



INVESTMENTS STATISTICAL DIGEST



INTRODUCTION

The Cayman Islands continues to maintain its position as the leading jurisdiction for the registration of funds, with 11,010 funds regulated under the Mutual Funds Law (2015 Revision) as at year end-2014.

The Cayman Islands Monetary Authority's 2014 Investment Digest (Digest) is based on data collected from approximately 9,800 of the 11,010 regulated funds.

Key Points:

- The number of funds declined by 3% from 2013, with the largest decrease in Registered Funds, which were down by 400 or 5%.

2,685	Master Funds	(2013: 2,635)
7,835	Registered Funds	(2013: 8,235)
386	Administered Funds	(2013: 398)
104	Licensed Funds	(2013: 111)

- Despite the decrease in the number of funds, the sector reported growth in Total Assets and Net Asset Value (NAV) due to an increase in capital flows of US\$305 billion. Net Income declined to US\$189 billion due to the challenging global macroeconomic and investment environment, primarily in the Euro Area and Emerging Markets, and the effects of high stock prices on hedging strategies.

Total Assets:	US\$5.733 trillion (2013: US\$4.968 trillion)
Net Asset Value (NAV):	US\$3.592 trillion (2013: US\$3.213 trillion)
Net Income:	US\$189 billion (2013: US\$344 billion)

- The United States remains the top location for investment managers and accounted for 74% or US\$2.646 trillion of the NAV, with New York firms managing 39% of NAV while the United Kingdom remained the top location outside the US, accounting for 9% or US\$325 billion of the NAV.
- Multi-Strategy, whose objective is to consistently deliver positive returns, remains as the most popular investment strategy, while Fixed Income strategy saw the largest decline in 2014 due to persistent low interest rates.

2014

2014/2013 Statistical Trend Analysis

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STATISTICAL TREND ANALYSIS

HIGHLIGHTS



US\$3.592 Trillion
Net Asset Value³

There was an overall decrease of 369 funds registered in 2014, as compared to an increase of 538 in 2013. Total Master Funds increased by 50 during 2014, but there were decreases in the other regulated fund categories, with Registered Funds declining by 400 funds.

Total Assets and Net Asset Value increased by US\$765 billion and US\$379 billion, respectively. However, Net Income at US\$189 billion was down 45% from US\$344 billion in 2013 which in turn resulted in a decrease in return on net assets from 10.7% in 2013 to 5.3% in 2014.

Total performance fees paid during 2014 were also down 28% as a result of the decline in earned income during the year. Dividends/distributions of US\$33 billion were down 11% from US\$37 billion in 2013.

The information presented in this Digest captures all funds with a financial year-end within the 2014 and 2013¹ calendar years that filed a Funds Annual Return (FAR) via CIMA's electronic reporting (E-Reporting) and Regulatory Enhanced Electronic Forms Submissions (REEFS) systems. There were 9,807 submissions² during 2014 representing 89% (2013: 87%) of all funds regulated in the jurisdiction. Master Funds³ are now being reported as part of the aggregate information rather than being segregated as was done in the 2013 Digest.

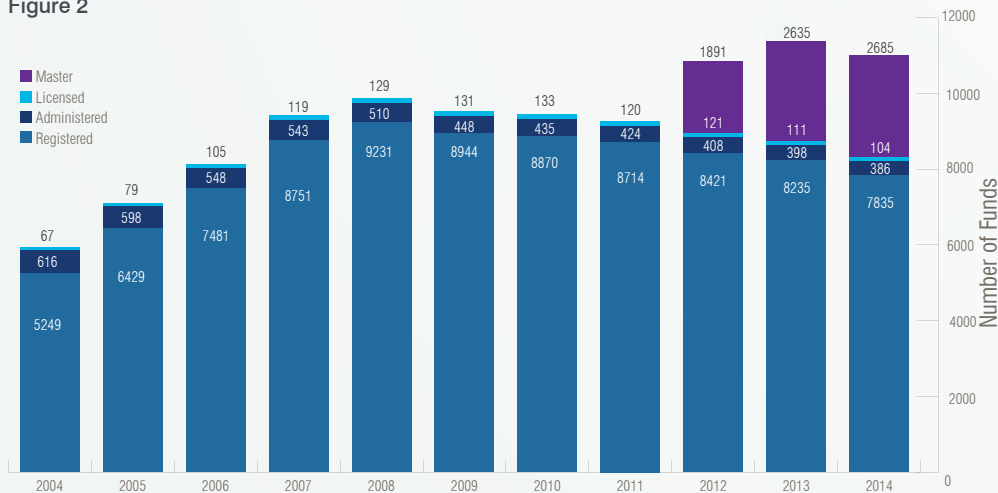
The total NAV for 2013 of US\$3.213 trillion consisted of NAV of US\$1.983 trillion for Registered, Administered and Licensed Funds and US\$1.230 trillion for Master Funds. However, there was an adjustment made for the value of investments in Master Funds by all other Cayman Islands Registered, Administered and Licensed Funds, resulting in a final published NAV for 2013 of US\$2.127 trillion.

Figure 1

	2014	2013
Net Asset Value	US\$3.592 trillion	US\$3.213 trillion
Total subscriptions	US\$1.113 trillion	US\$1.018 trillion
Total redemptions	US\$808 billion	US\$852 billion
Return on Gross Assets	3.3%	6.9%
Return on Net Assets	5.3%	10.7%
Top location of Investment Managers by ending net assets	New York (39%)	New York (34%)
Primary location for Net Asset Value (NAV) calculation services	United States of America	United States of America
Primary location for Registrar and Transfer Agent (RTA) services	Cayman Islands	Cayman Islands
Percentage of Funds requiring a minimum initial investment of US\$1M or more	50%	50%
Top two investment strategies utilised	Multi-Strategy (28%) Long/Short Equity (18%)	Multi-Strategy (28%) Long/Short Equity (17%)
Percentage of Funds suspending trading	4%	4%
Total performance fees	US\$18 billion	US\$25 billion

Total Regulated Funds by Category

Figure 2



¹The 2013 comparative figures consist of combined results for Registered, Administered, Licensed and Master Funds from the 2013 publication. Master Fund data has not been separated in this Digest.

²At the date of compilation of this issue of the Digest 9,807 funds had filed successfully. The data presented in this publication consists of 6,910 Registered Funds (including 1,149 Mutual Fund Sub-fund (Solo)), 411 Administered Funds, 146 Licensed Funds and 2,340 Master Funds.

³The NAV reported is for Registered, Administered, Licensed and Master Funds. Data for related Feeder funds is omitted as it is included in the Master Fund level.



STATISTICAL TREND ANALYSIS

FINANCIAL POSITION - SUMMARY

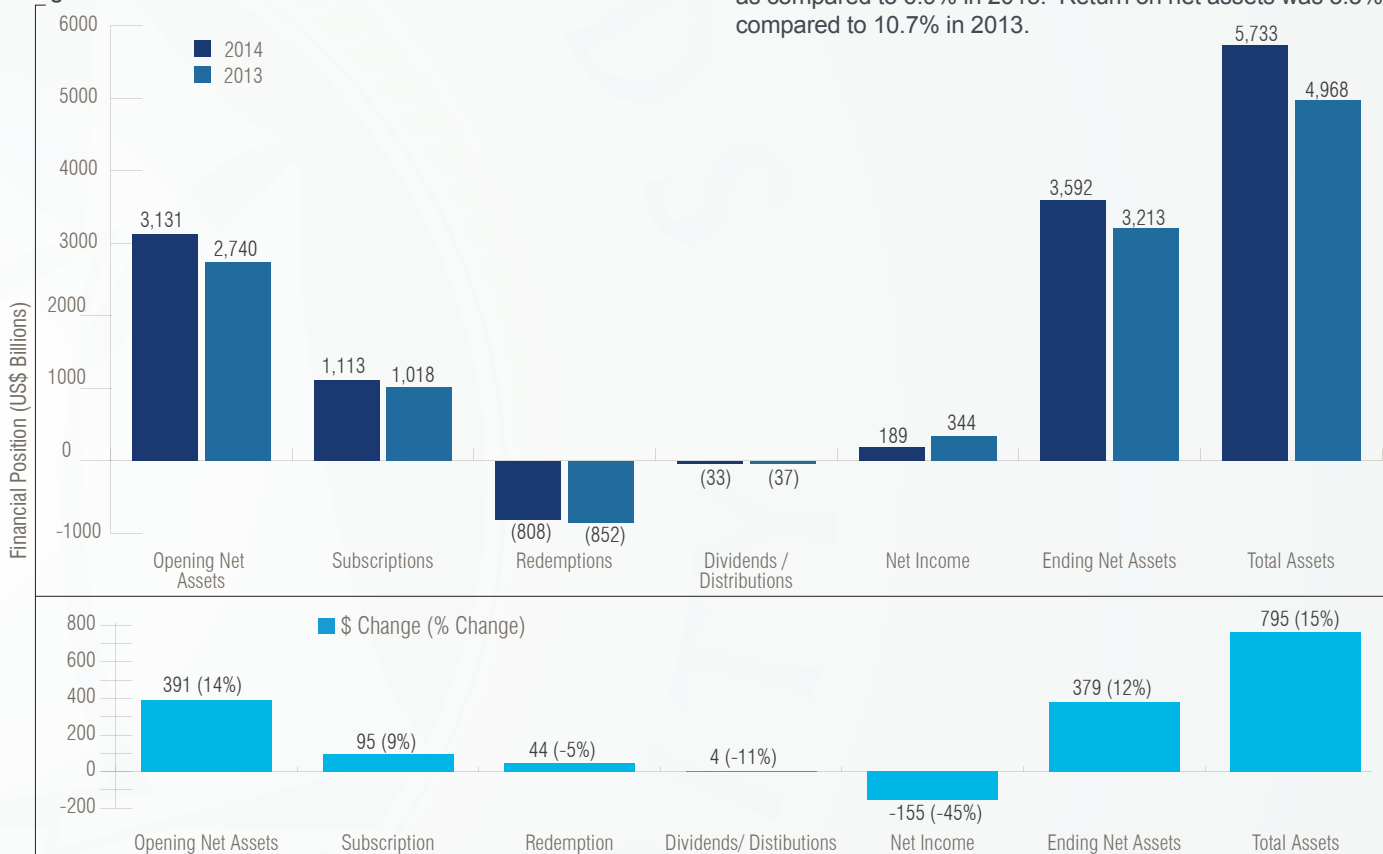
In 2014, subscriptions increased by 9% to US\$1.113 trillion and redemptions decreased by 5% to US\$808 billion, which resulted in an increase of 12% in ending net assets from US\$3.213 trillion to US\$3.592 trillion. Demand for investment funds continues to be driven by the improvements in macroeconomic indicators in the US economy and investors' search for higher yields in stocks and bonds in the capital markets.

In addition to low interest rates, which decreased earnings from government and corporate bonds, the expected discontinuance of the US Federal Reserve Board quantitative easing (QE) programme, a slowdown in global economic activity in China and the Euro Zone and the sovereign debt crisis in Europe resulted in periods of market volatility and lower income. Funds also experienced losses from hedging short equities as stock market prices increased.

The data in Figure 3 show a substantial decline in net income in 2014 from US\$344 billion in 2013 to US\$189 billion, a decrease of 45%.

Due to the decrease in net income, return on gross assets and net assets also declined. Return on gross assets for 2014 was 3.3% as compared to 6.9% in 2013. Return on net assets was 5.3% as compared to 10.7% in 2013.

Figure 3



Financial Position (US\$ Billions) ⁴	2014	2013	\$ Change	% Change
Opening Net Assets	3,131	2,740	391	14%
Subscriptions	1,113	1,018	95	9%
Redemptions	(808)	(852)	44	-5%
Dividends / Distributions	(33)	(37)	4	-11%
Net Income	189	344	(155)	-45%
Ending Net Assets	3,592	3,213	379	12%
Total Assets	5,733	4,968	765	15%
Return on Gross Assets	3.3%	6.9%		
Return on Net Assets	5.3%	10.7%		

⁴The decrease from the 2013 ending net assets to the 2014 opening net assets is attributed to new fund authorizations, de-registrations and regulatory waivers during 2014, resulting in a different set of funds filing a 2014 FAR.

STATISTICAL TREND ANALYSIS

FINANCIAL POSITION - LICENSED FUNDS

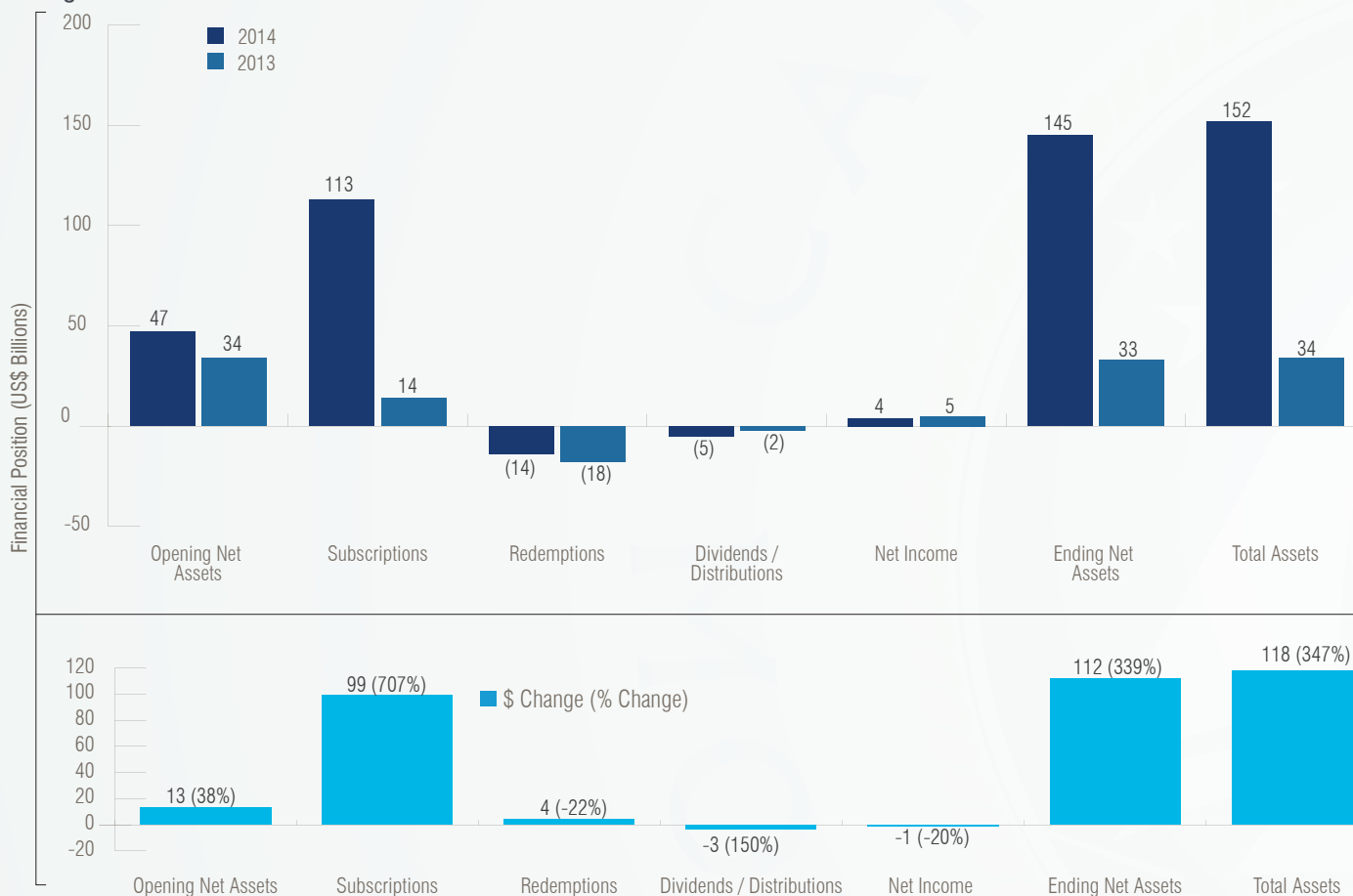


For Licensed Funds, subscriptions increased by US\$99 billion or 707% over 2013, which resulted in an increase in ending net assets of US\$145 billion or 339% higher than in 2013.

