

PARALA CAUTIOUS INCOME MACRO MULTI-ASSET FUND

A sub-Fund of the ARIA SICAV PLC

Fund Focus



What are the Parala Macro Multi-Asset (MMA) Funds?

The MMA family of funds comprise of 3 risk-rated multi-asset UCITS 5 funds. Drawing on a sophisticated asset allocation model, the Funds are dynamically managed using ETFs (providing exposure to equities, bonds and commodities amongst others), to gain the most efficient exposure to the most appropriate asset classes at any given point in the cycle.

Who should consider investing?

Any investor seeking:

- a multi-asset approach to investing
- an actively managed portfolio tailored to a given risk profile
- an approach that uses low cost ETF's to gain efficient and dynamic exposure to a diversified portfolio of assets
- a strategic approach towards asset allocation that draws on research from world renowned academics
- a dynamic approach to asset allocation that anticipates asset performance for a given economic outlook
- a ready made risk-rated portfolio which accepts regular savings

Academic Alpha

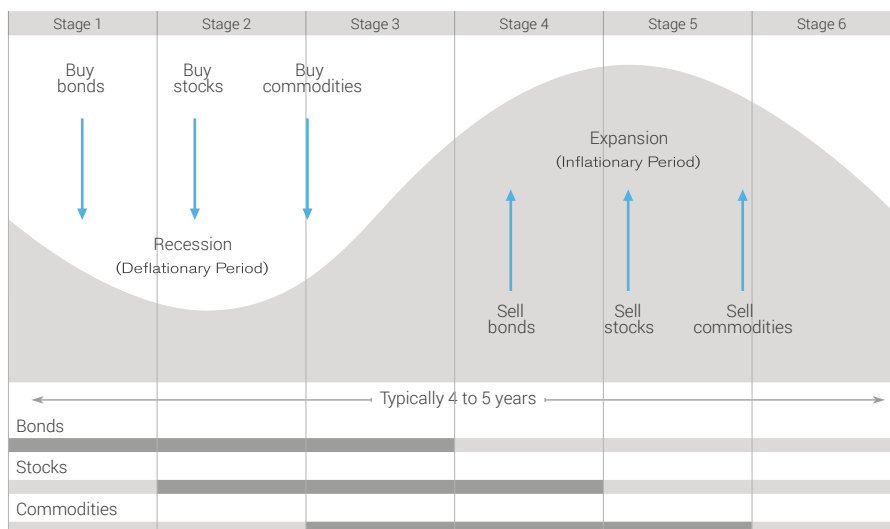
Perhaps unsurprisingly, academic evidence shows that outperformance comes by being invested in the right asset classes, at the right time in the economic cycle. Built on extensive academic research, the Parala model is able to model the evolving relationship between asset performance and economic variables in order to determine the assets most likely to outperform in any economic environment. Parala's sophisticated portfolio construction approach, ensures that the Fund's investors are consistently exposed to a portfolio mix expected to outperform in a range of economic outcomes.

Key Characteristics of the Parala Macro Multi-Asset Funds

Understanding Macro-Cycles

- Macro-economic cycles significantly influence asset prices
- Macro-economic indicators such as interest rates, credit spreads, inflation and money supply are used to identify and measure changing economic conditions
- These indicators show significant but time varying correlations with asset prices
- The Parala model identifies the most appropriate portfolio of assets for the current stage of the economic cycle

Stages of the Economic Cycle



Investing Rational for Adding Parala Cautious Income Macro Multi-Asset Fund to your Portfolio

- **Global Diversification:** means gaining exposure to a globally diverse mix of asset classes in order to generate returns commensurate with the level of risk
- **Consistency in Process:** investing is an emotional business, and therefore the approach relies on an objective, academically verified, disciplined and consistent approach to investing
- **Dynamic Risk Management:** as economic conditions change, so does the asset mix within the Fund
- **Active + Passive:** actively managed asset allocations are updated monthly, whilst using ETFs to minimise costs

Past correlations are not indicative of future correlations, which may vary. The portfolio risk management process includes an effort to monitor and manage risk, but does not imply low risk. Diversification does not protect an investor from market risk and does not ensure a profit.

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Parala Capital

Risks

Please carefully consider the below risks in addition to the more detailed description in the Prospectus and Offering Supplement entitled "Risk Factors".

