

Investment Policy

The Square Alternative Strategies Fund (the 'Fund') seeks to achieve long term capital appreciation by investing in best-in-class managers across a range of strategies: credit, structured-credit, multi-strategy, relative-value, activist and CTA. The fund will change the strategy allocation depending on market conditions and opportunities. The aim of the fund is to provide investors with good risk adjusted returns with a low correlation to equity and credit markets.

Performances

Inception of USD - A share class: 31 March 2009. Past Performance is not indicative of future performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2009				-0.14%	1.04%	1.22%	1.96%	1.89%	2.20%	1.47%	1.01%	1.81%	13.16%
2010	1.40%	0.17%	2.12%	2.13%	-2.78%	-0.71%	0.26%	-0.32%	2.36%	2.18%	0.45%	2.39%	9.93%
2011	1.85%	1.27%	-0.32%	0.76%	-0.90%	-1.78%	-0.27%	-5.26%	-3.71%	2.19%	-1.45%	-0.52%	-8.11%
2012	2.19%	1.31%	0.95%	0.32%	-0.49%	0.32%	1.10%	1.56%	1.78%	1.44%	0.84%	1.23%	13.27%
2013	1.69%	0.69%	0.96%	1.58%	0.55%	-1.15%	0.68%	0.07%	0.49%	1.33%	1.04%	0.94%	9.20%
2014	0.78%	0.78%	0.78%	0.63%	0.68%	0.72%	0.42%	0.46%	0.14%	0.00%	0.17%	-0.03%	5.67%
2015	0.23%	0.39%	0.35%	0.64%	0.43%	-0.46%	-0.06%	-0.32%	-0.77%	-0.66%	-0.38%	-0.87%	-1.49%
2016	-1.76%	-2.29%	-3.51%	0.37%	0.22%	-0.48%	0.51%	0.23%	0.46%	0.28%	0.29%	1.68%	-4.07%
2017	1.40%	0.79%	0.52%	0.76%	0.65%	0.05%	1.17%	0.30%	0.70%	0.77%	-0.08%	0.82%	8.13%
2018	1.22%	-0.34%	-0.57%	0.48%	-0.10%	1.05%	-0.06%	0.25%	-0.07%	-0.25%	0.55%	-0.51%	1.64%
2019	1.02%	0.45%	0.32%	1.01%	-0.16%	0.63%	0.15%	-0.63%	0.39%	0.21%	0.49%	1.20%	5.17%
2020	0.79%	0.16%	-5.27%	1.76%	1.82%	1.94%	0.74%	0.68%	0.15%	0.13%	2.38%	1.47%	6.74%
2021	-0.27%	2.68%	0.66%	1.39%	0.30%	0.03%	0.33%	0.62%	0.28%	0.68%	0.18%	0.03%	7.10%
2022	0.56%	0.16%	1.26%	1.16%	-0.82%	0.00%	0.19%	1.15%	-0.03%				3.68%

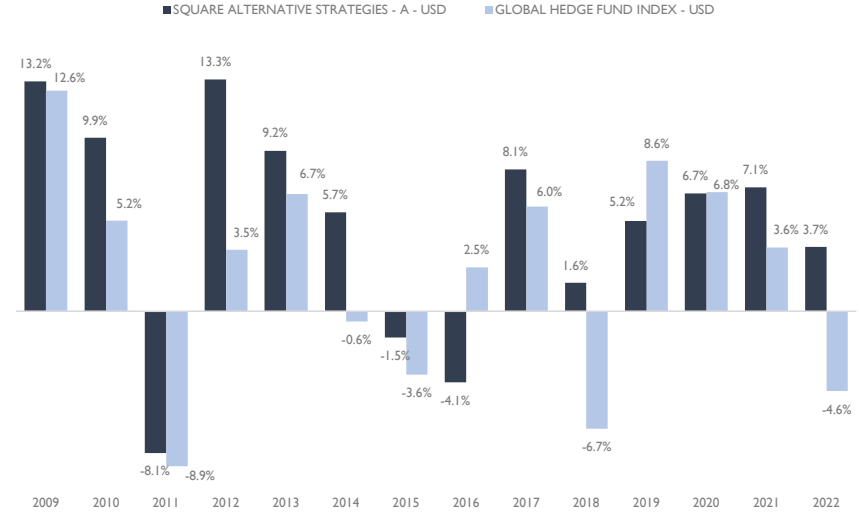
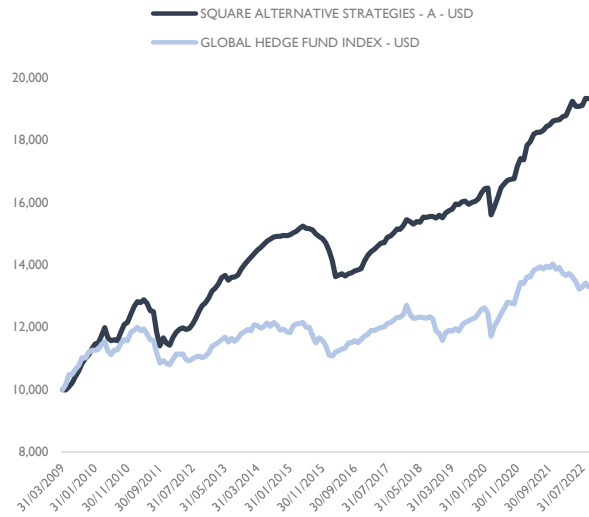
-0.0% MTD
vs -1.0% HFRX