Return on gross and net assets of 2.6% and 2.8%, respectively, was lower in 2014 compared to 2013 when the portfolio was smaller. This is consistent with the return on all funds which was 3.3% for gross assets and 5.3% for net assets in 2014.

The reason for the increase was due to one of the licensed funds reporting subscriptions of US\$102 billion with ending net assets increasing to US\$122 billion from US\$26 billion in 2013.

Figure 4



Financial Position (US\$ Billions) ⁵	2014	2013	\$ Change	% Change
Opening Net Assets	47	34	13	38%
Subscriptions	113	14	99	707%
Redemptions	(14)	(18)	4	-22%
Dividends / Distributions	(5)	(2)	(3)	150%
Net Income	4	5	(1)	-20%
Ending Net Assets	145	33	112	339%
Total Assets	152	34	118	347%
Return on Gross Assets	2.6%	14.7%		
Return on Net Assets	2.8%	15.2%		

⁵The increase from the 2013 ending net assets to the 2014 opening net assets is attributed to new fund authorizations, de-registrations and regulatory waivers during 2014, resulting in a different set of funds filing a 2014 FAR.



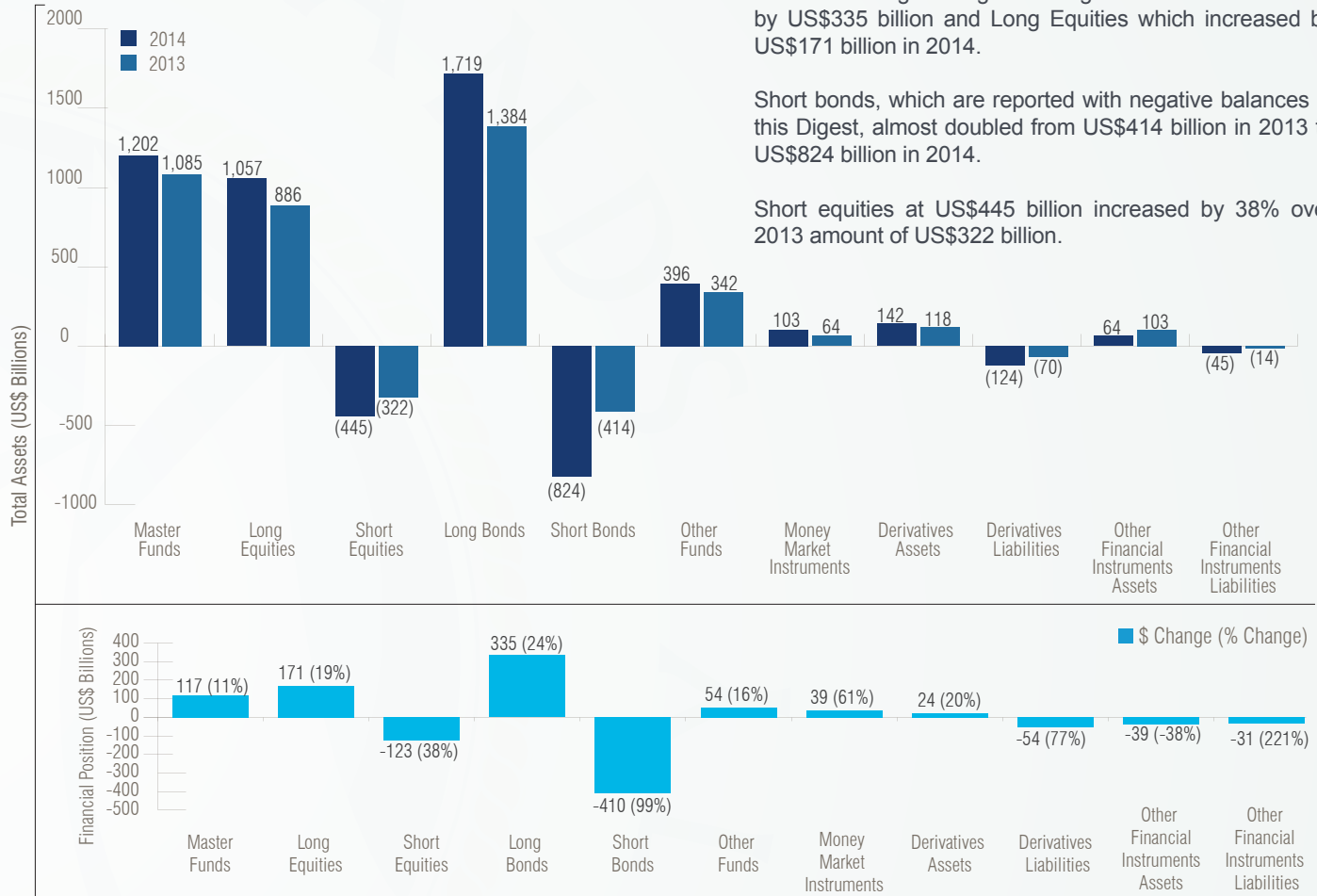
STATISTICAL TREND ANALYSIS

ASSET ALLOCATION - ALL FUNDS

Investments in all categories except Other Financial Instruments Assets increased in 2014 over amounts reported for 2013.

Net capital inflow detailed in Figures 13 and 14 was positive at US\$305 billion but some increase in value can be attributed to appreciation of stocks and bonds during 2014.

Figure 5



There were large changes in Long Bonds which increased by US\$335 billion and Long Equities which increased by US\$171 billion in 2014.

Short bonds, which are reported with negative balances in this Digest, almost doubled from US\$414 billion in 2013 to US\$824 billion in 2014.

Short equities at US\$445 billion increased by 38% over 2013 amount of US\$322 billion.

⁶The data presented in the asset allocation table was gathered from the funds that elected to complete the asset allocation section of the FAR, which is an optional section

STATISTICAL TREND ANALYSIS

ASSET ALLOCATION - MASTER FUNDS



In 2014, Master Funds accounted for 24% of the total number of funds registered or licensed in the Cayman Islands.

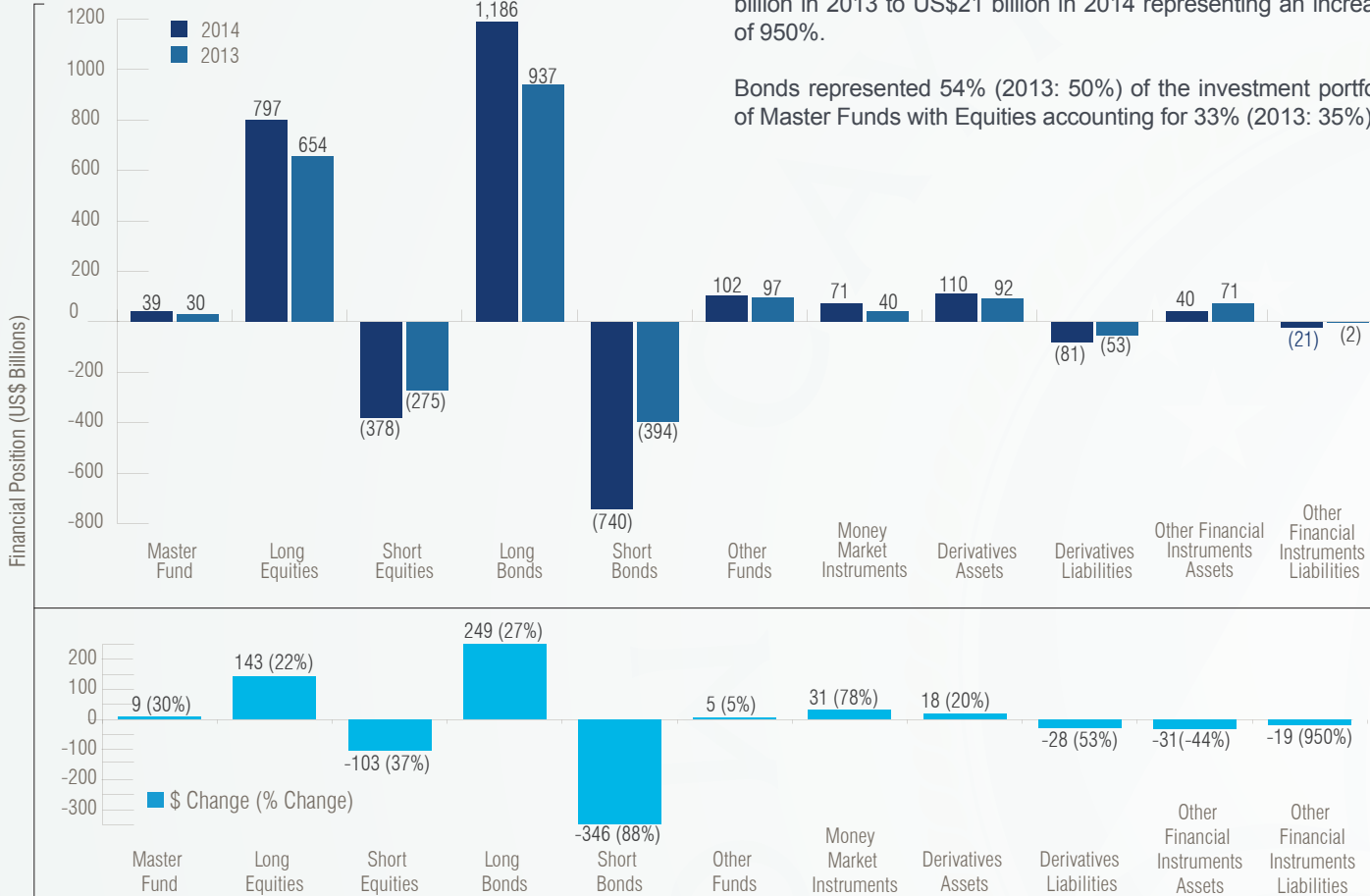
Investments in all categories except Other Financial Instruments Assets increased in 2014 when compared to 2013.

20% of total assets of all funds were invested in Master Funds which were then invested as shown in the chart below.

The largest increase in investment amount was in Long and Short Bonds but the largest percentage change was in investments in Other Financial Instruments Liabilities which increased from US\$2 billion in 2013 to US\$21 billion in 2014 representing an increase of 950%.

Bonds represented 54% (2013: 50%) of the investment portfolio of Master Funds with Equities accounting for 33% (2013: 35%).

Figure 6



Asset Allocation ⁷	2014 Value (US\$ Billions)	2014 % Allocated	2013 Value (US\$ Billions)	2013 % Allocated	\$ Change (US\$ Billions)	% Change
Master Funds	39	1%	30	1%	9	30%
Long Equities	797	22%	654	25%	143	22%
Short Equities	(378)	11%	(275)	10%	(103)	37%
Long Bonds	1,186	33%	937	35%	249	27%
Short Bonds	(740)	21%	(394)	15%	(346)	88%
Other Funds	102	3%	97	4%	5	5%
Money Market Instruments	71	2%	40	2%	31	78%
Derivatives Assets	110	3%	92	3%	18	20%
Derivatives Liabilities	(81)	2%	(53)	2%	(28)	53%
Other Financial Instruments Assets	40	1%	71	3%	(31)	(44%)
Other Financial Instruments Liabilities	(21)	1%	(2)	0%	(19)	950%
Absolute value of total assets used to calculate allocation	3,565	100%	2,645	100%	(72)	

⁷The data presented in the asset allocation table was gathered from the funds that elected to complete the asset allocation section of the FAR, which is an optional section



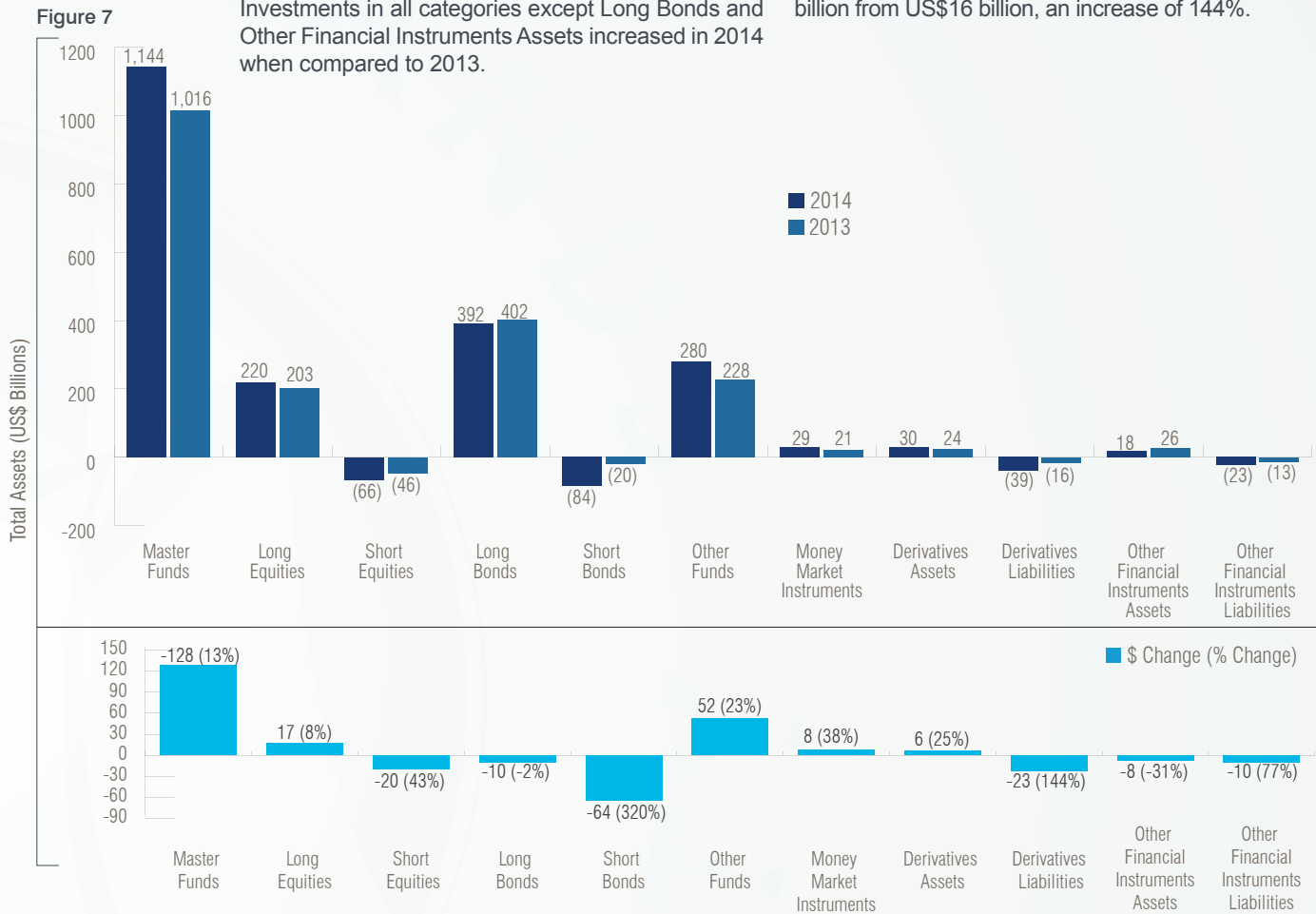
STATISTICAL TREND ANALYSIS

ASSET ALLOCATION - REGISTERED FUNDS

In 2014, Registered Funds accounted for 71% of the total number of funds registered or licensed in the Cayman Islands.

