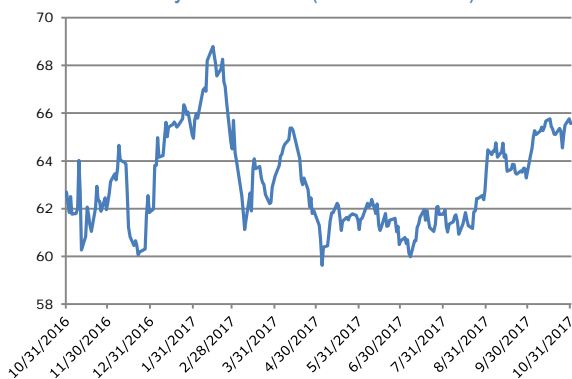




ISIN: LU0344810915/ WKN: A0ND6Y/ BLOOMBERG: SUNARES LX / WWW.SUNARES.COM

Performance 1 year till date (net after costs)



Source : Bloomberg

Performance 3 years till date (net after costs)



Past performance is not necessarily a guide to future performance

MONTHLY COMMENTARY

The world economy is experiencing the strongest synchronised expansion for a decade with the volume of trade expanding at the fastest rate since 2011. At the same time the Fed's Beige Book, a collection of anecdotal information about the US economy, shows that inflation remains subdued despite a tight employment market. The US central bank remains on a gentle path of rising interest rates but is cautious in not wanting to destabilise asset markets. The continuous commodity index (CCI) dipped lower through the first half of 2017 but is now above last year's close (as at 6th November) and is showing signs of further strength. Part of the rally comes from the base metals such as copper (+23.8% ytd) and it was interesting to see the head of Chile's state-owned copper miner CODELCO talk of a supply-demand imbalance, switching to "substantial" deficits from 2018. Copper traded at \$6,867 as at month end and he spoke of prices rising to \$10,000 – this is important because copper is a good indicator of economic growth or weakness. The main component of the commodity index is oil and the price has been rising (from a low of \$42 in June and ending October at \$54.38 - \$57.34 as at 7th Nov). With world growth picking up, demand has increased and is predicted to increase by 1.6m barrels per day (bpd) in 2017 having grown 1.3m bpd in 2016 and 1.9m in 2015 as per the International Energy Agency. The IEA forecasts demand to increase by 1.4m bpd in 2018. OPEC, led by Saudi Arabia, and Russia have been disciplined and have maintained agreed production limits - world reserves are drawing down. Swing production is likely to come from Saudi Arabia, the US shale sector and parts of Africa. However, shale production is likely to be more limited than most assume, mainly because many producers have not been able to make a profit at low prices and there is pressure from investors to make money! Saudi Arabia are in the middle of a major power shift and the new leadership certainly prefer a firm oil price in order to maintain stability in the country. The fund has added to the energy exposure during October, as well as adding to Japan, which offers value and a strong technical picture.

Performance in Euros

	October	YTD	1 Year	3 Years	5 Years	Start*
SUNARES	+ 3.60%	+ 6.03%	+ 4.58%	+ 29.38%	- 28.21%	- 34.40%
Euromoney Global Gold Mining & Energy Index	+ 1.57%	- 1.28%	+ 4.40%	+ 14.70%	- 19.00%	- 19.69%
MSCI World**	+ 3.33%	+ 5.31%	+ 13.35%	+ 28.25%	+ 74.08%	+ 85.89%
CCI – Continuous Commodity Index	+ 3.61%	- 10.60%	- 7.47%	- 7.50%	- 17.99%	- 4.00%

* Issued on 4.3.2008 - Euro 99.96

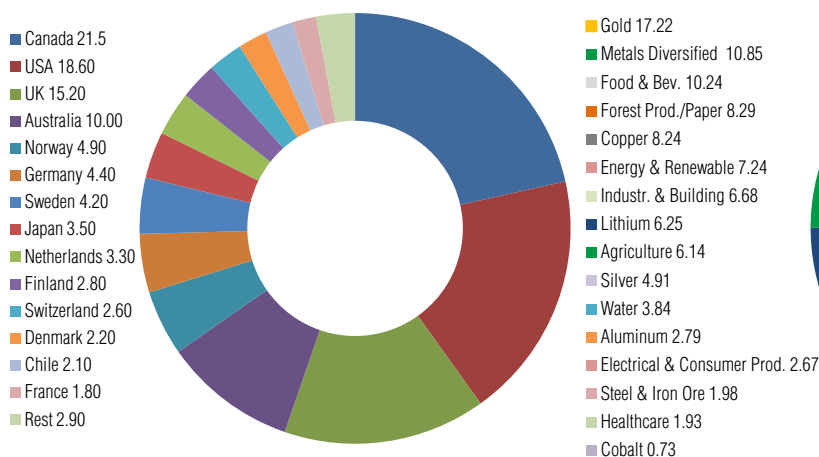
** Price Appr.

GENERAL INFORMATION

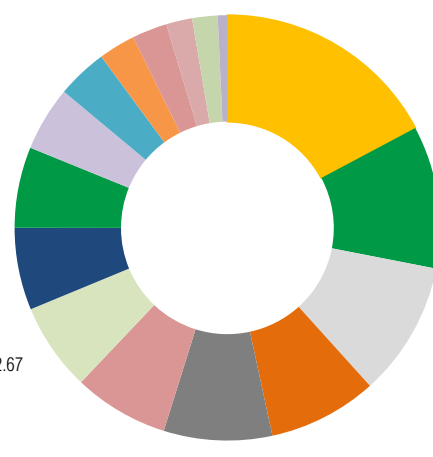
NAV at 31.10.2017 ▶ 65.57
Management Fee ▶ 1.85% p.a.
Volume ▶ 20.59 Mio euros



Country Breakdown (%)



Sector Breakdown (%)



INVESTMENT OBJECTIVES

SUNARES is an actively managed fund which offers an important alternative to the majority of equity and index funds. The fund advisors divide the investment universe into two distinct halves according to the Chinese natural philosophy known as Yin and Yang representing the flow and duality inherent in all things. SUNARES has been founded on the belief that the natural balance that normally exists between the four elements of earth, water, fire and air has become distorted and temporarily lost, with the yang sectors (industries associated with fire and air) dominating. Therefore, SUNARES does not invest in companies associated with the financial or derivatives sector (yang) and instead concentrates on the themes of earth and water (yin). It is our opinion that the sectors associated with these elements are at the beginning of a longer structural uptrend as they seek to redress the current imbalances. Water, agriculture, energy, food and beverages, forestry, raw materials and precious metals are our favoured areas.

Top Holdings Sectors

Top Holdings	Sectors
Aurubis AG	Copper
Glencore Plc	Metals diversified
Albemarle Corp	Lithium
West Fraser Timber	Forest Prod./Paper
Vinci	Industrial & Building
Northern Star Res. Ltd	Gold
Aalberts Industries	Water
Norsk Hydro ASA	Aluminum
The A2 Milk Co Ltd	Food
FMC Corp	Agriculture

Dealing information: VP Bank (Luxembourg) SA, Securities Trading contact:

Marcelle Letsch Tel: 00 352 404 770 377 Email: marcelle.letsch@vpbank.com
or Andrea Thielen Tel: 00 352 404 770 366 Email: andrea.thielen@vpbank.com

ISIN: LU0344810915 WKN: A0ND6Y BLOOMBERG: SUNARES LX WWW.SUNARES.COM

Fund Advisors

Rometsch & Moor Ltd London &
Sutterlüty Investment
Management GmbH Austria

Fund Administrator

VP Fund Solutions
(Luxembourg) SA

Risk Warning

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