

# Swaen Melis Fund

## Monthly Report: March 2024



### Dear Investors,

We are excited to introduce Swaen Melis Fund (SMF), formerly Swaen Fund Ltd. We realize that a growing number of investors would like to have an absolute return focus and be less exposed to volatility. We have seen over the years that alternative investments have been able to be less vulnerable to traditional market events and have achieved attractive returns. We have a focus on minimizing negative draw downs and maximize steady returns.

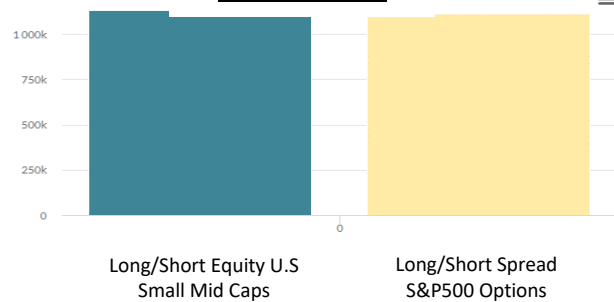
**Investment Strategy:** A carefully curated portfolio of top performing funds, carefully selected, mainly alternative strategies, with a 10% plus annual return target of absolute sustainable returns with controlled volatility. The fund is a fund of funds, which has benefits such as: diversification, unique access, less volatility and lower barrier of entry. A highly diversified hedge fund portfolio in a single allocation.

**Multi Manager Approach:** We have designed a multi manager investment approach, this will lead to achieve greater diversification and also we are committed to continue to rebalance whenever needed. Each manager has a specific investment mandate or strategy that are not correlated to traditional markets and are investing across different asset classes, regions and investment styles. The portfolio is divided among several managers who are each responsible for managing a portion of the assets according to their specific area of expertise.

### Data (as at 31 March 2024) Lead Series\*

NAV/Share (Lead Series*)	105.135
Fund AUM (USD)	16.04 mio
Current Month (March 2024) Return	1.25%
2024 YTD Net Return	2.09%
Annualized Volatility	7.70%

### Top 2 Positions

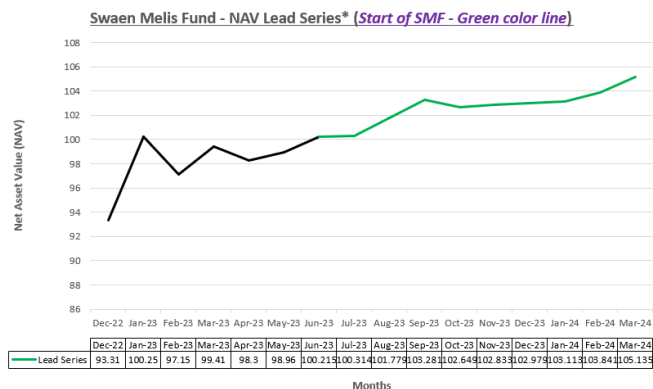


### Performance and Portfolio Overview : Lead Series\*

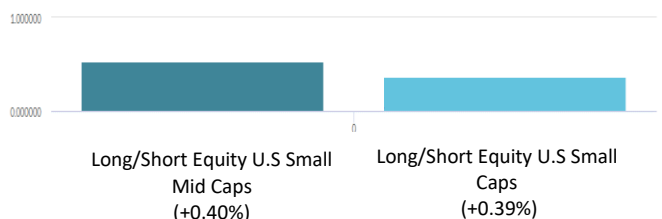
Year	Jan	Feb	Mar	Apr	May	Jun	Jul**	Aug**	Sep**	Oct**	Nov**	Dec**	YTD
2024	0.13	0.71	1.25										2.09
2023	7.44	-3.09	2.32	-1.11	0.67	1.27	0.098	1.46	1.48	-0.13	0.18	0.14	10.37

\*The statistics shown are for lead series. For individual investor performance, investors should rely on information contained in account statements produced by the fund's administrator.

