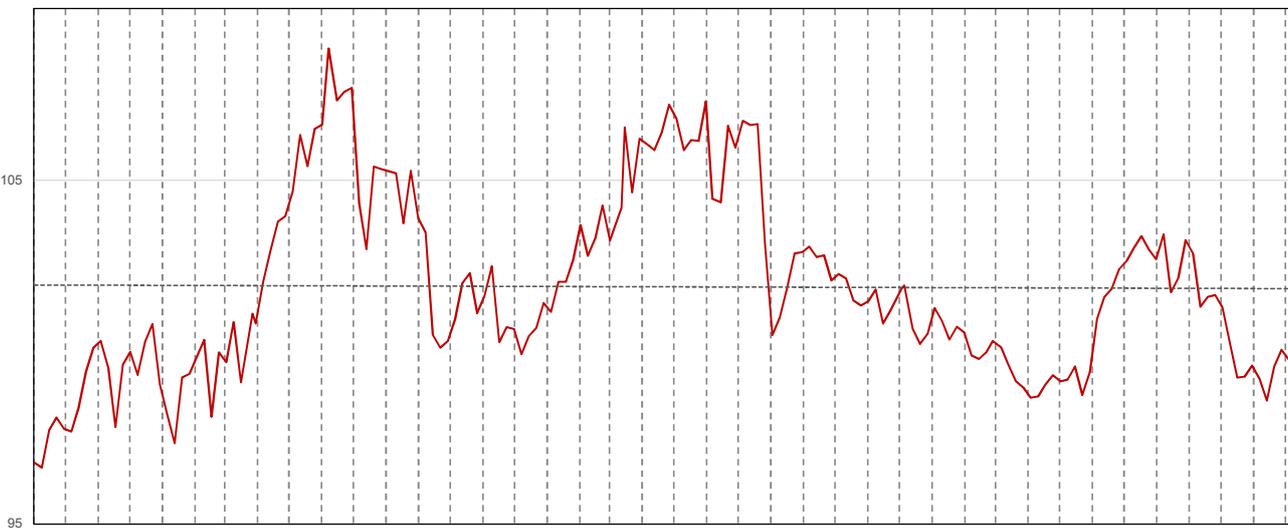




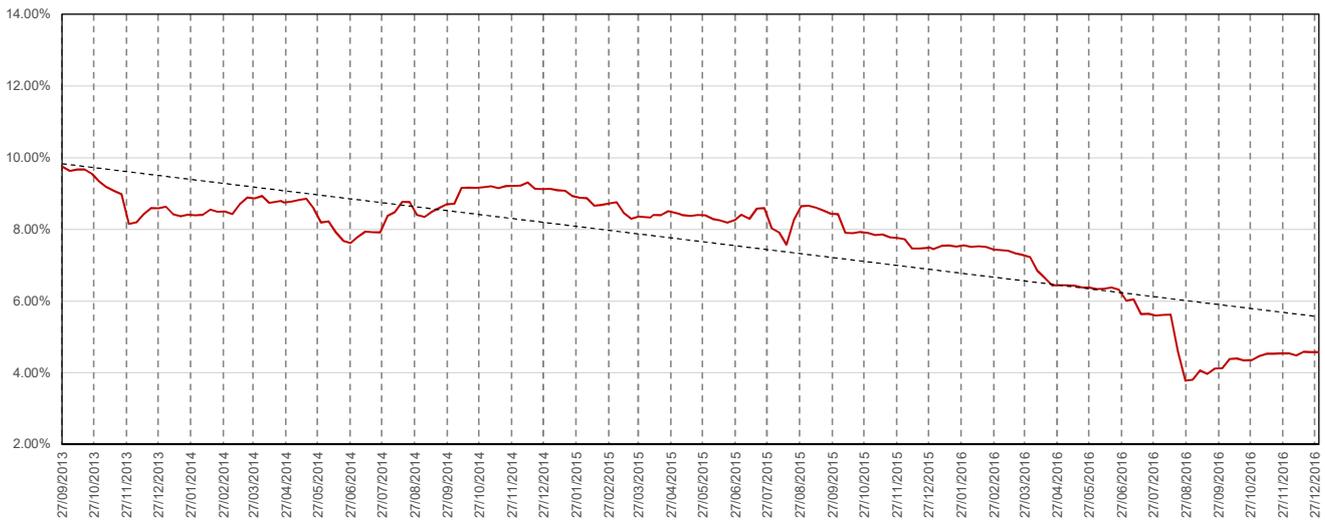
**DESCRIPTION**

Auryn Absolute Return SICAV SIF is a multistrategy fund with a quantitative approach aimed for absolute return. Its main purpose is the achieving of stable, positive returns while minimizing market dependency, with capital preservation as a priority. It has a two digit annualized return goal and a one digit volatility goal, made possible through the use and management of a portfolio of strategies designed to profit from sustainable market inefficiencies and not from the direction of the market, thus lowering market correlation while keeping returns and volatility stable.

