

INVESTMENT MANAGER'S REPORT for the financial year ended 31 December 2015
Generali CEE Commodity Fund

The Investment objective of the Fund
How the Fund achieves its investment objective

The aim of the Fund is to achieve long term capital appreciation of assets and it is intended for all investors who want to increase the diversification of their portfolios of equity and bond funds with another asset class such as commodities which are otherwise more difficult to access for ordinary investors. The Fund invests primarily in active, agricultural and industrial commodities without trading futures or taking physical delivery of assets.

The Fund achieves its objective by investing primarily in exchange traded funds (also in open-ended collective investment schemes with a similar investment policy to the Fund), debt securities such as exchange traded commodities (exchange traded notes in general) and index certificates which gain exposure to the commodity indices, worldwide listed or traded on a Recognised Exchange (excluding any Russian markets). The Fund follows a so-called "Core Satellite" strategy. The Fund is solely invested in commodities and has absolutely no involvement in mining companies or other companies.

The derivatives used by the Fund include foreign exchange forwards and swaps (currency forwards and swaps) and they are used for hedging purposes in the range of 85–105%. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Central Bank of Ireland. The Fund reinvests all income and gains and does not intend to declare dividends.

Following the negative trend of 2014, commodities entered 2015 on a downbeat note, led down by the ongoing plunge in crude oil prices. However that selling pressure was exhausted soon on the back of the significant price drop, stronger oil demand, less pressure by Saudi Arabia on the discount and rapidly declining US drilling oil rig counts. Although OPEC has continued to hold to its strategy of preserving its market share in Asia despite low prices and production remains high, oil prices rallied heavily in the second half of March and in April as a lot of negative expectations were deeply priced in.

Industrial metals had a very bad start to the year. Facing oversupply and uncertain demand from China due to decelerating growth, prices were dragged down. The pressure intensified heavily in June on the back of the Chinese stock panic sell-off.

The Greek fiscal crisis provided surprisingly little support to precious metals. Gold and silver prices were not able to hold gains and retreated back to the levels at which they started at the beginning of the year as expectations regarding monetary policy tightening in the U.S. and weaker emerging markets currencies prevailed. Moreover, platinum, palladium and rhodium suffered a significant loss as growth of global car production has been slowing, South Africa's production renewed, base metals performed badly and investors increased their bets on a further decline.

Facing ongoing excess supply, the agricultural sub indices drifted downward for most of the first half of the year and hit a new multi-year low. However, the release of Agriculture Department reports about planting data and deterioration of weather conditions turned the trend and agricultural commodities skyrocketed in June, erasing all year-to-date losses.

The Fund kept its heavily underweight position in crude oil as the shape of crude futures was in a deep contango and downside risks for prices prevailed. From an historical perspective, the Fund remained underweight in gold, silver and partially in base metals in favour of industrial precious metals. The Fund was a net purchaser of agricultural commodities. The total commodity exposure was subject to big changes, oscillating between 80% and 100% based on the short-term outlook. The Fund was USD/EUR long within its FX-hedging limits and profited from the USD appreciation. As a result, despite another sharp decline of NAV per share in 2015, the Fund out-performed broad commodity indices as such.

INVESTMENT MANAGER'S REPORT for the financial year ended 31 December 2015
Generali CEE Commodity Fund (continued)

GENERALI CEE COMMODITY A EUR			
Date	NAV per Share	Market Value (EUR)	Market Value (EUR)
31/12/2013	8.73	7,102,053.76	7,102,053.76
31/12/2014	7.24	5,980,994.43	5,980,994.43
31/01/2015	6.82	5,455,193.14	5,455,193.14
28/02/2015	7.03	5,637,107.23	5,637,107.23
31/03/2015	6.79	5,456,324.28	5,456,324.28
30/04/2015	7.01	5,684,976.09	5,641,911.87
31/05/2015	6.83	5,535,533.19	5,518,043.08
30/06/2015	6.75	5,468,792.70	5,468,792.70
31/07/2015	6.21	4,901,289.78	4,901,289.78
31/08/2015	5.98	4,730,365.35	4,730,365.35
30/09/2015	5.97	4,749,923.26	4,749,923.26
31/10/2015	6.04	4,697,823.89	4,697,823.89
30/11/2015	5.57	4,362,236.67	4,371,347.44
31/12/2015	5.40	4,240,335.58	4,240,335.58

