



Semi-Annual Report 2016

Transtrend Fund Alliance

Incorporated under Luxembourg law

Transtrend Fund Alliance

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No subscriptions can be accepted on the basis of financial reports such as this report alone. Subscriptions may only be accepted on the basis of the current prospectus, supplemented by the latest annual report of Transtrend Fund Alliance and on the latest available semi-annual report (if later than such annual report). Financial reports and the prospectus may be obtained at the registered office of Transtrend Fund Alliance.

Transtrend Fund Alliance

GENERAL INFORMATION

Transtrend Fund Alliance is a collective investment undertaking incorporated as a "Société d'Investissement à Capital Variable" (Sicav) under Luxembourg law.

Register of Commerce

RCS Luxembourg B 97101

Registered Office

5, Allée Scheffer
L-2520 Luxembourg

Board of Directors

- Chairman, Mikan van Zanten, Managing Director of Robeco Luxembourg S.A., Luxembourg, Grand Duchy of Luxembourg
- Joep van den Broek, Managing Director of Transtrend B.V., Rotterdam, the Netherlands
- Thomas Nummer, independent director of various funds, Luxembourg, Grand Duchy of Luxembourg
- Hans-Willem baron van Tuyll van Serooskerken, independent director of and adviser to various funds and companies, Fenalet-sur-Bex, Switzerland

Manager

Transtrend B.V.
Weena 723, Unit C5.070
NL-3013 AM Rotterdam

Depository and Administrator

CACEIS Bank Luxembourg S.A.
5, Allée Scheffer
L-2520 Luxembourg

Independent Auditor

KPMG Luxembourg, Société coopérative
39, Avenue John F. Kennedy
L-1855 Luxembourg

Swiss Representative

Hugo Fund Services S.A.
6, Cours de Rive
CH-1204 Geneva

Swiss Paying Agent

Banque Cantonale de Genève
17, Quai de l'Île
CH-1204 Geneva

Transtrend Fund Alliance

REPORT OF THE BOARD OF DIRECTORS

Investment policy

The sub-funds of Transtrend Fund Alliance (the "Company") trade pursuant to Transtrend's Diversified Trend Program, at different risk profiles. The size of each sub-fund's participation in the program is defined as the trading level. This trading exposure is adjusted at the beginning of each calendar month to a level of one time the sub-fund's net asset value or to a multiple thereof. In other words, by applying a leverage factor a sub-fund may have a higher exposure to a certain risk profile of Transtrend's Diversified Trend Program than the size of its net assets.

MultiTrend (EUR) trades pursuant to the Diversified Trend Program's Standard Risk profile at two times the net asset value. The OmniTrend funds trade pursuant to the Enhanced Risk profile of the Diversified Trend Program. OmniTrend (EUR) and OmniTrend (USD) participate at one time the net asset value whereas OmniTrend Plus (EUR) and OmniTrend Plus (USD) trade at 1.5 times the net asset value.

More information about the Company's risk profile and risk management can be found in the supplementary information included in this report.

Investment results and cash flow

All sub-funds of the Company reported a decent positive return over the first half of 2016, as presented in the table below. Transtrend's market report, which is included in this semi-annual report, provides an explanation of the performance of the Diversified Trend Program over this period.

Sub-fund	NAV 30/6/2016	NAV 31/12/2015	Net return
MultiTrend (EUR)	€ 2,958.70	€ 2,666.90	10.94%
OmniTrend (EUR)	€ 2,580.36	€ 2,379.06	8.46%
OmniTrend Plus (EUR)	€ 3,522.05	€ 3,111.34	13.20%
OmniTrend (USD)	\$ 2,294.37	\$ 2,105.13	8.99%
OmniTrend Plus (USD)	\$ 3,646.43	\$ 3,200.29	13.94%

The value of your investment can fluctuate. Past performance is not necessarily indicative of future results.

The total return for an individual investor is a combination of (i) the development of the sub-fund's net asset value per share since his investment and (ii) the development of his individual equalisation adjustment, if any.

On aggregate, there was a net cash outflow of approximately EUR 54 million for the Company over the reporting period. The cash outflow and the positive performance combined resulted in an increase of the total net asset value of the Company by approximately 2%. The total net asset value of the Company amounts to approximately EUR 968 million per the end of the reporting period.

The aggregate trading level of the sub-funds per the end of June 2016 amounted to EUR 1,082 million, being approximately 18% of the total assets under management (including notional funds) in Transtrend's Diversified Trend Program.

Governance

On 12 May 2016, the annual general meeting of shareholders was held in Luxembourg at the registered office of the Company. The shareholders approved, among others, the 2015 annual accounts of the Company, discharged the directors of the Company for the performance of their duties during the financial year 2015, and re-elected the current directors and the independent auditor until the next annual general meeting in 2017.

The Board of Directors has adopted the principles of the ALFI Code of Conduct.

Transtrend Fund Alliance

Prospectus

An updated prospectus became available in January 2016, of which all shareholders were notified. The most notable change was that the minimum initial subscription amount and the minimum holding requirement of EUR 1,000,000 or USD 1,000,000 for the OmniTrend sub-funds, as applicable, may be waived to a lesser amount, at the discretion of the Board of Directors or the Manager, in no case being less than EUR 250,000 or USD 250,000 respectively. This information can also be found on the sub-funds' websites www.multitrend.com and www.omnitrend.lu.

Investors

Regulatory developments in the field of anti-money laundering/counter terrorist financing (AML/CTF) and the prevention of tax evasion require the Company to request an increasing amount of information from investors for identification purposes, not only upon initial investment but also during the relationship. For instance, CACEIS Bank Luxembourg (CACEIS) in its role as administrator of the Company is currently collecting on behalf of the Company self-certifications from all investors, who are in scope of the Common Reporting Standard for the automatic exchange of financial account information for tax purposes. Also, CACEIS' activities for the Company to meet its documentary identification requirements under the currently prevailing AML/CTF regulations have not gone unnoticed. The Board of Directors highly appreciates all efforts of investors to provide the requested documentation to CACEIS, especially in light of the recurring, often perceived as redundant, requests.

Other developments

Coöperatieve Rabobank Rotterdam U.A., a bank of all sub-funds where part of their excess cash is held, merged with all other Dutch Rabobanks into one entity in January 2016. The resulting entity, Coöperatieve Rabobank U.A., is now the counterparty for the cash accounts which the sub-funds held with Rabobank Rotterdam.

Post balance sheet developments

A repositioning of Transtrend as indirect subsidiary to a position as a direct subsidiary of Robeco Groep N.V. will be implemented in the coming months. This repositioning of Transtrend is realised by means of legal demergers and mergers. As a result hereof, two newly incorporated entities will subsequently become the temporary direct shareholder of Transtrend. It is expected that the changes are implemented by mid November 2016. From that time, 100% of the voting interest in Transtrend will be owned by Robeco Groep N.V., which is owned approximately 90.01% by Orix Corporation and the remainder by Rabobank. The prospectus will be updated in due course to reflect these changes.

