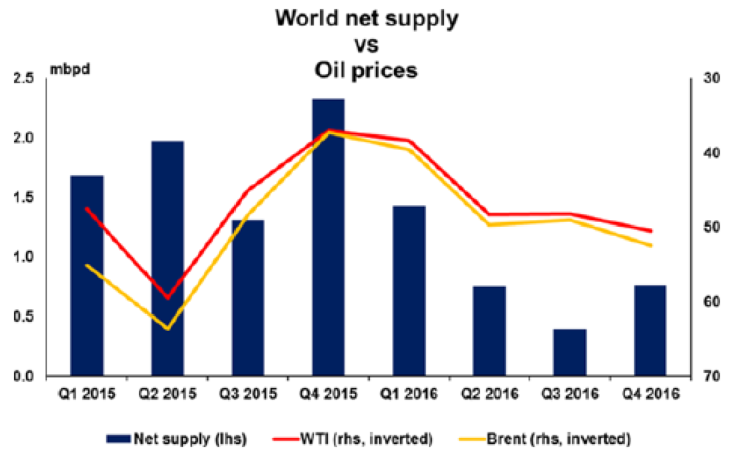
MONTHLY PERFORMANCE OVERVIEW

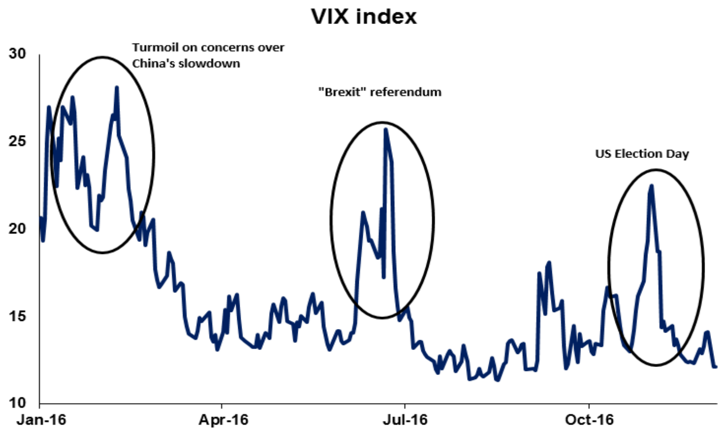
NOVEMBER 2016

MARKET OVERVIEW

US elections, President-elect Trump's reflationary comments, USD strength, and higher oil prices were the themes that marked the eventful month of November. The election of Donald Trump as the 45th US President ignited an almost unstoppable USD rally, based on expectations of fiscal stimulus resulting in higher inflation, and faster policy tightening by the Fed in order to counter such inflationary pressures. These expectations were evident by the steep increase in 5y/5y inflation expectations, the spike higher in US treasury yields, and investors pricing-in more rate hikes by the Fed over the next years. Even Fed Chair Yellen acknowledged that following the election, markets moved in anticipation of a massive fiscal package. Such a package, she added, could have inflationary consequences which the Fed would have to take into account when devising policy. These comments fuelled even further the dollar's incredible bull-run, with the USD index reaching levels last seen in 2003.

While the dollar was the best performer among the G10, the JPY was the worst. In our view, this can be explained by the fact that the BoJ has begun to implement its yield-management policy, aimed at keeping the yields of longer-dated JGBs at 0%. To explain, the sharp increase in US Treasury yields following the election also spilled over into higher bond yields of other G10 nations too, but to a much lesser degree. This was the main factor driving USD strength in the month, in our view. Therefore, given that the BoJ is the only G10 central bank actively keeping a ceiling on its nation's bond yields, the yield differential between US treasuries and JGB's widened by the most, causing JPY to be the biggest underperformer against the dollar.





But that was not all. The energy market also came into focus towards the end of the month, as the highly-anticipated OPEC meeting took center stage. After hours of negotiations, some of the world's largest oil producers agreed to their first output cut since 2008, causing oil prices to shoot up. Even though this benefited somewhat the currencies of major oil exporting nations, such as the Canadian dollar, it did little to ease USD gains against its major peers. The broad greenback appreciation though has renewed the relative value opportunities that our strategies can exploit. All our recent portfolio allocations have been focused on a defensive profile against the prospect of increasing market volatility on the US Election Day, which eventually hurt instead of protecting our portfolios. Our positioning was based on the markets perception that a Trump win could trigger strong demand for safe-haven assets. Instead, we saw a dramatic shift in demand towards pro-risk assets with the S&P 500 hitting new all-time highs.