GENERALI CEE COMMODITY A PLN			
Date	NAV per Share	Market Value (PLN)	Market Value (EUR)
31/12/2013	34.64	777,920.78	187,095.04
31/12/2014	29.18	399,394.68	92,923.76
31/01/2015	27.51	960,235.72	229,324.81
28/02/2015	28.39	11,755,045.87	2,832,351.44
31/03/2015	27.45	5,057,589.71	1,242,019.65
30/04/2015	28.31	10,376,512.86	2,545,823.57
31/05/2015	27.63	10,506,045.49	2,542,065.94
30/06/2015	27.32	12,446,050.64	2,970,139.94
31/07/2015	25.10	5,949,026.27	1,433,850.65
31/08/2015	24.18	5,660,128.44	1,338,962.63
30/09/2015	24.15	5,671,295.78	1,336,119.25
31/10/2015	24.47	6,531,617.06	1,534,943.41
30/11/2015	22.59	5,789,265.84	1,357,405.78
31/12/2015	21.88	5,702,405.00	1,329,311.88

GENERALI CEE COMMODITY A CZK			
Date	NAV per Share	Market Value (CZK)	Market Value (EUR)
31/12/2013			
31/12/2014	139.41	34,198,740.68	1,233,930.02
31/01/2015	131.48	32,440,828.81	1,169,531.47
28/02/2015	135.51	33,688,158.42	1,225,586.42
31/03/2015	130.62	33,651,503.04	1,221,198.62
30/04/2015	134.95	35,700,892.64	1,291,694.21
31/05/2015	131.56	34,909,541.19	1,269,809.87
30/06/2015	129.75	34,439,766.00	1,263,409.64
31/07/2015	119.43	31,880,345.20	1,177,164.83
31/08/2015	114.92	30,820,403.09	1,139,791.03
30/09/2015	114.41	30,466,553.84	1,121,114.60
31/10/2015	115.69	31,823,307.77	1,174,522.50
30/11/2015	106.82	29,659,296.77	1,097,920.60
31/12/2015	103.22	29,605,785.95	1,095,629.38

The future market outlook for the Fund

For a lot of commodities, the momentum of supply side development will remain a key factor, but compared to previous years, the year 2016 should be much more balanced. Supported by cheaper energy and the quantitative easing programme in Europe, a gradual recovery of the global economy remains the base scenario, although Fed pace of monetary policy tightening in the U.S. and China hard- or soft-landing are challenges for commodity markets, especially for gold. Still, we are facing a crude oil surplus as OPEC will continue to produce more than is needed, some major downside risk factors remain in play for crude and the volatility is going to stay high. On the other hand, base metals and industrial precious metals particularly seem to be oversold and some recovery is likely once fundamentals regain influence and concern over Chinese demand eases. From the long-term perspective, Emerging Markets infrastructure and population growth are set to drive demand for commodities over the long term.

SCHEDULE OF INVESTMENTS as at 31 December 2015
Generali CEE Commodity Fund

Description	Quantity	Currency	Acquisition cost EUR	Fair Value EUR	% of Net Assets
Listed securities : warrants					
GREAT BRITAIN					
iPath Bloomberg Commodity Indexes Total Return ETN	8,000	USD	226,993	158,115	2.37
iPath Bloomberg Industrial Metals Sub indexes Total Return ETN	750	USD	23,196	13,187	0.20
			250,189	171,302	2.57
IRELAND					
iShares Physical Palladium ETC	22,000	USD	346,372	273,880	4.11
Source Physical Palladium P-ETC	4,000	USD	221,140	197,238	2.96
Source Physical Platinum P-ETC	500	USD	57,468	39,236	0.59
			624,980	510,354	7.66
JERSEY					
db Physical Gold ETC	600	USD	60,910	57,642	0.86
db Physical Palladium ETC	2,500	USD	168,142	122,618	1.84
db Physical Platinum ETC	1,000	USD	104,027	77,934	1.17
ETFS Agriculture	6,000	USD	28,475	28,770	0.43
ETFS Coffee	45,000	USD	67,201	57,581	0.86
ETFS Cotton	55,000	USD	97,795	105,261	1.58
ETFS Industrial Metals	20,000	USD	182,304	163,914	2.46
ETFS Longer Dated Agriculture	5,900	USD	59,810	49,615	0.75
ETFS Nickel	5,000	USD	67,954	41,535	0.62
ETFS Physical Palladium	600	USD	27,223	28,882	0.43
ETFS Physical PM Basket	2,400	USD	186,544	167,335	2.51
ETFS Physical Silver	100	USD	1,575	1,222	0.02
ETFS WTI 2mth Oil Securities	14,000	USD	275,839	217,931	3.27
			1,327,799	1,120,240	16.80
SWEDEN					
ELEMENTS Linked to the Rogers International Commodity Indexes - Agri Tot Return	52,000	USD	334,038	299,229	4.49
ELEMENTS Linked to the Rogers International Commodity Indexes - Metals Tot Return	30,000	USD	226,099	179,122	2.69
ELEMENTS Linked to the Rogers International Commodity Indexes - Total Return	16,000	USD	92,941	68,195	1.02
			653,078	546,546	8.20
UNITED STATES OF AMERICA					
GS Connect S&P GSCI Enhanced Commodity Total Return Strategy Indexes ETN	8,975	USD	295,077	165,901	2.49
			295,077	165,901	2.49
Total listed securities : warrants			3,151,123	2,514,343	37.72