The largest increase in total asset allocation was reported for Short Bonds which increased to US\$84 billion from US\$20 billion in 2013, an increase of 320%, and Derivative Liabilities, which increased to US\$39 billion from US\$16 billion, an increase of 144%.

Investments in all categories except Long Bonds and Other Financial Instruments Assets increased in 2014 when compared to 2013.



Asset Allocation ⁸	2014 Value (US\$ Billions)	2014 % Allocated	2013 Value (US\$ Billions)	2013 % Allocated	\$ Change (US\$ Billions)	% Change
Master Funds	1,144	49%	1,016	50%	128	13%
Long Equities	220	9%	203	10%	17	8%
Short Equities	(66)	3%	(46)	2%	(20)	43%
Long Bonds	392	17%	402	20%	(10)	-2%
Short Bonds	(84)	4%	(20)	1%	(64)	320%
Other Funds	280	12%	228	11%	52	23%
Money Market Instruments	29	1%	21	1%	8	38%
Derivatives Assets	30	1%	24	1%	6	25%
Derivatives Liabilities	(39)	2%	(16)	1%	(23)	144%
Other Financial Instruments Assets	18	1%	26	1%	(8)	-31%
Other Financial Instruments Liabilities	(23)	1%	(13)	0%	(10)	77%
Absolute value of total assets used to calculate allocation	2,325	100%	2,015	100%	76	

⁸The data presented in the asset allocation table was gathered from the funds that elected to complete the asset allocation section of the FAR, which is an optional section

STATISTICAL TREND ANALYSIS

ASSET ALLOCATION - LICENSED FUNDS



Licensed Funds, which account for about 1% of the total number of funds registered or licensed in the Cayman Islands in 2014, mainly invest in Long Bonds.

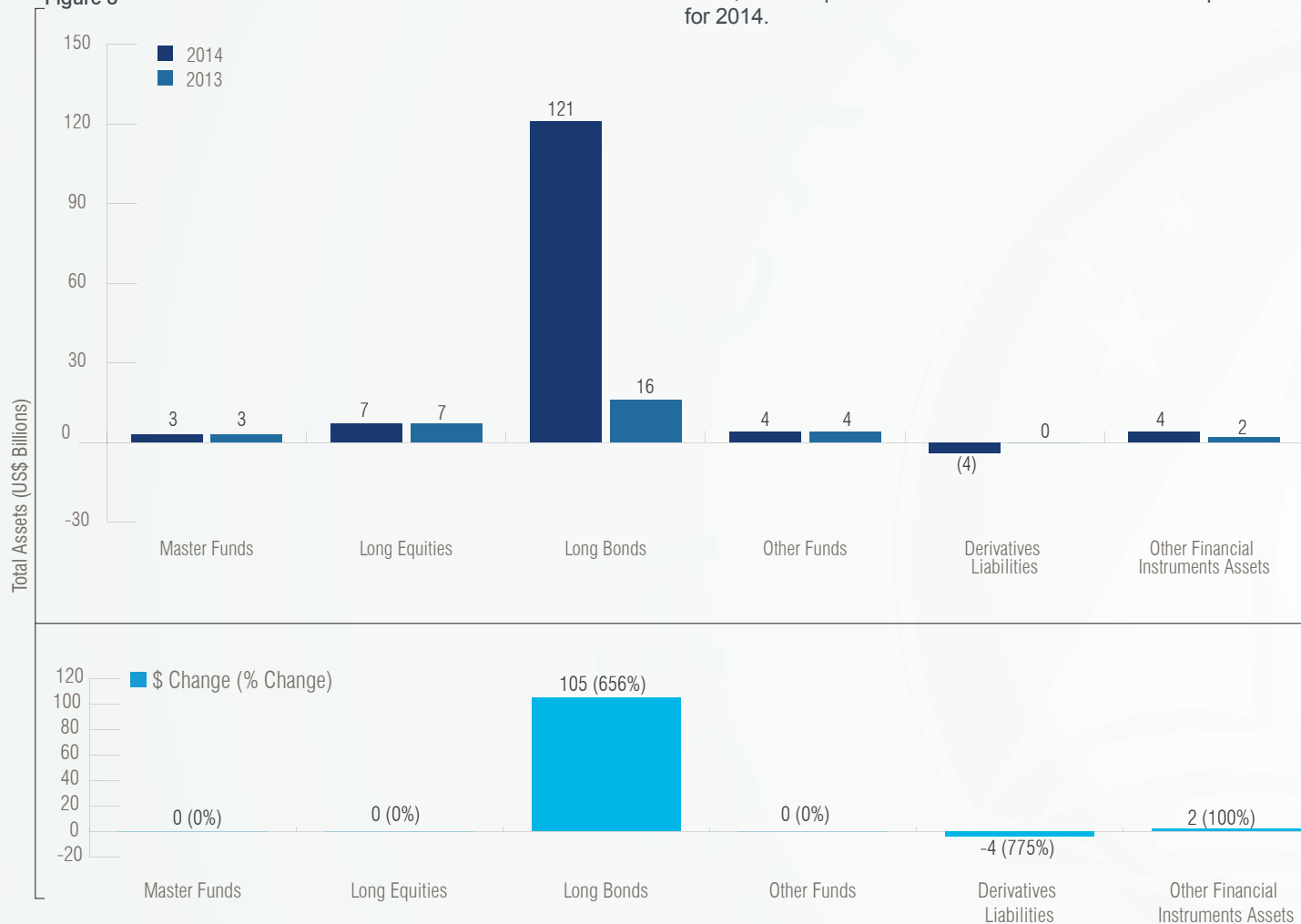
Investments in Short Bonds, Money Market, Derivative Assets and Other Financial Instruments Liabilities were reported at less than US\$1 billion and therefore not included in the graph.

2014 Investments in Master Funds, Long Equities, Other Funds and Other Financial Instruments Assets by Licensed Funds were consistent with the 2013 level.

There were no investments reported for Short Equities in 2014 or 2013.

The increase in subscription is primarily due to one Licensed Fund, which reported an increase of 707% in its subscription level for 2014.

Figure 8



Asset Allocation ⁹	2014 Value (US\$ Billions)	2014 % Allocated	2013 Value (US\$ Billions)	2013 % Allocated	\$ Change (US\$ Billions)	% Change
Master Funds	3	2%	3	9%	0	0%
Long Equities	7	5%	7	22%	0	0%
Long Bonds	121	84%	16	50%	105	656%
Other Funds	4	3%	4	13%	0	0%
Derivatives Liabilities	(4)	3%	0	0%	(4)	775%
Other Financial Instruments Assets	4	3%	2	6%	2	100%
Absolute value of total assets used to calculate allocation	143	100%	32	100%	103	

⁹The data presented in the asset allocation table was gathered from the funds that elected to complete the asset allocation section of the FAR, which is an optional section. For the derivative liabilities the actual amount of US\$456 million in 2013 was used to calculate the % change



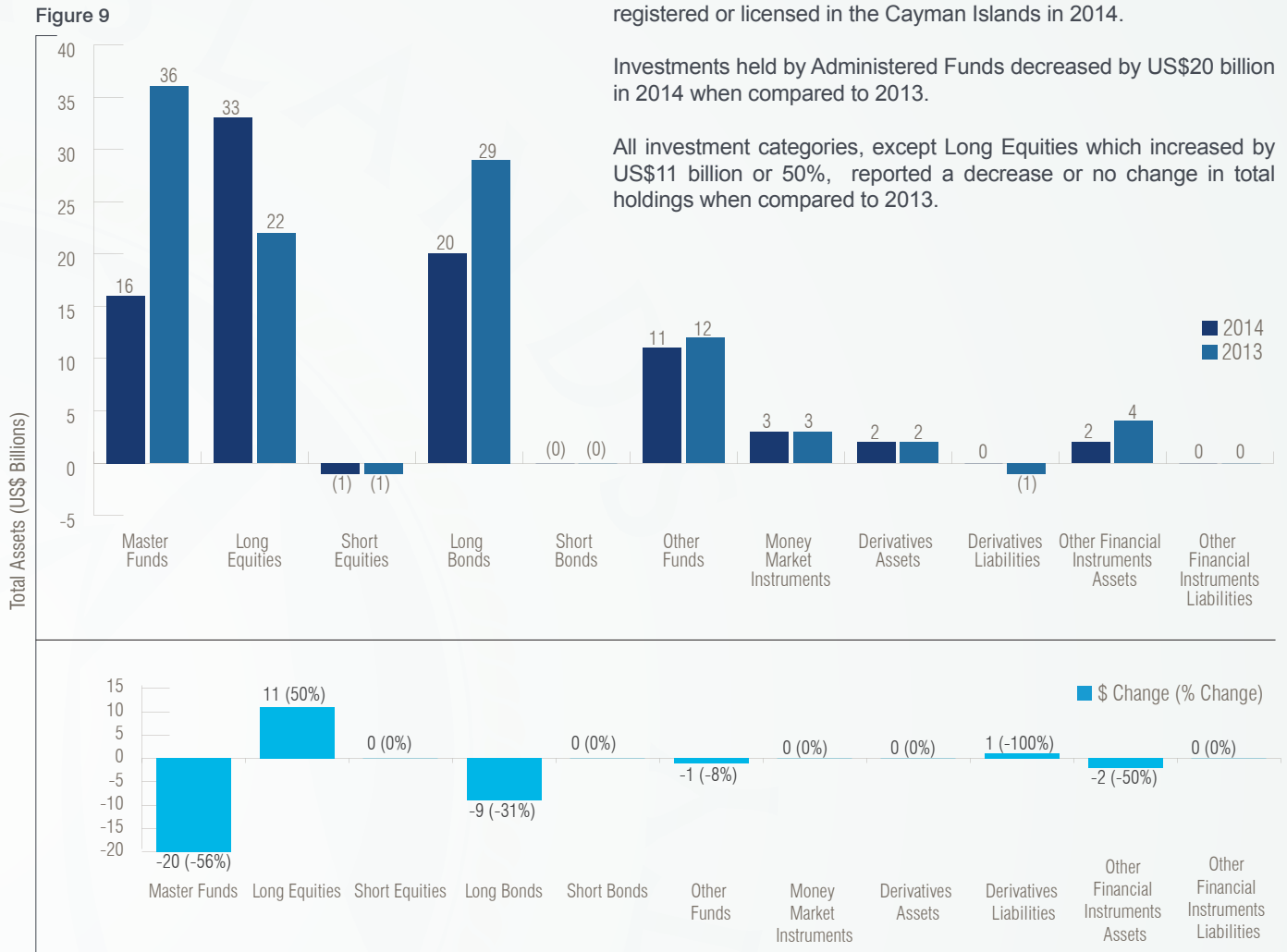
STATISTICAL TREND ANALYSIS

ASSET ALLOCATION - ADMINISTERED FUNDS

Administered Funds accounted for 4% of the total number of funds registered or licensed in the Cayman Islands in 2014.

Investments held by Administered Funds decreased by US\$20 billion in 2014 when compared to 2013.

All investment categories, except Long Equities which increased by US\$11 billion or 50%, reported a decrease or no change in total holdings when compared to 2013.



Asset Allocation ¹⁰	2014 Value (US\$ Billions)	2014 % Allocated	2013 Value (US\$ Billions)	2013 % Allocated	\$ Change (US\$ Billions)	% Change
Master Funds	16	18%	36	33%	(20)	(-56%)
Long Equities	33	38%	22	20%	11	50%
Short Equities	(1)	1%	(1)	1%	0	0%
Long Bonds	20	23%	29	26%	(9)	(-31%)
Short Bonds	0	0%	0	0%	0	0%
Other Funds	11	13%	12	11%	(1)	(-8%)
Money Market Instruments	3	3%	3	3%	0	0%
Derivatives Assets	2	2%	2	2%	0	0%
Derivatives Liabilities	0	0%	(1)	1%	1	(-100%)
Other Financial Instruments Assets	2	2%	4	4%	(2)	(-50%)
Other Financial Instruments Liabilities	0	0%	0	0%	0	0%
Absolute value of total assets used to calculate allocation	88	100%	110	100%	(20)	

¹⁰The data presented in the asset allocation table was gathered from the funds that elected to complete the asset allocation section of the FAR, which is an optional section

STATISTICAL TREND ANALYSIS

FUND SIZE BY TOTAL ASSETS



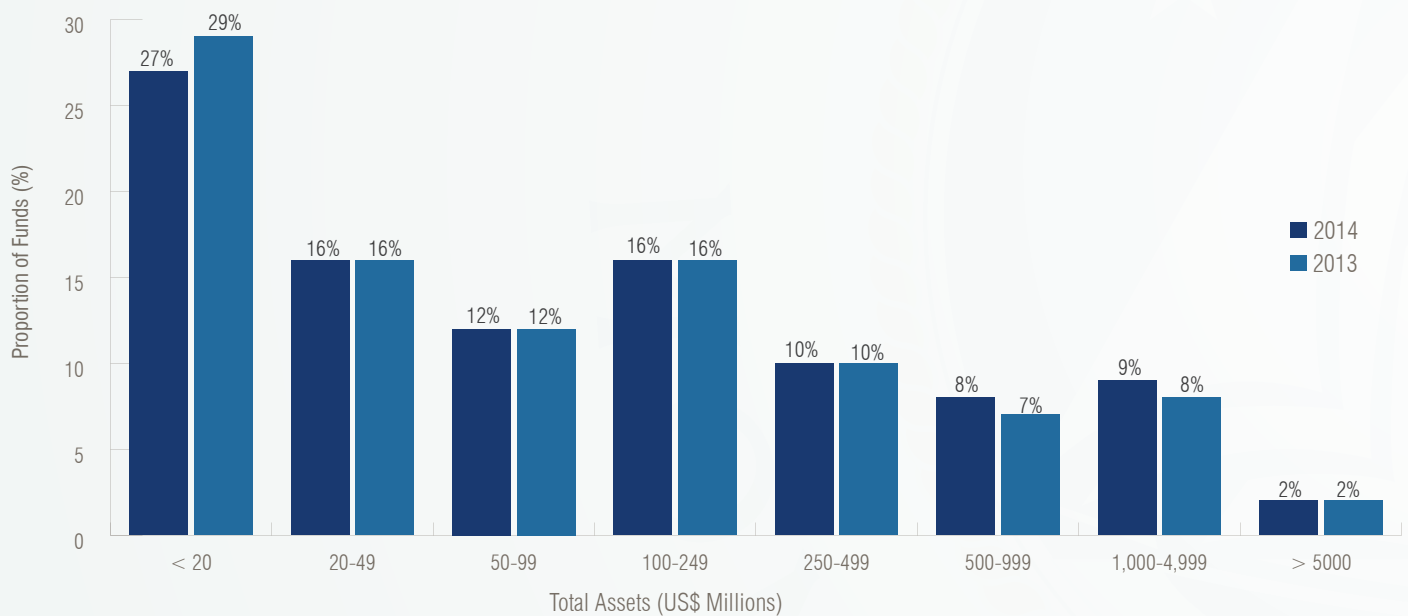
Funds with total assets of US\$20 million or less continue to be the most common size of funds in the industry, accounting for 27% of the funds that filed a FAR in 2014 (2013: 29%).