The Board of Directors
Luxembourg, 25 August 2016

Transtrend Fund Alliance

MARKET REPORT OF THE MANAGER

After 2015 ended with declining commodity prices, disappointing Chinese economic growth numbers on the first day of the year immediately set the tone for the start of 2016: one big, swelling trend, made up of declining commodity and equity markets, declining currencies of commodity-rich and/or emerging economies and rising (safe haven) bond markets. In other words: one big risk-off trend. And since the Diversified Trend Program (DTP) was sizeably invested in this trend, the program experienced a healthy start of the year.

As a result of various central bank interventions from the last week of January onwards – a rate cut by the Bank of Japan, a delay of further rate rises by the Fed and a continued QE-policy by the ECB – this broad trend eventually broke. These interventions caused reversals in many components of the risk-off trend (stocks and commodities turned upwards, the U.S. dollar turned downwards), but at the same time they also fueled the continued rise of bond markets. As central banks continued to operate along these lines, despite some doubts about this in March and April, it is not a surprise that DTP profited the most from long positions in bond markets in the first half of 2016.

This does not mean that DTP was heavily invested in just long bonds. Precisely as we aim for, DTP was most of the time also sizeably invested in other markets – markets that were mainly driven by other factors. These positions offered a lot of diversification. But ultimately they did not bring the same results as long bonds. What were these other factors?

Most agricultural markets were dominated by the effects of El Niño. This climatic phenomenon caused severe droughts in most of the southern hemisphere, but excessive rains in Argentina. It turned out to have a positive effect on the growing of winter wheat in Europe and the U.S., and it motivated U.S. farmers from outside the traditional Corn Belt to plant more corn and less other grains and oilseeds. Some of the resulting price effects were not very beneficial for DTP. For instance, a sharp upturn of the sugar price in February caused significant losses on sugar shorts. But in the grains and oilseeds DTP profited from El Niño-induced trends, above all via 'synthetic' markets (*i.e.* combinations of two futures markets), for instance through its long soybeans versus short wheat positions.

DTP also picked up trends in various other local factors. Trends driven by troubled Italian banks brought losses in April, but profits in June. The economic developments and the political developments in Turkey brought profits in March and April, but significant losses in May. The developments in Brazil were somewhat comparable, initially bringing some losses but eventually resulting in profits in June. The Brexit referendum became a relevant local factor in February with the entrance of Boris Johnson on this stage, initially only impacting British markets, driving the British pound down and British interest rate instruments up. DTP profited from this trend, despite losing money every time there was a reaction in this trend. In June, Brexit caused more (global) volatility. The kind of volatility that is close to ideal for the program.

We can split DTP's positions at the start of June in four categories:

1. Positions that were effective Brexit-positions, meaning positions in trends that were to a large extent driven by (the fear for) a potential Brexit. This included short positions in the British pound versus other currencies, long positions in British interest rate instruments and, even though concerns about the stability of Italian banks were another relevant factor, short positions in European banks (depicted in graph 1).
2. Typical safe haven positions, such as longs in U.S. and German interest rate instruments, long gold (depicted in graph 2), long Japanese yen and long U.S. dollar. Even though the trends in most of these markets were initially driven by other factors than Brexit such as the (assumed) Fed policy, approaching the referendum, Brexit became a driving factor too.
3. A large group of typical risk-on positions. These were also almost completely driven by other factors than Brexit, but given their risk-on characteristic, it could be foreseen that a Brexit would have a (most probably only short-term) negative impact on them. This category included various longs in global (non-British, non-financial) stock markets, longs in Italian and Spanish bond markets, longs in emerging market currencies and longs in various commodities. The MSCI Emerging Markets Index depicted in graph 3 illustrates these market dynamics well.
4. Some positions that were almost completely insensitive to Brexit. This included many positions in synthetic markets that by design are fairly insensitive to more global factors such as 'risk-off'. In these positions, Brexit was effectively hedged away.

To simplify the situation further, we will group together the first two categories as Brexit positions. We will call the third category the Bremain positions. And even though DTP profited from the fourth category in June, we will ignore these positions for now.

Transtrend Fund Alliance

Graph 1: Stoxx 600 Banks Index¹



Graph 2: Gold



Graph 3: Mini MSCI Emerging Markets Index



¹ Source of price data used in all price graphs in this report: Thomson Reuters, Bloomberg and Transtrend.

Transtrend Fund Alliance

The Brexit factor was the dominant factor during the first half of June (the red color in the charts). Initially, DTP on a net basis profited from these market moves, but that reversed around the second weekend of the month, when losses on Bremain positions outsized profits on Brexit positions. During this period, DTP liquidated some risk-on positions, above all shorts in the Swiss franc, but it showed enough robustness to hold on to the largest part of its Bremain positions. Larger was the impact on the size of the Brexit positions: DTP increased these positions by building up larger shorts in European banks and larger longs in gold.

The second (and more difficult) robustness test took place in the week running up to the referendum, after the murder of Member of Parliament Ms. Jo Cox. Bremain-polls triggered strong reverse-Brexit moves. This resulted in large losses on DTP's Brexit positions, partly offset by profits on Bremain positions which DTP held on to. DTP passed this robustness test successfully – neither the Brexit positions nor the Bremain positions were significantly adjusted.

Then, on 24 June, the outcome of the referendum became clear. This immediately triggered huge Brexit moves again. The Brexit positions which DTP held on to, more than made up for their losses suffered earlier that week. But somewhat hidden behind DTP's large net profit on that day were large losses on the Bremain positions. In total, DTP lost roughly 5% on its Bremain positions that Friday.² And some of these losses even increased during the next Monday, especially the losses on longs in U.S. equity markets. So holding on to these temporarily losing positions was yet another robustness test. Which all elements of the program passed again. And during the last few days of the month DTP profited the most from the strong Bremain moves with exactly these positions.

Transtrend B.V.
Rotterdam, July 2016

N.B. This report is prepared by Transtrend and serves to explain the background of the composite performance of its Diversified Trend Program. However, the portfolio composition of individual accounts generally deviates from the composition of the aggregate portfolio, as certain markets may or may not be included in individual portfolios. The value of your investment can fluctuate. Past performance is not necessarily indicative of future results.

² These dynamics are typical of DTP. On days when markets are very volatile, DTP typically doesn't do well in each and every market. The program instead tends to experience a combination of large gains and large losses. We observed similar dynamics on Black Monday 2015, for instance, when DTP scored a healthy positive return for the day, despite losing in aggregate approximately 4% on various positions.

