



## Select Fund: Alternative Class

Quarter 3 2020

### Objective

To offer a convenient vehicle for investing in a diversified portfolio of alternative investment managers, which are anticipated to provide the best opportunities for capital growth.

### Investment policy

To invest in a diverse range of top-performing offshore alternative investment managers that provide consistent returns whilst controlling risk.

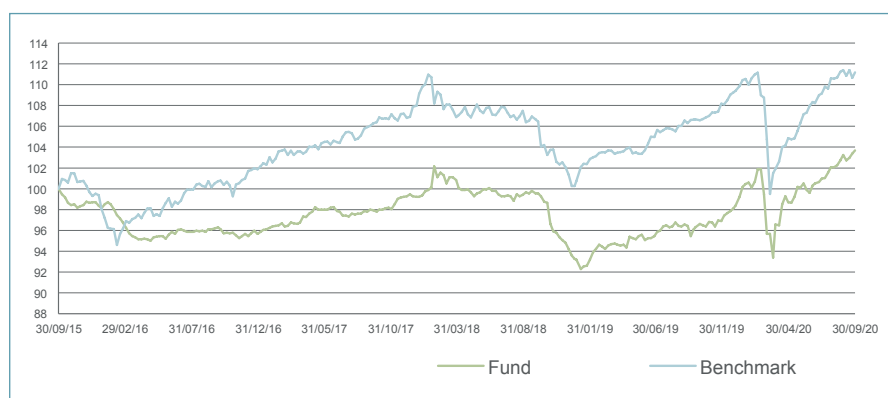
### Investment process

A quantitative analysis of fund performance is undertaken relative to peer groups to ensure the consistency of performance. This is followed with a qualitative analysis to understand the manager's philosophy, process and style. Grosvenor Capital Management, a professional hedge fund manager, acts as the subadviser to this class of the Fund.

### Key facts as at 30 September 2020

Currency	USD
Valuation	Weekly
Dealings	Thursday
Front end fee	None
Units available	Accumulation
Identifier	BUTSLAI BH
Fiscal year end	30 June
Minimum investment	USD 10,000
Total expense ratio	2.07%
Size of fund (millions)	USD 17.53
NAV per share	USD 16.00

### Performance chart



### Average annual compound returns

	Quarter	1 year	3 years	5 years	10 years
Total returns	3.16%	7.67%	1.97%	0.73%	1.03%
Benchmark	2.74%	4.23%	1.48%	2.14%	1.08%

### Fund review

The Alternative Class returned +3.16% in Q3 of 2020 which outperformed the HFRX Global Hedge Fund Index return of +2.74%. The overall market backdrop across all strategies was positive in the third quarter of the year driven by the policy shift of the Fed for inflation targeting, as well as, relatively positive economic data releases such as US housing, composite and manufacturing PMI figures and employment numbers.

All strategies contributed positively over the quarter with the majority of the gains driven by equities. Relative value and macro strategies also contributed notably to returns. Themes that continue to be drivers of performance are positive company-specific events and fixed income trading. Sector exposure came from varying industries such as engineering services, e-commerce, healthcare, energy and corporate services. Investment grade credit exposure also posted gains during the quarter. Macro managers continued their positive contribution to returns for the year with gains derived from long and short fixed income positions in developed markets. Quantitative strategies had muted performance over the quarter as non-directional strategies were impacted by correlation breakdowns and market volatility.

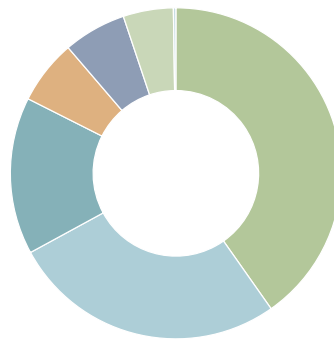


Contact us

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Asset allocation



Equities	40.3%
Relative Value	26.8%
Macro	15.4%
Credit	6.3%
Quantitative	6.1%
Cash	4.9%
Other	0.2%

Top 10 holdings

1	Element Capital Ltd	15.6%
2	BlackRock Euro Hedge Ltd	14.0%
3	Citadel Kensington Ltd	12.7%
4	Atlas Enhanced Fund Ltd	7.9%
5	Select Partners ELS Off	7.9%
6	Concordia G-10 FIRV Ltd	7.4%
7	PIMCO Global IG Credit	6.5%
8	Pentwater Equity Opp Ltd	6.0%
9	Eversept ELS Ltd	5.9%
10	Voloridge Fund Ltd	5.2%

Benchmark composition

HFRX Global Hedge Fund Index.