In total, 55% of all funds that filed a 2014 FAR had total assets of less than US\$100 million, compared to 57% in 2013 while 45% had total assets of more than US\$100 million (2013: 43%).

There were 169 (2013: 154) funds with total assets greater than US\$5 billion and 3 (2013: 2) funds with total assets above US\$100 billion.

Fund Size (US\$ Millions)	2014	2013
< 20	27%	29%
20-49	16%	16%
50-99	12%	12%
100-249	16%	16%
250-499	10%	10%
500-999	8%	7%
1000-4999	9%	8%
> 5000	2%	2%
Total	100%	100%

Figure 10



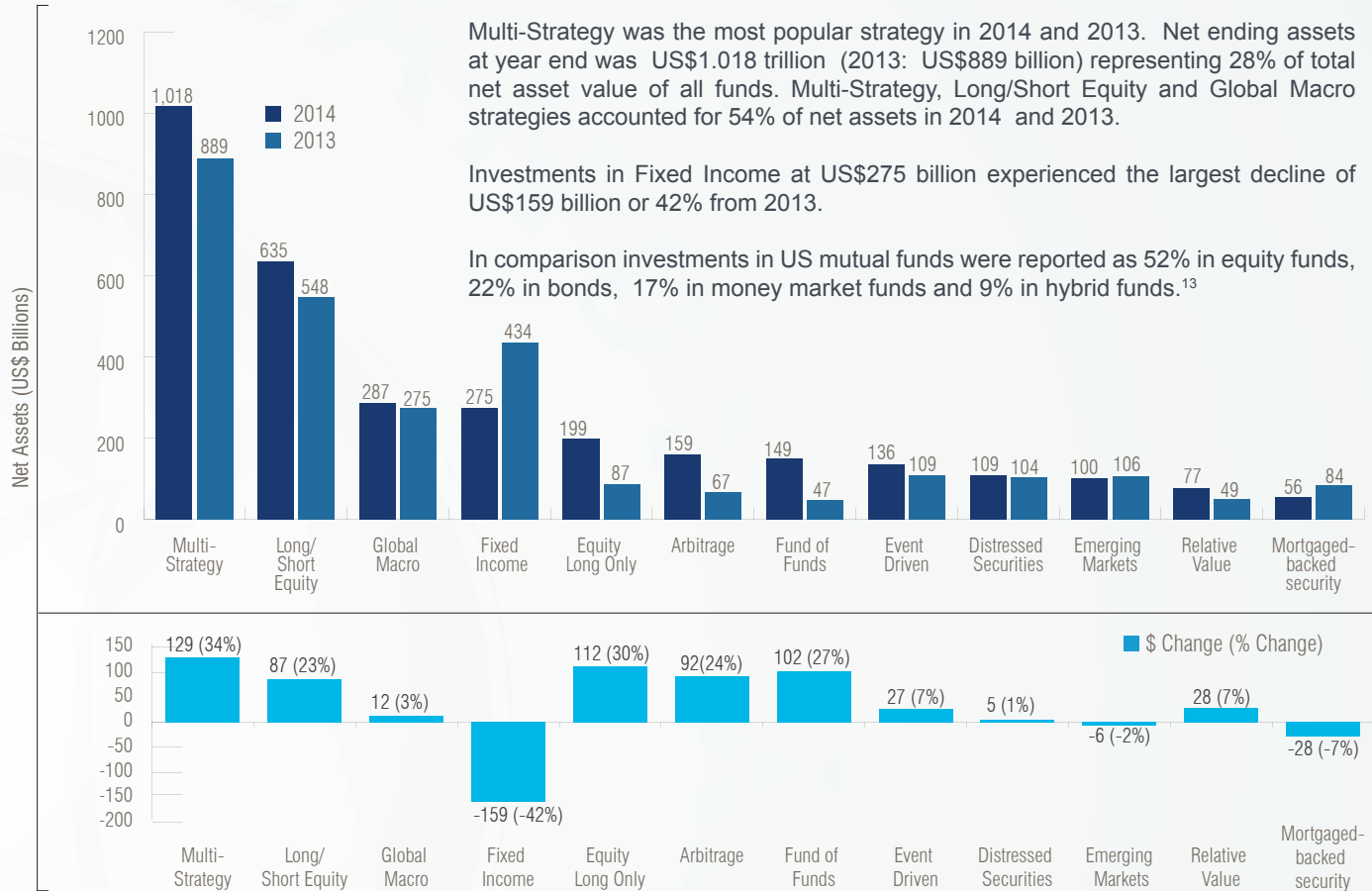


STATISTICAL TREND ANALYSIS

INVESTMENT STRATEGY

In this Digest, reporting on the number of strategies has been increased to 24 in order to provide additional information on strategies such as Activism, Equity Hedged, Foreign Exchange, Passive Management/Index and Real Estate (see next page).

Figure 11



Multi-Strategy was the most popular strategy in 2014 and 2013. Net ending assets at year end was US\$1.018 trillion (2013: US\$889 billion) representing 28% of total net asset value of all funds. Multi-Strategy, Long/Short Equity and Global Macro strategies accounted for 54% of net assets in 2014 and 2013.

Investments in Fixed Income at US\$275 billion experienced the largest decline of US\$159 billion or 42% from 2013.

In comparison investments in US mutual funds were reported as 52% in equity funds, 22% in bonds, 17% in money market funds and 9% in hybrid funds.¹³

Investment Strategy	2014 Net Assets (US\$ Billions)	2014 % Allocated ¹¹	2013 Net Assets (US\$ Billions)	2013 % Allocated ¹¹	\$ Change (US\$ Billions)	% Change
Multi-Strategy	1,018	28%	889	28%	129	34%
Long/Short Equity	635	18%	548	17%	87	23%
Global Macro	287	8%	275	9%	12	3%
Fixed Income	275	8%	434	14%	(159)	-42%
Equity Long Only	199	6%	87	3%	112	30%
Arbitrage	159	4%	67	2%	92	24%
Fund of Funds	149	4%	47	1%	102	27%
Event Driven	136	4%	109	3%	27	7%
Distressed Securities	109	3%	104	3%	5	1%
Emerging Markets	100	3%	106	3%	(6)	-2%
Relative Value	77	2%	49	2%	28	7%
Mortgaged-backed security	56	2%	84	3%	(28)	-7%
Total	3,200	89%	2,799	88%	401	

¹¹ The percentage of total net assets allocated to the investment strategy during the year specified.

¹² The change in net assets allocated to an investment strategy from 2014 compared to 2013.

¹³ Source: Investment Company Institute - 2015 Investment Company Fact Book

STATISTICAL TREND ANALYSIS

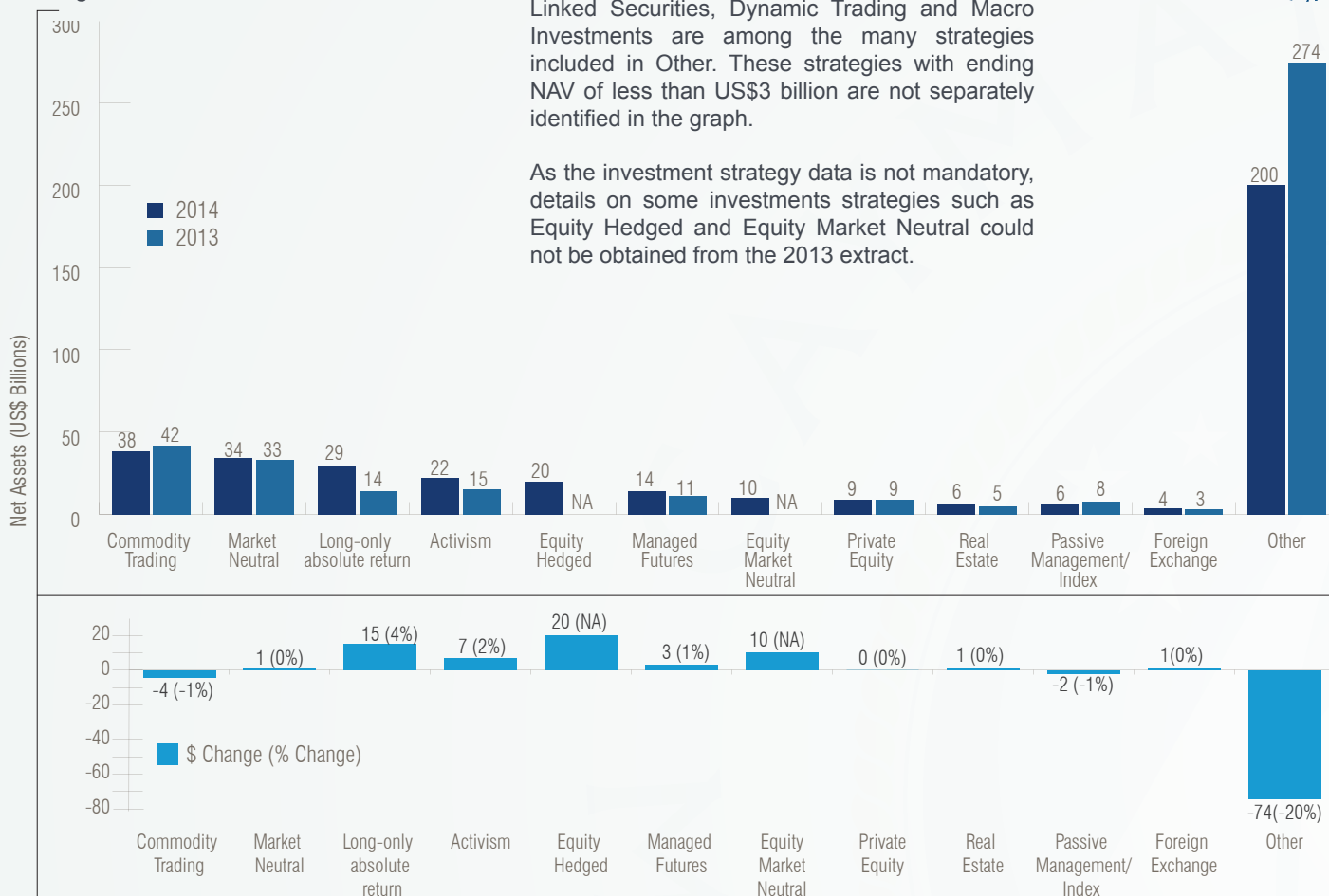
INVESTMENT STRATEGY (CONTINUED)



Figure 12

Collateralized Swaps, Global Trading, Insurance Linked Securities, Dynamic Trading and Macro Investments are among the many strategies included in Other. These strategies with ending NAV of less than US\$3 billion are not separately identified in the graph.

As the investment strategy data is not mandatory, details on some investments strategies such as Equity Hedged and Equity Market Neutral could not be obtained from the 2013 extract.



Investment Strategy	2014 Net Asset (US\$ Billions)	2014 % Allocated ¹⁴	2013 Net Asset (US\$ Billions)	2013 % Allocated ¹⁴	\$ Change ¹⁵ (US\$ Billions)	% Change
Commodity Trading	38	1%	42	1%	(4)	(-1%)
Market Neutral	34	1%	33	1%	1	0%
Long-only absolute return	29	1%	14	0%	15	4%
Activism	22	1%	15	0%	7	2%
Equity Hedged	20	1%	NA	NA	20	NA
Managed Futures	14	0%	11	0%	3	1%
Equity Market Neutral	10	0%	NA	NA	10	NA
Private Equity	9	0%	9	0%	0	0%
Real Estate	6	0%	5	0%	1	0%
Passive Management/Index	6	0%	8	0%	(2)	(-1%)
Foreign Exchange	4	0%	3	0%	1	0%
Other	200	6%	274	9%	(74)	(-20%)
Total	392	11%	414	13%	(22)	
Total from Figure 11	3,200	89%	2,799	88%	401	
Total Net Asset Value	3,592	100%	3,213	101%	379	

¹⁴ The percentage of total net assets allocated to the investment strategy during the year specified.

¹⁵ The change in net assets allocated to an investment strategy from 2014 compared to 2013.