Transtrend Fund Alliance

Financial Statements - Consolidated

Statement of Net Assets

expressed in EUR and in thousands

	Notes	30/06/16	31/12/15
Assets		1,044,902	1,051,254
Investment long portfolio at market value	3.2	154,359	209,281
Deposits, other cash and margin trading and related accounts	6	740,799	767,918
Unrealised gains on forward foreign exchange transactions	3.2	10,326	4,809
Unrealised gains on futures	3.2	128,390	65,949
Unrealised gains on interest rate swaps	3.2	0	449
Other receivables	3.4	11,027	2,847
Liabilities		77,032	101,949
Trading and related accounts overdrafts		19,184	22,416
Unrealised losses on forward foreign exchange transactions	3.2	2,642	13,385
Unrealised losses on futures	3.2	28,519	51,328
Unrealised losses on interest rate swaps	3.2	0	135
Prepaid subscription	9	675	10,242
Other liabilities	3.5	26,012	4,444
Total net assets		967,870	949,304

Transtrend Fund Alliance

Financial Statements - Consolidated

Statement of Operations and Changes in Net Assets

expressed in EUR and in thousands

	Notes	From 01/01/16 to 30/06/16	From 01/01/15 to 31/12/15
Income		841	1,584
Interest on money market instruments		344	301
Bank interest and other interest		497	221
Equalisation credits	3.6	0	1,062
Expenses		27,727	27,550
Management fees	5.1	8,048	17,258
Custodian fees	5.2	102	215
Taxes	4	59	113
Administration fees	5.2	364	775
Equalisation credits	3.6	632	0
Performance fees	5.1	13,922	1,002
Risk monitoring fees	5.5	227	472
Audit fees		27	39
Interest paid		453	697
Legal fees		17	22
Brokerage fees	5.4	3,800	6,802
Other fees and expenses	5.6	77	154
Net gain / (loss) from income and expenses		-26,886	-25,967
Net realised profit / (loss) on financial instruments:			
- money markets instruments	3.7	0	1
- forward foreign exchange contracts	3.7	-15,691	-15,119
- futures contracts	3.7	26,697	70,532
- interest rate swaps	3.7	592	27,504
- foreign exchange	3.7	1,810	-1,983
Movement in net unrealised appreciation / (depreciation) on financial instruments:			
- money market instruments		142	-55
- forward foreign exchange contracts		16,116	2,915
- futures contracts		85,458	-76,801
- interest rate swaps		-313	-18,459
Net increase / (decrease) in net assets from operations		87,925	-37,432
Proceeds from subscriptions		44,234	141,801
Payments for redemptions		-98,463	-211,851
Increase / (decrease) in net assets		33,696	-107,481
Exchange rate adjustments		-15,130	80,622
Net assets at opening date		949,304	976,164
Net assets at closing date		967,870	949,304

MultiTrend (EUR)

Financial Statements

Statement of Net Assets

expressed in EUR and in thousands

	Notes	30/06/16	31/12/15
Assets		47,950	45,410
Deposits, other cash and margin trading and related accounts	6	39,170	41,282
Unrealised gains on forward foreign exchange transactions	3.2	548	231
Unrealised gains on futures	3.2	7,208	3,476
Other receivables	3.4	1,023	421
Liabilities		4,856	9,459
Trading and related accounts overdrafts		1,475	2,434
Unrealised losses on forward foreign exchange transactions	3.2	136	660
Unrealised losses on futures	3.2	1,581	2,413
Prepaid subscription	9	0	3,400
Other liabilities	3.5	1,664	552
Total net assets		43,094	35,951

Number of shares outstanding

01/01/16 - 30/06/16

Ordinary shares

Shares at opening date	13,480.409
Shares subscribed	1,318.210
Shares redeemed	233.278
Shares at closing date	14,565.341

Historical statistics

<i>expressed in EUR</i>	30/06/16	31/12/15	31/12/14
Ordinary shares			
Net assets (in thousands)	43,094	35,951	36,228
Number of shares	14,565.341	13,480.409	12,887.341
Net asset value per share	2,958.70	2,666.90	2,811.14

MultiTrend (EUR)

Financial Statements

Statement of Operations and Changes in Net Assets

expressed in EUR and in thousands

	Notes	From 01/01/16 to 30/06/16	From 01/01/15 to 31/12/15
Income		4	49
Bank interest and other interest		4	8
Equalisation credits	3.6	0	42
Expenses		1,468	1,633
Management fees	5.1	622	1,137
Custodian fees	5.2	4	8
Taxes	4	11	19
Administration fees	5.2	19	47
Equalisation credits	3.6	33	0
Performance fees	5.1	512	7
Audit fees		5	9
Interest paid		46	59
Brokerage fees	5.4	205	328
Other fees and expenses	5.6	10	19
Net gain / (loss) from income and expenses		-1,464	-1,584
Net realised profit / (loss) on financial instruments:			
- money markets instruments	3.7	0	0
- forward foreign exchange contracts	3.7	-821	-592
- futures contracts	3.7	1,079	2,731
- interest rate swaps	3.7	0	1,459
- foreign exchange	3.7	101	-218
Movement in net unrealised appreciation / (depreciation) on financial instruments:			
- money market instruments		0	-1
- forward foreign exchange contracts		842	41
- futures contracts		4,564	-2,873
- interest rate swaps		0	-1,075
Net increase / (decrease) in net assets from operations		4,302	-2,112
Proceeds from subscriptions		3,532	4,801
Payments for redemptions		-691	-2,967
Increase / (decrease) in net assets		7,144	-277
Net assets at opening date		35,951	36,228
Net assets at closing date		43,094	35,951

The accompanying notes form an integral part of these financial statements

OmniTrend (EUR)

Financial Statements

Statement of Net Assets

expressed in EUR and in thousands

	Notes	30/06/16	31/12/15
Assets		185,200	150,419
Deposits, other cash and margin trading and related accounts	6	159,526	140,327
Unrealised gains on forward foreign exchange transactions	3.2	1,662	608
Unrealised gains on futures	3.2	21,169	8,429
Other receivables	3.4	2,842	1,055
Liabilities		14,664	20,347
Trading and related accounts overdrafts		4,153	5,940
Unrealised losses on forward foreign exchange transactions	3.2	403	1,746
Unrealised losses on futures	3.2	4,514	6,382
Prepaid subscription	9	0	5,000
Other liabilities	3.5	5,594	1,280
Total net assets		170,535	130,072

Number of shares outstanding

01/01/16 - 30/06/16

Institutional shares

Shares at opening date	54,673.745
Shares subscribed	11,416.125
Shares redeemed	0.000
Shares at closing date	66,089.870

Historical statistics

expressed in EUR	30/06/16	31/12/15	31/12/14
Institutional shares			
Net assets (in thousands)	170,535	130,072	133,678
Number of shares	66,089.870	54,673.745	55,066.869
Net asset value per share	2,580.36	2,379.06	2,427.56

OmniTrend (EUR)