SCHEDULE OF INVESTMENTS as at 31 December 2015
Generali CEE Commodity Fund (continued)

Description	Quantity	Currency	Acquisition cost EUR	Fair Value EUR	% of Net Assets
Listed securities : exchange traded funds					
FRANCE					
Amundi ETF Commodities S&P Gsci Metals UCITS ETF C	2,000	USD	390,200	324,036	4.86
LYXOR ETF Commodities Thomson Reuters/ Jefferies CRB TR	67,500	USD	1,351,140	1,004,763	15.08
			<u>1,741,340</u>	<u>1,328,799</u>	<u>19.94</u>
LUXEMBOURG					
db x-trackers DBLCI - OY Balanced UCITS ETF - 1C EUR Hedged	14,500	EUR	459,630	231,710	3.48
db x-trackers DBLCI - OY Balanced UCITS ETF - 2C	36,000	USD	819,194	663,893	9.96
S&P GSCI Capped Component 35/20 THEAM Easy UCITS ETF Class A USD Unit	39,000	USD	1,101,931	929,136	13.94
			<u>2,380,755</u>	<u>1,824,739</u>	<u>27.38</u>
Total listed securities : exchange traded funds			<u>4,122,095</u>	<u>3,153,538</u>	<u>47.32</u>
Other transferable securities : investment funds					
LUXEMBOURG					
RBS Market Access Rogers International Commodity Indexes Agriculture Indexes UCITS ETF	4,500	USD	431,171	373,985	5.61
RBS Market Access Rogers International Commodity Indexes UCITS ETF	24,939	USD	570,273	420,586	6.31
			<u>1,001,444</u>	<u>794,571</u>	<u>11.92</u>
Total other transferable securities : investment funds			<u>1,001,444</u>	<u>794,571</u>	<u>11.92</u>
Financial assets at fair value through profit or loss			<u>8,274,662</u>	<u>6,462,452</u>	<u>96.96</u>
Financial Derivative Instruments					
Open Forward Foreign Currency Contracts					
Maturity	Counterparty	Currency Purchased	Currency Sold	Unrealised Appreciation/ (Depreciation)	% of Net Assets
04-Jan-16	RBC IS Bank Luxembourg	EUR 3,863 CZK	104,500	(4)	-
04-Jan-16	RBC IS Bank Luxembourg	EUR 60 PLN	253	1	-
05-Jan-16	RBC IS Bank Luxembourg	EUR 2,352 CZK	63,602	(2)	-
05-Jan-16	RBC IS Bank Luxembourg	EUR 228 PLN	969	2	-
05-Jan-16	RBC IS Bank Luxembourg	EUR 31 PLN	132	-	-
05-Jan-16	RBC IS Bank Luxembourg	PLN 3 EUR	1	-	-
21-Jan-16	RBC IS Bank Luxembourg	EUR 5,975,583 USD	6,500,000	(5,104)	(0.08)
29-Jan-16	RBC IS Bank Luxembourg	CZK 29,428,347 EUR	1,091,517	(2,754)	(0.04)
29-Jan-16	RBC IS Bank Luxembourg	PLN 5,635,591 EUR	1,327,063	(15,240)	(0.23)
29-Jan-16	RBC IS Bank Luxembourg	PLN 114,840 EUR	27,026	(294)	-
29-Jan-16	RBC IS Bank Luxembourg	PLN 1,101 EUR	259	(3)	-
Net profit on open forward foreign exchange contracts				<u>(23,398)</u>	<u>(0.35)</u>
Net financial derivative instruments				<u>(23,398)</u>	<u>(0.35)</u>
Cash and other net assets				<u>226,223</u>	<u>3.39</u>
Total net assets attributable to holders of redeemable participating shares				<u>6,665,277</u>	<u>100.00</u>