+3.7% YTD
vs -4.6% HFRX

+93.4% ITD
vs +32.9% HFRX

HFRX:
Global Hedge Fund Index - USD

Annual Performance



Performances	Fund		KPI		Fund	
	Fund	HFRX			Fund	HFRX
1 month	-0.03%	-0.96%	Monthly ann. volatility		4.1%	4.4%
YTD	3.68%	-4.56%	Sharpe ratio - 1Y		2.46	-1.25
1 year	4.60%	-4.50%	Sharpe ratio - 3Y		1.77	0.70
3 years	20.80%	8.37%	Max drawdown		-11.5%	-10.0%
Inception	93.44%	32.90%				
ITD Annualised	5.01%	2.13%				

Past performance is not indicative of future results and there can be no assurance that the future performance of any specific investment, investment strategy, or product will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful.

Allocation


Cash : 0.90% Tail Hedge : 1.52%, Mortgages : 0.04%. Classification of strategies defined by Square Capital.

Fund holdings

	% of NAV	Perf MTD	Perf YTD
SABA CAPITAL MASTER FUND	9.8%	1.6%	31.4%
PALOMA INTERNATIONAL	8.7%	-0.6%	1.0%
TWO SIGMA ABSOLUT RETURN ENHANCED	8.1%	2.4%	12.1%
ELLIOTT INTERNATIONAL	6.6%	1.1%	6.0%
GOLDENTREE MASTER FUND SELECT	6.6%	-3.1%	-2.6%
PENTWATER MERGER ARB	6.5%	0.4%	5.4%
GMO EQUITY DISLOCATION	6.0%	0.0%	11.9%
APOLLO CREDIT STRATEGIES	6.0%	-2.2%	-1.5%
SAMLYN NET NEUTRAL	5.3%	4.0%	0.2%
BG FUND	5.1%	-0.7%	-2.0%
TCI	4.0%	-12.9%	-26.4%
ACL ALTERNATIVE	3.7%	4.3%	31.6%
P/E FUNDS LTD - FX STANDARD	3.3%	7.1%	36.2%
COOPER CREEK - MONTLAKE	3.3%	1.0%	20.9%
IRONSHIELD UCITS	3.2%	0.1%	-8.1%
TIEDEMANN ARBITRAGE STRATEGIES	3.0%	0.3%	-1.0%
ARETE MACRO	2.9%	-1.1%	-6.4%
GCA CREDIT LONG/SHORT UCITS - U ACCESS	2.9%	-0.5%	-2.7%
MARSHALL WACE EUREKA	2.7%	2.3%	2.7%
36 SOUTH - KOHINOOR CORE	1.6%	5.7%	77.0%

N.B. : positions under 0.2% of the NAV have been excluded of the holding list.

Concentration

Number of positions	21
Top 5 positions weight	40%
Top 10 positions weight	69%

Summary

Class	A	B	Performance Fee	10% above 8% annual return, subject to a High-Water Mark
Minimum Investment	1,000,000 \$	200,000 \$	Lock Up	None
Management fee	1%	1.5%	Liquidity	Monthly, 90 days of notice
			SRRI	Classe 3/7
	ISIN	NAV as of 30/09	Asset manager	Square Capital LLP
Share class A - USD	LU0415753879	19,343.96 \$	Custodian	Edmond de Rothschild (Europe)
Share class A - GBP	LU0415753952	10,739.78 £	Management company	Edmond de Rothschild Asset Management (Luxembourg)
Share class A - EUR	LU0415753796	10,209.17 €		
Share class B - EUR	LU0415754091	15,482.81 €		
Share class B - USD	LU0415754174	18,126.68 \$		