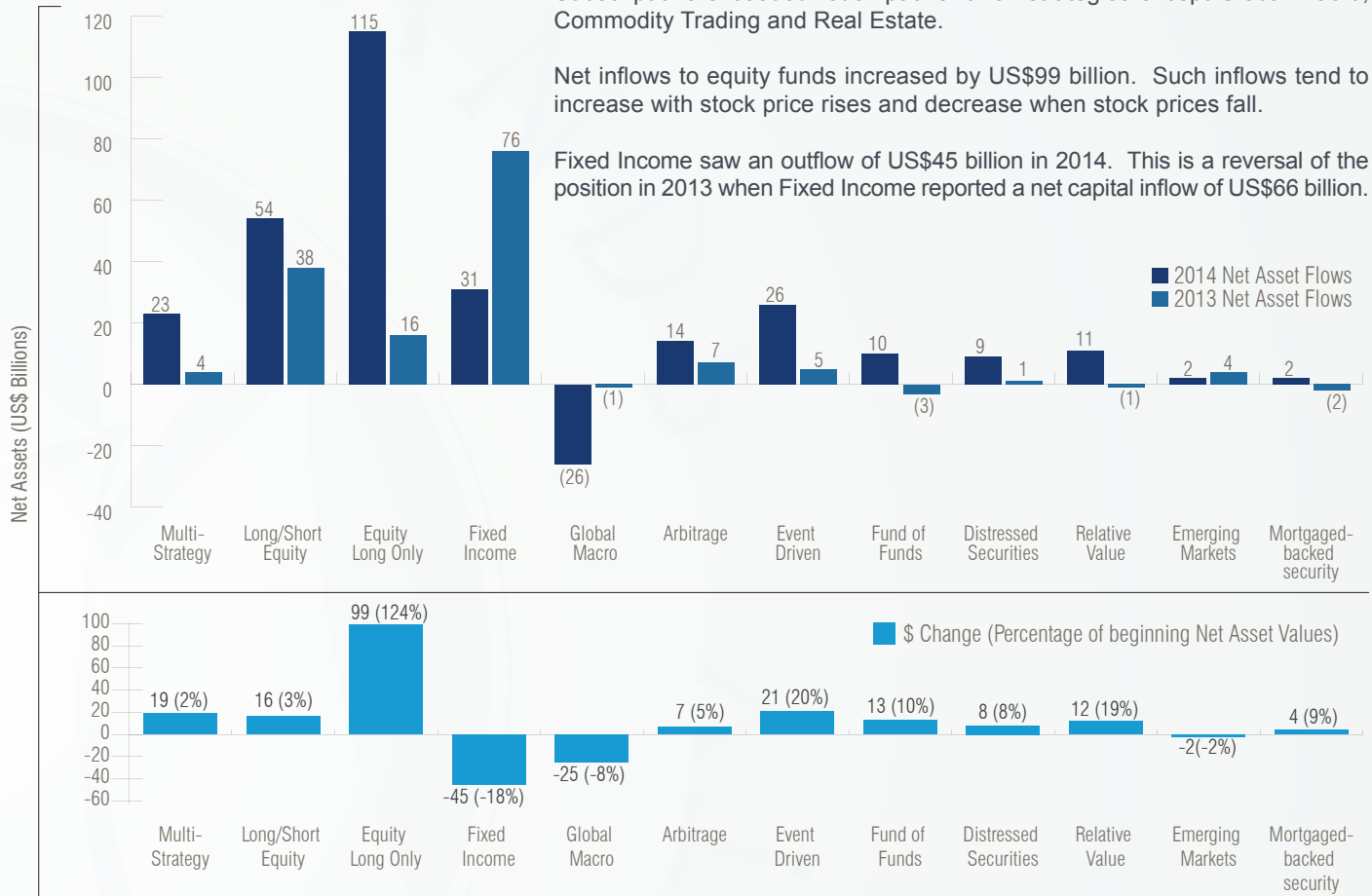


STATISTICAL TREND ANALYSIS

ASSET FLOWS BY INVESTMENT STRATEGY

In 2014, net asset inflows were US\$305 billion compared to US\$166 billion in 2013. Growth in investment funds can be attributed to consumer confidence, which was buoyed by continued improvements in the US housing market, lower unemployment in the US and marginal improvement in the global economy.

Figure 13



Investment Strategy	2014 Subscriptions (US\$ Billions)	2014 Redemptions (US\$ Billions)	2014 Net Asset Flows (US\$ Billions)	2013 Subscriptions (US\$ Billions)	2013 Redemptions (US\$ Billions)	2013 Net Asset Flows (US\$ Billions)	Change in Net Asset Flows (US\$ Billions)
Multi-Strategy	229	(206)	23	224	(220)	4	19
Long/Short Equity	171	(117)	54	138	(100)	38	16
Equity Long Only	132	(17)	115	33	(17)	16	99
Fixed Income	123	(92)	31	187	(111)	76	(45)
Global Macro	69	(95)	(26)	74	(75)	(1)	(25)
Arbitrage	58	(44)	14	29	(22)	7	7
Event Driven	49	(23)	26	30	(25)	5	21
Fund of Funds	37	(27)	10	11	(14)	(3)	13
Distressed Securities	25	(16)	9	21	(20)	1	8
Relative Value	22	(11)	11	11	(12)	(1)	12
Emerging Markets	22	(20)	2	31	(27)	4	(2)
Mortgaged-backed security	17	(15)	2	28	(30)	(2)	4
Total	954	(683)	271	817	(673)	144	127

STATISTICAL TREND ANALYSIS

ASSET FLOWS BY INVESTMENT STRATEGY (CONTINUED)



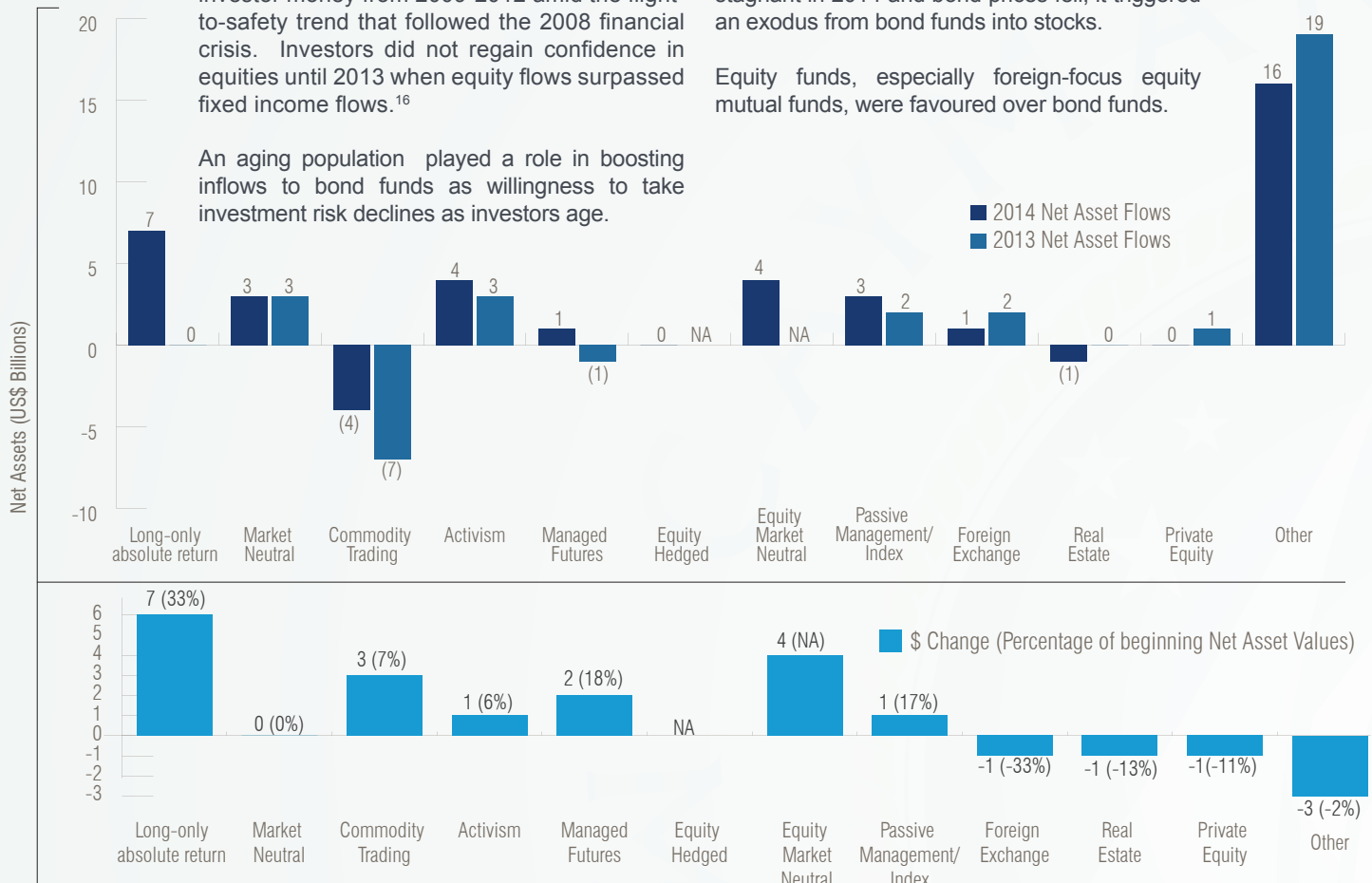
Figure 14

Fixed income funds received the vast majority of investor money from 2009-2012 amid the flight-to-safety trend that followed the 2008 financial crisis. Investors did not regain confidence in equities until 2013 when equity flows surpassed fixed income flows.¹⁶

An aging population played a role in boosting inflows to bond funds as willingness to take investment risk declines as investors age.

However, when long term interest rates remained stagnant in 2014 and bond prices fell, it triggered an exodus from bond funds into stocks.

Equity funds, especially foreign-focus equity mutual funds, were favoured over bond funds.



Investment Strategy	2014 Subscriptions (US\$ Billions)	2014 Redemptions (US\$ Billions)	2014 Net Asset Flows (US\$ Billions)	2013 Subscriptions (US\$ Billions)	2013 Redemptions (US\$ Billions)	2013 Net Asset Flows (US\$ Billions)	Change in Net Asset Flows (US\$ Billions)
Long-only absolute return	11	(4)	7	3	(3)	0	7
Market Neutral	9	(6)	3	15	(12)	3	0
Commodity Trading	9	(13)	(4)	13	(20)	(7)	3
Activism	8	(4)	4	6	(3)	3	1
Managed Futures	6	(5)	1	4	(5)	(1)	2
Equity Hedged	6	(6)	0	NA	NA	NA	NA
Equity Market Neutral	6	(2)	4	NA	NA	NA	4
Passive Management/Index	4	(1)	3	3	(1)	2	1
Foreign Exchange	2	(1)	1	2	0	2	(1)
Real Estate	1	(2)	(1)	1	(1)	0	(1)
Private Equity	1	(1)	0	1	0	1	(1)
Other	96	(80)	16	153	(134)	19	(3)
Total	159	(125)	34	201	(179)	22	12
Total from Figure 13	954	(683)	271	817	(673)	144	127
Total	1,113	(808)	305	1,018	(852)	166	139

¹⁶ Source: CNBC "Top trends in mutual fund investing" by Dan Kadlec



STATISTICAL TREND ANALYSIS

CHANGE FACTORS IN NET ASSETS BY INVESTMENT STRATEGY

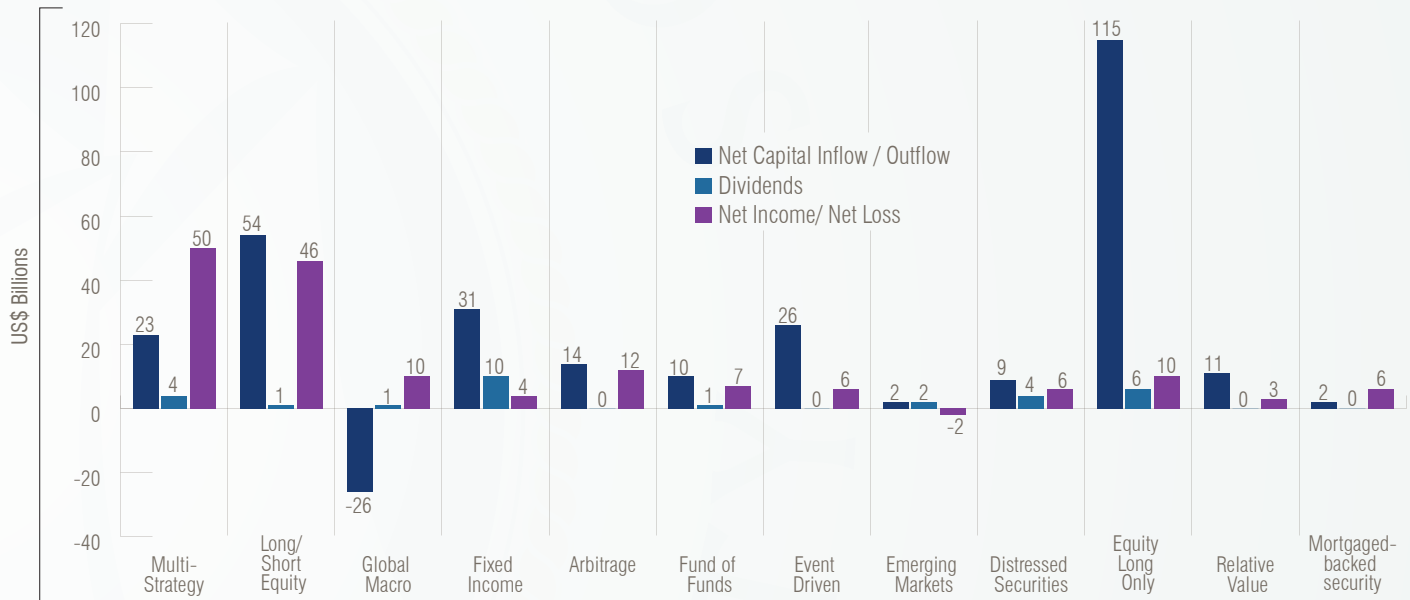
Ending net assets for all of the investment strategies increased during 2014 with the exception of Global Macro, Emerging Markets, Commodity Trading and Real Estate.

Total subscriptions exceeded redemptions by US\$305 billion (2013: US\$166 billion) although funds invested in Global Macro, Commodity Trading and Real Estate strategies experienced higher redemptions than subscriptions (ie. negative net capital inflow). The state of the economy in the US, Europe and China, including a decrease in demand for commodities such as steel and a soft real estate market, contributed to a decline in demand for funds invested in these

strategies. Total net income reported for 2014 was US\$189 billion compared to US\$344 billion in 2013. Emerging Markets was also the only strategy to report a net loss during 2014. Dividends of US\$33 billion were paid in 2014 compared to \$37 billion in 2013. Fixed Income strategy saw the largest distribution at US\$10 billion.

Equity Long Only strategy, in which investment managers buy and hold equity securities, saw a net inflow of US\$115 billion in 2014. This strategy allows for more flexibility, room for adjustment in the portfolio, liquidity and more transparency than other kinds of funds available to investors.

Figure 15



Investment Strategy	Opening Net Assets ¹⁷	Ending Net Assets	Change in Net Assets ¹⁸	Net Capital Inflow/ Outflow ¹⁹	Dividends	Net Income/ Net Loss
Multi-Strategy	943	1,018	75	23	4	50
Long/Short Equity	536	635	99	54	1	46
Global Macro	303	287	(16)	(26)	1	10
Fixed Income	251	275	24	31	10	4
Arbitrage	133	159	26	14	0	12
Fund of Funds	133	149	16	10	1	7
Event Driven	104	136	32	26	0	6
Emerging Markets	102	100	(2)	2	2	(2)
Distressed Securities	98	109	11	9	4	6
Equity Long Only	80	199	119	115	6	10
Relative Value	62	77	15	11	0	3
Mortgaged-backed security	49	56	7	2	0	6
Total	2,794	3,200	406	271	29	158

¹⁷ The decrease from the 2013 ending net assets to the 2014 opening net assets is attributed to new fund authorizations, de-registrations and regulatory waivers during 2014 resulting in a different set of funds filing a 2014 FAR

¹⁸ Calculated as 2014 Ending Net Assets minus 2014 Opening Net Assets

¹⁹ Net Capital Inflow/Outflow calculated as 2014 Subscriptions minus 2014 Redemptions.

