

ALGORITHMIC TRADING PORTFOLIO is an open-ended hedge fund with intraday trading frequency and high liquidity. The fund's objectives are to provide absolute returns with a moderate risk-return profile and low correlation to equity markets and other investments and asset classes. The fund seeks to achieve its objectives through the implementation of a portfolio of systematic trading models. The multi asset strategy trades ~42 global equity, metals, interest rate, agriculture, energy and currency markets, using regulated, liquid and exchange traded financial instruments - futures. Long and short positions can be held seeking to profit from identified short, medium mean reversion seasonality and trend flowing patterns. Portfolio of ~350 independent automated trading systems aims to provide profit every month. Our strict risk management are based on a clearly defined set of rules, adjusting the portfolio dynamically to changing market conditions. Please visit www.am.orion.lt/fund/3179/?lang=en and www.algo.lt/en for more details.

FUND STATISTICS AFTER FEES (SINCE 2013)

This month's result	1.32%
Returns since Fund launch (2013)	44.33%
Last 12 months return	11.89%
Positive months	75.00%
Max drawdown from peak	-12.14%
Annual volatility	7.15%
Sharpe	1.07
Number of traded futures	38
Number of algorithms during this month	333
Number of trades during this month	2019

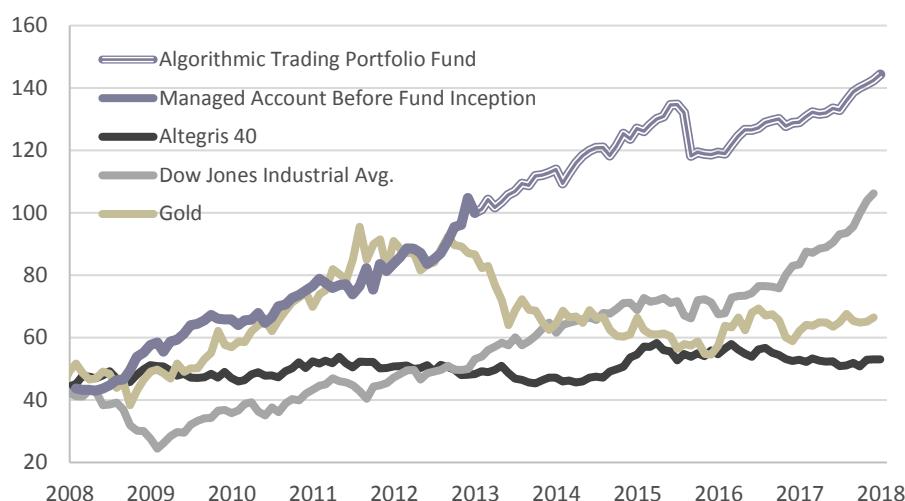
TRADING STATISTICS AFTER FEES (SINCE 2008)

Returns since model live trading (2008)	225.61%
Positive months	72.50%
Max drawdown from peak	-12.14%
Annual volatility	10.19%
Sharpe	1.23

FUND FACTS

Name	Algorithmic Trading Portfolio
Liquidity	Monthly
Lock-up period	None
Recommended investment term	6+ months
Average margin to equity	3.3%
Fund size	\$13.7 mln.
Fund unit price	144.3266
Fund currency	USD, EUR
ISIN code	LTIF00000559
Bloomberg code	ALGOTP1
Domicile	Lithuania
Type	Open ended IISKIS
High watermark	Yes
Management company	Orion Asset Management
Fund Administrator	Orion Securities
Depository	AB SEB bank
Regulator	Bank of Lithuania
Auditor	Ernst & Young Baltic UAB
Broker	Trade Station Securities
Management fee	1%
Subscription fee	Up to 3.0%
Success fee	20%
Redemption fee	No charge
Target annual returns	15%
Strategy	Technical analysis

