LYXOR / TIEDEMANN ARBITRAGE STRATEGY FUND - CLASS I EUR

LYXOR ASSET MANAGEMENT

INVESTMENT OBJECTIVE

The Lyxor/Tiedemann Arbitrage Strategy Fund invests in global securities in North America, Europe, Australia, South America and Asia, that are or may become subject to a tender offer, merger, liquidation, recapitalization, spin-off, proxy contest, exchange offer, leveraged buyout or bankruptcy. The Fund trades primarily in connection with announced transactions and seeks to play arbitrage deals from both a long and a short perspective.

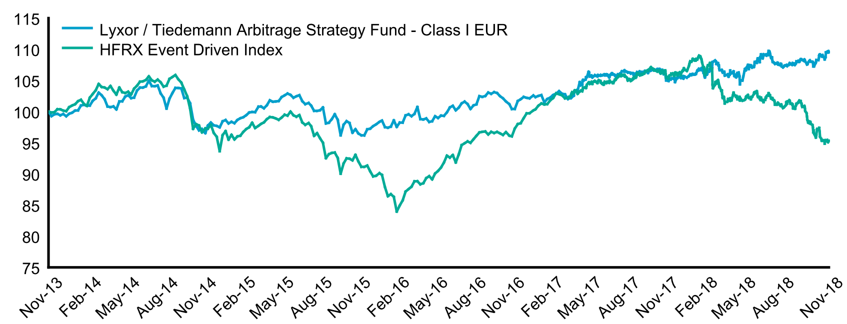
MONTHLY COMMENTARY

November was a month where many market participants experienced difficulty trading in an environment of increased volatility and selling pressure on stocks from trade war fears and drastic downward moves in the price of oil. Despite the tougher environment, we managed to perform well, a testament to the low correlation of our strategy to the broader market. The three positions that positively drove our performance for the month were Rockwell Collins, 21st Century Fox, and Aetna. On the negative side of the ledger, our holdings in MEG Energy, Acadia Healthcare, and the Newfield Exploration Company impacted our performance the most. Heading into the month, the final condition remaining for the Rockwell Collins transaction was the approval from China's antitrust agency, SAMR. The regulatory approval process in China continues to be a 'black box' with companies having no insight on decision timing. The uncertainty of the process is further exacerbated by current trade tensions between the U.S. and China. As a result, spreads in transactions where SAMR approval is forthcoming have remained stubbornly wide and volatile. For example, during the month, the spread in the Rockwell Collins deal went as wide as $12 on regulatory fears. We believed China would ultimately approve the Rockwell Collins deal, as other major antitrust agencies had, but the question was when. We were rewarded this month when SAMR approved the transaction, clearing the way for the transaction to close. Our gains in 21st Century Fox followed a similar fact pattern to Rockwell Collins. This was another deal where we thought antitrust risk was minimal and that Chinese approval was due to come. We benefited when the shares rose on the parties receiving SAMR approval in late November. Our performance in Aetna was driven by our ability to set the spread at attractive levels due to market volatility and capturing that spread upon the closing of the deal during the month. Although Aetna and CVS received antitrust approval from the DOJ in October, there were still a few state utility commission approvals outstanding, notably New York and California. The parties received the necessary approvals without much fanfare and closed the transaction at the end of the month, with the spread tightening along the way as approvals were received. Our position in MEG Energy was the key drag on performance during the month. MEG Energy has received a hostile offer from a competitor, Husky Energy; the offer will remain outstanding until January 16. As an upstream Canadian oil producer, MEG Energy is exposed to the price of oil. During the month, oil's price declined 20% from $63 to $51 per barrel. The decline in the underlying commodity impacted us negatively in two ways: 1) it increased the downside risk of MEG as the company's ability to service its high debt levels at current oil prices is impaired, and 2) it reduced the likelihood of an interloper or an increased bid by Husky. We suffered losses on both the spread and the unhedged portion of our stock, and have since increased our hedges to minimize oil risk. Acadia Healthcare was our second biggest loser for the month. We like to be involved in up-for-sale processes where a conclusion is expected to be reached in short order. Acadia Healthcare was in an up-for-sale process that was reportedly set to conclude shortly with interest from multiple private equity firms. Despite the competitive dynamics, the sales process stalled and the stock dropped significantly as the chances of a successful outcome became increasingly unlikely. We have exited the position. We also suffered losses from our involvement in the all-stock acquisition of Newfield Exploration by Encana. On the day of deal announcement, Encana's stock was met by an extremely negative reaction, with the stock down 12% at the close, on investor concerns about the deal. We had bought shares of both the target and buyer with the view that the stocks would re-rate from either the deal being scuttled from shareholder pressure or a rebound on fundamentals from the initial negative overreaction to the deal. Unfortunately, the poor share price performance would not only persist but was exacerbated due to the underlying commodity (oil) trading down substantially during the month. Despite our relatively small exposure to oil names, the large decline in the price of oil had a negative drag for our portfolio. We have since adjusted our hedges in both the MEG Energy and Newfield Exploration situations to limit our exposure.