STATISTICAL STAND-ALONE ANALYSIS

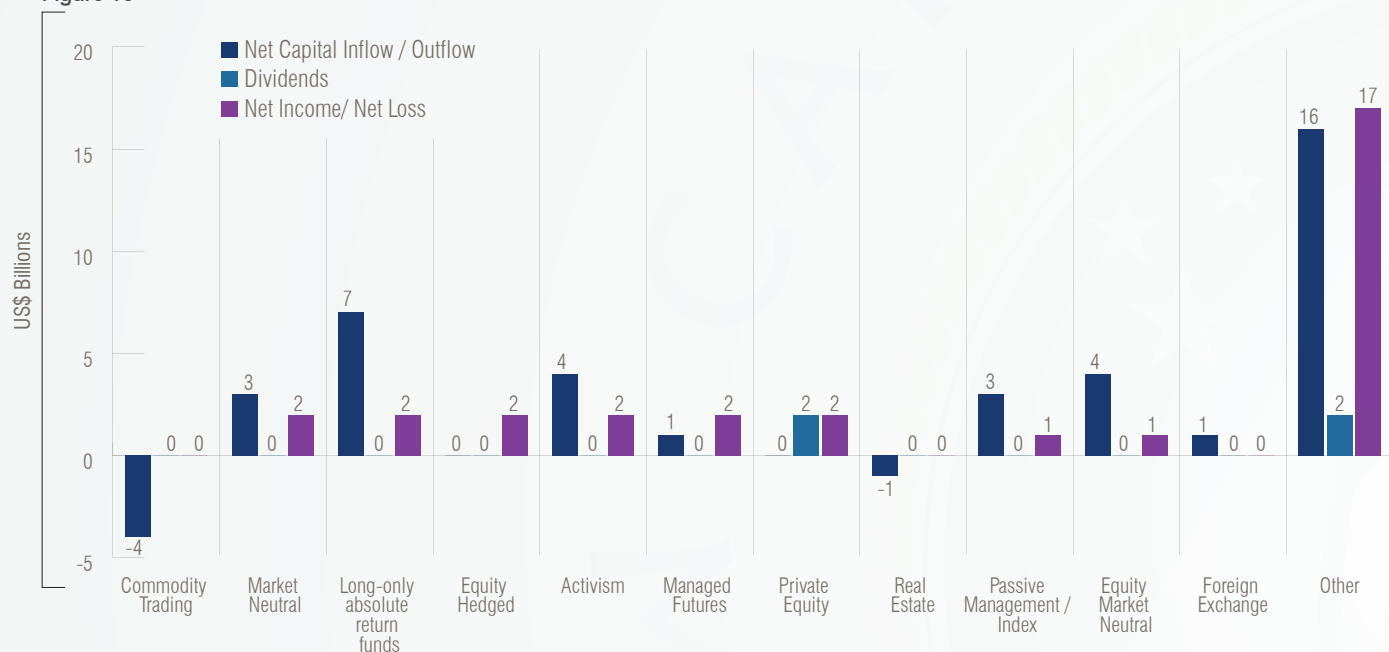
CHANGE FACTORS IN NET ASSETS BY INVESTMENT STRATEGY (CONTINUED)



Commodity Trading funds, which offer portfolio diversification, can be volatile and subject to wild short-term price swings. During the year, declining oil and other commodity prices impacted the amount invested in, and the value of, Commodity Trading funds. Long Only Absolute Return funds, which employ skill-based managers who have a flexible investment mandate, an ability to hold cash, charge performance fees and target

sophisticated and institutional investors, are relatively new to investors and experienced positive net inflow of US\$7 billion during the year. Activity for Real Estate funds was relatively quiet during the year, as the market continues to recover from the sub-prime mortgage crisis. With the increase in interest rates and further improvement in housing market prices, more activity is expected for real estate funds in 2015.

Figure 16



Investment Strategy	Opening Net Assets ²⁰	Ending Net Assets	Change in Net Assets ²¹	Net Capital Inflow / Outflow ²²	Dividends	Net Income/ Net Loss
Commodity Trading	41	38	(3)	(4)	0	0
Market Neutral	29	34	5	3	0	2
Long-only absolute return funds	21	29	8	7	0	2
Equity Hedged	18	20	2	0	0	2
Activism	16	22	6	4	0	2
Managed Futures	11	14	3	1	0	2
Private Equity	9	9	0	0	2	2
Real Estate	8	6	(2)	(1)	0	0
Passive Management / Index	6	6	0	3	0	1
Equity Market Neutral	6	10	4	4	0	1
Foreign Exchange	3	4	1	1	0	0
Other	169	200	31	16	2	17
Total	337	392	55	34	4	31
Total from Figure 15	2,794	3,200	406	271	29	158
Total	3,131	3,592	461	305	33	189

²⁰ The decrease from the 2013 ending net assets to the 2014 opening net assets is attributed to new fund authorizations, de-registrations and regulatory waivers during 2014 resulting in a different set of funds filing a 2014 FAR

²¹ Calculated as 2014 Ending Net Assets minus 2014 Opening Net Assets

²² Calculated as 2014 Subscriptions minus 2014 Redemptions.

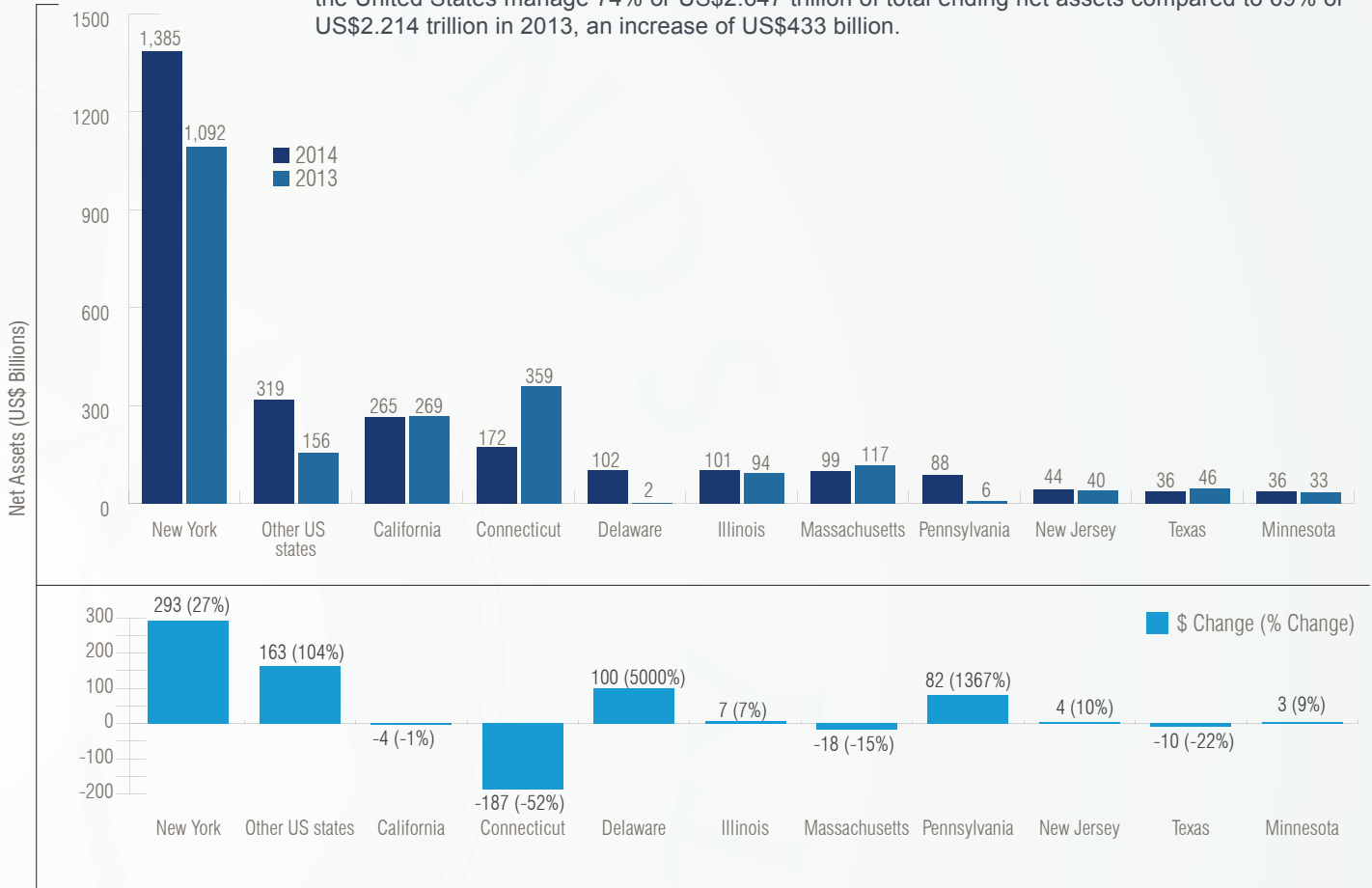


STATISTICAL TREND ANALYSIS

NET ASSETS BY INVESTMENT MANAGER LOCATION - USA

For this year's Digest, additional details on US states providing investment management services have been included. As in the prior year, New York firms are most represented, managing 39% (2013: 34%) of ending net assets. In addition to the states listed below, investment management services are carried out in 35 other US states including Colorado, Florida and Washington. Firms in the United States manage 74% or US\$2.647 trillion of total ending net assets compared to 69% or US\$2.214 trillion in 2013, an increase of US\$433 billion.

Figure 17



Investment Manager Location	2014 Net Assets (US\$ Billions)	2014 % Allocated	2013 Net Assets (US\$ Billions)	2013 % Allocated	\$ Change (US\$ Billions)	% Change
New York	1,385	39%	1,092	34%	293	27%
Other US states	319	9%	156	5%	163	104%
California	265	7%	269	8%	(4)	-1%
Connecticut	172	5%	359	11%	(187)	-52%
Delaware	102	3%	2	0%	100	5000%
Illinois	101	3%	94	3%	7	7%
Massachusetts	99	3%	117	4%	(18)	-15%
Pennsylvania	88	2%	6	0%	82	1367%
New Jersey	44	1%	40	1%	4	10%
Texas	36	1%	46	2%	(10)	-22%
Minnesota	36	1%	33	1%	3	9%
Total USA	2,647	74%	2,214	69%	433	19%

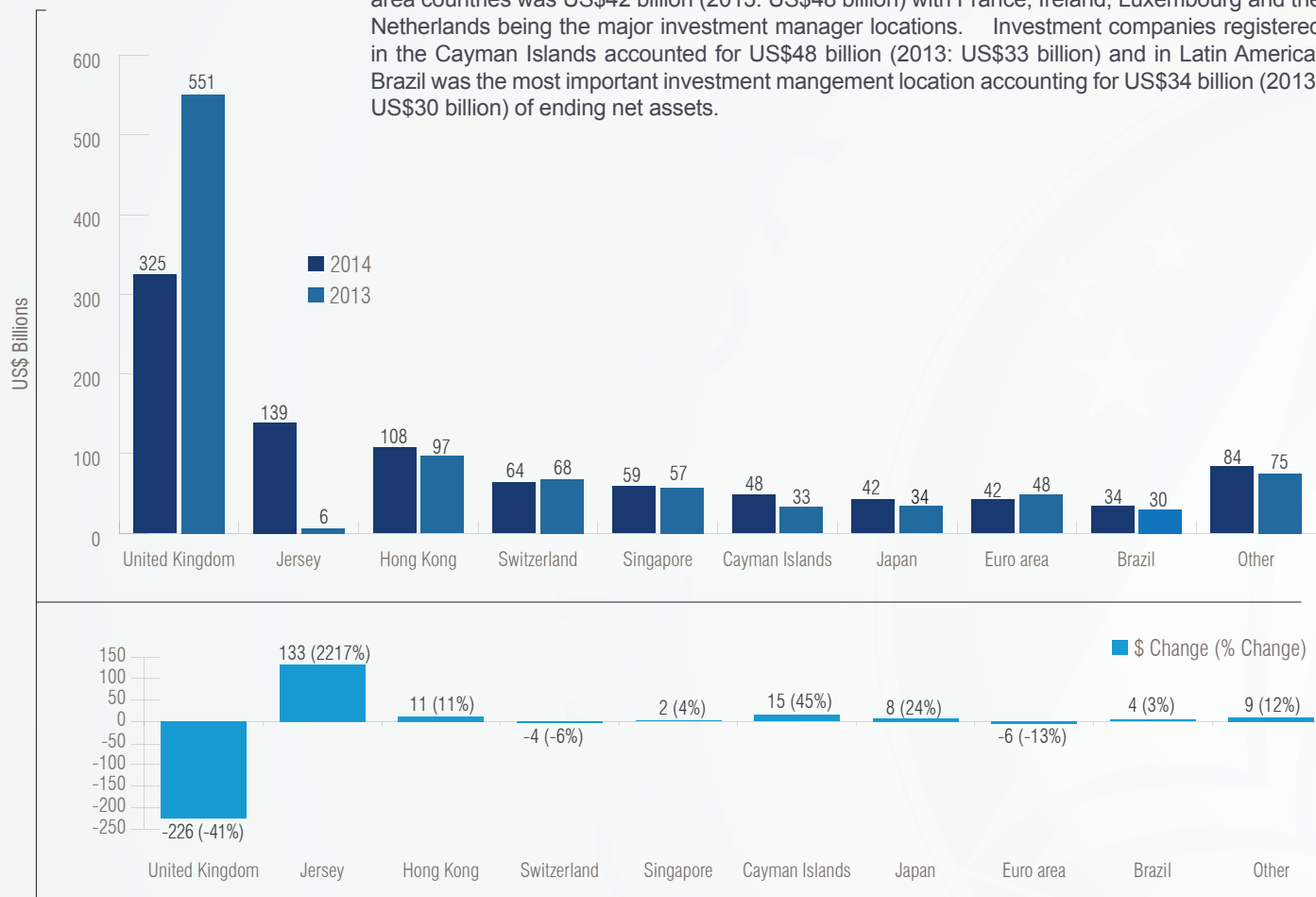
STATISTICAL TREND ANALYSIS

NET ASSETS BY INVESTMENT MANAGER LOCATION - OTHER



Of the 26% of ending net assets managed by companies outside the United States, the UK accounted for 9% or US\$325 billion (2013: US\$551 billion). Although there was a decrease in investments managed by onshore UK companies, Jersey reflected a significant increase from US\$6 billion to US\$139 billion in net assets under management as business moved from the UK with the introduction of new taxes for investment managers. Investments managed by Euro area countries was US\$42 billion (2013: US\$48 billion) with France, Ireland, Luxembourg and the Netherlands being the major investment manager locations. Investment companies registered in the Cayman Islands accounted for US\$48 billion (2013: US\$33 billion) and in Latin America, Brazil was the most important investment management location accounting for US\$34 billion (2013: US\$30 billion) of ending net assets.

