

CitiFirst

Historically, systematic trading strategies have been primarily utilized by investment banking proprietary desks generating returns from complex, rarely published internal trading models. Utilizing Citi's unique global position with regards to research and strategy know-how, CitiFirst is providing investors a unique opportunity to participate in a suite of algorithmic funds and strategies representing a breadth of asset classes, namely currencies, interest rates and commodities



CitiFirst Investment Funds

CitiFX Alpha Strategy 1 Fund

CitiFX Alpha Strategy 1 Fund (CitiFX Alpha Fund), a capital at risk investment, closely tracks the CitiFX Alpha Index[†], a rules-based strategy which aims to achieve capital appreciation through investments in the FX market using four systematic currency trading strategies. The investment objective of the Index is to outperform global equity and bond investments on a risk-adjusted basis, whilst generating returns with low, long-term correlations to these asset classes.

Historically, FX currency products have typically focused solely on "Carry" strategies. The CitiFX Alpha Fund is a UCITS III open-ended fund incorporated in Ireland, and represents the next generation of currency products, offering access to four systematic currency trading strategies. The strategies work along clear, systematic trading rules and use risk filters designed by one of the leading FX research teams in the world. The four strategies are:

- G10 Carry
- Emerging Markets Carry
- Trend
- Economic Factors

The four underlying strategies have limited correlation among themselves and react daily to a series of well-identified signals. The overall strategy benefits from risk filters which increase or reduce exposure to the individual strategies depending upon market conditions. The CitiFX Alpha Index can allocate up to three times notional investor capital equally across its four constituent trading strategies. Investors in the CitiFX Alpha Strategy 1 Fund may lose part or all of their capital.

Since inception (22 April, 2008) to 30 June, 2009, Alpha € has annualised return of -1.2%¹.

Citi Global Interest Rate Strategy EUR Index Fund (GIRS)

The Citi Global Interest Rates Strategy (GIRS Fund), a capital at risk investment, closely tracks the GIRS Index[†], which is a rules-driven quantitative trading strategy that aims to profit from the early identification of trends in interest rates or spread between interest rates. The investment objective of the GIRS Fund is to outperform global equity and global bond investments on a risk adjusted basis and to generate returns with low, long-term correlations to both these asset classes.

The GIRS Fund is a UCITS III open-ended fund incorporated in Ireland. When developing the GIRS Fund, Citi started from the assumption that any interest rates trading strategy is, to a certain extent, cyclical. The GIRS Index aims to minimize the risk of adverse cyclicity by combining six interest rates trading strategies that are low or negatively correlated to each other. There is no leverage in the GIRS Index. Investors in the GIRS Fund may lose part or all of their capital. The six strategies are:

- EU Macro
- EU Curve
- EU-GB Cross Markets
- US Macro
- US Curve
- EU-US Cross Markets

GIRS implements the six trading strategies by using plain vanilla and liquid instruments such as interest swaps and swaptions.

Since inception (3 October, 2008) to 30 June, 2009, GIRS € has annualised return of 14.48%¹.

Fund Publication

Net Asset Value levels for these Funds are published daily on Bloomberg:

CitiFX Alpha: CAFEURI ID Equity <GO>

GIRS: GIRSEUI ID Equity <GO>

(1) All Fund performance is calculated EUR net of fees. Past performance is not indicative of future performance.

†Please see the next page under Fund Disclosure for more details.

For **UK / Ireland** Institutional Investors, Retail Intermediaries and Professional Advisors Only Not for Onward Distribution to Retail Clients



Commodities on Multi-layered Events Tracker Index Fund (Citi COMET Index Fund)

The Citi Commodities on Multi-layered Events Tracker Index Fund (Citi COMET Index Fund), a capital at risk investment, closely tracks the Citi COMET Index[†], which takes nominal long and/or short exposure to up to six commodities. The COMET Index seeks to achieve capital appreciation and generate absolute returns by systematically capturing alpha in the commodities market using integrated systematic trading signals.

The Citi COMET Index Fund is a UCITS III open-ended fund incorporated in Ireland. Through the Fund, investors gain exposure to a long/short strategy based on liquid commodity futures in order to seek to capture alpha in bull, bear and volatile markets, a feature of particular importance during changing market conditions.

There are six individual commodities represented across four broader-based commodity sectors;

- Agriculture
- Energy
- Base
- Precious Metals

COMET specifically uses Diapason's single commodity indices to gain exposure to:

- Wheat
- Corn
- WTI
- Aluminium
- Copper
- Gold

The Citi COMET Index has historically shown a low correlation² to fixed income and equity assets, thus providing valuable diversification.

The core framework of COMET is dependent upon five proprietary and independent signals utilizing historical market data for each of the six underlying commodity indices. The signals work together to create the overall index weightings for each monthly investment period.

- Market Correction
- Steady Trend
- Commodity Leverage
- Trend Acceleration
- Value Rebalancing

Since inception (19 February, 2009) to 30 June, 2009, COMET € has an annualised return of -28.54%.¹

The Citi COMET Index does not use leverage and is self-adaptive to changing market conditions. Investors may lose part or all of their capital.

Fund Publication

Net Asset Value levels for these Funds are published daily on Bloomberg:

Citi COMET: CMTEURI ID Equity <GO>

(1) All Euro Fund performance is calculated net of fees. Past performance is not indicative of future performance.

Funds Disclosure:

(2) Please refer to the prospectus and Sub-Fund supplement as well as the product presentation for full details. These Funds may not be a suitable investment for all types of retail investors and distributors of these Funds or investment products linked to these Funds need to determine the suitability of each product for the target investor base.

[†]Each Fund gains exposure to their respective Index through an investment in derivative contracts with Citi. Citi may be required to collateralise its obligations to the Fund arising from any derivatives contract. The Fund may invest this collateral in accordance with UCITS guidelines in assets, which are then held at the credit risk of the Fund. Investors may lose part or all of their capital. For more details of our CitiFirst product range, please contact Citi.

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