For the time being, we still have some doubts whether the monetary policy divergence theme will indeed come into play again anytime soon. Recent comments by several FOMC members suggest that it's too early to gauge the impact of the anticipated fiscal stimulus to the US economy and whether the Fed will need to adjust its plan for gradual interest rate hikes. We view the scenario of USD momentum as reasonable if indeed the potential policies prove positive for the US economy and push inflation higher, but we see limited upside bias from current pricing and under current conditions. We suspect that the coming risk event represented by the Fed policy meeting and the almost certain 25bps rate hike could trigger a period of consolidation up until the inauguration day. We also need to consider the effects of the liquidity scarcity heading into the December holiday season that make the current market conditions even more challenging.

HYBRID STRATEGY

PERFORMANCE OVER 12-MONTH **11.83%**

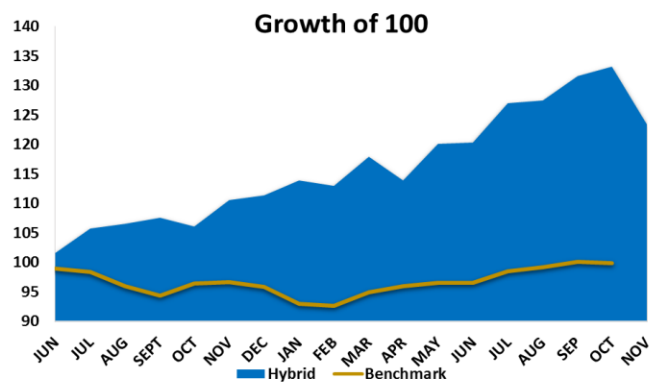
OVERALL RETURN SINCE JUNE 2015 **22.07%[1]**

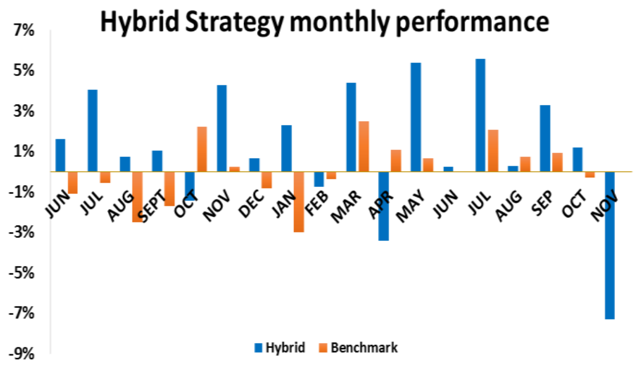
The Hybrid Strategy is an advanced trading strategy with medium-term timeframes based on fundamental and technical analysis. We combine our knowledge and expertise of the markets to take decisions depending on the prevailing global economic conditions and important technical levels. We seek to identify price movements through the use of a proprietary blend using, but not limited to the following: Economic news, options expirations, technical support and resistance levels, moving averages (50, 100, 200), Relative Strength Index and MACD (Moving Average Convergence Divergence) amongst others.

PORTFOLIO DETAILS

Launch date:	01.06.2015	**Max drawdown:**	16.3%
Management fee per month:	0.167%	**Subscription:**	Daily
Performance fee[2]:	30%	**Redemption:**	5 days' notice

STRATEGY PERFORMANCE TO DATE





2016	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	YTD Return	Average Return
HYBRID[1]	2.29%	-0.77%	4.39%	-3.4%	5.82%	0.23%	5.58%	0.28%	3.3%	1.19%	-7.30%	11.17%	1.02%
Benchmark[3]	-2.99%	-0.36%	2.49%	1.08%	0.65%	-0.02%	2.06%	0.72%	0.91%	-0.31%	n/a	4.23%	0.42%
Performance over benchmark	5.28%	-0.41%	1.90%	-4.48%	4.73%	0.25%	3.52%	-0.44%	2.39%	1.5%	n/a	6.94%	0.59%