Figure 18



Investment Manager Location	2014 Net Assets (US\$ Billions)	2014 % Allocated	2013 Net Assets (US\$ Billions)	2013 % Allocated	\$ Change (US\$ Billions)	% Change
United Kingdom	325	9%	551	17%	(226)	(-41%)
Jersey	139	4%	6	0%	133	2217%
Hong Kong	108	3%	97	3%	11	11%
Switzerland	64	2%	68	2%	(4)	(-6%)
Singapore	59	2%	57	2%	2	4%
Cayman Islands	48	1%	33	1%	15	45%
Japan	42	1%	34	1%	8	24%
Euro area	42	1%	48	1%	(6)	(-13%)
Brazil	34	1%	30	1%	4	13%
Other	84	2%	75	2%	9	12%
Total - Other	945	26%	999	31%	(54)	(-5%)
Total - USA	2,647	74%	2,214	69%	433	19%
Ending Net Assets	3,592	100%	3,213	100%	379	12%

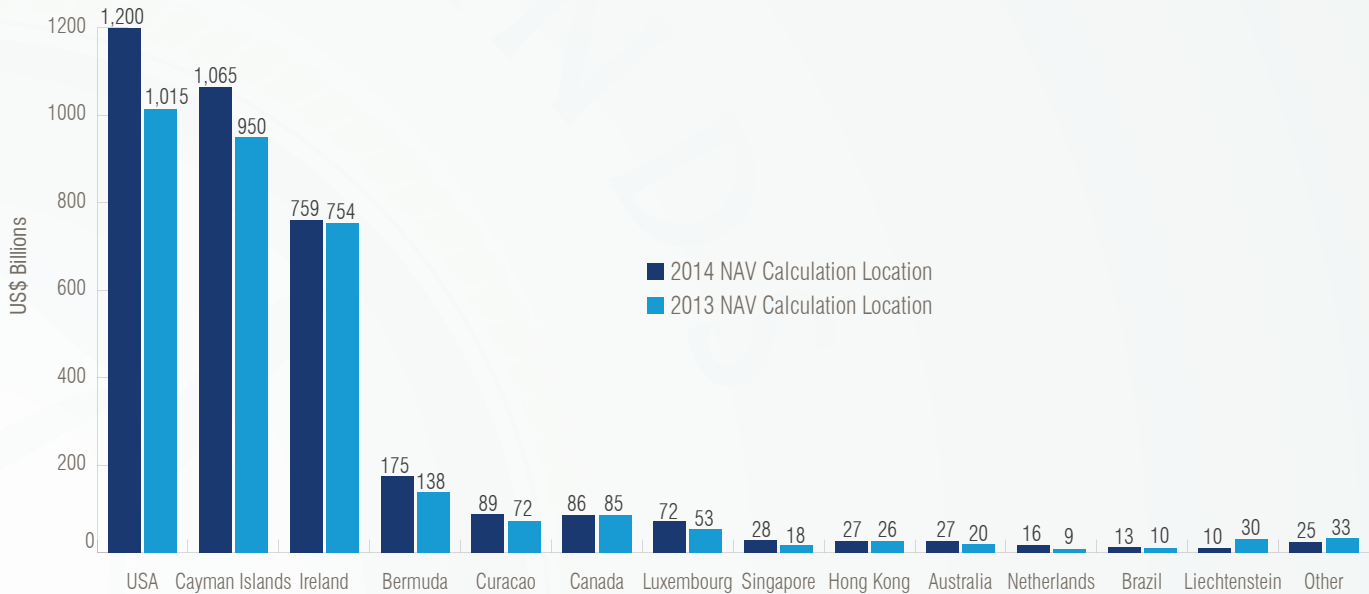


STATISTICAL STAND-ALONE ANALYSIS

NET ASSET VALUE (NAV) CALCULATION LOCATION

As in the prior years, the United States²³ remained the leading jurisdiction for the provision of Net Asset Value (NAV) calculation services, with the Cayman Islands and Ireland as the number two and three jurisdictions. Together these countries accounted for 84% of ending NAV calculation locations. For this Digest, locations have been expanded to include NAV calculation location services provided in jurisdictions such as Singapore and Brazil.

Figure 19



NAV Calculation Location	2014 Net Assets (US\$ Billions)	Percentage	2013 Net Assets (US\$ Billions)	Percentage
USA	1,200	33%	1,015	32%
Cayman Islands	1,065	30%	950	30%
Ireland	759	21%	754	23%
Bermuda	175	5%	138	4%
Curacao	89	2%	72	2%
Canada	86	2%	85	3%
Luxembourg	72	2%	53	2%
Singapore	28	1%	18	0.5%
Hong Kong	27	1%	26	1%
Australia	27	1%	20	0.5%
Netherlands	16	0.5%	9	0%
Brazil	13	0.5%	10	0%
Liechtenstein	10	0%	30	1%
Other	25	1%	33	1%
Total	3,592	100%	3,213	100%

²³Top five USA states: Massachusetts, New York, New Jersey, Illinois and Pennsylvania

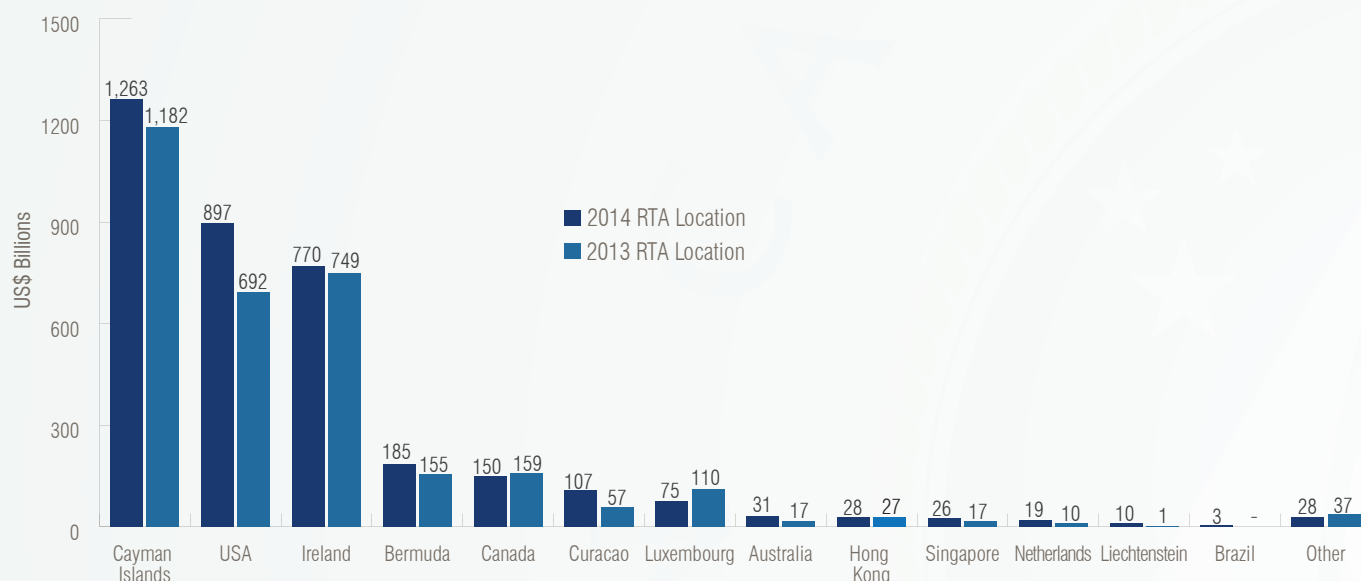
STATISTICAL STAND-ALONE ANALYSIS

REGISTRAR AND TRANSFER AGENT (RTA) CALCULATION LOCATION



In addition to being one of the most important offshore jurisdictions for the registration of mutual funds, the Cayman Islands is the leading Registrar and Transfer Agent (RTA) service location. In 2014, Cayman Islands fund administrators provided services to 35% of Cayman funds (2013: 37%). The United States²⁴ and Ireland provided services to 25% and 21% of these funds, respectively. These are also the three main countries that provide NAV calculation services to Cayman funds.

Figure 20

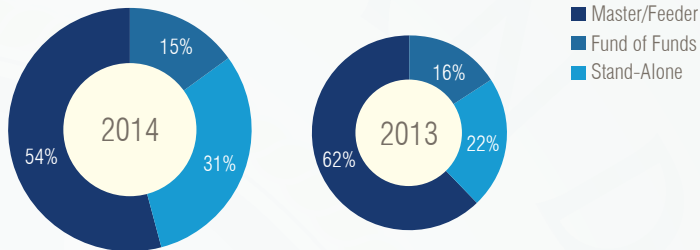


RTA Location	2014 Net Assets (US\$ Billions)	Percentage	2013 Net Assets (US\$ Billions)	Percentage
Cayman Islands	1,263	35%	1,182	37%
USA	897	25%	692	22%
Ireland	770	21%	749	23%
Bermuda	185	5%	155	5%
Canada	150	4%	159	5%
Curacao	107	3%	57	2%
Luxembourg	75	2%	110	3%
Australia	31	1%	17	0.5%
Hong Kong	28	1%	27	1%
Singapore	26	1%	17	0.5%
Netherlands	19	1%	10	0%
Liechtenstein	10	0%	1	0%
Brazil	3	0%	-	0%
Other	28	1%	37	1%
Total	3,592	100%	3,213	100%

²⁴Top five USA states: Massachusetts, New York, Pennsylvania, Connecticut and Minnesota

Operating Structure of All Regulated Mutual Funds

Figure 21

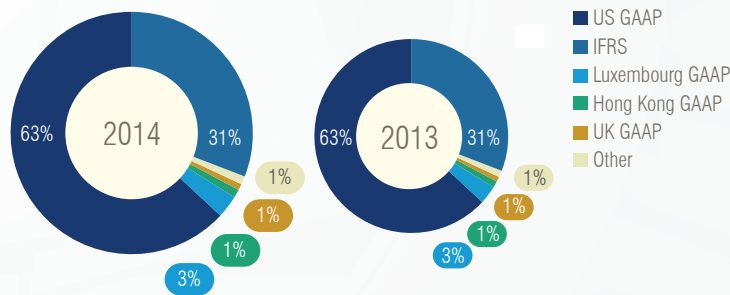


Operating Structure	2014	2013
Master / Feeder	54%	62%
Fund of Funds	15%	16%
Stand-Alone	31%	22%

The data presented combine the results of the Master, Registered, Administered and Licensed Funds that filed a FAR in 2014 and 2013. In 2014, 54% of the funds reported using a master/feeder structure, 15% reported a fund of funds structure and the remaining 31% were stand-alone funds.

Accounting Standard of All Regulated Mutual Funds

Figure 22



Accounting Standards	2014	2013
US GAAP	63%	63%
IFRS	31%	31%
Luxembourg GAAP	3%	3%
Hong Kong GAAP	1%	1%
UK GAAP	1%	1%
Other	1%	1%

The data presented combine the results of the Master, Registered, Administered and Licensed Funds that filed a FAR in 2014 and 2013. The two main accounting standards utilized by all funds are United States Generally Accepted Accounting Principles (US GAAP) and International Financial Reporting Standards (IFRS). In 2014, 63% of the funds presented their financial statements using US GAAP and 31% used IFRS. The data indicates that Luxembourg GAAP was used by 3% of funds. The remaining 3% used accounting principles and standards in Hong Kong, the UK and from various other jurisdictions.

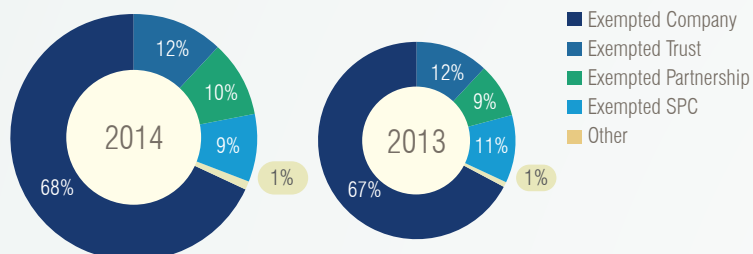
STATISTICAL TREND ANALYSIS

LEGAL STRUCTURE & STOCK EXCHANGE



Legal Structure of All Regulated Mutual Funds

Figure 23

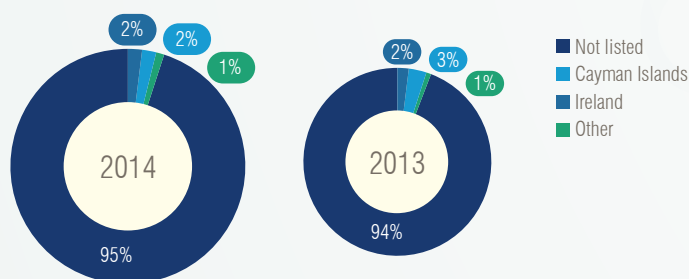


Legal Structure	2014	2013
Exempted Company	68%	67%
Exempted Trust	12%	12%
Exempted Partnership	10%	9%
Exempted SPC	9%	11%
Other	1%	1%

The data presented combine the results of the Master, Registered, Administered and Licensed Funds that filed a FAR in 2014 and 2013. In 2014, 68% of the funds were Exempted Companies, 12% were Exempted Trusts, 10% were Exempted Partnerships and 9% were Exempted Segregated Portfolio Companies (SPCs). The remaining 1% were attributed to Limited Duration Companies, Limited Liability Companies and Foreign Companies.

Stock Exchange of All Regulated Mutual Funds

Figure 24



Stock Exchange	2014	2013
Not listed	95%	94%
Cayman Islands	2%	3%
Ireland	2%	2%
Other	1%	1%

The data presented combine the results of the Master, Registered, Administered and Licensed Funds that filed a FAR in 2014 and 2013. In 2014, 95% of the funds did not list their equity interests on a recognised stock exchange. Additionally, 2% of the funds were listed on the Cayman Islands Stock Exchange and 2% were listed on the Irish Stock Exchange. Other international stock exchanges accounted for the remaining 1%.

