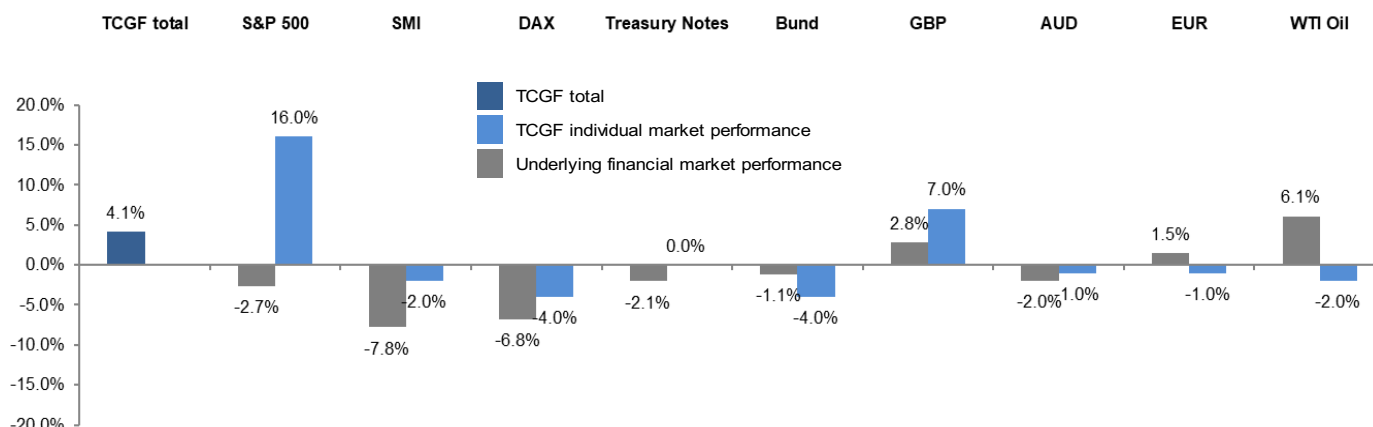


### Performance Break-Down



**Comments:** Solid positive performance in turbulent markets

#### Highlights

- Positive result** 6 out of the 9 strategies outperformed their underlying market, 3 strategies contributed positively on an absolute basis. Overall, TCGF produced a positive result.
- Extract volatility** While our forecast did not anticipate the equity sell-off, our trading strategy managed to extract the volatility. This either softened the blow, as with SMI and DAX, or even produced excellent results in the case of the S&P that experienced the strongest swings.
- Stability** The diversification stabilized the fund well. Its maximal draw-down of 5% is clearly lower than the equity markets experienced.

