AlphaQuest UCITS Fund
CTA/Managed Futures

April 2019

FACTSHEET

Performance Returns

The AlphaQuest UCITS Fund returned -1.28% in April (USD Institutional Founder Share Class).

USD Institutional Founder Share Class UCITS Performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	-4.96%	-1.34%	2.47%	-1.28%									***-5.14%***
2018	9.82%	-0.10%	-0.34%	1.68%	0.85%	-1.48%	-2.34%	-0.51%	0.68%	-1.74%	-5.29%	1.20%	***1.77%***
2017	-4.33%	-2.70%	-0.99%	-0.69%	-2.54%	0.15%	-1.78%	-1.51%	0.70%	3.15%	0.45%	-1.45%	***-11.14%***
2016												-0.22%	***-0.22%***

The performance figures quoted above represent the performance of the AlphaQuest UCITS Fund since launch on 9th December 2016. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Investment Objective & Strategy

The AlphaQuest UCITS Fund's investment objective is to seek capital appreciation over the long term. The AlphaQuest UCITS Fund invests, on a long and/or short basis, in a globally diversified portfolio representing the major asset classes of equities, fixed income and currencies. It also gains exposure to commodities, on a long and/or short basis, through the use of structured financial instruments (“SFIs”). The AlphaQuest UCITS Fund targets, over the medium term, a realized volatility in the range of 10%-12%, in order to adhere to UCITS investment restrictions.

Quest employs a systematic trading program (the “Program”), diversified by asset class and with individual positions intended to provide a return over different time horizons, that seeks to deliver positive alpha (alpha is a statistical measurement used to determine the risk-reward profile of a potential investment). The Program is composed of a number of trading systems, each of which generates individual trades. These trading systems generate trades on the basis of price movement indicators which seek to identify situations where there is potential for an increase in the price volatility of a given market. Risk controls are integrated into the Program to measure the potential risk associated with trades generated by the Program. Generally, the Program will determine that AlphaQuest UCITS Fund should take a long position in a market that has shown an upward trending price or a short position in a market that has shown a downward trending price.

ALPHAQUEST ORIGINAL (AQO) PROGRAM MONTHLY PERFORMANCE (NON-UCITS)*

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	-7.73%	-2.46%	3.98%	-1.64%E									**-7.95%E**
2018	16.28%	-0.01%	-0.17%	3.12%	1.38%	-0.47%	-5.45%	1.06%	1.43%	-2.66%	-8.42%	0.92%	**5.29%**
2017	-6.31%	-4.14%	-0.86%	-0.02%	-2.75%	-0.82%	-2.30%	-1.99%	0.44%	6.99%	-0.04%	-1.44%	**-12.94%**
2016	14.16%	9.19%	-6.72%	-0.58%	-3.62%	6.60%	2.16%	-6.30%	-7.64%	-2.65%	0.20%	4.51%	**7.02%**
2015	7.97%	-0.68%	2.90%	0.33%	-1.65%	-10.70%	7.39%	-2.01%	-1.64%	2.17%	8.72%	-5.47%	**5.69%**
2014	1.62%	0.10%	-4.51%	-5.36%	3.20%	1.89%	-2.29%	5.83%	3.20%	3.75%	5.24%	3.23%	**16.27%**
2013	0.07%	4.45%	-0.53%	9.07%	-3.46%	0.86%	1.86%	-1.42%	-1.67%	-0.25%	2.11%	4.39%	**15.94%**
2012	3.07%	2.32%	-5.14%	-2.25%	8.66%	-3.34%	5.75%	-3.47%	-3.91%	-2.62%	-0.70%	3.77%	**0.87%**
2011	-4.91%	5.83%	-6.53%	16.41%	-5.93%	-9.40%	11.37%	0.96%	-4.11%	-3.85%	-2.92%	2.10%	**-4.11%**
2010	-6.93%	0.19%	1.58%	1.85%	3.26%	-1.52%	-2.24%	6.97%	7.52%	6.14%	-6.82%	10.10%	**20.08%**
2009	0.38%	-2.32%	-7.57%	-2.43%	13.30%	0.36%	0.57%	-1.73%	3.60%	-5.17%	1.77%	-11.16%	**-11.75%**
2008	2.09%	14.92%	-0.53%	1.26%	4.88%	4.22%	-13.55%	1.36%	-1.26%	20.59%	10.10%	4.98%	**55.77%**
2007	-0.49%	-3.23%	-0.50%	6.26%	-0.79%	6.81%	2.07%	-11.84%	13.80%	6.73%	-3.71%	4.04%	**18.11%**
2006	4.34%	-3.02%	0.55%	14.62%	0.91%	-3.18%	-6.08%	0.36%	0.25%	7.48%	5.95%	2.54%	**25.72%**
2005	-7.67%	2.58%	0.41%	-3.46%	1.48%	5.15%	-4.02%	2.35%	2.94%	0.11%	4.36%	-3.35%	**0.04%**
2004	-2.80%	3.93%	-1.38%	-5.60%	1.30%	-9.98%	1.36%	-1.25%	-0.99%	6.23%	-0.60%	-1.32%	**-11.43%**
2003	-1.84%	6.16%	0.93%	-7.90%	14.36%	-4.59%	-1.86%	1.85%	4.23%	-4.62%	-3.28%	1.13%	**2.74%**
2002	4.05%	-13.71%	16.53%	-1.44%	-2.49%	9.22%	3.76%	0.83%	6.90%	0.99%	-3.50%	16.92%	**39.94%**
2001	-5.22%	-5.43%	12.11%	-5.59%	3.89%	-2.20%	3.68%	-4.52%	7.38%	2.97%	0.58%	10.42%	**17.17%**
2000	4.18%	-1.54%	7.14%	-2.85%	8.03%	-4.16%	-2.57%	3.17%	-2.83%	4.85%	7.97%	18.05%	**44.31%**
1999					-2.66%	2.81%	-1.77%	-1.73%	1.12%	-5.26%	4.26%	1.11%	**-2.45%**