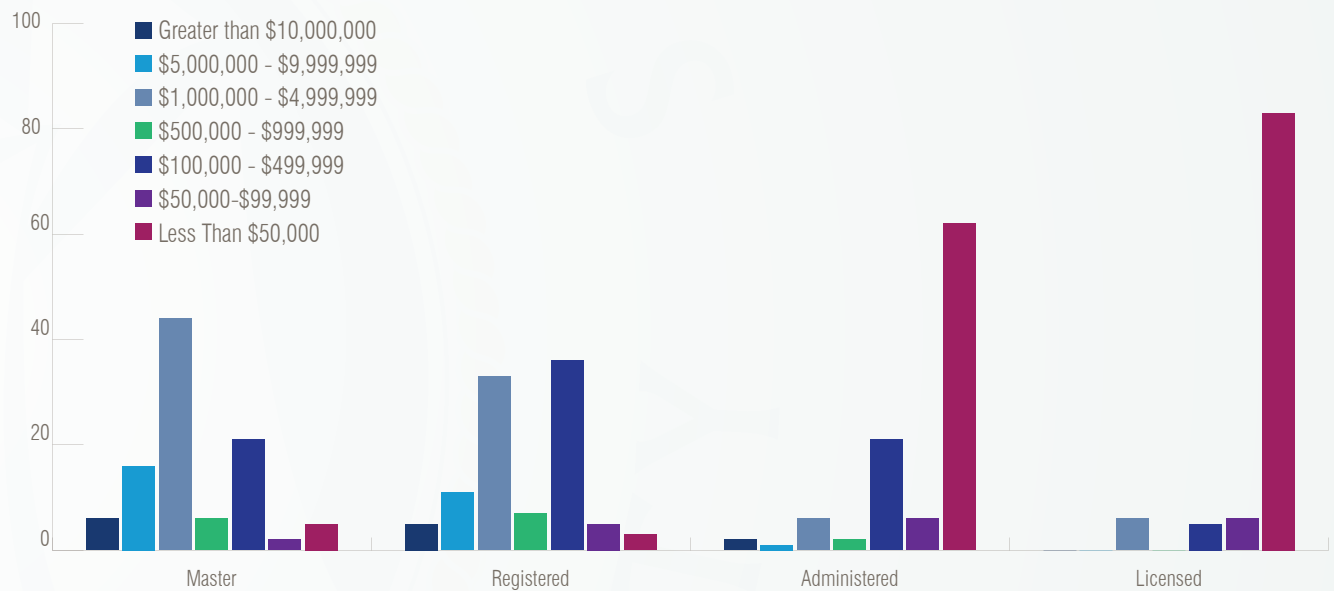


STATISTICAL STAND-ALONE ANALYSIS

MINIMUM INITIAL SUBSCRIPTION AMOUNT

Cayman Islands Registered funds must either have a CI\$80,000 (US\$100,000) minimum subscription, or have their equity interest listed on a recognised (CIMA-approved) stock exchange. The majority of funds registered by CIMA are investment funds that cater to sophisticated high net-worth individuals or institutional investors such as public and private pension funds, insurance companies, foundations and endowments and sovereign wealth funds. For funds filing a FAR in 2014, 44% of the Master funds and 33% of Registered funds required a minimum initial investment of US\$1 million. However, for Administered and Licensed funds, which do not have a minimum subscription amount, 62% and 83%, respectively, of the funds had a lower threshold for minimum initial investment at less than US\$50,000.

Figure 25



Minimum Initial Subscription Amount (US\$)	Master	Registered	Administered	Licensed
Greater than \$10,000,000	6%	5%	2%	0%
\$5,000,000 - \$9,999,999	16%	11%	1%	0%
\$1,000,000 - \$4,999,999	44%	33%	6%	6%
\$500,000 - \$999,999	6%	7%	2%	0%
\$100,000 - \$499,999	21%	36%	21%	5%
\$50,000-\$99,999	2%	5%	6%	6%
Less Than \$50,000	5%	3%	62%	83%
Total	100%	100%	100%	100%

GLOSSARY OF TERMS



Activism – investors targeting companies they believe are undervalued based on financial statement statistics or investment managers that are equipped with more suitable financial incentives and organizational structures for pursuing agendas such as corporate governance.

Arbitrage – a fund which tries to take advantage of price discrepancies for the same asset in different markets. Convertibles are hybrid securities that combine a straight bond with an equity option.

Asset Allocation – the process of dividing investments among different kinds of assets/liabilities, such as private or publicly traded equities, bonds, currencies, real estate, derivative securities, and over-the-counter contracts.

Cayman Islands Monetary Authority (CIMA) – was established as a body corporate under The Monetary Authority Law (2013 Revision). CIMA has four principal functions: 1) Monetary - the issue and redemption of Cayman Islands currency and the management of currency reserves, 2) Regulatory - the regulation and supervision of financial services, the monitoring of compliance with money laundering regulations, the issuance of a regulatory handbook on policies and procedures and the issuance of rules and statements of principle and guidance, 3) Cooperative - the provision of assistance to overseas regulatory authorities, including the execution of memoranda of understanding to assist with consolidated supervision, 4) Advisory - the provision of advice to the government on monetary, regulatory and cooperative matters.

Collateralised Swaps – financial security collateralised by swaps of different maturities and credit quality and issued in tranches representing the order in which losses from the portfolio are distributed.

Commodity Strategy – a strategy that invests in commodity securities, usually through futures contracts. The underlying asset or liability in a commodity derivative security is a future quantity of a physical substance, such as food, grains, and metals, which two parties have agreed to trade at a predetermined price.

Corporate Governance – the set of processes, customs, policies, laws and institutions affecting the way a corporation is directed, administered or controlled and includes the relationships among the many stakeholders involved and the goals for which the corporation is governed. The objective is to ensure accountability of actions and decisions made during the course of business.

Distressed Debt Strategy – a strategy that invests in the security of a company undergoing or expected to undergo bankruptcy or restructuring in an effort to avoid insolvency. Dividends/Distributions – a payment of a portion of a hedge fund's net asset or equity to the shareholders, declared by the fund's board of directors.

Dividends/Distributions – a payment of a portion of a hedge fund's net asset or equity to the shareholders, declared by the fund's board of directors.

Dynamic Trading – a strategy that involves rebalancing hedge positions as market conditions change.

Emerging Markets Strategy – a strategy that invests in the financial markets of developing countries, usually in small markets with short operating histories.

E-Reporting – a secure, web-based system that allows regulated hedge funds to electronically submit a FAR along with a copy of their annual audited financial statements.

Equity Hedged – buys stocks that are undervalued and short-sells stocks that are overvalued.

Equity Market Neutral – hedge fund strategy that seeks to exploit investment opportunities unique to some specific group of stocks while maintaining a neutral exposure to broad groups of stocks defined for example by sector, industry, market capitalisation, country or region.

Event Driven Strategy – a strategy that seeks to exploit relative mispricing between securities whose issuers are involved in mergers, divestitures, restructurings or other corporate events.

Exempted Company – a company carrying on business activities primarily outside of the Cayman Islands.

Exempted Limited Partnership – the Exempted Limited Partnership Law (2014 Revision) makes it possible to form limited partnerships for offshore investors. Such a partnership may not undertake business with the public in the Cayman Islands, other than as necessary for the carrying on of business outside of Cayman. A partner may be a general or limited partner as well as corporations with or without limited liability.

Exempted Segregated Portfolio Company (SPC) – a type of exempted company, which allows the separation of assets and liabilities between different segregated portfolios, established under one company.

Exempted Trust – as defined under the Trusts Law (2011 Revision) a trust where none of the beneficiaries is not and is not likely at any time to be resident or domiciled in the Islands.

FAR – Is the Fund Annual Return which is required to be filed with CIMA pursuant to the Mutual Funds (Annual Returns) Regulations, 2006.

Fixed Income Strategy – a strategy that focuses on purchasing securities with specific interest rates, such as a bond, money market instrument, or preferred stock.

Foreign Exchange – purchase and sale of foreign currencies to meet investment objectives.

Fund of Funds – a hedge fund which invests in the shares of other hedge funds. These funds are designed to achieve greater diversification than traditional hedge funds.

Generally Accepted Accounting Principles (GAAP) – a widely-accepted set of rules, principles, conventions, standards, and procedures for reporting financial information. US GAAP was established by the Financial Accounting Standards Board (FASB) in the US.



GLOSSARY OF TERMS

Global Macro Strategy – a strategy that invests in securities throughout the world. Additional risks associated with global macro strategies include currency fluctuations and political and economic instability.

Global Trading – closed-end or exchange traded fund that can invest in companies located anywhere in the world, including the investor's own country. These funds provide more global opportunities for diversification and act as a hedge against inflation and currency risks.

Hedge Fund – a private investment vehicle, usually owned by high net-worth, sophisticated individuals and institutional investors, which allows for the aggressive use of investment strategies that are typically unavailable to conventional mutual funds, including short selling, leverage, program trading, swaps, arbitrage, and other derivatives. The net assets are managed by an investment manager/ advisor or management company, to which investors in the hedge fund pay a performance fee and management fee.

Industry Best Practice – a framework or methodology that through extensive analytical research and testing trials, has delivered successful outcomes, and is proven to reliably lead to a most-desired result each time.

Industry Standard – an adopted policy or procedure that fulfils the expectations held by industry stakeholders regarding an entity's use of resources, operational policies or procedures or quality of end-product or service offered.

International Financial Reporting Standards (IFRS) – standards and interpretations adopted by the International Accounting Standards Board (IASB).

Insurance Linked Securities – financial instruments whose values are driven by insurance loss events.

Investment Manager – an individual, group of individuals or entity that performs investment management or advisory services to a hedge fund.

Investment Strategy – an investment plan of acquiring and managing the assets and liabilities that is designed to effectively achieve the investment objectives of the hedge fund, while taking into account certain investment restrictions and risk tolerance levels.

Long-only absolute return – funds that aim to deliver positive return regardless of market conditions by balancing traditional longer-term equity investments with other investment techniques with the aim of continuing to generate a positive return even when the value of a market falls.

Long/Short Strategy – a strategy that focuses on the current and speculative future prices of a security. Having a long position indicates ownership of a security, and appears as an asset on the balance sheet. A short position is the obligation to sell a certain quantity of a security at a particular price in the future, which appears as a liability on the balance sheet.

Managed Futures – investment in government securities, futures contracts and options on futures contracts.

Market Neutral Strategy – a strategy that aims to produce almost the same profit regardless of market circumstances.

Master Fund – as defined under the Mutual Funds Law (2015 Revision) means a company, partnership or unit trust that -

- a) is established or incorporated, as the case may be, in the Islands;
- b) issues equity interests to one or more investors;
- c) holds investments and conducts trading activities for the principal purpose of implementing the overall investment strategy of the regulated feeder fund;
- d) has one or more regulated feeder funds either directly or through an intermediary entity established to invest in the master fund; and
- e) is not licensed under the Banks and Trust Companies Law (2013 Revision) or the Insurance Law, 2010, or registered under the Building Societies Law (2014 Revision) or the Friendly Societies Law (1998 Revision).

Master/Feeder Fund – a feeder hedge fund typically raises shareholder capital and invests the proceeds into the shares of a master hedge fund. The master hedge fund conducts the purchasing and selling of portfolio investments using the proceeds received from the feeder fund investor.

Minimum Initial Subscription – the minimum amount an investor must initially subscribe into a hedge fund.

Mortgage-backed securities – an asset-backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans.

Multi-Strategy – a combination of investment strategies used within the same hedge fund to manage the assets and liabilities and generally achieve a high degree of diversification.

Mutual Fund Administrator – as defined under the Mutual Funds Law (2015 Revision) means a person who conducts mutual fund administration in or from the Islands and includes a company formed under the Companies Law, a foreign company registered pursuant to Part IX of the Companies Law, a limited partnership registered under the Partnership Law (2013 Revision) or an Exempted Limited Partnership registered under the Exempted Limited Partnership Law (2014 Revision) that conducts mutual fund administration outside the Islands.

Net Asset Value (NAV) – the monetary market value of a fund, based on the fair value of the underlying assets minus the fair value of the liabilities. Net asset value per share of the fund is calculated as the total net assets divided by the number of shares outstanding.

NAV Calculation Agent – an administrative service provider that performs the accounting function, including the compilation and reconciliation of portfolio assets and liability positions and the calculation of the total net asset value of the hedge fund. This also includes verifying,

Scale:

US\$1 Trillion = US\$1,000,000,000,000 US\$1 Billion = US\$1,000,000,000

US\$1 Million = US\$1,000,000

GLOSSARY OF TERMS



accruing or calculating other operational assets and liabilities, such as cash, prepaid expenses, subscriptions received in advance or fees payable. The NAV calculation agent may also be responsible for independently pricing the investments held in the portfolio, depending on the service contract.

Net Income – the amount remaining after expenses and losses are subtracted from a hedge fund’s revenue earned over a period. Revenues include realised gains from the purchase/sale of investments, as well as unrealised gains from the change in fair value of investments held in the portfolio. Revenues also include interest and dividends earned from investments held in the portfolio. Expenses include fees payable to the investment manager, such as performance and management fees, legal fees, and administration fees, accounting fees and audit fees. Losses include those realised from the sale of investments and unrealised losses from the change in fair value of investments held in the portfolio.

Net Subscriptions – the total value of subscriptions less the total value to redemptions over a period to result in a net increase or net decrease of cash flows resulting from shareholder activity.

Passive Management/Index – managing of a mutual fund by relying on automatic adjustments such as tracking index instead of making personal judgments.

Passive Management/Index – managing of a mutual fund by relying on automatic adjustments such as tracking index instead of making personal judgments.

Plain Vanilla Securities - The most basic or standard version of a financial instrument.

Private Equity – collective investment scheme used for making investments in various equity (and to a lesser extent debt) securities of companies that are not publicly traded or on an exchange.

Real Estate Mutual Fund – type of investment made up of securities usually stocks, of companies that purchase real estate with money collected from investors.

REEFS – Regulatory Enhanced Electronic Forms Submissions – e-reporting system used by CIMA to receive FAR, offering documents, new applications and registrations and changes to existing license information such as directors, investment managers and addresses.

Relative Value Strategy – a strategy that measures the value of one security relative to another by comparing the securities using certain measurements, and determining the degree a security is under or over-valued.

Redemption – the total or partial return of an investor’s ownership stake in the hedge fund in exchange for proceeds calculated at a price equal to the net asset value per share of the hedge fund.

Registrar and Transfer Agent (RTA) – an agent that processes shareholder subscriptions, redemptions and transfers. A register of shareholder ownership is also maintained for the fund on an on-going basis.

Registrar of Companies – a government body that is within the Cayman Island’s General Registry. Registration is governed by the Companies Law (2013 Revision). It is responsible for registration of companies, limited partnerships and exempted trusts.

Return on Assets – a measure of a hedge fund’s performance, calculated as the net income of a period divided by the total gross assets, expressed as a percentage.

Return on Net Assets – a measure of a hedge fund’s performance, calculated as the net income of a period divided by the total net assets, expressed as a percentage.

Stand-Alone – A hedge fund that invests mainly in individual securities.

Subscription – the act of institutional or individual investors purchasing equity interests of a hedge fund by subscribing an initial minimum monetary amount or subsequent amount in exchange for ownership of shares or units in the entity at a price equal to the net asset value of the hedge fund.

Total Assets – the sum of current and long-term assets owned by an entity. Three characteristics of an asset are that its future benefit of contributing to income generation is probable, the entity can control access to the asset or benefit, and a transaction rise to the transfer of ownership, or risks and rewards associated with that ownership, has occurred.



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