

ALTERNATIVE UCITS FINISH 2013 ON A STRONG NOTE Positive momentum going into 2014

Q4 2013 Alceda Quarterly UCITS Review

- **Alternative UCITS Strategies increased by 2.7 percent in Q4 2013 and 6 percent over the year**
- **AUM in Alternative UCITS reached EUR 159.4 billion – growing by over EUR 25 billion in 2013**
- **Equity Long Short was best performing strategy in 2013 with 12.3 percent gains**
- **FX Index worst performing in 2013, declining 1.3 percent over the year**
- **17 new alternative UCITS launched in Q4 2013 in the busiest quarter of 2013**

Luxembourg, 29 January 2014 – In Q4 2013, the alternative UCITS sector grew by 21 percent compared to Q4 2012, showing continued demand and investment in alternative strategies, according to the Alceda Quarterly UCITS Review. Strong equity markets, rallying into the year end, supported the demand for Alternative UCITS strategies and drove the Q4 performance up 2.7 percent, bringing year to date gains to 6 percent.

Tracking the Absolute Hedge Alternative UCITS Index (“the Index”), which encompasses 468 funds, assets under management (“AUM”) reached a total of EUR 159.4 billion, an increase in AUM of 3.2 percent on the previous quarter.

As equity markets continued their strong performance in the last quarter of the year, the AH Equity Long Short Index kept its position as the top performing strategy in the year with a 12.3 percent increase over 2013, following the 4.3 percent uplift in Q4 2013. In addition, AUM within Equity Long Short reached EUR 18.4 billion, registering a 17.2 percent increase over the quarter. FX strategies were hard hit with both gains and assets declining 15.4 percent and 33.3 percent, respectively, in Q4 2013, leading to an overall decline in performance of 1.3 percent in 2013.

Managed Futures funds, which declined 2.4 percent in Q3 2013, rebounded in the last quarter adding 6.1%, making it the best performing category in the quarter; however AUM declined 3.2 percent over the quarter showing the strategy is still facing some challenges.

Macro funds control the largest share of total AUM with EUR 42.4 billion invested, with assets growing by 6 percent over Q4 2013. The AH Macro Index advanced 1.4 percent in Q4 2013 and 2.3 percent over the year.

Q4 2013 was a particularly active quarter with regards new alternative UCITS launches, with 17 new funds across strategies coming to market, primarily within the Equity Long Short and Credit Indices. The AH Credit Index ended the year with gains up 3.37 percent (+1.23 percent in Q4 2013) as investors reacted to the dislocation of bond markets. In line the new issues across strategies, the report reveals that investors are increasingly happy to support new products with new funds achieving significantly higher launch assets, often within their first year.

Michael Sanders, Chairman of the Board, Alceda Fund Management S.A. said: *“The results of the Alceda UCITS Review in Q4 2013, and over the full year, demonstrate the growing investor confidence in the global economic recovery and the continued demand for alternative UCITS strategies.*

"While the overall results were encouraging, there was a significant dispersion in performance between the best and worst performing funds in the space. Equity Long Short, the strongest performing category over the year, outperformed FX strategies by over 60 percent, demonstrating the importance of good fund selection and portfolio diversification. Assuming equity markets continue to rally, we expect Equity Long Short funds to benefit and maintain their levels of performance."

"The universe saw Assets under Management grow by over EUR 25 billion over 2013, translating to a growth rate of 21 percent. With investor confidence growing, and more funds being driven into Alternative UCITS strategies, as well as a supportive regulatory environment, we expect this positive trend to continue into 2014."

The report is available online www.alceda.lu. For further information please also see www.absolutehedge.com

For further information, images or meetings please contact:

Alceda Advisors GmbH

Catherine Burgy
T. 0049 40. 471 10 77-903
E. catherine.burgy@alceda.de

Newgate Communications

Alistair Kellie / Madeleine Palmstierna
T. 0044 20. 7680 6550
E. alceda@newgatecomms.com

About Alceda

Alceda is a leading independent structuring specialist in Europe dedicated to the structuring of traditional and alternative investments. Alceda provides asset and fund managers, banks and family offices with tailored investment solutions and global access to investors and distribution partners. In addition, Alceda offers institutional investors the choice of a range of innovative investment strategies from highly specialised fund boutiques worldwide. Established in 2007, Alceda is represented in 4 countries, with offices in Luxembourg, Hamburg, London and Hong Kong. With over 60 employees worldwide, Alceda has over USD 7bn in Assets under Administration across a variety of products. For more information please see: www.alceda.lu

Luxembourg

Alceda Fund Management S.A.
Airport Center Luxembourg
5, Heienhaff
1736 Senningerberg
Phone: +352 248 329-1

Germany

Alceda Asset Management GmbH
Valentinskamp 70
20355 Hamburg
Phone: +49 40 4711077-700

United Kingdom

Alceda UK Limited
Standbrook House
2-5 Old Bond Street
W1S 4PD London
Phone: +44 20 701 65-371

Hong Kong

Alceda Asia Limited
20th floor, Central Tower, 28 Queen's Road
Central Hong Kong
Phone: +852 2159-96