#### Lowlights

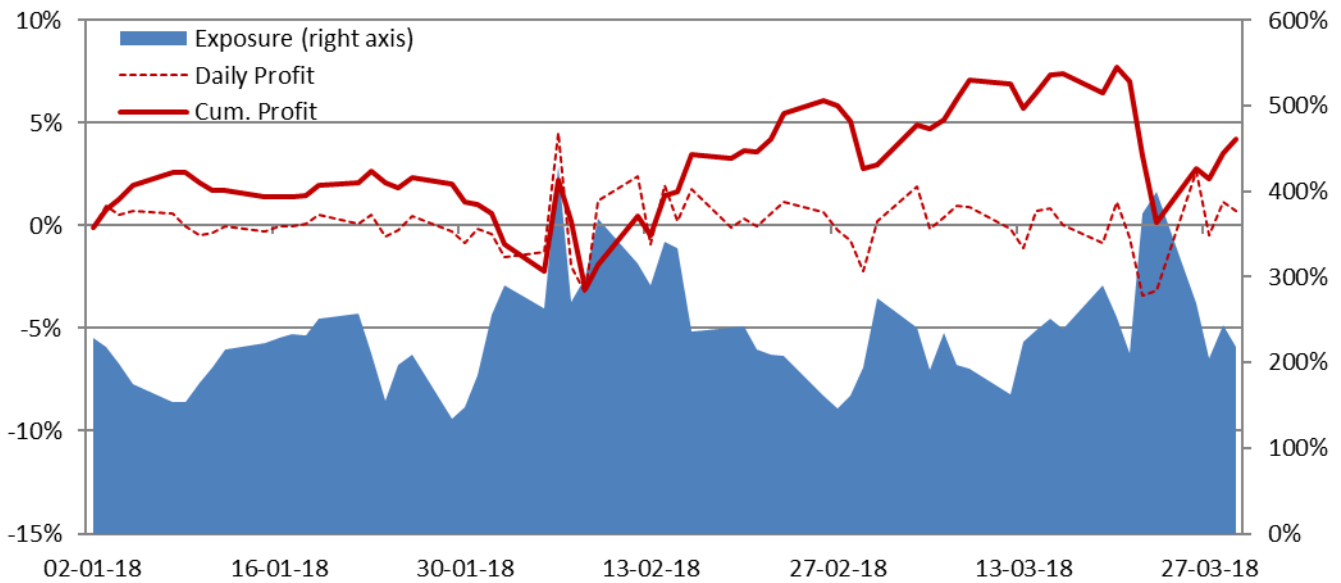
- Missed a short** Our fast-moving risk indicators in the sentiment forecast of the equity indexes signaled a potential sell-off days before the sell-off took place. Unfortunately, they only lowered our forecast and not outright changed its direction.
- No rebound** The equity forecasts turned less bullish (SMI, S&P) or even bearish (DAX) after the sell-off. This triggered the trading system to reduce the positions and thus limiting the potential for a strong rebound.

#### Outlook

- More Diversification:** In April/May, five new markets will go live strengthening our allocation to fixed income (Canadian and Australian government bonds) and to commodities (The volatility index VIX, which we will add to the commodity basket due to its low correlation and high volatility). The two new equity markets (Japan and Australia) will not increase our allocation to equity but widen our diversification within equity.
- More Exposure:** The increase in diversification will allow us to slightly increase our average exposure closer to our target average exposure of 300%. We expect no negative impact from this because most of the increase comes from fixed income with low volatility and low correlation to the rest. On the contrary, we even expect the total volatility of the fund to move down again.



## Risk Management



- Max exposure:** 430%  
The sharp sell-offs in the equity markets triggered rallies in bond markets and swings in the currencies. This prompted the trading system to increase exposure levels. Exposure was again reduced in the rebound which occurred just a few days later.
- Average exposure:** 234%  
This is just slightly above our expectations but in line with the current increased market volatility.
- Profit development:** The daily and cumulative changes to the NAV are far below the volatility experienced in the equity markets, providing an excellent demonstration of Markowitz's best known Modern Portfolio Theory, namely the "Free Lunch" gained through diversification

## Contact

Tom Capital AG | Othmarstrasse 8 | CH-8008 Zürich | T +41 44 515 62 88

## Disclaimer

The Tom Capital Growth Fund is a contractual fund under Swiss law of the category "other funds for alternative investments" with special risks that implements its investment strategy through derivative financial instruments as described in 1.2 of the fund prospectus and §8 of the fund contract (use of equity, bond and currency derivatives based on an allocation process defined in the fund prospectus with integrated fund contract). Based on the instruments and the investment techniques used, the risks of the Tom Capital Growth Fund are not comparable to those of a conventional securities fund. In particular, the gross exposure of the investments may reach up to 585% (including credit) of the net asset value. Investors' attention is explicitly drawn to the risk information described in the fund prospectus. Under extraordinary circumstances, investors in the fund need to be prepared and capable to suffer the partial or total loss of capital.

The information in this document is given for information purposes only and does not qualify as investment advice. No liability is assumed for the accuracy and completeness of the information. Opinions and assessments contained in this document may change and reflect the point of view of Tom Capital in the current economic environment. This document qualifies as marketing material. Investments should only be made after a thorough reading of the current prospectus and/or the fund regulations, the current annual and semi-annual reports (the "legal documents"), as well as after consulting an independent finance and tax specialist. The performance of past values and returns is no indicator of their current or future development. The performance of values and returns does not include the fees and costs which may be charged when buying, selling and/or switching units.