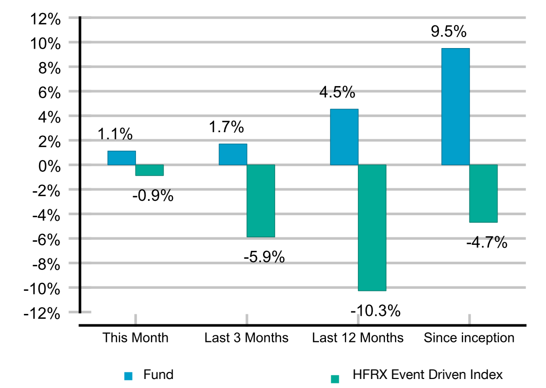
FUND FACTS

Legal Structure	Sub-Fund Of Lyxor Newcits IRL PLC
Inception Date of the Fund	February 21, 2013
Inception Date of the Class	November 5, 2013
Share Class Currency	EUR
Available Currency Classes	CHF, EUR, GBP, JPY, SGD, USD
ISIN Code	IE00B8BS6228
Bloomberg Code	LTASIEU ID
Investment Manager	Lyxor Asset Management
Sub-Investment Manager	TIG Advisors LLC
Administrator	SS&C GlobeOp Financial Services
Liquidity (1)	Daily
Subscription/Redemption Notice	On D day 10:00 AM (Dublin time)
Valuation Day	Daily
Total Fund Assets (M USD)	1,548
Management Fee (2)	0.40% (up to 0.50%)
Class Investment Advisory Fee (2)	1.00%
Class Performance Fee (2)	20% subject to high watermark
Administration Fee (2) (3)	0.14%
Long Exposure	71.16%
Short Exposure	33.91%
Net Exposure (long - short)	37.26%
Gross Exposure (long + short)	105.07%

PERFORMANCE SINCE INCEPTION



PERFORMANCE ANALYSIS



HISTORICAL MONTHLY RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	1.25%	1.08%	-2.02%	0.44%	0.82%	1.82%	-1.14%	-0.18%	0.61%	-0.04%	1.13%		**3.77%**
2017	-0.56%	1.24%	-0.88%	2.58%	0.81%	0.07%	0.49%	-0.26%	0.25%	0.23%	-1.83%	0.74%	**2.85%**
2016	-0.77%	0.66%	2.55%	-2.38%	0.99%	0.90%	1.00%	1.15%	0.73%	-1.44%	0.34%	0.59%	**4.31%**
2015	0.01%	1.21%	0.68%	1.09%	1.25%	-1.18%	-1.53%	-2.03%	-1.94%	0.44%	-0.45%	2.26%	**-0.30%**
2014	1.26%	1.03%	-1.28%	0.83%	0.58%	1.77%	-1.08%	0.05%	-0.71%	-5.15%	1.30%	0.41%	**-1.18%**
2013											-0.37%	0.20%	**-0.17%***

** Since inception: November 5, 2013*

RISK ANALYSIS

	Since inception	
	Fund	Index *
Volatility	3.13%	3.77%
Sharpe ratio	0.28	N/A
Maximum DrawDown	-8.37%	-20.70%

** HFRX Event Driven Index*

Official Fund NAV is calculated on a daily basis, subject to holidays & certain extraordinary events.Performance is based on the Fund's last official NAV, and the Index level as of the same day.These indicators are based upon weekly returns calculation.