2015	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD Return	Average Return
HYBRID[1]	1.62%	4.04%	0.72%	1.04%	-1.44%	4.26%	0.66%	10.90%	1.56%
Benchmark[3]	-1.09%	-0.55%	-2.50%	-1.69%	2.22%	0.22%	-0.84%	-4.23%	-0.60%
Performance over benchmark	2.71%	4.59%	3.22%	2.73%	-3.66%	4.04%	1.50%	15.13%	2.16%

[1] *Actual customer returns will likely vary from the strategy's returns shown due to number of conditions such as, but not limited to, time of investment, currency, fees, execution broker, etc. The strategy return is based on an average return of all clients under the specific strategy. Past performance is not an indicator and does not guarantee or predict future performance.*

[2] *For the performance fee high-water mark is used*

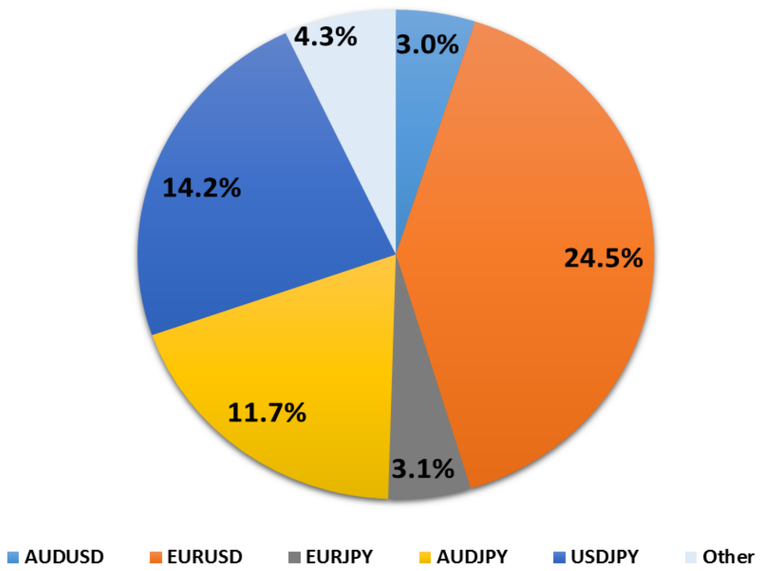
[3] *You can find the benchmark in this link: http://www.barclayhedge.com/research/indices/ghs/Hedge_Fund_Index.html*

NOVEMBER HYBRID STRATEGY UPDATE

The Hybrid strategy finished with a negative return in November, as our risk-off positioning ahead of the US elections uncertainty, hurt instead of protecting our portfolio. One of the main drivers of this erratic behavior was the continued speculation of an imminent fiscal stimulus by the US President-elect Donald Trump, resulting in higher inflation and faster policy tightening by the Fed. Our defensive positioning was based on the markets perception that a Trump win could trigger strong demand for safe-haven assets. Instead, we saw a dramatic shift in the sentiment as the market reconsidered the fiscal policies Trump promised to pursue and conclude that these policies may boost the nation's inflation. This led to a sharp broad-based rally in USD and equity markets. Subsequently, the markets settled into moves that characterized a reversal of the last several month trends, by starting to rebuild long USD positions. If all these were not enough, we had to consider the effects of the liquidity scarcity as well, as we head into December's holiday season. We believe that the recent moves were overextended and the markets are likely to reverse some of the solid gains in equities and the dollar by the inauguration day.

EXPOSURE ANALYSIS

IronFX Portfolio Management's Hybrid Strategy is traded on leveraged instruments, primarily on currency pairs such as EUR/USD, GBP/USD, USD/JPY, AUD/USD, USD/CAD, NZD/USD, GBP/JPY, EUR/JPY, EUR/GBP, GBP/CAD, USD/CHF and at times AUD/JPY. However, IronFX Portfolio Management reserves the right to add and remove any currency pair we deem to be either beneficial or harmful to the strategy.