\*\*Transition of Strategy: Start of Swaen Melis Fund (SMF) in July 2023



### Top Portfolio Attributions



**Disclaimer:** Investors should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. These and other information are contained in the Fund's Private Placement Memorandum ("PPM"). A copy of the PPM can be obtained by contacting the Investment Advisor. Past performance of asset classes is not representative of future performance. The value of the Fund may go up or down (volatility) as is expected for all financial market instruments. The Fund is NOT a guarantee of a future yield or return on your invested money. Investors should pay particular attention to the monthly valuation which may impact their liquidity needs. Please read the prospectus carefully before you invest or send money. This Fund is STRICTLY INTENDED FOR SOPHISTICATED OR ACCREDITED INVESTORS. If in doubt, please consult your Financial Adviser.

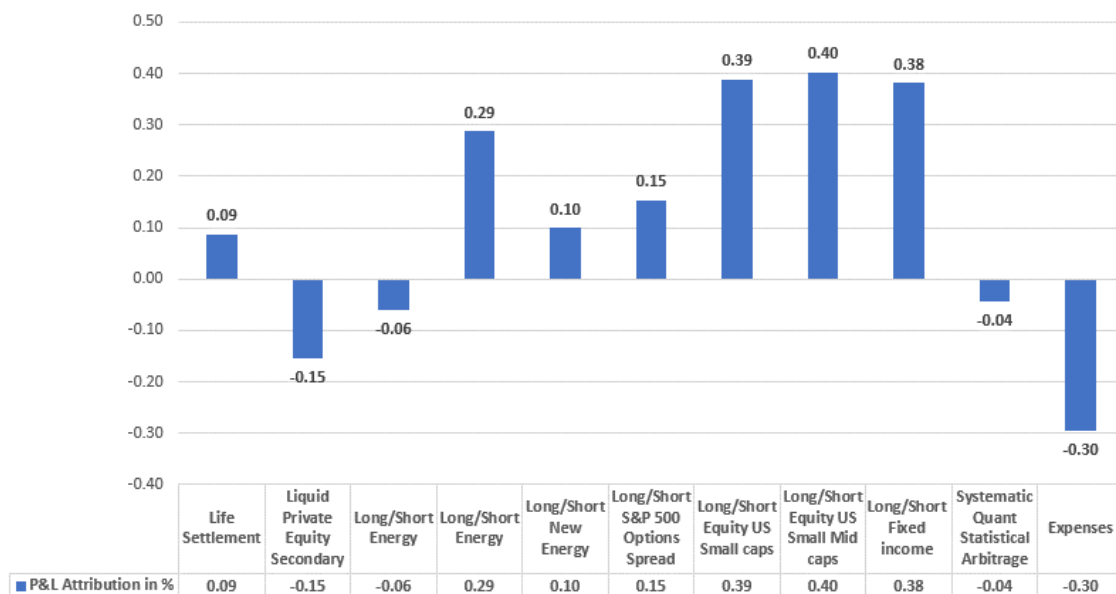
# Swaen Melis Fund

Monthly Report: March 2024



*\*Dear investors, Monthly Commentary will highlight our underlying alternative managers.*

**Profit and Loss Attribution in % (End March 2024)**



## **Swaen Melis Fund (SMF)**

**Annual target return 10-15%.**

One fund of 10 hedge funds.

Generate a positive return in all environments.

SMF minimum investment \$100k, underlying managers mostly have minimums of \$1ml+

Underlying managers:

1. AuM \$100 ml+
2. Reputable and very experienced managers
3. Annualized returns of 10%+
4. High Sharpe ratio
5. Uncorrelated returns
6. Max quarterly redemption liquidity

Below managers are part of Swaen Melis Fund (SMF).

### **Manager 1 : Life Settlement Fund (AuM about \$724ml)**

**Annualized return 14.00%** (since February 2014).

Last 1 year +8.60%, last 2 years 21.90% and last 3 years 32.20%

Low drawdown 2.4%.

Average monthly return 1.1%.

Positive months 96.7%.

Insurance Backed Assets : Insurance liabilities rank above an insurance company's commitments to equity and bond holders.