**The above performance pertains to the AlphaQuest Original (AQO) program and is not representative of the AlphaQuest UCITS Fund. UCITS funds have to abide by investment restrictions and consequently the performance of the AlphaQuest UCITS Fund may not be similar to that presented above.*

THE MANAGER

Quest Partners LLC

Nigol Koulajian

Founder and Chief Investment Officer

Nigol Koulajian is the Founder and Chief Investment Officer of Quest. Mr. Koulajian founded Quest in March 2001 to pursue his passion for quantitative investment research and strategy development, which he has focused on from the beginning of his career in the early 1990's. After lengthy research, Mr. Koulajian identified specific strategies using proprietary techniques that have been continuously enhanced over the past eighteen years and became the basis for the growth of Quest. The firm, which is based in New York, currently manages approximately $1.4 billion in assets. In 2002, Mr. Koulajian started the NOK Foundation, which is committed to promoting the study and practice of yoga and meditation globally. Mr. Koulajian has acted as a board member of the Omega Institute and David Lynch Foundation. Mr. Koulajian earned an MBA in finance from Columbia Business School and a BS in electrical engineering from Notre Dame.

Paul Czkwianianc

Director of Futures Research

Paul joined the firm at its inception in 2001. Mr. Czkwianianc started his career in the financial industry in 1999 at Enterprise Asset Management where he worked alongside Mr. Nigol Koulajian. Mr. Czkwianianc holds a B.S. degree in Applied Mathematics from Columbia University and an M.S. degree in Mathematics from New York University.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Daily
Fund AUM	$60.1 million
Strategy AUM	$1.257 billion
Inception	9th December 2016
Registered	Ireland, UK, France, Lux and Switzerland (*Qualified Investors Only*)
Share Class	**Institutional/Institutional Pooled**
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.5%
Perf. Fee	20%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BD08G390/IE00BD08G739 USD: IE00BD08G622/IE00BD08GB72 CHF: IE00BD08G515/IE00BD08G952 GBP: IE00BD08G408/IE00BD08G846
Share Class	**Retail Pooled**
Currency	EUR/GBP/CHF/USD
Mgt. Fee	2%
Perf. Fee	20%
Min Init. Sub.	100,000
ISIN Codes	EUR: IE00BD08GM87 USD: IE00BD08GQ26 CHF: IE00BD08GP19 GBP: IE00BD08GN94

FACTSHEET

Performance Commentary

The AlphaQuest UCITS Fund was down -1.3% in April as volatility plummeted to multi-year lows in several markets. Volatility compression was particularly severe in foreign exchange and fixed income, where it fell close to its lowest levels ever, and in gold, where volatility fell to the lowest level in at least two decades. Overall, it is worth highlighting that volatility across markets is once again approaching the lows of 2017, as shown in the market commentary below.

