Delegated registrar and transfert agent :  
CACEIS Bank Luxembourg (Luxembourg)

**Market comment**

The energy sector declined by 4.4% in June, with all energy markets falling over the month. Within the sector, natural gas (-2.2%) declined the least and crude (WTI) oil (-5.2%) declined the most. YTD, the energy sector is now down 19.1% and is the worst performing sector within the asset class. The weakness in the oil sector is largely attributed to the absence of meaningful stockdraws despite OPEC cuts of 1.3 mb/d.

Natural gas prices declined amidst increasing production and reducing demand. Inventories of natural gas in the US increased by 291bcf (+11.52%) over the month, slightly below expectations of a 293bcf. Money managers increased short positions on natural gas by 50.5% over the month.

The industrial metals sector reversed its downward trend from the past three months, with the sector increasing by 3.1% in June. Aluminium was the worst performing market within the sector with prices falling by 0.7% over the month. All other metal markets moved higher, with lead (+8.1%) strengthening the most. This sector is now up 7.7% YTD. Prices increased amidst stronger global economic growth underpinning metals demand growth and tightening markets for most metals. Chinese PMI data for May reached 51.2, above the expected 51.0, and above the threshold of 50 for the tenth consecutive month.

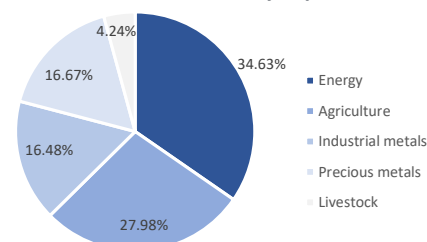
The precious metals sector declined by 2.9% in June with both gold (-2.6%) and silver (-4.9%) moving lower. Despite this move downwards, the sector is still up 6.5% for the year. Gold prices declined in June amidst generally hawkish central banks causing a rise in global bond yields, fading political uncertainties and stronger stock markets. Statements by the ECB president expressing confidence in the central bank's policies suggested a tighter monetary policy which increased Euro and German bond yields, was negative for non interest bearing assets. Although the 25 basis points rate hike was largely expected, statements made by the Fed on reducing its balance sheet and the possibility of further rate hikes later this year was also bearish for gold.

The grains sector (corn, wheat, Kansas wheat and soybeans) rose by 7.4% in June, taking the sector up 4.3% YTD. All four markets moved higher with wheat (+18.7%) appreciating the most. The grains sector was the best performing sector across the asset class in June. The softs sector (cotton, coffee, sugar, and cocoa) declined by 7.1% over the month and was the worst performing sector across the asset class in June. The softs sector is now down 18% for the year. Within the sector, all markets moved lower with sugar (-8.4%) declining the most.

**Key Figures**

	NAV	MTD	YTD
Class A	47.63	-0.54%	-7.33%
Benchmark	167.64	-0.19%	-5.26%

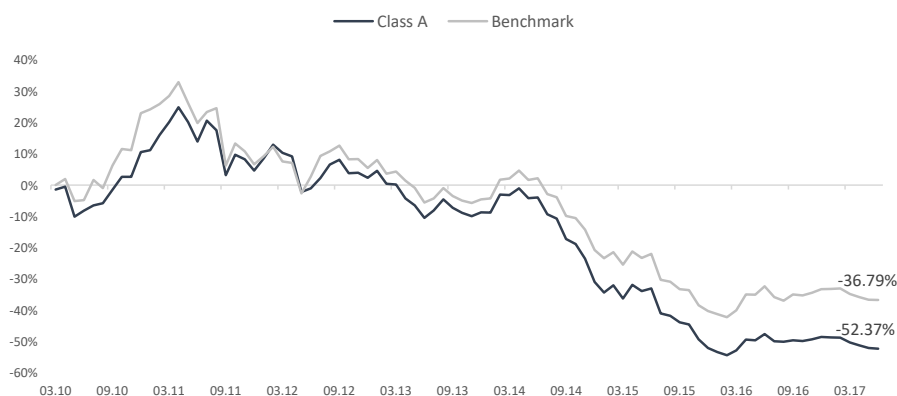
**Benchmark Commodity Exposure**



**Performance and Volatility**

	YTD	1 Year	3 Year	5 Year	Inception
Class A	-7.33%	-9.02%	-50.40%	-51.88%	-52.37%
Volatility		5.74%	14.45%	13.22%	14.79%
Benchmark	-5.26%	-6.50%	-38.17%	-38.45%	-36.79%
Volatility		7.22%	13.21%	12.26%	14.61%

**Performance chart**



Past performances are not a reliable indicator of future performances and are not constant over time.

The Fund presented in this report offers no guarantee of yield or return. Nor is its principal guaranteed. See the last page for a full notice regarding this Fund.

**For more information**

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			MTD	YTD
Class A	<b>47.63</b>	EUR	-0.54%	-7.33%

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