Financial Statements

Statement of Operations and Changes in Net Assets

expressed in EUR and in thousands

	Notes	From 01/01/16 to 30/06/16	From 01/01/15 to 31/12/15
Income		10	30
Bank interest and other interest		10	19
Equalisation credits	3.6	0	11
Expenses		4,380	3,266
Management fees	5.1	1,112	2,014
Custodian fees	5.2	15	28
Taxes	4	8	13
Administration fees	5.2	57	101
Equalisation credits	3.6	11	0
Performance fees	5.1	2,420	16
Risk monitoring fees	5.5	37	64
Audit fees		5	8
Interest paid		124	148
Legal fees		3	0
Brokerage fees	5.4	573	845
Other fees and expenses	5.6	14	27
Net gain / (loss) from income and expenses		-4,370	-3,235
Net realised profit / (loss) on financial instruments:			
- forward foreign exchange contracts	3.7	-2,232	-1,655
- futures contracts	3.7	1,933	10,289
- interest rate swaps	3.7	0	3,364
- foreign exchange	3.7	221	-649
Movement in net unrealised appreciation / (depreciation) on financial instruments:			
- money market instruments		0	-1
- forward foreign exchange contracts		2,397	195
- futures contracts		14,608	-8,773
- interest rate swaps		0	-2,165
Net increase / (decrease) in net assets from operations		12,557	-2,630
Proceeds from subscriptions		27,906	3,654
Payments for redemptions		0	-4,629
Increase / (decrease) in net assets		40,463	-3,606
Net assets at opening date		130,072	133,678
Net assets at closing date		170,535	130,072

The accompanying notes form an integral part of these financial statements

OmniTrend Plus (EUR)

Financial Statements

Statement of Net Assets

expressed in EUR and in thousands

	Notes	30/06/16	31/12/15
Assets		112,617	114,262
Deposits, other cash and margin trading and related accounts	6	90,387	102,778
Unrealised gains on forward foreign exchange transactions	3.2	1,469	584
Unrealised gains on futures	3.2	18,257	9,447
Unrealised gains on interest rate swaps	3.2	0	270
Other receivables	3.4	2,504	1,183
Liabilities		12,775	16,805
Trading and related accounts overdrafts		3,368	6,959
Unrealised losses on forward foreign exchange transactions	3.2	389	1,101
Unrealised losses on futures	3.2	4,158	7,328
Other liabilities	3.5	4,859	1,417
Total net assets		99,842	97,457

Number of shares outstanding

01/01/16 - 30/06/16

Institutional shares	
Shares at opening date	31,323.153
Shares subscribed	0.000
Shares redeemed	2,975.476
Shares at closing date	28,347.677

Historical statistics

expressed in EUR	30/06/16	31/12/15	31/12/14
Institutional shares			
Net assets (in thousands)	99,842	97,457	98,996
Number of shares	28,347.677	31,323.153	30,784.631
Net asset value per share	3,522.05	3,111.34	3,215.76

OmniTrend Plus (EUR)

Financial Statements

Statement of Operations and Changes in Net Assets

expressed in EUR and in thousands

	Notes	From 01/01/16 to 30/06/16	From 01/01/15 to 31/12/15
Income		11	78
Bank interest and other interest		11	25
Equalisation credits	3.6	0	52
Expenses		4,148	3,627
Management fees	5.1	1,163	2,265
Custodian fees	5.2	11	21
Taxes	4	5	10
Administration fees	5.2	42	79
Equalisation credits	3.6	52	0
Performance fees	5.1	2,127	77
Risk monitoring fees	5.5	26	48
Audit fees		5	7
Interest paid		126	178
Legal fees		2	0
Brokerage fees	5.4	576	916
Other fees and expenses	5.6	12	26
Net gain / (loss) from income and expenses		-4,137	-3,549
Net realised profit / (loss) on financial instruments:			
- forward foreign exchange contracts	3.7	-1,619	-1,839
- futures contracts	3.7	3,479	10,311
- interest rate swaps	3.7	510	4,134
- foreign exchange	3.7	263	-655
Movement in net unrealised appreciation / (depreciation) on financial instruments:			
- money market instruments		0	-1
- forward foreign exchange contracts		1,596	922
- futures contracts		11,981	-9,733
- interest rate swaps		-270	-2,750
Net increase / (decrease) in net assets from operations		11,803	-3,161
Proceeds from subscriptions		0	5,455
Payments for redemptions		-9,418	-3,833
Increase / (decrease) in net assets		2,385	-1,539
Net assets at opening date		97,457	98,996
Net assets at closing date		99,842	97,457

The accompanying notes form an integral part of these financial statements

OmniTrend (USD)

Financial Statements

Statement of Net Assets

expressed in USD and in thousands

	Notes	30/06/16	31/12/15
Assets		725,292	749,361
Investment long portfolio at market value	3.2	158,561	212,739
Deposits, other cash and margin trading and related accounts	6	471,575	489,693
Unrealised gains on forward foreign exchange transactions	3.2	6,660	3,143
Unrealised gains on futures	3.2	83,981	43,396
Unrealised gains on interest rate swaps	3.2	0	194
Other receivables	3.4	4,516	196
Liabilities		45,796	52,109
Trading and related accounts overdrafts		10,809	7,063
Unrealised losses on forward foreign exchange transactions	3.2	1,675	9,288
Unrealised losses on futures	3.2	18,493	34,435
Unrealised losses on interest rate swaps	3.2	0	147
Prepaid subscription	9	750	0
Other liabilities	3.5	14,069	1,176
Total net assets		679,496	697,253

Number of shares outstanding

01/01/16 - 30/06/16

Institutional shares	
Shares at opening date	331,215.409
Shares subscribed	942.719
Shares redeemed	35,999.891
Shares at closing date	296,158.237

Historical statistics

expressed in USD	30/06/16	31/12/15	31/12/14
Institutional shares			
Net assets (in thousands)	679,496	697,253	773,138
Number of shares	296,158.237	331,215.409	356,034.842
Net asset value per share	2,294.37	2,105.13	2,171.52

OmniTrend (USD)

Financial Statements

Statement of Operations and Changes in Net Assets

expressed in USD and in thousands

	Notes	From 01/01/16 to 30/06/16	From 01/01/15 to 31/12/15
Income		825	849
Interest on money market instruments		340	296
Bank interest and other interest		485	158
Equalisation credits	3.6	0	395
Expenses		18,095	17,430
Management fees	5.1	5,118	10,889
Custodian fees	5.2	72	152
Taxes	4	36	69
Administration fees	5.2	248	522
Equalisation credits	3.6	442	0
Performance fees	5.1	9,392	788
Risk monitoring fees	5.5	169	348
Audit fees		6	8
Interest paid		156	283
Legal fees		12	24
Brokerage fees	5.4	2,408	4,278
Other fees and expenses	5.6	35	68
Net gain / (loss) from income and expenses		-17,270	-16,581
Net realised profit / (loss) on financial instruments:			
- forward foreign exchange contracts	3.7	-10,689	-9,762
- futures contracts	3.7	19,391	51,481
- interest rate swaps	3.7	92	16,777
- foreign exchange	3.7	1,246	-508
Movement in net unrealised appreciation / (depreciation) on financial instruments:			
- money market instruments		157	-61
- forward foreign exchange contracts		11,129	1,648
- futures contracts		56,527	-51,647
- interest rate swaps		-48	-10,785
Net increase / (decrease) in net assets from operations		60,537	-19,438
Proceeds from subscriptions		2,044	75,394
Payments for redemptions		-80,337	-131,841
Increase / (decrease) in net assets		-17,757	-75,885
Net assets at opening date		697,253	773,138
Net assets at closing date		679,496	697,253

