RUSSIA DUAL RETURN FUND
LONG ONLY USD DENOMINATED RUSSIAN & GLOBAL EQUITIES
January 2019

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.

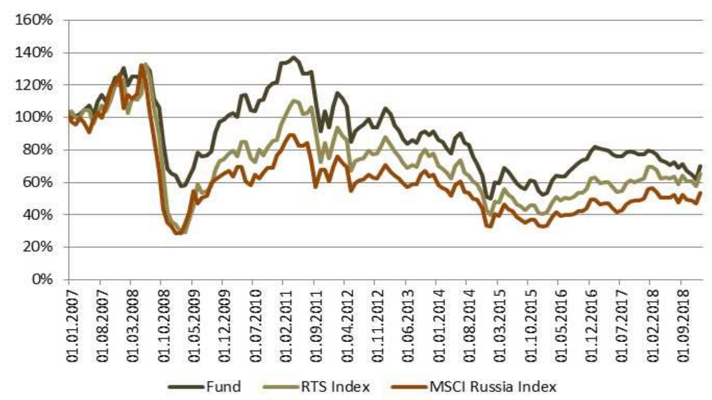
Manager Commentary

Global markets bounced heavily in January and the fund showed strong performance accordingly. Both domestic and global part of the portfolio felt relief and NAV PS reflected improvement of market sentiment. However, the fund lost significant part of its NAV due to redemptions.

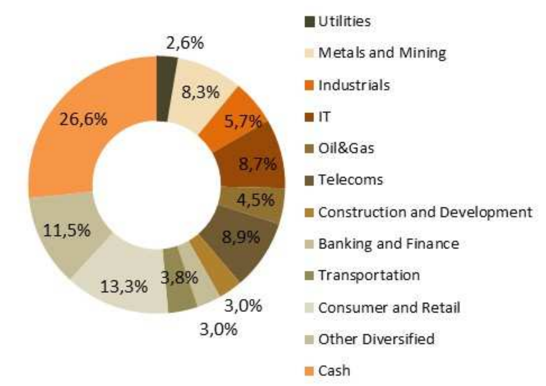
USD denominated Russian shares are muted in anticipation of fresh sanctions from the US although the sanctions are partially priced in.

We didn’t make trades in January. Our sentiment is still conservative given global valuations and Russia-specific risks.

Performance Since Inception*



Industry Breakdown



Monthly Performance*

	2012	2013	2014	2015	2016	2017	2018	2019
January	14.4%	5.7%	-5.7%	-2.1%	-5.2%	3.6%	3.4%	13.6%
February	7.7%	-3.1%	-1.5%	20.3%	2.7%	-1.4%	-1.1%	
March	-3.4%	-7.0%	-4.6%	-1.0%	14.3%	-0.4%	-1.7%	
April	-3.9%	-3.4%	-3.9%	15.7%	4.7%	-0.8%	-5%	
May	-20.6%	-5.9%	12.6%	-3.2%	-1%	-3.1%	-1.3%	
June	7.2%	-3.2%	3.0%	-6%	0.6%	-1.8%	-2.3%	
July	2.8%	2.9%	-6.3%	-5.3%	4%	-0.2%	1.9%	
August	2.2%	-1.8%	-1.6%	-4.5%	5%	3.5%	-4.5%	
September	3.5%	6.5%	-8.7%	-1.9%	3.1%	0.5%	3.1%	
October	-5.4%	1.3%	-6.5%	9.4%	2.4%	-0.5%	-6%	
November	-0.1%	-2.4%	-9.8%	-0.7%	1.2%	-1.4%	-3.1%	
December	6.4%	2.7%	-20.1%	-9.2%	6.2%	-0.3%	-4.5%	
YTD	6.5%	-8.3%	-44%	7.4%	43.6%	-2.4%	-19.7%	13.6%

Fund Facts

NAV per Share: USD 702.84

Total NAV: USD 0.69 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: 0.375% of quarter-end NAV (1.5% 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: RMG Holding Ltd.

Administrator: Castlegate Investment Services Ltd

Auditors: Deloitte

Legal Advisor: Walkers

Custodian and Prime Broker: PAO Rosbank and BCS Prime Brokerage Limited

Bloomberg: RUSSDRT VI

Web: www.rdr.fund

* **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.**