

Press Release – For immediate release

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UCITS absolute return fund assets increase by 28.9 % during the last 12 months and now reach 30% of all European absolute return funds' assets – including hedge funds - reveals Alix Capital.

The latest quarterly European research on the UCITS absolute return funds' industry published by Alix Capital, the Geneva-based provider of the UCITS Alternatives Index (UAI) family of indices, reveals that the total assets managed by UCITS absolute return funds advance by 11.6% during the first 3 months of the year to reach EUR 154 billion. An increase of 28.9% compared to the same period last year. The total assets managed in UCITS absolute return funds represent now more than 30% of all assets managed in absolute return strategies including hedge funds in Europe*.

Benefitting from a solidly performing equity market, Equity Long/Short funds return the best performance in Q1 with a growth of 3.05% (UAI Equity Long/Short Benchmark) followed by CTAs up 2.28%.

With an increase of 2.25% funds of funds perform particularly well since the beginning of the year and outperform the broad single funds markets for the first time in 5 years.

Other key findings include:

- The best performing single manager in Q1 2013 is the CTA DUNN WMA Fund with a performance of +20.68% followed by the ML Pegasus UCITS Fund (up 18.68%) and the Jupiter International Financials Fund (up 15.54%).
- Out of the total 800 funds, the 10 largest UCITS absolute return funds fund advisors groups manage 51.2% of all assets. This compares to 40.02% last year.
- Standard Life GARS fund is the largest UCITS absolute return fund with EUR 22.5 billion assets under management equivalent to 14.5% of all assets managed in UCITS absolute return funds.
- With 18 funds Morgan Stanley Fund Logic is the largest platform in term of funds while Deutsche Bank DB Platinum is the largest in terms of assets under management.

Louis Zanolin, CEO of Alix Capital, says: *“The total assets managed in UCITS absolute return funds continue to grow during the first quarter of 2013 and now account for about a third of all assets using absolute return in Europe, including hedge funds. The requirement for regulated and tax efficient vehicles coupled to the uncertainties about the final draft of the AIFM Directive are pushing more and more funds to choose the UCITS framework for their absolute return funds. The portion of UCITS funds versus non-UCITS to will therefore continue to increase in the coming years.”*

Louis Zanolin further adds: “Funds of funds are doing particularly well this quarter. After a difficult start we expect the portion of UCITS assets managed in comingled vehicles to significantly increase in the coming years.”

The report is the most comprehensive source of information on UCITS absolute return funds. It provides in-depth information on 790 single manager alternative UCITS funds and 74 absolute return UCITS fund of funds, as well as UCITS absolute return fund platforms analysis. It covers the strategy breakdown, fund and advisor location, liquidity, asset flows, assets under management (AUM) and performance for UCITS single strategy and fund of absolute return funds.

**European hedge funds' assets are based on the average figures provided by Eurekahedge and Eurohedge.*

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About the UCITS Alternative Indices

With 864 constituent funds as of March 2013 totaling EUR 158 billion assets under management, the UCITS Alternative Index (UAI) series are the industry's leading benchmarks for the UCITS absolute return funds universe. The UAI family is currently composed of 26 different benchmarks tracking the returns of both global and strategy specific UCITS absolute funds. The performance of the various UCITS Alternative Indices can be viewed at www.ucits-alternative.com. Alix Capital is the exclusive index provider of UCITS Alternative Indices. UCITS Alternative Index is a registered trademark.

About Alix Capital

Alix Capital is a Geneva-based investment company specialising in regulated alternative investments. Founded by a team of experienced alternative investment specialists, Alix Capital provides research and advisory services in the field of absolute return investing. Alix Capital is the index provider to the UCITS Alternative Index family. www.ucits-alternative.com.

Contact Information: **Louis Zanolin, CEO**
 Alix Capital
 Tel +41 22 311 33 67
 Email: zanolin@alixcapital.com

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