DYNAMIC STRATEGY

PERFORMANCE OVER 12-MONTH **34.58%**

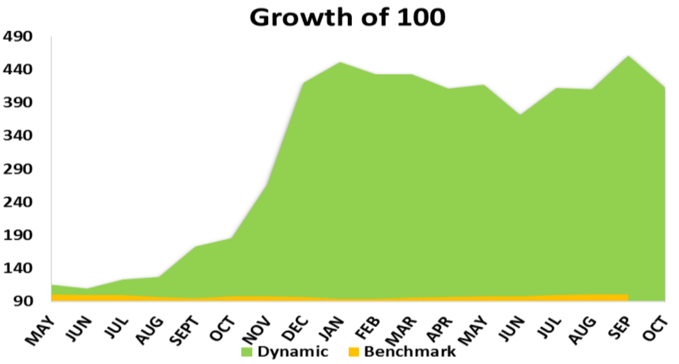
OVERALL RETURN SINCE MAY 2015 **147.69%[4]**

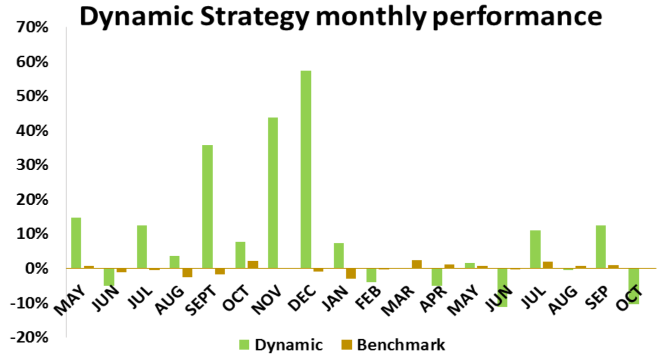
The Dynamic Strategy is an algorithmic and high-frequency trading strategy based primarily on technical indicators. We use an advanced, computerized trading infrastructure to execute a high volume of trades within short to medium-term timeframes. The key technical indicators we use are, modified Ichimoku Kinko Hyo and correlation matrix, among others.

PORTFOLIO DETAILS

Launch date:	01.05.2015	**Max drawdown:**	58.2%
Management fee:	0.0%	**Subscription:**	Daily
Performance fee[5]:	50%	**Redemption:**	5 days' notice

STRATEGY PERFORMANCE TO DATE





2016	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	YTD Return	Average Return
DYNAMIC[4]	7.4%	-4.08%	0.04%	-5.1%	1.58%	-11.13%	11.0%	-0.47%	12.4%	-10.3%	-24.1%	-22.78%	-2.07%
Benchmark[6]	-2.99%	-0.36%	2.49%	1.08%	0.65%	-0.02%	2.06%	0.72%	0.9%	-0.3%	n/a	4.23%	0.42%
Performance over benchmark	10.39%	-3.72%	-2.45%	-6.18%	0.93%	-11.11%	8.95%	-1.19%	11.5%	-10%	n/a	-27%	-2.49%

2015	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD Return	Average Return
DYNAMIC[4]	14.75%	-5.03%	12.42%	3.63%	35.81%	7.66%	43.87%	57.36%	170.47%	21.31%
Benchmark[6]	0.81%	-1.09%	-0.55%	-2.50%	-1.69%	2.22%	0.22%	-0.84%	-3.17%	-0.40%
Performance over benchmark	13.94%	-3.94%	12.97%	6.13%	37.50%	5.44%	43.65%	58.20%	173.64%	21.71%

[4] *Actual customer returns will likely vary from the strategy's returns shown due to number of conditions such as, but not limited to, time of investment, currency, fees, execution broker, etc. The strategy return is based on an average return of all clients under the specific strategy. Past performance is not an indicator and does not guarantee or predict future performance.*