IMPORTANT NOTE

Official NAV is calculated every day , subject to holidays & certain extraordinary events. Performance based on the Fund's last official NAV, and the Index level as of the same day.
The Fund complies with the UCITS Directive and has been approved by the Central Bank of Ireland on February 21, 2013. Please refer to the Fund's prospectus for a full disclosure of the fund's characteristics.
(1) Under normal market conditions, Lyxor intends to offer the LIQUIDITY mentioned above. However, the LIQUIDITY is not guaranteed and there are circumstances under which such LIQUIDITY may not be possible. Please refer to the Fund's legal documentation for complete terms and conditions.The Fund switched to daily liquidity on March 22, 2017.
(2) For any additional information regarding fees, please refer to the relevant fees section of the Fund's Prospectus.
(3) The Fund is subject to an Administrative Expenses fee at a fixed rate of up to 30,000 EUR per annum together with an additional fee of 0.15% of the Net Asset Value of each Class of the Fund per annum.

Prospective investors should consult with their independent financial advisor with respect to their specific investment objectives, financial situation or particular needs to determine the suitability of investment. There can be no assurance that the investment objective of the Fund will be achieved and investment results may vary substantially over time. Investments in the Fund places an investor's capital at risk. The price and value of investments may fluctuate and investors may lose all or a substantial portion of their investment. Past performance is not indicative of future results. PAST PERFORMANCE IS NOTE A RELIABLE INDICATOR OF FUTURE RESULTS
Source: Lyxor Asset Management

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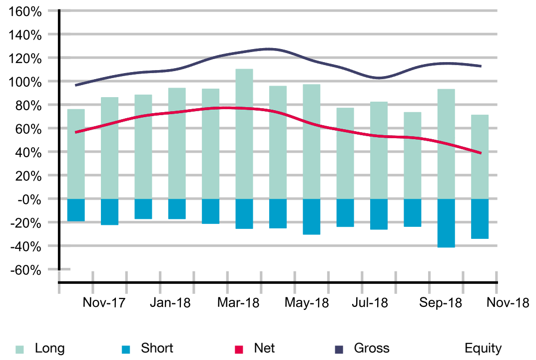
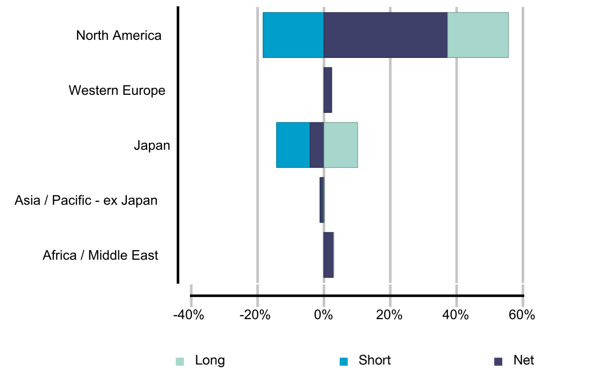
LYXOR ASSET MANAGEMENT

MONTHLY STRATEGY EXPOSURE FOR LAST 12 MONTHS

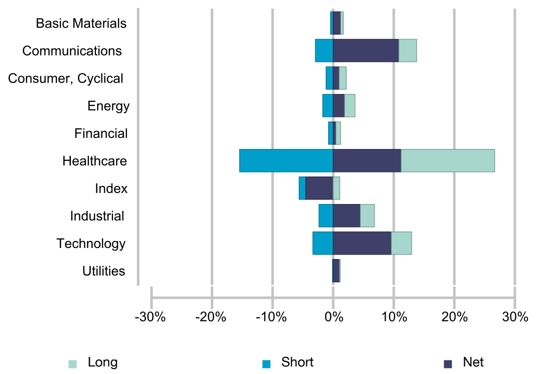


GEOGRAPHICAL BREAKDOWN

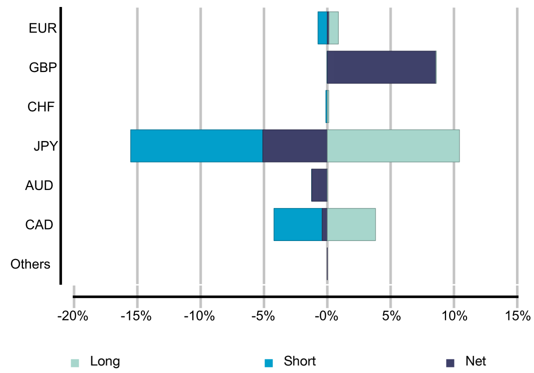


The geographic classification of a security depends on the location of the issuer's main business activity. Treasury securities are categorized according to the issuing country.

