

COMMENTARY – JULY 2016

During July the fund returned 0.78%, outperforming the Barclays TOP FX benchmark whilst underperforming against the MSCI World Index. The Barclays TOP FX Index returned -0.75% and the MSCI World Index returned 4.03%.

Following the EU referendum in June and the vote to leave winning out, the GBP slid further against other G10 currencies. The rate fell to 1.2800 versus the US Dollar, before recovering to a high of 1.3480 and then settling within that range.

Some of the other big moves in July came from the actions, or lack of,

by the Bank of Japan (BoJ). Following the election on July 10th and the super-majority gained by the incumbent LDP/Komeito coalition, the market started to price in expectations of a further 20-30tn in fiscal stimulus. This consequently caused a selloff in the JPY, which started to turn around towards the back end of the month.

The Fed also maintained rates at 0.5%, reiterating their stance of wanting to see evidence of a sustained rise in inflation before acting. Consequently the USD was put on the back foot as the market repriced the chance of another rate hike in 2016 to just 40%, down from 45% previous.

PERFORMANCE

July Net Return: 0.78%

YTD Net Return: 9.07%

Correlation to MSCI World Index: 0.21

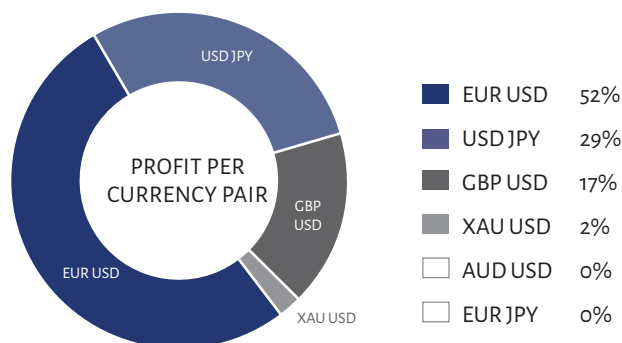
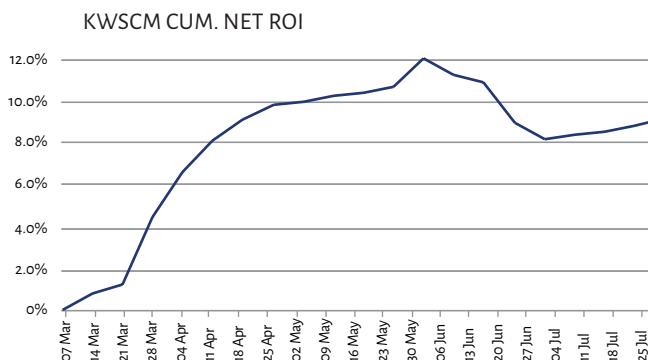
WEEKLY NET PERFORMANCE DATA

Date	Mar 7	Mar 14	Mar 21	Mar 28	Apr 4	Apr 11	Apr 18	Apr 25	May 2	May 9	May 16	May 23	May 30	Jun 6	Jun 13	Jun 20	Jun 27	Jul 4	Jul 11	Jul 18	Jul 25	TOTAL
Breakout	0.02%	0.84%	0.39%	2.76%	1.82%	1.12%	0.84%	0.51%	0.10%	0.27%	0.11%	0.20%	1.41%	-0.83%	-0.25%	-1.30%	-0.19%	0.19%	0.11%	0.23%	0.11%	8.45%
Momentum	-0.01%		-0.01%	0.50%	0.34%	0.35%	0.21%	0.18%	0.04%	0.04%	0.01%	0.04%	-0.09%	0.13%	-0.15%	-0.63%	-0.48%	-0.03%	0.03%	0.04%	0.11%	0.61%
Gold										0.011%	0.001%	-0.005%	0.068%	-0.060%	0.000%	0.000%	-0.040%	0.02%	0.03%	-0.01%	0.00%	0.01%
Other																						
TOTAL	0.01%	0.84%	0.38%	3.26%	2.16%	1.47%	1.05%	0.69%	0.15%	0.32%	0.12%	0.24%	1.39%	-0.76%	-0.40%	-1.93%	-0.75%	0.18%	0.17%	0.26%	0.22%	9.07%
MSCI World Index	1.15%	1.19%	-1.33%	1.00%	-0.49%	2.34%	0.94%	-0.91%	-1.91%	-0.49%	0.09%	2.26%	0.25%	-0.80%	-1.77%	-1.65%	3.20%	0.12%	2.30%	0.38%	0.87%	6.74%

CORRELATION	MSCI
Breakout	0.23
Momentum	0.10

RISK WARNING

The information in this factsheet is not directed at residents of the USA, or any other country where investing in FX, Gold &/or CFD trading is restricted or prohibited by local laws or regulations. You should note that investment in the fund should be made on the basis of reading all the relevant Fund Documentation and any other appropriate documentation (IMAA & Supplement). KWSCM Ltd makes no claims as to the accuracy or completeness nor can it accept responsibility for errors included. Copies of all relevant documentation can be obtained by contacting the Investor Support Desk on 0203 397 8632. Telephone calls may be monitored and/or recorded for the purpose of security, internal training, accurate account operation, internal customer monitoring and to improve the quality of service.



INVESTMENT STRATEGIES

KWSCM seek to achieve the funds objectives through allocating assets to a number of strategies. A brief outline of strategies currently in use:

Methodology:	Momentum LIVE
Frequency:	5-10 Trades/Day
Markets:	G7 Currency Pairs primarily
Methodology:	Gold Major Level
Frequency:	5+ Trades/Day
Markets:	Gold Spot & Futures Market
Methodology:	Options – range bound delta neutral
Frequency:	1+ Trade / Month
Markets:	SPX, SPY, RUT, IWM

Methodology:	Breakout LIVE
Frequency:	50+ Trades/Day
Markets:	G10 Currency Pairs
Methodology:	Retail Contrarian
Frequency:	1+ Trades/Day
Markets:	DAX30, EUR/JPY

PROCESS

- The traders consistently search the G10 currency pairs & Spot Gold for opportunities in order to target price action, with consideration given to the fundamentals.
- Macro-economic analysis is carried out to further assess viability and risk parameters
- Technical analysis is carried out to further assess opportunity viability, entry, exit and risk parameters
- All parameters of the 'Emotional Control System' must be met before trading starts
- The portfolio may incur high levels of volatility
- Where volatility is low, Options are traded to ensure continued portfolio growth.

STRUCTURE & PARTNERS

Investment Advisor:	King William Street Capital Management Ltd
Administrator:	Apex Fund Services Ltd
Investment Manager:	G10 Capital Ltd
Legal Advisor:	Kaye Scholer LLP
Auditor:	PWC
Regulation:	KWSCM Ltd are an AR of G10 Capital Ltd John Pordum & Chris Pordum (CFo1 & CF30)

KEY INFORMATION & CHARGES

LIQUIDITY:	CLIENT ELIGIBILITY:	EST. MAX VOLATILITY:	ANNUAL TARGET RETURN:	MAX. LEVERAGE:
Daily (100% liquid)	Professional Only	3%	20%	6:1
MIN. INVESTMENT:	MANAGEMENT FEES:	PERFORMANCE FEES:	ADMINISTRATION FEES:	REDEMPTION FEE:
\$100,000	0.50%	25%	0.25%	None

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