[5] *For the performance fee high-water mark is used.*

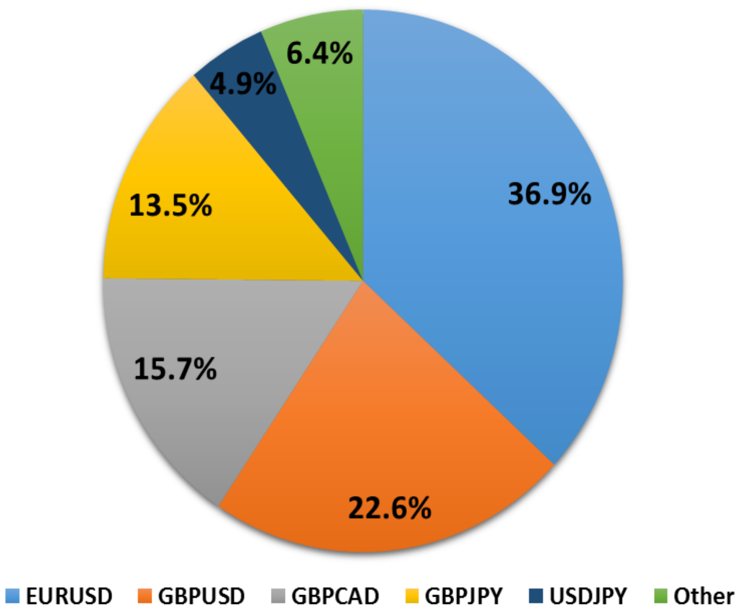
[6] *You can find the benchmark in this link:http://www.barclayhedge.com/research/indices/ghs/Hedge_Fund_Index.html*

NOVEMBER DYNAMIC STRATEGY UPDATE

The Dynamic strategy finished with a negative return in November, mainly due to the long-JPY and EUR exposure since the beginning of the month. Our technical indicators were pointing to a long positioning, but the bi-directional market turmoil on the day of the election that challenged most market participants, weighed on our performance too. The preliminary results of the US elections benefited our strategy as both, JPY and EUR gained on expectations of political instability. However, in the aftermath of the final result, Trump’s speech brought down violently our profits and pushed us into the negative territory. Despite this difficult background, we continue to make necessary adjustments and improvements to our algorithmic trading strategy, in order to make it resilient in turbulent times.

EXPOSURE ANALYSIS

IronFX Portfolio Management's Dynamic Strategy is traded on leveraged instruments, primarily on currency pairs such as EUR/USD, GBP/USD, USD/JPY, and EUR/JPY. However, IronFX Portfolio Management reserves the right to add and remove any currency pair we deem to be either beneficial or harmful to the strategy.



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ALPHA GROWTH STRATEGY

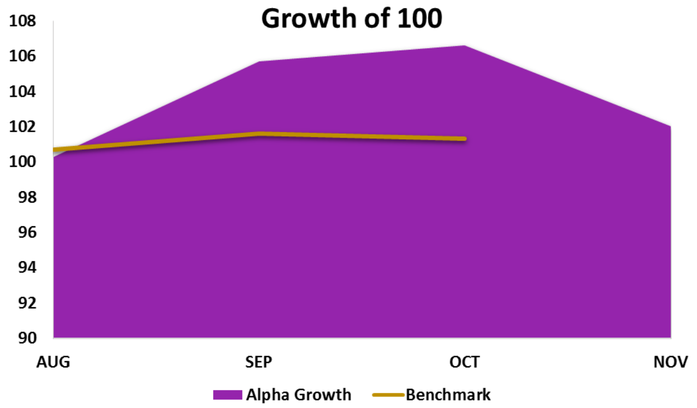
OVERALL RETURN SINCE AUGUST 2016 **2.25%[7]**

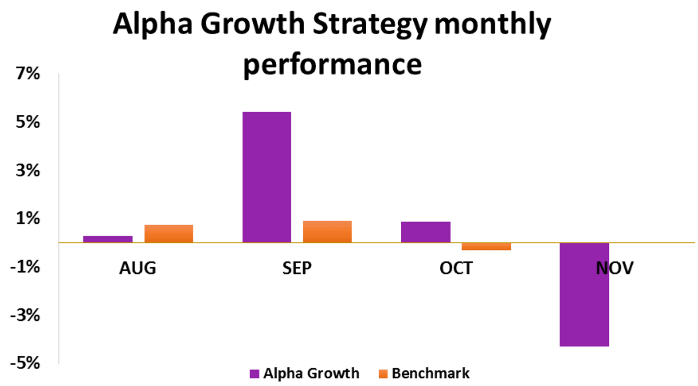
Alpha Growth is a diversified strategy investing in full spectrum of opportunities from event-driven trades to more technical oriented trades. The objective of the strategy is to achieve maximum performance, consistent with capital growth and prudent investment management. The core part of the strategy concentrates in the pool of major currency pairs, while the remaining of the exposure is in minors and exotic currencies. Alpha Growth takes advantage of market momentum to generate attractive risk-adjusted returns.