UNIT VALUE

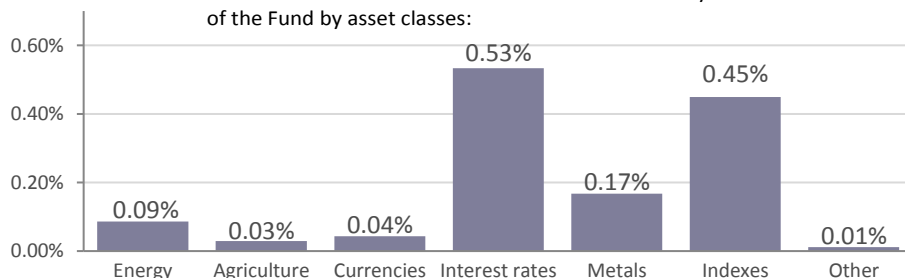


MANAGER MONTHLY REPORT



Aistis Raudys, Ph.D. in artificial intelligence, 10 y. in finance, former Deutsche Bank and Société Générale quantitative researcher. Author of ATP models and strategies.

I would like to wish investors and everyone who is interested in algorithmic trading a Merry Christmas and a Happy New Year. I hope that you had a nice holidays and enjoyed your time with the family and loved ones. My hope is that 2018 brings you even better luck at your professional field. Already looking forward to the coming 2018 I cannot overlook great performance of the last year with fund earning 11.89% and assets under management increasing almost 20%. I and my team can only promise to continue putting maximum efforts towards steadily increasing the value of your investments. Looking at the last month of the 2017 the best performing sectors were bonds (+0.53%) and stock indexes (+0.45%). All other instrument groups made slight profits. The fund earned from both short and long positions. The biggest profits from single instrument were generated from successful trading of DAX futures (+0.39%). During December the main stock indexes in US and Europe continued to increase their value. This growth was only encouraged by the pass of tax bill signed by the president Trump, which decreased taxes for both companies and individuals. In the bond markets everyone's eyes were set on FED which raised interest rate third time this year. Analytics predict that FED will continue to raise the interest rate in 2018. Below you can see the results of the Fund by asset classes:



TRADING RESULTS (AFTER FEES)

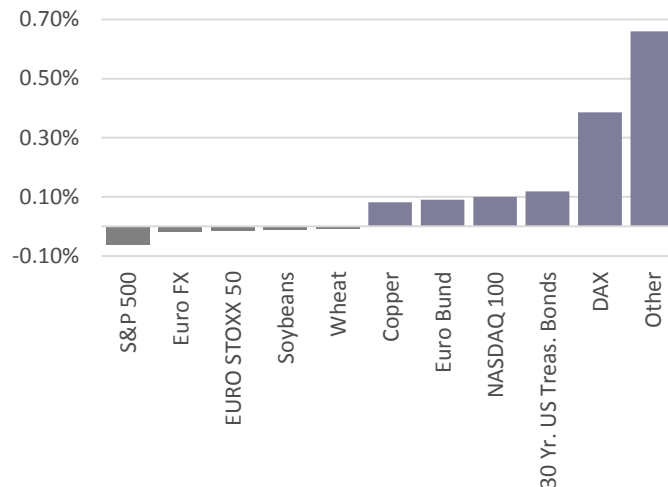
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008	-1.38%	-0.88%	-0.18%	-0.58%	1.62%	2.38%	3.61%	0.49%	6.25%	8.89%	2.49%	4.33%	29.98%
2009	1.53%	-5.08%	5.88%	0.81%	3.37%	4.49%	0.70%	1.61%	2.71%	-1.76%	-0.40%	0.02%	14.27%
2010	-2.82%	2.50%	0.33%	3.21%	-4.71%	2.66%	5.40%	0.81%	2.95%	1.36%	1.93%	1.87%	16.17%
2011	3.07%	-1.64%	-2.13%	1.21%	0.37%	-4.18%	3.55%	7.57%	-8.40%	10.95%	-2.69%	2.89%	9.47%
2012	2.55%	3.25%	-0.17%	-1.45%	-4.20%	1.88%	2.20%	4.49%	5.08%	0.64%	9.00%	-4.56%	19.45%
2013	1.17%	2.97%	-2.34%	1.75%	2.16%	1.02%	2.37%	-0.53%	2.79%	0.27%	0.62%	0.92%	13.86%
2014	-3.92%	3.07%	2.77%	2.06%	1.43%	0.76%	0.08%	-2.13%	2.54%	3.27%	-1.28%	2.59%	11.50%
2015	-0.65%	1.62%	1.48%	0.61%	2.86%	0.02%	-1.85%	-10.48%	0.94%	-0.41%	-0.20%	0.56%	-6.01%
2016	-0.32%	2.35%	2.30%	1.67%	-0.01%	0.48%	1.33%	0.45%	0.43%	-1.74%	0.82%	0.13%	8.10%
2017	1.50%	0.98%	-0.42%	0.27%	1.07%	-0.37%	2.24%	2.14%	0.91%	0.88%	0.82%	1.32%	11.89%