**FUND PERFORMANCE**



**VOLATILITY**



"Information for institutional and professional investors only. This is not an investment advice"

**MONTHLY COMMENTS**

**December 2016**

December has been a positive month for equity markets and on both USA and Europe, although much more remarkable on this side of the ocean. The reaction of the markets to Trump's victory has been the last surprise of a difficult year full of catastrophes that never occurred.

Aurny Absolute Return (AAR) showed a positive performance of 0.17% in December and closing 2016 with a -2.12%. Historically this has been shown as an optimal entry point.

The Beta of AAR also dropped to 0.14, showing a strong independence of market movements. Volatility has reached its minimum value ever thanks to the daily improving and developing of new strategies.

As usual we take no views on the market, we just manage the movements of the markets through quantitative strategies.

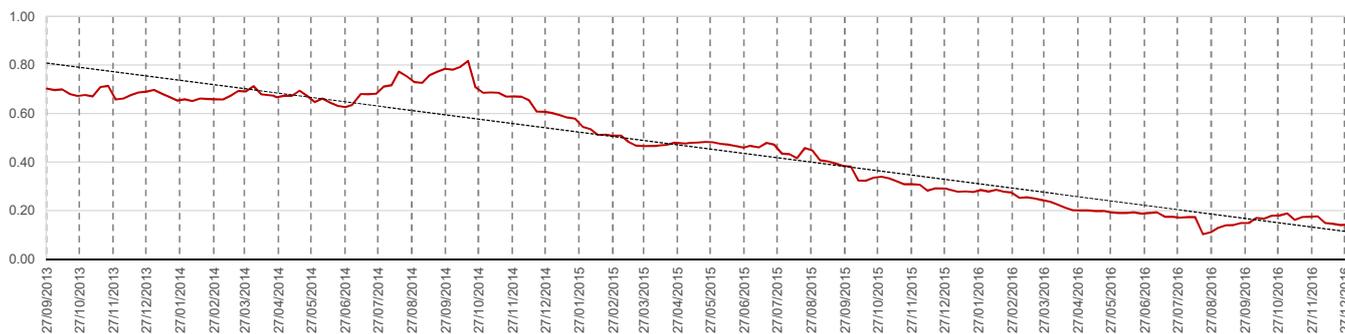
<b>NAV</b>	99.78
% return last month	0.17%
% return since inception	-0.22%
Return YTD	-2.12%
Return 3 months	-3.00%
Return 6 months	-1.17%
Return 12 months	-2.12%
Annualized volatility 12 months	4.58%
Sharpe Ratio 12 months (0%)	-0.46
Beta 12 months	0.14
Annualized volatility since inception	7.46%

**MONTHLY RETURNS**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DIC	YEAR
<b>2013</b>	3.71%	2.07%	1.51%	0.92%	-3.38%	-3.76%	3.04%	-0.98%	1.08%	1.03%	2.61%	-0.32%	8.81%
<b>2014</b>	-1.81%	1.72%	0.12%	1.13%	3.81%	1.85%	1.00%	-2.25%	-1.30%	-2.84%	0.67%	-0.94%	0.66%
<b>2015</b>	0.51%	2.49%	-0.43%	2.87%	0.55%	0.48%	-0.53%	-5.84%	2.56%	-0.62%	-0.77%	0.45%	2.00%
<b>2016</b>	-0.65%	-0.69%	-0.43%	-1.50%	0.48%	1.83%	1.67%	0.76%	-0.54%	-1.53%	-1.67%	0.17%	-2.12%

\*Shaded area corresponds to forward test period.

**BETA 12M ROLLING**



**HISTORIC PARAMETERS**

Maximum volatility	19.07%
Minimum volatility	3.68%
Positive months	75.93%
Average monthly return	1.33%

Average return positive months	2.42%
Average return negative months	-2.04%
% positive months when positive markets	90.91%
% positive months when negative markets	52.38%