The accompanying notes form an integral part of these financial statements

OmniTrend (USD)

Financial Statements

Investment portfolio

at 30/06/16

	Face value	Market value (in thousands)	% of net assets
Money market instruments traded on other regulated markets		158,561	23.3
Bonds		158,561	23.3
USD		158,561	23.3
USA ZCP 101116	20,900,000.00	20,815	3.1
USA ZCP 131016	20,100,000.00	20,033	2.9
USA ZCP 150916	65,000,000.00	64,861	9.5
USA ZCP 180816	36,000,000.00	35,908	5.3
USA ZCP 210716	17,000,000.00	16,944	2.5
Total securities portfolio		158,561	23.3

OmniTrend Plus (USD)

Financial Statements

Statement of Net Assets

expressed in USD and in thousands

	Notes	30/06/16	31/12/15
Assets		51,133	55,578
Investment long portfolio at market value	3.2	12,863	14,551
Deposits, other cash and margin trading and related accounts	6	30,079	35,445
Unrealised gains on forward foreign exchange transactions	3.2	722	535
Unrealised gains on futures	3.2	6,813	5,038
Other receivables	3.4	657	9
Liabilities		3,887	7,991
Trading and related accounts overdrafts		505	629
Unrealised losses on forward foreign exchange transactions	3.2	227	1,440
Unrealised losses on futures	3.2	1,794	3,800
Prepaid subscription	9	0	2,000
Other liabilities	3.5	1,361	122
Total net assets		47,246	47,586

Number of shares outstanding

01/01/16 - 30/06/16

Institutional shares

Shares at opening date	14,869.394
Shares subscribed	3,495.811
Shares redeemed	5,408.560
Shares at closing date	12,956.645

Historical statistics

expressed in USD	30/06/16	31/12/15	31/12/14
Institutional shares			
Net assets (in thousands)	47,246	47,586	82,543
Number of shares	12,956.645	14,869.394	23,987.433
Net asset value per share	3,646.43	3,200.29	3,441.08

OmniTrend Plus (USD)

Financial Statements

Statement of Operations and Changes in Net Assets

expressed in USD and in thousands

	Notes	From 01/01/16 to 30/06/16	From 01/01/15 to 31/12/15
Income		81	700
Interest on money market instruments		42	31
Bank interest and other interest		39	25
Equalisation credits	3.6	0	644
Expenses		1,596	3,232
Management fees	5.1	603	1,972
Custodian fees	5.2	7	19
Taxes	4	3	8
Administration fees	5.2	24	73
Equalisation credits	3.6	153	0
Performance fees	5.1	451	191
Risk monitoring fees	5.5	14	42
Audit fees		6	8
Interest paid		18	57
Legal fees		1	0
Brokerage fees	5.4	308	840
Other fees and expenses	5.6	10	22
Net gain / (loss) from income and expenses		-1,515	-2,531
Net realised profit / (loss) on financial instruments:			
- money markets instruments	3.7	0	1
- forward foreign exchange contracts	3.7	-1,548	-2,221
- futures contracts	3.7	3,048	-219
- interest rate swaps	3.7	0	3,367
- foreign exchange	3.7	114	8
Movement in net unrealised appreciation / (depreciation) on financial instruments:			
- money market instruments		0	5
- forward foreign exchange contracts		1,399	259
- futures contracts		3,781	-8,544
- interest rate swaps		0	-2,757
Net increase / (decrease) in net assets from operations		5,279	-12,631
Proceeds from subscriptions		12,166	63,502
Payments for redemptions		-17,785	-85,827
Increase / (decrease) in net assets		-341	-34,956
Net assets at opening date		47,586	82,543

The accompanying notes form an integral part of these financial statements

Financial Statements

Statement of Operations and Changes in Net Assets

expressed in USD and in thousands

	Notes	From 01/01/16 to 30/06/16	From 01/01/15 to 31/12/15
Net assets at closing date		47,246	47,586

OmniTrend Plus (USD)

Financial Statements

Investment portfolio

at 30/06/16

	Face value	Market value (in thousands)	% of net assets
Money market instruments traded on other regulated markets		12,863	27.2
Bonds		12,863	27.2
USD		12,863	27.2
USA ZCP 180816	3,100,000.00	3,094	6.5
USA ZCP 210716	9,800,000.00	9,769	20.7
Total securities portfolio		12,863	27.2

Transtrend Fund Alliance

NOTES TO THE FINANCIAL STATEMENTS

1 - GENERAL

Transtrend Fund Alliance (the "Company") is a multiple sub-fund investment company (Sicav), incorporated on 4 November 2003 under Part II of Luxembourg law of 17 December 2010 on Undertakings for Collective Investment and under the Luxembourg law of 10 August 1915 on Commercial Companies, as amended. The Company further qualifies as an alternative investment fund under the law of 12 July 2013 on alternative investment fund managers. The Company is registered in the Luxembourg register of commerce under number B 97101. The Company obtained a visa from the Commission de Surveillance du Secteur Financier. The latest prospectus as per the end of the period under review is dated January 2016 and the most recent articles of incorporation are dated 25 July 2014, which were published in the "Mémorial, Recueil Spécial des Sociétés et Associations" of the Grand Duchy of Luxembourg on 11 September 2014.

The Company has established segregated opposable accounts, each constituting a sub-fund within the meaning of article 181 of the law of 17 December 2010 on Undertakings for Collective Investment, whose assets are invested in accordance with the particular investment features applicable to the sub-fund. Each sub-fund is represented by a specific class or classes of shares. This semi-annual report covers the financial period from 1 January 2016 through 30 June 2016. At balance sheet date the Company comprised five active sub-funds: MultiTrend (EUR), OmniTrend (EUR), OmniTrend Plus (EUR), OmniTrend (USD) and OmniTrend Plus (USD).

Coöperatieve Rabobank U.A. ("Rabobank"), a bank of the sub-funds, is affiliated with Transtrend B.V., the manager of the Company, as 100% of the voting interest in the manager is indirectly, and in the course of 2016 is expected to be directly, owned by Robeco Groep N.V. which is owned for approximately 9.99% by Rabobank.