April saw a continuation of the risk asset rally that was driven by the dovish pivot of Central Banks at the beginning of the year. Equities surged with the S&P 500 and the Nasdaq Composite indices setting new record highs once again on the back of better-than-expected earnings growth in the US and improving economic data globally. Despite the improved data and surging risk assets, bond yields remained low as inflation came in weak and Central Bankers became increasingly vocal about options to prevent it from declining further. Remarkably, financial markets are currently pricing in a 70% probability of a rate cut in the US by the end of the year, compared to expectations of three rate hikes as recently as the end of last year.

Among sectors, the biggest detractors to April's return were fixed income and foreign exchange. The Program entered April with significant long exposure to fixed income, primarily in US treasuries and German bunds, after their powerful breakout in March. Bonds saw a sharp reversal, however, in the first two weeks of April thereby hurting the Program's positions. These markets rallied again towards the middle of the month, only to sell-off again towards the end of April as growth data came in strong. Foreign exchange was challenging as the asset class remained mired in a tight range through most of the month. Indeed, the recent past has been one of the most compressed periods for major currency pairs in history. The EUR/USD cross has been in a 1.12-1.14 range for nearly six months with only brief moves outside of that range, only to reverse back. Realized volatility for the currency pair is close to the lowest level ever recorded, back in 2014. Similar price action was seen in other pairs such as USD/JPY and EUR/JPY.

On a positive note, the Program was able to generate solid returns in equities and commodities, benefiting from the strong rallies in global equity markets and crude oil.

Among trading system families, intermediate-term trend following, which trades time horizons of a few days to a few weeks, was the main source of April's loss. This trading system family struggled in fixed income, although a portion of its losses were offset by gains in equities and commodities. Short-term volatility breakout, which trades time horizons of a few days, was profitable for the month, also generating returns in equities and commodities. The long-term trend following and trend crowding trading system families were flat for the month.

Market Commentary – Party like it's 1999

Mark Twain is reputed to have said "history doesn't repeat itself but it often rhymes." Well, the current market environment is rhyming pretty nicely, as underscored by the exuberance of risk assets globally and fueled in no small part by the highly stimulative policies of Central Banks. Asset price bubbles have developed historically when monetary policies have been excessively easy relative to economic fundamentals. In this regard, the current environment has intriguing parallels to 1998-1999.

During this period, despite a robust domestic economy, the U.S. Federal Reserve was overly accommodative in response to exogenous factors like the Asian Crisis, the Russia Crisis, and the collapse of the hedge fund Long Term Capital Management (LTCM). The Federal Reserve actually cut rates in late 1998 although the US economy and financial markets were broadly healthy. The bull market in equities—which was gathering steam throughout the late 1990s—exploded higher, creating the dot-com bubble as we know it today.

The Nasdaq, which was the epicenter of the bull market of the 1990s, rose +76.9% over about a four-month period from the post-LTCM low in October 1998 to early Feb 1999. The S&P 500 meanwhile, gained +33.9% during the same period. Although the Federal Reserve hiked rates in 1999, it was forced to inject massive amounts of liquidity later in the year due to fears of a Y2K crisis. This, in turn, led to another huge run up in the Nasdaq, which gained an additional +102.8% over an approximate seven-month period from August 1999 to the March 2000 peak—the S&P 500 gained an additional +20.2% during the same period to its March 2000 peak.

In recent years, 2017 saw a huge bull market for risk assets driven by excessively easy monetary policies (peak-of-cycle $2.5 trillion of asset purchases) even though the global economy was experiencing the best growth in over a decade. This disconnect drove the S&P 500 higher by +21.8% in 2017 with the least volatility in recorded history, causing the 'short-volatility' bubble in February of 2018.

