

FACTSHEET

Performance Returns

The AlphaQuest UCITS Fund returned +0.68% for the month of September (USD Institutional Founder Share Class).

USD Institutional Founder Share Class UCITS Performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	9.82%	-0.10%	-0.34%	1.68%	0.85%	-1.48%	-2.34%	-0.51%	0.68%				8.06%
2017	-4.33%	-2.70%	-0.99%	-0.69%	-2.54%	0.15%	-1.78%	-1.51%	0.70%	3.15%	0.45%	-1.45%	-11.14%
2016												-0.22%	-0.22%

The performance figures quoted above represent the performance of the AlphaQuest UCITS Fund since launch on 9th December 2016. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Investment Objective & Strategy

The AlphaQuest UCITS Fund's investment objective is to seek capital appreciation over the long term.

The AlphaQuest UCITS Fund invests, on a long and/or short basis, in a globally diversified portfolio representing the major asset classes of equities, fixed income and currencies. It also gains exposure to commodities, on a long and/or short basis, through the use of structured financial instruments ("SFIs"). The AlphaQuest UCITS Fund targets, over the medium term, a realized volatility in the range of 10%-12%, in order to adhere to UCITS investment restrictions.

Quest employs a systematic trading program (the "Program"), diversified by asset class and with individual positions intended to provide a return over different time horizons, that seeks to deliver positive alpha (alpha is a statistical measurement used to determine the risk-reward profile of a potential investment). The Program is composed of a number of trading systems, each of which generates individual trades. These trading systems generate trades on the basis of price movement indicators which seek to identify situations where there is potential for an increase in the price volatility of a given market. Risk controls are integrated into the Program to measure the potential risk associated with trades generated by the Program. Generally, the Program will determine that AlphaQuest UCITS Fund should take a long position in a market that has shown an upward trending price or a short position in a market that has shown a downward trending price.

Performance Commentary

The AlphaQuest UCITS Fund had a good month in September, finishing up +0.7%. The Fund is now up +8.1% for the year. It was an interesting month in global markets in that equities seemed to be impervious to shifting trends in other assets classes. The S&P 500 was up for the sixth month in a row and global equity markets gained for a third consecutive month despite another round of trade tariffs on China going into force, another round of rate hikes by the US Federal Reserve, oil prices surging to their highest level in nearly four years, and US bond yields rising to their highest levels in over seven years. The moves, however, provided attractive opportunities for our systems.

At an asset class level, the main sources of return were short positions in fixed income and long positions in crude oil. Global government bonds had their second worst month of the year in September as strong global growth, rate hikes, and withdrawal of support from central banks sent yields sharply higher. Our systems were aggressively short bonds in the US and—to a lesser extent—in Japan earlier in the month; they were able to harvest a portion of the gains by month end. Crude oil was also strongly profitable as supply disruptions stemming from renewed sanctions on Iran and OPEC's reluctance to increase supply resulted in sharp gains for the commodity. Our systems were able to generate profits in both WTI and Brent contracts as well as in distillates such as heating oil, gas oil, and gasoline. Equities were flat for the month as strong gains from long positions in Japanese equity indices were offset by small losses in US equity indices (particularly the Nasdaq and the Russell 2000) and in European equity indices. Foreign exchange was modestly negative for the month as gains in the US dollar against the Japanese yen were offset by late-month reversals in the Euro.

continued...

THE MANAGER



Nigol Koulajian

Founder and Chief Investment Officer



Nigol Koulajian is the Founder and Chief Investment Officer of Quest. Mr. Koulajian founded Quest in March 2001 to pursue his passion for quantitative investment research and strategy development, which he has focused on from the beginning of his career in the early 1990's. After lengthy research, Mr. Koulajian identified specific strategies using proprietary techniques that have been continuously enhanced over the past seventeen years and became the basis for the growth of Quest. The firm, which is based in New York, currently manages \$1.6 billion in assets and employs twenty people. In 2002, Mr. Koulajian started the NOK Foundation, which is committed to promoting the study and practice of yoga and meditation globally. Mr. Koulajian has acted as a board member of the Omega Institute and David Lynch Foundation. Mr. Koulajian earned an MBA in finance from Columbia Business School and a BS in electrical engineering from Notre Dame.

