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Fund Strategy

Goal	Return higher than index
Strategy	Value
Analytical method	GRAPES
Assets	Shares and cash
Distribution of income	Reinvestment

Fund Facts

Management company	Orion Asset Management
UCITS III compatibility	Yes
Legal form	Investment Fund
Liquidity	Daily
Fund size (USD)	0,6 million
Unit value (USD)	2 214,53
Currency	USD
ISIN code	LTIF00000070
Ticker	OAMZPRFV
Benchmark	MSCI World USD

Type	Open-ended
Manager	Vaidotas Petrauskas
Custodian	AB SEB bankas
Supervisor	Bank of Lithuania
Auditor	EY
Establishment date	2004 03 31

Fund Fees

Management fee	2%
Subscription fee	up to 3%
Performance fee	Not applicable
Redemption fee	Not applicable

Key Indicators

	Fund	Index
YTD	11,19%	17,99%
1 month change	-5,95%	-2,00%
3 months change	1,80%	5,05%
6 months change	-5,25%	4,07%
12 month change	-16,92%	0,84%
Return from inception	120,67%	174,05%
Average annual return	5,68%	6,89%

Standard deviation	10,83%	12,40%
Sharpe ratio	-1,70	
Tracking error	8,18%	
Portfolio turnover rate	168,30%	
Total expense ratio	4,09%	

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Monthly comment

The trade war is again one everyone's mind. On August 1st President Trump announced a fourth round of import tariffs (right after the Fed's speech, as is now his custom) on \$300 billion of Chinese goods to go into effect on September 1st. There is no question that Trump is trying to influence the Fed to cut rates by hiking tariffs on Chinese imports. But even lower rates at this point may become counterproductive. Stocks recovered a little at the end of the month on Chinese comments that they will not retaliate further. So, the market is desperately grasping for any kind of good news.

While stocks fell sharply around the world in August, bonds rallied to an absurd level. The yield curve in the US finally inverted and some truly extraordinary facts from the bond market emerged.

- The US 3-month T-Bill yields more than the 30-year bond.
- The dividend yield of the S&P 500 index is now higher than the yield you can obtain from a 30-year Treasury bond.

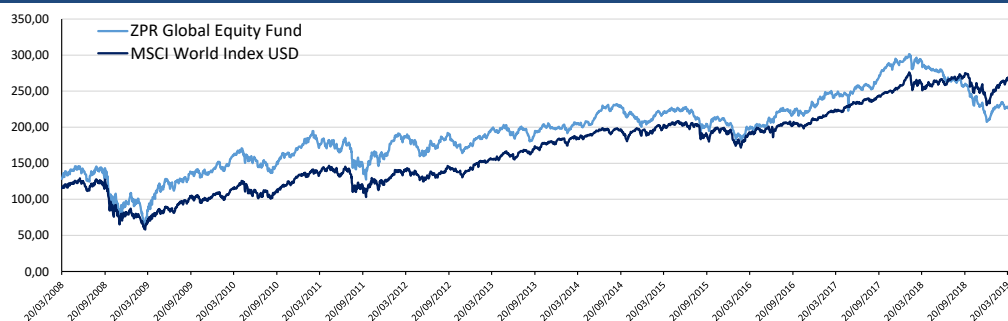
• Germany tried to issue a 30-year bond with zero interest (partially subscribed) This has never been seen before, so we are in uncharted territory. Rates are coming down around the world. Thailand, India and New Zealand cut rates in August. This was done in part to counteract the weakening of the Chinese Yuan. But rates are already so low and even negative in some countries that further cuts have limited effectiveness to stimulate economies because it hurts bank profits, and when banks stop lending, the economy stalls.

In this environment, when markets are dominated by trade war news, our stocks performed badly, on par with local small cap indices. We lost more than 6% in both Thailand and Japan in local currency. This is similar to US stock market losses, so no benefit from diversification. Our Japanese stocks held up relatively well during the month but failed to recover when US stocks recovered during the last few days of the month. Only on the last day of the month Asian stocks rose sharply.



Vaidotas Petrauskas, CFA
Fund Manager

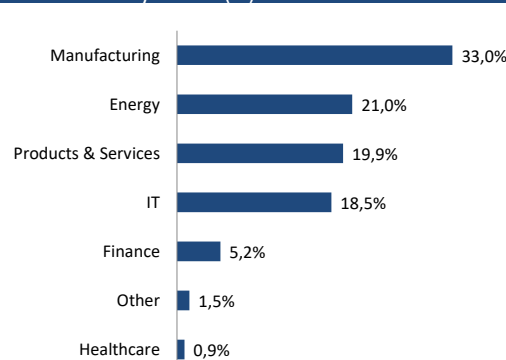
Fund Performance



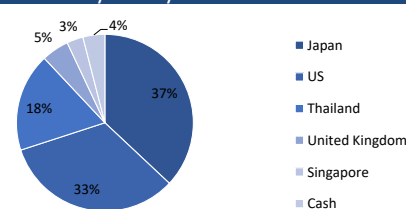
Fund results (%)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fund performance	10,4%	11,3%	27,3%	0,3%	-36,1%	43,7%	20,2%	-5,9%	9,9%	13,2%	3,9%	-1,6%	13,18%	25,31%	-27,4%
MSCI World	11,4%	4,6%	18,4%	-1,6%	-33,8%	27,2%	26,9%	-4,2%	16,4%	27,4%	5,5%	-0,3%	8,15%	23,07%	-8,2%

Investments by sector (%)



Allocation by country



Top 5 fund positions (%)

Somboon Advance Technology	2,9%	Thailand
KEMET Corp	2,7%	USA
Synnex Corp	2,7%	Japan
FJ NEXT CO LTD	2,6%	Japan
Information Planning Co	2,5%	Japan

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