2 - INVESTMENT POLICY

The Company is an investment company which allows investors the opportunity to participate efficiently in global futures, forward, swap or other derivative markets through strategies and portfolios structured to suit the investor's investment objectives. The sub-funds' objective is to achieve for their shareholders long-term capital appreciation while attempting to control risks, primarily through trading on the world's organised futures, forward, and swap markets. The sub-funds may also trade other derivative, margined instruments.

For efficient cash and/or risk management purposes, the sub-funds may employ various risk and money management techniques.

Details of the structure, investment policy and management of the sub-funds are provided in the prospectus.

3 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

3.1 - Presentation of financial statements

The financial statements are prepared in accordance with Luxembourg legal and regulatory requirements applicable to investment funds.

3.2 - Valuation of investments

All contracts traded on any form of organised market are valued at the last available price. Where such price is not representative of the fair value of the relevant contract, the value used is its reasonably foreseeable sales price as determined prudently and in good faith by the Board of Directors and/or the manager in accordance with the valuation principles of the Company.

Futures contracts

Futures contracts are contractual agreements to buy or sell a specified financial instrument, interest rate, currency pair or commodity at a specific price and date in the future. These contracts are transacted in standardised amounts on regulated exchanges, or in particular cases in the OTC market and subsequently brought forward for clearing to the clearing houses of such exchanges, and are subject to daily cash margin requirements. During the period that the Company has an open position in a futures contract, changes in the value of the contract are recognised as unrealised gains or losses based on the last known market value of the contract at each trading day. Variation margin payments are made or received, depending upon whether unrealised gains or losses are incurred.

Transtrend Fund Alliance

The commitments for open futures contracts are valued by multiplying the number of contracts held in position with the settlement price and the point value.

The futures contracts are collateralised by cash held with clearing brokers in trading and related accounts.

Forward foreign exchange contracts

Forward foreign exchange transactions are effectuated on a principal-to-principal basis in the OTC market. Such transactions current at balance sheet date are valued at the forward rates applicable to the remaining life of the relevant contracts.

The forward foreign exchange contracts are collateralised by cash held with clearing brokers in trading and related accounts.

Interest rate swaps

An interest rate swap is a derivative transaction in which two parties enter into an agreement whereby one party exchanges fixed revenues into variable revenues and vice-versa over a specified amount and period. All interest rate swaps traded are centrally cleared and valued at market value.

Money market instruments

Money market instruments with a maturity date of less than twelve months are valued on a mark-to-market basis. Realised gains are recognised as interest.

3.3 - Exchange rates

The Company maintains its accounting records in EUR. Cash deposits, other net assets, the market value of investments and the unrealised result on derivatives expressed in currencies other than EUR are converted into EUR at the exchange rate prevailing at the closing date of the semi-annual accounts. Income and expenses in currencies other than EUR are converted into EUR at the exchange rates prevailing on the date of payment. Resulting realised and unrealised foreign exchange gains and losses are included in the statement of operations and changes in net assets.

The following exchange rates prevailing at 30 June 2016 were used:

EUR	1	=	1.4907	AUD	EUR	1	=	20.3009	MXN
EUR	1	=	3.5687	BRL	EUR	1	=	4.4728	MYR
EUR	1	=	1.4355	CAD	EUR	1	=	9.2900	NOK
EUR	1	=	1.0840	CHF	EUR	1	=	1.5569	NZD
EUR	1	=	735.1850	CLP	EUR	1	=	3.6500	PEN
EUR	1	=	7.4066	CNH	EUR	1	=	52.3090	PHP
EUR	1	=	7.3830	CNY	EUR	1	=	4.3779	PLN
EUR	1	=	3,243.0000	COP	EUR	1	=	4.5234	RON
EUR	1	=	27.0890	CZK	EUR	1	=	71.0450	RUB
EUR	1	=	7.4395	DKK	EUR	1	=	9.3953	SEK
EUR	1	=	0.8341	GBP	EUR	1	=	1.4961	SGD
EUR	1	=	8.6170	HKD	EUR	1	=	38.7910	THB
EUR	1	=	315.6750	HUF	EUR	1	=	3.2022	TRY
EUR	1	=	14,673.1400	IDR	EUR	1	=	35.7786	TWD
EUR	1	=	74.9660	INR	EUR	1	=	1.1106	USD
EUR	1	=	114.6200	JPY	EUR	1	=	16.3744	ZAR
EUR	1	=	1,279.7350	KRW					

For the consolidated figures, the exchange rate of 1.1106 (EUR : USD) prevailing at 30 June 2016 is used.

3.4 - Other receivables

Other receivables are mainly composed of interest receivable, fees paid in advance which have not yet been included in the net asset value of the applicable sub-fund, and the receivable component of FX hedges, if any.

3.5 - Other liabilities

Other liabilities are mainly composed of management fees, performance fees and administration fees payable, and the payable component of FX hedges, if any.

3.6 - Equalisation credits

The caption "equalisation credits" represents the change in the value of equalisation credits related to investments in a class of shares, which have been accrued in the net asset value of the applicable sub-fund.

Transtrend Fund Alliance

3.7 - Realised gains and losses on investments

Realised gains and losses on sales and purchases of futures are determined on the basis of the FIFO method; realised gains and losses on sales and purchases of forward contracts and interest rate swaps are determined at maturity date or upon novation. Realised gains and losses on sales of money market instruments are determined at the basis of the mark-to-market method. Interest is accrued on a monthly basis.

3.8 - Accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in Luxembourg requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported accounts of income and expenses during the reporting period. Actual results may differ from those estimates.

3.9 - Presentation of financial statements

All figures disclosed in the financial statements are reported in thousands. As a result, small rounding differences may occur.

4 - TAXES

Under the legislation and regulations currently prevailing in Luxembourg, the Company is not subject to any taxes on profits or income. However, the Company is subject to a *taxe d'abonnement* at the rate of 0.05% per annum, calculated and payable quarterly on the aggregate net assets of the Company as valued on the last day of each quarter. A reduced tax rate of 0.01% per annum is applicable to individual sub-funds as well as to individual classes of shares issued within a sub-fund provided that the shares of such sub-funds or classes are reserved to one or more institutional investors, which is the case for the OmniTrend sub-funds. Dividends and interest received may be subject to non-recoverable withholding or other taxes in the country of origin.

5 - FEES PAYABLE BY THE FUND

The fees and charges of the depositary, administrator, clearing brokers, manager, auditor, legal advisers and other service providers are paid out of the net assets of each sub-fund and conform to common practice.

5.1 - Management and performance fees

The Company, in respect of each sub-fund, will normally pay the manager management and performance fees. The sub-funds pay the manager a monthly management fee of 1/12th of 1.5% of the trading level established at the beginning of the month, in general representing for MultiTrend (EUR) 1/12th of 3% and for OmniTrend Plus (EUR) and OmniTrend Plus (USD) 1/12th of 2.25% of the corresponding net asset value, payable in arrears.