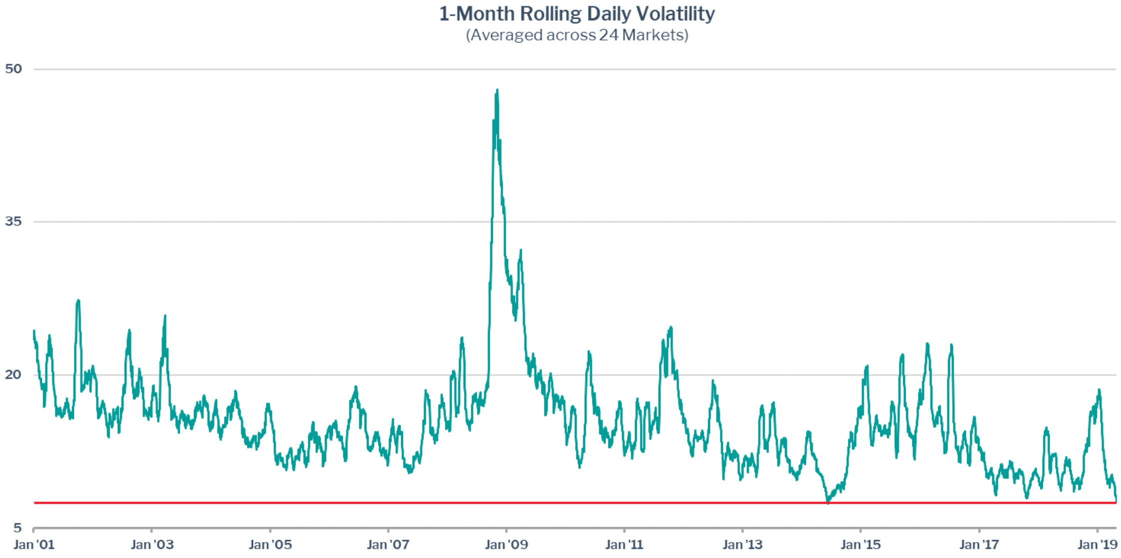
We are currently witnessing a similar run up, initially driven by Central Bank actions at the beginning of this year and now fanned by expectations of rate cuts in the US and other forms of stimulus globally. The Nasdaq Composite and the S&P 500 Index have already rallied +31.8% and +26.1% over the past four months since their December lows.

continued…

FACTSHEET

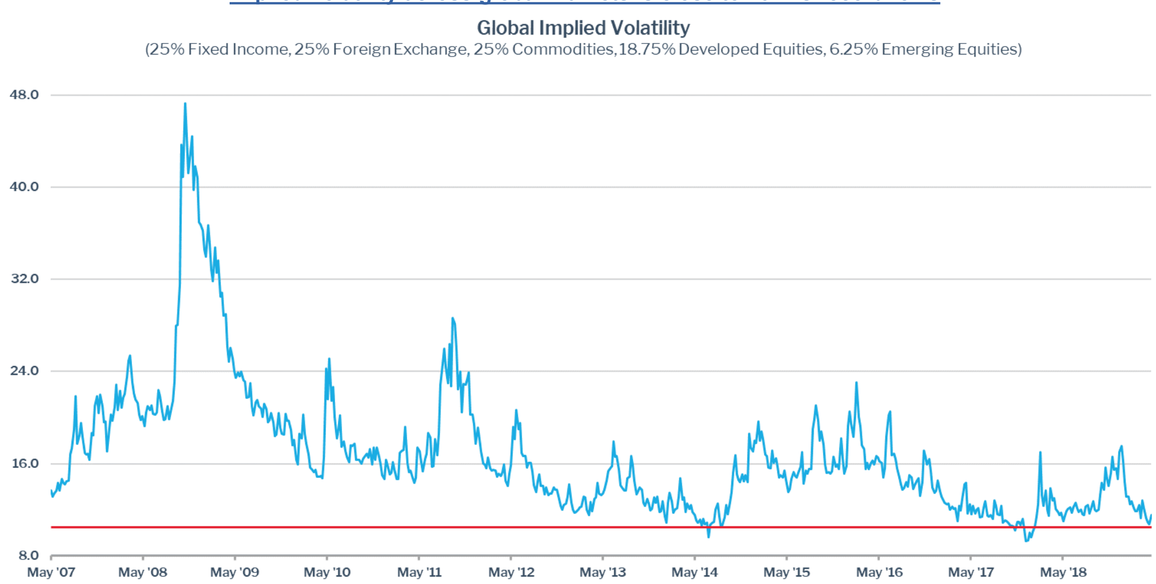
The 'short volatility' bubble is also back in force; realized volatility across markets has collapsed to levels even lower than in 2017, matching their lowest level in two decades. The level of speculators net-short VIX futures contracts has also exceeded the 2017 low and recently set a new record, as seen in the charts below.

