



RUSSIA DUAL RETURN FUND

LONG ONLY USD DENOMINATED

RUSSIAN & GLOBAL EQUITIES

February 2018

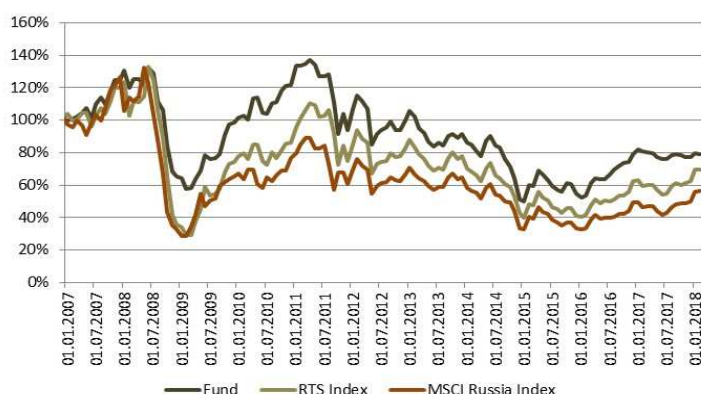
Fund Description

Russia Dual Return Ltd is an investment fund registered in the British Virgin Islands. It is a Professional Fund as defined by the Securities and Investment Business Act, 2010 (SIBA).

The **investment objective** is to achieve capital appreciation in US dollar terms by investing primarily in US dollar-denominated equities of Russian companies (both locally traded and in the form of depositary receipts) and to a lesser extent in companies of CIS countries. The Fund aims to outperform the benchmark index (the RTS Index) in the long term.

The Fund uses a "long only" actively managed strategy, deriving returns from growth and value investing as well as arbitrage and short-term speculative strategies.

Performance Since Inception*



Monthly Performance*

	2011	2012	2013	2014	2015	2016	2017	2018
January	0.1 %	14.4 %	5.7%	-5.7%	-2.1%	-5.2%	3.6%	3.4%
February	0.9 %	7.7%	-3.1%	-1.5%	20.3%	2.7%	-1.4%	-1.1%
March	1.9 %	-3.4%	-7.0%	-4.6%	-1.0%	14.3 %	-	0.4%
April	-2.4 %	-3.9%	-3.4%	-3.9%	15.7 %	4.7%	-	0.8%
May	-5.3 %	-	-5.9%	12.6 %	-3.2%	-1%	-	3.1%
June	0.2 %	7.2%	-3.2%	3.0%	-6%	0.6%	-	1.8%
July	0.8 %	2.8%	2.9%	-6.3%	-5.3%	4%	-	0.2%
August	-13.4 %	2.2%	-1.8%	-1.6%	-4.5%	5%	3.5%	
September	-17.6%	3.5%	6.5%	-8.7%	-1.9%	3.1%	0.5%	
October	13.6%	-5.4%	1.3%	-6.5%	9.4%	2.4%	-	0.5%
November	0.3%	-0.1%	-2.4%	-9.8%	-0.7%	1.2%	-	1.4%
December	-10.2%	6.4%	2.7%	-	-9.2%	6.2%	-	0.3%
YTD	-29.8%	6.5%	-8.3%	-44%	7.4%	43.6%	-2.4%	2.3%

* Net of all fees

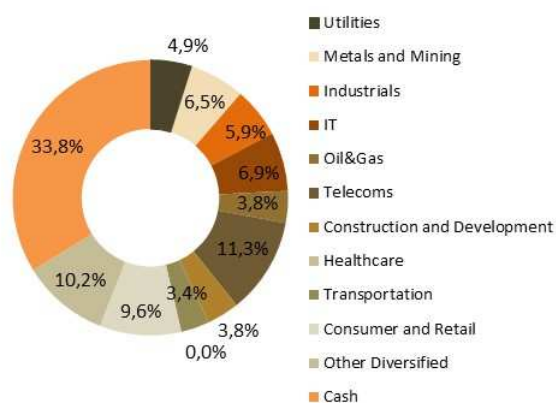
The value of investments in the Fund may increase or decrease, the results of past investment performance are not indicative of future returns. Before buying shares of Russia Dual Return Fund, investors should carefully review the Fund rules (Offering Memorandum) and statutory documents (Memorandum and Articles of Association), including all relevant annexes to the documents. Please contact your account manager to obtain more information on the Fund and copies of the Fund's rules and constituent documents.

Manager Commentary

The long-awaited fall on the US stock market finally happened at the start of February, when US indexes lost 10-12% of their value before a partial recovery later in the month. Russia's RTS suffered with the rest, but made a strong recovery to levels higher than before the sell-off. We made small purchases, taking advantage of the opportunities offered. Markets are still in search of direction and we remain risk-averse in the current environment.

We bought shares of IBM Corp. and Philip Morris International Inc., and sold shares of Twitter Inc. and Mondelez International Inc.

Industry Breakdown



Fund Facts

NAV per Share: USD 787.88

Total NAV: USD 1.09 million

Base Currency: US Dollar

Inception Date: December 25, 2006

Leverage Max: 20% of NAV

Subscriptions: Monthly

Redemptions: Monthly with 15 days prior notice

Management Fee: 0.5% of quarter-end NAV (2% annualized)

Performance Fee: 20% of performance above benchmark of 3-month USD LIBOR, subject to high watermark

Minimum Initial Subscription: USD 100 000

Investment Manager: Dual Return Asset Management Ltd

Administrator: Castlegate Investment Services Ltd

Auditors: Deloitte

Legal Advisor: Walkers

Custodian and Prime Broker: BCS UK Ltd

Bloomberg: RUSSDRT VI