

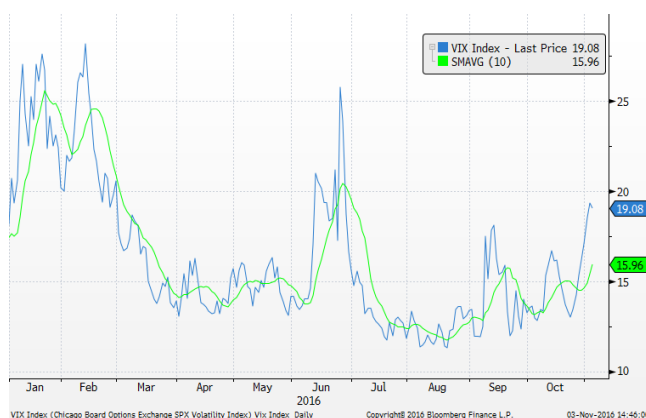
Newton Boulevard Investment Program

Performance Report Oktober 2016

1 MARKETS

The month of October showed positive spots on the global macroeconomic picture. The global earnings season is under way. The blended earnings growth rate for this quarter for the S&P 500 so far is 1.6%, while expectations at the start of the quarter were for a drop of -0.5%. The picture in Europe is similarly encouraging. Economic growth appears to be stabilizing, which is also being reflected in leading economic indicators. Nevertheless most equity markets finished the month down.

The volatility index VIX rose during the month, finishing above 18. It suggests that investors are starting to pay up to insure their portfolio's in anticipation of the upcoming US presidential election and the increased geopolitical tensions between Russia and America over Syria. The obvious upcoming event that could derail the rosier outlook is the prospect of Donald Trump entering the White House in the coming weeks, only a few days after it seemed clear that Hillary Clinton will be strolling into the Oval office.



On the other side the improved economic data might lead central bankers to ease up on the liquidity push. A disorderly sell off in the bond market is unlikely, but in October yields in ten year US treasuries continued to trend upwards in anticipation of coming FED moves (left chart). Likewise 10 year Gilt yields (middle chart) started to trend up. Most recently 10 year rates in the EURO-zone started to join the picture (right chart).



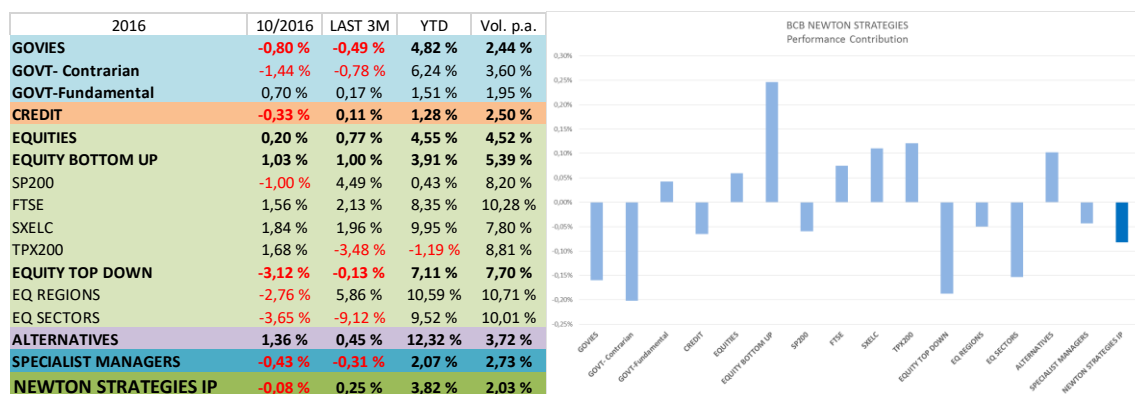
2 NEWTON BOULEVARD INVESTMENT PROGRAM: PERFORMANCE

Newton Boulevard Investment Program lost 8 BPS, bringing the performance for 2016 at 3.82%.

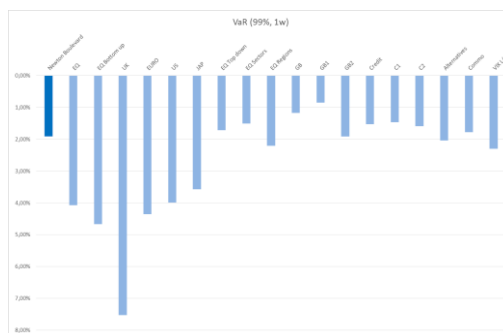
The bottom up equity strategies performed well in choppy markets, gaining 103 BPS overall. The EURO , UK and JAP portfolios handled these markets well and gained 184 BPS, 156 BPS and 168 BPS respectively. The US portfolio lost 100 BPS. The Equity Top down strategies lost 300 BPS with both strategies losing. While the Equity Regions strategy lost 276 BPS, the Equity sectors strategy was down 365 BPS.

Government bond futures lost 80 BPS. The Fundamental Strategy gained 70 BPS while the Contrarian strategy was down 144 BPS. The Credit strategies were negative, down 33 BPS.

Specialist Managers were also down 43 BPS in the month of October. The Alternative Strategies gained 136 BPS with positive contributions from both strategies. The VIX strategy won 239 BPS while the Commodities strategy was up 33 BPS.



The Value-at-Risk (99%, 1W) is at 1.91%. Scaled to a horizon of 1 year and 95% level of confidence this translates into a Value-at-Risk (95%, 1Y) of 8.6%.



3 BCB NEWTON STRATEGIES FUND

Our fund finished the second month of trading with a loss of 61 BPS. As we are only able to invest in reduced form of the full investment program 25% of assets is invested in a pan European Large Cap Bottom-Up Strategy which finished the month positive. Another 25% has been invested into Credit Strategies using Funds. This part contributed negatively to the performance as our investment struggled with the widening spreads and the rising rates. The remainder of the Fund is invested with Specialized Managers to gain sufficient diversification. This part was very disappointing as most of the investments in this portfolio finished the month also in the red.

The NAV of the fund stands at 98.04 as of Oct 31st , yielding a performance of -196 BPS. The value at risk (99%,1W) currently is at 1.4%, lower than in the full investment program.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Return	Volatility
2016								-1,05 %	-0,30 %	-0,61 %			-1,96 %	1,06 %

Given the time of the launch and the environment we are clearly disappointed by the performance. However our strategy showed its robustness last month when compared to competitors we watch closely as can be seen from the graph below.



Luxembourg SIF (Special Investment Fund, Qualified Investors only)

Return target	Euribor 1M + 400 bps
Risk limit	Value at Risk of 10% p.a.
Management Fee	1,5% p.a. (R) / 0,75% p.a. (I)
Performance Fee	15% of return above target (high watermark)
Redemption Fee	2% (accruing to the fund)
Fund currency	Euro and CHF
Min. investment	125.000 Euro (R) / 1.000.000 Euro (I)
Launch date	15/06/2016 (initial subscription till 29/07/2016)
Subscriptions/redemptions	daily
Investment Manager	BCB & Partners S.A.
Management Company	UBS Third Party Management S.A.
Depository bank	UBS Luxembourg S.A.
Auditor	Deloitte Luxembourg S.A.
ISIN	LU1372155868 BCB+PART.FD-BCB NEWTON STR.EUR R LU1372155942 BCB+PART.FD-BCB NEWTON STR.EUR I LU1372156080 BCB+PART.FD-BCB NEWTON STR.CHF R LU1372156163 BCB+PART.FD-BCB NEWTON STR.CHF I

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