

## FUND MANAGEMENT COMMENT

October once again lived up to its reputation as a month in which equities are susceptible to corrections. Initially sparked by higher US interest rates, investors' various concerns culminated in substantial falls in international equity prices as well as other risky assets. While US equity markets had previously emerged unscathed for the most part, they too were dragged down by the largest correction in some time in technology and growth stocks, which had previously been performing strongly. A significant proportion of international equity indices have now dropped below their 200-day lines. Investors were starting to fret that a global economic downswing might emerge sooner than expected. There was a modest slowdown on the US labour market and in retail sales. However, following moderate corrections the key leading indicators held up at a very robust level overall. For its part, US consumer confidence actually climbed again from its already high level. Meanwhile, economic indicators in the Eurozone were more or less unchanged.

The ECB left key rates and its outlook unchanged. The central bankers postponed a decision on bringing bond purchases to an end until December. European bond markets consolidated in the first half of the month before subsequently benefiting from the mounting uncertainty via safe haven inflows.

In Europe, the broad-based STOXX 600 index was down by 5.5%. The Asia Pacific ex Japan region turned in the worst performance, shedding 8%. Overall, almost all risky asset classes ended the month in negative territory.

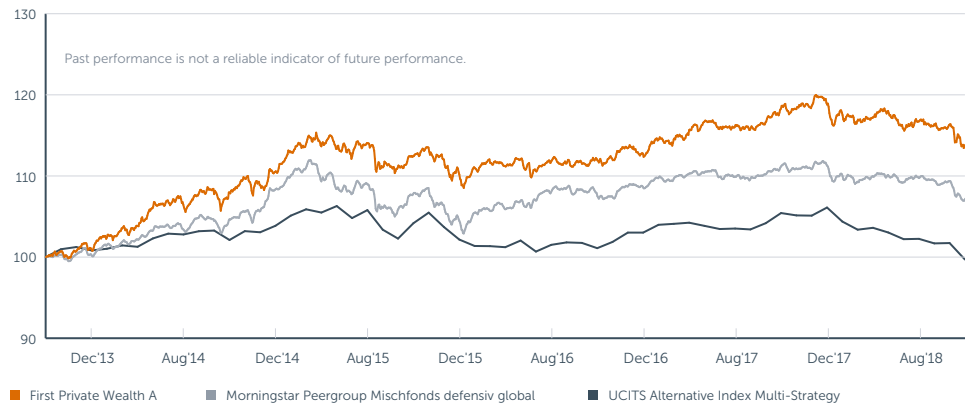
In this environment, **First Private Wealth** ended October down 2.09%, thanks in particular to its open equity allocation. Fund performance was predominantly dragged down by the equity segments: long exposure equities, the option writer strategy and equity market neutral. Owing to the substantial fall in crude oil prices, the commodity strategy – which had been performing robustly – also incurred losses in October. Alongside the currency strategies, the (long) volatility strategies and the equity macro segment were also in positive territory. The open equity exposure currently stands at 22.63%. Turning to currencies, some of the dollar exposure has recently been hedged. If equity markets continued to fall, the portfolio would become increasingly defensive because of the hedging strategies in place.

## OBJECTIVE & STRATEGY

The First Private Wealth fund is an "Absolute-Return-Product" with a "Multi-Asset Strategy". The fund aims to generate adequate performance in all market scenarios. The fund's management is focused on allocation decisions within the most important asset classes:

Equities, Bonds and Alternative Assets (e.g. Currencies, Commodities). To identify the most promising investment opportunities within the asset classes the portfolio management applies a combination of systematic models and fundamental research.

## PERFORMANCE<sup>2)</sup> LAST 5 YEARS



## PERFORMANCE<sup>2)</sup> AS OF OCTOBER 31ST, 2018 (IN %) OF SHARE CLASS A

Year	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2013	0.41	1.14	0.92	0.87	0.53	-2.32	0.94	-0.67	0.63	1.59	0.68	0.06	4.81
2014	0.35	1.49	0.63	0.35	2.04	0.56	0.78	0.34	0.83	-0.39	1.75	-0.73	8.26
2015	1.21	2.06	0.78	0.69	0.49	-1.72	0.85	-2.04	-0.88	1.73	0.94	-0.77	3.30
2016	-1.73	-0.17	1.12	-0.30	0.64	-1.61	1.30	0.01	-0.05	0.44	-0.05	1.12	0.67
2017	-0.93	1.86	0.07	0.48	1.37	-0.72	0.15	-0.03	0.66	1.35	0.16	-0.10	4.36
2018	0.38	-0.82	-0.91	0.36	0.67	-1.51	0.42	-0.25	-0.09	-2.09			-3.81

	10/13	10/14	10/15	10/16	10/17	10/18
	10/14	10/15	10/16	10/17	10/18	
	WE	WE	WE	WE	WE	WE
Fund	7.97	4.17	-0.23	5.41	-3.76	
Benchmark <sup>2)</sup>	0.38	0.20	-0.03	-0.19	-0.32	

