

PRESS RELEASE



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Kepler Partners has successfully launched two new Alternative UCITS funds on its Kepler Liquid Strategies UCITS platform, raising \$97m of external seed capital for the KLS Niederhoffer Smart Alpha UCITS Fund and the KLS Ionic Relative Value Arbitrage Fund.

The KLS Niederhoffer Smart Alpha UCITS Fund is managed by R. G. Niederhoffer Capital Management, and mirrors the US firm's short-term quantitative managed futures strategy which has developed a strong track record, performing particularly well in recent market volatility. The firm has been investing using quantitative trading strategies since 1993.

Roy Niederhoffer, Founder of R.G. Niederhoffer Capital Management commented on the launch:

"Market volatility is likely to continue for an extended period, and both stocks and bonds have the potential for large moves in either direction. This fund is designed to combine strong stand-alone returns with diversifying downside and upside tail-risk protection for stock and bond investors. We feel the conditions are outstanding for the fund's short-duration, quantitative, directional strategy and look forward to a long partnership with Kepler and our UCITS clients."

KLS Niederhoffer Smart Alpha launched on July 14th 2020 and currently has \$47m in assets under management.

The KLS Ionic Relative Value Arbitrage Fund is managed by New York based Ionic Capital Management, who specialise in relative value arbitrage and volatility strategies across asset classes. The strategy has been running since 2013 and has performed well this year, delivering positive returns in both March and April as the COVID-19 crisis peaked.

John Richardson, Chief Operating Officer at Ionic Capital Management, said:

"We are excited to partner with Kepler to leverage their UCITS platform in order to provide investors with portfolio diversification through our relative value arbitrage investment strategies. The market volatility witnessed earlier this year followed by recent record highs has led to an increased interest in non-correlated strategies, especially during these uncertain times."

KLS Ionic Relative Value Arbitrage launched on July 16th 2020 and currently has \$50m in assets under management.

The KLS UCITS platform was launched in 2016 and now has seven sub-funds and total assets under management of above \$900m. Tom Trotter, Senior Partner and Head of Sales at Kepler, said: "We are delighted to have successfully launched both funds on our KLS platform, particularly in such a challenging environment. We are very pleased to be partnering with two leading US managers who

bring new and differentiated strategies to the Alternative UCITS market and continue to perform well year-to-date.”

Georg Reutter, Senior Partner and CIO added “These launches signal our desire to bring best in class managers into UCITS and selectively continue to build the number of funds we have on our UCITS platform. Both managers provide investors access to alternative strategies that have proven themselves able to provide positive returns, even in times of market stress. With continued uncertainty abound, we are pleased to be able to launch these funds at this time.”

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Notes for editors:

Ionic Capital Management

- Ionic was founded in 2006 by Bart Baum and Dan Stone, having previously worked together for 10 years at Highbridge Capital Management
- The strategy is focused on identifying and exploiting relative value arbitrage opportunities across asset classes
- It employs four core arbitrage strategies: convertible bond, equity arbitrage, credit/rates arbitrage and volatility. Currently, the strategy is the largest allocation in a market leading multi-manager UCITS fund.
- Managed within a dynamic allocation framework that allows the team to take advantage of short-term dislocations and generate additional alpha
- The strategy launched in 2013 and has generated consistent absolute returns while displaying low correlation to traditional asset classes. The strategy has generated a positive return every month this year and is currently 11% YTD (gross).

R. G. Niederhoffer Capital Management

- R.G. Niederhoffer Capital Management launched in 1993 and is one of the pioneers of short duration quantitative futures trading – this is a very seasoned team and process
- A short-term managed futures strategy with a long volatility profile and an average holding period of 1.5 days
- Trading signals are developed to quantitatively exploit, emotionally driven behavioural biases using momentum, contrarian, and machine learning models
- The strategy has generated annualised returns of 11% with a 10% annualised volatility with no correlation to bonds and negative correlation to equities. YTD the strategy is +10% and generated a positive return in March.
- The strategy trades liquid futures instruments across 17 major fixed income and FX markets

About Kepler Partners LLP

Kepler Partners has been active in the alternative UCITS space since its infancy in 2009 and has witnessed at first hand the development of this universe of funds.

In 2016 we launched our UCITS platform, Kepler Liquid Strategies, with the express aim of partnering with best-in-class alternative managers to launch and distribute their UCITS strategies to our network of investors.

Our approach to manager selection is underpinned by a rigorous research process, central to which is our fund database www.absolutehedge.com. This research database is designed as a central point of reference for both managers and allocators interested in the alternative UCITS universe and forms a key part of our manager selection and product design process.

To bring our research to life we host a wide range of conferences designed to drive engagement with the buyers of alternative UCITS funds in both the UK and Europe.

Other funds on the KLS platform

The two new launches join 5 existing sub-funds on the KLS Platform: KLS Arete Macro, KLS Lomas US Long Short Equity, KLS Zebra Global Equity Beta Neutral, KLS Sloane Robinson Emerging Market Equity and KLS CDAM Global Opportunities. Total platform assets under management are \$943m

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