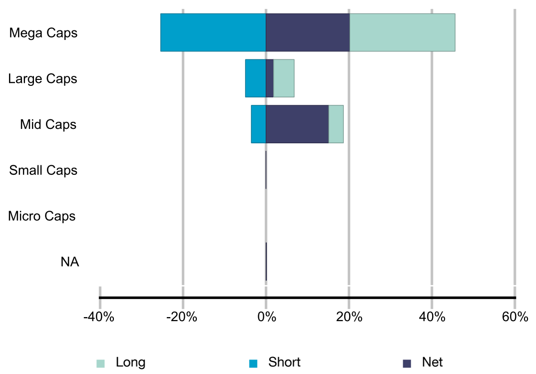
SECTOR ALLOCATION



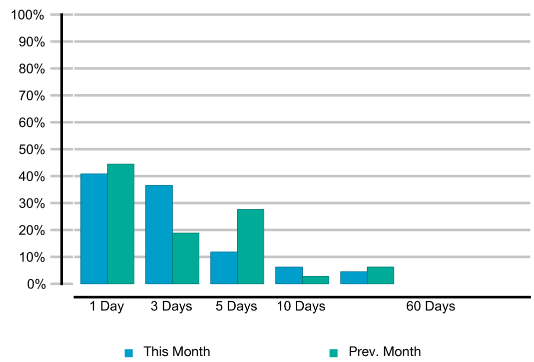
CURRENCY FX RISK



CAPITALISATION BREAKDOWN



EQUITY LIQUIDATION SCENARIO



The percentage of the equity asset that can be liquidated in the designated number of business days, assuming the sub investment manager is limited to selling no more than 25% of the average daily trading volume over last 60 business days. Average daily trading volume data is sourced from Bloomberg. For any security for which average trading volume was not available, it was assumed that the position could not be liquidated in one month.

MAIN RISKS

Risk of losses: The price of Shares can go up as well as down and investors may not realise their initial investment. The investments and the positions held by the Fund are subject to (i) fluctuations in the Strategy (ii) market fluctuations, (iii) reliability of counterparties and (iv) operational efficiency in the actual implementation of the investment policy adopted by the Fund in order to realise such investments or take such positions.
Consequently, the investments of the Fund are subject to, inter alia, the risk of declines in the Strategy (which may be abrupt and severe), market risks, credit exposure risks and operational risks. At any time, the occurrence of any such risks is likely to generate a significant depreciation in the value of the Shares. Due to the risks embedded in the investment objective adopted by the Fund, the value of the Shares may decrease substantially and even fall to zero, at any time.
Counterparty risk: the Fund is exposed to the risk that any credit institution with which it has concluded an agreement or a transaction could become insolvent or otherwise default. If such an event occurs, you could lose a significant part of your investment.
Credit risk: the Fund is exposed to the risk that the credit quality of any direct or indirect debtor of the Fund (be it a state, a financial institution or a corporate) deteriorates or that any such entity defaults. This could cause the net asset value of the Fund to decline.
Operational risk and asset custody risk: in the event of an operational failure within the management company, or one of its representatives, investors could experience delays or other disruptions.
Liquidity risk: in certain circumstances, financial instruments held by the Fund or to which the value of the Fund is linked could suffer a temporary lack of liquidity. This could cause the Fund to lose value, and/or to temporarily suspend the publication of its net asset value and/or to refuse subscription and redemption requests.
Risk of using FDI: the Fund invests in financial derivative instruments in order to reach its investment objective. These instruments may include a range of risks which could lead to their adjustment or result in their early termination. This could lead to the loss of a part of your investment.
Capital at risk: the initial capital invested is not guaranteed. As a consequence, investor's capital is at risk and the amount originally invested may not be recovered.
Please refer to the Fund's Prospectus for a complete description of the Investment Risks.