WE: Performance

## ATTRIBUTION

	STRATEGY	1. MONTH AS OF 31.10.18	YTD
RISK	Commodity Risk	-0.01%	0.03%
	Corporate Cred. Risk	0.15%	0.28%
	Equity Risk	-1.10%	-1.15%
	Real Estate Risk	-0.14%	0.29%
	Sovereign Cred. Risk	0.00%	0.02%
NON RISK	Government Bonds	0.02%	-0.09%
	Safe Haven	-0.04%	-0.13%
ALPHA STRATEGIES	Commodity Strategies	-0.32%	0.20%
	Div Future Directional	-0.02%	0.29%
	Div Future Market	-0.07%	-0.18%
	Equities Market Neutral	-0.28%	-0.80%
	Equity Macro Strategies	0.18%	-0.42%
	Equity Overwriting	-0.68%	-0.78%
	Foreign Exchange Strategies	0.05%	-0.22%
	Fixed Income Strategies	0.10%	-0.75%
	Volatility Strategies	0.11%	-0.08%
Cross-Asset Strategies	0.02%	-0.08%	

## PERFORMANCE AND RISK

Performance YTD	-3.81%
Performance since inception p.a.	4.42%
Performance 5 Years p.a.	2.62%
Volatility 3 Years	3.61%
Volatility 5 Years	3.40%
Best Month	3.57%
Worst Month	-2.56%
Max. Drawdown	-5.91%
Positive Months %	63.87%

INVESTMENT COMPANY

FIRST PRIVATE

Investment Management KAG mbH

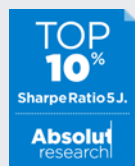
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RATINGS



OTHER PERFORMANCE AND RISK DATA

	SHARPE RATIO 1J	SHARPE RATIO 3J	VOLATILITY 1J
First Private Wealth	-0.91	0.22	3.74%
Equities World (MSCI AC World)	0.21	0.54	12.29%
Equities Europe (Euro Stoxx 50)	-0.69	0.05	14.43%
Bonds Global (Citigroup WGBI)	0.20	0.16	4.48%
Commodities (S&P GSCI)	0.81	0.08	15.10%
Alternatives (UCITS Alt Global)	-0.93	-0.32	3.06%

ALLOCATION (LONG & SHORT) BY ASSET CLASSES

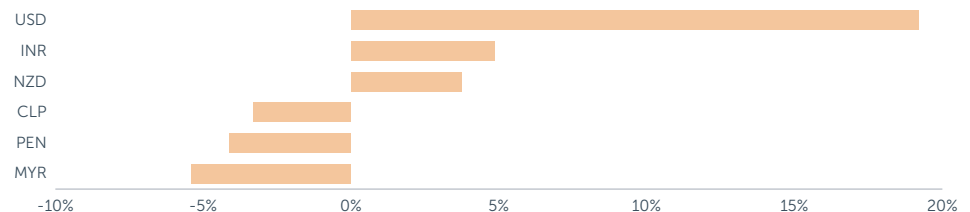
	STRATEGY	LONG	SHORT	NET	GROSS
RISK	Commodity Risk	0.02%	0.00%	0.02%	0.02%
	Corporate Credit Risk	48.12%	-14.93%	33.19%	63.05%
	Equity Risk	16.26%	-0.94%	15.32%	17.20%
	Real Estate Risk	4.46%	0.00%	4.46%	4.46%
	Sovereign Credit Risk	15.66%	0.00%	15.66%	15.66%
NON RISK	Government Bonds	13.68%	-0.02%	13.66%	13.70%
	Safe Haven	10.02%	-9.74%	0.28%	19.75%
ALPHA STRATEGIES	Commodity Strategies	8.50%	-8.24%	0.26%	16.74%
	Div Future Directional	31.48%	0.00%	31.48%	31.48%
	Div Future Market Neutral	7.69%	-11.60%	-3.91%	19.29%
	Equities Market Neutral	36.52%	-36.63%	-0.11%	73.15%
	Equity Macro Strategies	4.18%	-3.71%	0.47%	7.90%
	Equity Overwriting	10.62%	-8.23%	2.39%	18.85%
	Foreign Exchange Strategies	56.89%	-56.85%	0.03%	113.74%
	Fixed Income Strategies	65.35%	-11.57%	53.78%	76.92%
	Volatility Strategies	0.00%	0.00%	0.00%	0.00%
Cross-Asset Strategies	1.89%	-0.44%	1.45%	2.33%	
Equity exposure*		22.63%	Netto Allocation		168.42%

\* Aggregated equity exposure across all asset categories.

