

MONTHLY REPORT

January 2019 Factsheet

Jb
HIGH ALPHA
FUND

Fund Details

Name	JB High Alpha Fund
Entity	Open-ended Investment Unit Trust
Domicile	Australia
Portfolio Manager	Stuart McAuliffe
Investment Manager	John Bridgeman Limited
Broking & Clearing	JB Markets Pty Ltd/ Macquarie Bank
Trustee	JB Markets Pty Ltd
Fund Inception Date	14 February 2017
Minimum Investment Amount	\$50,000
Investor type	Wholesale clients only
Units	All units will rank equally with each other
Currency	Reported in Australian Dollars
Management Fee	2.0% of net AUM
Performance Fee	23.0% of the increase in Fund's net asset value (NAV)
High water mark	Yes
Distributions	Nil
Liquidity	Weekly
APIR code	JBMX889AU

Investment Manager

The JB High Alpha Fund has appointed John Bridgeman Limited to manage the Portfolio in accordance with the terms and conditions of the Management Services Agreement. The Manager and its investment team have considerable experience in investment management across different geographies, sectors and industries. The Manager operates a specialist investment management business, and is listed on the National Stock Exchange of Australia under the ticker "JBL".

Portfolio Manager

Stuart McAuliffe, Managing Director and Chief Investment Officer of John Bridgeman Limited, has primary responsibility for the investment decisions of the Investment Manager. He is supported by a team of investment professionals who have skills and expertise across Australian and global markets.

Stuart has over 25 years' experience investing in global equity, bond, currency and commodity markets. He has pioneered innovative research into the correlation and causation between different global equity and currency markets over short, medium and long term time periods. As the senior executive responsible for investments, he uses a 'layered' approach combining multiple time frame fundamental analysis with short term technical trading patterns to maximise returns while managing risk.

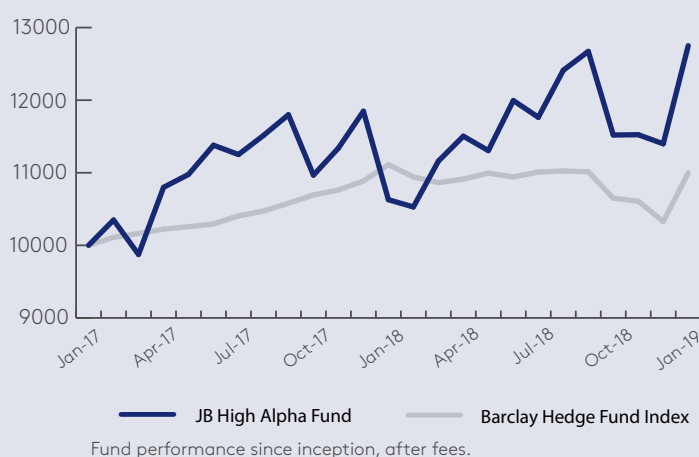
Performance as at 31 January 2019

	Fund	Barclay Hedge Fund Index	Outperformance
1 Month	11.85%	3.26%	8.59%
3 Months	10.81%	0.22%	10.59%
6 Months	9.32%	-3.04%	12.36%
1 Year	19.91%	-3.94%	23.85%
Since inception (Feb 17)	27.51%	7.63%	19.88%

Past trading performance is not a reliable indicator of future performance. Returns displayed are net of fees. Fees and other costs are exclusive of GST unless otherwise stated.

Performance Chart

Growth of \$10,000 investment since fund inception



MONTHLY REPORT

January 2019 Factsheet

Market Update

U.S. equities rallied to cap their biggest monthly gain in three years as better-than-expected corporate earnings and the Federal Reserve's dovish turn lifted investor sentiment. The S&P 500 posted its best month since October 2015 after the Fed's statement helped ease fears that the central bank would continue with plans to tighten policy even in the face of cooling economic data.

The index was up 7% in Jan though it still remains 8% below its record high close in Sep 2018. Technology emerges from nightmare quarter in surprisingly robust shape as they still represent reliable sources of growth and are cheap at current levels.

USD weakened to a four-month low and the Treasury yield curve steepened as the two-year rate crashed and as the 10yr yield fell to 11 month lows. Fed signalled flexibility on reducing its balance sheet. Outside the earnings realm, markets were also buoyed by positive sentiment emanating from constructive trade talks between US and Chinese officials to end the trade wars. Crude rallied 20% towards \$55/bbl on global growth sentiment and as expectations the market will be tightened by OPEC's output cuts.

Investment Manager Outlook Statement

Stuart McAuliffe, *Portfolio Manager*.

"After severe global falls, equities made sense again from the perspective of valuation. The UK and Europe still offer upside as they are still at low bases and earnings are at near recessionary levels. The Federal Reserve has dramatically backed away from their aggressive rate rises and this has settled markets. It has also pushed down the US Dollar and most other currencies are likely to rally against USD. This is likely to also rally commodities and that's the main reason you have gold rallying and oil bouncing off lows. Onward and upward.

Fund Statistics

Annualised return	12.92%
Annualised volatility	0.16828
Sharpe ratio (risk free rate is AUD 3 month BB rate)	0.18785
Sortino ratio	0.32391
Positive Months (%)	63%

Fund Objective

The Fund's objective is to provide investors with moderate to high portfolio appreciation over the medium to long-term through active management of the investment assets. The Fund will invest in a range of financial products that focus on Global Macroeconomics and, in holding both long and short positions, will seek absolute returns regardless of market direction. The Fund will predominantly invest and trade in global futures markets worldwide, across categories such as share indices, interest rates, currencies and commodities. The Fund may also invest in over-the-counter derivatives, listed equities and cash.

Fund Strategy

The strategy aims to identify medium and long-term trends and trend shifts, but to also vary position size given short-term technical indicators including sentiment and momentum. The strategy targets positive results over 12 month rolling periods.

The Investment Manager's advantage lies in correct assessment of broad valuation measures, macroeconomic environment, sentiment and economic forecasting.

For more information, please speak to your financial advisor or contact us.

Level 9, Riverside Centre
123 Eagle Street, Brisbane, QLD, 4000
Phone: 1300 108 495
Email: peter.aardoom@jbmarkets.com
Web: www.jbmarkets.com

Important information: This information is provided by JB Markets Pty Ltd for information only. Past trading performance is not a reliable indicator of future trading performance. Returns are net of fees and expenses and assume income is reinvested in additional units and that tax has not been deducted. No account has been taken of the objectives, financial situation or needs of any particular person. Accordingly, to the extent this material constitutes general financial product advice, investors should, before acting on the advice, consider the appropriateness of the advice, having regard to the investor's objectives, financial situation and needs. This is not an offer or recommendation to buy or sell securities or other financial products, nor a solicitation for deposits or other business, whether directly or indirectly. An Information Memorandum (IM) for the fund, under which invitations to apply to invest in the fund are made, is available from JB Markets Pty Ltd. Investors should consider the current IM in deciding whether to invest in the fund, or to continue to hold their investments in the fund. Unless an exemption applies, anyone wishing to apply to invest in the fund will need to complete the application form accompanying the IM. Prior to JB Markets providing any financial services to you, you should read JB Markets' Financial Services Guide which is available on website www.jbmarkets.com.