

FACTSHEET

Performance Returns

The MontLake Ibox Capital Macro UCITS Fund returned -1.08% for the month of December in the USD Institutional Class A share class giving a net return since launch of -1.08%.

Investment Objective & Strategy

The investment objective of the MontLake Ibox Capital Macro UCITS Fund is to provide investors with a positive absolute return in all market conditions. The Fund's returns will not be correlated to major indices and other macro hedge funds with the focus instead on the breadth of the global FX markets.

The Fund will seek to provide an absolute return by identifying and exploiting investment opportunities across currency markets while controlling overall portfolio risk using a highly disciplined investment process.

The investment manager will utilise a diverse set of factors to determine the relative attractiveness of individual currencies and actively take long and short positions in these currencies to achieve the Fund's investment objective. Positions will be extremely liquid and highly transparent.

Monthly Commentary

Despite market headlines on Korea, Trump, Turkey, US Tax Changes, and more, late autumn markets were generally benign in terms of FX moves. However, there were some trading opportunities for those keenly focused. This has been especially so in Mexico and South Africa as each have had idiosyncratic challenges due to NAFTA and ANC leadership change issues. We continue to be especially focused on those two countries. Additionally key in EM and more, we have a core view that the impact of "Quantitative Tightening" will be very important for markets (Chart #1). We must be mindful however that the recently passed US Tax Code changes will be quite stimulative for the US Economy and therefore supportive of risk assets to counterbalance some QT withdrawal, depending on the timing of the impact of each opposing force.

This QT is especially key for emerging markets with weak demand fundamentals such as Turkey, South Africa, and Chile. It is these countries where investor portfolio flows are most needed to hold currencies near current levels, let alone rally (Chart #2). Therefore if QT causes a slowing, let alone anything near a reversal, of investor buying of EM stocks and bonds, we could see significant EMFX weakness.

We also have a belief that \$ buying and repatriation via the now agreed Homeland Investment Act (part of US Tax Reform) is being underestimated. We remind everyone that the HIA of 2005 was quite underestimated by the market at that time and that the resulting dollar strength is quite exceptional versus all other recent timeframes. (Chart #3).

Offshore US Corporate offshore cash balances are well over 6x higher than they were in 2005 when \$300bio were eventually repatriated. (Chart #4) Therefore the potential repatriation with this tax reform could be very significant. Unlike much of the market, **ibex capital** believes that amongst non-tech and non-pharma firms, there are more significant holdings in local FX. This is especially key in €, CHF, ¥, CAD, and SGD where low local interest rates and heavy balances relative to GDP (Switzerland and Singapore) were local FX can be sold for \$ to be repatriated.

As we look forward we see identifiable risk events that should provide trading opportunities. We see 12 Jan: US CPI, 23 Jan: NAFTA negotiations in Canada, 29 Jan: US PCE, 30 Jan US State of the Union, and 31 Jan FOMC, as some key points of focus in the near future. We also believe that with US Tax Reform done and North Korea much more calm that Trump's focus on Trade/Tariffs will be an excellent source of idiosyncratic trading opportunities in the short and medium term. Keep focus on China, Japan, Germany, and Mexico as those countries should be highest on Trump's "hit list" given their bilateral trade deficits with the US. Attacking these countries with tweets and tariffs is an easy win for Trump to pander to his constituency.

UCITS Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2017	-	-	-	-	-	-	-	-	-	-	-	-1.08%	-1.08%

The performance figures quoted above represent the performance of the MontLake Ibox Capital Macro UCITS Fund since launch on the 1 December 2017. These performance figures refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance.

THE MANAGER



Kevin Connors CEO

Kevin Connors has over 25 years of financial services experience and is the Chief Executive Officer of Ibox Capital. Prior to co-founding Ibox Capital, Mr. Connors was the Global Head of FX Sales at BoA Merrill Lynch and a Partner at Goldman Sachs as co-Global Head FX Sales. Before this, he was Global Head of Commodity Trading at UBS Corp., Global Head of Metals Trading at Swiss Bank and an FX options trader at O'Connor & Associate.

