

Select Fund: Alternative Class

Quarter 3 2023

Objective

To offer a convenient vehicle for investing in a diversified portfolio of alternative investment managers, which are anticipated to provide the best opportunities for capital growth.

Investment policy

To invest in a diverse range of top-performing offshore alternative investment managers that provide consistent returns whilst controlling risk.

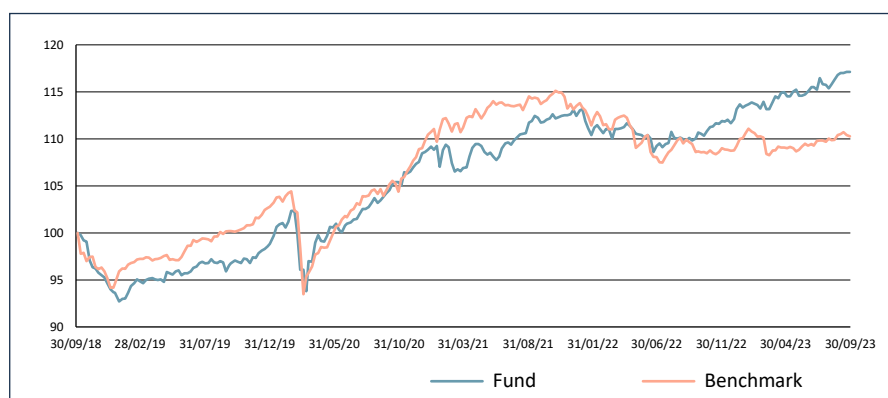
Investment process

A quantitative analysis of fund performance is undertaken relative to peer groups to ensure the consistency of performance. This is followed with a qualitative analysis to understand the manager's philosophy, process and style. Grosvenor Capital Management, a professional hedge fund manager, acts as the subadviser to this class of the Fund.

Key facts as at 30 September 2023

Currency	USD
Valuation	Weekly
Dealings	Thursday
Front end fee	None
Units available	Accumulation
Identifier	BUTSLAI BH
Fiscal year end	30 June
Minimum investment	USD 10,000
Total expense ratio	2.21%
Size of fund (millions)	USD 15.50
NAV per share	USD 17.99

Performance chart



Average annual compound returns

	Quarter	1 year	3 years	5 years	10 years
Total returns	1.41%	6.45%	3.98%	3.21%	2.05%
Benchmark	0.75%	1.55%	1.83%	1.94%	1.48%

Fund review

The Alternative Class returned +1.41% in Q3 of 2023 which outperformed the HFRX Global Hedge Fund Index return of +0.75%. After posting strong gains in the first half of 2023, global equity market indices ended the third quarter of 2023 in negative territory with losses across most asset classes. Global equities rallied in July before reversing course and posting two consecutive months of losses in August and September, as the hawkish tone from central banks and signs of persistent inflation weighed on investor sentiment. U.S. equities declined meaningfully in the third quarter as the Federal Reserve ("Fed") continued to hike rates and signaled that interest rates will remain high.

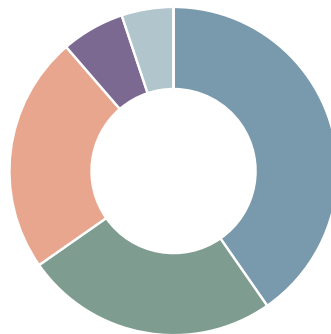
Within the Alternative Class, the macro and relative value strategies drove the majority of gains, while the equity strategy also contributed to a lesser extent. Contributing to macro gains were the rates and currencies strategies during the quarter. Within relative value, gains were driven by successful commodity trading in U.S. power and the cash versus futures basis trading strategy. Within equities, gains were driven by short positions in defensives and consumer cyclicals. The quantitative strategy saw losses driven by the futures sub-strategy focused on energy, grains and currencies that was partially offset by gains from equity investments in healthcare, financials, and energy sectors.

Contact us

Butterfield
Asset Management
Limited

Tel: (441) 299 3817

Asset allocation



Equities	40.3%
Relative Value	25.0%
Cash	23.4%
Macro	6.2%
Quantitative	5.1%

Top 10 holdings

1	Citadel Kensington Global Strategies Fund Ltd	20.9%
2	GCM Grosvenor Equity Opportunities Fund Ltd	9.7%
3	BlackRock European Hedge Fund Ltd	8.2%
4	Voloridge Fund Ltd	7.9%
5	Eversept ELS Offshore Fund Ltd	7.1%
6	Element Capital Feeder Fund Ltd	6.2%
7	WT China Offshore Fund Ltd	5.5%
8	Pentwater Equity Opportunities Fund Ltd	5.0%
9	Select Partners ELS Fund Ltd	5.0%
10	Coatue Offshore Fund Ltd	5.0%

Benchmark composition

HFRX Global Hedge Fund Index.