Paul Czkwanianc

Head of Research



Paul joined the firm at its inception in 2001. Mr. Czkwanianc started his career in the financial industry in 1999 at Enterprise Asset Management where he worked alongside Mr. Nigol Koulajian. Mr. Czkwanianc holds a B.S. degree in Applied Mathematics from Columbia University and an M.S. degree in Mathematics from New York University.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Daily
Fund AUM	\$70.6 million
Strategy AUM	\$1.487 billion
Inception	9 th December 2016
Registered	Ireland, UK, France, Lux and Switzerland (Qualified Investors Only)
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.5%
Perf. Fee	20%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BD08G390/IE00BD08G739 USD: IE00BD08G622/IE00BD08GB72 CHF: IE00BD08G515/IE00BD08G952 GBP: IE00BD08G408/IE00BD08G846
Share Class	Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	2%
Perf. Fee	20%
Min Init. Sub.	100,000
ISIN Codes	EUR: IE00BD08GM87 USD: IE00BD08GQ26 CHF: IE00BD08GP19 GBP: IE00BD08GN94

FACTSHEET

Among trading system families, the best returns were generated by our intermediate-term systems, which trade time horizons from a few days to a few weeks. These systems were particularly profitable through their short positions in fixed income and long positions in crude oil and equities. Long-term trend following systems were also profitable in September, generating strong returns in crude oil. Our shortest-term systems, which trade time horizons of less than five days, were modestly positive for the month. Our Trend Crowding systems had a negative month with small losses in all four asset classes.

Market Commentary

Over the years, we have written extensively about the changing characteristics of the CTA industry. In response to the highly stable environment created by central banks since the Global Financial Crisis, the CTA industry pursued strategies that were more long biased, more long term, and more 'risk-on'. While such style drifts helped improved standalone Sharpe ratios, they came at the expense of reduced skewness and the ability to protect capital. Our sixth AlphaQuest Research Series paper, "Return Enhancing Style Drifts in Futures/FX-Based Momentum Portfolios," published in October 2014, showed the factor drifts of CTA industry benchmarks. These drifts were also highlighted in Quest's 2017 Annual letter.

Presented below is an updated analysis that shows the skew of leading CTA industry benchmarks over different time periods. The skew of Quest's Flagship AQO Program is also presented for comparison.

	Flagship AQO Program*	BTOP50	SG CTA	SG Trend	SG STTI
Last 1 Year	1.86	(1.21)	(0.73)	(0.91)	0.78
Last 3 Years	1.09	(0.23)	0.03	(0.11)	0.48
Last 5 Years	0.63	(0.16)	(0.06)	(0.16)	0.11
Last 10Years	0.77	0.05	(0.00)	0.03	0.29
Since AQO Inception	0.60	0.36	0.11	0.14	0.20

Source: Quest Partners LLC; SG refers to Société Générale SG Prime Services Indices.

*The above performance pertains to the AlphaQuest Original (AQO) program and is not representative of the AlphaQuest UCITS Fund. UCITS funds have to abide by investment restrictions and consequently the performance of the AlphaQuest UCITS Fund may not be similar to that presented above.

As seen above, it is quite telling that the skew of major CTA indices over the past 1-year, 3-year, 5-year, and 10-year periods is either negative or flat—with the exception of the SG Short-term Traders Index. From inception, the skew of the CTA indices remains positive, suggesting that the positive skew is in fact driven by their performance prior to the Global Financial Crisis. Since then however, there has been a marked shift in their performance characteristics.

The style drifts identified in our white paper also explain the industry's struggles in recent years in delivering on its mandate of being uncorrelated, providing positive skew, and protecting portfolios during stressed market periods. In February of this year, CTA industry benchmarks had their worst month in fifteen years, even as global markets reeled under the prospect of higher rates and inflation. In May, the benchmarks once again had negative returns as many CTAs were caught wrong-footed when the Italian crisis unfolded. In September as well, the CTA benchmarks struggled to deliver returns despite the strong negative trends in fixed income—which is unsurprising given the persistent long bias of the asset class in many CTA portfolios.

In the case of Quest's Flagship AQO Program, as seen above, the skew has remained consistently positive over the past 1-year, 3-year, 5-year, and 10-year periods, as well as since inception. This is because we have chosen to remain disciplined and not compromise our focus on positive skew, while still generating strong returns and Alpha. In recent years, we have developed new approaches to capturing skew and volatility shocks such as the Trend Crowding family of systems, which seek to identify markets that are crowded by concentrated positioning, oftentimes by large CTAs, and strategies which have a greater focus on the short-term and intra-day time horizons.