The fund's investment strategy is to achieve long term capital growth through the acquisition and trading of US life insurance policies, commonly known as Life Settlements, which are issued by US life insurance companies. The manager has over 25 years' experience managing in secondary insurance markets.

Quarterly redemptions with 90 days' notice.

Minimum investment \$125k.

**Disclaimer:** Investors should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. These and other information are contained in the Fund's Private Placement Memorandum ("PPM"). A copy of the PPM can be obtained by contacting the Investment Advisor. Past performance of asset classes is not representative of future performance. The value of the Fund may go up or down (volatility) as is expected for all financial market instruments. The Fund is NOT a guarantee of a future yield or return on your invested money. Investors should pay particular attention to the monthly valuation which may impact their liquidity needs. Please read the prospectus carefully before you invest or send money. This Fund is STRICTLY INTENDED FOR SOPHISTICATED OR ACCREDITED INVESTORS. If in doubt, please consult your Financial Adviser.

### **Manager 2 : Liquid Private Equity Secondary's fund (AuM \$710ml)**

**Annualized Return 16.39%** %, while the MSCI world index gained 11.22% (net of fees since Aug 2019).

The offer quarterly subscription, the next subscription dealing day is April 1.

Drawdown 3.1%.

Purchase of assets at a discount to NAV.

Invested across 200+ funds and 1500+ companies.

Portfolio of mature fund interests (typically 3-8 years old & substantially funded).

85%+ of the portfolio is in secondary's with <\$ 100ml deal sizes - space ignored by larger funds.

Extremely low default rate remains at 0.7%, which is also the lowest amongst their peers.

Quarterly redemptions (subject to a one year lock-up period).

Minimum investment \$125k.

Not for US investors.

### **Manager 3 : Long/short Energy (AuM \$740ml)**

#### **Fund 1**

**Annualized return 15.60%**, Sharpe Ratio: 1.3 (net returns since July 19).

2024 +6.00% (Through 12 April 24), 2023 +3.70%, 2022 +11.20%, 2021 +19%, 2020 +33.80%, July – Dec 2019 +6.60% (all net returns).

Low net exposure strategy focused on the battery theme/energy transition (or "new energy" parts of the markets) which includes companies across the value chain (battery manufacturing, intermediaries, raw materials, end markets, and renewables).

Also available in UCITS fund.

Monthly redemptions with 30 days' notice.

Minimum investment \$1ml, for MGI clients \$100k.

#### **Fund 2**

**Annualized return 48.70%**, Sharpe Ratio: 1.4 (net returns since Jan 19).

2024 +12.60% (Through 12 April 24), 2023 -3.60%, 2022 +46.10%, 2021 +107.20%, 2020 +81.90%, 2019 +39.50% (all net returns).

Energy-related focused on long and short opportunities within energy companies and energy-related derivatives.

Monthly redemptions with 30 days' notice.

Minimum investment \$1ml, for MGI clients \$100k.

### **Manager 4 : Long Short spread trading in S&P 500 options (AuM \$735 ml)**

**Annualized returns 16.52%** (net returns since May 2016).

2024 +2.96% (Through March), 2023 +16.51%, 2022 +12.53%, 2021 +15.62%, 2020 +17.28%, 2019 +18.31%, 2018 +10.68%, 2017 +24.03%, 2016 +12.86% (8 months) (all net returns).

Take advantage of the systemic mispricing of options whereby the seller is paid a premium (implied volatility) over the historical volatility of the underlying asset.

Invests in both long and short S&P 500 options.

Buys protection both above and below where it sells premium.

Dollar cost average into volatility with a dynamic approach to exposure.

The majority of premium reinvestment purchases the layer which provides a large tail hedge within the portfolio to ensure the portfolio is always net unleveraged at any expiration in time.

Quarterly redemptions with 45 days' notice.

Minimum investment \$1ml.