The sub-funds pay the manager a performance fee of 20% of the appreciation of the gross net asset value per share, accruing monthly as at each valuation day and for MultiTrend (EUR) payable annually at the end of each calendar year and for the OmniTrend sub-funds payable semi-annually at the end of each half calendar year, or upon any redemption of shares. A "high water mark" and equalisation are applied.

The performance fees as reported in the statements of operations do not include equalisation deficits which crystallised during the reporting period. As such crystallisation is effectuated by a redemption of shares, the relevant amounts are accounted for in the payments for redemptions as reported in the statements of operations and changes in net assets. The value of these crystallised equalisation deficits does however represent performance fees paid to the manager.

In the period under review the aggregate value of crystallised deficits per sub-fund, if any, amounted to:

- EUR 0 for MultiTrend (EUR)
- EUR 0 for OmniTrend (EUR)
- EUR 0 for OmniTrend Plus (EUR)
- USD 56,460 for OmniTrend (USD)
- USD 64,717 for OmniTrend Plus (USD)

5.2 - Depositary and administration fees

The fees for supervisory services payable to the depositary are charged on the basis of the total net assets of the sub-funds. The main components of the fees for administration services payable to the administrator are the monthly NAV calculation and the maintenance of the shareholder register, among others to meet AML/KYC and FATCA requirements. Fees for the NAV calculation are charged on the basis of the aggregate net assets of the sub-funds.

Transtrend Fund Alliance

5.3 - Redemption fees

The sub-funds may charge a redemption fee of up to 1% of a sub-fund's net asset value per share upon the redemption of shares by shareholders. No redemption fees have been charged during the reporting period.

5.4 - Brokerage fees

The sub-funds pay the clearing brokers transaction charges in the form of brokerage commissions, which represent institutional rates.

5.5 - Risk monitoring fees

The OmniTrend sub-funds pay the risk monitoring agent a monthly fee of 1/12th of 0.15% of their net asset value as at each valuation day, with a minimum of EUR 2,000 per month. The risk monitoring fee rate is subject to a sliding scale, which is related to the aggregate net asset value of all OmniTrend sub-funds for which RPM Risk & Portfolio Management AB act as independent risk monitoring agent.

5.6 - Directors' remuneration

The independent directors of the Company are remunerated for their services at a fixed fee, which in 2016 on aggregate amounts to EUR 55,000, which is included under the caption "other fees and expenses". The directors affiliated with the manager do not receive any remuneration for their services as director. The independent directors are reimbursed for their travel expenses.

6 - COUNTERPARTY RISK

The Company is subject to the risk that counterparties will not be able to fulfil their obligations with respect to transactions, positions, balances or otherwise, whether due to insolvency, bankruptcy or other causes. In such case, the Company may be able to recover none or only a portion of its assets, including unrealised profits, held with such counterparty. This could subject the Company to substantial losses. In an effort to mitigate such risk, the Company attempts to diversify its exposure across a select number of counterparties, while limiting its transactions to counterparties which have been selected on the basis of, among others, their expertise, reputation and experience. As per the end of the reporting period, the clearing brokers and the banks on aggregate hold, in addition to all futures, forward foreign exchange contracts and interest rate swap positions (including unrealised gains on trading positions), the below listed cash amounts per sub-fund.

Sub-fund	Cash exposure as at 30/06/16
MultiTrend (EUR)	€ 36,096,491
OmniTrend (EUR)	€ 147,781,625
OmniTrend Plus (EUR)	€ 83,163,930
OmniTrend (USD)	\$ 323,078,951
OmniTrend Plus (USD)	\$ 20,185,435

In order to initiate and maintain positions in financial instruments, part of the Company's assets held with a clearing broker will be posted at clearing houses and potentially with one or more carrying brokers or sub-custodians selected by the clearing broker. Also, in case a clearing broker holds the Company's money on a segregated basis, such money generally will be held at banks as selected by the clearing broker. As a result, the effective counterparty risk in respect of the money held with such clearing broker is to such third parties. Margin held in the form of securities may be subject to a right of re-using for the clearing broker, and to the extent that a clearing broker has used such right, such securities will not be segregated from the clearing broker's own assets and the effective counterparty risk in respect of those securities is to the clearing broker.

Initial margin held at trading accounts and related accounts represents cash deposits held with clearing brokers as collateral for open positions in futures, foreign exchange forwards and interest rate swaps. As at 30 June 2016 the initial margin held at the sub-funds' trading and related accounts per clearing broker amounted to:

Sub-fund	Deutsche Bank AG	SG Newedge UK Ltd	UBS AG	UBS Ltd	UBS Securities LLC
MultiTrend (EUR)	€ 788,927	€ 10,748,979	€ 564,759	€ 2,733,289	€ 714,889
OmniTrend (EUR)	€ 2,383,499	€ 32,932,202	€ 1,771,447	€ 8,056,648	€ 2,241,866
OmniTrend Plus (EUR)	€ 2,012,737	€ 28,210,196	€ 1,493,270	€ 6,759,611	€ 1,915,007
OmniTrend (USD)	\$ 8,633,671	\$ 129,086,266	\$ 6,887,062	\$ 33,010,498	\$ 2,814,920
OmniTrend Plus (USD)	\$ 762,399	\$ 11,431,195	\$ 558,873	\$ 2,702,891	\$ 123,618

The sub-funds hold forward foreign exchange contracts bilaterally with Société Générale Newedge UK Ltd and UBS AG.

Transtrend Fund Alliance

7 - DISTRIBUTION

The Board of Directors may propose a dividend at any time in the future. However, it is intended that capital appreciation in the net assets at the end of the financial period will remain invested in the sub-funds. No dividend was distributed during the reporting period.

8 - CHANGES IN INVESTMENT PORTFOLIO COMPOSITION

During the period under review the sub-funds established an investment portfolio in the meaning of Schedule B of Annex I to the Luxembourg law of 17 December 2010 on Investment for Collective Undertakings, comprising money market instruments for efficient cash and/or risk management purposes. The details of the changes in the investment portfolio composition during the period under review may be inspected by shareholders during usual business hours on any business day at the registered office of the Company.

9 - SUBSEQUENT EVENT

As at 30 June 2016, prepaid subscriptions were received by the following sub-fund:

- OmniTrend (USD): USD 750,000

Transtrend Fund Alliance

SUPPLEMENTARY INFORMATION

RISK MANAGEMENT

The Company is exposed to a variety of financial risks as a result of its activities. These risks include market risk, counterparty risk and liquidity risk. For a description of other relevant risk factors, we refer to the current prospectus of the Company.