ALPHAQUEST ORIGINAL (AQO) PROGRAM MONTHLY PERFORMANCE (NON-UCITS)*

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	16.28	(0.01)	(0.17)	3.12	1.38	(0.47)	(5.45)	1.06	1.43 E				17.05%E
2017	(6.31)	(4.14)	(0.86)	(0.02)	(2.75)	(0.82)	(2.30)	(1.99)	0.44	6.99	(0.04)	(1.44)	(12.94)%
2016	14.16	9.19	(6.72)	(0.58)	(3.62)	6.60	2.16	(6.30)	(7.64)	(2.65)	0.20	4.51	7.02%
2015	7.97	(0.68)	2.90	0.33	(1.65)	(10.70)	7.39	(2.01)	(1.64)	2.17	8.72	(5.47)	5.69%
2014	1.62	0.10	(4.51)	(5.36)	3.20	1.89	(2.29)	5.83	3.20	3.75	5.24	3.23	16.27%
2013	0.07	4.45	(0.53)	9.07	(3.46)	0.86	1.86	(1.42)	(1.67)	(0.25)	2.11	4.39	15.94%
2012	3.07	2.32	(5.14)	(2.25)	8.66	(3.34)	5.75	(3.47)	(3.91)	(2.62)	(0.70)	3.77	0.87%
2011	(4.91)	5.83	(6.53)	16.41	(5.93)	(9.40)	11.37	0.96	(4.11)	(3.85)	(2.92)	2.10	(4.11)%
2010	(6.93)	0.19	1.58	1.85	3.26	(1.52)	(2.24)	6.97	7.52	6.14	(6.82)	10.10	20.08%
2009	0.38	(2.32)	(7.57)	(2.43)	13.30	0.36	0.57	(1.73)	3.60	(5.17)	1.77	(11.16)	(11.75)%
2008	2.09	14.92	(0.53)	1.26	4.88	4.22	(13.55)	1.36	(1.26)	20.59	10.10	4.98	55.77%
2007	(0.49)	(3.23)	(0.50)	6.26	(0.79)	6.81	2.07	(11.84)	13.80	6.73	(3.71)	4.04	18.11%
2006	4.34	(3.02)	0.55	14.62	0.91	(3.18)	(6.08)	0.36	0.25	7.48	5.95	2.54	25.72%
2005	(7.67)	2.58	0.41	(3.46)	1.48	5.15	(4.02)	2.35	2.94	0.11	4.36	(3.35)	0.04%
2004	(2.80)	3.93	(1.38)	(5.60)	1.30	(9.98)	1.36	(1.25)	(0.99)	6.23	(0.60)	(1.32)	(11.43)%
2003	(1.84)	6.16	0.93	(7.90)	14.36	(4.59)	(1.86)	1.85	4.23	(4.62)	(3.28)	1.13	2.74%
2002	4.05	(13.71)	16.53	(1.44)	(2.49)	9.22	3.76	0.83	6.90	0.99	(3.50)	16.92	39.94%
2001	(5.22)	(5.43)	12.11	(5.59)	3.89	(2.20)	3.68	(4.52)	7.38	2.97	0.58	10.42	17.17%
2000	4.18	(1.54)	7.14	(2.85)	8.03	(4.16)	(2.57)	3.17	(2.83)	4.85	7.97	18.05	44.31%
1999					(2.66)	2.81	(1.77)	(1.73)	1.12	(5.26)	4.26	1.11	(2.45)%

*The above performance pertains to the AlphaQuest Original (AQO) program and is not representative of the AlphaQuest UCITS Fund. UCITS funds have to abide by investment restrictions and consequently the performance of the AlphaQuest UCITS Fund may not be similar to that presented above.

Contact Details

Investor Contact

ML Capital Ltd

29 Farm Street
London, W1J 5RL, UK
T: +44 20 3709 4510

investorrelations@mlcapital.com

Management Company

MLC Management Ltd

23 St. Stephen's Green
Dublin 2, Ireland
T: +353 1 533 7020

investorrelations@mlcapital.com

Investment Manager

Quest Partners LLC

126 East 56th Street, 25th Floor
New York, NY 10022, USA
T: +1 212 838 7222

investorrelations@questpartnersllc.com

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. The AlphaQuest UCITS Fund (the "Fund") may use higher leverage and structured financial instruments (SFI) to gain commodity exposure as part of the investment process. Investments in commodities are highly volatile and involve a high degree of risk and may therefore only be suitable for the more experienced investor. 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 Quest Partners LLC accepts liability for the accuracy of the contents. Quest Partners LLC is authorised and regulated by the US Commodity Futures Trading Commission and US Securities and Exchange Commission. Funds regulated under UCITS must abide by onerous investment restrictions. Consequently the AlphaQuest UCITS Fund will only invest in commodities through a SFI. 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. MLC 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. This document may only be distributed in or from Switzerland to qualified investors within the meaning Art. 10 Para. 3, 3bis and 3ter CISA. The Representative in Switzerland is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, whilst the Paying Agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8022 Zurich. The basic documents of the Fund as well as the annual report may be obtained free of charge at the registered office of the Swiss Representative.

Issued and approved by MLC Management Ltd. Authorised and Regulated by the Central Bank of Ireland.