**Disclaimer:** Investors should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. These and other information are contained in the Fund's Private Placement Memorandum ("PPM"). A copy of the PPM can be obtained by contacting the Investment Advisor. Past performance of asset classes is not representative of future performance. The value of the Fund may go up or down (volatility) as is expected for all financial market instruments. The Fund is NOT a guarantee of a future yield or return on your invested money. Investors should pay particular attention to the monthly valuation which may impact their liquidity needs. Please read the prospectus carefully before you invest or send money. This Fund is STRICTLY INTENDED FOR SOPHISTICATED OR ACCREDITED INVESTORS. If in doubt, please consult your Financial Adviser.

# Swaen Melis Fund

Monthly Report: March 2024



## **Manager 5 : Equity US (AuM about \$576 ml)**

Levered Equity market neutral US small caps (US onshore, off shore fund and SMA) :

**Annualized return 20.10%** (last 3 years) and annual return 16.00% (last 5 years).

2024 +2.20% (Through March), 2023 +17.65%, 2022 +23.85, 2021 +22.94%, 2020 +7.83%, 2019 +9.82%, 2018 -3.39%, 2017 +3.63%, 2016 +5.40%, 2015 +3.82% (all net returns since March 2015).

Monthly redemptions with 30 days' notice.

Minimum investments \$100k.

## **Manager 6 : Fixed income manager (AuM about 1.2 bn+)**

**Annualized return 13.90%** (net returns since July 2003).

This fund has a 20 years track record and is closed for new subscriptions. Below fund 2 is the same and open for subscriptions.

2024 +6.68% (Through March), 2023 +22.01%, 2022 -10.89%, 2021 -0.62%, 2020 +16.15%, 2019 +8.23%, 2018 +1.33%, 2017 +11.72%, 2016 +18.14%, 2015 +9.06%, 2014 +10.39%, 2013 +16.00% ,2012 +34.12%, 2011 +25.31%, 2010 +20.63%, 2009 +57.40%, 2008 -3.98% (all net of fees).

The investment strategy focuses on relative value fixed income investment opportunities in European fixed income markets with a Scandinavian bias.

The fund trades and invests long and short in government, mortgage, covered and index-linked bonds with a minimum credit rating of Aa3 or equivalent and both listed and OTC fixed income derivatives.

Monthly redemptions.

Minimum investments EURO/\$100k.

## **Manager 7 : Low Net Market Neutral Equity Energy (1 bn+)**

**Annualized return 13.50%**, Sharpe Ratio: 1.1 (net returns since Jan 2004).

2024 +0.79% (Through March 24), 2023 +11.71%, 2022 +17.40%, 2021 +22.07%, 2020 +27.52% (all net returns).

The energy transition will provide an enduring source of alpha opportunity over the next decade.

Opportunity is provided by cyclical and political disruptions inherent in energy, plus the secular disruption resulting from the ongoing energy transition.

Quarterly redemptions with 45-days' notice.

Minimum investment \$1ml.

## **Manager 8 : Low Net L/S Equity US small and midcap (AuM about \$900 ml)**

Strong rolling 4-yr returns since they changed the investment team.

**Annualized Return 11.90%**, average low net exposure 8.3% (net returns since Nov 2008).

2024 +5.50% (through March), 2023 +14.80%, 2022 +42.80%, 2021 +21.60%, 2020 +21.40%, 2019 +22.7%, 2018 -8.70%, 2017 -5.00%, 2016 +5.10%, 2015 +8.10% (net returns since Nov 2008).

Low correlation and low beta to Russell 2000.

Monthly redemptions.

Minimum investment \$2ml, for MGI clients \$500k.

## **Manager 9 : Systematic quantitative short term statistical arbitrage on liquid futures (AuM about \$177 ml)**

**Annualized Return 12.00%**, Sharpe ratio 1.5 (net returns since June 2013).

Class B inception in February 2022. 2024 -1.00% (through March), 2023 +21.68%, 2022 +28.53%.