Structure

The manager is responsible for the overall risk management approach for each of the sub-funds of the Company and employs a risk management process to identify, measure, monitor, manage and report the different types of risk in relation to the Company. This process is based on the principle that proper risk management acts by anticipation instead of by response. Although the manager considers risk management primarily to be a responsibility of each of its directors and employees, an independent risk management function has been established to support them by developing and implementing policies, methodologies and tools for the identification, measurement, management, monitoring and reporting of risks, thus ensuring a consistent risk management framework. The manager responsible for this independent risk management function reports periodically to the Board of Directors in respect of all major risk factors related to the Company.

Integrated risk management

The manager's trading program is designed to pursue capital growth within the limits of a defined risk tolerance. Risk and portfolio management are fully integrated in the manager's systematic investment approach, which is based on quantitative analysis of signaled price behavior. Market risk and liquidity risk are systematically controlled in the Diversified Trend Program, which contains a set of predefined trading rules and predefined risk management parameters.

Key financial risks

The summary of key financial risks is as follows:

Market risk

Market risk is the risk that the value of financial instruments fluctuates due to changes in market variables such as interest rates, foreign exchange rates, equity and commodity prices.

Market risk controls are fully embedded in the manager's trading program and are based on internally developed measures, which take into account correlation between individual markets. At portfolio level, the manager measures market risk based on the estimated aggregate impact of a major adverse price movement in any particular market and the co-inciding adverse price effects in correlated markets. Based on a certain confidence interval, the impact of such event should not exceed a predetermined level, which differs per sub-fund depending on the trading program's subset and the leverage employed and which is disclosed in the prospectus of the Company. In relation to this risk limit, it is noted that one event can be followed by other events without full compensation of losses incurred as a result of the previous event. Hence, drawdowns of a sub-fund may be higher than the predetermined level disclosed in the prospectus.

Liquidity risk

Liquidity risk entails the risk that due to a lack of liquidity in a market it is not possible to enter into or exit a position at a fair value, within a desired amount of time. Liquidity risk controls are embedded in the manager's trading program by means of certain pre-defined market liquidity requirements. In general, positions are entered into taking into account that liquidation of the position should be possible within three business days, although there is always a risk that this requirement will not be met under extraordinary circumstances. For purposes of this liquidity requirement, the manager estimates the liquidity per market at least every six months. Subsequently, positions are taken based on these estimates. Whether actual liquidity differs materially from the estimated liquidity is monitored on a daily basis. In predefined circumstances, maximum positions may be lowered based on an observed decrease in liquidity. Additionally, as the sub-funds invest in financial instruments only, the majority of a sub-funds' net asset value generally consists of cash and/or liquid interest rate securities.

With respect to the Company, liquidity risk also refers to the (im)possibility of an investor to redeem his investment from a sub-fund. From this point of view, liquidity risk of the sub-funds is also mitigated by the fact that shareholders may request redemption of their shares on a monthly basis only with a three days notice period. In addition, the prospectus of the Company allows the manager or the Board of Directors to impose a gate if aggregate redemption requests in a certain month exceed an amount of 25% of a sub-fund's net asset value. However, even though aggregate redemption requests exceeding 25% have occurred several times in the past, such gate has never been activated. For more information about redemption conditions, we refer to the Company's current prospectus.

Transtrend Fund Alliance

SUPPLEMENTARY INFORMATION

Counterparty risk

The Company is subject to the risk that counterparties will not be able to fulfil their obligations with respect to transactions, positions, balances or otherwise, whether due to insolvency, bankruptcy or other causes. In such case, the Company may be able to recover none or only a portion of its assets, including unrealised trading profits, held with such counterparty. In an effort to mitigate such risk, the manager attempts to diversify the Company's exposures across a select number of counterparties, which have been selected and are monitored by the manager on the basis of, among others, their expertise, reputation and experience. At a minimum, the manager aims to diversify each sub-fund's assets across at least one bank and the depositary, and across two clearing brokers, which minimum has been met at all times during the reporting period. Additionally, the manager may invest part of the sub-funds' excess cash into liquid interest rate securities if necessary for risk management purposes. Actual allocations of a sub-fund across the various counterparties are disclosed to MultiTrend (EUR) investors on a monthly basis via the manager's performance update and the website www.multitrend.com, and to OmniTrend investors via the daily RPM risk report.

Upon review of the internal currency risk limit, the manager noted that this limit was incorrectly defined in the risk management policy, which effectively resulted in a breach without any impact for the Company. No other internal risk limits for the above mentioned risks in relation to the Company were breached during the reporting period. Further information on risk management is available to the shareholders at the registered office of the manager.

GROSS LEVERAGE FACTOR

Pursuant to the AIFM directive and supplementing regulations, the actual amount of leverage applied by each sub-fund shall be measured through the gross leverage factor and the commitment leverage factor. As the manager does not actively use any hedging or netting technique in its trading pursuant to the Diversified Trend Program, the commitment leverage factor of each sub-fund is considered equal to the gross leverage factor of the sub-fund. The gross leverage factor included in the table below is calculated in accordance with the "gross method" defined under the AIFM directive, and expresses the amount of leverage applied as the ratio of a sub-fund's investment exposure and its net asset value, whereby the investment exposure measures the aggregate underlying value of all investment positions in portfolio. In order to make sure that the leverage applied by a sub-fund according to this method is fairly presented, the effect of net cashflow resulting from subscriptions and redemptions on a sub-fund's net asset value is taken into account as soon as a sub-fund's trading positions have been adjusted accordingly.

Sub-fund	Gross Leverage Factor as at 30/06/16
MultiTrend (EUR)	6,581%
OmniTrend (EUR)	4,753%
OmniTrend Plus (EUR)	6,916%
OmniTrend (USD)	4,709%
OmniTrend Plus (USD)	7,208%

MARGIN-TO-EQUITY RATIO

The gross leverage factor and the commitment leverage factor measure each sub-fund's leverage on the basis of the aggregate underlying value of positions in the portfolio. However, the manager is of the opinion that such aggregate underlying value may not represent a meaningful indication of portfolio risk, especially when an active trading approach is pursued or when interest rate derivatives or spread positions are part of such portfolio, all of which is typically the case for each sub-fund. Margin-to-equity is a more commonly used risk indicator for the sub-funds' investment strategy. Due to the use of notional funds, if applicable, the margin-to-equity ratio in terms of net asset value (NAV) will differ from the margin-to-equity ratio on trading level (TL). In accordance with the Company's investment restrictions, each sub-fund will not commit more than 70% of its net asset value on aggregate as margin for financial instruments, which effectively limits the amount of each sub-fund's risk resulting from the leverage applied.

Sub-fund	Margin-to-Equity (TL) as at 30/06/16	Margin-to-Equity (NAV) as at 30/06/2016
MultiTrend (EUR)	19.41%	38.81%
OmniTrend (EUR)	27.67%	27.67%
OmniTrend Plus (EUR)	27.04%	40.56%
OmniTrend (USD)	26.45%	26.45%
OmniTrend Plus (USD)	28.23%	42.35%

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