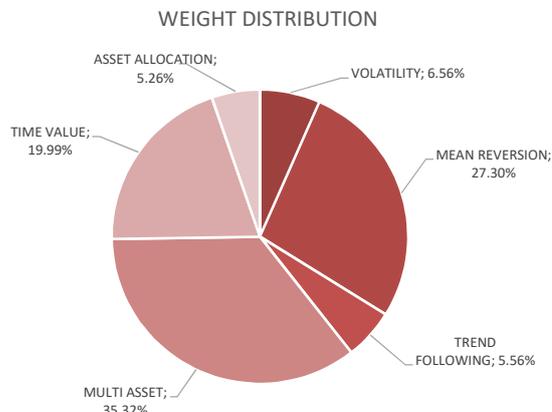
**STRATEGIES COMMENTS**

December 2016

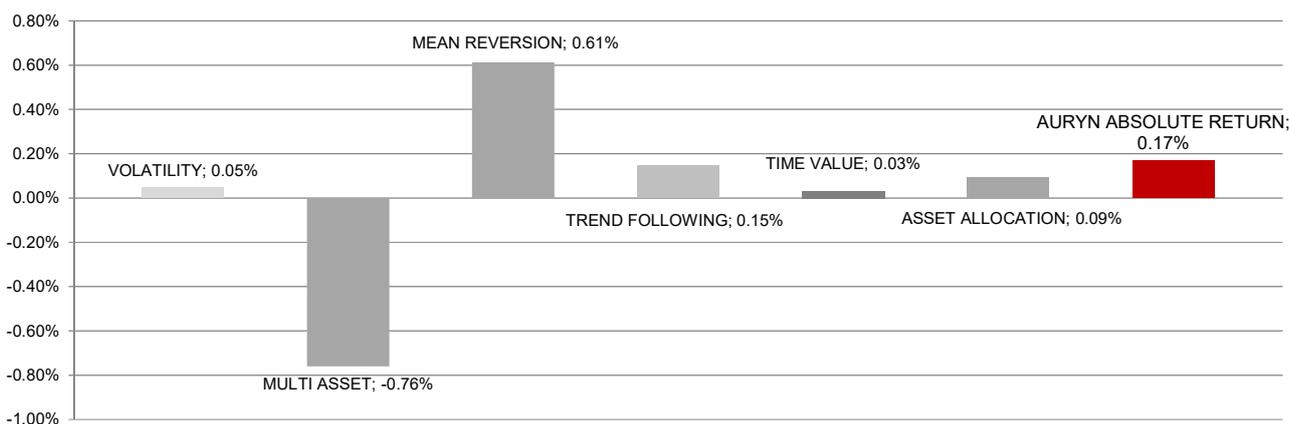
The best performing strategy has been the MEAN REVERSION GROUP, adding a 0,61% to the fund with a 27,30% weight. The worst performer has been MULTI ASSET GROUP, detracting a -0,76%.

The current configuration of strategies is the best since the inception of the fund, not only for its capacity of preserving capital but for its potential. Looking at each strategy we have never seen better entry points.

Thanks to the active neutralization of the portfolio introduced in October 2015 and to the use of multiasset strategies the fund does not add any market risk to the portfolio nor is it vulnerable to a rising interest rates environment.



**PERFORMANCE ATTRIBUTION**



**STRATEGIES DESCRIPTION**

**VOLATILITY GROUP:** Strategies that profit from different characteristics of volatility derivatives, such as the asymmetrical distribution of returns, negative correlation with the markets and its behaviour during contango periods

**MEAN REVERSION GROUP:** Strategies that profit from mean reversion behaviours after extreme movements, either euphorias or panics.

**TREND FOLLOWING GROUP:** Market Neutral strategies that invest in U.S.A equity (based on fundamental criteria) and Europe equity (based on relative low volatility). Both strategies use technical criteria to open and close trades. Additionally, beta of both strategies is neutralized in order to obtain the alpha provided by the design of the strategies.

**MULTI ASSET GROUP:** Strategy that invest in a diversified universe of assets using quantitative models based on Momentum (risk adjusted returns) criteria.

**TIME VALUE GROUP:** Strategies that profit from calm markets exploiting time decay of options.

**ASSET ALLOCATION GROUP:** Strategies that use third party funds with a monthly rebalance and intramonth adjustments to create a dynamic asset allocation process.

The weight distribution among groups is performed by a Metastrategy which allocates weights dinamically. The main goal is to reduce volatility on the ensemble and adapt the fund to market conditions in order to achieve stable positive returns decorrelated with market oscillations.

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FUND	Class A	Class B
ISIN	LU0890547374	LU0890547705
Bloomberg Ticker	AASABRA:LX	AASABRB:LX
Subscription / Redemption fees	0% / 0%	0% / 0%
Min. Initial investments / Min. Following	1M€ / 50.000€	125.000€ / 10.000€
Advisory fee Fixed / Success	1% / 10%	2% / 10%
NAV calculation	Weekly	
Cut Off	Friday 12:00 am	
Currency	EUR	
Management Company	Andbank Asset Management Luxembourg	
Auditor Company	Deloitte Luxembourg	
Depository Company	EFA	
Fund registration	Luxembourg Trade and Companies Register number B-147.174	

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Financial investments are risky. Some of the risk involved are market risk, interest rates risk, currency risk, credit risk, liquidity risk, etc. and thus they are not suitable for all types of investors.

Thus, financial investments in general as well as the ones described in the present document can be subject to the aforementioned risks in a direct way and also in an indirect way through the use of third party investment vehicles.

Past performance is not a reliable indicator of future results, the value of financial investments and the income from them may fall as well as rise and investors may not get back the amount originally invested.

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