Performance prior February 2022 have been calculated using Class A and C realized returns adjusted for Fee structure of Class B. 2021 +5.50%, 2020 -2.56%, 2019 +14.05%, 2018 +10.03%, 2017 +6.22%, 2016 +16.01%, 2015 +10.75%, 2014 +30.66%, 2013 +0.28% (start in June 2013).

The Fund utilizes a robust, systematic set of quantitative trading models combined with sound risk management principles to trade the most liquid international future markets across various asset classes. The program exploits stable sources of alpha such as auto-correlation and Epps effect. Each step of the investment process relies on innovative and proprietary quantitative methods. Variance's core proprietary techniques focus on trading, risk control and estimations of trading costs.

Monthly redemptions.

**Disclaimer:** Investors should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. These and other information are contained in the Fund's Private Placement Memorandum ("PPM"). A copy of the PPM can be obtained by contacting the Investment Advisor. Past performance of asset classes is not representative of future performance. The value of the Fund may go up or down (volatility) as is expected for all financial market instruments. The Fund is NOT a guarantee of a future yield or return on your invested money. Investors should pay particular attention to the monthly valuation which may impact their liquidity needs. Please read the prospectus carefully before you invest or send money. This Fund is STRICTLY INTENDED FOR SOPHISTICATED OR ACCREDITED INVESTORS. If in doubt, please consult your Financial Adviser.

# Swaen Melis Fund

## Monthly Report: March 2024



### Co Founders:

**Cliff Go:** Entrepreneurial Banker for more than 30 years based in Singapore, specialized in Wealth Management and Alternative Strategies. Master of Science in Economics, VU Amsterdam, Netherlands  
[linkedin.com/in/cliffgo](https://www.linkedin.com/in/cliffgo)

**Marcel Melis:** Ultimate Hedge Fund Specialist, a 17-year successful long standing track record in finding the best Alternative Strategies, MBA of Groningen University, Netherlands  
[linkedin.com/in/marcelmelismgi](https://www.linkedin.com/in/marcelmelismgi)

<b>Swaen Melis Fund</b>	<b>Investment Manager: Swaen Capital Pte Ltd</b>
<b>Minimum Investment:</b> USD 100,000	<b>Tel:</b> +65 6331 6033 <b>Fax:</b> +65 6836 9268
<b>Pricing:</b> Monthly <b>Subscription:</b> Monthly <b>Redemption:</b> Monthly 90 days notice	<b>Early Redemption Period:</b> the period of 12 months commencing from date of issue of a Participating Share. <b>Early Redemption Fee:</b> 0 – 6 months: 1.5%; 7 – 12 months: 1%
<b>Dealing deadline:</b> 5pm Singapore time on the last business day before end of the month	<b>Address:</b> No 8 Eu Tong Sen Street #19-89 The Central Singapore (059818)
<b>Fee structure:</b> 1% Management Fee + 10% performance fee with a high water mark	<b>Swaen Melis Fund</b>
<b>Fund administrator:</b> Amicorp Fund Services Asia Limited <b>Auditor:</b> Baker Tilly (Cayman) Ltd	<b>Registered office:</b> The office of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O Box 2681. Grand Cayman KY1-1111, Cayman Islands.
<b>For further enquiries please contact:</b> <a href="mailto:cliffgo@swaencapital.com">cliffgo@swaencapital.com</a> <a href="mailto:clientservice@swaencapital.com">clientservice@swaencapital.com</a> <a href="mailto:melis@mginvestment.com">melis@mginvestment.com</a>	

**Disclaimer:** Investors should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. These and other information are contained in the Fund's Private Placement Memorandum ("PPM"). A copy of the PPM can be obtained by contacting the Investment Advisor. Past performance of asset classes is not representative of future performance. The value of the Fund may go up or down (volatility) as is expected for all financial market instruments. The Fund is NOT a guarantee of a future yield or return on your invested money. Investors should pay particular attention to the monthly valuation which may impact their liquidity needs. Please read the prospectus carefully before you invest or send money. This Fund is STRICTLY INTENDED FOR SOPHISTICATED OR ACCREDITED INVESTORS. If in doubt, please consult your Financial Adviser.