Realized volatility across global markets is lower than 2017 levels and is at record lows



Source: Quest Partners LLC; January 2000 through April 2019. The 24 markets included are: Corn, WTI Crude Oil, Bunds, 3M EuroDollar, S&P 500 E-Mini, DAX, Euribor 3M, Gold, Heating Oil, Hang Seng, IMM EURGBP, IMM GBP, IMM EUR, IMM JPY, IMM EURJPY, IMM CHF, JGBs, Natural Gas, Nikkei, NASDAQ E-Mini, Silver, Euro Stoxx 50, US 10-Year Note, and the US 30-Year Bond. DISCLOSURES: Past results are not necessarily indicative of future results. Derivatives trading involves substantial risk of loss and may not be suitable for everyone. This is not a solicitation.

Implied volatility across global markets is close to 2017's record lows

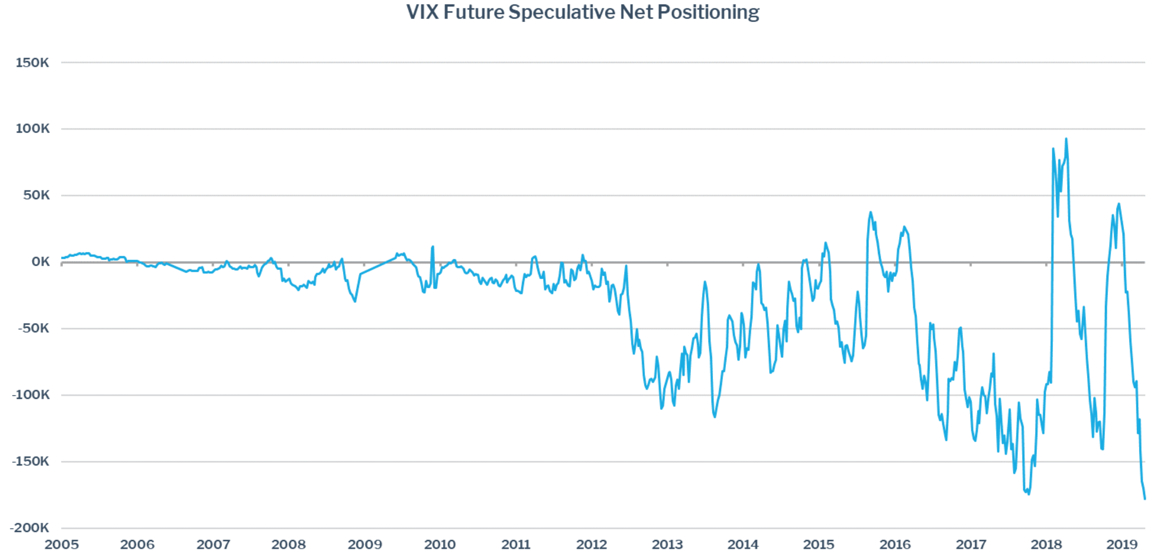


Source: Quest Partners LLC; May 2007 through April 2019. Global Implied Volatility is derived from 30 different implied volatility indices, weighted as indicated above. DISCLOSURES: Past results are not necessarily indicative of future results. Derivatives trading involves substantial risk of loss and may not be suitable for everyone. This is not a solicitation.

continued…

FACTSHEET

Short positioning in VIX futures has exceeded 2017 levels and is at record lows



Source: Quest Partners LLC; January 2005 through April 2019. Outstanding interest in non-commercial VIX future positions. DISCLOSURES: Past results are not necessarily indicative of future results. Derivatives trading involves substantial risk of loss and may not be suitable for everyone. This is not a solicitation.