Monthly review
Performance of selected asset classes as of September 2022

EQUITY INDEXES	PERF SEPTEMBER	PERF 2022
WORLD		
MSCI WORLD	-8.5%	-22.9%
EUROPE		
EuroStoxx 600	-6.6%	-20.5%
German Dax	-5.6%	-23.7%
French CAC 40	-5.9%	-19.4%
Spanish IBEX 35	-6.6%	-15.5%
Italian FTSE MIB	-4.2%	-24.5%
Switzerland SMI	-5.4%	-20.3%
FTSE 100 UK	-5.4%	-6.6%
US		
Dow Jones	-8.8%	-20.9%
S&P 500	-9.3%	-24.8%
Nasdaq	-10.5%	-32.4%
ASIA		
Japanese Nikkei	-7.7%	-9.9%
Hong Kong Index	-13.7%	-26.4%
Chinese CSI 300	-6.7%	-23.0%
EMERGING		
MSCI EM	-11.9%	-28.9%

Source: Bloomberg

BENCHMARKS & BOND INDEXES	PERF SEPTEMBER	PERF 2022
SOVEREIGN RATES		
German Bund 10 years	-3.9%	-15.3%
French OAT 10 years	-4.2%	-17.0%
Italian 10 years	-3.4%	-16.6%
Spanish 10 years	-3.6%	-15.9%
US Treasuries 10 years	-3.5%	-13.4%

CORPORATE DEBT		
Europe IG (well rated)	-3.3%	-14.6%
US IG (well rated)	-5.3%	-18.7%
Europe High Yield	-3.9%	-14.7%
US High Yield	-4.0%	-14.7%

INDEXES & RAW MATERIALS	PERF SEPTEMBER	PERF 2022
Global Index RJ/CRB	-7.4%	16.6%
US Crude Oil "WTI"	-11.2%	5.7%
North Sea Crude Oil "Brent"	-9.6%	16.1%
Gold	-2.9%	-9.2%

CURRENCIES	PERF SEPTEMBER	PERF 2022
USD vs EUR	2.6%	16.0%
JPY vs EUR	-1.6%	-7.7%
GBP vs EUR	-1.5%	-4.2%

PORTFOLIO

Square Alternative Strategies A - USD finished September slightly down -0.03% and is up 3.68% in 2022, outperforming the HFRX index, which was down -0.96% for the month and -4.56% for the year.

For the first time since the financial crisis of 2008, the markets recorded three consecutive quarters of decline. Inflation, which is still higher and more resilient than expected, is pushing central banks to be very restrictive, leading to a sharp rise in interest rates. In this context, stocks and bonds fell sharply while the dollar appreciated in value against other currencies.

The directional allocation of the portfolio was impacted by an awful month for risk assets. The activist fund TCI was down -12.9% as its concentrated allocation to equities suffered from a sharp decline in the stock market (S&P 500: -9.3%, which was the worst September since 2002).

The "All-weather" allocation had a slightly positive contribution to the performance of the portfolio in September. The systematic strategies have been performing well. The fund of CTAs ACL Alternative (+4.3% in September) gained from its long USD positions against EUR and JPY, and from their short positions in bonds and interest rates. The systematic fund P/E (+6.9% in September) also benefitted from the continued appreciation of the USD against other major currencies (EUR, GBP, AUD, JPY). On the other hand, the multi-strategies funds focused on credit suffered more from the huge reversal in interest rates during September. The distress credit fund GoldenTree was down 3.2%, while the credit specialist Apollo finished the month down 2.1%.

The long-volatility and market dislocation allocation contributed positively to the performance in September. The credit focused relative value Strategy fund SABA (+1.5% in September) mainly gained from its short positions through credit derivatives. The tail hedge fund Kohinoor (+5.8% in September) benefited from high volatility in currencies, interest rates and equity markets.

Fund managers


Jacques Benhamou co-founder of Square Capital in 2005

9 years at Crédit Lyonnais in trading, 6 years at Goldman Sachs Investment Management in New York and London

Graduate from ESLSA Paris in 1991



Hugues Decobert co-founder of Square Capital in 2005

8 years at Goldman Sachs Investment Management in New York and London

Graduate from HEC Paris in 1991 and MBA holder from Kellogg - Northwestern University 1997

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