The results have been generated live trading Managed Account (5 months are solely backtesting results in italic). Same trading approach and models have been implemented within ALGORITHMIC TRADING PORTFOLIO Fund starting 2013-01. 2011 and 2012 performance results are presented in accordance with UAB KPMG Baltics Independent Reasonable Assurance Report. Since 2013 results are audited. Different fees were applied in particular periods. Since 2008-01-01 to 2012-12-31 results include pro forma management fee 1% and pro forma performance fee 20%. Since inception of the Fund (2013) results are displayed after Fund's fees.

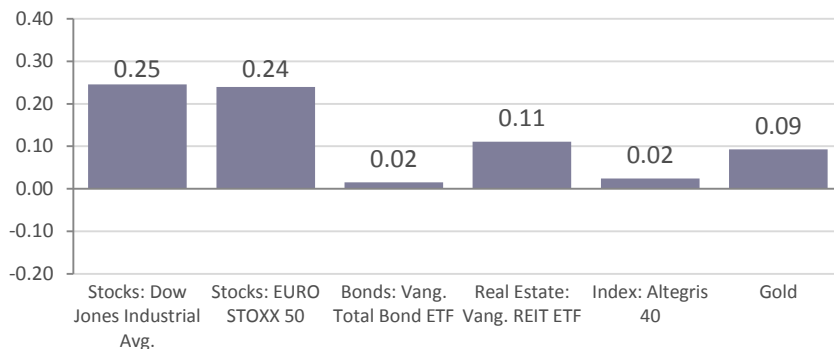


MONTHLY PROFIT/LOSS BY INSTRUMENT

One key part of our trading success is multi strategy approach. Models exploit short term mean reversion, short term trend following, short term seasonality and index inefficiencies. Some strategies work on minute to hour frequency and some work on daily or even weekly data. These models are used for more than 40 different futures contracts. Put together, they create numerous independent trading patterns. Single strategy will almost always suffer from periods of zero or negative returns. Having several hundred fundamentally different models in our portfolio allows us to compensate one's losses by gains of other models. Therefore, whole fund performance is almost always positive with more than 75% of positive months. Average monthly losses are similar to average monthly profits. All of it results in almost steady performance, however risk is not entirely eliminated.



STRATEGY CORRELATION TO OTHER ASSET CLASSES

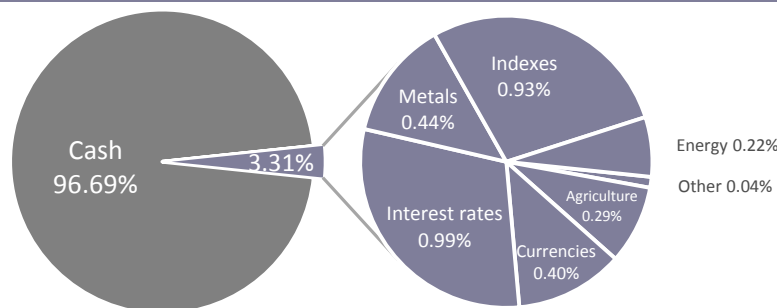


Trading results show almost non-existent correlation to asset classes returns. Correlation in range -0.3 to 0.3 means that relationship between returns is weak. Therefore, Fund's results are only weakly affected by asset classes rises and falls in a long term. Thus returns usually do not depend on whether for example stock market gains or loses value. For further information about Fund's returns correlation please click here:

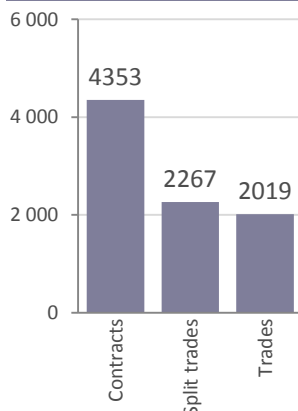
www.algo.lt/wp-content/uploads/ATP-koreliacijos-EN.pdf

FUND ALLOCATION

A large cash reserve is essential for risk management of the investments. It ensures that trading is successfully maintained even if a part of funds are lost. The average trading margin allocation is 5%-30%. Cash is held in bank account at SEB (Lithuania) and/or in J.P. Morgan (USA) at the broker (TradeStation) segregated account. To reduce unused cash share, some of funds may be invested in most liquid very low risk short term USA treasury notes and/or EU bonds.

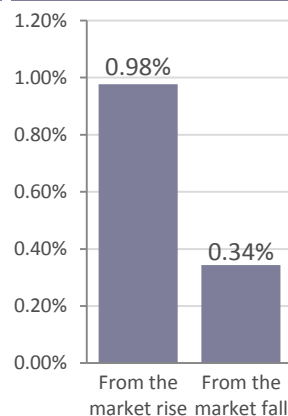


MONTHLY TRADING VOLUME



A trade sizes are different. A quantity for every strategy is determined by diversification principals and current market and strategy behaviour. We constantly improve execution of around 2000 trades per month in order to maximise trading effect. One of the methods: trades are split and executed with less quantity per trade to reduce market impact.

MONTHLY PROFIT FROM MARKET RISE/FALL



At any point, strategy can be long, short or flat, so profits can be generated in rising and falling markets. It results in steadier performance regardless of current economic cycle, crisis, recession. Even in a calm period market tends to move like waves: fall and rise in a short (few days) period. Fund's strategies trades on these few days moves and can make profit even when selling in a rising market or buying in a falling one.

LIST OF TRADED FUTURES

Indexes

DAX
Dow
NASDAQ 100
S&P 400
S&P 500
EURO STOXX 50
FTSE 100
Russell 2000
Nikkei 225

Energy

Natural gas
Gasoil
Gasoline
Heating oil
Crude oil

Metals

Platinum
Gold
Palladium
Silver
Copper

Interest rates

2 Yr U.S. treasury notes
5 Yr U.S. treasury notes
10 Yr U.S. treasury notes
30 Yr U.S. treasury notes
Euro bobl
Euro bond
Euro buxl
Euro schatz
Long gilt

Currencies

Euro FX
Australian dollar
British pound
Japanese yen
Canadian dollar
N. Zealand dollar
Swiss franc

Agriculture

Cacao
Coffee
Feeder cattle
Sugar
Soybeans
Soybeans oil
Wheat

Other

CBOE volatility index
USD U.S. dollar index

IMPORTANT INFORMATION

Algorithmic Trading Portfolio (Investment fund) is alternative investment fund designed for Professional or Informed investors only and supervised by the Bank of Lithuania. The information contained in this document does not constitute a solicitation or offer to invest in any financial products. It does not constitute legal or fiscal advice nor does it provide specific investment advice. Detailed information about the fund can be found in the fund's rules, prospectus and Key investor information document that can be obtained from Orion Asset Management. The data has been compiled from sources deemed reliable and is accurate to the best of our knowledge; however, we accept no obligation whatsoever from the information given. Orion Asset Management assumes no (direct or indirect) liability for any losses which result from the data and information published herein. The offering and sale of the products described in this document is legally restricted in certain jurisdictions. Persons who are subordinate to such jurisdictions have to inform themselves about such restrictions and must adhere to them. The prices stated are net of all fees; front load and taxes have not been taken into account. The potential for high returns of this investment strategy is combined with significant risks. Even a total loss of the invested capital is possible. Performance from the past is no guarantee of future results. Funds management company is not liable for the losses of the fund suffered due to the fluctuations of financial markets. It is strongly recommended to overview Fund's Prospect and Articles of Association before making a decision to invest in the Fund. In this document results are shown for dollar class of fund only. Euro class results should be almost identical.