PORTFOLIO DETAILS

Launch date:	16.08.2016	**Max drawdown:**	4.4%
Management fee:	0.167 %	**Subscription:**	Daily
Performance fee[8]:	30%	**Redemption:**	5 days' notice
Min. Initial Investment:	50K USD		

STRATEGY PERFORMANCE TO DATE





2016	AUG	SEP	OCT	NOV	YTD Return	Average Return
Alpha Growth[7]	0.28%	5.4%	0.87%	-4.3%	2.25%	0.56%
Benchmark[9]	0.72%	0.91	-0.31%	n/a	1.32%	0.44%
Performance over benchmark	-0.44%	4.49%	1.18%	n/a	0.93%	0.12%

[7] *Actual customer returns will likely vary from the strategy's returns shown due to number of conditions such as, but not limited to, time of investment, currency, fees, execution broker, etc. The strategy return is based on an average return of all clients under the specific strategy. Past performance is not an indicator and does not guarantee or predict future performance.*

[8] *For the performance fee high-water mark is used.*

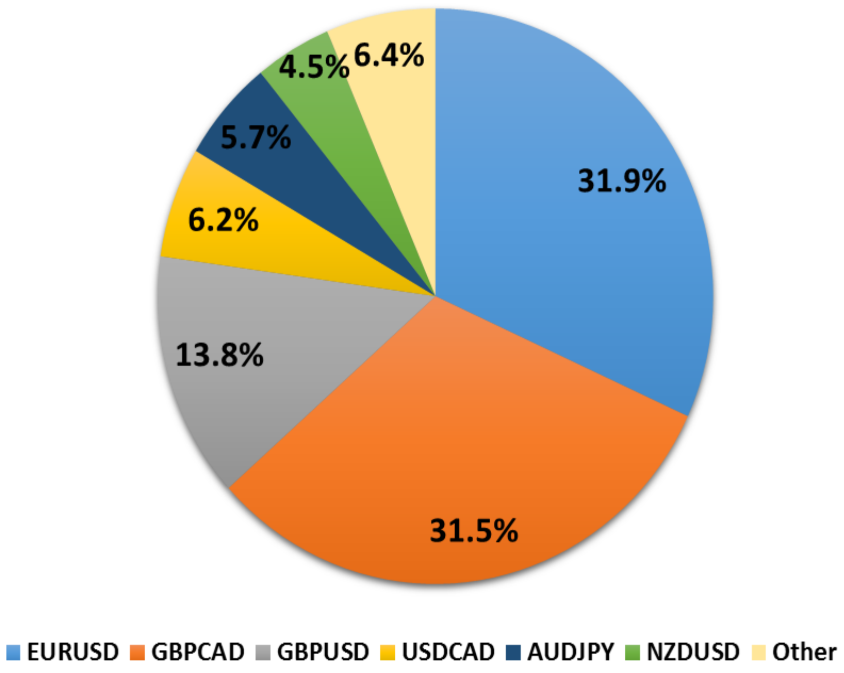
[9] *You can find the benchmark in this link:http://www.barclayhedge.com/research/indices/ghs/Hedge_Fund_Index.html*

NOVEMBER ALPHA GROWTH STRATEGY UPDATE

Our newly established Alpha Growth strategy also finished with a negative return in November but to a lesser degree than the other two strategies. This was mainly due to the systematic investment process that focuses on smart weight allocation techniques and diversification over a large number of positions. A key attribute of this strategy is its ability to quickly transition between positions in major and minor FX pairs and trading styles. As a result, even though the main theme in the FX sphere was long USD, the broad diversification helped to mitigate our overall exposure and limit our losses. As markets reach this new volatile stage, we are delighted to see that our strategy has managed to demonstrate its resilience in turbulent times, despite this minor setback.

EXPOSURE ANALYSIS

IronFX Portfolio Management's Alpha Growth Strategy is traded on leveraged instruments, primarily on currency pairs such as EUR/USD, GBP/USD, USD/JPY, NZD/USD, AUD/JPY and EUR/JPY. However, IronFX Portfolio Management reserves the right to add and remove any currency pair we deem to be either beneficial or harmful to the strategy.



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