- **Market risk:** The value of assets in the Macro Multi-Asset Funds (MMA) are typically dictated by a number of factors, including the confidence levels of the market in which they are traded.
- **Operational risk:** Material losses to the MMA Funds may arise as a result of human error, system and/or process failures, inadequate procedures or controls.
- **Liquidity risk:** The MMA Funds may not always find another party willing to purchase an asset that they want to sell which could impact their ability to meet redemption requests on demand.
- **Exchange rate risk:** Changes in exchange rates may reduce or increase the returns an investor might expect to receive independent of the performance of such assets. If applicable, investment techniques used to attempt to reduce the risk of currency movements (hedging), may not be effective. Hedging also involves additional risks associated with derivatives.
- **Custodian risk:** Insolvency, breaches of duty of care or misconduct of a custodian or sub-custodian responsible for the safekeeping of the MMA Funds' assets can result in loss to the MMA Funds.
- **Derivatives risk:** Certain derivatives may result in losses greater than the amount originally invested.
- **Counterparty risk:** A party that the MMA Funds transact with may fail to meet its obligations which could cause losses.
- **Emerging markets risk:** Emerging markets are likely to bear higher risk due to lower liquidity and possible lack of adequate financial, legal, social, political and economic structures, protection and stability as well as uncertain tax positions.
- **Volatility risk:** An investment in the MMA Funds can expose investors to higher volatility levels than is normally associated with "balanced" investment strategies, therefore the value of their investment may be subject to significant changes in the short term.
- **Leverage risk:** The Funds may operate with leverage. Leverage occurs when the economic exposure created by the use of derivatives is greater than the amount invested. A leveraged portfolio may result in large fluctuations in the value of the Fund and therefore entails a high degree of risk including the risk that losses may be substantial.
- **Historical performance data:** The composition of each strategy is determined by reference to historical data. However, past performance is not an indicator of future performance. The performance of a market may differ to that indicated by a mathematical formula based on historical data, which in turn may adversely affect the value of your investment.

Fund Manager

ARIA Capital Management

We are a rapidly growing asset management firm headquartered in London, the original team opening the City office in 2007. We are active fund managers focussed on delivering alpha through a variety of systematic approaches, and currently manage, advise and administer, through ARIA and its affiliates over US\$1bn* of assets. We have operations across 5 offices globally including London, Dubai, Cayman, Malta and Zurich. Our leading edge, highly regulated UCITS 5, asset management platform provides an efficient solution for 3rd party investment advisers and strategies. *As at February 2017.

Investment Adviser

Parala Capital

We are a macro-economic investment firm founded in 2007 by world class academics and industry practitioners. The firm advises on over US\$2bn* for institutions and a family of multi-asset and alternative funds. It has developed proprietary technology based on the academic research of the founding partners that is predictive across asset classes, markets, sectors and funds. *As at February 2017.

Fund Facts

		Parala Macro-Multi Asset Funds	Inception Date:	Share Class:	ISIN:	Comparative Index
Domicile:	Malta	Cautious Income Macro Multi-Asset	20-Mar-17	Class C8 GBP	MT7000019246	IA Mixed Asset 0-35% Equity
Available Currencies:	GBP/USD/EUR		20-Mar-17	Class C8 EUR	MT7000019253	
Geographical Reach:	Global		20-Mar-17	Class C8 USD	MT7000019261	
Investment Style:	Multi-Asset	Balanced Macro Multi-Asset	02-Jan-16	Class C1 GBP	MT7000017588	IA Mixed Asset 20-60% Equity
Minimum Investment:	1000 GBP/USD/EUR (Class C)		02-Jan-16	Class C1 EUR	MT7000017570	
	2000000 GBP/USD/EUR (Class A)		02-Jan-16	Class C1 USD	MT7000017596	
		Dynamic Growth Macro Multi-Asset	20-Mar-17	Class C9 GBP	MT7000019360	IA Mixed Asset 40-80% Equity
			20-Mar-17	Class C9 EUR	MT7000019378	
NAV Frequency:	Weekly		20-Mar-17	Class C9 USD	MT7000019386	

Other Share Classes Available

IA and related indices are trade marks and service marks of The Investment Association.

For more information about charges please refer to the KIID. www.ariacm.com/parala-macro-multi-asset/

For more information please contact your ARIA representative or visit www.ariacm.com/parala-macro-multi-asset/

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