Stephen Hull CIO

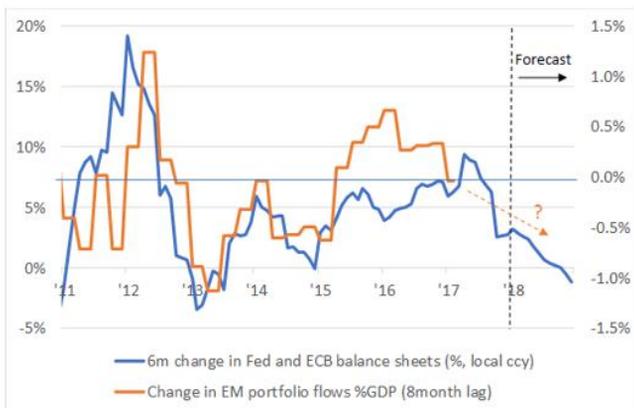
Stephen Hull has over 20 years of financial services experience and is responsible for the portfolio management of Ibox Capital. Prior to co-founding Ibox Capital, Mr. Hull was a portfolio manager at Moore Capital for a macro strategy, he was the global currency advisor at Brevan Howard, Global Head of FX Strategy at Morgan Stanley and Head of Macro Strategy at Lehmans/Nomura. Before this, he was a portfolio manager at Semper Macro and a trader and senior economist at Goldman Sachs.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Daily
Fund AUM	\$30 million
Inception	1 December 2017
Share Class	Inst Class A/Inst Class A Pooled
Currency	EUR/USD/CHF/GBP
Mgt. Fee	1.25%
Perf. Fee	15%
Min Init. Sub.	5,000,000
ISIN Codes	EUR: IE00BD9PVH09/IE00BD9PVM51 USD: IE00BD9PVL45/IE00BD9PVQ99 CHF: IE00BD9PVK38/IE00BD9PVP82 GBP: IE00BD9PVJ23/IE00BD9PVN68
Share Class	Retail Class Pooled
Currency	EUR/USD/CHF/GBP
Mgt. Fee	2.00%
Perf. Fee	20%
Min Init. Sub.	10,000
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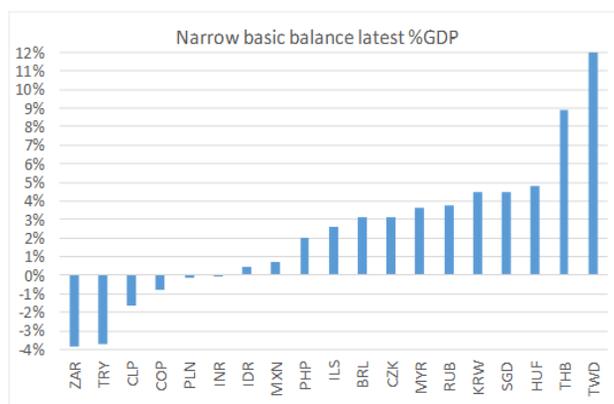
Monthly Commentary - Charts

Chart #1: EM Flows versus CB Balance Sheets



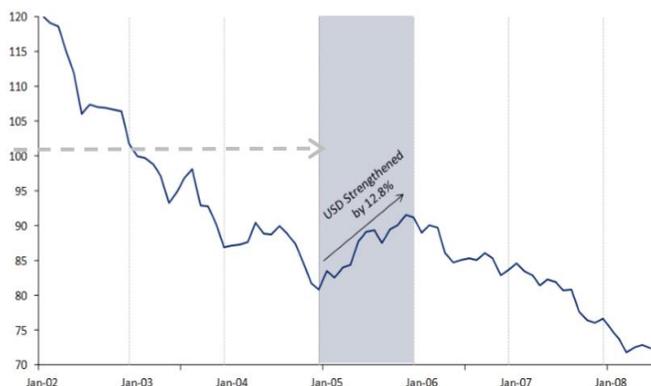
Source:CEIC

Chart #2: Demand Differential in major EMFX



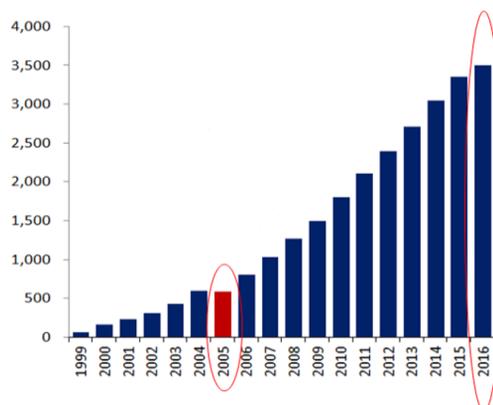
Source:CEIC

Chart #3: US Dollar Index (DXY)



Source: BofAML

Chart #4: Available Funds to be Repatriated



Source: BofAML

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Disclaimer

Risk Warning: Past performance is not a reliable indicator of future results, prices of investments and the returns from them may fall as well as rise. Investments in equities are subject to market risk and, potentially, to currency exchange risk. The MontLake Ibox Capital Macro UCITS Fund (the "Fund") may use higher leverage and financial derivative instruments as part of the investment process. The distribution of this report does not constitute an offer or solicitation. Any investment in the Fund should be based on the full details contained in the Fund's Supplement Prospectus and Key Investor Information Document which together with the MontLake UCITS Platform ICAV Prospectus may be downloaded from the MontLake website (www.montlakeucits.com). Information given in this document has been obtained from, or based upon, sources believed by us to be reliable and accurate although neither ML Capital nor IBEX Capital, LLP accepts liability for the accuracy of the contents. IBEX Capital, LLP is authorised and regulated by the Financial Conduct Authority (the "FCA"). Funds regulated under UCITS must abide by onerous investment restrictions. ML Capital does not offer investment advice or make recommendations regarding investments. The Manager of the Fund is MLC Management Ltd, a company regulated by the Central Bank of Ireland. The MontLake UCITS Platform ICAV is registered and regulated as an open-ended Irish collective asset-management vehicle with segregated liability between sub-Funds formed in Ireland under the Irish Collective Asset-management Vehicles Act 2015 and authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. ML Capital Asset Management Ltd is regulated by the Central Bank of Ireland. This notice shall not be construed as an offer of sale in the Fund. The state of origin of the Fund is the Republic of Ireland. Issued and approved by ML Capital Asset Management Ltd. Authorised and Regulated by the Central Bank of Ireland.