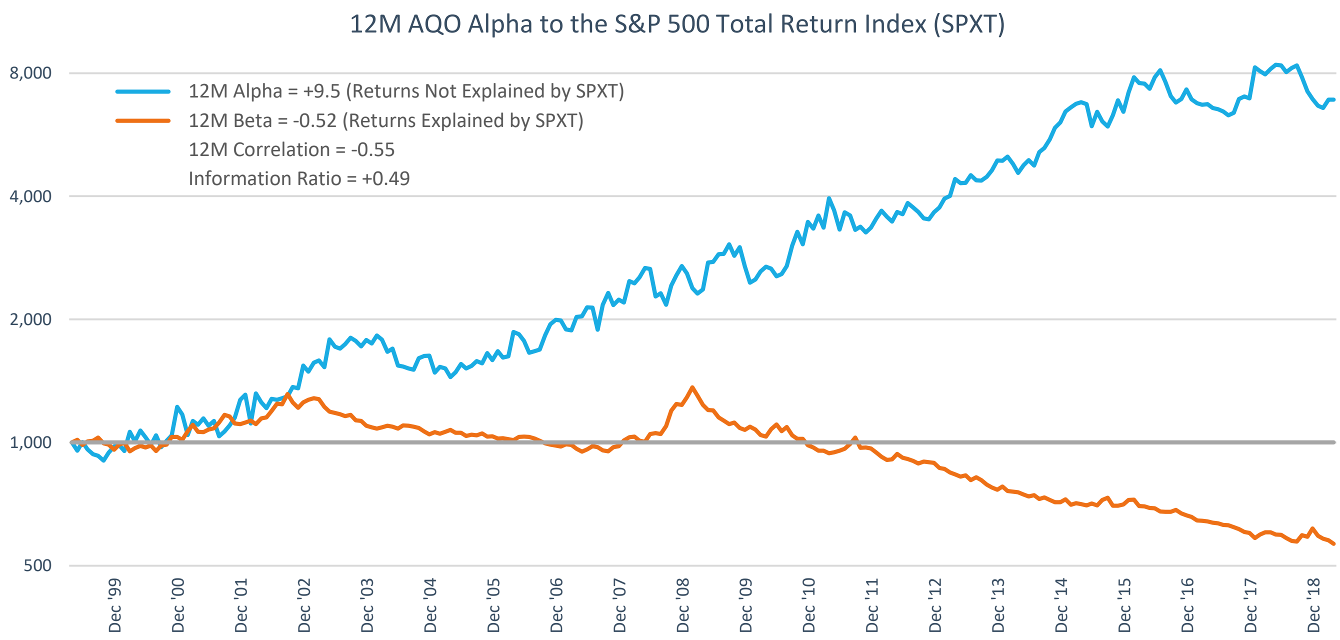
While the exact timing of the unravelling of these bubbles is debatable, its eventuality is not. Current levels of volatility, however, indicate limited room for further significant declines. Additionally, as we have noted in the past, low volatility is a self-reinforcing phenomenon until it becomes destabilizing—i.e., when it causes its own blowup.

Accommodative monetary conditions and behavioral biases developed during prolonged market cycles reinforce unstable volatility compression. Investment strategies that deliver high Sharpe ratios such as mean reversion, liquidity provision, and other strategies which short tails are quick to attract large amounts of capital which then further suppress the realized volatility of the market. This results in prices which are pinned to certain levels because of the participants' commitment to buy dips and sell rallies that mean reversion traders are implicitly making.

Although this unstable equilibrium can last a long time, eventually even a small catalyst can instigate urgent deleveraging and create a massive volatility crisis.

And so the rhyming process of markets continues…

ALPHAQUEST ORIGINAL (AQO) PROGRAM ALPHA CURVE SINCE INCEPTION (NON-UCITS)*



**The above performance pertains to the AlphaQuest Original (AQO) program and is not representative of the AlphaQuest UCITS Fund. UCITS funds have to abide by investment restrictions and consequently the performance of the AlphaQuest UCITS Fund may not be similar to that presented above.*

Source: Quest Partners LLC; Alpha and Beta values are derived from 12-month rolling returns and are indexed at 1000 at AQO's inception.

Contact Details

Investor Contact	**Management Company**	**Investment Manager**
MontLake Funds (UK) Ltd	**MontLake Management Ltd**	**Quest Partners LLC**
Park House, 116 Park Street	23 St. Stephen's Green	126 East 56th Street, 25th Floor
London, W1K 6AF, UK	Dublin 2, Ireland	New York, NY 10022, USA
T: +44 20 3709 4510	T: +353 1 533 7020	T: +1 212 838 7222
info@montlakefunds.com	investorrelations@montlakefunds.com	investorrelations@questpartnersllc.com

Disclaimer