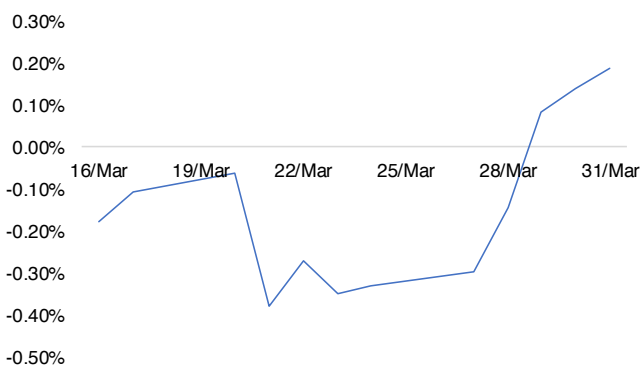


NIC Fund

NIC Fund

Portfolio Overview

NIC Fund Cumulative Return



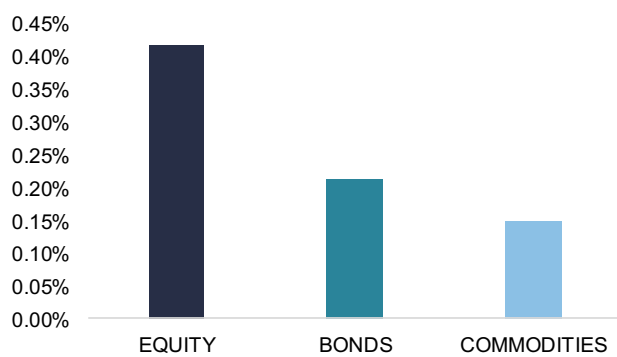
Portfolio Statistics

Cumulative Return	0.19%
Annualized Return	3.93%
Daily St. Dev	0.15%
Period St. Dev	0.51%
Annualized St. Dev	2.34%
Info Sharpe	1.68
Skew (Daily)	-1.101
Kurtosis (Daily)	1.499

Benchmark

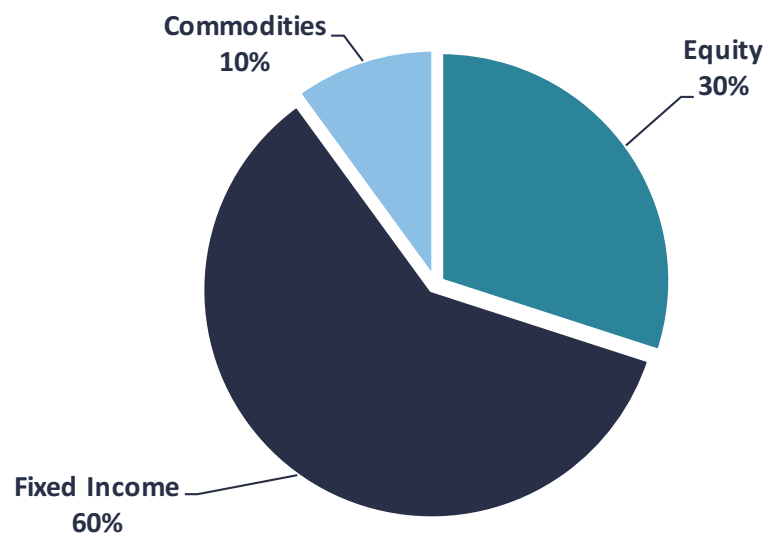
iShares 3-7 Year Treasury Bonds	60%
SPDR S&P 500 ETF Trust	30%
Powershares DB Commodity Index	10%

Individual VaR



Portfolio Snapshot

The NIC Fund is an active relative return portfolio managed by NIC's Financial Markets Division, which invests in four asset classes: Equity, Fixed Income, Commodities and Currencies. The goal is to achieve a competitive risk-adjusted return with a medium/low risk profile. The portfolio invests in regular cash securities but also in ETFs. Both long and short positions can be taken. Its inception date was March 15th, 2017 and it will be rebalanced on a 15-day basis.



Return Metrics

The performance of the NIC Fund will be relative to the return on the selected benchmark. It is composed of an allocation of 60% in the iShares 3-7 Year Treasury Bond ETF, that seeks to track the results of an index composed of US Treasury bonds with remaining maturities between three and seven years. It allocates 30% in the SPDR S&P 500 ETF Trust, that tracks the performance of the S&P 500 Index and the remaining 10% are invested in the Powershares DB Commodity ETF, which aims to reflect the performance of the DBIQ Optimum Yield Diversified Commodity Index.

The NIC fund, which is currently invested on the benchmark allocation, returned 0.19% to the investors since its inception. Fixed Income and Commodities contributed positively during this period – 0.30% and 0.17%, respectively. The negative momentum of Equities impacted the fund negatively by 0.28%.

Risk Metrics

The risk of our portfolio will have a VaR with a daily maximum threshold of 2.5%. We use an Exponential Moving Weighted Average (EWMA) to calculate the volatility of the previous 100 days giving a higher weight to the most recent observations.

Since inception, we have had a low total VaR of -0.58% which takes into consideration the advantages of diversification. Also, the non-diversified VaR, which does not consider diversifying benefits, was low in the level of -0.78%. We can clearly see the lower risk due to diversification. Finally, Commodities had the highest VaR but, due to the lower weight allocation, a low impact.

Manuel Baptista Gonçalves
Financial Markets Division