ALLOCATION OF EQUITY PORTFOLIO BY SECTOR – WEIGHTS RELATED TO FUND VOLUME

INDUSTRY	WEIGHT	INDUSTRY	WEIGHT
Automobiles & Components	-0.13%	Insurance	1.54%
Banks	-1.30%	Materials	2.37%
Capital Goods	1.34%	Media & Entertainment	0.58%
Commercial & Professional Services	0.12%	Pharma. Biotech & Life Sciences	2.50%
Consumer Durables & Apparel	0.35%	Real Estate	4.33%
Consumer Services	0.18%	Retailing	1.98%
Diversified Financials	0.88%	Semiconductors & Equipment	-0.32%
Energy	2.80%	Software & Services	0.70%
Food & Staples Retailing	0.09%	Technology Hardware & Equipment	1.16%
Food, Beverage & Tobacco	1.31%	Telecommunication Services	0.01%
Health Care Equipment & Services	0.56%	Transportation	0.41%
Household & Personal Products	0.02%	Utilities	1.97%

CURRENCY EXPOSURE (TOP 3/BOTTOM 3)



OPPORTUNITIES AND RISKS

OPPORTUNITIES	RISKS
<ul style="list-style-type: none"> <li>Performance independent of equity markets due to the combination of uncorrelated strategies</li> <li>Target return in the range of 4–6% p.a. with the volatility less than 6%</li> <li>Dynamic asset allocation</li> </ul>	<ul style="list-style-type: none"> <li>Risk of interest rate changes, if the fund is directly or indirectly invested in interest-bearing securities</li> <li>Risk of counterparty default, e.g. illiquidity of the issuer for the security which the fund is invested in</li> <li>General market risk – the fund is exposed to general trends in global capital markets</li> </ul>

## DISTRIBUTION IN THE REPUBLIC OF AUSTRIA

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Austria

### Tax representative:

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Wirtschaftsprüfung und Steuerberatung  
GmbH  
Erdbergstraße 200  
1030 Vienna, Austria

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CH-8002 Zürich  
Switzerland

### Tax representative:

Vescore Fondsleitung AG  
Bahnhofstrasse 8  
CH-9001 St. Gallen, Switzerland

## FUND DATA

	SHARE CLASS A*	SHARE CLASS B	SHARE CLASS C (CSC)**
WKN (German Sec. Code)	A0KFUX	A0KFTH	A0Q95A
ISIN Code	DE000A0KFUX6	DE000A0KFTH1	DE000A0Q95A6
Origin	German UCITs fund		
Fund Currency	EUR		
Fund Category	Multi Asset		
Fund Volume	799.19 Mio. EUR		
Launch Date	11/25/2008	08/31/2011	12/02/2014
Current redemption price	EUR 75.53	EUR 72.07	EUR 69.92
Minimum Investment	1,000,000 EUR	0.001 Share (suitable for savingplans)	0.001 Share (suitable for savingplans)
Utilisation of Income	accumulating	accumulating	distributing
End of Fiscal Year	31. December		
Issuing Price Surcharge	none	3%	none
Management Fee <sup>4)</sup>	0.5% p.a.	1.5% p.a.	1.25% p.a.
Performance Fee	10% p.a. of the performance exceeding the reference rate; please refer the detailed prospectus		none
Custodian	0,0390% p.a., details in sales prospectus		
Total Expense Ratio (TER) <sup>5</sup> 2017	0.63%	1.52%	1.30%
Performance fee in % on the average net asset value 2017	0.50%	0.40%	0.00%
Depository	Deposit at sales partners and all other banks		
Investment Management Company	First Private Investment Management KAG mbH		
Country of registration	Germany, Austria, Switzerland		

\*this share class is for institutional clients only. \*\* Clean Share Class.

## LEGAL ADVICE:

1) calculation of performance by BVI-method, i.e. without front end load. Past performance does not indicate the future performance of the Fund. Source: Bloomberg.

2) The benchmark index has only exploratory character and does not constitute any obligation of the asset management company to copy or achieve the index or its performance. The index provider assumes no liability in any case regarding the stated index data. This information or document has neither been produced nor checked or confirmed by the index provider. For the calculation of the performance fee a preferably good match between the point of time of valuation of the benchmark index and the valuation of the fund's assets (NAV) will be consulted. This means that also another benchmark index closing price than the daily closing price can be consulted. In this respect, it is possible that there are valuation differences between the time of the declaration of the benchmark index's unit price and the end of the stock exchange trading (closing price). Possible intraday differences are likely to appear on the respective stock markets in times of high market volatility.

3) FIRST PRIVATE Investment Management KAG mbH is responsible for this information..

4) share class A: as of 12/01/2009 the management fee amounts to 0.50% p.a., before it 1.25% p.a. Share class B: as of 08/31/2011 the management fee is unchanged and amounts to 1.5% p.a. The management fee of funds which are launched in Germany contains distribution fee.

5) Total costs in percent of the average fund volume as of fiscal year end 12/31/. The Total Expense Ratio (TER) contains all incidental costs except for transaction costs and if applicable performance related fees.

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